

# Statement on principal adverse impacts of investment decisions on sustainability factors

Storebrand Asset Management AS

30.06.2026



# Statement on principal adverse impacts of investment decisions on sustainability factors

**Financial market participant:** Storebrand Asset Management AS (529900ZTCGG5XNFGB694)

## Summary

This Principal Adverse Impact (PAI) Statement is prepared by Storebrand Asset Management AS (Storebrand AM) in accordance with Article 4 of the Sustainable Finance Disclosure Regulation (SFDR) and its Regulatory Technical Standards (RTS). The statement covers the reference period from 1 January 2025 to 31 December 2025, and provides a consolidated view of how Storebrand AM identifies, monitors, and mitigates principal adverse impacts on sustainability factors across its investment activities at the entity level. Storebrand AM is a financial market participant under SFDR and manages assets on behalf of a broad range of clients across different asset classes and geographies. The scope of this statement includes assets managed by Storebrand AM at the entity level, excluding those for which PAI data is not currently available. Certain Storebrand AM subsidiaries are also subject to separate PAI reporting obligations under SFDR and publish their own statements accordingly. In particular, data for Storebrand Fonder AB is excluded here; please refer to its own PAI statement on its respective website. The property business was demerged into the subsidiary Storebrand Real Estate AS (SRE) with effect from 31 October 2025. PAI data for the property business and SRE are reflected in this financial year 2025 PAI Statement. As a financial market participant under SFDR, SRE will publish its first separate PAI Statement for financial year 2026.

This statement discloses the performance of our investments against mandatory PAIs, and additional environmental, social and governance indicators.

Storebrand AM evaluates these impacts using both qualitative and quantitative data obtained primarily from external ESG data providers, including Sustainalytics, Trucost, and Stamdata. Where possible, we apply actual reported data; where gaps exist, we may supplement this with estimates or conduct our own internal assessments. Storebrand AM has developed a systematic approach to assess, monitor, and address adverse sustainability impacts:



- For companies with elevated ESG risks, our Risk and Ownership team conducts further analysis and may initiate engagement or recommend exclusion based on the nature and severity of the issue.
- Storebrand AM integrates ESG and PAI considerations into investment decision-making and active ownership practices, including voting and engagement with portfolio companies.
- Our methodology involves classifying companies as PAI laggards (red), intermediate performers (yellow), or PAI leaders (green), helping portfolio managers assess ESG risk and allocate capital accordingly.

This PAI statement is reviewed annually. **This version is applicable as of 30 June 2026.**

For more detailed insights on our methodology, actions taken, and future targets related to principal adverse impacts, please refer to the subsequent sections of this report and supporting documentation available at [www.storebrandam.com](http://www.storebrandam.com).

## Sammendrag

Denne redegjørelsen for vesentlige negative bærekraftspåvirkninger (Principal Adverse Impact – PAI) er utarbeidet av Storebrand Asset Management AS (Storebrand AM) i henhold til artikkel 4 i EUs forordning om bærekraftig finans (SFDR) og tilhørende regulatoriske tekniske standarder (RTS). Redegjørelsen dekker referanseperioden fra 1. januar 2025 til 31. desember 2025, og gir en samlet fremstilling av hvordan Storebrand AM identifiserer, overvåker og håndterer vesentlige negative påvirkninger på bærekraftsfaktorer på selskapsnivå.

Storebrand AM er en finansmarkedsdeltaker under SFDR og forvalter kapital på vegne av et bredt spekter av kunder på tvers av ulike aktivaklasser og geografiske områder. Omfanget av denne redegjørelsen inkluderer eiendeler forvaltet av Storebrand AM på selskapsnivå, med unntak av eiendeler der PAI-data for øyeblikket ikke er tilgjengelig. Enkelte datterselskaper i Storebrand AM er også underlagt egne rapporteringsforpliktelser etter SFDR og publiserer egne redegjørelser. Spesifikt er data for Storebrand Fonder AB ikke inkludert her; vennligst se deres egen PAI-redegjørelse på deres respektive nettside. Eiendomsvirksomheten ble skilt ut (demerger) til datterselskapet Storebrand Real Estate AS (SRE) med virkning fra 31. oktober 2025. PAI-data for eiendomsvirksomheten og SRE er inkludert i denne PAI-erklæringen for regnskapsåret 2025. Som finansmarkedsdeltaker under SFDR vil SRE publisere sin første separate PAI-erklæring for regnskapsåret 2026.

Denne redegjørelsen viser resultatene av våre investeringer målt mot obligatoriske PAI-indikatorer, samt rapportering på frivillige indikatorer for miljø, sosiale forhold og eierstyring. SAM vurderer disse påvirkningene ved hjelp av både kvalitative og kvantitative data, primært innhentet fra eksterne ESG-dataleverandører, inkludert Sustainalytics, Trucost og Stamdata. Der det er mulig benyttes faktisk rapportert data; der det foreligger datagap, kan dette suppleres med estimater eller interne vurderinger.

Storebrand AM har utviklet en systematisk tilnærming for å vurdere, overvåke og håndtere negative bærekraftspåvirkninger:

- For selskaper med forhøyet ESG-risiko gjennomfører vårt Risk and Ownership-team ytterligere analyser, og kan igangsette dialog eller anbefale ekskludering basert på sakens art og alvorlighetsgrad.
- Storebrand AM integrerer ESG- og PAI-hensyn i investeringsbeslutninger og aktivt eierskap, inkludert stemmegivning og dialog med porteføljeselskaper.
- Vår metode innebærer å klassifisere selskaper som PAI-etternølere (rød), middels ytende (gul) eller PAI-ledere (grønn), noe som hjelper porteføljeforvaltere med å vurdere ESG-risiko og fordele kapital deretter.

Denne PAI-redegjørelsen gjennomgås årlig. Denne versjonen gjelder fra og med 30. juni 2026.

For mer detaljert informasjon om vår metodikk, tiltak og fremtidige mål knyttet til vesentlige negative bærekraftspåvirkninger, se de påfølgende seksjonene i denne rapporten og tilhørende dokumentasjon på [www.storebrandam.com](http://www.storebrandam.com).

### **Description of the principal adverse impacts on sustainability factors**

All economic activity has some form of impact, and Storebrand AM will gather data and monitor the principal adverse impact of all mandatory as well as several additional indicators. We will use this screening to further identify and manage sustainability risks from our investments. Storebrand AM has been working to reduce adverse impact in its portfolios since the turn of the century and it has identified the following as main adverse sustainability impact categories that applies to all equity and debt portfolios:

- Adverse impacts affecting the environment and climate such as: severe environmental damage; greenhouse gas emissions; biodiversity loss and deforestation.

- Adverse impact affecting workers, communities, and society such as: violations of labour rights; gender/diversity discrimination; indigenous rights violations; digital rights violations or violations of international humanitarian law.
- Adverse impact in connection with gross corruption and money laundering
- Adverse impact in connection with controversial weapons (landmines, cluster munitions and nuclear weapons)
- Adverse impact in connection with tobacco products

Storebrand AM already uses environmental, social and governance data in a sustainability rating and for other screening and engagement purposes, but it will now also be used specifically for the screening of principal adverse sustainability impacts. We have also identified some products as adverse impacts that we aim to avoid in all our funds such as coal or oil sands and others for some of our portfolios such as alcohol, gambling, and conventional weapons. These products are associated with significant risks and liabilities from a societal, environmental or health related harm. See our Sustainable Investment Policy at [www.storebrandam.com](http://www.storebrandam.com) for more details.

