SIR

A publication by Storebrand Asset Management

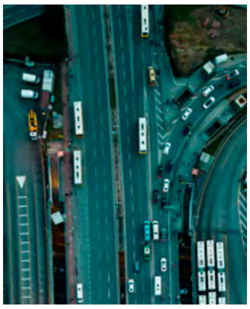
Sustainable Investment Review / 2nd Quarter 2026 **Sustainable Investment Review** / 2nd Quarter 2026

Storebrand

Q2

Photo: Unsplash

In this issue



Maintaining momentum

We're pleased to present this latest edition of Storebrand AM's quarterly Sustainable Investment Review (SIR), for the second quarter of 2026.

As I write this foreword following a busy London Climate Action Week, it is hard not to reflect on the irony that many of the discussions on climate resilience, adaptation, and the transition to a low-carbon economy took place against the backdrop of exceptionally high temperatures across Europe. The extreme heat served as a timely reminder that climate change is no longer a future risk, it is a present reality with tangible consequences for societies, economies, and investors alike. At the same time, it reinforced the importance of maintaining momentum behind the transition and ensuring that sustainability considerations remain integrated into investment decision-making, despite a challenging geopolitical and economic environment.

This edition of the SIR places a particular focus on the interconnected challenges of climate and nature, reflecting both the discussions that dominated London Climate Action Week and the growing recognition that addressing climate change and biodiversity loss requires a more integrated approach. Alongside these insights, the report provides an overview of our engagement, voting, and sustainability-related activities during the quarter.

For Storebrand, nature remains a strategic priority for us, and we continue to take a leading role in advancing investor action on some of the most pressing nature-related challenges. During the quarter, we strengthened our leadership role by being appointed as co-chair of Nature Action 100 and the newly established Nature Transition Framework. Through these initiatives, we aim to accelerate corporate action, strengthen investor expectations, and contribute to the development of more effective market practices for managing nature-related risks and opportunities.

During the quarter, an important milestone was reached when the Business and Conflict Community of Practice, in which Storebrand AM plays a leading role, launched a new awareness-raising initiative aimed at investors. Featuring insights from experts including our Head of Human Rights, Tulia Machado-Helland, the initiative highlights why investing in conflict-affected and high-risk areas is not business as usual, and why enhanced human rights and international humanitarian law due diligence is essential. Through this work, we seek to help investors better understand, assess and manage the risks associated with conflict, while contributing to stronger standards and more responsible investment practices across the market.

Elsewhere, Storebrand was once again included in the **Dow Jones Best-in-Class World Index** for 2025. The renowned global sustainability index (formerly the Dow Jones Sustainability Indices) consists of listed companies that are considered to be among the best in sustainability in their industry. The selection is based on S&P Global's assessment of environmental, social and governance issues. This placement in the index is an important external confirmation of our commitment to sustainability, and our ability to integrate it.

> **"The Dow Jones Best-in-Class World Index is an important external confirmation of our commitment to sustainability, and our ability to integrate it."**

Alongside these insights, this report provides an overview of our engagement, voting, and sustainability-related activities during the quarter. We hope you find this edition informative and useful, and we thank you for your continued interest in our work.

Kamil Zabielski,
Head of Sustainable Investment

Photos: Unsplash

In this issue / Q2 2026 In this issue / Q2 2026

In this issue | **Article summary**

In this issue

Article summary

In this issue / Q2 2026 In this issue / Q2 2026 In this issue / Q2 2026 In this issue / Q2 2026

Recognition

Storebrand listed in Time's "World's Most Sustainable Companies"

This June. Storebrand was honored to be listed, at 45th overall , 4th in our sector, when TIME and data firm Statista partnered to rank the **world's 500 most sustainable companies** in 2026. The rankings are based on companies' public commitment to, and progress toward, sustainability targets, during the calendar year of 2024 (the most recent year for which complete data is available).

Storebrand on Dow Jones Best-in-Class World Index 2025

Storebrand is once again included in the **Dow Jones Best-in-Class World Index** for 2025, in which it is the only Scandinavian company that achieved a placement in the insurance category.

The renowned global sustainability index (formerly the Dow Jones Sustainability Indices) consists of listed companies considered to be among the best in sustainability in their industry. The selection is based on S&P Global's assessment of environmental, social and governance issues.

For Storebrand, this placement in the index is important external confirmation of our commitment to sustainability, and our ability to integrate it into our strategy, management and daily operations - which helps make us more resilient. The index also helps us identify areas where we can develop and improve.

