

Sustainable Investment Report

Storebrand Asset Management

2025 • Full year

Photo: Rob Wicks, Unsplash

Table of contents

Introduction	2
A message from our CEO	3
A message from our Head of Sustainable Investment	4
About	5
Highlights in 2025	7
Main sustainability KPIs in 2025	8
A part of the Storebrand Group	10
Sustainability Strategy	14
Business Strategy	15
Philosophy and principles	17
Our approach to sustainable investment.	18
1. Solution-driven investment	19
2. Screening and Exclusions	21
3. Engagement and Voting	24
4. Portfolio integration	28
Governance	29
Sustainability Implementation.	35
1. Solutions driven investment.	37
2. Screening and exclusions	41
Toyota Motor Corporation	42
Caterpillar (CAT) excluded	44
3. Engagement and voting	45
Engagement data 2025	46
Activities and progress across engagement themes in 2025	48
Voting	57
Tesla: Voting against disproportionate executive remuneration	62
Team	63
About the Risk & Ownership Team	63

We aim for this document to provide a comprehensive overview that expands on information available in the Storebrand's Group Annual Report, as well as our several thematic reports such as our annual Progress on Climate and Nature, and our annual progress report on implementation of the Sustainable Blue Economy Finance Principles. In addition, we publish quarterly editions of the Sustainable Investment Review. These and other information can be found in the document library section of our website

A message from our CEO



Jan Erik Saugestad CEO, Storebrand Asset Management

Dear reader,

2025 continued the trend we had seen in recent years of increased uncertainty amid geopolitical tensions and volatile financial markets. In this environment, the need for a long-term perspective has become even clearer than ever before. Our approach remains unchanged. Sustainability is an integral part of our fiduciary duty. It is also a necessary condition for long-term value creation. This report provides an overview of how we have worked to implement this in practice over the past year.

A central theme in 2025 has been the growing complexity of risk. In particular, the rise in conflict has brought renewed focus on human rights, supply chains, and companies' activities in high-risk areas. We have continued to develop our framework for identifying and managing such risks, and to apply our standards in a consistent manner.

At the same time, sustainable investing has been subject to increased scrutiny. We consider this a natural part of a maturing field. Our focus has been to remain consistent in our principles and transparent in our decisions. This includes being clear about expectations, as well as taking action where these are not met.

Active ownership continues to be a key tool. During the year, we have engaged with companies across a range of topics, including climate, biodiversity, labour rights and governance. Engagement is our preferred approach, but not an end in itself. Where we do not see sufficient progress, we will take further steps, including exclusion where necessary.

We have also continued to develop our investment solutions. In particular, investments in renewable infrastructure and other real assets remain an important part of our contribution to the transition. These investments also reflect the growing importance of private markets for long-term investors.

Regulatory developments have remained an important backdrop. We have contributed to policy discussions, while continuing to make independent assessments. Our responsibility is to ensure that our portfolios are managed in line with our principles and our clients' long-term interests.

Transparency remains a priority. Through this report, and our quarterly publications, we aim to provide a clear account of our activities, including engagement, voting, exclusions and investments.

We expect the operating environment to remain demanding. At the same time, the need for capital to support the transition in the real economy continues to grow. We will remain disciplined in our approach, and consistent in how we apply our principles.

I would like to thank our clients and partners for their continued trust, as we continue our work in sustainable investment.



A message from our Head of Sustainable Investment

Kamil Zabielski
Head of Sustainable Investment,

We are pleased to share the latest edition of our Sustainable Investment Report, providing an overview of our work on sustainable investments during 2025.

The year was marked by a significant increase in the challenges we face in the arena of sustainability.

Achieving the transition to a net zero economy is foremost among these. There, we saw significant shifts in policy at the national level in some major countries. That, in turn has led to a certain degree of polarization, with some companies and investors based in the US pulling back from some of their previous commitments, while on our side of the Atlantic we saw many, like us, remaining firmly committed to our role as a financial institution in appropriately addressing the physical, financial and systemic risks of climate change.

Awareness has grown, across the financial sector, of the need to protect nature and the systemic services it delivers, which support life and economic value creation. That said, much progress needs to be made in matching this rise in awareness, with realigning the allocation of capital to pathways compatible with sustaining nature and biodiversity. Central to this, is effectively utilising nature data to identify and map companies, geospatial asset specific location information, and sensitive areas with company and portfolio risk to better target high risk companies for exercising active ownership. At Storebrand AM, we have led the way in efforts to integrate nature and climate data into our portfolio management processes. Given the limitation of data availability and granularity, this is a work-in-progress, and one in which we are active in sharing insights on across the financial sector.

Human rights-related risks continued to grow, in line with rising levels of global conflict and polarisation. This has driven an increase in the exposure of companies to the risk of negative impacts on human rights, particularly in conflict affected and high-risk areas. The same drivers have also boosted the involvement of technology companies and companies from several other sectors, in military-related technologies and services, which also is contributing to a growing – and often hidden - risk of human rights violations.

Nonetheless, we believe we have in place a solid foundation of principles, processes and expertise that enables us to navigate and respond to this complex and changing landscape in a responsible manner – and that we have demonstrated this through our work in the past year.

About Storebrand AM

Storebrand Asset Management offers a broad range of investment strategies spanning equities, fixed income, alternatives, and multi-asset solutions. Our approach combines innovation with more than 30 years of sustainability expertise, helping clients achieve their financial goals while contributing to long-term value creation.

A driving force for sustainable investments

Since its inception, Storebrand AM has grown steadily, through acquiring external mandates and incorporating specialist investment managers, to form a multi-boutique asset management group. External mandates now make more than half of Storebrand AM's assets under management, and we are one now of the largest private asset managers in the Nordic region with NOK 1609 billion invested in companies around the world.

Storebrand AM is licensed under the Norwegian Securities Funds Act and the Alternative Investment Funds Act to manage securities funds and alternative investment funds, and to deliver active portfolio management to clients.

About this report

The Storebrand Asset Management Annual Sustainable Investment Report is designed to provide a comprehensive annual summary of Storebrand AM's work related to sustainable investments, as well as a window into the external context that we operate in.

This report covers all funds managed directly by Storebrand AM, expanding on the summary information that we include in the Storebrand Group (Storebrand ASA) Annual Report, and in the periodic updates published in our quarterly [Sustainable Investment Reviews](#).

For a complete overview of all our reports, please visit the [reporting and transparency section](#) of our website.

Key figures & highlights 2025



Assets under management,
NOK billion:

1,609



Investment in solutions
(NOK)/share of AuM:

**NOK 318
billion / 19.8%**



Assets under management (AuM)
screened for sustainability criteria

100%



Share of investments in companies
that have validated, science-based
targets:

43%

Ongoing engagements:

895

Shareholder proposals voted on:

46%

Direct bilateral engagements:

145

Share of votes against management recommendations:

9%

Share of equity investments represented by meetings that we voted at:

92%

Prioritised engagement themes

Individual:

Climate change



Nature and biodiversity



Human rights



Cross-cutting:

Policy dialogue



Sustainability disclosure



Highlights in 2025

Q1

January-March

The Investor Alliance for Human Rights initiative, which Storebrand AM is engaged in, released a new guide for investors, on managing risk related to conflict-affected and high-risk areas (CAHRA).

Storebrand Asset Management CEO Jan Erik Saugestad joined forces with Francois Mosnier, Head of Ocean Programme, Planet Tracker, in publishing a request to the Norwegian government to formally oppose deep-sea mining, based on the lack of knowledge and severe risks posed to critical ecosystems.

We were part of a group of investors that jointly issued a letter calling for national-level action around the world on living wages.

Q3

July-September

The High Seas Treaty was ratified, an important step in securing the stability of ecosystems, and an outcome that Storebrand AM has long been at the forefront of advocacy for through the Finance for Biodiversity initiative (FfB), in which we have operated in a leading role.

We were formally named by the Financial Reporting Council (FRC) as a 2025 signatory to the UK Stewardship Code.

The Storebrand AM Risk and Ownership team was strengthened and expanded with a restructuring to include the team from our active value strategies boutique SKAGEN, and the recruitment of several new team members.

Q2

April-June

Storebrand was listed, and ranked highest among Norwegian companies, when TIME and data firm Statista partnered to rank the world's 500 most sustainable companies in 2025.

Storebrand AM's private equity boutique Cubera published its annual impact report, covering Cubera Impact I's progress in addressing environmental and social challenges through scalable, commercial solutions. Storebrand AM excluded from investment the world's largest carmaker, Toyota, following a long process of engagement and lack of progress on its climate commitments and lobbying activities.

We completed our latest annual round of screening for deforestation risk in our portfolios, featuring a dataset with an improved degree of reliability.

Q4

October-December

Storebrand won recognition as European Responsible Investment Manager of the Year at the Funds Europe Awards 2025 in London.

Storebrand achieved an overall "A-" score in CDP 2025, a global rating on climate and nature issues, maintaining our "A-" on climate and improving our deforestation score from "B" to "A-".

In the UK, one of the world's most competitive financial markets, Storebrand AM was "Highly Commended" in the Sustainability Manager category at the UK's Local Government Chronicle Investment Awards 2025.

Storebrand AM won the "Collaborative Leadership for Nature" award at the Finance for Biodiversity Summit, for our strong, collaborative approach to integrating biodiversity into finance.

Storebrand was a participant at the PRI In Person Conference in Brazil.

Storebrand featured at the 14th UN Forum on Business and Human Rights in Geneva, the world's largest gathering on business and human rights, where we shared an investor perspective, as well as our insights and experiences.

Storebrand Real Estate (SRE) achieved a top rating of 5 stars in GRESB, while SPP Fastigheter, managed by SRE, achieved the same rating in Sweden.

Main sustainability KPIs in 2025

Categories and metrics	Results						Targets		
	2020	2021	2022	2023	2024	2025	2025	2027	2030
Sustainability rating									
CDP-rating	A-	A-	A	A	A	A-	A	A	A
Financial									
Assets under management (Bn. NOK)	921	1097	1020	1212	1469	1609	N/A	N/A	N/A
Sustainability									
Share of total assets screened based on sustainability criteria	100%	100%	100%	100%	100%	100%	100%	100%	100%
GRESB score direct real estate investments (value-weighted average) ^(*)	85.0%	88.6%	91.5%	93.6%	91.0%	92%	Top 20 %	Top 20 %	Top 20 %
Solution investments									
Investments in solutions (solutions companies, green bonds, green infrastructure and real estate with environmental certification): NOK billion / share of total assets	92.6 / 9.6 %	123.1 / 11.2 %	126.8 / 12.4 %	154.9 / 12.8 %	225.28 / 16.25 %	318.35 / 19.79%	N/A	N/A	20%
Equity investments in solutions: NOK billion/ share of total equity investments	50.3 / 13 %	62.6 / 13 %	39.3 / 9 %	55.1 / 9.56 %	67.8 / 9.45 %	122.75 / 15.42%	N/A	N/A	N/A
Bond investments in solutions: NOK billion/ share of total bond investments ^(**)	New	New	35.0 / 9 %	47.3 / 11.35 %	68.8 / 14.95 %	95.02 / 19.00%	N/A	N/A	N/A
Investments in green bonds: NOK billion/ share of total bond investments	22.2 / 5 %	25.7 / 6 %	32.0 / 8.3 %	40.7 / 9.8 %	59.5 / 12.9 %	77.9 / 15.58%	N/A	N/A	N/A
Investments in green infrastructure: NOK billion / share of total infrastructure investments	New	1.5 / 100 %	3.5 / 100 %	3.7 / 100 %	31.9 / 86.9 %	57.92 / 53%	N/A	N/A	N/A
Investments in certified green real estate: NOK billion/ share of certifiable real estate investments ^(***)	20.1 / 43 %	33.3 / 68 %	49.0 / 64.6 %	48.8 / 61.9 %	56 / 68.3 %	41.94 / 49.21%	70%	70%	78%

Notes

(*) The goal is for all relevant real estate portfolios to achieve 5 stars in GRESB. This means that one must be among the top 20 per cent globally, and therefore cannot directly be translated into a score (value-weighted average). Capital Investment, which we acquired in 2021, is not relevant for reporting to GRESB and is not included in the figures.

(**) Includes investments in solution companies, green and social bonds.

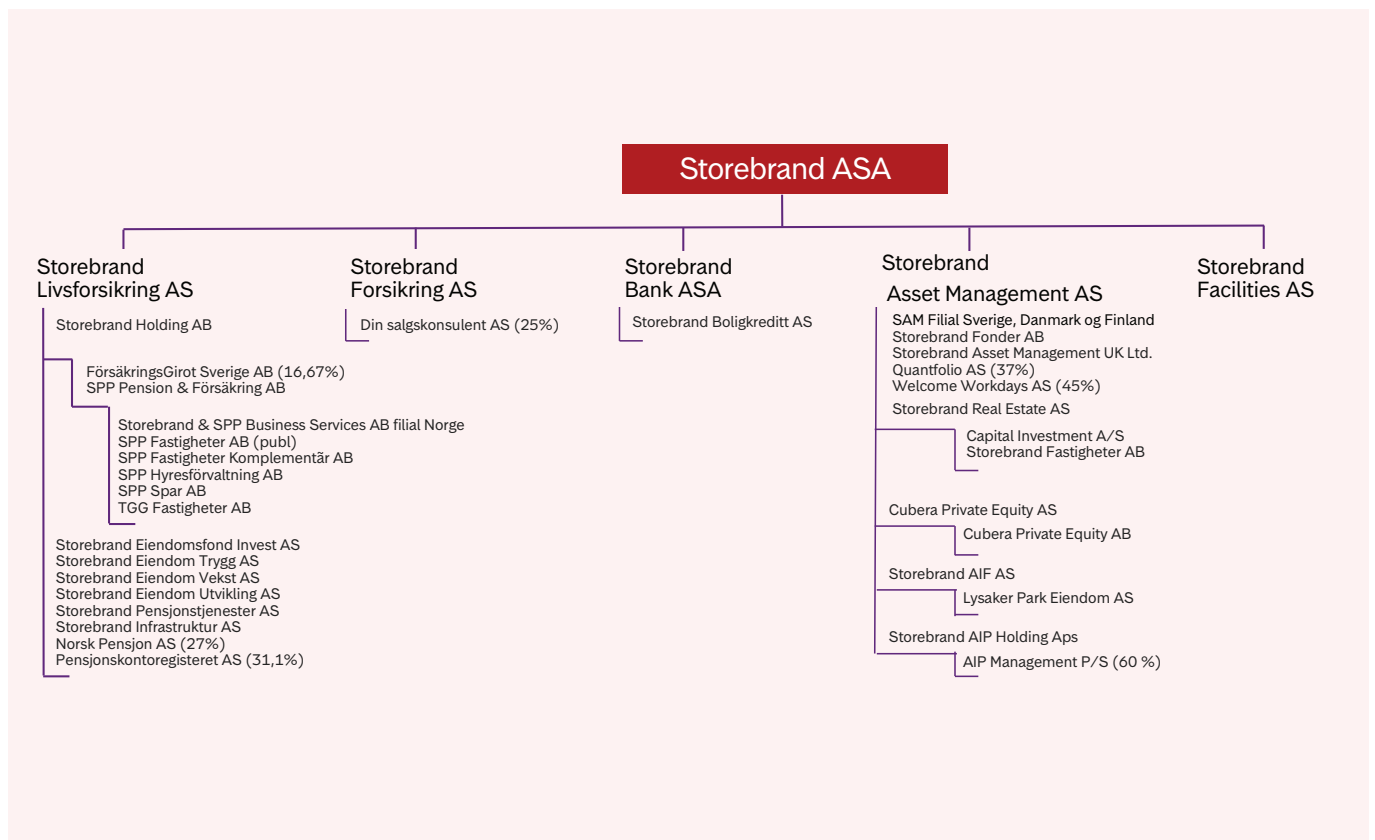
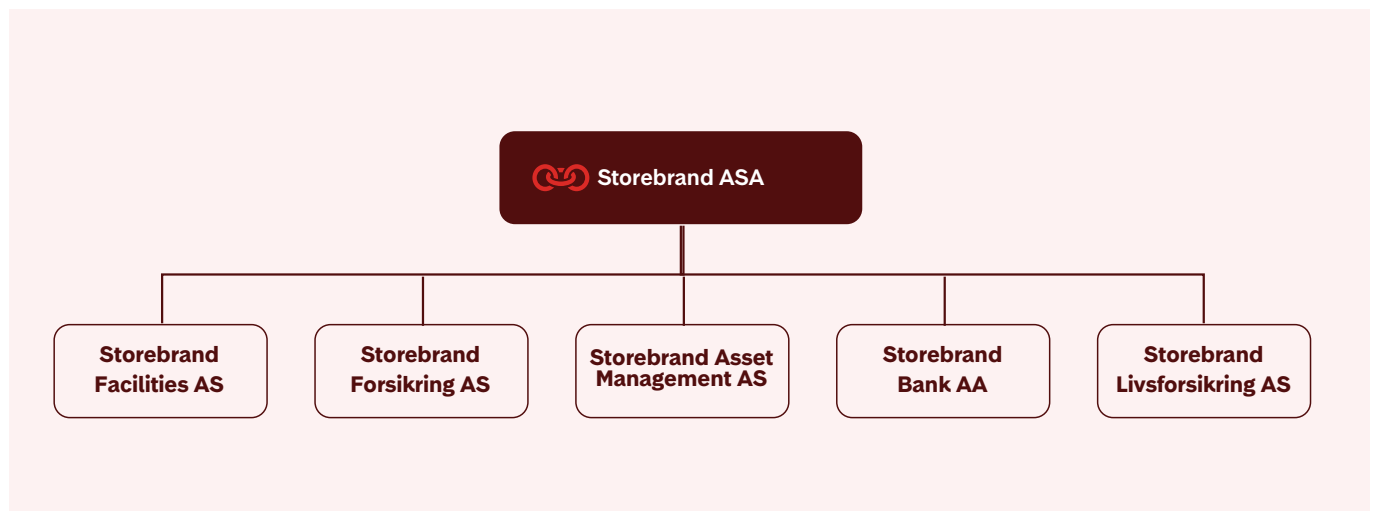
(***) In 2022, we included Denmark for the first time. Therefore, the share of environmentally certified real estate investments was somewhat reduced from 2021. Certifications per country are the following: Norway (95 %), Sweden (93 %), Denmark (7 %).

Categories and metrics	Results						Targets		
	2020	2021	2022	2023	2024	2025	2025	2027	2030
Climate measures									
Share of AUM invested in funds covered by fossil fuel exclusion criterion	39%	44%	44%	47%	50%	48%	N/A	N/A	N/A
GHG intensity of equity and corporate bonds/change since baseline year 2018	11 / -14%	11.3 / -22%	11 / -24%	7.2 / 50%	6.1 / -58%	6.3 / -56%	-32%	N/A	-60%
GHG intensity of real estate assets / change since baseline year 2018	7.92 / -20%	6.01 / -40%	5.48 / -45%	5.61 / -44%	4.84 / -51%	3.9 / -61%	N/A	N/A	N/A
Share of AuM in listed equities and corporate bonds that have set SBTi-validated targets	New	New	23.4	31.4	31.4	43.1	N/A	42%	N/A
Active ownership									
Votes at general meetings to promote Storebrand's ESG criteria: number of meetings (share of listed equity investments)	503	947	1,348 (68.6 %)	1,999 (90.7 %)	2072 / 91.9%	2138 / 91.9%	N/A	N/A	N/A

A part of the Storebrand Group

Storebrand Asset Management (Storebrand AM) is an operating subsidiary of Storebrand ASA (The Storebrand Group). The operations of the Storebrand Group are divided into several areas, each with a clear division of commercial responsibility. Within this structure, Storebrand AM is focused on providing asset management services, for the group itself as well as for external customers.

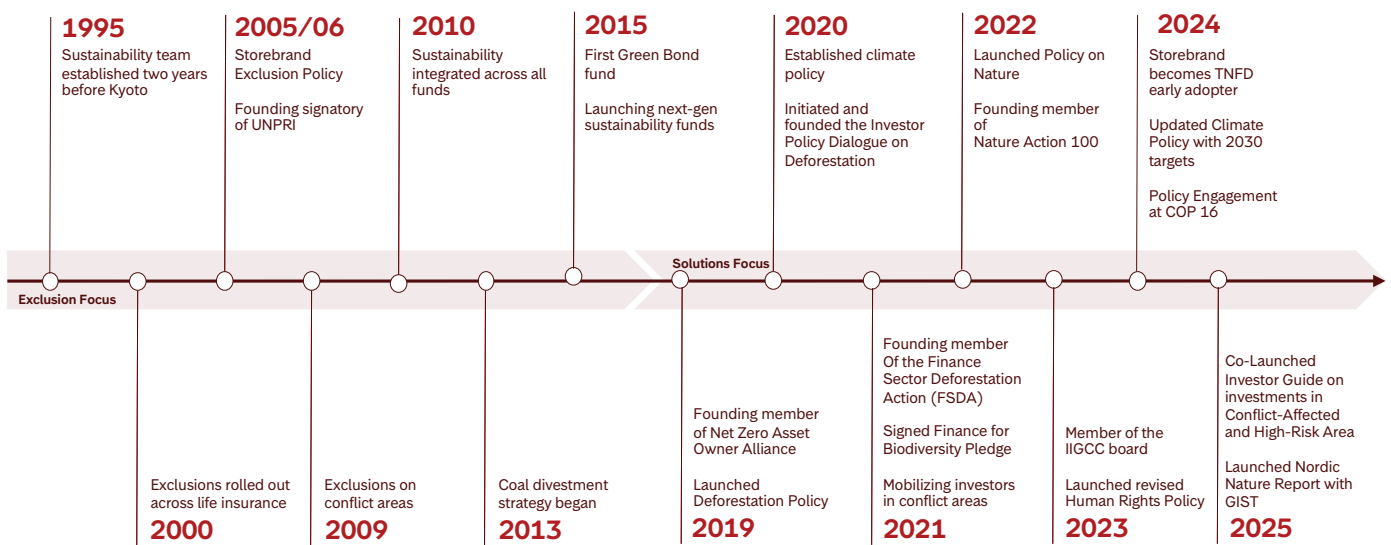
Figure 1: Legal Structure of Storebrand Group



Our journey in sustainable investment

Storebrand was an early integrator of sustainability, creating its separate sustainability team in 1995 to ensure the incorporation of long-term environmental and social sustainability principles into our practices at every step of our investment process. While our sustainability focus began with excluding companies and products harmful to society and the environment, it has evolved over time, to become more sophisticated and incorporate the consideration of ESG risks into our analyses and portfolio construction processes.

Figure 2: Storebrand AM's Sustainable Investing Journey



In addition to pioneering sustainability with some important exclusion strategies, Storebrand has demonstrated leadership in being a founding member of the UNPRI and Net Zero Asset Owner Alliance, being early to integrate sustainability across all funds under management in the Storebrand Group, launching the first Green Bond Fund and being early to launch specific and dedicated deforestation, climate change & lobbying, and nature policies. We are a member of the United Nations Global Compact, we follow the United Nations Guiding Principles for Business and Human Rights and the OECD Guidelines for Multinational Enterprises. We also support the UN Human Rights Conventions and ILO Core Conventions, the UN Environment Conventions, and the UN Convention Against Corruption.