The table below describes the current work and planned actions we are taking to address each indicator.

Table 1

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period	
Green-house gas emissions	1. GHG emissions expressed in tonnes	Scope 1 GHG emissions in tonnes	1,412,468.42 tonnes CO2e (coverage 88,9%)	1,384,611.13 tonnes CO2e (coverage 77.75%)	1,033,097.25 tonnes CO2e (coverage 68%)	1,200,148 tonnes CO2e (coverage 63%)	<p><b>Actions taken:</b> Storebrand Asset Management has committed to our investment portfolios having net-zero GHG emissions by 2050, at the latest. Our long-term ambition is backed up by short-term strategies, and we have had a target to reduce the emissions intensity of our investments in listed equity and publicly traded corporate debt) by 32% from baseline year 2018 to 2025 (including scope 1 and 2 emissions of investee companies, in accordance with NZAOA (Net Zero Asset Owner Alliance) methodology). We have surpassed our 2025 target and have now set a new target of 60% emissions intensity reduction for listed equity and fixed income investments by 2030. The targets are described in our Climate Policy. While our emissions reduction target is intensity-based, we also disclose absolute owned emissions as well as carbon footprint, see our reporting and transparency page <a href="#">here</a>.</p> <p>We have designed an engagement approach to create an impact on the real economy and encourage companies to define and implement climate strategies aligning with the goals of the Paris Agreement and reaching net-zero emissions by 2050 or sooner. Emphasis will be placed 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. 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). As part of our engagement strategy, we have also identified companies that are not ready for a transition to a low-carbon economy. Building on the data from Transition Pathway Initiative, Climate Action 100+ and self-collected data, climate laggards have been identified and direct concerns raised to the companies. 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 climate risk management. In 2025 we voted against 9 companies for this reason. Where laggards are held actively,</p>	
		Scope 2 GHG emissions in tonnes	442,976.05 tonnes CO2e (coverage 89,2%)	406,930.70 tonnes CO2e (coverage 77.50%)	305,580.40 tonnes CO2e (coverage 68%)	283,846 tonnes CO2e (coverage 63%)		<p>Increase in KPI value is due to portfolio allocation to companies with higher emissions. Primary data sources are Sustainalytics, Trucost, and Stamdata.</p>
		Scope 3 GHG emissions in tonnes	18,511,719.37 tonnes CO2e (coverage 89%)	15,603,581.86 tonnes CO2e (coverage 76.75%)	11,475,568.29 tonnes CO2e (coverage 67.33%)	9,554,500 tonnes CO2e (coverage 63%)		<p>Increase in KPI value is due to portfolio allocation to companies with higher emissions. Primary data sources are Sustainalytics, Trucost, and Stamdata.</p>

Table 1

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period
	Total GHG emissions in tonnes	19,655,439.03 tonnes CO2e (coverage 89%)	17,381,840.57 tonnes CO2e (coverage 75.50%)	12,808,939.43 tonnes CO2e (coverage 63.33%)	11,038,451 tonnes CO2e (coverage 63%)	See above comments. Primary data sources are Sustainalytics, Trucost, and Stamdata	<p>this is flagged to investment analysts who have the opportunity to engage with companies on their climate change approach prior to voting. If we do not see any significant improvements, we will vote against the financial statements of these companies at the Annual General Meetings.</p> <p>In 2025 we had 366 engagements related to climate change, relevant to PAI 1 – GHG emissions, PAI 2 – Carbon footprint and PAI 3 – GHG intensity. Of these engagements, 66 were bilateral, 24 were collaborative and 276 we supported as signatory only. For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: <a href="http://www.storebrandam.com">Active ownership - www.storebrandam.com</a></p> <p><b>Planned actions:</b> Climate change is one of our top 3 priority engagement themes for 2024-2026. We will continue to engage with companies, in particular top emitters and climate laggards to support the net-zero agenda. For status updates on these engagements, please see our regular reporting in the quarterly and annual Sustainable Investment reports: Document library - <a href="http://www.storebrandam.com">www.storebrandam.com</a></p> <p><b>Targets for reference period:</b> Continued engagement with the identified top emitters. We have surpassed our 2025 target and have now set a new target of 60% emissions intensity reduction for listed equity and fixed income investments by 2030. Performance against our climate targets are reported to the Board at least twice a year.</p>
<b>2. Carbon footprint</b>	Carbon footprint	461.41 tonnes per million EUR investor (coverage 85%)	423.57 tonnes per million EUR invested (coverage 73.50 %)	452.44 tonnes per million EUR invested (coverage 61%)	464.58 tonnes per million EUR invested (coverage 60%)	Primary data sources are Sustainalytics, Trucost, and Stamdata. Metric showing tonnes GHG emission	<b>Actions:</b> Storebrand AM measures the carbon emissions of the investment portfolio, which can then be used to compare portfolio emissions to global benchmarks, identify priority areas for reduction (including the largest carbon emitters and the most carbon intensive companies) and engage with companies on reducing carbon emissions/mitigate their climate risk and improving disclosure standards.

Table 1

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period
						per million EUR invested.	<p>In 2025 we had 366 engagements related to climate change, relevant to PAI 1 – GHG emissions, PAI 2 – Carbon footprint and PAI 3 – GHG intensity. Of these engagements, 66 were bilateral, 24 were collaborative and 276 supported as signatory only. For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: <a href="http://www.storebrandam.com">Active ownership - www.storebrandam.com</a></p> <p><b>Planned actions:</b> Carbon footprint for the investment portfolios will continuously be measured and reported.</p> <p><b>Targets for reference period:</b> See above under PAI 1, on our climate strategy and target to reduce owned emissions.</p>
<b>3. GHG intensity of investee companies</b>	GHG intensity of investee companies	1,137.89 tonnes per million EUR sales (coverage 84%)	975.99 tonnes per million EUR sales (coverage 74.0%)	1,098.28 tonnes per million EUR sales (coverage 66.67%)	1045.04 tonnes per million EUR sales (coverage 60%)	<p>KPI value increase due to portfolio allocation to companies with higher emissions. Primary data sources are Sustainalytics, Trucost, and Stamdata. GHG intensity is a measure of tonnes CO2 equivalents per million EUR of revenue.</p>	<p><b>Actions taken:</b> As described above under PAI 1, Storebrand Asset Management has set a target to reduce carbon intensity of investments in listed equity and publicly traded corporate debt by 32% between 2018 and 2025. Carbon intensity per fund is publicly disclosed and compared to benchmarks. Status for end of 2025 is 56% reduction for listed equity and fixed income (from 2018).</p> <p>In 2025 we had 366 engagements related to climate change, relevant to PAI 1 – GHG emissions, PAI 2 – Carbon footprint and PAI 3 – GHG intensity. Of these engagements, 66 were bilateral, 24 were collaborative and 276 we supported as signatory only. 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 climate risk management. In 2025 we voted against 9 companies for this reason. For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: <a href="http://www.storebrandam.com">Active ownership - www.storebrandam.com</a></p> <p><b>Planned actions:</b> In 2024, we set a new emissions reduction target for 2030. The new targets are the following for emission reduction: Listed equities and corporate bonds: 60% reduction of GHG intensity (scope 1 and 2 emissions) from</p>