Learn more about the DJSI methodology.

From left: Several experts presented at the event. **From the back left:** Theodor Christensen, (ex-deputy Director sustainability and ESG Danish Financial Authorities), Jan Erik Saugestad (Storebrand AM), Lars Dinesen (Senior Advisor at IPBES in Denmark), Marika Brewitz (PRI), Rebecca Vaughan (Influence-Map) and Marine Le Calvez-Yassine (PRI).

Rebecca Vaughan, Director, Methodologies and Program Development at InfluenceMap, presents their Nordic Climate Policy Engagement Overview analyzing the alignment of companies with science-based climate policy.

Events

Bringing investors together on nature and responsible lobbying in Copenhagen

Storebrand Asset Management recently convened an investor event in Copenhagen, bringing together partners and stakeholders to discuss the intersection of nature, finance, and responsible political engagement. Hosted in collaboration with AIP, part of Storebrand, the event provided a platform for dialogue on how investors can support a more sustainable and aligned policy environment.

The event, developed in connection with the SPRING initiative, focused on the growing recognition that climate and biodiversity goals cannot be achieved without addressing the role of corporate lobbying. Discussions highlighted the need for investors to better understand and influence how companies engage with policymakers, ensuring that political activities are aligned with global sustainability targets rather than undermining them.

Bringing together a diverse group of speakers and participants, the event explored responsible political engagement as a critical, yet often under-addressed, element of sustainable finance. Contributions from experts and practitioners helped frame lobbying not only as a governance issue, but as a systemic lever for enabling — or delaying — the transition.

Storebrand's role in co-hosting the event reflects its broader approach to active ownership: combining company engagement with efforts to shape the wider system in which companies operate. By facilitating dialogue on lobbying and policy alignment, Storebrand aims to support investors in moving beyond company-level risk management towards more systemic impact.

Ultimately, the Copenhagen event demonstrated the importance of collaboration — between investors, initiatives like SPRING, and platforms such as AIP — in accelerating progress on nature and climate. It also underscored a clear message: responsible lobbying is not a peripheral issue, but central to delivering a credible transition in the real economy.

Bringing the financial perspective to the deep-sea mining debate in Brussels

Storebrand Asset Management recently contributed to the policy debate on deep-sea mining (DSM) in Brussels, where Head of Climate and Environment Emine Isciel presented the financial case for caution in front of representatives from EU member states.

The event, "Deep Decisions," brought together policymakers, investors, and civil society to discuss the future of the deep sea and the governance of emerging industries. At a time when decisions taken in Europe will shape global standards, the discussion highlighted the importance of integrating financial risk perspectives into environmental policymaking.

In her intervention, Emine Isciel outlined why many investors are increasingly reluctant to allocate capital to deep-sea mining. The financial case is rooted in layers of uncertainty and risk: environmental unknowns, evolving regulation, reputational exposure, and the potential for stranded assets if societal or political opposition leads to tighter restrictions or outright bans.

From an investor perspective, these risks are compounded by the lack of a proven commercial case. Unlike established extractive industries, deep-sea mining remains in an early and uncertain phase, with limited clarity on long-term profitability and significant upfront capital requirements. This creates a challenging investment profile, particularly for long-term investors focused on risk-adjusted returns.

Importantly, the presentation also emphasized that financial considerations are closely linked to broader systemic risks. Damage to marine ecosystems could have far-reaching consequences for biodiversity and ocean-based economic activity, reinforcing the view that environmental risks cannot be separated from financial outcomes.

Storebrand's contribution reflects its broader approach to responsible investment: integrating sustainability risks into investment decisions and engaging in policy discussions where financial markets intersect with environmental outcomes. By bringing an investor perspective into a policy forum, Storebrand aims to support informed decision-making and ensure that capital allocation aligns with long-term economic and environmental resilience.

The Brussels event underscored a growing recognition among policymakers that the transition to a sustainable economy must also consider what should not be financed. In the case of deep-sea mining, the message from investors was clear: caution is not only an environmental position, but a financial one.

Solu-tions

Photo: Monika Grabkowska / Unsplash

Section Contents

Climate solutions – Same, but different

A new white paper by our Index & Quant team highlights the complexities of assessing climate solutions companies, and uncovers how to balance portfolio exposure across emerging and developed markets

Photo: Unsplash/Marcus Spiske

Briefly

A new white paper by Storebrand AM's Index & Quant team reveals, among other things, that when filtered by revenue characteristics, companies in developed markets tend to enable the climate transition, whereas those in emerging markets tend to build it.