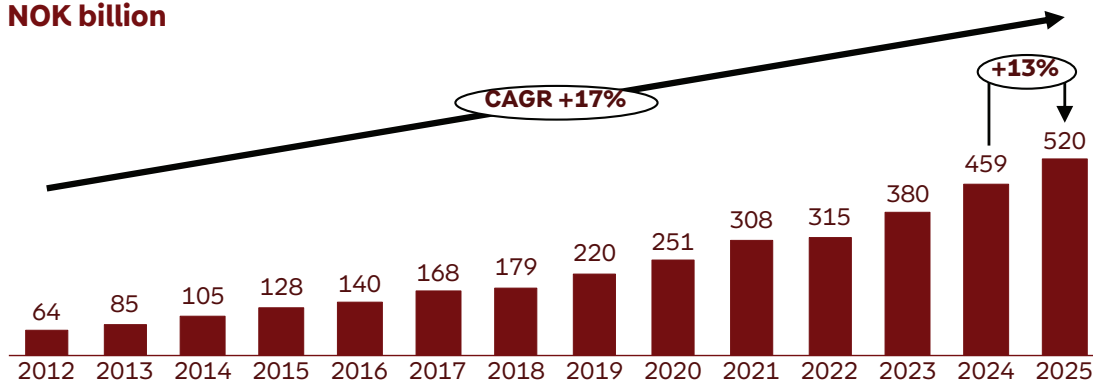
As seen in Figure 2, our sustainability practice has evolved over time to fuse our solutions focus, investing to address environmental and social problems that we are facing, with an exclusion focus where necessary.

Full-range asset management group

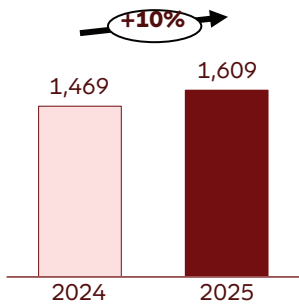
Storebrand AM owns several asset managers, collectively forming a diversified multi-boutique asset management group. We had total assets under management (AUM) of NOK 1609 billion as of 31.12.2025, of which 48 per cent was managed on behalf of internal customers within the Storebrand group, while 52 per cent was managed on behalf of external customers.

Figure 3: Storebrand AM Assets under Management

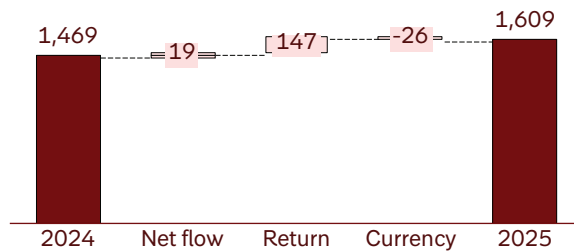
Unit Linked Reserves NOK billion



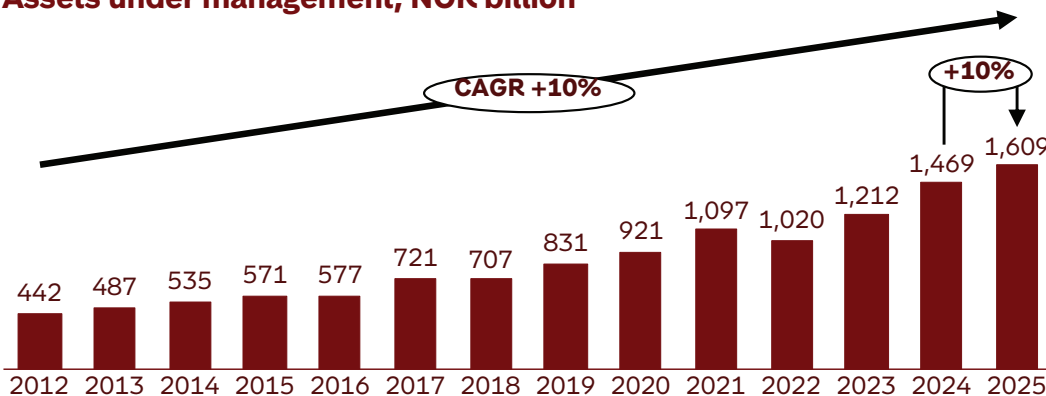
Assets under management, Asset Management (NOK billion)



Change in assets under management, NOK billion



Assets under management, NOK billion



Multi-boutique management offering

Leveraging our experience and expertise in managing assets from the Storebrand Group's life insurance companies, and our distinct sustainability profile, we operate a specialization-driven, yet full-range, multi-boutique asset management concept, with a clear sustainable profile.

A central pillar in how we deliver this multi-boutique offering, is our highly experienced and specialized teams, operating autonomously, focused on specific investment domains. As of the end of 2025, Storebrand AM operated under several brand names: "Storebrand Asset Management", "Delphi Fondene", "SKAGEN", "Storebrand Fonder", "Capital Investment", "Cubera" and "AIP Management".

Each of our brands operates with its own autonomous and complementary strategies, sharing common operational and technical platforms, policies and principles. This approach allows us to adapt to shifting investment markets and to our clients' investment demands and objectives.

Diverse client base

At Storebrand Asset Management, we aim to give our target client base, a highly personalized experience, with strong advisory resources, and agility at scale across a full range of investment offerings.

We serve institutional clients including pension funds and insurance companies, distributors, municipalities; private customers such as family offices, organizations and foundations; and high-net-worth investors.

Of our total NOK 1609 billion of AUM, 95% is managed on behalf of institutional clients, with the remaining 5% attributable to retail clients. From a geographic perspective, retail client exposure is limited to Norway, while 95% of institutional assets under management are held on behalf of Norwegian and Swedish investors.

Unified approach to sustainable investment

Our assets under management are managed directly by our own investment teams, with our in-house portfolio managers responsible for investment decisions across equities, fixed income, multi-asset and alternative strategies, operating within the frameworks set by our Sustainable Investment Policy and related thematic policies. We do not appoint external investment managers to manage our own funds.

All Storebrand AM entities are bound by a policy framework, which includes a comprehensive set of sustainability principles and exclusion criteria (norm-based and product-based) that the respective entities must adhere to, in their investment processes.

All Storebrand AM entities are bound by an overall Sustainable Investment Policy, which includes a comprehensive set of sustainability principles and exclusion criteria (norm-based and product-based) that the respective entities with both conventional and alternative investments must adhere to in their investment processes and respective asset classes.

All funds directly managed by Storebrand AM are covered in this report.



Photo: Istock – Chun Han

Sustainability Strategy

Storebrand aims to ensure competitive long-term risk-adjusted returns for customers and owners, while serving as a driving force for lasting change in the way companies are managed.



Business Strategy

Our sustainability strategy is an integrated part of our business strategy and our position as a sustainability pioneer has been central to our international success in recent years. We have sought to grow our international business through offering clients a 'Gateway to the Nordics', leading with our approach to sustainable investing.

In addition to being the gateway to the Nordic region for foreign investors, we aim to be a Nordic asset management powerhouse by being a local Nordic partner and a pioneer in sustainable investments.

Figure 4: Long term strategic positions and enablers



Sustainability goals

Storebrand Asset Management has an ambitious set of sustainability goals in the composition of our investment portfolio, from the near-term through to 2050 (Figure 5). These targets, which were updated in 2024, are reflected in our updated policies¹.

Our sustainability experts in the Risk and Ownership team develop proposals for our commitments. They base these on an assessment of the environmental and social impacts, dependencies, risks and opportunities of the assets in our investment portfolio; and science-based pathways to meet global climate and nature goals and the Sustainable Development Goals. These proposals are discussed with, and approved by, the CIOs of each business area in asset management. This group-wide commitment is fundamental to our business offering. Strategic and operational implementation of sustainability shall be anchored in, and followed up by, the management

and the Boards of the Storebrand Group and its subsidiaries. The Boards of Directors of subsidiaries have overall responsibility for ensuring that the company works with and reports on sustainability in accordance with national laws, legislation, and regulations from the EU, as well as obligations and ambitions Storebrand has undertaken. As part of the annual strategy process, the Boards will consider the company's sustainability strategy.

¹ [Discover Storebrand's policies in the reporting and transparency section of our website.](#)

Figure 5: Key Commitments

Key sustainability commitments and target dates

Dimension	Commitment	2025	2027	2030	2040	2050
Solutions	15% of AUM in Solutions	✓				
	20 % of AUM in Solutions			✓		
Emissions	Reduce portfolio emissions intensity by 32%	✓				
	Reduce portfolio emissions intensity by 60%			✓		
	Net Zero emissions					✓
Science-based targets	42% of equity and bond portfolio aligned with SBTi		✓			
	64% reduction in residential property emissions/m ²			✓		
	71% reduction in commercial property emissions/ m ²			✓		
Biodiversity	Nature risk assessed and biodiversity target set	✓				
Deforestation	Zero commodity-driven deforestation	✓				
Living wages	Living wages acknowledged in target sectors			✓		
Human rights	Substantial alignment with UN guiding principles			✓		

Philosophy and principles

As a fiduciary, our main goal is to ensure the best possible risk-adjusted returns for our clients. At the same time, we acknowledge that, delivering the best possible risk-adjusted returns means protecting the ability of future generations to meet their own needs. In this context, we consider sustainability to be a significant driver of corporate value. This is because we believe that companies that manage current and future environmental and social opportunities and risks will emerge as leaders and are more likely to create a competitive advantage and long-term stakeholder value.

Identifying and mitigating the risks and opportunities arising from environmental, social and governance factors, is therefore an important and integrated part how we approach our investment and stewardship.

Sustainability principles

Storebrand has created a set of sustainability principles that sum up how sustainability is integrated into our business. The principles encompass all parts of Storebrand's activities, including our products, services and cooperation with suppliers and partners. This is fundamental to the Group's strategy. The following principles form the basis for Storebrand's work within sustainability:

- We base our business activities on the UN Sustainable Development Goals (SDGs).
- Through our products and service-offering, we will help customers make more sustainable choices.
- We are a responsible employer.
- We consider sustainability in all processes and decisions – from the Board and executive management level, who have the overall responsibility, to each individual business manager and employee.
- We cooperate with customers, suppliers, authorities, and partners in our work with sustainability.

We are transparent about our work on sustainability and what we achieve. The Board of Directors of Storebrand ASA sets the overall ambitions and principles for the Group's work within sustainable finance and sustainable investments.

Sustainable Development Goals (SDGs) as a compass

Driven by our Norwegian legacy, sustainability has been a key consideration for Storebrand from day one. We are inspired by the 1987 Brundtland Report from the World Commission on Environment and Development (WCED),

which was sponsored by the UN and chaired by former Norwegian Prime Minister Gro Harlem Brundtland. Under Brundtland, the WCED defined sustainable development and developed long term solutions linking environmental and social issues with economic growth.

The contours of sustainable development are crystallised in the Sustainable Development Goals (SDGs) outlined in the United Nations 2030 Agenda for Sustainable Development (Agenda 2030), and adopted by the UN in 2015, and which provide an internationally recognized context for sustainability. All major areas of sustainable development are addressed in the SDGs; including issues from healthcare and water use to climate, urban development, corruption and gender equality. The SDGs are highly relevant to international companies in that they outline a common development agenda towards 2030 and highlight key business risks and opportunities.

The financial sector plays a key role in helping to achieve the UN Sustainable Development Goals. Responsible asset management, pension savings, other savings and investments may contribute to realizing these goals. The transition to a low-emission society that considers nature, social conditions and international obligations and regulations, represents both financial risks and opportunities for Storebrand as an investor and asset manager. Hence, Storebrand focuses on sustainability, both in products, services and cooperation with suppliers and partners. This is fundamental to the Group's strategy. Our investment beliefs are based on the assumption that the companies which contribute to solving our societal problems in a sustainable way will also be the most profitable in the long run. We believe companies that understand and utilise sustainability in their business strategies will outperform their counterparts over the longer term. Investing sustainably is thus essential in order to achieve the best possible risk-adjusted returns for unit holders, which is our ultimate goal.

Providing the best possible risk-adjusted long-term returns to our clients obligates an utmost care for the environment and society - not compromising the ability of future generations to meet their own needs.

Our approach to sustainable investment

Towards achieving our sustainable investment objectives, we take a four-pronged approach:

- 1. Solutions-driven investment:** contributing to positive influence by allocating more capital to equity investments in solution companies, green bonds, bond investments in solutions, and investments in certified green real estate and green infrastructure.
- 2. Screening and Exclusions:** screening out and/or exiting investments that are not likely to be aligned with our sustainability principles.
- 3. Engagement and Voting:** engagement, including voting, on many dimensions and with many stakeholders, to enable or influence the companies we invest in, to reduce their negative impact on climate or society.

- 4. Portfolio Integration:** ESG analysis is used as a risk management tool in portfolio construction. We use ESG data to tilt systematic portfolios and manage active strategies with explicit sustainability related objectives.

Taking this approach enables us to be a driving force for sustainable investments, contributing to positive change and development, while reducing financially material risks. It also allows us to set ambitious sustainability related commitments across our business, with clear means of addressing sustainability risks and opportunities towards achieving our goals.



Photo: Colourbox

1. Solution-driven investment

We believe that investing in companies providing products and services that help achieve the Sustainable Development Goals (SDGs) will deliver the best risk-adjusted long-term returns for our clients. We therefore invest in sustainable solutions centred on themes such as renewable energy, smart cities, circular economy and equal opportunities.

By the year 2030, we aim to invest 20% of our assets under management in: equity and bond investments in solutions; real estate solutions; solutions for infrastructure; and solutions for private equity. Our solutions investment target for 2025 was 15%, which we had already achieved by 2024. We regularly assess the basis for and scale of the 2030 target.

In our quest to invest in sustainable solutions, we seek to filter for companies that follow Good Governance (GG) and Do No Significant Harm (DNSH) practices, while aligning with the definitions below:

Equity and bond investments in solutions

Through proprietary analyses, we identify solution companies - companies that help achieve the SDGs through products, services and operations, without causing significant harm to society or the environment. For equity and bonds, we define our solutions investments as:

- Issuers with a minimum of 25% green revenues
- Issuers with at least 25% CapEx, operating expenses or revenue aligned with EU taxonomy
- Issuers with at least 25% revenues addressing SDGs
- Green bonds, social bonds, sustainability bonds, sustainability-linked bonds

The companies that issue the green bonds we invest in must comply with international standards such as the Green Bond Principles, the EU Green Bond standard (EUGBS) and the International Capital Market Association (ICMA) framework. The companies are included in a database that is updated regularly. The database is a valuable tool for fund managers and serves as the basis for our thematic solution portfolios (for example, on renewable energy, smart cities and equal opportunities), or as part of broader investment portfolios.

Real Estate

Storebrand's real estate business primarily comprises fund management and management of existing properties. This includes operation and leasing as well as construction projects to adapt, renovate and further develop the properties. In operations and development, we seek to reduce negative impact on the outside world,

while optimizing ESG standards and creating a return on invested pension funds.

We are working towards a portfolio that is robust to physical climate risk and other sustainability risks. Recognizing that the building and construction sector accounts for a significant percentage of greenhouse gas emissions, energy use and waste production, we continuously work to reduce the climate and environmental footprint of our real estate operations. A pillar of our approach is continuous improvement of our properties, with the goal of minimising their CO2 emissions and nature footprint. Upgrading buildings therefore makes an important contribution to energy and emission cuts, while reducing sustainability risk. It also reduces impacts on nature and natural resources, which are under significant pressure.

We seek to preserve, transform and achieve the least possible waste generation and use of new materials. With increased reuse, we can avoid greenhouse gas emissions and taking scarce material resources out of the cycle. We seek a positive impact on the local environment by promoting safe and attractive neighbourhoods, increasing urban nature and biodiversity, and preventing pollution to air, soil and water. Environmental certification like BREEAM support our efforts and verify results.

For real estate assets, we define our solutions investments targets as:

- assets that have a BREEAM environmental certification of "Very Good" or better, or equivalent third-party certification scheme

Infrastructure

Our solutions strategies in the infrastructure asset class focus on assets that are projected to deliver stable long-term returns and contribute to portfolio diversification, while furthering the development of resilient low-carbon societies.

Through our Storebrand Infrastructure Fund series, and our majority ownership in the specialist infrastructure investment boutique AIP Management, we make infrastructure investments within three main themes: energy transition, decarbonization and digitalization. For infrastructure assets, we define our solutions investment as:

- assets that are aligned with the EU Taxonomy

Private equity & private credit

Storebrand's private equity (PE) investments are carried out through a wholly owned subsidiary, Cubera Private Equity ("Cubera"), an investment adviser and fund-of-funds manager. The ultimate goal of Cubera's operations is to maximize the risk-adjusted returns for Cubera's investors. Cubera firmly believes that ESG integration will not only lead to better risk management for investments, but that it will ultimately provide financial and non-financial benefits to investors, their beneficiaries, and other stakeholders in both the short and long term. While Cubera has limited formal influence on ESG issues during the ownership phase, Cubera influences through manager selection and dialogue. Cubera follows Storebrand's exclusion policy and exclusion decisions, which are included in side-letter agreements.

Cubera pursues an integrated management approach, meaning that we embed sustainability across the organization and our business. Our sustainability governance is set up to enable the investment teams to address and incorporate ESG considerations throughout our investment and due diligence processes. Cubera invests with fund managers who share its view that ESG factors affect the long-term market value of assets. For both the primary strategy, including the Impact strategy, and the secondary strategy, the ESG capabilities and ESG policies of the GPs are assessed as part of the due diligence process conducted by the investment teams. Cubera will decide not to invest with GPs if their ESG policies and capabilities are deemed insufficient. During the ownership phase, Cubera strives to increase ESG data availability for performance and monitoring purposes, in addition to any information flow regarding potential material ESG incidents.



Photo: Istock – Chattrawitt Phonsan

2. Screening and Exclusions

Screening and exclusion are key steps in our implementation of due diligence to identify, manage and mitigate actual and potential adverse impacts in our portfolios. When these adverse impacts cannot be mitigated, and available avenues for escalation are exhausted, the result may be the sale or exclusion of a company from investment.

Our approach is guided by the principles and standards set out in our Sustainable Investment Policy and our Exclusion Policy. The Exclusion Policy applies to all asset classes and does not distinguish between active and passive investments.

We work systematically to invest in companies that contribute positively to sustainability. Our approach to sustainable investments assumes that the companies which contribute to solving societal problems in a sustainable way will also be the most profitable in the long term. This positive selection approach is complemented by the de-selection approach of our Exclusion Policy, with both helping to ensure our clients' future returns.

We apply two main methods:

- Continuously monitoring our investments for controversies in breach of our Exclusion Policy – which covers international norms and conventions within human rights, the environment, governance and anti-corruption – and excluding companies that are in breach, or placing companies on our observation list where there is opportunity to influence a company's practice.
- Assessing specific Principal Adverse Impacts within our investments, as required by the EU Sustainable Finance Disclosure Regulation (SFDR), including, but not restricted to, the thematic areas highlighted in our Sustainable Investment Policy.

Screening and monitoring

We systematically monitor thousands of companies for potential breaches of our Exclusion Policy through our external data providers. For the screening of potential conduct-based breaches, third-party data providers deliver "company alerts" every quarter, including background information on the controversies related to potential conduct-based breaches. The controversies are analysed by our experts within the Risk and Ownership team and contact with the company is established where necessary.

Based on the severity and facts in the case, as well as the company's willingness to address the issue, a decision will be made to engage with the company, place the company on an observation list, or to recommend an exclusion. Screening of companies excluded by Norges Bank

Investment Management (NBIM) is also conducted on a continuous basis. All companies that are excluded by NBIM are assessed against the norm-based criteria of this policy and a decision for exclusion across all investments and products is made based on a recommendation from the Risk and Ownership team. These cases are taken on an ad hoc basis, at the time exclusions are made public by NBIM.

The same screening process is also conducted on a quarterly basis for potential inclusion of companies that have previously been excluded. If an excluded company demonstrates positive change that reduces the risk of recurrence, the company may be re-included.

Observation

In some cases, where there is a risk of a violation of our norm-based criteria, it may be beneficial to follow a company over time to increase the information available. Similarly, there may also be cases where we see a company is working on corrective action, but such measures have yet to be fully implemented or verifiable. In such cases, we place the company on an observation list, associated with specific restrictions, to allow for more time to gather the necessary information and influence company direction. Companies that are under observation will be closely monitored and engaged with based on our existing ownership, and we will maintain a close dialogue with the company where we inform them of our expectations of measures and results. We expect the company to show improvement within a pre-determined time. Depending on the outcome, the company will either be excluded from our investment universe, or it will be removed from the observation list.

While companies are present on our observation list, any of our portfolios without prior holdings are restricted from investing in these companies. Portfolios with prior positions are allowed to maintain these positions but not to increase shares in the company.

Exclusion approach and process

We regard exclusion as a last resort, to be applied in cases where companies fail to demonstrate the will to improve, and there is a risk of recurrence. Exclusion of conduct-based norm breaches is an action we would take where companies clearly fail to demonstrate willingness to cease the breach or incorporate improvements that can mitigate and/or prevent adverse impact.

In cases where there is a risk that companies are systematically in breach of our Exclusion Policy, Storebrand will use its position as an investor to engage companies in dialogue and seek to achieve improvements. If the company is not willing to enter into dialogue, or

the dialogue does not lead to positive change within a reasonable amount of time, a company may be excluded from our investment universe.

If we choose to exclude a company, we use formal routines for reporting to companies and internal formalities of compliance working with fund managers. Quarterly reports regarding exclusions are first reported to portfolio managers and compliance, so they are aware of new exclusions. Fund managers have approximately 20 days to sell their holdings in excluded companies. Once this is achieved, other key internal and external stakeholders and clients are directly informed.

Companies excluded are informed of our action and the reasons for our decision. Companies are also informed of the requirements for re-inclusion and are invited to contact us when they believe they have met our requirements. Excluded companies are monitored continuously and evaluated on a quarterly basis for potential re-inclusion. When our data provider indicates improvements have been made, we assess whether those improvements are relevant to reconsider our grounds for exclusion and decide whether to reopen the case and engage with the company. Prior to re-inclusion, the Risk and Ownership team assess whether the expectations set out in the original exclusion have been achieved and will then make a recommendation to the Sustainable Investment Committee.

Exclusion methods

We determine potential exclusions from investment on the basis of:

- **Conduct:** we may exclude companies based on conduct that breaches laws, conventions or norms.
- **Product:** we exclude companies that produce or distribute controversial weapons or generate significant revenues from tobacco, recreational cannabis, coal and oil sands.
- **Business practices:** we exclude companies with business practices deemed systematically harmful or unsustainable, as well as state-owned entities or assets from certain states.