Table 1

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period
							<p>baseline year 2018 In addition, we have a financing target of investing 20% of total AUM in solutions by 2030, as well as align 42% of listed equity and corporate bond portfolio with SBTi-validated targets by 2027.</p> <p><b>Targets for reference period:</b> Continued engagement with the identified top emitters. 60% emissions intensity reduction for listed equity and fixed income investments by 2030. Performance against our climate targets are reported to the Board at least twice a year.</p>
4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	5.14 % (coverage 78%)	5.91% (coverage 68.0%)	6.68% (coverage 58%)	6.74% (coverage 56%)	Primary data sources are Sustainalytics, Trucost, and Stamdata. Expressed as a percentage of total AUM.	<p><b>Actions taken:</b> Storebrand AM will not invest in companies that derive more than 5 % of their revenues from coal, companies that derive more than 5% of their revenue from oil sands-based activities or companies that deliberately and systematically work against the goals and targets enshrined in the Paris Agreement. For specific funds we apply additional fossil criteria as follows: we will not invest in companies: which derive 1) more than 5% of their revenue from the production or distribution of fossil fuels as well as, or 2) derive more than 25% of their revenue from relevant products and services to fossil fuel operations, or 3) whose fossil reserves exceed 100 million tonnes of CO2. We define 'production and distribution' to include all activities linked to the extraction, refining and transport or distribution of fossil fuels. Companies that manufacture products derived from fossil fuels such as plastic, asphalt or synthetic rubber are not included. Public bodies such as states or local government entities are not within the scope of this criterion. Services are defined as any activity pertaining to the provision of relevant services to fossil fuel operations and other logistical activities relation to it. These include transportation, shipping and storage of fossil fuels. As of end of 2025, the additional fossil criteria applied to 48.3% of total AUM.</p> <p>Quarterly exclusions can be found here: Document library - <a href="http://www.storebrandam.com">www.storebrandam.com</a></p> <p>Out of our total ongoing engagements during the reference period, 22 of the engagements were linked to PAI 4 -</p>



Table 1

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period
							<p>Exposure to companies active in the fossil fuel sector. For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: <a href="http://www.storebrandam.com">Active ownership - www.storebrandam.com</a></p> <p><b>Planned actions:</b> Storebrand AM will continue to develop our understanding and assessment of climate transition and what this means for different sectors and for companies active in the fossil fuel sector. Ensuring continued compliance with exclusion criteria and developing our analysis and assessment in terms of climate transition.</p> <p><b>Targets for reference period:</b> No companies flagged as in breach of this PAI to be eligible as a sustainable investment.</p>
<b>5. Share of non-renewable energy consumption and production</b>	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed	<p>Energy consumption: 54.90 % (coverage 80%)</p> <p>Energy production: 22.63 % (coverage 32%)</p>	<p>Energy consumption: 58.48 % (coverage 70%)</p> <p>Energy production: 1.28% (coverage: 66.5%)</p>	<p>Energy consumption: 58.75% (coverage: 61%)</p> <p>Energy production: 0.98% (coverage: 56.33%)</p>	<p>Energy consumption: 56.71% (coverage: 59%)</p> <p>Energy production: 0.81% (coverage: 57%)</p>	<p>Energy production has increased significantly from previous years to 2025. This change is primarily due to data quality issues in the 2023 Trucost dataset, which contained an excessive number of erroneous zero values. Trucost has since corrected and removed this faulty data, resulting in a higher reported KPI.</p> <p>In addition, a larger proportion of the underlying data is now sourced from</p>	<p><b>Actions taken:</b> Companies involved in <i>non-renewable energy production</i> are excluded under the additional fossil fuel exclusion criterion as described above. The climate scenario analysis that we published in 2024 brings more detail to the potential risks related to companies producing non-renewable energy: <a href="#">Climate and Nature Disclosure</a></p> <p><b>Planned actions:</b> The transition to renewable energy consumption and production is a central element in our climate engagement theme, and we address it through engagement and voting. In 2025, we engaged with 70 companies in the energy sector. For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: <a href="http://www.storebrandam.com">Active ownership - www.storebrandam.com</a></p> <p><b>Targets for reference period:</b> No target set yet for the next reference period.</p>



Table 1

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period
	as a percentage					Sustainalytics as a secondary data provider. As a result, overall data coverage has decreased. Primary data sources are Sustainalytics, Trucost, and Stamdata. Metric expressed as a percentage of total AUM.	
<b>6. Energy consumption on intensity per high impact climate sector</b>	Energy consumption in GWh per million EUR of investee companies, per high impact climate sector	Sector A: 1.77 Sector B: 18.43 Sector C: 4,902.40 Sector D: 1.78 Sector E: 0.52 Sector F: 1.27 Sector G: 0.43 Sector H: 2.68 Sector M: 8.87  Coverage: Sector A: 100% Sector B: 99% Sector C: 98% Sector D: 97% Sector E: 100% Sector F: 96% Sector G: 100%	Sector A: 0.24 Sector B: 3.56 Sector C: 13.43 Sector D: 16.70 Sector E: 0.34 Sector F: 0.31 Sector G: 0.06 Sector H: 2.00 Sector L: 0.81  Coverage: Sector A: 100% Sector B: 95.5% Sector C: 98.3% Sector D: 98.3% Sector E: 98.7% Sector F: 89.3%	Sector A: 0.24 Sector B: 4.41 Sector C: 13.29 Sector D: 3.56 Sector E: 0.38 Sector F: 0.26 Sector G: 0.05 Sector H: 1.76 Sector L: 0.50  Coverage: Sector A: 76.0% Sector B: 82.3% Sector C: 94.0% Sector D: 56.7% Sector E: 98.7% Sector F: 95.7%	Sector A: 0.3 Sector B: 4 Sector C: 13.8 Sector D: 5.6 Sector E: 0.6 Sector F: 0.2 Sector G: 0.1 Sector H: 2.8 Sector L: 0.3	For sector C Trucost is operating with high values for one of the investee companies, resulting in the significant rise in KPI value for 2025. For sector D the main reason for the decline in KPI value is due to one of the investee companies not being classified under sector D for 2025. Sector L is re-classified to M as a result of implementing NACE 2.1 from 2025 and onwards.	A: Agriculture, forestry and fishing B: Mining and quarrying C: Manufacturing D: Electricity, gas, steam and air conditioning supply E: Water supply; sewerage; waste management and remediation activities F: Construction G: Wholesale & retail trade; repair of motor vehicles H: Transportation and storage M: Real estate activities (Previously known as sector L).  <b>Actions taken:</b> The transition to net zero energy consumption is a central element in our climate engagement theme, and we address it through engagement and voting.  For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: <a href="https://www.storebrandam.com">Active ownership - www.storebrandam.com</a>  <b>Planned actions:</b> We will continue to consider energy consumption as a data point for company analysis, engagement and voting.  <b>Targets for reference period:</b> No target set for the next reference period.