The climate investment landscape is often discussed in aspirational terms: promising technologies, pilot projects and potential breakthroughs. Today's reality, however, sees a transition that is increasingly about capital deployment now, rather than ambition or innovation for the future.

Exploring solutions filtering in emerging vs. developed markets

The Storebrand Plus funds, which allocate 12-15% of portfolio assets to climate solutions, require qualifying companies to derive over 50% of revenues from products and services that directly address the challenge of reaching net zero. This paper examines the results of that filter when applied to two different investment universes: developed markets (Storebrand Global Plus) and developing ones (Storebrand Emerging Markets Plus).

Despite the same revenue threshold, whitelist methodology and analytical framework, we find that the company profiles within the two funds' climate solutions sub-portfolios are strikingly different. Depending on where they are domiciled, the shared climate challenge is being monetised through different business models at different points in the transition value chain.

In emerging markets (EM), particularly China, the solutions sleeve is dominated by companies already manufacturing and delivering upstream climate hardware at industrial scale: batteries, solar panels, grid equipment and rolling stock. This contrasts with developed markets (DM), where the sleeve instead tilts towards services, efficiency, recycling and grid infrastructure – activities that are essential, but often downstream or further removed from the physical production of climate technology.

Implications for asset owners and allocators

As well as exploring what our Plus funds' holdings demonstrate about how climate solutions are distributed across the global economy, the paper explores what this means for investors seeking genuine and diversified exposure to the energy transition. There are also important investment implications for differentials in valuations, earnings growth, share price performance and risk factors across the two markets, as well as some key areas of common ground. For asset owners and allocators, we find that DM and EM climate solutions are complementary, rather than substitutes, and exposure to both gives more complete transition coverage than either alone.

The white paper also examines the risk factors facing companies and their investors in both emerging and developed markets as well as the outlook and the structural trends that are likely to shape the evolution of both markets in the coming years.

Read our new climate solutions white paper and join the discussion about it on Linkedin.

Update

Beating thermal inequalities

Temperature changes are striking communities severely, often harming the most vulnerable, and driving demand for thermal monitoring and management solutions

Text: **Sunniva Bratt Slette, Portfolio Manager**

With climate change scrambling temperatures across the globe, new research shows that severe heatwaves are striking inhabitants unequally. However, help could be at hand: improved tools for heat risk and solution simulations, now give companies and local authorities more powerful decision-making capabilities to solve the growing challenges that they face.

Thermal inequality explained

Researchers have highlighted how large the differences in temperature can be within the same city. In Cape Town, South Africa, temperatures during one day of the summer of 2024 were measured at 41.6 degrees Celsius in the high-density city centre. In the informal settlement of Joe Slove, slightly north of the city, the temperature was the same. However, in a leafy residential area to the southeast, temperatures were strikingly comfortable at only 25 degrees Celsius [1].

The trend is similar across the globe. WRI India research has also shown that lower-income settlements are much warmer than wealthier areas. These differences are partly due to topography and cooling vegetation, but are also a result of differences in purchasing power to acquire cooling technology and of a built environment that provides sufficient shade.

The negative health effects of long lasting overheat is evident for all demographic groups, but especially the most vulnerable.

Europe also in the firing line

Europe is in no way shielded from climate change: Our continent is warming twice as fast as the rest of the globe, according to the recently launched report "The European State of the Climate (ESOTC) 2025" by the Earth observation agency Copernicus [2]. That makes Europe the fastest warming continent on Earth, with the associated hotter summers, shorter winters, melting glaciers, wildfires, and dry or flooded rivers due to changed precipitation patterns.

Urban and rural challenges

While urban heatwaves are severe, rural heatwaves may be an even bigger problem. The negative impacts of heatwaves can be measured in "person-days" which combines the number of persons affected with how many days they experience a heatwave. Rural communities in Africa already experience between 20 and 1000 "person-days", while urban African inhabitants have less than twenty person-days annually [3]. Billions of people in Pakistan, India and Bangladesh face the same trend: Heatwaves that strike areas without electricity makes inhabitants extremely vulnerable. The probability of climate refugees increases. To counter the heat, better planning, targeted investments and heat protection is necessary both in urban and rural areas.