Conduct-based exclusions

It is of fundamental importance that the companies we invest in follow applicable laws, as well as international laws, norms and conventions. On the basis of their conduct, we exclude from all our funds companies:

- **Contributing to serious and systematic breaches of international law and human rights:** Storebrand AM will not invest in companies that cause or contribute to severe human rights abuses or breaches of International Humanitarian Law. The criterion is based on the UN Declaration on Human Rights (UDHR), made operational through core UN and ILO conventions, among others, as well as international humanitarian law instruments such as the Hague and Geneva conventions.
- **Involved in systematic corruption and financial crime:** Storebrand will not invest in companies that are involved in grand corruption or other forms of serious

financial crimes, such as tax evasion, accounting fraud and embezzlement. The criterion is based on the United Nations Convention against Corruption, among others.

- **Involved in serious environmental damage:** Storebrand will not invest in companies involved in activities that cause serious environmental damage. The criterion includes the UN Convention on Biological Diversity and the UN Framework Convention on Climate Change.

Companies will be excluded if the breaches are considered serious and the risk of a breach occurring is assessed as high.

Product-based exclusions

Storebrand has also chosen to exclude investments in companies within certain single product categories or industries that are unsustainable as they are associated with significant risks and liabilities from societal, environmental or health-related harms. In these product categories, there is also limited scope to influence companies to operate in a more sustainable way. We therefore exclude from all our funds, companies with:

- **Any revenues from controversial weapons:** Storebrand will not invest in companies involved in producing or servicing controversial weapons, including but not limited to, nuclear weapons, chemical weapons, biological weapons and land mines. A company can also be excluded when subsidiaries controlled by the company, typically through ownership of 50% or more, are in breach of the criterion.
- **Any revenues from production or cultivation of tobacco:** Storebrand AM will not invest in companies with any revenues from the production or cultivation of tobacco, or with revenue exceeding 5% from the distribution, sale, packaging, or advertising of tobacco.
- **More than 5% of revenues from recreational cannabis:** Storebrand will not invest in companies where the sale of cannabis products for recreational use, or components exclusively designed for such products, exceeds 5% of total sales. The criterion applies to producers and distributors as well as companies involved in the cultivating or processing of cannabis for recreational use but does not apply to income from cannabis products that are not classified as recreational.
- **More than 5% of revenues from coal-related activities:** Storebrand will not invest in companies with more than 5% of revenues from coal-related activities.
- **More than 5% of revenues from oil sands:** Storebrand will not invest in companies with more than 5% of revenues from oil sands.

In addition, certain of our funds are subject to additional exclusion criteria. From these funds, we exclude companies with:

- **More than 5% of revenues from fossil fuels:** Storebrand will not invest in companies with more than 5% of revenues from the production and/or distribution and/or power generation of fossil fuels. Exceptions can be made for so-called "transition companies" involved in the generation, transmission

and distribution of electricity (the electric utilities sector) with exposure to fossil fuels, provided that they have a clear transition plan towards renewable energy. For coal-related revenues from exploration, mining, extraction, distribution or refining, the threshold is 1%.

- More than 25% of revenues from Oil & Gas services: Storebrand will not invest in companies with more than 25% of revenues from Oil & Gas services.
- More than 5% of revenues from defence and weapons: Storebrand will not invest in companies with more than 5% of revenues from defence contracts and conventional weapons.
- Any revenues from pornography: Storebrand will not invest in companies with any revenues from the production of pornographic material or from marketing and sales of pornography.
- More than 5% of revenues from alcohol: Storebrand will not invest in companies with more than 5% of revenues from alcohol.
- More than 5% of revenues from gambling: Storebrand will not invest in companies with more than 5% of revenues from gambling.
- Large fossil fuel reserves: Storebrand will not invest in companies that have fossil fuel reserves greater than 100mt of CO2 equivalents.

Business practice-based exclusions

We exclude from all our funds companies based on certain unsustainable business practices, as well as those that deliberately and systematically work against the goals and targets enshrined in the Paris Agreement.

- Lobbying: We will not invest in companies involved in lobbying that deliberately and systematically work against international norms and conventions, such as the goals and targets enshrined in the Paris Agreement or the Global Biodiversity Framework.
- Deforestation and nature: We will not invest in companies that are involved in deforestation or conversion of native ecosystems through severe and/or systematic unsustainable production of palm oil, soy, beef and leather, timber, cocoa, coffee, rubber and minerals. We will not invest in companies involved in deep sea mining, marine or riverine tailings disposal, or certain companies operating in biodiversity-sensitive areas.
- Government bonds and state-owned enterprises: We will not invest in sovereign bonds issued by countries lacking elementary governance and institutions to protect human rights and prevent corruption, or that are subject to sanctions by the UN Security Council or the EU, or that are involved in serious breaches of international law. We also exclude state-owned or controlled companies from such countries.

Exclusion roles and responsibilities

Storebrand's Sustainable Investment Committee is responsible for the decision to exclude companies based on a conduct-based norm breach and thus mitigate and prevent the adverse impact. The committee comprises several representatives of the Storebrand Group's senior management team and other executives, who meet on a

quarterly basis. Companies will be excluded if the adverse impact and the breaches of our standards are considered severe, and the risk of recurrence is assessed as high, after engaging with the company on measures to prevent recurrence and mitigate the adverse impact.

Storebrand Asset Management's Risk and Ownership team is responsible for exclusion of non-conduct-based norm breaches, such as controversial weapons, and for product-based and activity-based exclusion.

The Risk and Ownership team is responsible for selecting data providers that deliver relevant data enabling the organisation to perform these screens. Data providers may vary over time and are described in the standards pertaining to each product or practice, as outlined in our Exclusion Guidelines.

Storebrand AM's Investment Control and Analytics (ICA) department is responsible for verifying that management complies with individual mandates as well as internal and external laws and regulations. As part of the daily compliance controls, all trades and positions are controlled for breaches based on this exclusion policy.

Exclusion reporting

Storebrand AM's Risk and Ownership team reports to the Board of Directors of Storebrand AM on progress and activities related to the obligations under the Exclusion Policy, twice a year. Externally, we report quarterly and annually on main actions related to exclusions.

We publish separate updates on our exclusion-related activities, as well as in compiled format in our quarterly publication, the Storebrand AM Sustainable Investment Review, all editions of which are available on our website. These updates are also distributed directly to customers and other stakeholders. A list with all exclusions is published and updated quarterly on our website.

Further detail on how we approach exclusions can be found in our Exclusion Policy, which is published in the Reporting and Transparency section of the Storebrand Asset Management website.

3. Engagement and Voting

We use our position as owners to influence companies to improve corporate behaviour and reduce adverse sustainability impact. Through active ownership, we reduce risks, improve the quality of our investments, and influence companies to move in a more sustainable direction.

We exercise our shareholder rights in two main ways:

- either through voting at shareholder meetings
- or by engaging with companies at different levels, including management and board levels

Engagement can be bilateral and/or in collaboration with other investors. Both approaches can be effective in addressing concerns regarding ESG issues to reduce adverse sustainability impact. Engagement and voting, when combined, can reinforce one another and serve as an effective signal to companies regarding our views on important ESG issues and a good strategy to achieve change in corporate behaviour and thus reduce adverse impact.

Our engagement strategy emphasises a positive impact on material sustainability issues (proactive engagement) in addition to redressing wrongs (reactive engagement). We prioritise engagements where we believe we can have a better opportunity to obtain results and positive impact in alignment with our policies. The decision to engage with selected companies is based on our assessment of the significance of a particular matter, the size of holdings, the companies' performance compared to peers, scope to effect change, and opportunities to collaborate with other investors. This can also be a result of mapping portfolios to identify high-risk industries with the largest investment exposure against salient climate, biodiversity or human rights risks.

We set expectations for the companies we invest in and use our ownership position to influence the companies for improvement. We do so based on the principles and guidelines set out in our Sustainable Investment Policy. The policy emphasises that, on behalf of the unitholders for whom we manage capital, we must perform an ownership role in the companies in our portfolios where the execution of ownership is considered material financially, regulatory, or in terms of fiduciary duty. This ownership role must be performed in such a way that the interests of the unit holders are held foremost, for example by maximising the long-term value of the companies. This means that, in the event of any conflicts of interest related to the exercise of ownership rights and responsibilities, our corporate interests and those of our associated companies must always give way to the interests of the unitholders.

Roles and responsibilities

Our Engagement and Voting Policies are approved by the Board of Directors of Storebrand Asset Management AS. The CEO of Storebrand AM, or the appointed representative, is responsible for ownership matters. Our Risk and Ownership team is responsible for: assessing which companies we should engage with; deciding whether and how we should express our opinions through voting; and conducting the engagement and voting activities that are involved in the exercise of our active ownership responsibilities.

We apply uniformity in our voting activities across our boutiques, subsidiaries, products and brands, not least relating to voting on meeting items concerning environmental or social matters. The framework for the use of voting rights deriving from shareholdings managed by the Storebrand Group is set out in regulation following the EU's Shareholder Rights Directives as well as related local regulations and industry recommendations. Our Risk and Ownership team, in collaboration with CIOs and PMs, reports internally on activities and progress related to this policy, to the management of Storebrand Asset Management and Boards of Directors as required on a regular basis.

Engagement purposes

The purpose of our engagement activities is to fulfil our fiduciary duty, by ensuring that companies manage risks and opportunities in a way that protects long-term shareholder value.

1. Risk Management and Value Protection/Creation

The primary goal is to mitigate financial risks. By engaging with companies on ESG issues (Environmental, Social, and Governance), we aim to prevent losses stemming from regulatory fines, stranded assets (like coal reserves), reputational damage, or physical climate impacts. We believe that companies with sustainable business models are more resilient and profitable over time.

2. Driving Real-World Impact

We use our influence as a shareholder to push for tangible changes that align with global goals or international norms related to environmental, social or governance issues. Our goal is to move companies from:

- Awareness: Getting the company to acknowledge an ESG-related issue.
- Commitment: Encouraging the company to address material ESG issues through credible action or transition plans, including verifiable targets.
- Implementation: Verifying that the company implements positive changes in accordance with its targets, policies and plans.

3. Systemic Influence/Policy Engagement

We engage not just with companies, but with regulators and policymakers. Our purpose in doing so is to advocate for a level playing field that address systemic risks across the economy. By pushing for mandatory climate and nature disclosures and human rights due diligence, we aim to prevent sustainable companies from being placed at a competitive disadvantage and to move the entire financial system toward stability.

4. Accountability and Stewardship

Engagement provides a mechanism for holding boards and management teams accountable. If a company fails to respond to dialogue or violates our minimum sustainability standards, the engagement can be escalated through various means and can as a last resort end in exclusion of the company.

A key differentiating feature of our investment approach is the application of baseline sustainability criteria across all funds under management. To meet our sustainability targets, it is essential that we are able to engage with, or divest from, companies on behalf of the entire portfolio. This whole portfolio approach also supports engagement on systemic sustainability challenges and policy level issues.

Engagement principles

Five principles guide our approach to exercising ownership rights:

1. Creating shareholder value

We believe that companies that proactively manage sustainability risks and adjust their strategies and business models to embrace sustainable solutions will also create increased shareholder value over time. Thus, our clients' shareholder value also encompasses environmental, social and governance value.

2. Aiming for a positive impact

Ultimately, we aim for our investments to have a positive impact. Therefore, we not only engage with companies to require them to redress wrongs (reactive engagement), but also to lift sustainability standards proactively so as to address potential sustainability risks before they can become impacts, as well as to encourage good practices. Accordingly, we allocate more resources to these proactive engagements, engaging for long periods and, where

possible, with other investors for more leverage and better results.

3. Leveraging our Nordic position

As a Nordic actor, we have more leverage when engaging companies in Nordic countries where we are well known and our exposure (size of holdings) can be high. We therefore prioritise our proactive engagement with Nordic companies, where our position and knowledge of these companies enable constructive and meaningful dialogue that creates value for these companies, Storebrand AM, and our clients. However, this does not limit us to only engage with Nordic companies. Aspects such as the materiality of ESG risks, exposure, and the ability to have greater impact on ESG issues remain important factors to consider in the prioritisation of our engagement work with companies outside of the Nordics.

4. Multi-stakeholder engagement

We understand that many sustainability issues cannot be solved by companies or investors alone; they require the involvement of other stakeholders. As a result, we engage with parties such as governments, industry organisations, environmental and human rights organisations or labour unions. In particular, we consider policy-level engagement an essential factor in stimulating change since we believe regulation is sometimes required to advance many sustainability issues.

5. Targeted engagement

We engage with companies on their sustainability practices, management of risks to people and the environment, developments in accordance with changing regulations, mitigating reputational risks, and expectations from their shareholders and society at large. In our experience, we achieve the best results through cooperation with other investors and, when engaging individually, through targeted engagement with companies where our ownership level is highest.

Engagement prioritization and themes

Our Risk and Ownership team defines priority engagement themes and develops engagement frameworks and strategies for portfolio companies. We select and prioritize engagement issues using a structured framework based on double materiality, geographic leverage, and thematic focus. This approach enables higher quality engagements over longer time horizons.

Storebrand AM considers four primary factors when deciding whether to engage with a specific company or policy matter:

- Significance of the Matter: The focus is on "salient issues" that have significant implications for both the financial value of the company and its impact on the world. To a large extent, the priority engagement themes are systemic risks that affect the economy as a whole.

- **Holding Size & Ownership:** Prioritization is given to companies where Storebrand AM's ownership level is highest, as this provides greater leverage for targeted individual engagement.
- **Scope to Effect Change:** They assess where they have significant in-house expertise and where they believe they are well-placed to influence positive direction.
- **Geographic Leverage:** As a Nordic actor, Storebrand AM prioritizes proactive engagement with Nordic companies where their brand and local knowledge enable more constructive dialogue.

To maximise our impact, and based on a structured assessment, we periodically develop engagement themes that guide and focus our action.

For the period from 2024–2026, the Risk and Ownership team at Storebrand Asset Management has prioritised three individual engagement themes and two cross-cutting themes. The themes that we have prioritised align with the Sustainable Development Goals and with our own corporate commitments. The individual engagement themes cover certain environmental and social aspects of sustainability, while the cross-cutting themes address some aspects of governance and context necessary to enable sustainable investment.

For 2024–2026, our priority engagement themes are:

- Climate change
- Nature and biodiversity
- Human rights

Our cross-cutting themes for 2024–2026, which are elements in all our dialogues on the main engagement themes, are:

- Policy dialogue
- Sustainability disclosure

Engagement approach

We engage with companies directly (bilaterally) and collaboratively, internally in close cooperation with portfolio managers and externally, in collaboration with other investors, or through industry coalitions. The approach we select is based on the significance of the matter, the size of holdings, the scope to effect change, and the opportunities to collaborate with other investors, as set out in Storebrand AM's Sustainable Investment Policy. The Policy states that engagement "can be both direct individually and/or in collaboration with other investors" and that combining these approaches "can reinforce each other and be an effective signal to companies regarding our views on important ESG issues." The firm prioritises engagements where it believes it can achieve "better quality engagements for longer periods of time and when possible, with other investors for more leverage."

We engage through several channels, including voting at shareholder meetings, submitting or supporting shareholder proposals, and direct dialogue with company representatives, such as management or at board level. This dialogue may take place in writing or through meetings with management, advisers, or Boards of Directors.

We believe that combining engagement with voting is an effective strategy for influencing corporate behaviour and reducing adverse impacts. Both tools can address environmental, social, and governance (ESG) concerns and provide complementary signals to companies regarding our expectations on material sustainability issues.

Engagement measurement

Before we start engagements, we establish specific goals for the engagement process, to support transparent communication with companies, and to ensure that we can measure progress consistently. We classify engagement as either reactive in response to controversies or potential breaches of our standards; or proactive, in which we engage with companies or entire sectors to address more systemic issues.

The sustainability analysts in our Risk and Ownership team set the objectives for engagements and record the success factor for the commitment in each engagement process. We log and track all our engagements in a system developed for the purpose of monitoring engagement progress.

We measure progress towards four levels of success, where the fourth and highest level is in line with the UN Principles for Responsible Investment, PRI: Improved Business Practices (in line with the PRI definition of success: "The actions taken were fully or mostly completed after Storebrand contacted the company"). We can therefore assume that our efforts have contributed to the improvement when this level is reached, although it is seldom possible to determine exactly to what extent. The scale by which we measure progress is based on completion of four milestones:

- Level 1 = company contacted (explanation of concerns + request for company practice improvement; no response).
- Level 2 = company contacted; unsatisfactory response
- Level 3 = company contacted; satisfactory response
- Level 4 = company contacted; improved business practice

When engagements conclude, we classify the results in four categories:

- None
- Successful
- Unsuccessful
- Neutral

The relative success of engagement is notably easier to establish in reactive engagements about specific controversies, than in proactive engagements on broader issues such as climate. Progress of engagements is discussed regularly by our Risk and Ownership Team, including minimum requirements, alternative methods of achieving or improving dialogue, and whether an engagement should be escalated. If the company does not meet our minimum requirements (or communicates a plan and ambition to start measures) after we have repeatedly attempted to engage them in a dialogue, then we escalate our actions.

Escalation of engagement

If engagement does not lead to sufficient progress, we utilize escalation in a graduated, engagement-led, and outcome-focused manner, and, as a last resort, consider exclusion if companies fail to respond adequately.

Within the process of engagement, escalation can mean that we take some or all of the following actions:

- Raising issues at Board level, if management is not responsive
- Expressing our views publicly, by issuing a public statement
- Cooperating with other investors, if not already doing so
- Proposing, submitting or co-filing resolutions at the AGM
- Voting against re-election of Board members concerned
- Placing a company on our observation list

Trigger for escalation

- If companies fail to meet minimum expectations after repeated dialogue, or where risks remain material

Escalation tools

- Raise issues directly with the Board
- Issue public statements
- Collaborate with other investors
- File or co-file shareholder resolutions
- Vote against Board members
- Place companies on an observation list

Further escalation pathways

- Placing companies on our observation list with defined improvement expectations; failure can lead to exclusion from the investable universe
- In serious cases, escalation can move directly to divestment/exclusion, especially for norm breaches
- Policy approach
- We seek to exhaust escalation options before exclusion, particularly in proactive engagements
- Reactive engagements (e.g. norm violations) are more likely to lead to exclusion if dialogue fails

A detailed process description is also available in our Sustainable Investment Policy.

Voting

Our commitment to sustainable, long-term value creation drives us to actively exercise shareholder voting rights. This commitment is integral to our fiduciary duty, ensuring we safeguard shareholder interests and promote good corporate management, particularly in environmental, social, and governance (ESG) aspects.

Our voting policy, which is adopted at Storebrand AM group level, is available on our website. Under this policy, voting rights and other rights deriving from shareholdings shall be exercised solely in the common interest of the unit holders, with the aim of ensuring the best possible risk-adjusted return for the unit holders.

We have systems in place to identify, manage and document any conflicts of interest that may arise in the exercising of voting rights. Our procedure for handling conflicts of interest is set out in our company's guidelines for identifying and handling conflicts of interest.

Voting is an integral part of our active ownership approach and reflects our commitment to sustainable, long term value creation. Voting rights are exercised solely in the common interest of unitholders, with the objective of achieving the best possible risk adjusted returns while promoting sound corporate governance and strong ESG practices. We publish all our voting decisions, on our website, five days ahead of shareholder annual general meetings.

Reporting

Externally, Storebrand AM publishes, quarterly and annually, a Sustainable Investment Review containing data and additional contextual details of how we are performing our active ownership responsibilities, including engagement, voting and exclusions.

We also publish on our website a dashboard of our engagement activity via our engagement data provider Esgaia. Regarding voting, we disclose all our votes cast on our website via a feed to the proxy voting dashboard of our external service provider ISS.

Both the engagement and proxy voting dashboards can be accessed in the reporting and transparency section of our website: [Reporting & Transparency](#).

4. Portfolio integration

For conventional equity funds, we apply portfolio integration as one aspect of our multi-pronged approach to sustainable investment.

All portfolio managers within Storebrand AM are responsible for integrating ESG according to their mandates, and work in close collaboration with the Risk and Ownership team. Storebrand AM manages investments within a broad range of asset classes and products. The approach to integration of sustainability in asset management may therefore vary across different mandates, including, but not limited to, these methods below. In addition to ESG integration via our approach to screening, engagement, voting, and exclusions (as described above), other methods include, but are not limited to, these below.

In addition to our efforts to set a clear policy and standard for engagement and exclusion of companies, Storebrand AM also integrates sustainability risk ratings into investment decisions to avoid, or reduce investments in, companies that offer high sustainability risks and prioritise investment in companies with low sustainability risk. The Storebrand Sustainability Score (described in Section A “Investment beliefs or stewardship strategy”) is assigned to all listed companies we invest in and is available for our portfolio managers to integrate in investment decisions. The idea is to move capital away from high sustainability risk companies, to companies with lower sustainability risk.

SFDR Integrations

Since 2021, with the introduction of Sustainable Finance Disclosure Regulation (SFDR) in the EU, we have integrated the Principal Adverse Impacts (PAIs) identified in SFDR into our risk analysis for asset classes where data is available. There is an overlap between PAI indicators, and our general work carried out to mitigate risk. This has not changed our methodology to identify risk but has added a new dimension to further map, manage, measure, and mitigate adverse impact as more specific data is available. To further mitigate risk, Storebrand will sell assets from companies with a considerable risk of involvement in activities with severe negative impacts such as Principal Adverse Impacts (PAIs) as described by EU regulations, so-called risk-based sale of assets. The integration of SFDR into fund management is reflected in the investment process, where portfolio construction and ongoing monitoring take into account SFDR-related considerations, including minimum thresholds for sustainable investments applied to relevant funds.

Principal Adverse Impacts (PAIs)

Our methodology is to identify PAI laggards (red), PAI intermediate performers (yellow) and PAI leaders (green). This traffic light system has been calculated based on a sector-based materiality assessment, for which thresholds have been set for what is considered green, yellow and red. As of this date, the PAI traffic light score has been calculated for the following indicators: GHG intensity, activities in the fossil fuel sector, violations of UN Global Compact and OECD guidelines, Board gender diversity, controversial weapons and deforestation. Other indicators will be included if we see that the data quality and coverage improve.

Some of the PAI indicators are binary, whereas some are more quantitative, for example GHG intensity. For the quantitative PAIs, the values of the 5th and 95th percentile will act as guiding numbers for establishing the red and green scores. PAI flags are calculated and made available in Bloomberg for all portfolio managers, together with other ESG-related information such as exclusions, green revenues, whether the company is classified as a sustainable investment under Storebrand AM’s SFDR definition, sustainability scores etc.

How different fund products consider PAIs will differ, depending on the specific product (for example Article 8 and 9), and strategy (active or passive). PAI data has also been integrated into our trading system, so that when the managers make a trade, they can see how it affects the various PAI indicators at portfolio level. In order to further mitigate risk, Storebrand will sell its holdings in companies with a considerable risk of involvement in activities with severe negative impacts such as Principal Adverse Impacts (PAIs) as described by EU regulations, so-called risk-based sale of assets. PAI red-flagged issuers will be prioritised for potential engagement or risk-based sale of asset, if the adverse impact is particularly severe.

The Storebrand AM Principal Adverse Impact Statement is available on our website.