Table 1

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period
		Sector H: 95% Sector M: 99%	Sector G:95.3% Sector H:96.3% Sector L:100%	Sector G:98.3% Sector H:79.7% Sector L:78.0%		Primary data source is Sustainalytics and Trucost.	
<b>Bio-diversity</b>	<b>7. Activities negatively affecting biodiversity sensitive areas</b>	Share of investments in investee companies with sites/operations located in or near to biodiversity sensitive areas where activities of those investee companies negatively affect those areas	4.52% (coverage 77%)	4.99% (coverage 67%)	5.46 % (coverage 57.67%)	6.49% (coverage 56%)	<p>Primary data source is Sustainalytics and Stamdata. Metric expressed as a percentage of total AUM.</p> <p><b>Actions taken:</b> Storebrand has applied exclusion criteria covering companies involved in activities with significant negative biodiversity impacts, including deforestation, operations in ecologically sensitive areas and severe environmental damage. Biodiversity risk has been assessed using a combination of data and engagement, including exposure to sensitive locations and key environmental impact drivers such as land use change, water use and pollution.</p> <p>In 2025 we had 244 engagements related to nature and biodiversity, relevant to PAI 7 – Activities negatively affecting biodiversity sensitive areas. Out of these, 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 managements recommendations. 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.</p> <p>For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: <a href="http://www.storebrandam.com">Active ownership - www.storebrandam.com</a></p> <p>In 2022 with the adoption of the Nature Policy, we expanded our exclusion criteria to reduce our negative impact on biodiversity and valuable and vulnerable ecosystems. The activity-based criteria cover:</p> <ul style="list-style-type: none"> <li>• Mining operations that conduct direct marine or riverine tailings disposal</li> </ul>



Table 1

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period
							<ul style="list-style-type: none"> <li>Companies that operate in high biodiversity/ecologically sensitive areas</li> <li>Deep-sea mining:                             <ul style="list-style-type: none"> <li>Companies that lobby against the Convention on Biological Diversity</li> </ul> </li> </ul> <p>Conduct-based exclusions of companies based on severe environmental damage (for example activities negatively affecting biodiversity sensitive areas) can be found here: <a href="http://www.storebrand.com/Reporting &amp; Transparency - Storebrand Asset Management">http://www.storebrand.com/Reporting &amp; Transparency - Storebrand Asset Management</a></p> <p><b>Planned actions:</b> Storebrand will undertake a comprehensive analysis of all portfolio companies mapping impact drivers identified by IPBES, and give priority to the most material companies the perspective of nature-related impacts to ensure that these companies are mitigating their potential negative impacts. We will continue to engage with companies individually and through coalitions such as Nature Action 100+ and UNPRI Spring.</p> <p><b>Targets for reference period:</b> No targets set for the next reference period. New targets will be set after the assessment at company level.</p>
<b>Water</b>	<b>8. Emissions to water</b>	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.91 tonnes per million EUR invested (coverage 7%)	0.78 tonnes per million EUR invested (coverage 5.75%)	0.98 tonnes per million EUR invested (Coverage 4.33%)	0.4 tonnes per million EUR invested (Coverage 3%)	<p>Data coverage for this indicator is very low, however we see that it has increased somehow. Primary data source is Sustainalytics and Trucost. Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average.</p> <p><b>Actions taken:</b> We address emissions to water both through our engagement on biodiversity (see above) and pollution. Water pollution is a major driver of biodiversity loss as well as a threat to human health. In 2024 we assessed our exposure to water risk and started initial mapping of sensitive locations in line with TNFP LEAP approach. In 2024 we launched our first integrated climate and nature report. In October 2025 we published an analysis of 100 Nordic companies, conducted jointly with the nature and biodiversity data leader GIST Impact. We will use these findings to among others, monitor company targets and performance over time on, for example, water management and biodiversity impacts and alignment with evolving reporting standards. Conduct-based exclusions of companies based on severe environmental damage (for example spills and emissions to water) can be found here: Sustainable investment review - <a href="http://www.storebrand.com">www.storebrand.com</a>. For</p>



Table 1

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period
							<p>example, in Q1 2025, we excluded one company due to discharge of toxic per- and polyfluoroalkyl substances (PFAS) into the local environment and waterways.</p> <p>For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: <a href="http://www.storebrandam.com">Active ownership - www.storebrandam.com</a></p> <p><b>Planned actions:</b> Storebrand Asset Management is in the process of strengthening its assessment of biodiversity-related impacts, including pollution. As part of this effort, Storebrand Asset Management plans to acquire additional environmental data, including data on emissions to water, to enhance its ability to monitor and assess investee companies' impacts on ecosystems.</p> <p>This initiative supports the development of more robust indicators on key biodiversity impact drivers, including water pollution, and will improve the firm's capacity to track principal adverse impacts in line with SFDR requirements.</p> <p><b>Targets for reference period:</b> No target set for the next reference period.</p>
<b>Waste</b>	<b>9. Hazardous waste ratio</b>	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	1.61 tonnes per million EUR invested (coverage 76%)	2.21 tonnes per million EUR invested (coverage 58.25%)	4.70 tonnes per million EUR invested (Coverage 48.33%)	10 tonnes per million EUR invested (Coverage 21%)	<p>Sustainalytics, Trucost and Stamdata are the primary data sources on companies' hazardous waste ratio.</p> <p>The ratio is measured as a weighted average tonnes of emissions per mEUR invested.</p> <p><b>Actions taken:</b> Since 2024, through Nature Action 100, we are engaging with 100 companies including companies within chemical, consumer goods and pharmaceutical sector, that might contribute to environmental pollution if not disposed properly. These companies are expected to set timely and necessary actions to address their impact on nature.</p> <p>For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: <a href="http://www.storebrandam.com">Active ownership - www.storebrandam.com</a></p> <p><b>Planned actions:</b> Storebrand Asset Management is strengthening its assessment of biodiversity-related impacts, including pollution and waste. As part of this effort, Storebrand Asset Management plans to enhance its data</p>