Data is power. The World Resources Institute (WRI) have recently launched a new tool with impressive decision-making support to plan for cooler cities. The "Cool Cities Lab" tool enables urban decision makers to "assess heat resilience in their city and understand the potential cooling impacts of a range of solutions at both neighbourhood and city scales" [4] . It gives an overview of the baseline, risks and opportunities, solutions and impacts of different measures to address urban heat. With an extremely fine granularity down to street views, the focus is on which action can be implemented on a local level. Even if there is no solution that works everywhere, some cooling solutions are effective in most cities and contexts. With the right data simulation, optimizing cost to efficiency can speed up the meaningful capital allocation.

There are numerous solutions to both urban and rural heatwaves, many of which are inexpensive. Planting trees and vegetation are effective both in farmlands and streets, rain collection and bringing rivers to the surface cool off nearby areas, smart construction like white roofs and pavements which reflect sunlight, natural ventilation, energy-efficient air-conditioning can provide heat relief for built environments.

Positioned to benefit by delivering solutions

Looking at portfolio holdings within the investment theme "urban planning" and "urban infrastructure", several companies have the ability to deliver climate resilient solutions with nature-based solutions and energy efficient cooling solutions has been part of our portfolio since inception of our thematic solution funds. Some portfolio companies that have meaningful business segments built on solutions to heat waves are Acciona, Stantec, Sekisui House, Cury Construtore e Incorpora, Skanska, Spie, Saint-Gobain, Arcadis, Sweco and Norconsult. Key solutions include solar controlled glass, solar canopies over parking lots, heat reactive building envelope, reflective materials, urban green infrastructure, urban forests, water features, urban cooling corridors, net zero buildings, geothermal energy storage, heat recycling, district heating/cooling, and real time monitoring through "digital twins" to identify vulnerable areas.

As an investor in companies that provide urban infrastructure, encouragement to test the tool is in order. Why should companies care? Our argument is due to profitability and competitiveness. Firstly, local authorities are prone to increasingly demand that climate adaptation, among this cooling vegetation and infrastructure is part of tenders. Secondly, there is a premium on liveable areas.

The value of real estate and surrounding infrastructure is improved with higher vegetation, waterfronts, and decreased temperatures, as has been proved from the river restoration of the Cheonggyecheon river in Seoul. There, a major motorway was replaced by a previously buried river, [5] resulting in temperatures being reduced by 2.5 degrees celsius and the price of land increasing by 30-50 percent for properties within 50 meters of the restoration project, a value increase twice as high as other parts of Seoul. Furthermore, the number of businesses grew by 3.5 percent in the Cheonggyecheon region after the restoration, double the rate of downtown Seoul [6].

A similar pricing premium is found in New York, where the correlation between Central Park proximity and pricing is clear and consistent. Given the extrapolation of temperature trends, the likelihood of this premium increasing rather than decreasing in the future is likely.

Join the discussion about this article on LinkedIn.

References

[1] WRI (18.03.2026), Why Some Parts of a City Are Hotter Than Others | World Resources Institute

[2] https://defence-industry-space.ec.europa.eu/europes-warming-accelerates-beyond-global-trend-new-copernicus-data-shows-2026-04-28_en

[3] The Conversation (25.04.2026), Heatwaves will be worst for rural parts of Africa – new model shows tens of millions face dangerous warming by 2100

[4] WRI Cool Cities Lab, Cool Cities

[5] https://www.coolgeography.co.uk/advanced/River_Restoration_Conservation.php

[6] https://www.landscapeperformance.org/case-study-briefs/cheonggyecheon-stream-restoration-project

Active Owner-ship

Photo: Amy W / Unsplash

Section Contents

Update

New video on why IHL matters for investors

Introductory video launched in collaborative effort to engage investors in implementing best practice human rights due diligence processes in CAHRA

Having worked systematically on managing risk related to human rights in conflict areas for a long time, Storebrand believes that achieving this goal requires lifting the overall understanding and engagement of the investor community on the issue, as well as cooperating on them.

For several years Storebrand has been involved within several initiatives, to reinforce the ability of investors overall, to manage their responsibilities related to human rights in conflict areas. These efforts have included developing and piloting the relevant processes, creating and distributing investor guides, as well as outreach at investor events to share insights and best practices.

Another milestone in this effort was achieved in May when one of these initiatives in which we have a leading role, the Business and Conflict Community of Practice, launched a new video aimed raising investor awareness and attracting them to begin engaging in individual and collaborative efforts to ensure responsible investment related to conflict-afflicted and high risk areas (CAHRA).