Governance

Management Accountability

Ultimate accountability for stewardship at Storebrand Asset Management lies with the Storebrand Asset Management Board of Directors. The Board is responsible for approving the Sustainable Investment Policy, and all other policies such as the Voting and Engagement Policy, on an annual basis and, through this, takes ownership of the overall framework governing stewardship activities. In addition, the Board of Storebrand ASA sets the group level sustainability strategy and commitments, including those arising from Storebrand’s participation in international initiatives such as the UN PRI.

The CEO of Storebrand Asset Management is accountable for ensuring that these group level ambitions are appropriately reflected in the Sustainable Investment Policy and that sufficient organisational resources, processes and controls are in place to deliver effective stewardship. Day to day execution of stewardship activities is delegated by the CEO to the Risk and Ownership team with the Head of Sustainable Investment having the overall responsibility, which operates within the governance framework established by the Board and senior management.

The figure under illustrates the responsibilities of the Storebrand AM management team, and the Board, with regards to sustainable investment policies and decision making, including stewardship. The Board of Storebrand ASA is responsible for the strategy for sustainability work in the Group. The Storebrand Group CEO shall ensure that asset owners and the asset manager have ambitions for sustainable investments in line with this strategy.

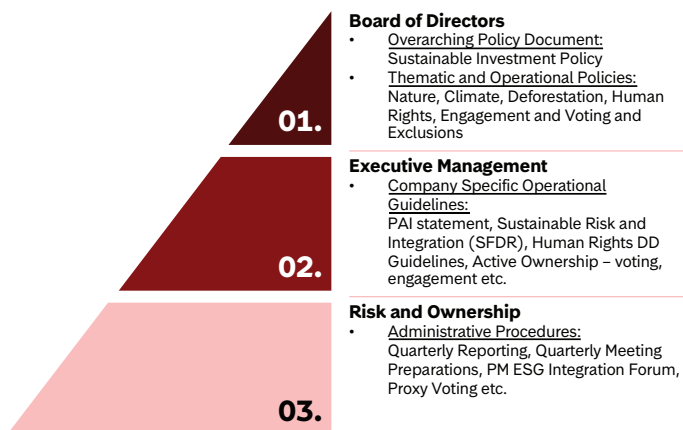


Figure 5: Storebrand AM Sustainable Investing Policy Governance Framework

The Sustainable Investment Policy, and the Thematic and Operational Policies, are drafted by the Storebrand AM Risk and Ownership team, with input from the Storebrand AM CIOs, the respective Heads of Sustainability for the various asset classes, and the Head of Sustainability at Storebrand ASA. They are approved by the Storebrand AM Board of Directors and are applicable to all assets managed on behalf of the Storebrand Group.

The Storebrand AM Board has appointed two committees to support its role:

- **Management and Control Committee:** assists the Board by reviewing, evaluating and, where necessary, proposing appropriate measures with respect to Storebrand AM’s governance, overall controls, and risk management.
- **Compensation Committee:** assists the Board by monitoring the remuneration of executive personnel and proposes guidelines for fixing executive personnel remuneration, which is presented to the General Meeting annually. In addition, the Committee safeguards the areas required by the Compensation Regulations in Norway and Sweden.

Storebrand AM’s Group Management team dedicates resources to integrate ESG risks into our analysis of companies and management of investment portfolios.

Our method for the exclusion of companies is defined by the Storebrand Exclusion Policy², which applies to all assets managed by Storebrand AM. The exclusion process is extensive, involving external data screens and in-depth evaluations conducted by our sustainability analysts. The exclusion process is governed by the Sustainable Investment Committee, which meets once a quarter to decide on recommendations from the Risk and Ownership team for norm-based exclusions and whether companies should be included on Storebrand’s observation list, excluded or reintroduced to the investment universe. The Exclusion Policy and the process for excluding companies are described in detail under Section A “Investment beliefs or stewardship strategy”.

As of the end of 2025, the Sustainable Investment Committee consists of senior managers from across the Storebrand Group.

² [Storebrand Exclusion Policy](#)

Name	Position
Frederic Ottesen (Chair)	Head of Distribution, Private Markets, Storebrand Forsikring AS
Jenny Rundbladh	CEO, SPP Pension & Försäkring AB
Monika Rappe	Leader for SPP Tech, SPP Pension & Försäkring AB
Gunnar Heiberg	Chief Legal Counsel, Storebrand ASA
Vivi Måhede Gevelt	Executive Vice President Corporate Markets and CEO, Storebrand Livsforsikring AS
Jan Erik Saugestad	CEO, Storebrand Asset Management AS
Camilla Leikvoll	Executive Vice President, Retail and Senior Vice President, Storebrand Bank ASA

Table 1: Sustainable Investment Committee

The key focus of the Sustainable Investment Committee is analysing and reviewing cases for norm-based exclusion. Companies that are placed on the observation list require engagement and the committee must assess when active ownership has not yielded the desired result.

When companies are flagged due to breaches of our Exclusion Policy, such as environmental and human rights violations, we will always attempt to engage before excluding a company. Recommendations for exclusion are made following engagement and escalation efforts. The Committee is to handle cases related to the norm-based/ conduct-based exclusion criteria that are of a serious nature and can be precedence setting for potential future exclusion cases. Cases in which breaches of the Exclusion Policy are objectively well documented and have clear precedence in previous exclusions, are decided by the Risk and Ownership team, after being raised through the Investment Office (comprising of the CIOs, CEO, the Chief Risk Officer in Storebrand AM, and the Head of Risk and Ownership). If the Investment Office is of the view that the case is not documented well enough or that it may be precedence setting, the case will be taken up to the Sustainable Investment Committee for decision. This makes stewardship more effective, by improving the efficiency and transparency of decision making, ensuring breaches of our policies are addressed promptly.

The overall purpose of the Investment Office is to ensure the best investment offering to our clients in a sustainable, regulatory compliant, and cost-efficient way, and to ensure investment activities support the group strategy in the best possible way.

The Investment Office meets on a bi-weekly basis, taking decisions regarding the organization and coordination of ESG data, policies, engagements, exclusions, targets and strategy.

Roles

The primary vehicle for the delivery of Storebrand AM's stewardship activities is the Risk and Ownership team, which sits within Storebrand AM. The team is responsible for stewardship actions relating to Storebrand AM's systematically and passively managed funds, and for working in close cooperation with Storebrand AM's portfolio managers on the actively managed funds. The team also carries a group-wide responsibility to manage common sustainable investment policies and actions for Storebrand AM.

The Risk and Ownership team is led by our Head of Sustainable Investment, who reports to the CEO of Storebrand AM and is a member of the Investment Office. The Risk and Ownership team includes senior analysts with complementary expertise across active ownership, proxy voting, human rights and international humanitarian law, climate, nature, corporate governance, financial crime and ESG data and analytics.

In 2025, Storebrand AM significantly strengthened its Risk and Ownership team, almost doubling its size from five to nine dedicated specialists to support increasing regulatory expectations and an expanded active ownership agenda. The team enhances Storebrand AM's capacity for company engagement, voting, exclusions, policy development, and integration of sustainability risks across portfolios, reflecting a deliberate investment in responsible ownership during 2025.

Stewardship Resources and Responsibilities

The Risk and Ownership team is responsible for setting Storebrand AM's framework and principles for active ownership and commitments. Their subject matter experts are a key resource for sustainable investment policy design, governance and implementation. They are responsible for managing Storebrand AM's stewardship and exclusion activity, alongside portfolio managers, and for developing and overseeing implementation of portfolio sustainability screens.

The Risk and Ownership team selects the priority engagement themes for Storebrand AM, focusing on strategic long-term areas requiring proactive involvement. The themes are designed to run for a minimum two-year period, after which they will be reviewed, but reflect the strategic sustainability goals of the organisation

and address material systemic issues for investors. The themes are also driven by our key areas of expertise and competence and our position as both a Nordic sustainable finance leader and international sustainability pioneer. Our engagement themes for the period 2024-2026 are outlined in the section on engagement.

The Risk and Ownership team prioritises proactive cases for engagement based on the themes and our involvement in industry initiatives but must also address reactively cases involving investee companies that conflict with our sustainable investment principles. The team receives information about potential cases of interest, primarily from data suppliers, but can also take up cases for analysis based on news items and/or raised by clients or by other parts of the group (managers, communications, etc.).

Additional Sustainability Resources

All employees at Storebrand AM have sustainability in their action plans to varying degrees and all portfolios are subject to a certain level of sustainability criteria. Many of our portfolio managers have sustainability-related mandates and specialisms.

Responsibility for voting is delegated to the Storebrand AM Risk and Ownership team, which in collaboration with the portfolio managers determines how to exercise the voting rights appropriately. Storebrand AM has engaged ISS as an independent proxy voting service provider and proxy advisory firm, through a specially chosen advisory policy that focuses heavily on sustainability issues. Storebrand AM's voting is governed by Storebrand AM's common voting policy and is always based on what is in the interest of the funds and of the unit holders.

External service providers

We do not use any external service providers for conducting stewardship and engagement activities on our behalf. All our stewardship activities are conducted in-house, including, where applicable, in collaboration with other investors via various investor alliances and coalitions. External resources are sometimes used as consultants, carrying out research or advising on specialty subjects, but this is on an ad hoc basis.

Stewardship policies and processes

Asset owners may implement more ambitious strategies regarding ESG in their investment mandates given to Storebrand AM, but all investment entities in Storebrand AM must abide by the Sustainable Investment Policy and the underlying Thematic and Operational Policies. Each entity is individually responsible for implementation of those policies within their own businesses and according to their distinct investment approaches.

Storebrand AM is governed by Storebrand AM Group Management, consisting of 8 people responsible for leading its key business areas and leaders from independent investment entities. This team is responsible for Storebrand AM's Company Specific Operational Guidelines for sustainable investing, voting and engagement, in line with the Sustainable Investment Policy and Thematic and Operational Policies.

The Storebrand AM Group Management team reports semi-annually to the Storebrand AM Board of Directors, which includes the CEO of Storebrand ASA, Odd Arild Grefstad. Storebrand AM's business unit goals and targets are reviewed four times a year by the management group and semi-annually by the Board of Directors in order to align investment strategy and culture with stewardship responsibilities and our long-term sustainable investment goals.

Storebrand AM's objectives are strategically linked to the Storebrand Group level objectives in that we deliver investment products to meet the sustainability commitments of the Group.

The Storebrand AM Board is responsible for ensuring that the Asset Management Group works with, and reports on, sustainability in compliance with national laws, regulations, and regulations of the European Union. It also is responsible for overseeing that the self-imposed obligations and aspirations are met. The Board determines the responsibilities and tasks of the CEO with regards to sustainability and approves the organisation of responsibilities and tasks of Storebrand AM Group Management. The Board follows up on the company's sustainability work through business area reports, as well as status, risk and compliance reporting from independent control functions and internal audit.

Responsibility for corporate governance of Storebrand AM's funds lies with the Storebrand AM Board of Directors. The daily execution is delegated to the portfolio managers of each fund, along with the Storebrand AM Risk and Ownership team (whose responsibilities are described below), and activities are reported back to the Board. The Board annually evaluates the execution of corporate governance and seeks to identify areas for improvement.

Policies

Storebrand AM's Sustainable Investment Policy, and all underlying policies, are approved by the Board of Directors of Storebrand AM.

Storebrand AM's Sustainable Investment Policy sets the overall framework for all stewardship work, clearly outlining our high-level commitments and the expectations we have from investee companies on issues like Climate, Nature, Human Rights, and Deforestation. It also outlines the main methods and approaches we utilise in our stewardship work to mitigate or avoid risk as part of the due diligence in our portfolios, namely, screening and exclusions, engagement and voting, and integration into the investment decision making process.

The overarching Sustainable Investment Policy is supplemented by the underlying Thematic and Operational Policies which further outlines how Stewardship is more precisely implemented. These Policies consist of the following:

- Engagement and Voting Policy³ (Operational Policy)
- Exclusion Policy⁴ (Operational Policy)
- Nature Policy⁵ (Thematic Policy)

³ [Engagement and Voting Policy 2026](#)

⁴ [Exclusion Policy 2026](#)

⁵ [Nature Policy](#)

- Climate Policy⁶ (Thematic Policy)
- Deforestation Policy⁷ (Thematic Policy)
- Human Rights Policy⁸ (Thematic Policy)

The stewardship framework and Sustainability policies at Storebrand AM are subject to ongoing review to ensure that stewardship activities remain effective, well governed and aligned with regulatory requirements, client expectations and the firm's sustainability commitments. Review of the stewardship process is embedded within the firm's overall governance structure and is conducted at multiple organisational levels, combining Board oversight, senior management responsibility and operational monitoring.

At the highest level, ultimate oversight of the stewardship process rests with the Storebrand Asset Management Board of Directors. The Board reviews the Sustainable Investment Policy, and all related policies, such as the policies on Human Rights, Climate, Nature, etc. on an annual basis or as needed, and through this process assesses the overall stewardship framework, including the principles, policies and governance arrangements that underpin engagement, voting and exclusion activities. This annual review process provides a formal mechanism for reviewing whether the stewardship approach remains appropriate, sufficiently resourced and aligned with the firm's stated sustainability objectives. If the revision process results in proposals for substantial changes, the policies will be raised to the Board for policy clarification and formal approval and adoption.

Stewardship Process and Actions

Our stewardship approach comprises proactive (both individual and collaborative) and reactive engagements, and voting.

We set our core engagement themes for a period of 2-3 years, after which they are reviewed and refreshed if necessary. As our engagement themes generally tackling long-term challenges, they tend to remain fairly consistent but are adjusted, as necessary, for effectiveness. During 2024, we set our new engagement topics for the period 2024-2026.

Storebrand AM defines and sets objectives and milestones for its engagements to be achieved by companies, either individually or together with other investors in collaborative engagements. These objectives, as well as any progress on engagements, are recorded in our internal engagement tracking system.

The Risk and Ownership team discusses the progress of ongoing engagements in its weekly meetings; engagement is assessed and discussion of escalation is covered. We monitor progress against defined objectives and track the progress of action. If the original objectives are not met, we assess the appropriateness of the original objective and methods for engagement. If the original objective needs to be revised, we will do so, or if the reasons we did not achieve the objective are based on processes, then we take action to solve the underlying cause.

⁶ [Climate Policy 2025](#)

⁷ [Deforestation Policy 2026](#)

⁸ [Human Rights Policy 2026](#)

Stewardship Reporting

We ensure our stewardship reporting is fair, balanced and understandable through the following efforts:

- Keeping sustainability experts and the communication team in regular and detailed contact.
- Communicating openly with our clients and asking for feedback.
- Communicating with rating agencies on our level of transparency.

Assurance Processes

Internal Assurance of Governance Related to Active Ownership

During 2025, our Head of Sustainable Investments undertook a full review of our active ownership approach as part of the Storebrand AM sustainable investing policies and governance review. This process was supported by Storebrand AM Compliance, who provided advice on the governance process related to the review and revision of sustainable investment policies and adoption of thematic policies, as well as the ongoing governance structure of these policies and related decision making. Policies are reviewed for potential improvements and changes, as well as approved by the Storebrand AM Board, on an annual basis. If the revision process results in substantial changes, the policies will be raised to the Board for policy clarification and adoption.

External Audit of Controls - ISAE 3402

Our stewardship policies and practices have stood up to external scrutiny. PwC are the current external auditor of Storebrand AM and provided an independent service auditor's assurance report on the description of controls, their design and operating effectiveness for the period from 1 October 2024 to 30 September 2025 via our latest International Standards for Assurance Engagements (ISAE) 3402 – type II report.

Our ISAE 3402 report addresses our organisational commitment to sustainability and explicitly references our principles for active ownership.

External Assurance via PRI

Storebrand was a founding signatory to the PRI (Principles for Responsible Investment) in 2006. Our stewardship activity is therefore assessed on an annual basis by PRI, which includes specific questions related to signatories' stewardship activities in the reporting period.

The assessment aims to identify how signatories can improve their responsible investment practices and facilitate learning and development by outlining how signatories' implementation of responsible investment compares year-on-year, across asset classes, and with peers at the local and global level by providing a confidential report. To ensure transparent communication, and to let stakeholders follow up on the implementation of our Sustainable Investment policy, we are committed to fulfilling PRI's reporting requirements and publishing our results accordingly. After each reporting cycle, we perform a gap analysis to consider how we can improve our stewardship and sustainable investment practices.

After submitting full and comprehensive reports to the PRI in 2024 and 2023, in 2025 Storebrand AM was not required by PRI to complete a full reporting cycle, and instead completed a minor update. That means PRI did not produce an Assessment Report for 2025, but our 2025 Transparency report is published on our website⁹, along with our 2024 PRI Assessment Report, which remains the most recent scored assessment.

A full PRI reporting and assessment cycle will be completed in 2026.

Indicator	2024 (out of 100)	2023 (out of 100)
Policy Governance and Strategy	94	92
Direct – Listed Equity Passive Equity	100	100
Direct – Listed Equity Active Quantitative	100	100
Direct – Listed Equity Active Fundamental	100	100
Direct – Fixed Income – SSA	94	94
Direct – Fixed Income – Corporate	95	95
Direct – Fixed Income – Private Debt	90	90
Confidence Building Measures	100	90

Table 2: PRI Assessment Summary Scorecard 2024

Our sustainability work is continuously assessed and ranked against our competitors, by civil society such as Fair Finance Guide Norway, or Norwegian People's Aid. Our work is also assessed and ranked by leading financial advisers and intermediaries in insurance and financial products, such as Söderberg & Partners.

The Fair Finance Guide in Norway rates Storebrand as number 1 asset manager, indicating high-quality corporate social responsibility, ethics and sustainability.

Regular and consistent review and use of external assurance have led to the continuous improvement of our stewardship policies and processes.

Storebrand achieved a total score of A- in the CDP's 2025 disclosure. CDP is a global rating of companies on climate and nature related issues. In the 2025 disclosure, Storebrand maintained its A- score on climate, and improved its Forest score from B to A-. CDP rates companies' work and achievements on climate and nature using a scale from A to F, with A being the top score. The foundation for the CDP's assessment is a comprehensive questionnaire that provides high levels of disclosure on governance, strategy and climate performance, among other topics.

Service Provider Monitoring

Service providers are the subject of continual review to ensure services are delivered to our standards and meeting our needs. Each service provider is internally assigned to one person for regular meetings and follow-up.

There is also a coordinated effort between the Risk and Ownership team and the IT team to compare and rate different providers. Our internal processes are designed to ensure the service provider fits our needs, providing quality and accuracy. We also ensure that all of our data providers meet the EU disclosure requirements.

Alongside our systematic monitoring, we also assess any standout cases, for example in the event of company controversies. We have regular contact with data providers, if our own assessment does not match their evaluation and risk categorisation to understand the discrepancies, and to eventually provide additional information for them to consider. This is also the case when we receive conflicting information from various data providers.

Data governance is evolving as we continue to develop our inhouse governance; we aim to manage all data in enterprise systems. In this regard, we have streamlined the entry point of contact for all data service providers, with Head of Data Contracts & Data Governance. We are in the process of standardising the data and structure of agreements to have master service agreements, with data contracts handled in a centralised manner across Storebrand Asset Management. Our data governance team works closely with our tech governance - delivery management team, as part of our investment operations unit.

In 2025 we established an interdisciplinary ESG Data team, charged with developing comprehensive ESG intelligence for informed decision-making at every level of the organization. The team has participation from Digital Storebrand AM, Investment Control and Analytics, Client Reporting and Accounting, Risk and Ownership, Fund Product and Legal.

Engagement with service providers:

Our stewardship is supported by several service providers, including several ESG data vendors and a proxy voting service provider. We regularly engage with ESG data providers to stay abreast of new data offerings, assess data quality, communicate our data needs and encourage improvements.

As we use numerous data providers to inform our decision making, our process also includes measures to address issues such as:

- different methodologies, e.g. more weight in the ESG risk evaluation assigned to financial risk vs material ESG risk
- different definitions, e.g. what constitutes production and distribution of a certain product
- different interpretations of what is considered a red flag for norm-based breaches, e.g. what constitutes a breach of UN Global Compact or the OECD MNE Guidelines
- data lags, e.g. outdated data on revenue from the production or distribution of oil sands or coal

Assessments and recommendations regarding a specific company may differ depending on what data provider one uses, as well as may differ from the methodology and approach that we apply in accordance with our own exclusion policy.

⁹ [Storebrand Asset Management's PRI 2025 Transparency Report - Storebrand Asset Management](#)

Our approach involves also challenging our data providers, where inconsistencies appear between data providers' assessments, or driven by our own analysis based on dialogue and information from companies.

Our ambition is to make independent judgments based on our own analysis, in-house expertise and experience, rather than relying solely on the recommendations provided by our various third-party data providers- which can vary greatly in their methodology and conclusion – especially with regard to social issues.

Oversight of external managers

All Storebrand-branded funds are managed internally by Storebrand Asset Management under a unified investment and stewardship framework. Investment decisions and stewardship activities, including engagement and voting, are conducted by internal teams in accordance with group-wide policies and sustainability principles.

Storebrand AM's assets under management are managed directly by our own investment teams. Our in-house portfolio managers are responsible for investment decisions across equities, fixed income, and multi-asset operating within the frameworks set by our Sustainable Investment Policy and related thematic policies. Storebrand Asset Management does not appoint external investment managers to manage its own funds. All portfolio management for Storebrand-branded products is conducted internally.

However, Storebrand operates a fund platform through which a range of external asset managers' funds are made available to our clients. These external funds supplement our internal product offering and are selected, monitored and overseen by our Fund Selection team.

Stewardship and sustainability considerations are embedded throughout our selection process for external fund managers. All funds and fund managers considered for inclusion on the platform are assessed through a balanced scorecard framework, in which sustainability is one of six evaluation areas. Each candidate must achieve a minimum score across all areas, including sustainability, in order to be admitted. This is a firm threshold that is not compromised.

Our due diligence covers both the fund management organisation and the specific investment team responsible for the fund. We assess qualitative and quantitative parameters, including: the manager's internal sustainability policies and governance arrangements; the investment team's knowledge, experience and track record of sustainability integration; the fund's mandate, holdings and ESG characteristics; and the manager's approach to engagement and voting. We also use the MercerInsight platform as a tool for qualitative evaluation of external managers, providing structured assessments of ESG integration and stewardship capabilities that complement our own analysis.

As a baseline expectation, all external fund managers are required to be signatories to the UN Principles for Responsible Investment, or to be in a credible process of

becoming signatories. For equity and fixed income strategies, new funds admitted to the platform are, generally, expected to classify as at least Article 8 under the EU Sustainable Finance Disclosure Regulation. Exceptions require specific justification and are escalated to Storebrand AM AS's Investment Committee for decision. Where a replacement fund is selected for an existing category, it is expected to have the same or better regulatory classification than the fund it replaces. We also expect external managers to set a target for climate-neutral investments by 2050 and to demonstrate credible steps in that direction.



Photo: Brandmaster – Storebrand

Sustainability Implementation



Photo: Brandmaster - Storebrand

Based on the principles set out in our investment and sustainability strategy, we engage with many companies each year, seeking to influence them to move in a more sustainable direction. We use our position as owners to influence companies to improve corporate behaviour and reduce adverse sustainability impact. Through our stewardship work, we contribute to better sustainability practices by individual investee companies, to addressing sector wide and systematic risks, and to policy alignment that provide the framework and incentives for companies to be more sustainable. By exercising active ownership in this way, we aim to reduce risks, improve the quality of our investments and influence companies to move in a more sustainable direction.