Table 1

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period
							<p>coverage on hazardous waste generation and management, to improve the monitoring and assessment of investee companies' environmental impacts.</p> <p>This initiative supports the development of more robust indicators on key biodiversity impact drivers, including pollution and waste, and will enhance the firm's ability to track principal adverse impacts in line with SFDR requirements.</p> <p>Continued engagement with chemical companies on the use of hazardous chemicals.</p> <p><b>Targets for reference period:</b> No target set for the next reference period.</p>
<b>Indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters</b>							
<b>Social and employee matters</b>	<b>10. Violations of UN Global Compact principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises</b>	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.43 % (coverage 77%)	0.34% (coverage 67%)	1.03% (coverage 57.67%)	1.2% (coverage 56%)	<p>One investee company was flagged for violation in 2025, hence resulting in a slightly higher number as compared to last year. It should however be noted that this company was re-assessed as Watchlist instead of Non-compliance in Q2 2026.</p> <p>Sustainalytics is the primary data source for this indicator.</p> <p>Storebrand will also make our own evaluations of</p> <p><b>Actions taken:</b> Norm-based exclusions: Storebrand AM aims to not invest in companies that contribute to serious and systematic breaches of international law and human rights as well as for other environmental and governance criteria. See exclusion policy <a href="#">here</a>. Companies will be excluded if the breaches are considered severe and the risk of a breach re-occurring is assessed as high. This has been the practice at Storebrand since 2005. In 2025, 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. The list of companies excluded as of December 2025 can be found <a href="#">here</a>. <i>Risk-based sale of assets:</i> We started implementing a risk-based sale of assets based on this PAI at the end of 2021 for certain high-risk sectors after identifying risk of forced labor in supply chains as a particularly severe salient issue. This has resulted in the exclusion of 5 companies in 2025, under our criteria for</p>



Table 1

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period
						<p>identified breaches based on additional data providers, try to engage with the companies to encourage corrective actions, and as a last resort exclude the company. In addition, we conduct additional in-house research and assessments in cases when information from data providers is missing, which may result in a risk-based sale of assets.</p> <p>Metric expressed as a percentage of total AUM.</p>	<p>human rights and international law and high risk of severe labour rights violations.</p> <p>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. For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: <a href="http://www.storebrandam.com">Active ownership -www.storebrandam.com</a></p> <p><b>Planned actions:</b> Ensuring continued compliance with our exclusion policy. The red-flagged companies will continue to be reviewed and further actions to mitigate the risk/impact will be considered during the reference period, which may also result in the exclusion or risk-based sale of companies.</p> <p><b>Targets for reference period:</b> No companies flagged as in breach of this PAI to be eligible as a sustainable investment. PAI red flagged companies in our actively managed fund will be prioritized for engagement.</p>
<b>11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and Guidelines for Multination-</b>	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD	53.09 % (coverage 76%)	56.1 % (coverage 66.25%)	51.83 % (coverage 57%)	65.7% (coverage 53%)	<p>Sustainalytics is the primary data source for this indicator.</p> <p>Metric expressed as a percentage of total AUM.</p>	<p><b>Actions taken:</b> The data availability and coverage for this indicator is medium. This is due to the fact that many companies still do not disclose grievance mechanisms. The screening for investee companies' potential lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines is carried out by our data providers. Engagement with companies: Storebrand palliates this insufficient data by participating in collaborative initiatives such those by the World Benchmarking Initiative as the Corporate Benchmarking Alliance and PRI Advance that aim to encourage companies to adopt such processes and compliance mechanisms and report specific data on them. In addition, Storebrand has mapped certain high-risk industries where there is a special need to push companies to adopt such mechanisms due to their exposure to human right risk</p>



Table 1

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period
at Enterprises	Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises						<p>and the severe negative human right impact. As a result, we have been focusing on resilient company supply chains in order to lift industry standards and encourage companies to adopt processes and compliance mechanisms. We do this in a collaborative manner with other investors for more leverage and through organizations such as the Investor Alliance on Human Rights, the PRI Advance initiative, and the Platform Living Wages Financials. .</p> <p>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. For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: <a href="http://www.storebrand.com/active-ownership">Active ownership -www.storebrand.com</a></p> <p>Voting: In 2025 we voted on 174 social shareholder resolutions, covering themes such as: human rights impact assessments, human rights due diligence; operations in high-risk countries; gender and racial equality; gender pay gap; workplace sexual harassment.</p> <p>Norm-based exclusions: As explained in the previous PAI, Storebrand aims to not invest in companies that contribute to serious and systematic breaches of international law and human rights. Often, this is the case, due to the lack of policies and mechanisms to be in compliance with GC and OECD Guidelines. Companies will be excluded if the breaches are considered severe and the risk of a breach re-occurring is assessed as high. Quarterly exclusions can be found here: Document library - <a href="http://www.storebrand.com">www.storebrand.com</a></p> <p><b>Planned actions:</b> We will continue to engage with companies in order to mitigate this risk as well as divest from them if we see severe violations of human rights as a result of lack of policies and mechanism to monitor compliance in accordance with Storebrand international law and human</p>



Table 1

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period
							<p>rights standards. As we obtain better data, we will start measuring investee companies based on this indicator, which may lead to risk-based exclusions or mitigation by further engaging with investee companies if possible.</p> <p><b>Targets for reference period:</b> No target set for the next reference period. Although a target for substantial alignment with UNGP is set for 2030.</p>
<b>12. Unadjusted gender pay gap</b>	Average unadjusted gender pay gap of investee companies	16.85 % (coverage 6%)	13.2 % (coverage 3.25%)	13.62 % (coverage 3%)	18% (coverage 2%)	<p>Sustainalytics and Stamdata are the primary data sources for this indicator. Note that the data coverage for this indicator is very low.</p> <p>The ratio shows the relative difference between the two genders pay.</p>	<p><b>Actions taken:</b> The data availability and coverage for this indicator is very low. <i>Norm-based exclusions:</i> Storebrand AM aims to not invest in companies that contribute to serious and systematic breaches of international law and human rights as well as for other environmental and governance criteria. Companies will be excluded if the breaches are considered severe and the risk of a breach re-occurring is assessed as high. Severe and systematic gender discrimination is covered by our Storebrand standard and has in some instances resulted in exclusion. Quarterly exclusions can be found here: Document library - <a href="http://www.storebrandam.com/Reporting &amp; Transparency - Storebrand Asset Management">http://www.storebrandam.com/Reporting &amp; Transparency - Storebrand Asset Management</a></p> <p>Engagement with companies: Living wages for women (including gender pay gap) are also covered in our engagement and assessment for companies through our participation in the Platform for Living Wages Financials, where the textile, Agrifood and retail sectors are targeted.</p> <p><i>Voting:</i> Storebrand AM prioritizes voting on key ESG issues in order to reduce the adverse sustainability impact of the companies it is invested in. One of the identified key ESG issues are gender equality, diversity and remuneration. Our goal is to vote at all meetings with ESG and/or shareholder resolutions on the agenda, including shareholder resolutions on gender pay gap. However, in 2025, there were no resolutions on gender pay gap.</p>