Launched on LinkedIn and YouTube in May, the video is narrated in English, with French and Arabic subtitling options to make it accessible to a wider target audience. The focus is on highlighting that investing in fragile and conflict-affected areas (CAHRA) is not business as usual.

The video brings together insights from several experts, including **Tulia Machado-Helland**, Head of Human Rights at **Storebrand AM**. They explain what IHL is, why it matters for investors, how business activity could affect dynamics of conflict dynamics, and what responsible practice, including relevant due diligence, is in practice. Overall the video aims to leave investors with an understanding that operating in CAHRAs requires specialised and detailed due diligence, which in turn means Investors must integrated detailed and structured tracks of work into their investment processes, in order to meet their own responsibilities, and to mitigate the risks they are exposed to, related to human rights and IHL.

See the video introduction for investors, at the PeaceNexus Foundation's YouTube channel and join the discussion on LinkedIn.

Update

Out of sight, on the books

How Storebrand is using satellite evidence to strengthen deforestation risk assessment

Since adopting our Deforestation Policy in 2019, Storebrand AM has worked to make deforestation risk more visible, actionable and accountable in our investment portfolios. Our approach has combined annual portfolio screening, active ownership, exclusion in severe cases, and disclosure of portfolio exposure and actions taken. The policy applies across asset classes and covers companies directly and indirectly linked to forest-risk commodities through operations, supply chains and financial relationships.

Over time, this work has helped us understand which companies are exposed to deforestation risk, and how well they appear to manage that risk through policies, targets, traceability systems and reporting. Storebrand AM has screened portfolios annually since 2020, using the best available data and improving methodologies as better data become available. In recent years, tools such as Forest IQ have strengthened our ability to assess exposure and management quality.

Yet one important question has remained difficult to answer: is a specific company, at specific locations, linked to actual deforestation or conversion on the ground? This is the gap our recent collaboration with Frontierra set out to explore.

Approach

The pilot project tested whether satellite-based, location-specific deforestation analysis could be applied at portfolio scale. Frontierra assessed 14 companies from Storebrand's portfolio, across paper and pulp, palm oil and mining, analysing more than 3,500 individual sites and sourcing points across 35 countries. The aim was not to replace existing screening, but to add a new layer of evidence: moving from company-level risk indicators to observed land-use change around assets like mines, mills or concessions.

This is an important evolution. Policy screening is necessary, but it cannot show what is actually happening on the ground. The Frontierra analysis combined location intelligence, satellite-based deforestation detection, buffer-zone analysis and environmental and social context, including proximity to protected areas, Indigenous areas, peatlands and mangroves. It also developed a Deforestation Exposure Score to make results more comparable across sectors, geographies and asset types, weighting findings by impact, proximity, recency and trend.

Findings

The findings were significant. Across the companies assessed, the analysis identified five companies with a "Critical" score, six with a "High" score, and three with "Medium" or "Low" scores. The sector picture also varied: paper and pulp showed the most severe and direct exposure, palm oil showed active supply-chain exposure across mill and plantation locations, and mining showed more localised but sometimes intense conversion risk.

Takeaways and next steps

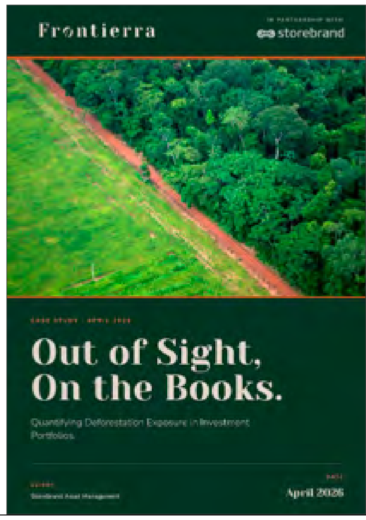
For investors, this type of information can change the quality of engagement. It enables more specific questions: What is happening at this concession? What controls are in place at this mill's sourcing region? How does the company assess risks near protected areas or high conservation value ecosystems? In cases where exclusion criteria may be relevant, satellite evidence can also help assess whether there is credible evidence of severe or systematic deforestation or conversion.

The pilot also underlined important limitations. Location data availability remains uneven. Frontierra could identify usable location data for 14 of 22 companies provided by Storebrand AM, which demonstrates that data exists in many cases, but not always. Attribution is another challenge: satellite images may show forest loss, but further analysis is needed to determine responsibility, legality, ecosystem condition before conversion, and whether activity is linked to the investee company or to other actors. Most investors will depend on external specialists to interpret such data responsibly.