As both an active and passive index investor, there are limitations as to the degree of leverage that we, as minority shareholder investor, have when it comes to inducing a company to change or stop certain practices. This leverage is most limited when we are investing in global index markets, where our ownership in any particular investee company is insignificant for the company. Therefore, our stewardship approach is based on the application of a

holistic strategy to prioritise and target key systemic and material risks for us as investors and for planet and people. With this approach, we acknowledge that effort is required not just on the level of engaging with individual companies, but also by engagement at the level of entire industrial sectors, geographic regions, and national and international policy. This approach is also driven by our belief that combined, these efforts can contribute to change, albeit not quantifiable and often without a one-to-one causal link to our stewardship actions.

In cases where the conduct of our investee companies may be in breach of Storebrand's Exclusion Policy, we typically we use our position as an investor to engage companies in dialogue, seeking to make adequate improvements to end these breaches. If dialogue and further escalation measures do not lead to positive changes, a company may be excluded from investment.



Photo: AIP management – Teillay Walemo

Overview of activities and outcomes across our approach

1. Solutions driven investment



Photo: Storebrand – VIA vika curve

For solutions driven investment, we aim to invest 20 per cent of our assets under management in solution companies, bond investments in solutions, green bonds, green infrastructure and environmentally certified real estate by 2030.

Equity solutions

At the end of 2025, 19.8 per cent of our total assets were invested in solutions, up from 16.2¹ per cent in 2024. 15.4 per cent of our equity investments are invested in solution companies, 19.0 per cent of bond investments are invested in solutions and green bonds, 90 per cent of infrastructure investments targets to be in line with the net-zero path by 2030 and 49² per cent of real estate investments are certified to level BREEAM Very Good or better, or equivalent in similar certification schemes.

Green bonds

In the fixed income asset class, we direct capital to green bond solutions investments, which we define in detail as: green-, social-, sustainable bonds or sustainability-linked bonds, where:

- the financial and/or structural characteristics of the debt instrument are tied to predefined sustainability goals

- The company or issuer has at least 25 % of its revenue directed towards an environmental or social goal contributing to the achievement of the Global Goals, SDG's.
- The issuer has at least 25 % of their reported CapEx, OpEx or revenue aligned with the EU Taxonomy
- Issuer has at least 25 % green revenues

Furthermore, the investments must not cause any significant harm to other environmental or social objectives and must follow good corporate governance practices. Storebrand Asset Management also makes bond investments in the "Solutions" category. Going forward, our ambition is to increase our holdings in the category.

During 2025, our sustainable investments have consisted of green, social, sustainable, or sustainability-linked bonds, and issuers whose economic activities are assessed to contribute to an environmental or social objective under the UN Sustainable Development Goals (SDGs), through the issuers' products, services and/or technologies provided, and/or under the EU Taxonomy, and/or through an issuer's green revenues, provided that they do not cause significant harm to other environmental or social objectives and follow good governance practices.

¹In 2025, we made several changes in the solution definition, which is part of the reason for the increase. For real estate, please find details below. For 2025, we have received more data related to Taxonomy-aligned investments, which has resulted in higher reported values in 2025 compared with 2024. For real estate, please find details below.

²In 2025 we began using a stricter definition of real estate solutions, ramping up from our older criterion of "certified", to a new definition of "certified at level Very Good or better". As defined by our older criterion of "certified", our percentage of real estate solutions would be measured as having increased from 68 to 72% (+6 %-p) in 2025. Under our new criterion for real estate solutions, it has improved from 40 to 49 % (+22 %-p) in 2025.

Through these investments, our green bonds solution investments in 2025 primarily contributed to the following UN Sustainable Development Goals:

- Goal 3 – Good Health and Well-being
- Goal 6 – Clean Water and Sanitation
- Goal 7 – Affordable and Clean Energy
- Goal 9 – Industry, Innovation and Infrastructure
- Goal 11 – Sustainable Cities and Communities
- Goal 12 – Responsible Consumption and Production
- Goal 13 – Climate Action
- Goal 14 – Life Below Water
- Goal 15 – Life on Land

By the end of 2025, we had invested NOK 77.9 billion in green bonds. This represents 15.6 per cent of our total bond investments, up from 12.9 per cent in 2024.

Real Estate

Reducing sustainability risk and the environmental footprint (negative environmental impact) is essential in the management of our property portfolios.

We aim to increase the proportion of green investments according to the EU taxonomy and certify the properties according to the BREEAM environmental classification system or equivalent. In 2025, the proportion of real estate solutions investments in properties certified to BREEAM Very Good or better, constituted 49 per cent, up from 40 per cent the previous year. The BREEAM certifications cover both environmental and social components. The "Very Good" level thus confirms our focus on the wellbeing of tenants and surroundings, as well as the environmental impacts of the properties.

We work systematically to reduce energy consumption, phase out fossil energy sources and establish on-site renewable energy production for buildings. In the period 2019 to 2025, the energy intensity in our Norwegian and Swedish portfolios has been reduced by 27 per cent from 194 kWh/m² to 141 kWh/m². This is five percentage points down from 2024, and a result of active energy and climate management, including operational optimisation, energy efficiency measures in maintenance, and climate-efficient solutions in construction projects and renovations. GHG emissions Real Estate

Indicator	2024	2025
	Base Year	Base Year
Location-based GHG intensity (kgCO ₂ e per m ²) from real estate investments, Scope 1-3, Norway and Sweden	(2018):10.0 2023: 5.6 2024: 4.8	(2018):10.0 2024: 4.87 - 51% 2025: 3.84 - 57.7%
	Base Year (2019):	Base Year (2019):

Indicator	2024	2025
Market-based GHG intensity (kgCO ₂ e per m ²) from residential buildings, Scope 1-2, Norway, Sweden and Denmark (SBTi target)	24.3 2023: 23.15 2024: 24.4	24.3 2024: 24.4 2025: 14.25
	Base Year (2019):	Base Year (2019):
Market-based GHG intensity (kgCO ₂ e per m ²) from commercial buildings, Scope 1-2, Norway, Sweden and Denmark (SBTi target)	31.32 2023: 41.97 2024: 44.96	31.32 2024: 44.96 2025: 35.76

Within Real estate, we overachieved on our 32% reduction target for location-based emissions from 2019 to 2025. Market-based emissions, according to our SBTi-validated targets of 64 per cent and 71 per cent reduction for residential and commercial buildings, respectively, have decreased 42 and 20 per cent in 2025. From the base year 2019, these emissions in residential buildings have decreased by 41 per cent, while they have increased by 14 per cent in commercial buildings. Despite the reduction of the building energy intensity, the main driver of market-based emissions is the emission factor for electricity. Electricity accounts for three-quarters of total energy consumption. While the emission factor was almost doubled from 2019 to 2024, it went significantly down in 2025.

The purchase of guarantees of origin as a mechanism for reducing market-based emissions has been used to a limited extent and has remained virtually unchanged during the period. A transition to location-based targets will be concluded in 2026.

Infrastructure

Infrastructure investments enable us to further contribute to the green transition through long-term investments with a positive impact.

Through our Storebrand Infrastructure Fund series and our majority ownership in the specialist infrastructure investment boutique AIP Management, we make infrastructure investments within three main themes: energy transition, decarbonization and digitalization. To achieve its sustainability objectives and deliver resilient long-term value, AIP exercises active ownership by embedding strong governance and operational engagement across the full investment lifecycle. This is underpinned by a partnership-led investment approach, working closely with developers and industrial partners to drive measurable sustainability outcomes.

The strategic focus of Storebrand Infrastructure Fund is on investments that support the transition to net zero and we make investments within the themes of energy transition,

decarbonisation and digitalisation. The investment assessment itself and ongoing follow-up/management will be prioritised to achieve the goal of 90 per cent of infrastructure investments being in line with the net-zero path by 2030. We will ensure that due diligence of an investment opportunity includes an assessment of measures and plans that ensure the investment is in line with a net-zero trajectory. If the risk of not reaching the net-zero trajectory within five years is significant, the investment case will be weakened.

In most investments, we will have a major impact on the underlying company/project through board appointments, either indirectly via the fund's investment partners or directly on the board. We will ensure, through ongoing dialogue with partners and/or the company directly, that net-zero strategies are implemented and complied with.

The Storebrand Infrastructure Fund, which has so far invested 83 per cent of its available funding, ended 2025 with ownership stakes in a total of nine direct investments in sustainable assets in Europe and the US. The direct investment portfolio includes an onshore wind farm in the US, two offshore wind farms in Germany and the UK, two solar and battery storage project in the US, a district heating network in Norway, an onshore wind and solar-focused Independent Power Producer in France and two investments in electric train sets in the UK.

Eight of the direct investments, are done in partnership with AIP Management, an experienced infrastructure investment manager, majority owned by Storebrand AM since 2024, which has been our main strategic partner for infrastructure investments since 2021

The Storebrand Infrastructure Fund II made its first investments in 2025, including a solar-focused Independent Power Producer in the US and four battery energy storage system projects in the UK.

Full details on AIP Management's activities in 2025 can be found in the AIP 2025 Sustainability Report on the company's website.

Fixed Income Solutions Case

During 2025, we have, among other things, selected green bonds issued by:

SSAB

SSAB AB, formerly Svenskt Stål AB, is a Swedish steelmaker. The company's green framework has been developed in accordance with the Green Bond Principles and defines which projects can be classified as green. The framework focuses on supporting the company's transition to fossil-free steel production, including investments related to HYBRIT. Priority areas include emissions reductions, energy efficiency, and innovation. Through

this framework, one of the steelmaking industry's major climate challenges is being addressed.

Varbergs Sparbank

Varbergs Sparbank AB provides retail banking products and services to the residents of Varberg municipality in Sweden. The proceeds of the bond issue we have invested in, are used for green lending, primarily to energy-efficient homes and real estate. The framework supports local projects with clear climate benefits and reduced energy consumption. The focus is on promoting sustainable growth in the bank's local region.

Gränges

Headquartered in Sweden, Gränges AB is a global leader in aluminium rolling and recycling in selected niches. The proceeds of the bond issue we have invested in, are used by Gränges to finance and refinance investments in energy-efficient production and circular material flows within its aluminium operations. The framework includes projects aimed at reducing energy use, increasing recycling, and lowering carbon intensity per unit produced. The purpose is to support the transition towards more sustainable and resource-efficient aluminium solutions.



Photo: VALOREM - Brach

Asian Development Bank

The Asian Development Bank, headquartered in Manila, Philippines, is a regional development bank that promotes social and economic development within Asia. The proceeds of the bond issue we have invested in, are used for projects in renewable energy, climate adaptation, sustainable transport, and water infrastructure in developing countries across Asia. The framework aims to reduce emissions and strengthen climate resilience. The projects have a clear link to the UN Sustainable Development Goals.

Infrastructure Solutions Case:

Investment in UK battery storage portfolio

In September this year, Storebrand Infrastructure Fund II, through the AIP partnership, acquired a stake in a UK-based battery energy storage system ("BESS") portfolio with a total capacity of 700MW and 3.5-hour duration from BW ESS, a global developer, owner and operator of energy storage systems. The portfolio includes Bramley (100MW), which is operational, and Hams Hall (400MW) & Berkswell (200MW) which are under construction. Upon completion, the assets will be held in a newly formed AssetCo, with BW ESS retaining a 51% majority stake. BW ESS will manage construction and operations across the portfolio, drawing on its strong track record.

The investment is underpinned by strong market fundamentals in the UK, where the growing share of intermittent renewables, declining baseload generation, and rising grid constraints are creating an urgent need for flexible capacity. Large-scale battery storage has become critical to ensuring system stability, managing power price volatility, and supporting the security of supply. Located in the Midlands and South-East of England, the portfolio benefits from proximity to major electricity load centres and National Grid substations, reducing congestion risks while maximising access to arbitrage and balancing services. Once operational, these batteries will be able to support the electricity needs of 2.3 million UK homes for 3.5 hours, providing a substantial contribution to UK energy security. Revenue stability is supported by long-term capacity market contracts and robust offtake arrangements, which provide cash flow visibility and strong downside protection while preserving upside potential.

Private Equity

Cubera Private Equity's focus regarding sustainability in the private equity class is driven by a careful selection of funds based on due diligence of the fund manager; active ownership and dialogue with the fund managers in which we invest; as well as relevant authorities. Our investments are aligned with Storebrand AM's exclusion policy, limiting exposure to e.g. fossil assets.

In 2025, Cubera:

- Fully deployed Cubera Impact I – which is a dedicated strategy to sustainable solution companies
- Extended access to further external ESG data, signed and started onboarding of third-party ESG and Impact data set (Upright, EDCI premium)
- Participated in numerous PE related panels and workshops

- Completed SFDR periodic reporting, seeing an increase in exposure to solution companies across our SFDR classified vintages
- Raised 253.6 million euro in external AUM into SFDR classified funds

Impact Fund update

At the end of 2025, Cubera Impact I was fully deployed in a total of 8 fund investments and 4 co-investments, of which the last one closed in early 2026.

The fund's current portfolio of underlying companies is dominated by environmental solutions companies, but there is also exposure to social solutions, such as the investment in Curium, presented in the case below. The sustainability and impact themes that are addressed through the underlying solution companies of the fund ranges from the sustainable transition, including but not limited to energy efficiency solutions, circular economy and sustainable agriculture and aquaculture. For more information on the Impact investments, readers are referred to Cubera's Impact report that is currently out in [its second edition](#).

ESG data update

Contributing to ESG data development in the private equity sector in 2025, Cubera published its third sustainability report. We see a positive development in increasing coverage of reporting on ESG metrics, notably also driven by regulatory action in Europe and voluntary disclosure schemes in for example North America. Cubera will continue to collaborate within the private equity community, actively involving investors in building ESG further into mandates, supporting industry initiatives, and collaborating with peers to standardize data. Cubera recently became a premium member of ESG Data Convergence Initiative (EDCI), which will provide access to a standardized KPI's on portfolio company level delivered by a significant share of Cubera's General Partners in the forthcoming reporting for 2025 performance. Furthermore, through the current onboarding of third-party provider Upright, Cubera will gain further indication on portfolio performance on sustainability through their estimations.

Private Equity Solutions Case

Curium – social solutions company investment

In 2025, Cubera Impact I closed its 11th investment in the company Curium Pharma, alongside CapVest Equity Partners and other investors.

Curium Pharma is a global market leader of diagnostic Nuclear Medicine for healthcare providers. Curium provides diagnostics nuclear medicine for healthcare providers i.e. radioactive isotopes that attach to unique proteins on the surface of cancer cells, allowing for either imaging (diagnostics) or cancer cell elimination (therapeutics) while minimising damage to non-cancer cells. The impact proposition of this investment is to improve cancer outcomes through nuclear medicine that provide targeted diagnostics and therapies which enable more precise treatment, better outcomes, and improved survival.

2. Screening and exclusions

All our holdings are continuously screened by using data from various third-party data providers. As part of the exclusion process, our investment universe is monitored daily for potential conduct-based breaches, and screened quarterly to assess if companies are in breach of any of our criteria.

Exclusion summary 2025

As of 31 December 2025: 414 companies were excluded from all our investment portfolios; 662 further companies were excluded from certain of our funds, applying additional exclusion criteria; and 1 company was on our observation list. Some examples of exclusions we made in 2025 were:

- Caterpillar (CAT) and Phoenix Financial Ltd excluded for the unacceptable risk of involvement in violations of international humanitarian law in occupied Palestinian territories
- Toyota Motor Corporation, excluded for its persistent lobbying against climate-related regulation and policies; and its lack of transparency on the issues
- Eramet SA and PT Aneka Tambang, due to their involvement in deforestation and serious human rights violations linked to the Weda Bay Nickel (WBN) mining project in Indonesia
- Rio Tinto PLC and Rio Tinto Ltd, due to severe deforestation impact of the MRN mining project in Brazil

Exclusion key figures 2025

Storebrand Exclusion List

This list details exclusions that apply to all our products, based on our extensive exclusion process that involves both internal and external data, and evaluations conducted by subject matter experts. Excluded companies are removed from Storebrand's investment universe, which is an investment ecosystem that consists of over 4000 companies.

Storebrand exclusion – additional product-based criteria

Storebrand's extra criteria build upon the Storebrand Standard for sustainable investments. The extra criteria will only apply to selected funds and saving profiles.

Exclusion Category	Total Excluded
Conduct-based exclusion – Environment	42
Conduct-based exclusion – Corruption and Financial Crime	12
Conduct-based exclusion – Human Rights and International Law	90
Tobacco	34
Controversial weapons	53
Climate – Coal	143
Climate – Oil sands	8
Climate – Lobbying	6
Arctic drilling	0
Deep-sea mining	1
Marine/riverine tailings disposal	5
Deforestation	25
Cannabis	4
State-controlled companies	23
Total	414*
(Observation list)	1

Exclusion Category	Total Excluded
Alcohol	72
Adult entertainment	0
Weapons	68
Gambling	37
Fossil fuels (oil, coal, gas)**, PAB-aligned	497
Total number companies excluded	662*

*Some companies are excluded on the basis of several criteria.
 **Exceptions can be made for so-called transition companies involved in the generation, transmission, and distribution of electricity (i.e., the electric utilities sector) with exposure to fossil fuels, provided that they have a clear and credible transition plan towards renewable energy. These companies must fulfil all the following requirements: a) investable according to PAB screening criteria; b) have a SBTi approved climate plan, c) high EU Taxonomy-aligned CAPEX, d) emissions trending downwards. For coal related revenue from exploration mining, extraction, distribution or refining, the threshold is 1 %.

Engagement, Escalation and Exclusion case:

Toyota Motor Corporation



Photo: Brandmaster – Storebrand

in Q2 2025, Storebrand Asset Management excluded the global auto manufacturer Toyota Motor Corporation from investment, due to Toyota's persistent lobbying against climate-related regulation and policies, and its lack of transparency on the issues.

Our exclusion of Toyota followed a four-year long period of structured engagement with the company, and escalation of engagement, during which Toyota failed to materially reform its climate lobbying practices and transparency.

When announcing the exclusion, Kamil Zabielski, Head of Sustainable Investment, Storebrand Asset Management, noted: "This case illustrates the scale of the challenge in climate lobbying. It is a problem that is often underestimated by investors. How will governments and investors achieve the climate commitments that we have made, when companies are undermining this direction behind closed doors?"

Our climate commitment and position on lobbying

Storebrand AM has made a firm commitment to our investment portfolios having net-zero greenhouse gas (GHG) emissions by 2050 at the latest. In line with this commitment, we have set short-term targets to reduce emissions from Storebrand's total listed equity, corporate bond and real estate investments by 32 per cent by 2025, with 2018 as the base year.

Furthermore, Storebrand has a target for 42 per cent of our portfolios' listed equities and corporate bonds to have set validated science-based targets by 2027 (based on

AUM). The target has been approved and validated by the Science Based Targets initiative (SBTi). Ambitious climate regulations are an important enabler for companies to align their commercial activities with science-based commitments and the Paris agreement targets. Such regulations create a level playing field for all competitors, reduce uncertainty and drive innovation.

Storebrand AM's position on lobbying, in the context of climate policy, is that we believe that investors, companies and governments need to work together on ambitious solutions to achieve the Paris Agreement. Negative corporate interest, often represented by third-party organisations, can hinder policy action that aims to mitigate the impacts of climate change. This can cause issues for investors, including legal and reputational risks, and long-term portfolio volatility.

We expect consistency in companies' policy engagement in all geographic regions; and to ensure that engagement conducted on their behalf or with their support is aligned with the Paris agreement, in turn protecting the long-term value in our portfolios across all sectors and asset classes.

Transparency on lobbying by companies and by the third-party associations funded by companies, is therefore important information for investors such as us. Climate lobbying disclosures indicate whether the company's business plans and commitments are in fact in line with its stated transition plan, and can expose potential reputational and legal risks.

Lobbying misaligned with science-based policy

A significant gap remains between the current plans and actions of many of the world's largest companies, and alignment with the pathways implied by national commitments to the goal of the Paris Agreement. In some situations, investors are not even able to properly assess the situation.

Toyota is the world's largest carmaker, in a critical sector for the net zero transition. Transportation is the third largest source of greenhouse gas (GHG) emissions globally, with global GHG emissions from road transport increasing by 15% from 2010 to 2019, and most transport emissions coming from road vehicles.

However, analysis shows that global automakers have operated as powerful influencers against climate policies required to meet Paris Agreement goals for road transport: the majority of major automakers conduct global climate advocacy that is misaligned with science-based policy. Over time, Toyota has remained the worst-performing in this analysis, continuing to lead automotive opposition to climate regulations in multiple regions. These activities contribute to systemic risk, with Toyota's lack of transparency over the activities compounding the risk by leaving investors unaware of materially critical activities that the company is undertaking.

Failure to meet expectations

Storebrand AM initiated a structured engagement with Toyota more than four years before the final decision to exclude the company. In the engagement, we documented to Toyota our expectations to companies, that: when companies engage with public policy makers, they will support cost-effective policy measures to mitigate climate change and nature loss risks and support an orderly transition to a low carbon and nature positive economy. We believe that companies should be consistent in their policy engagement in all geographic regions and that they should ensure any engagement conducted on their behalf or with their support is aligned with our interest in a safe climate, in turn protecting the long-term value in our portfolios across all sectors and asset classes. In our dialogue with the company, we requested Toyota to disclose its climate policy engagement, in order to ensure that it supports an orderly transition to a low-carbon economy.

Despite some improved transparency, Toyota Motor Corp. (Toyota) continued to actively lobby against climate-related regulation and policies. The company opposed regulations that phase out internal combustion engine (ICE) vehicle sales; and has led negative lobbying efforts against policies to promote battery electric vehicles in numerous jurisdictions globally. In addition, the company continued to employ their industry associations, where they hold central positions, to aggressively push back on ambitious climate rules globally. This continued during Storebrand AM's 4+ year long period of dialogue and escalation of dialogue with Toyota on their climate lobbying activities.

Toyota's failure to meet these expectations eventually led to our co-filing a shareholder resolution at the company's Annual General Meeting in Q2 2023 AGM. There, Storebrand AM filed the first-ever climate-related shareholder resolution in the history of Toyota Motor Corporation, aiming to protect and enhance long-term shareholder value. However, due to the voting structure and procedures of the company, the resolution unfortunately did not succeed.

Toyota excluded in Q2 2025

We consider exclusion to be a last resort, and apply this action only when it is clear that the company in question is not capable, or willing, to meet our investment standard. Following the lengthy engagement and the lack of sufficient progress and indications that Toyota would not be likely to achieve the expectations we laid out, we decided to exclude the company from our investment universe, in accordance with our exclusion policy and our exclusion criteria for climate lobbying.

We informed Toyota of our decision to conclude the engagement and of the sale of our position in the company. The exclusion, which was effective as of end-Q2 2025, involved the sale of shares in Toyota valued at NOK 850 million as of May 31st, 2025.