Table 1

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period
							<p><b>Planned actions:</b> The data availability and coverage are low for the gender pay gap indicator. We are looking at how this could be improved until full coverage on this indicator is available.</p> <p><b>Targets for this reference period:</b> No target set for the next reference period.</p>
<b>13. Board gender diversity</b>	Average ratio of female to male board members in investee companies	36.85 % (coverage 72%)	35.95% (coverage 70.25%)	35.75 % (coverage 60.33%)	26.9% (coverage 60%)	<p>Sustainalytics, Trucost, Equileap and Stamdata are primary data sources for this indicator.</p> <p>The ratio is calculated as number of female board members divided by the number of male board members, expressed as a percentage. The increase in the percentage is due to more reported data.</p>	<p><b>Actions taken:</b> <i>Voting:</i> Storebrand prioritizes voting on key ESG issues in order to reduce the adverse sustainability impact of the companies it is invested in. Our goal is to vote at all meetings with ESG-related and/or shareholder resolutions. Of the key ESG issues identified, gender equality, diversity, and remuneration are included. Storebrand Asset Management typically votes against or withhold our vote from the chair of the nominating committee if the board lacks at least one director of an underrepresented gender identity. We generally utilize different minimum thresholds for assessing board diversity in different markets, such as 40% in continental Europe for example.</p> <p><b>Planned actions:</b> We will continue with our voting strategy in order to mitigate adverse impact and risk in relation to this.</p> <p><b>Targets for reference period:</b> Aim to vote against the nomination committee and/or re-election of board members at all red flagged companies for this PAI.</p>
<b>14. Exposure to controversial weapons (anti-personnel mines, cluster munitions,</b>	Share of investments in investee companies involved in the manufacture or selling of	0 % (coverage 77%)	0% (coverage 67%)	0% (coverage 57.67%)	0% (coverage 56%)	<p>Sustainalytics and Stamdata are the primary data sources for this indicator. Expressed as a percentage of total AUM.</p>	<p><b>Actions taken:</b> Storebrand will not invest in companies involved in the development and/ or production of controversial weapons; testing of controversial weapons; production of components to be used exclusively for controversial weapons; or stockpiling and/or transfer of controversial weapons. This criterion includes but is not limited to landmines, cluster munitions, nuclear weapons and biological and chemical weapons. The definitions and scope are in line with the corresponding conventions and norms, including but not limited to the Convention on Cluster</p>

Table 1

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period
<b>chemical weapons and biological weapons)</b>	controversial weapons						<p>Munitions (CCM), the Ottawa Treaty/Mine Ban Treaty and the Non-Proliferation Treaty. Quarterly exclusions can be found here: Document library - <a href="http://www.storebrandam.com/Reporting &amp; Transparency - Storebrand Asset Management">http://www.storebrandam.com/Reporting &amp; Transparency - Storebrand Asset Management</a></p> <p>For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: <a href="http://www.storebrandam.com">Active ownership - www.storebrandam.com</a></p> <p><b>Planned actions:</b> Ensuring continued compliance with the exclusion criterion.</p> <p><b>Targets for reference period:</b> No investments in companies in breach of this PAI.</p>
<b>Indicators applicable to investments in sovereigns and supranational</b>							
<b>Environmental</b>	<b>15. GHG intensity</b>	GHG intensity of investee countries	212.77 tonnes per million EUR GDP of investee countries (coverage 100%)	201.77 tonnes per million EUR GDP of investee countries (coverage 100%)	237.45 (coverage 100%)	257 (coverage 100%)	<p>Sustainalytics and Trucost are the primary data sources for this indicator. GHG intensity of investee countries is a measure of tonnes CO2 equivalents per million EUR of GDP. Only governmental and municipality issued investments covered in this metric.</p> <p><b>Actions taken:</b> As of now we have not used GHG intensity in our analysis of country risk on sovereigns.</p> <p><b>Planned actions:</b> We will integrate GHG intensity into our sovereign risk analysis when we have sufficient data quality. We are considering the possibility of including the asset class of sovereign bonds in 2030 climate target.</p> <p><b>Targets for reference period:</b> No target set for the next reference period</p>
<b>Social</b>	<b>16. Investee countries</b>	Number of investee countries	0 countries (coverage 100%)	0 countries (coverage 100%)	0 countries (coverage 100%)	0 countries (coverage 100%)	<p>Sustainalytics is the primary data source for this indicator. Only</p> <p><b>Actions taken:</b> Storebrand will not invest in government bonds or state-controlled companies from countries that are systematically corrupt, systematically suppress basic political and civil rights or are subject to sanctions imposed by the UN</p>

Table 1

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period
subject to social violations	subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law					governmental and municipality issued investments covered in this metric.	<p>Security Council. Storebrand can neither invest in companies owned or controlled by a country excluded from sovereign bond investments. To access this, we are currently using data from the World Bank, Transparency International, Freedom House, and UN and EU sanctions lists. In addition to this we make country risk analysis based on current events.</p> <p><b>Planned actions:</b> Ensuring continued compliance with the exclusion criterion.</p> <p><b>Target for reference period:</b> No investments in sovereign bonds in countries in breach of this PAI, including no investments in state owned and controlled companies from these states.</p>



Table 1

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period
<b>Indicators applicable to investments in real estate assets</b>							
<b>Fossil fuels</b>	<b>17. Exposure to fossil fuels through real estate assets</b>	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	0 % (coverage 100 %)	0 % (coverage 100 %)	0 % (coverage 100 %)	0 % (coverage 100 %)	We do generally not invest in real estate (RE) assets involved in the extraction, storage, transport or manufacture of fossil fuels.  No particular action needed, the policy and practice of having no or near zero exposure to fossil fuel related investments continues.
<b>Energy efficiency</b>	<b>18. Exposure to energy inefficient real estate assets</b>	Share of investments in energy-inefficient real estate assets	60 % (coverage 100%)	60 % (coverage 100 %)	66 % (coverage 100 %)	80 % (coverage 100 %)	Value-based share of RE investments across the Nordics (Norway, Sweden, Denmark, Finland) with a third-party EPC (energy performance certificate) class C or lower. National rating schemes are used and have different EPC thresholds.  Good energy performance of buildings is focused in both acquisition and management of standing investments in order to mitigate adverse environmental impact and risk. In the screening and Due Diligence of the acquisition process, the actual or potential EPC class and corresponding costs are assessed. In the property management phase improvement targets and measures are included in business plans and operations based on detailed energy monitoring, assessments and the upgrading opportunities of the building life cycle. On portfolio level the distribution of EPC classes is monitored and targeted, and efforts are balanced against total carbon emissions (in particular scope 3 embodied carbon consequences of upgrading measures) and economic returns.  In 2025 some buildings were acquired that hold EPC class A and B while a few of standing investments were upgraded or sold. The result is overall stable exposure to energy inefficient assets.

**Table 2**  
**Additional climate and other environment-related indicators**  
**Other indicators for principal adverse impacts on sustainability factors**

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period
<b>Water waste and material emissions</b>	<b>15. Deforestation</b>	Share of investments in companies without a policy to address deforestation	84.57% (coverage 76%)	81.83 % (coverage 65.50 %)	68.16 % (coverage 56.33%)	66.39% (coverage 56%)	<p>We see an improvement to the data coverage year on year. Sustainalytics is the primary data source for this indicator. Expressed as a percentage of total AUM.</p> <p><b>Actions taken:</b> 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 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 sufficiently to eliminate deforestation or related financial risks. We remain committed to using our best efforts to combat deforestation risks, building on progress made and improving wherever possible. See further detail in our <a href="#">Deforestation Policy</a>. 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.</p> <p>In 2025 we had 244 engagements related to nature and biodiversity, of which 5 were bilateral, 47 collaborative and 192 as signatory only. Out of these, 72 were linked to PAI 15 – Deforestation. We supported 11 shareholder proposals directly related to nature, biodiversity or deforestation at company general meetings, all of which were against company managements recommendations. For more information on how our engagements during the reference</p>

In addition, we consider the voluntary indicator relating to deforestation measured as share of companies without a policy to address deforestation (Table 2, indicator 15. Deforestation) and additional PAIs regarding real estate (table 2, indicator 18, 19 & 20). We also consider the voluntary indicator supplier code of conduct measured as share of investments in investee companies without any supplier code of conduct (against unsafe working conditions, precarious work, child labour and forced labour) (Table 3, indicator 4. Lack of a supplier code of conduct).