These caveats matter. Satellite analysis should not be treated as a shortcut to definitive conclusions. Rather, it is a stronger starting point for investigation, prioritisation and dialogue. It is most useful when combined with existing exposure screening, company policy assessments, supply-chain information, and engagement history.

This pilot shows that location-based monitoring can improve the visibility of risks that may otherwise remain hidden in portfolio-level assessments. It also confirms the direction of travel in Storebrand AM's approach to deforestation: to revise and improve our methods as better data become available, while continuing to engage forcefully and to use exclusions where necessary.

This pilot is one step towards a more evidence-based understanding of deforestation risk in our portfolio, and towards more targeted action on the companies that create the highest impact on forests.



Read the full report and join the discussion about it on LinkedIn

Update

Raising concerns about EUDR simplification

How we are engaging on policy to strengthen the regulation of trade in deforestation risk commodities

Deforestation is not only an environmental crisis; it creates financial risk. Forest loss accelerates climate change, biodiversity loss and water-system disruption, and it can undermine the productivity and resilience of the agricultural landscapes on which global supply chains depend. For long-term investors such as Storebrand Asset Management, these risks can translate into physical, regulatory, operational and reputational risks for portfolio companies, as well as broader systemic impacts on economic stability and long-term value creation.

This is why Storebrand AM has engaged with the European Commission and other policymakers on the EU Deforestation Regulation (EUDR) for several years. The EUDR is a landmark law designed to ensure that key commodities placed on, or exported from, the EU market are deforestation-free. It covers high-risk commodities including cattle, cocoa, coffee, palm oil, soy, wood and rubber, and requires companies to carry out due diligence and provide traceability information to demonstrate compliance. Properly implemented, it can reduce market access for producers involved in deforestation, reward businesses that have invested in responsible sourcing, and help address a systemic risk that voluntary initiatives alone cannot solve.

Concern about proposed changes

In late 2025, EU co-legislators agreed to delay the EUDR's application and introduced simplified due diligence obligations. The revised timetable pushed implementation to 30 December 2026 for large and medium-sized businesses, with a longer implementation period for other micro and small companies. As part of that agreement, the Commission was asked to review the regulation's impact and administrative burden, and in the first week of May the European Commission published the outcome of this simplification review. Importantly, the Commission did not propose reopening the legislative text, and confirmed its focus on implementation by the agreed timelines, with small and micro-operators covered from 30th June, 2027. The review also proposed practical clarifications and targeted product-scope adjustments, including the addition of soluble coffee and certain palm oil derivatives. Storebrand AM welcomes measures that improve workability, reduce unnecessary administrative burden and support implementation, provided they do not weaken the regulation's core objectives, traceability requirements or enforceability.

However, one proposed change raised serious concern: the proposed removal of cattle-derived hides, skins and leather from the EUDR's product scope. Storebrand's view is that leather should remain within the regulation. Cattle ranching is one of the main drivers of deforestation in Latin America, including in Brazil, and leather is an economically important co-product of the cattle sector. When slaughterhouse margins are tight, revenue from hides can contribute to overall profitability, meaning leather demand can help sustain the same cattle supply chains linked to deforestation.

For investors, this is not a marginal issue. European equity portfolios often have greater exposure to cattle-related deforestation through leather supply chains than through beef supply chains, particularly via sectors such as automotive, fashion and luxury goods. Traceability in leather supply chains also lags behind other commodities, making it difficult for investors to assess which companies are managing risk effectively. Storebrand has therefore argued that removing leather would weaken investors' ability to assess and reduce deforestation-related financial risks, and could reverse progress already seen among companies preparing for EUDR compliance.

Our response

Storebrand responded to the review in several ways. We submitted our own consultation response to the European Commission, supporting the use of a delegated act rather than reopening the legislation, welcoming targeted additions and clarifications, and recommending that hides, skins and leather remain in scope.