Furthermore, as is our standard practice with companies excluded due to breaches of our exclusion policy, we outlined to Toyota Motor Company, the conditions under which the company could be considered for re-inclusion in our investment universe. In Toyota's case, these would be:

- A third-party-disclosed report, and an elaboration of the methodology used to review Toyota's assessments and what constitutes alignment or misalignment and disclose whether the review finds an overall alignment on the positions reviewed.
- Reporting on Toyota's engagement activities in all key markets, including markets such as the US, Europe, and Australia. We believe the assessment should apply to all relevant climate engagement across geographies.
- A detailed review of its own climate policy engagement and report on how this aligns with a scientific pathway to meet the goals of the Paris Agreement.

Exclusion Case

Caterpillar (CAT) excluded

During the third quarter of 2025, we excluded the industrial equipment manufacturer Caterpillar (CAT) from our investment universe due to the unacceptable risk of its involvement in violations of international humanitarian law in Occupied Palestinian Territories (oPt). Caterpillar, an American construction, mining and other engineering equipment manufacturer, is among the largest in the world in its market segment.

Involvement in severe violations

On 19th July 2024, the International Court of Justice (ICJ) issued a new opinion regarding the situation of occupied Palestinian territories — stating that Israel's occupation of the Gaza strip and the West Bank, including East Jerusalem, is unlawful, along with the associated settlement regime, annexation and use of natural resources. The ICJ mandated that the government of Israel must end its occupation, dismantle its settlements, provide full reparations to Palestinian victims and facilitate the return of displaced people.

Our analysis which we concluded in 2025, found Caterpillar to be contributing to severe and systematic violations of humanitarian law, as the company's equipment in general, and in particular its retrofitted D9 bulldozers, are used by the Israeli government's military forces for house demolition, settlement construction in Occupied Palestinian Territories (oPt), as well as the construction of the separation wall in the West Bank. The Israeli government's military forces also use Caterpillar's D9 bulldozers during military arrests in the West Bank and in the battlefield in Gaza as unmanned bulldozers, a robotic version advancing military field operations.

Lack of mitigating measures by Caterpillar

In addition, another factor in our exclusion decision is the lack of mitigating measures by Caterpillar to address these issues, despite the increasingly negative human rights impact of Caterpillar's equipment in a steadily worsening of the situation in the Occupied Palestinian Territories. Although the company does not sell its products directly to Israeli military forces and it does not retrofit them for military purposes, the use of Caterpillar's machinery in oPt has been well documented for over a decade, and the company's D9 bulldozers are produced in a way that allows for easy retrofitting for military purposes. Thus, the fact that the company has been aware of the negative impact of its products use over a long period of time without taking measures to mitigate that impact, has led to our exclusion decision.



The exclusion, effective as of the end of Q3 2025, involved the sale of shares in Caterpillar valued at NOK 1.2 billion. As is our standard practice with companies excluded due to breaches of our exclusion policy, we have outlined to Caterpillar, the conditions under which the company could be considered for re-inclusion in our investment universe. Our work on the issue of human rights and Conflict-Affected High-Risk Areas (CAHRA) is central to our sustainable investment policies, and is one of our prioritized engagement areas for 2024-2026.

3. Engagement and voting

Engagement



Storebrand AM employs both bilateral and collaborative engagement methods. Bilateral engagement is undertaken where company-specific issues require tailored dialogue. During 2025, we were involved in 145 direct, bilateral engagements.

Where issues are systemic in nature and require collective investor influence or policy-level engagement, we engage collaboratively through investor coalitions and multi-stakeholder initiatives. In 2025, we participated actively in 142 collaborative engagement dialogues, in addition to supporting 682 company engagements as signatory only, meaning that we are members of a collaborative initiative but do not participate in the company-specific dialogues.

Collaborative platforms that we engaged through during 2025 included the Investor Alliance for Human Rights CAHRA project, which produced practical guidance for investors on managing exposure to conflict-affected areas and entered a second phase focused on company engagement; a newly formed Investor Working Group on Defence Tech and Responsible Investment; the Investor

Policy Dialogue on Deforestation, of which Storebrand AM is co-chair; Finance Sector Deforestation Action (FSDA), Nature Action 100, of which Storebrand is a founding partner; the Finance for Biodiversity Coalition, where Storebrand chairs the Public Policy Advocacy working group; the Platform Living Wage Financials coalition, and the PRI Advance initiative on human rights, where Storebrand is part of the Advisory committee.

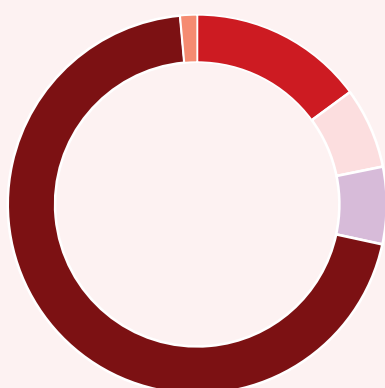
These collaborative platforms are chosen because they enable engagement not only with companies but also with policymakers and governments on systemic risks, such as deforestation, biodiversity loss, human rights in conflict zones, and living wages, which is beyond the reach of bilateral dialogue alone.

Engagement data 2025

Engagement key figures 2025

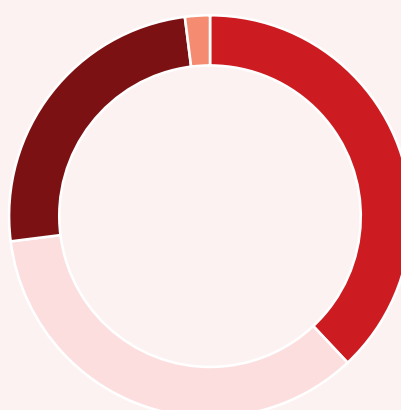
Category	Number
Ongoing engagements	896
Completed engagements	77
Total engagements	973
Engagements with active participation by Storebrand	276

Format of engagements



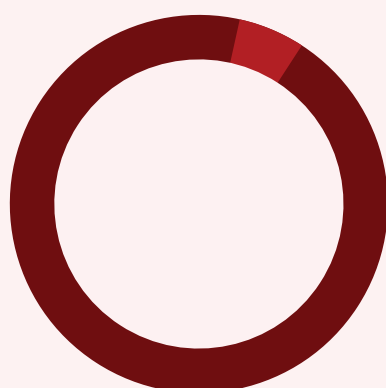
- 1% Uncategorized
- 15% Internal
- 7% Collaborative (leading role)
- 7% Collaborative (non-leading role)
- 70% Signatory only

Topics of engagements



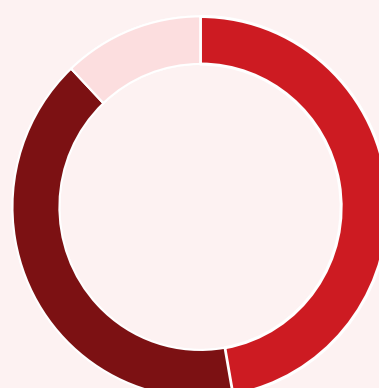
- 38% Climate change
- 35% Human Rights
- 25% Nature and biodiversity
- 2% Other

Reasons for engagement



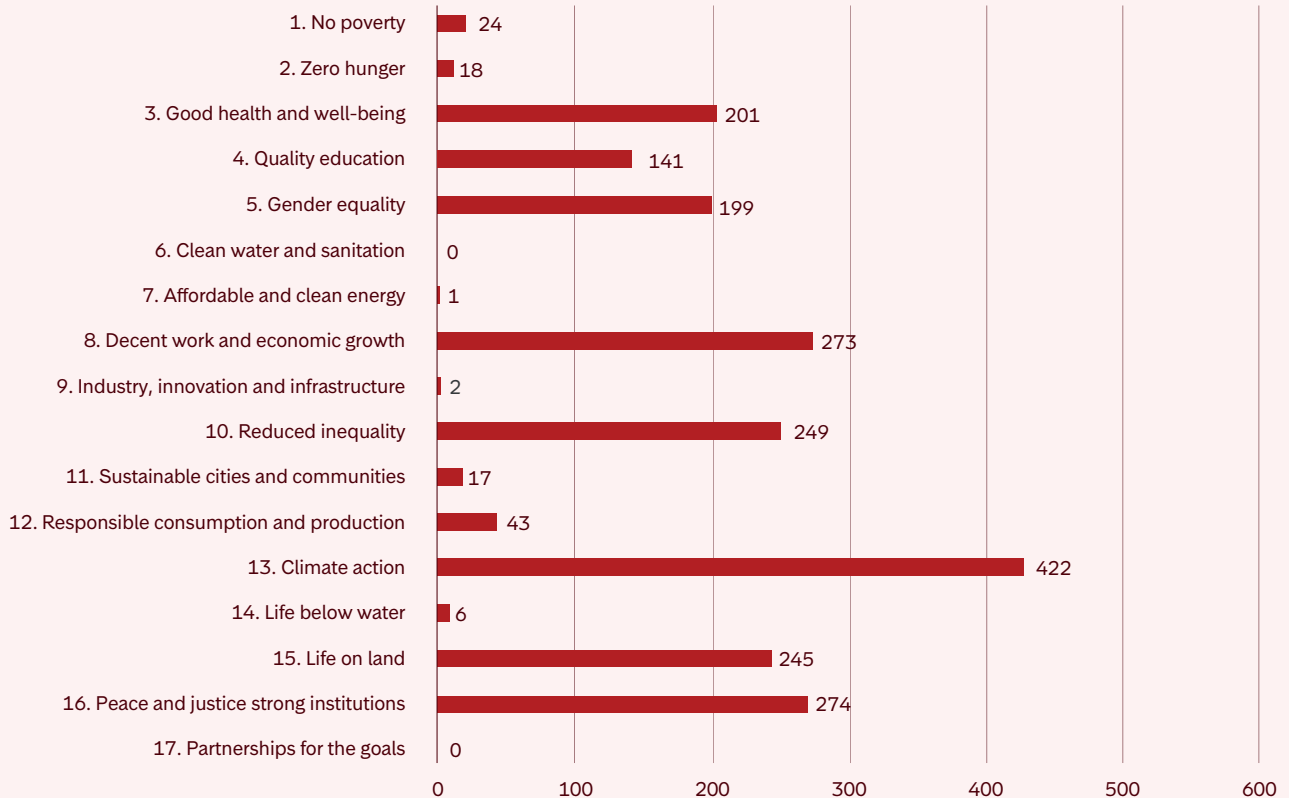
- 7% - Reactive
- 93% - Proactive

Topics of engagements



- 12% Governance
- 47% Environmental
- 41% Social

SDGs impacted by engagements



Sectors engaged in

Sectors	Number of engagements
Materials	153
Consumer Staples	122
Communication Services	109
Consumer Discretionary	97
Industrials	92
Information Technology	77
Energy	70
Utilities	45
Financial	28
Healthcare	18
Real Estate	3
Other	156

Top countries engaged in

Country	Number of engagements
United States	265
Japan	55
Germany	53
United Kingdom	42
France	40
Norway	35
Sweden	35
China	31
Brazil	23
Australia	22
India	21

Activities and progress across engagement themes in 2025

For the period 2024-26, our prioritized engagement themes have been: climate change, nature and biodiversity, and human rights, as well as the cross-cutting themes policy dialogue and sustainability disclosure.

1. Climate change engagement theme in 2025

With our firm commitment to our investment portfolios having net-zero greenhouse gas (GHG) emissions by 2050 at the latest, we believe investors can play an important role in tackling climate change and transitioning to a low-carbon economy.

In line with this commitment, we have set short-term targets to reduce emissions intensity from Storebrand's total listed equity, corporate bond and real estate investments by 32% by 2025, with 2018 as the base year. We have already surpassed our 2025 target, and have set a new target of 60% emissions intensity reduction for listed equity and fixed income investments by 2030, as well as targets for real estate, infrastructure and private equity. The targets are described in our Climate Policy. Furthermore, Storebrand has a target for 42% the listed equities and corporate bonds in our portfolios to have set validated science-based targets by 2027 (based on AUM). The target has been approved and validated by the Science Based Targets initiative (SBTi).

To achieve these targets, we have designed an engagement approach to create an impact in the real economy and encourage companies to define and implement climate strategies and align with the goals of the Paris Agreement and reaching net-zero emissions by 2050 or sooner. We will continue to engage with companies in sectors such as energy, transportation, consumer staples, materials, and industrials. Our participation in Climate Action 100+, the Institutional Investors Group on Climate Change (IIGCC) and the Principles for Responsible Investment (PRI), connects us with like-minded investors in platforms for collaborative engagement on this theme.

Top emitters

Over the past years, our emphasis has been on the emitters that generate the biggest amounts of owned emissions in our portfolios, and companies that have significant impact on ecosystems with high carbon value. Some of these dialogues have been carried out at the C-suite level and through our participation in the Climate Action 100+ and the Institutional Investors Group on Climate Change (IIGCC). From 2025, this engagement program was extended from 20 to 30 highest-emitting companies where we continue to assess the companies'

ability to transition, by monitoring developments in emissions and whether climate targets are integrated into strategy, investment choices and reporting.

Climate laggards

As part of our engagement strategy, we have also identified companies that are not adequately preparing for a transition to a low-carbon economy. Storebrand's approach to these laggards is unsentimental and data-driven. By using a "traffic light" system, we categorize companies based on their carbon performance and management score. Where these companies are held in active portfolios, they have been flagged to portfolio managers, who can engage further on the company's climate approach ahead of voting. If significant improvements are not observed, we vote against approval of the financial statements and management at their Annual General Meetings.

Lobbying

In the context of climate policy, we believe that investors, companies and governments need to work together on ambitious solutions to achieve the Paris Agreement. Negative corporate interest, often represented by third-party organisations, can hinder policy action that aims to mitigate the impacts of climate change. This can cause issues for investors, including legal and reputational risks, and long-term portfolio volatility. We expect consistency in companies' policy engagement in all geographic regions; and to ensure that engagement conducted on their behalf or with their support is aligned with the Paris agreement, in turn protecting the long-term value in our portfolios across all sectors and asset classes.

Through data provided by InfluenceMap, we have identified companies for dialogue to ensure that their political footprint matches their public climate pledges. While more companies are disclosing their lobbying activities than previously, a significant gap remains between companies' public climate pledges and the actions of the trade associations they fund.

Collaborative alliances

Storebrand AM is part of several key collaborative alliances of investors are currently driving action to achieve climate targets, though the landscape shifted significantly in early 2026 following a turbulent 2025.

Climate Action 100+: A large-scale engagement initiative focusing on 165 of the world's highest-emitting companies. As of 2026, it remains a primary platform for proxy season stewardship, helping investors coordinate votes on climate-related shareholder proposals.

Net Zero Asset Managers (NZAM) Initiative: After suspending activities in January 2025 due to political and regulatory pressure, this initiative officially relaunched in February 2026. It now has a more flexible framework that allows its 250+ signatories to set their own specific targets rather than a single global 2050 mandate.

Institutional Investors Group on Climate Change (IIGCC): Leads European efforts with over 400 members, focusing in 2025–2026 on “net zero implementation” and emerging requirements regarding nature and biodiversity.

Main actions and outcomes in 2025 – climate change engagement theme

In 2025 we had 366 engagements related to climate change, of which 66 were bilateral, 24 were collaborative and 276 we supported as signatory only. During 2025, we voted on 72 explicitly climate-related proposals at annual shareholder meetings, out of which we voted 56 times against company management’s recommendations.

We also continued our practice of voting against company financial statements or against relevant Board Directors, at “climate laggard” companies that we evaluate as scoring poorly on climate risk management. In 2025 we voted against 9 companies for this reason.

In 2025, Storebrand Asset Management successfully met its primary intermediate climate targets, including a significant reduction in portfolio emission intensity and a substantial increase in climate solution investments.

Our stewardship efforts shifted from asking companies to set commitments to demanding verifiable transition plans. Despite geopolitical challenges, we continued to seek out the full transition readiness of our portfolio companies, including their lobbying activities. Our assessment shows that while companies are progressing at different speeds across regions and sectors, transition pathways remain uneven, shaped by diverse policy environments, market conditions and access to capital, particularly in emerging and developing economies. Throughout 2025, most companies we engaged with disclose evidence of board-level oversight for climate risks and have set long-term net-zero targets for 2050. We have successfully moved the needle on “what” companies plan to do. However, the “how” remains the sticking point. While we see a significant share of the companies reducing their absolute Scope 1 and 2 emissions in 2025, only a few of these reductions align with the 1.5°C pathway required by the Paris Agreement. The most concerning “laggard” indicator in 2025 is capital allocation. Very few of the companies have disclosed credible transition plans that clearly link their medium- and long-term targets to their financial spending. Perhaps most damaging to the global transition is the plateau in corporate climate lobbying. In 2025, Storebrand Asset Management reached a definitive turning point in its climate lobbying stewardship. Most notably, after years of unsuccessful engagement and co-filing a resolution, Storebrand officially divested from Toyota Motor Corporation in Q2 2025, due to persistent misalignment between the automaker’s lobbying activities and the goals of the Paris Agreement.

2. Nature and biodiversity engagement theme in 2025

Biodiversity loss is identified as a critical systemic risk threatening global economic stability, financial markets, and human well-being. We believe nature loss will affect the capacity of our long-term economic growth and is likely to have implications for long-term asset returns. Failure to recognise business dependencies and impacts on nature exposes companies, and the financial institutions that invest in them, to ‘hidden’ risks. Protecting nature is therefore an integral part of our commitment to sustainability. The Intergovernmental Panel on Biodiversity and Ecosystem Services (IPBES) highlights five direct drivers to biodiversity loss, namely land and sea use change, climate change, pollution, natural resource use and overexploitation, and invasive alien species. In our work we prioritize the most material sub-industries and companies, from the perspective of nature-related impacts and dependencies, to ensure that these companies are mitigating their potential negative impacts. Our expectations to companies are built on the mitigation hierarchy that is set out in the International Financial Corporation’s (IFC) Performance Standard 6 and guided by Science-Based Targets Network (SBTN) and Taskforce on Nature-related Financial Risks (TNFD).

Deforestation

Since adopting a Deforestation Policy in 2019, our ambition was to make best efforts to eliminate commodity-driven deforestation from our portfolios by 2025. We have fulfilled that commitment through screening our portfolios, exercising active ownership based on best practice expectations to companies, using exclusion as a tool in severe cases, and disclosing on our activities and results. However, we recognize that deforestation remains a complex, systemic risk requiring action from stakeholders across sectors and industries. Actions taken by investors like Storebrand AM are necessary, but not by themselves sufficient to eliminate deforestation or related financial risks. We remain committed to use our best efforts to combat deforestation risks, building on progress made and improving wherever possible.

As part of this commitment, we engage with companies involved in the production, trade, use, or financing of forest-risk soft commodities, as well as mining. Much of this work in 2025 was carried out through the Finance Sector Deforestation Action (FSDA), which delivered its final progress report in Q4 2025, documenting the meaningful progress made on deforestation-related risks since the initiative’s inception four years ago.

Policies and regulations that protect forests and promote sustainable land use and traceable supply chains, are important to reduce financial risks arising from nature loss. We engage policymakers in Brazil, Indonesia and import markets like the EU, the UK and the USA, through the collaborative Investor Policy Dialogue on Deforestation, of which Storebrand AM’s CEO is co-chair. Storebrand AM also co-chairs IPDD’s Brazil working group.

In the runup to the COP30 climate conference, Storebrand AM was among the very first signatories of the Belém Investor Statement on Rainforests – a united call from investors urging governments to strengthen forest protection and align public policy with global nature goals.

Sustainable seafood

Seafood is one of the world's most highly traded and valuable commodities, with global demand expected to double by 2050. Yet a significant amount of seafood related assets and revenue may be at risk due to overfishing, habitat degradation, nutrient pollution and disease. We engage with companies, particularly within aquaculture, to reduce the sector's environmental impacts, including biodiversity loss. We expect the sector to address issues such as pressure on wild fish stocks, habitat loss, antimicrobial resistance (AMR), pollution due to use of chemicals and waste, and animal welfare.

Extractives in ecologically sensitive areas

We prioritise engagement with companies that operate or source from ecologically sensitive areas such as the deep sea. We will expand to other ecologically sensitive areas as data improves. Following the precautionary principle, we will not invest in companies that are directly involved in deep-sea mining, until more scientific knowledge is developed on the impacts. We will also engage with downstream companies that are involved in extractives in the deep sea.

Collaborative alliances

- Storebrand AM is part of several key collaborative alliances of investors are currently driving action to achieve nature targets:
- Finance for Biodiversity (FfB): This is a high-level commitment platform for financial institutions (banks, insurers, and asset managers). Signatories commit to protecting and restoring biodiversity through their investment activities and to disclosing their impacts by 2025.
- Finance Sector Deforestation Action (FSDA): A global coalition of investors, launched at COP26, that works collectively to reduce deforestation risk in portfolios and engage companies and banks based on joint expectations for deforestation-free practices.
- Investor Policy Dialogue on Deforestation (IPDD): A targeted coalition focusing specifically on the financial risks of deforestation. This group engages directly with governments (including Brazil, Indonesia and the EU) promoting policies to protect forests, ensure sustainable land use and increase traceability of supply chains.
- Nature Action 100 (NA 100): It targets 100 "systemically important" companies with the highest impact on nature (e.g., consumer goods, heavy industry, and chemicals).
- UNPRI SPRING: It focuses on the political and policy influence of companies.
- Taskforce on Nature-related Financial Disclosures (TNFD) Adopters: While TNFD is a framework rather than an alliance, the "Early Adopters" group functions as a powerful coalition.

Main actions and outcomes in 2025 – Nature and Biodiversity

In 2025 we had 244 engagements related to nature and biodiversity, of which 5 were bilateral, 47 collaborative and 192 as signatory only.

We supported 11 shareholder proposals directly related to nature, biodiversity or deforestation at company general meetings, all of which were against company management recommendations. In addition, we supported 9 shareholder proposals related to increasing circularity or reducing waste and plastic packaging.

We also continued our practice of voting against company financial statements or against relevant Board Directors, at companies that we evaluate as scoring poorly on deforestation risk management. In 2025 we voted against 7 companies for this reason.

In October 2025 we published an analysis of 100 Nordic companies, conducted jointly with the nature and biodiversity data leader GIST Impact, that demonstrates how nature-related portfolio assessments can inform investment strategies, sharpen stewardship approaches and support alignment with global biodiversity goals. We will use these findings to focus our stewardship where it matters most:

- Identifying the most significant nature-related impacts across our portfolios.
- Targeted engagement with companies in high-risk sectors and locations such as manufacturing, forestry and transportation, and those operating in or near Indigenous lands, to reduce environmental pressures and build resilience.
- Monitoring company targets and performance over time on, for example, water management and biodiversity impacts, and alignment with evolving reporting standards.
- Driving transparency and accountability in line with frameworks such as TNFD and GRI.

In Q2 2025 we published the results of our annual screening of deforestation risks in our portfolios. The results show that our risk profile and exposure remain roughly the same as in the previous year. While the methodology for the analysis has remained the same, the degree of reliability of the analysis is now slightly better, as our data partner Forest IQ has increased the number of companies and made some improvements to the underlying data.