**Table 2**  
**Additional climate and other environment-related indicators**  
**Other indicators for principal adverse impacts on sustainability factors**

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period
							<p>period were linked to the PAIs, see the online engagement dashboard on our website: <a href="http://www.storebrandam.com">Active ownership - www.storebrandam.com</a></p> <p><b>Planned actions:</b> The data availability and coverage are low for the deforestation indicator. The indicator is narrow in scope, so we are using several other data sources to assess companies' exposure to and management of deforestation risk. At the moment our in-house methodology gives a better understanding of deforestation impact than the PAI indicator. However, we are using data on the PAI deforestation indicator to enhance of our analysis.</p> <p><b>Targets for reference period:</b> Storebrand will revise screening methodology to incorporate more forest risk commodities and establish guidelines for voting against directors of red-flagged companies.</p>
<b>Other principal adverse indicators applicable to investments in real estate assets</b>							
<b>Green-house gas emission</b>	<b>18. GHG emissions</b>	Scope 1 GHG emissions generated by real estate asset (tCO2e/yr)	26 (coverage 87 %)	40 (coverage 85 %)	67 (coverage 81 %)	77 (coverage 87 %)	<p>Location-based in-use operational emissions calculated from sc. 1 stationary combustion of fossil fuels and leakage of refrigerants, sc. 2 district heating and</p> <p>The total emission reduction is primarily due to a reduction in energy consumption of 9,3% from 2024 to 2025 (measured, not temp. corrected), and a lower emission factor for electricity. Emission intensity is reduced by 12 % (kg CO2e/m2 heated floor area).</p> <p>Through the environmental management system of assessing status, setting targets, implementing measures and monitoring results at asset level, all input factors of the GHG emissions are targeted: energy, waste and water. This is a</p>



**Table 2**  
**Additional climate and other environment-related indicators**  
**Other indicators for principal adverse impacts on sustainability factors**

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period
	Scope 2 GHG emissions generated by real estate asset (tCO2e/yr)	3 700 (coverage 97 %)	5080 (coverage 97 %)	5341(coverage 97 %)	5065 (coverage 96 %)	electricity consumption, and sc. 3 waste handling and water consumption, for all standing investments in Norway and Sweden with a whole-building approach. Development properties not included. For electricity a Nordic mix emission factor is used, for district heating and cooling local /actual emission factors are used.	continuous improvement process consisting of smaller operational measures and larger investments yielding greater results. The systematic approach is designed to also realize the SBTi-validated science based GHG target of 71 % reduction in commercial and 64 % in residential buildings within 2030 compared to 2019 (market-based emissions). Medium term target is -32 % from 2018 to 2025 (location based).
	Scope 3 GHG emissions generated by real estate asset (tCO2e/yr)	933 (coverage 75 %)	968 (coverage 73 %)	1327 (coverage 74 %)	1194 (coverage 73 %)		
	Total GHG emissions generated by real estate asset (tCO2e/yr)	4659(coverage 93 %)	6088 (coverage 93 %)	6735 (coverage 93 %)	6336 (coverage 90 %)		



**Table 2**  
**Additional climate and other environment-related indicators**  
**Other indicators for principal adverse impacts on sustainability factors**

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period	
<b>Energy consumption</b>	<b>19. energy consumption intensity</b>	Energy consumption in kWh of managed real estate assets per square meter (kWh/m <sup>2</sup> -yr)	136 (coverage 97 %)	153 (coverage 97 %)	161 (coverage 97 %)	168 (coverage 96 %)	Energy consumption metered on-site with whole-building approach (including tenant consumption) divided by gross heated floor area for all standing investments in Norway and Sweden. Development properties not covered.	Reduction of energy intensity with individual asset targets goes hand in hand with the emissions reduction target over. Energy audits have been carried out and measures been integrated in property business plans in 2021-2025. This in addition to close (minimum weekly) energy monitoring (automated system) with detection of functional errors and improvements in building automation system, e.g. temperature settings for energy systems. Reduction targets are set individually for building renovation and energy upgrade projects in order to reduce energy cost and consumption and reduce GHG emissions according to our Science Based Targets for 2030.
<b>Waste</b>	<b>20. Waste production in operations</b>	Share of real estate assets not equipped with facilities for waste sorting and not covered by a waste recovery or recycling contract	0 % (coverage 100 %)	0 % (coverage 100 %)	0 % (coverage 100 %)	0% (coverage 100 %)	All standing investments and development projects have extensive waste sorting facilities and recycling contracts.	The policy of targeting and monitoring the improvement of facility waste production and sorting for recycling, or extracting material from the waste cycle to reuse, is basic both in standing investments and in development projects. Improvement targets are set annually for assets that underperform in sorting rate.



**Table 3**  
**Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters**

PAI indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, action planned, and target set for next reference period
<b>Social and employee matters</b>	<b>4. Lack of a supplier code of conduct</b>	Share of investments in investee companies without any supplier code of conduct (against unsafe working conditions, precarious work, child labour and forced labour)	5.16 % (coverage 77%)	6.5% (coverage 66.75%)	6.59% (coverage 57%)	6.3% (coverage 56%)	<p>Sustainalytics is the primary data source for this indicator. Expressed as a percentage of total AUM.</p> <p><b>Actions taken:</b> Norm-based exclusions: Storebrand aims to not invest in companies that contribute to serious and systematic breaches of international law and human rights. We see this is often the case within their supply chains. Thus, companies will be excluded if the breaches are considered severe and the risk of a breach re-occurring is assessed as high. The list of companies excluded as of December 2025 can be found here.</p> <p>We continued with our engagement regarding resilient company supply chains as explained above. We do this in a collaborative manner with other investors for more leverage on issues such as forced labor, child labor, unsafe working conditions and/or living wages and through organizations such as the Investor Alliance on Human Rights, the PRI and the Platform Living Wages Financials. Our engagement work on this topic has been further reinforced by the Norwegian Transparency law (Åpenhetsloven) which we have been using as requirement for Norwegian companies and companies with operations in Norway. We also encourage companies to report on these issues to benchmarks such as Know-theChain and the Corporate Human Rights Benchmark Initiative.</p> <p>For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: <a href="https://www.storebrand.com">Active ownership - www.storebrand.com</a></p> <p><b>Planned actions:</b> We will continue our focus on resilient supply chains under the theme of reducing inequalities and just transition as one of our three main engagement themes. In addition, we will continue to exclude companies if we find severe violations of human rights in accordance with Storebrand international law and human rights standards and our exclusion policy.</p> <p><b>Target for reference period:</b> No target set for the next reference period.</p>