Storebrand also contributed to the consultation responses of collaborative investor initiatives, including IIGCC and the Investor Policy Dialogue on Deforestation (IPDD). Storebrand Asset Management is co-chair of the IPDD and of the IPDD Brazil working group; and has worked through the initiative to underline investor support for timely, ambitious and credible implementation of the EUDR. In March, IPDD convened a multistakeholder roundtable in Brussels with investors, companies preparing for compliance, and the European Commission. The discussion highlighted the importance of regulatory certainty, practical implementation support and avoiding a reopening of the legislative process. In addition, Storebrand signed an open investor statement calling for full and timely implementation of the EUDR without reopening the legislation. The statement, endorsed by 43 individual investors as well as IPDD, IIGCC, PRI and FAIRR and launched during London Climate Action Week in June, emphasised that deforestation is a systemic financial risk, that voluntary measures are insufficient at scale, and that clear, consistently applied regulation is needed to support risk management and capital allocation. It also warned that narrowing the product scope, including by excluding leather, would reduce the effectiveness and comparability of the framework.

Storebrand has also sought to contribute to the public debate. We provided comments to media outlets covering the simplification review, including Sustainable Views, Environmental Finance and Responsible Investor, stressing that removing leather would create a loophole and damage investors' ability to manage exposure to deforestation risk. Together with Rainforest Foundation Norway, we also co-authored an **op-ed arguing that "leather must remain within the law"** and that the EU should restore certainty by implementing the EUDR in full.

Simplification should drive impact

The simplification review has shown that implementation challenges are real and must be addressed. Companies and suppliers need practical guidance, harmonised interpretation across member states, capacity-building support and workable systems. But simplification should mean making the law easier to implement, not weakening its purpose. For Storebrand AM, the priority remains clear: the EUDR should be implemented on time, with legal certainty, strong traceability and a product scope that reflects real deforestation risk.

Opinion

Let's get EUDR done – Leather must remain within the law

Vemund Olsen, Senior sustainability analyst, Storebrand Asset Management Ingrid Tungen, Head of Deforestation-free Markets, Rainforest Foundation Norway

Text: **Vemund Olsen, Senior sustainability analyst, Storebrand Asset Management**

Ingrid Tungen, Head of Deforestation-free Markets, Rainforest Foundation Norway


Photo: Pablo Merchán Montes / Unsplash

The widely welcomed EU Deforestation Regulation (EUDR), now set to come into effect at the end of 2026, was created to cut the link between European consumption and the destruction of the world's forests. But after repeated delays and growing political pressure to narrow the law's scope, including recent efforts from the Italian government and some of the leather industry to remove leather products from the scope of the law, the EU's commitment to ending deforestation could be in question. How the Commission responds to this, will be known by the end of April, the deadline for the required review. Why must leather be kept within the EUDR?

Deforestation is not only devastating for global climate and biodiversity but poses severe risks to a diverse range of economic sectors, investor markets, and commodities worldwide — from energy and technology to food and fashion. A new study in Nature Food found that between 2001 and 2022, cattle expansion in Brazil was the largest driver of commodity-driven deforestation worldwide.

Leather is inseparable from the cattle industry's economy. When slaughterhouse margins are tight, revenue from hides can determine whether operations remain profitable, meaning demand for leather helps sustain the highly deforestation-ridden cattle industry.

Investigations by Rainforest Foundation Norway, AidEnvironment, Earthsight, and Human Rights Watch have repeatedly linked European leather supply chains to deforestation in South America, highlighting how hides produced on deforested land can enter European markets through complex supply chains.

If leather, despite clear evidence of links to deforestation, is removed from the regulation, it would create a significant loophole that undermines the EU's ambition to ensure that cattle products placed on the European market are not linked to forest destruction. It is also untenable to prohibit beef from cows raised on deforested land from entering the European market, while allowing the same cow's skin to enter the market.

Key issue

As the deadline to review the EU's flagship anti-deforestation law approaches, the European Commission is under immense pressure from industry lobbies, member states, and the US to weaken it. The investor community is urging the Commission to stand tall and maintain the law's high standards, to reduce the risk posed by deforestation to the global market.

Increasing risks for investors

As the EU is such an important market for leather from South America, European investors have much higher exposure to companies with leather supply chains than to other cattle products like beef.

To remove leather from the product scope of the EUDR would therefore have a serious negative impact on investors' ability to assess and reduce deforestation-related financial risks in their investment portfolios.

The EU is among the world's largest consumers of high-risk agricultural commodities. The EUDR sets a new global benchmark by requiring deforestation-free supply chains and stronger due diligence across sectors with high deforestation risks. Its adoption created real momentum: many companies have already invested heavily in cleaning their supply chains to ensure their products are not tied to deforestation or human rights abuses.