In 2025, Storebrand Asset Management solidified its position as a global leader in nature-finance. Storebrand received the Finance for Biodiversity "Collaborative Leadership for Nature" award. The award specifically highlighted Storebrand's proactive role in moving the financial industry beyond individual action toward collective impact. Storebrand was recognized for its role in shaping the collaborative engagement initiative Nature Action 100 and the Finance for Biodiversity.

Storebrand's 2025 nature engagement work was defined by a forceful approach to stewardship, particularly as it reaches the deadline for its primary 2025 deforestation and biodiversity disclosure goals. Our assessment of the engagements revealed a mixed progress landscape. More companies are disclosing a commitment to protect nature, but only a handful provide evidence of a comprehensive materiality assessment of their nature-related dependencies and impacts. While we also note more nature-related targets were set to reduce impacts, companies are not able to prove these targets stemmed from rigorous assessments of material risks. There is a growing trend of companies aligning their disclosures with the Taskforce on Nature-related Financial Disclosures (TNFD) recommendations, which increased significantly in 2025, however, disclosure regarding the rights of Indigenous Peoples and local communities remain severely limited to a few companies.

During the reporting period, Storebrand Asset Management undertook a targeted engagement with Swedish forestry companies SCA and Holmen, focusing on biodiversity protection and sustainable forestry practices. This engagement was prompted by concerns over potential withdrawal from Forest Stewardship Council (FSC) certification, a key global standard for responsible forest management. Storebrand engaged directly with companies' management, in collaboration with other Nordic investors, to emphasise the importance of maintaining FSC certification and to address broader issues such as the protection of old-growth forests, respect for Indigenous Sámi rights, and the need to secure Free, Prior and Informed Consent (FPIC). The dialogue was constructive and contributed to positive developments, notably both companies deciding to halt their planned withdrawal from FSC certification following stakeholder discussions. The engagement remains ongoing.

In 2021 Storebrand AM placed Bunge Global SA (Bunge) and Archer Daniels Midlands (ADM) on our Observation list, as an escalation step in our engagement with them on issues related to deforestation impact. In 2025 we undertook a new assessment of Bunge and ADM. While the assessment indicated that neither company had fully met our expectations, we decided that Bunge had made sufficient progress to be removed from our Observation list, which means that we have lifted the investment restrictions linked to the company's previous status of being named on our Observation list.

We are continuing to monitor and conduct dialogue with Bunge, as part of our regular engagement on deforestation risk. In the case of ADM, we decided to maintain the company on our Observation list.

In October 2025, the FSDA (Finance Sector Deforestation Action) published its final progress report, marking the conclusion of an initiative that – since its launch at COP26 – had brought together leading investors to tackle deforestation as a systemic financial risk, delivering key milestones including universal policy adoption among participants, over 100 company and bank engagements,

and stronger corporate disclosure on traceability and deforestation-free supply chains. With the FSDA's work now complete, Storebrand AM is carrying the agenda forward as part of IIGCC's Deforestation Investor Group (DIG), a broader platform designed to mainstream investor action to halt deforestation and protect value across the financial system.

During 2025, Storebrand AM signed letters from investor coalitions IIGCC and IPDD to the European Commission and EU member state governments, expressing support for the EU Deforestation Regulation and cautioning against further delays or weakening of the regulation. Storebrand AM also represented the IPDD in meetings with the European Commission's Environment Cabinet, emphasizing how any further delays or simplification of the EUDR creates financial risks for investors. Unfortunately, the EU decided to postpone implementation of the EUDR until Jan 1st 2027, to provide more time for companies to prepare.

While Storebrand AM was disappointed with the delay, we will continue to urge EU policymakers to ensure that this period is used to improve traceability, implementation and compliance regimes. We consider the EUDR to be a landmark in driving traceability of commodity supply chains, which is needed for companies and financial institutions to address financial, reputational, operational, legal and regulatory risks arising from deforestation.

In 2025, Storebrand Asset Management solidified its position as a global financial leader opposing the premature start of Deep-Sea Mining (DSM). Our dual-track strategy focused on domestic political advocacy in Norway and international policy engagement with the International Seabed Authority (ISA). The year concluded with a historic breakthrough: a four-year suspension of DSM in Norwegian waters and a continued global "precautionary pause" at the ISA. The most significant achievement of 2025 was the shift in Norway's domestic policy, where Storebrand played a vocal role as a primary institutional critic. In December 2025, the Norwegian government agreed to halt all deep-sea mining licensing for the current parliamentary term (through 2029). This was a direct result of political negotiations for the 2026 State Budget.

Storebrand Asset Management remains a key backer of the Business Statement Supporting a Moratorium on Deep Sea Mining, alongside global partners. We will continue to monitor the ISA's development of environmental thresholds. Our focus will shift toward alternative solutions, such as circular economy investments that reduce the demand for deep-sea minerals.

3. Human Rights engagement theme in 2025

Storebrand AM will not invest in companies that contribute to severe and systematic breaches of international humanitarian law and human rights. We will promote the respect of human rights by engaging with investee companies, policymakers and standard-setting bodies to tackle systemic human rights risks and create enabling environments for responsible business conduct that is grounded in respect for human rights and access to remedy for affected rightsholders.

To promote respect for human rights, we are prioritising

three themes within our engagements during the 2024-26 period:

1. Reducing inequalities and promoting a just transition
2. Conflict and high-risk areas
3. Digital rights

Embedded in these engagement areas is our work towards achieving our two main social targets:

1. Substantial alignment with the United Nations (UN) Guiding Principles
2. Living wages acknowledged for target sectors

Our engagement work is based on the UN Guiding Principles and OECD (Organisation for Economic Cooperation and Development) Guidelines; the Norwegian human rights due diligence law (Transparency Law); the EU Corporate Sustainability Due Diligence Directive; UN human rights conventions and declarations and ILO conventions and international humanitarian law.

Reducing inequalities and promoting a Just Transition

According to the UN, inequality is growing for more than 70% of the global population, exacerbating the risks of divisions and hampering economic and social development. Income disparities and a lack of opportunities are creating a vicious cycle of inequality, frustration and discontent across generations. Storebrand aims to tackle this trend by focusing its engagements with companies in three areas: eliminating forced labour, promoting living wages and encouraging a Just Transition. The latter focus area addresses the potential negative effects that a transition to a low carbon economy may have on workers and communities. These issues can cause material risks to companies' operations, but the greater risk is generally in companies' supply chains.

Regarding forced labour in supply chains, we are focusing on the textile and renewables sectors by participating in an Investor Alliance for Human Rights initiative on forced labour including Uyghur forced labour.

Our work on living wages is focused on the agrifood and food retail sectors and is conducted through the Platform Living Wage Financials. Our participation in PRI Advance focuses on the metals and mining sector as well as the renewables sector and covers forced labour, living wages, labour rights as well as Just Transition with a strong focus on the rights of Indigenous Peoples and local communities. Through the World Benchmarking Alliance, we engage with oil and gas companies on Just Transition, with a focus on labour rights in this context.

Conflict and high-risk countries

Companies with operations in conflict-affected and high-risk areas (CAHRA) are exposed to a higher risk of involvement in human rights violations. Conflict-affected areas are identified by the presence of armed conflict and widespread violence. Some of the worst human rights abuses involving business occur amid conflict over the control of territory or resources and where central governmental control is weak or has broken down completely, or in territories whose people have not yet

attained a full measure of self-government and thus have difficulty to defend themselves and exercise their self-determination rights.

We expect companies we invest in to exercise extreme caution when operating in these areas by conducting heightened human rights due diligence so that their operations do not contribute to conflict. Our actions on this theme are twofold:

- reactive engagement with companies flagged for contribution to conflict
- collaborative pro-active engagement aiming to ensure enhanced human rights due diligence in CAHRA in general with two high-risk sectors: the information and communication sector (ICT) and the renewables sector within the Investor Alliance for Human Rights CAHRA's project, together with the Heartland Initiative and the Peace-Nexus Foundation.

Digital rights

Digital technologies can be used to stimulate engagement and democratic participation. Everyone should have access to a trustworthy, diverse and multilingual online environment and should know who owns or controls the services they are using. This encourages pluralistic public debate and participation in democracy.

However, there is a need to create a digital environment that protects people from disinformation, surveillance, discrimination, information manipulation or other forms of harmful content in addition to job displacement. Everyone should be empowered to make their own, informed choices online – including when they interact with artificial intelligence tool and algorithms.

Our dialogue with companies covers workers, consumers, societal and existential risk as we refer to the Artificial Intelligence OECD Principles, the work by the UN B-Tech group on Advancing Responsible Development and Deployment of Generative AI, in addition to emerging regulation in this field such as the EU Digital Service Act and the EU AI Act. Specifically, regarding AI, Storebrand AM expects companies to conduct ongoing human rights impact assessments to be undertaken by businesses, both AI providers and AI users, at all stages of the product and service cycle.

We participate in several initiatives: the Investor Alliance on Human Rights' initiative on digital rights; the Swedish Council of Ethics-led initiative on Big Tech and the World Benchmarking Alliance Collective Impact Coalition for Ethical AI. Storebrand AM is also involved in investor initiatives that are advocating for robust digital rights regulation and giving feedback to lawmakers in the EU, through the Investor Alliance for Human Rights.

Main actions and outcomes in 2025 – Human Rights

In 2025 we had 342 engagements related to human rights, of which 66 were bilateral, 62 collaborative and 214 as signatory only.

In 2025, we voted on 174 proposals at company annual

general meetings, of which 65 proposals were related to human rights, labour practices, discrimination, or digital rights and safety. We opposed management recommendations in 51 of these 65 votes.

Conflict and high-risk areas (CAHRA)

In 2025, we continued to be involved in the Investor Alliance for Human Rights ("Investor Alliance") CAHRA project, engaging with companies to create improved heightened human rights due diligence in conflict affected areas. Together with the Investor Alliance, Heartland Initiative, and Peace Nexus and a select group of investors, we continued developing and piloting a process for identifying, analysing, prioritizing, and managing portfolio risk linked to business operations and relationships in CAHRA by engaging with companies within the Information Communication and Technology (ICT) and Renewables sectors. The project, named Investor Engagement on Conflict-Affected and High-Risk Areas, has been on-going since 2023.

In the second quarter of 2025, Storebrand was part of a group of investors that collectively issued a letter to companies on human rights policies and practices in conflict areas. The group assembled 23 shareholders, asset managers, and financial industry international stakeholders representing more than 980 billion euros in assets under management and the French Sustainable Investment Forum (FIR). We were supported in this initiative by the International Federation for Human Rights (FIDH) and expertise of several NGOs and foundations. In concrete terms, the letter warned companies that in such contexts, respect for internationally recognized human rights and international humanitarian law (IHL) can only be guaranteed by a set of reinforced and proactive heightened human rights due diligence measures on the part of companies.

Together, we jointly presented detailed expectations for companies to adopt and implement comprehensive policies and processes, in relation to their exposure to CAHRA, that respect both internationally recognised human rights and IHL, and are consistent with all applicable regulations, principles and guidance.

Along with this, during Q4 2025 we also joined a newly formed Investor Working Group on Defence Tech & Responsible Investment hosted by the Investor Alliance for Human Rights, the Business and Human Rights Resource Center and the Heartland Initiative. This working group is created in response to the growing geopolitical instability. The defence industry has been rapidly expanding and diversifying, increasingly integrating emerging technologies and extending to the militarization of police and border security forces. The "defence tech" sector now blurs the lines between the technology and defence industries. This trend is characterized by the collection and weaponization of personal data through state-backed surveillance, the increasing use of artificial intelligence (AI) in military operations, and the proliferation of dual-use technologies in conflict.

In November, Storebrand AM was a signatory to the

Investor Statement on Autonomous Weapons, together with 20 other investors, as part of our ongoing effort to address product risks and systemic risks in this area. With geopolitical tensions and armed conflict rising around the world, and a lack of sufficient national and international laws and conventions governing these products, the ongoing proliferation in their development and usage, poses an urgent and grave threat to human rights and global stability. Our action was based on our assessment that only by working together, can investors and the public achieve the goal of implementing regulations on autonomous weapons that ensure market stability, uphold human dignity, and foster sustainable economic development.

Digital rights

With AI risks continuing to rise, Storebrand has been working with the Collective Impact Coalition for Ethical Artificial Intelligence by the World Benchmarking Alliance. The coalition seeks to ensure that digital technology companies integrate human rights and ethical considerations into the development, deployment, and procurement of AI. During 2025, together within the coalition, we continued our engagement with 76 companies within three 'core' tech industries: hardware and semiconductor giants, telecom providers, and software firms.

Reducing inequalities and promoting Just transition

In 2025, Storebrand continued its work engaging with companies within the Platform Living Wages Financials (PLWF) aiming to enable living wages and living incomes in global supply chains. In 2025, the group conducted another round of assessment of companies within the garment and apparel, the agrifood and food retail sectors. Reducing inequalities and promoting a just transition For several years, Storebrand has been engaging with the global retailer Amazon.com on various aspects of human rights and labour. The impetus for the engagement is based on our assessment that there is a gap between the company's stated commitments in these areas, and how it implements them. We believe that this gap is a reputational and operational risk that the company should address.

Further action was taken in this engagement with Amazon.com during the first quarter of 2025. Storebrand had been part of a group of investors seeking to file a shareholder proposal to be voted on at the 2025 Amazon.com annual general meeting (AGM). This proposal, which focused on the company's implementation of its own stated commitment to the principle of freedom of association of its workers, was co-filed in December 2024. However, in early 2025, the US Securities and Exchanges Commission (SEC) granted Amazon's request to exclude our proposal from the proxy. Within the same group of investors, we also collaborated in early 2025 to issue a collective letter to two members of the Board at Amazon.com. The letter documented our concerns regarding the decision that the company took this year in Canada, to close all its Quebec warehouses and end the jobs of approximately 1700 full-time and 250 part-time workers. Whilst specific outcomes may not have been achieved, we believe continued engagement on labour and human rights is an important activity to hopefully increase the value put on

the topic by the company.

In July, Storebrand AM was part of a group of financial institutions that together formally called on the Board of Directors of the global retail giant Industria de Diseño Textil, S.A., popularly known as Inditex, to be transparent on several issues surrounding its handling of supply chain due diligence and living wages in Cambodia. Cambodia has a significant garment manufacturing industry that is dominated by foreign owners, is mainly export-driven and is deeply integrated in global supply chains. However, the country is also characterised by having a significant portion of its population living below the poverty line, with low levels of education, creating a large pool of unskilled, low-cost workers that are highly vulnerable. Therefore, we have collectively issued a joint call to Inditex to answer a targeted set of questions on the issues and take specific actions to provide transparency on them.

Conflict areas and high-risk areas

During 2025, we conducted another round of our periodic screening of our portfolios for risks related to conflict and high-risk areas (CAHRA). In this work we have clear guidelines for what kind of activities we should prioritize, so that our advocacy work has the greatest possible impact on the situation on the ground. In 2025 our screening resulted in 2 exclusions, one of which was our decision in Q3 2025 to exclude Caterpillar (CAT) from our investment universe based on an unacceptable risk of the company contributing to severe and systematic violations of international humanitarian law in the Occupied Palestinian Territories.

During the first quarter of 2025, the Investor Engagement on Conflict-Affected and High-Risk Areas group, which Storebrand is part of, published the results of its project: a guide titled "Navigating Portfolio Exposure to Conflict-Affected and High-Risk Areas: Practical Guidance for Investor Engagement with Companies". The report is a practical, rights-based contribution to the limited guidance currently available for investors seeking to take a systemic approach to managing CAHRA risks across their portfolios and to those companies pursuing better

policies, practices, and governance measures in response to today's volatile geopolitical landscape. The group also issued specific recommendations to the companies engaged on how to improve their heightened human rights due diligence in CAHRA.

Digital rights

At the end of 2025, the Collective Impact Coalition for Ethical Artificial Intelligence within the World Benchmarking Alliance – of which Storebrand is part – published a second annual progress report, documenting a uniquely detailed view of how responsive individual companies and industries have been to investors' outreach on ethical AI. While AI principles are becoming more commonplace, details on how they are implemented remain elusive. Though companies across the industry spectrum are creating new governance structures dedicated to ethical AI, CIC investors and WBA researchers found considerable gaps in transparency regarding how they translate into practice. As a group we believe that the level of transparency provided by report can help us boost engagement on the issues.

Reducing inequalities and promoting Just transition

At the beginning of 2026, the Platform on Living Wage Financials (PLWF) – of which Storebrand is part, published a report with the results of the engagement rounds and assessments conducted in 2025. The report shows some progress, albeit unevenly, in the living wage policies and practices of the companies in the Garment & Apparel sector. Within the Food Agriculture and Food Retail sector, the report shows progress in terms of policies and procedures, but when viewed in terms of on-the-ground impact, these changes have not yet consistently translated into higher wages.

Looking ahead, 2026 will be a crucial year for moving from policy development to measurable impact in living wages. We will continue working within the PLWF coalition to push the companies in scope to implement living wages and living incomes in their entire supply chains, and to track the effectiveness of these measures.



Photo: Unsplash – Tim Mossholder

Storebrand AM disclosure under Norway's Transparency Act (Åpenhetsloven)

During 2025, we conducted human rights due diligence in our portfolios to map, identify and assess human rights risks, as well as to implement measures to avoid, mitigate and/or stop those risks in our portfolios. Among the main risks identified are the following: poor working conditions in supply chains (forced labour, child labour, poverty wages, gender discrimination and sexual harassment; anti-unionising activities); communities and Indigenous Peoples' rights; human rights and humanitarian law violations in conflict areas; human rights in high risk countries; digital rights (privacy, censorship, discrimination online, children's rights online); rights connected to a Just Transition.

Among the main industries identified as high risk are the following: Apparel and Garment; Agrifood; Renewable energies; Oil and Gas; Metals and Mining; Construction and Infrastructure; Communication and Information Technologies; Private security companies, and Aerospace and Defence.

As part of our human rights' due diligence, we have implemented different measures to manage and mitigate human rights risk such as reactive and proactive engagement, co-filing of shareholder resolutions and proxy voting, exclusions, risk-based sale of assets, observation list and pre-investment screening/ineligibility for investing.

We formally excluded four companies related to human rights issues, based on conduct-based criteria for human rights and international humanitarian law, Indigenous Peoples' rights and labour rights. We also excluded five companies as risk-based sale of assets under our criteria for human rights and international humanitarian law and high risk of severe labour rights violations. Furthermore, eight companies were excluded during pre-investment screening.

We also excluded 14 new companies under our controversial weapons criteria. In addition, companies in breach of EU SFDR PAI 10 have been flagged as non-sustainable and therefore, do not qualify for Article 9 funds or the sustainable investment part of Article 8 funds. We have also disqualified for Article 9 funds all companies linked in UN reports to human rights violations in Gaza and the occupied Palestinian territories.

In addition, we have had reactive individual dialogue with many companies on human rights issues that have not led to exclusion, either because the engagement is ongoing, the severity of the case has not warranted an exclusion, or a final decision on exclusion has not yet been made. Conflict Affected and High-Risk Areas (CAHRA) was a theme that was prioritised for reactive dialogue in 2025 with 69 companies engaged, in particular regarding occupied Palestinian territories but also Western Sahara and Ukraine.

We have had proactive dialogue with 12 industries in several investor alliances focusing on human rights, where the aim is to lift sector standards to avoid harm. We engage together with other investors, for more leverage, a more effective use of engagement resources and knowledge sharing. Some of the themes we have engaged on proactively are: living wages (engaging with 50 companies within the textile and agrifood sectors); digital rights and Ethical AI (engaging with 76 companies (out of 200 in scope) within the Communication and Information Technology sector); Forced labour (48 companies within textile, IT and Renewable sectors), and CAHRA (companies within the IT and renewable sectors).

We co-filed two shareholder resolutions during 2025 related to human rights, both concerning digital rights, at Meta Platforms Inc and Alphabet Inc.

4. Policy dialogue cross cutting theme in 2025

We actively engage with policymakers and other relevant stakeholders to promote sustainable business practices aligned with the SDGs and global agreements on climate, nature, and human rights through direct engagements, consultations, and investor alliances like Finance for Biodiversity and IPDD.

Policy dialogue is also a cross-cutting theme that spans a range of thematic areas. While voluntary action by companies is important for achieving progress, the regulatory frameworks for sustainable business, as well as our main engagement themes, are determined by international treaties and national policies. Therefore, engaging with policymakers and other stakeholders in a transparent and responsible manner, is an essential part of our strategy to promote business practices aligned with the Sustainable Development Goals (SDGs) and global agreements on climate, nature and human rights. This may entail direct engagements with relevant policymakers, standard setters or trade associations, participating in consultation processes, co-signing open letters or presenting investor alliance statements at UN summits.

EU Sustainability regulations: In June 2025, Storebrand signed a Eurosif-organised joint investor and company statement written to Members of the European Parliament amid proposed changes to the CSRD, ESRS, and CSDDD. The letter emphasised that these regulations provide a key foundation for the EU's economic and sustainability goals. Specific asks included:

- Simplifying ESRS while maintaining double materiality and interoperability with ISSB, GRI and TNFD
- Keeping companies with 500+ employees in scope of CSRD (in line with the NFRD)
- Ensuring the value chain cap still allows sustainability data exchange between investors and companies
- Safeguarding the core of the CSDDD, including risk-based due diligence aligned with UN Guiding Principles and OECD Guidelines
- Maintaining the CSDDD requirement for companies to adopt climate transition plans with science-based targets disclosed under CSRD.

In early October 2025, Storebrand was again part of a group of investors publishing a joint statement in the context of the Omnibus I simplification initiative, calling on legislators to preserve the core elements of the CSRD (underpinned by ESRS) and the CSDDD. The statement argued that these rules are essential for the EU's sustainability and competitiveness ambitions and that simplification can be achieved without compromising their substance.

5. Sustainability disclosure engagement theme in 2025

We advocate for standardised sustainability reporting by all companies to enhance transparency, manage sustainability risks, and ensure comparable and reliable information for better investment decisions globally.

Sustainability disclosure is a cross-cutting engagement theme as the importance of consistent, reliable, and verifiable reporting is relevant across the broad range of E, S and G themes. Storebrand AM believes that all companies should report on standardised and company-specific sustainability metrics. This will benefit all stakeholders and increase transparency. The level of oversight and reporting on ESG-specific issues are good indicators of how a company measures and manages its exposure to sustainability risks, which is essential to us as investors. It is in everyone's interest that companies report on how sustainability issues affect their business and how their operations and products/services impact people and the environment. Currently, there are differing standards and regulatory requirements on corporate sustainability disclosure, leading to non-comparable and insufficient information. This results in investors needing a better overview of our portfolio companies' exposure to sustainability risks. This information must be comparable and verifiable to channel our investments toward the most sustainable companies.

The reporting landscape is changing rapidly. Increased reporting will improve the flow of sustainability information to investors and others alike. It will make sustainability reporting by companies more consistent so that investors, banks, and regulators can use comparable and reliable sustainability information. Companies based in the EU will be subject to regulations that streamline and demand such reporting, but we will demand the same disclosure from publicly listed companies in all countries.