## Description of policies to identify and prioritise principal adverse impacts on sustainability factors

The following policies were updated at the end of 2025 and approved by SAM Board in Feb 2026; Sustainable Investment Policy, Exclusion Policy, Human Rights Policy, Deforestation Policy, Climate Policy and Nature Policy. Storebrand Asset Management prioritizes and addresses these adverse impacts by using several combined strategies that involve:

- Screening and excluding companies that do not live up to Storebrand's (minimum) investments standards based on international norms and conventions and/or companies that are involved in the production of certain unsustainable products.
- Engaging with companies to discuss these adverse impacts with the aim to improve corporate behavior and thus reducing the adverse impact.
- Integrating sustainability risk ratings in investment decisions to avoid or invest less in companies with high-risk sustainability rates and prioritize or invest more in companies with low sustainability risk
  - Risk-based sale of assets for assets with a high risk of involvement in activities with severe adverse impacts such as those identified as Principle Adverse Impacts (PAIs) in EU regulation.

Although principal adverse impacts (PAIs) are already being addressed and integrated in a general way by following the approach described above, SAM will be enhancing further integration for mitigation of PAIs, as outlined below.

SAM has been identifying adverse impact in its portfolios for over a decade, and thus there is an overlap between PAI indicators, and our general work carried out to mitigate risk. Regarding the identification of the specific PAI indicators, SAM will be monitoring these PAI indicators including the selected Additional Indicators on an ongoing basis as data becomes available from data providers. Our methodology is to identify PAI laggards (red), PAI intermediate performers (yellow) and PAI leaders (green) so that risk can be avoided, and more capital can be allocated to more sustainable companies and solution companies.

- RED: Those companies identified as PAI laggards will be further analyzed by the Risk and Active Ownership team and may result in exclusion depending on the risk and severity of the negative impact identified and the total cumulative negative impact identified across all PAI indicators.
- YELLOW: PAI intermediate performers will also be further analyzed with the aim to mitigate adverse impact through engagement.

- GREEN: In addition, the analyzed PAI data will be further integrated in financial decisions with the aim of allocating more capital to PAI leaders, and thus lift the sustainability value of our funds.

More generally, once the PAI laggards (red) are identified, portfolio managers have the opportunity and responsibility to further integrate this already categorized PAI data in order to further mitigate risk and allocate more capital into more sustainable companies.

For more information see our policies [here](#).

### **Data inputs and limitations**

The process is data driven with both internally and externally collected data which are assessed by our Risk and Ownership team. The Risk and Ownership team is responsible for selecting data providers that deliver relevant data enabling the organization to perform these screens. Data providers may vary over time and are described in the standards pertaining to each product or practice. Data is primarily collected from external data providers, namely Sustainalytics, Trucost, Stamdata and ISS.

If data gaps are identified, Storebrand will initiate a dialogue with the different entities to collect more information. Since we receive data from different providers there are instances where the information is inconsistent. In these cases, the Risk and Ownership will conduct our own additional research and analysis on the company and potential issue. In any case we will contact the company to verify the information and the data providers to hear why the data differs.

The principle adverse impact indicators are accounted for based on the underlying securities' data availability. As the data quality and availability improves, we will be considering a range of methods to account for these and mitigate adverse impact. These methods will be applied taking into consideration the type of strategies that best fit specific portfolios' sustainability objectives, as well as Storebrand's general sustainability strategies that apply across all asset classes.

### **Engagement policies**

The Storebrand Group believes in exercising our rights as shareholders. We employ two main ways of doing this: voting at shareholder meetings or direct company engagement by expressing our views, in writing or through dialogue with the company's management, advisers or Board of directors. Both methods can effectively address ESG concerns and provide complementary signals to companies on where we stand on important issues.

The decision to engage with companies is based on our assessment of the significance of a particular matter, holding size, scope to effect change and opportunities to collaborate with other investors.

Storebrand Asset Management has prioritized three thematic engagement themes and two cross cutting themes for the 2024-2026 period. Our prioritized themes align with the Sustainable Development Goals and with our own corporate commitments, as outlined in our Sustainable Investment Policy. These are: climate change, nature, human rights, and the cross-cutting themes are; policy dialogue and sustainability disclosure.

Please see our engagement and voting policy for more information [here](#).

### **References to international standards**

SAM follows many international standards as reflected in our Sustainable Investment Policy, Exclusion Policy and theme specific policies. For an exhaustive list please see our Document Library. These include but are not limited to the following standards listed below with respective PAI indicator.

- UN Guiding Principles for Business and Human Rights
  - PAI 10 Violations of UNGC
  - PAI 11 Lack of policies/mechanisms UNGC
  - PAI 16 Countries subject to social violations Additional PAI 4 Lack of a supplier code of conduct
- OECD Guidelines for Multinational Enterprises/OECD Guidelines on Responsible Business Conduct for Institutional Investors
  - All PAIs
- ILO Conventions

- PAI 11 Lack of policies/mechanisms UNGC
  - PAI 12 Gender pay gap
  - PAI 13 Gender equality on the board
  - Additional PAI 4 Lack of a supplier code of conduct
- UN Human Rights Declaration and Human Rights Conventions
  - PAI 10 Violations of UNGC
  - PAI 11 Lack of policies/mechanisms UNGC
  - PAI 12 Gender pay gap
  - PAI 13 Gender equality on the board
  - Additional PAI 4 Lack of a supplier code of conduct
- UN Global Compact
  - PAI 10 Violations of UNGC
  - PAI 11 Lack of policies/mechanisms UNGC
  - Additional PAI 4 Lack of a supplier code of conduct
- UN Environmental Conventions (including the UN Framework Convention on Climate Change (UNFCCC) and the Paris Agreement, and the Convention on Biological Diversity (CBD) and the Kunming-Montreal Global Biodiversity Framework)
  - PAI 1 GHG emissions
  - PAI 2 Carbon footprint
  - PAI 3 GHG intensity of investee companies
  - PAI 4 Exposure to companies active in the fossil fuel sector
  - PAI 5 Share of non-renewable energy consumption and production
  - PAI 6 Energy consumption intensity per high impact climate sector

- PAI 7 Activities negatively affecting biodiversity-sensitive areas
- PAI 8 Emissions to water
- PAI 9 Hazardous waste ratio
- PAI 15 GHG intensity of investee countries
- PAI 17 Exposure to fossil fuels through real estate assets
- PAI 18 Exposure to energy-inefficient real estate assets Additional
- PAI 15 Deforestation
- Additional PAI 18 GHG emissions of real estate investments
- Additional PAI 19 Energy consumption intensity of real estate investments Additional
- PAI 20 Waste production in operations
- International Humanitarian Law treaties and conventions and Controversial Weapons treaties
  - PAI 10 Violations of UNGC
  - PAI 11 Lack of policies/mechanisms UNGC
  - PAI 14 Controversial weapons
  - PAI 16 Countries subject to social violations

### **Historical comparison**

For a historical comparison see the main table 1, 2 and 3 above.