We will continue to encourage companies to provide enhanced corporate disclosures in line with TCFD and TNFD recommendations, also in line with CSRD (Corporate Sustainability Reporting Directive), CSDDD (Corporate Sustainability Due Diligence Directive) and the Norwegian Transparency Act. We will also encourage companies to improve their reporting on Principle Adverse Impact (PAI) indicators, which will allow us to better identify companies that are laggards and leaders and to implement our commitments and requirements in relation to the EU Sustainable Finance Disclosure Regulation (SFDR).

Voting



Photo: Unsplash–Element5 Digital

One of the methods we use for carrying out our responsibilities as a shareholder, is by exercising voting rights. We strive to exercise these voting rights aiming to maximise long term value creation, and in alignment with principles we have stated in our sustainable investment policies. Based on our engagement and voting policy, responsibility for voting activities is delegated to the Risk & Ownership team, with input from the responsible fund manager, to determine how to exercise the voting rights in accordance with our policies. Our Engagement and Voting policy is anchored with the Board of Directors in Storebrand ASA and adopted by the Board of Directors in Storebrand Asset Management AS. Under this policy, voting rights and other rights deriving from shareholdings shall be exercised solely in the common interest of the unit holders, with the aim of ensuring the best possible risk-adjusted return for the unit holders. The CEO of Storebrand AM, or the appointed representative, is responsible for ownership matters, including voting.

We exercise voting rights using a digital proxy voting system, or in some cases through attendance at shareholder meetings, and take the following topics to be of particular importance when exercising our shareholder vote:

- Insufficient information provided or unresponsiveness to shareholder requests for information.
- Absence of a majority of independent board members or independent board committees (remuneration, nomination, and audit committees).
- If the Company considers that the board of directors or individual board members do not meet the requirements for sufficient competence and knowledge.

- Existence of mechanisms for preventing takeovers (poison pills, etc.) that counteract shareholders' final decision-making power in these matters.
- Unnecessary or indefensible changes in capital structure. Storebrand AM supports the principle of one share = one vote.
- Existence of remuneration structures for executives leading to conflicts of interest between management and shareholders.
- Unsatisfactory stewardship of climate, environment, fair labour practices, non-discrimination, and the protection of human rights.

We have prioritised voting where we consider it to have the highest possible impact, including meetings in companies that represent:

- Our top 1000 global holdings
- Our 100 largest holdings in key markets: Norway and Sweden
- Companies in our SFDR Article 9 funds and our range of Plus funds
- Companies targeted by ESG engagement initiatives that we are part of, including those addressing human rights and climate issues
- Oil and gas sector companies
- Meetings with environmental or social resolutions on the agenda

All our voting activities and rationales are published on the Proxy Voting Dashboard on the Storebrand website, here: [Storebrand AM - Proxy Voting Dashboard](#)

Voting activities and outcomes in 2025

Voting trends encountered

During the year, we saw an escalating trend of a few activist shareholders filing proposals to push companies to eliminate Diversity, Equity and Inclusion (DEI) policies and practices. Storebrand AM voted against 49 such anti-DEI proposals throughout the year, in alignment with company managements' recommendations in all cases. None of these proposals managed to secure more than 9% support in the shareholder vote, with most being supported by less than 3% of votes. While this lack of support indicates that the vast majority of shareholders do not consider DEI as detrimental to company performance, it is part of a larger trend that is of concern: companies operating in or doing business with the United States are now under undue pressure to eliminate equal opportunities as a guiding principle for their employment practices; and to disregard previously stated goals of seeking to secure a Board with members from diverse backgrounds.

As a result of this pressure, proxy voting advisers have announced that they will cease to consider board diversity as a factor when making their standard recommendations for director elections at boards of US companies. Storebrand AM considers well-balanced and diverse boards, in terms of competence, experience and background, to be beneficial to company performance and shareholder interests, and has instructed our proxy provider (and proxy advisor) ISS to continue to consider board diversity in its research materials and voting recommendations to us, in the US as well as other markets. We are closely monitoring developments to make sure that we use our shareholder rights to improve transparency, strengthen board accountability, and prepare companies for the transition to a more sustainable and inclusive economy.

Voting highlights

In 2025, we voted at 2,138 out of 5,022 company meetings, which amount to 42.5% of votable meetings. The meetings that we voted at correspond to 92% of our total equity investments, the same share as in 2024, and up from 90% in 2023. We voted in alignment with recommendations made in the specialty research policy that Storebrand AM has subscribed to through ISS, our proxy advisor, in 98.8% of cases. The policy that we have chosen has clear sustainability characteristics that are in line with our voting preferences and in alignment with our various policies, not least our Engagement and Voting Policy. We use these materials as one key data point in making our voting decisions, as they have been specifically chosen to align with our policies. Our voting practices are nevertheless governed by Storebrand AM's common voting policy and is always based on what is in the interest of the funds and of the unit holders.

Across 57,296 unique proposals available to vote, we voted on 26,399, corresponding to 46%. We voted at meetings held in a total of 55 countries, with the USA, accounting for 21% of all our votes, followed by China accounting for 14%. Of our total votes, 9% went against management recommendations.

In connection with our engagement with companies that score poorly on climate and deforestation risk management, in certain cases we use the escalation measure of voting against company financial statements or relevant Board Directors. In 2025, we voted against nine such companies with regards to climate and six on deforestation. This is part of our strategic engagement approach under the themes Climate Change and Nature and biodiversity.

As part of our efforts to push for transition of the oil and gas industry, we voted against the climate transition plans of Santos and Equinor, which we consider not to be aligned with a 1.5-degree pathway. For the same reason, we voted against the re-election of directors responsible for climate risk management at BP, Shell, TotalEnergies, Occidental, Woodside, Santos and Valero Energy.

Votes on environmental and social proposals

We voted on 376 proposals in 2025 concerning environmental and/or social issues. Voting items concerning climate change continues to be a focal topic regarding environmental issues. Storebrand AM voted on 72 climate-specific proposals, of which we voted against management in 56 cases (77%), showing our commitment to promote decarbonisation aligned with the targets of the Paris Agreement. We supported 11 shareholder proposals directly related to nature, biodiversity or deforestation at company general meetings, all of which were against company management recommendations. Additionally, we voted on 174 social-related proposals, with 65 pertaining to human rights, labour practices, discrimination, and digital rights and safety. We opposed management recommendations in 51 of these 65 votes.

Voting key figures

All our votes are published online at [VDS Dashboard \(issgovernance.com\)](https://vds.dashboard.issgovernance.com)

	Votable	Voted	Percentage voted
Number of general meetings voted	2138	5022	42.6%
Number of proposals	26399	57296	46.1%
Number of shareholder proposals	790	1274	51.9%

Alignment with management recommendations	Percentage
Votes with management	90.6%
Votes against management	9.4%

Alignment with ISS Sustainability Policy	Percentage
Votes with ISS Sustainability Policy	98.8%
Votes against ISS Sustainability Policy	1.2%

Top 10 countries voted in

Country	Votable meetings	Voted meetings	Percentage voted
USA	686	446	65.0%
China	1041	291	28.0%
India	404	220	54.5%
Japan	322	111	34.5%
Sweden	437	106	24.3%
Norway	131	96	73.3%
Brazil	131	70	53.4%
United Kingdom	112	65	58.0%
South Korea	191	63	33.0%
Cayman Islands	183	57	31.1%

Shareholder proposals

	Proposals	No. of votes aligned with recommendations of company management	% of votes aligned with recommendations of company management	No. of votes aligned with ISS policy	% of votes aligned with ISS policy	ESG Flag
Audit Related	1705	1682	99%	1699	100%	G
Capitalization	2132	1929	90%	2126	100%	G
Company Articles	697	560	80%	693	99%	G
Compensation	3234	2689	83%	3214	99%	G
Corporate Governance	60	25	42%	60	100%	G
Director Election	10654	9772	92%	10426	98%	G
Director Related	3160	2888	91%	3089	98%	G
E&S Blended	106	93	88%	106	100%	ES
Environmental	96	20	21%	93	97%	E
Miscellaneous	207	186	90%	207	100%	G
Non-Routine Business	467	433	93%	467	100%	G
Procedural/Non-Equity	5	3	60%	3	60%	G
Routine Business	3432	3287	96%	3416	100%	G
Social	174	90	52%	174	100%	S
Strategic Transactions	295	236	80%	294	100%	G
Takeover Related	134	127	95%	134	100%	G

Shareholder proposal categories

Environmental and social votes	ESG Pillar	Proponent	No. of proposals voted	No. voted with management	% voted with mgmt
Environmental - Management Climate-Related Proposal	E	Management	5	4	80 %
Environmental - Reporting on Climate Transition Plan	E	Management	12	8	67 %
Environmental - Phase Out Nuclear Facilities	E	Shareholder	3	3	100 %
Environmental - Report on Environmental Policies	E	Shareholder	1	0	0 %
Environmental - Community -Environment Impact	E	Shareholder	13	2	15 %
Environmental - Report on Climate Change	E	Shareholder	12	0	0 %
Environmental - GHG Emissions	E	Shareholder	17	0	0 %
Environmental - Climate Change Action	E	Shareholder	1	1	100 %
Environmental - Restrict Spending on Climate Change-Related Analysis or Actions	E	Shareholder	14	14	100 %
Environmental - Proposals Requesting Non-Binding Advisory Vote On Climate Action Plan	E	Shareholder	9	0	0 %
Environmental - Recycling	E	Shareholder	10	0	0 %
Environmental - Miscellaneous Proposal - Environmental	E	Shareholder	5	5	100 %
Environmental - Disclosure of Fossil Fuel Financing	E	Shareholder	8	0	0 %
Environmental - Restriction of Fossil Fuel Financing	E	Shareholder	8	6	75 %
E&S Blended - Accept/Approve Corporate Social Responsibility Report	E, S	Management	53	53	100 %
E&S Blended - Establish Environmental/Social Issue Board Committee	E, S	Shareholder	5	3	60 %
E&S Blended - Require Environmental/Social Issue Qualifications for Director Nominees	E, S	Shareholder	4	0	0 %
E&S Blended - Link Executive Pay to Social Criteria	E, S	Shareholder	3	0	0 %
E&S Blended - Product Toxicity and Safety	E, S	Shareholder	7	1	14 %
E&S Blended - Sustainability Activities and Action	E, S	Shareholder	1	0	0 %
E&S Blended - Miscellaneous -- Environmental & Social Counterproposal	E, S	Shareholder	30	30	100 %
E&S Blended - Miscellaneous Proposal -- Environmental & Social	E, S	Shareholder	14	9	64 %
E&S Blended - Climate Change Lobbying	E, S	Shareholder	11	0	0 %
E&S Blended - Report on "Just Transition"	E, S	Shareholder	4	0	0 %
Social - Approve Charitable Donations	S	Management	16	12	75 %
Social - Approve Political Donations	S	Management	56	56	100 %
Social - Black Economic Empowerment(BEE) Transactions(SouthAfrica)	S	Management	3	3	100 %
Social - Board Diversity	S	Shareholder	1	0	0 %
Social - Human Rights Risk Assessment	S	Shareholder	13	2	15 %
Social - Improve Human Rights Standards or Policies	S	Shareholder	13	1	8 %
Social - Operations in High Risk Countries	S	Shareholder	14	8	57 %
Social - Data Security, Privacy, and Internet Issues	S	Shareholder	2	0	0 %

Environmental and social votes	ESG Pillar	Proponent	No. of proposals voted	No. voted with management	% voted with mgmt
Social - Racial Equity and/or Civil Rights Audit	S	Shareholder	3	0	0 %
Social - Miscellaneous Proposal - Social	S	Shareholder	24	5	21 %
Social - Political Spending Congruency	S	Shareholder	8	1	13 %
Social - Report on Pay Disparity	S	Shareholder	2	2	100 %
Social - Prepare Tobacco-Related Report	S	Shareholder	2	2	100 %
Social - Avoid Support of Abortion-Related Activities	S	Shareholder	2	2	100 %
Social - Facility Safety	S	Shareholder	4	0	0 %
Social - Weapons - Related	S	Shareholder	1	0	0 %
Social - Review Drug Pricing or Distribution	S	Shareholder	2	0	0 %
Social - Reduce Tobacco Harm to Health	S	Shareholder	1	0	0 %
Social - Prepare Report on Health Care Reform	S	Shareholder	7	1	14 %
Social - Charitable Contributions	S	Shareholder	8	8	100 %
Social - Political Contributions Disclosure	S	Shareholder	19	2	11 %
Social - Political Lobbying Disclosure	S	Shareholder	19	0	0 %
Social - Political Activities and Action	S	Shareholder	2	1	50 %
Social - Report on EEO	S	Shareholder	13	0	0 %
Social - Labor Issues - Discrimination and Miscellaneous	S	Shareholder	8	0	0 %
Social - Gender Pay Gap	S	Shareholder	15	1	7 %
Social - Income Inequality	S	Shareholder	1	1	100 %
Social - Workplace Sexual Harassment	S	Shareholder	1	0	0 %
Social - Animal Welfare	S	Shareholder	12	5	42 %

Voting case:

Tesla: Voting against disproportionate executive remuneration

At Tesla's Annual General Meeting on 6 November 2025, Storebrand AM took a clear position on executive remuneration by voting against a series of compensation-related proposals, including a high-profile CEO performance award and associated equity plan. The case was one of the most visible governance votes of the year, highlighting concerns on board accountability, incentive structures, and shareholder protection.

A remuneration structure raising fundamental concerns

The proposals put forward at the meeting included a significant CEO compensation package linked to long-term equity incentives with a potential award size that was exceptionally large and raised concerns regarding proportionality. From a shareholder perspective, such structures risk weakening the link between pay and performance, particularly where the magnitude of the award may outweigh the clarity and robustness of the performance criteria applied.

In addition to concerns about scale, the design of the proposed remuneration package was seen as problematic since the performance framework underpinning the award raised questions about target rigor and transparency. Where performance conditions are perceived as insufficiently demanding, difficult to assess, or subject to broad board discretion, shareholders may struggle to evaluate whether outcomes are justified by underlying company performance.

Shareholder dilution and long-term alignment

Another key consideration in the voting decision was the potential for significant dilution to existing shareholders. Large equity-based awards, particularly when granted under broad or flexible plan structures, can materially impact shareholder value if not carefully calibrated. In this case, the scale of the proposed award and the volume of shares involved were assessed as creating a meaningful risk of dilution, further reinforcing concerns about alignment with long-term shareholder interests.

More broadly, Storebrand AM's approach to executive remuneration emphasises that long-term incentive structures should support sustainable value creation while maintaining a balanced distribution of risk and reward between management and shareholders. Where this balance is perceived to be compromised, voting is used as a key tool to signal concerns and encourage improved practices.

Board oversight and accountability needed

The Tesla vote also highlighted the role of the board in overseeing executive pay. Effective governance requires boards to exercise independent judgement and ensure that remuneration structures are aligned with shareholder interests over time. In this instance, the proposals raised broader questions about board oversight and the extent to which remuneration decisions reflected robust and independent evaluation.

Voting decision and rationale

On this basis, Storebrand AM voted against the relevant remuneration proposals at Tesla's 2025 AGM. The decision reflects three core considerations embedded in Storebrand AM's voting guidelines:

- **Proportionality:** compensation should be reasonable in scale relative to performance and market practices
- **Transparency and structure:** remuneration schemes should be clearly defined and allow shareholders to evaluate their effectiveness
- **Alignment with shareholder interests:** incentive structures should support sustainable long-term value creation without excessive dilution

By voting against these items, Storebrand AM signalled that boards should be held accountable where remuneration structures are not sufficiently aligned with best practices. This includes expectations around transparency, clear linkage to performance, and safeguards against excessive dilution.

Outcome of the vote and implications

Despite these concerns, the proposals were ultimately approved by a majority of shareholders. While the outcome did not align with Storebrand AM's voting position, the case illustrates an important aspect of stewardship: voting serves not only to determine outcomes, but also to signal expectations and contribute to broader shareholder dialogue. Voting against the remuneration proposals was both a signal of concern and a means of reinforcing expectations around accountability and capital discipline. It underscores the role of shareholders in maintaining governance standards and highlights the importance of voting as a tool to influence company practices in line with long-term, sustainable value creation.

Risk & Ownership team

A dedicated team of sustainability professionals

Storebrand manages sustainability risks through the coordinated efforts of our risk and ownership team, in collaboration with our investment managers. The team is dedicated to integrating environmental, social and governance (ESG) risks into our analysis of companies and management of investment portfolios.

The dedicated resources on the team work closely with our portfolio managers and leadership, to implement our strategies and standards for investment.



Kamil Zabielski
Head of Sustainable Investment

Zabielski, who joined our sustainable investments team in 2021, was previously Head of Sustainability at the Norwegian Export Credit Guarantee Agency (GIEK – now Eksfin), and advisor at the Council of the Ethics for the Norwegian Government Pension Fund – Global. His specializations include human rights/labour rights, conducting due diligence of companies, and evaluating environmental and social risks and impacts of projects. He has an L.L.M. in International Law and an M.Phil. in Human Rights Law from the University of Oslo.



Tulia Machado-Helland
Head of Human Rights and Senior Sustainability Analyst

Machado-Helland, who joined our sustainable investments team in 2008, leads our work on human rights, labour rights and Conflict-Affected and High-Risk Areas (CAHRA). She is responsible for Storebrand's active ownership on social issues, as well as with overlapping environmental issues. Previously, she has worked on the Council on Ethics for the Norwegian Government Pension Fund – Global, the Ministry of Finance in Norway and as an attorney in the US. She holds a Juris Doctor's Degree and a M.Sc. in International Relations and Development.



Emine Isciel
Head of Climate and Environment

Emine Isciel joined Storebrand Asset Management in 2018 and has 20 years' experience in sustainability. As Head of Climate and Environment she is responsible for the company's strategic direction and leads the work on corporate and sovereign engagement. She is currently co-chair of the Finance for Biodiversity's Public Policy and Advocacy Workstream and serves in several advisory boards including UN PRI SPRING and Finance for Biodiversity. She was part of founding the Investor Policy Dialogue on Deforestation (IPDD) and the Nature Action 100. Prior to joining Storebrand, Isciel worked for the Norwegian Ministry of Climate and Environment with multilateral environmental agreements, advising the government on sustainability policies and strategies and leading the work on implementing the SDGs. She has also worked for the UN and provided technical advice and content to the SDGs. She holds an MA in Political Science from the University of Oslo in addition to executive education from NYU, Harvard Extension School and INSEAD.



Vemund Olsen
Senior Sustainability Analyst

Olsen joined our sustainable investments team in 2021. He leads our work on deforestation, building on 20 years of experience engaging with policymakers, businesses and financial institutions on deforestation, climate change, biodiversity loss and human rights violations. Before joining Storebrand Asset Management, he worked as Special Adviser for Responsible Finance at Rainforest Foundation Norway. Previously, Olsen has worked with the United Nations High Commissioner for Refugees and Peace Brigades International. He has an M. Phil in Human Rights Law from the University of Oslo.



Victoria Lidén
Senior Sustainability Analyst

Lidén, who joined our sustainable investments team in 2021, is based in Stockholm and works with ESG analysis and active ownership, with a focus on the Swedish/ Nordic market. On behalf of Storebrand Fonder AB, she is also a member of corporate board nomination committees. Prior to joining Storebrand, Victoria had 7 years of experience in sustainability within the financial industry. She holds a B.Sc. in Business Administration and Economics from Stockholm University, including studies at National University of Singapore. In addition, she has studied sustainable development at CSR Sweden and the Stockholm Resilience Centre.



Georg Präauer
Senior Sustainability Analyst

Präauer is based in Stockholm and works with active ownership and sustainability analysis. Before joining Storebrand in 2025, he led the norm-based engagement solution at ISS STOXX. Prior to that, he worked as a Sustainability Consultant at the Swedish financial communication consultancy Hallvarsson & Halvarsson. He holds a M.Sc. degree in Business & Management from Uppsala University, and a Bachelor's degree in Business Administration from the Vienna University of Economics and Business.



Erik Högberg
Corporate Governance Analyst

Högberg, who joined our sustainable investments team in 2025, is based in Stockholm and primarily focuses on corporate governance issues. Prior to joining Storebrand, he specialized in norm-based research at ISS STOXX, particularly on governance and business ethics topics. Högberg also has previous experience in asset management and sustainable investments at Söderberg & Partners Asset Management. He holds a M.Sc. in Business Administration from Linköping University, with a major in finance.



Daniel Stensrud Olderkjær
Senior ESG Data Analyst

Olderkjær has specialist expertise in ESG data analytics, including financial modelling and valuation of climate risks. Before joining Storebrand in 2025, Olderkjær worked with climate transition assessment and modelling at Zerolytics, in ESG analysis at Norges Bank Investment Management (NBIM), and as an engineer at Equinor ASA. His educational background includes an M.Sc. in Applied Mathematics and a B.Sc. in Mathematics, both from the University of Bergen.



Karoline Hatlestad
Senior Sustainability Analyst

Hatlestad, who joined SKAGEN in 2022 as an ESG data analyst, works on closely with the SKAGEN portfolio team. She has previous experience in auditing and financial due diligence with PwC in Sweden. Her educational background includes a master's degree in finance and administration from the NHH, the Norwegian School of Economics.

A publication by Storebrand Asset Management

Storebrand Asset Management

Storebrand Asset Management is part of the Storebrand Group, managing NOK 1400 billion of assets for Nordic and international clients.

Find out more about our work and offerings [at our website](#).

Inquiries and feedback:

Sara Skärvad

Storebrand Asset Management
Vasagatan 10, 10539 Stockholm, Sweden
+46 70 621 77 92 (Mobile) sara.skardvad@storebrand.com

Visit the Storebrand Asset Management [reporting and transparency web page](#).

Follow us on [LinkedIn](#).

Important information: This is a marketing communication, and this document is intended for institutional investors. Alternative investment funds are only eligible for professional investors. Except otherwise stated, the source of all information is Storebrand Asset Management AS, as of the date of publication.

Statements reflect the portfolio managers' viewpoint at a given time, and this viewpoint may be changed without notice. Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the fund manager's skills, the fund's risk profile and subscription and management fees. The return may become negative as a result of negative price developments. Future fund performance is subject to taxation which depends on the personal situation of each investor, and which may change in the future.

Storebrand Asset Management AS is a management company authorised by the Norwegian supervisory authority, Finanstilsynet, for the management of UCITS under the Norwegian Act on Securities Funds. Storebrand Asset Management AS is part of the Storebrand Group. No offer to purchase shares can be made or accepted prior to receipt by the offeree of the fund's prospectus and KIID and the completion of all appropriate documentation.

For all fund documentation including the KIID, the Prospectus, the Annual Report and Half Year Report, unit holder information and the prices of the units, please refer to www.storebrand.com. No offer to purchase shares can be made or accepted in countries where a fund is not authorized for marketing. Investors' rights to complain and certain information on redress mechanisms are made available to investors pursuant to our complaints handling policy and procedure. The summary of investor rights in English is available here: www.storebrand.com. Storebrand Asset Management AS may terminate arrangements for marketing under the Cross-border Distribution Directive denotification process.