But after two last-minute delays and ongoing attempts to weaken the regulation, deforestation driven by European demand remains widespread, and the early momentum is giving way to uncertainty for companies, investors, and consumers.

We are raising the alarm because the science is unequivocal: the cattle industry is the leading global driver of deforestation. Europe is a top market for leather. Disconnecting the two now would be a gift to actors sourcing leather from deforested areas and a blow to the companies already investing in greener, more transparent supply chains. The EU now needs to restore certainty. That means implementing the EUDR in full - maintaining leather within its scope - and giving responsible companies and investors the legal certainty they need to continue investing in clean, green supply chains.

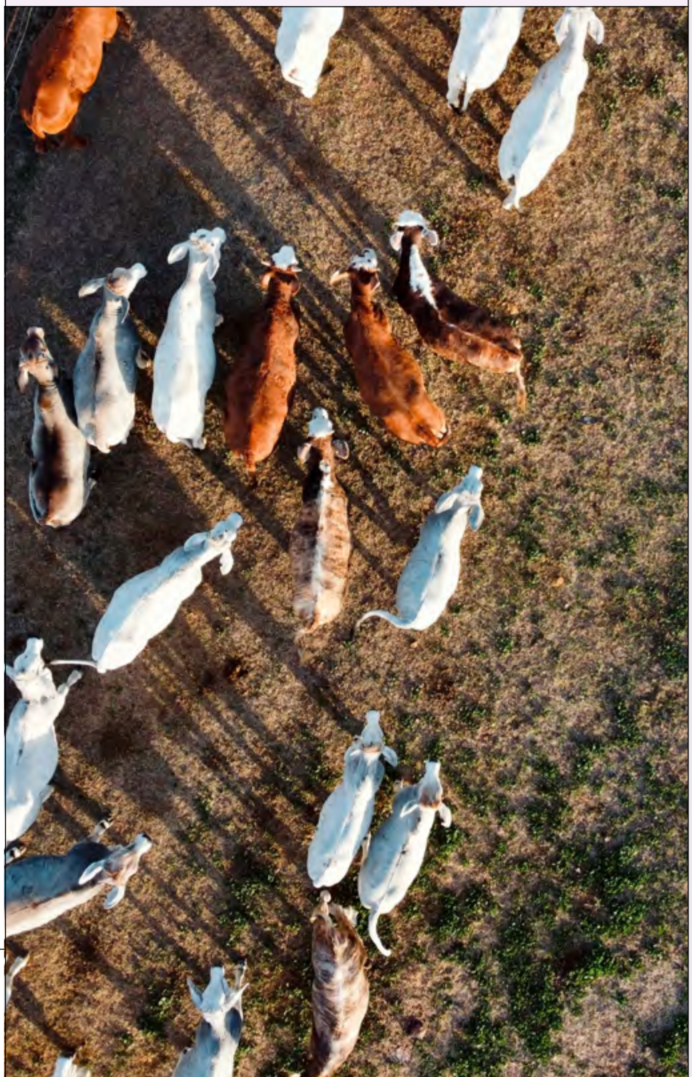


Photo: Unsplash

Learn more in the Financial Times FT Sustainable Views article on this topic and join in the Rainforest Foundation's conversation about this topic on LinkedIn.

Updates

Accelerating the Green Transition

Status on Storebrand Asset Management's targeted engagement with Elkem

Storebrand Asset Management engages with Elkem as part of its targeted dialogue with high-emitting portfolio companies to drive the transition to a low-carbon economy.

As one of Norway's top industrial emitters—with its five domestic smelters accounting for 2% of Norway's total greenhouse gas emissions — Elkem is a core focus of Storebrand's active ownership strategy for 2025–2026. This targeted engagement emphasizes emissions reduction, stronger climate governance, and improved disclosure aligned with frameworks such as the TCFD.

Key Areas of Engagement

- **Biocarbon Scaling:** Discussions focus on Elkem's major 2026 biocarbon initiative. Backed by an 87 million NOK grant from Enova, this project tests specialized biocarbon pellets to replace fossil coal, aiming to slash Norway's total emissions by 1% if successful.
- **Technological Innovation:** Monitoring Elkem's progress on its newly developed, zero-emission production line technology to eliminate process emissions.
- **Climate Strategy & Roadmap:** Reviewing milestones toward Elkem's target of a 25% absolute reduction in Scope 1 and 2 emissions by 2030, alongside carbon capture development.
- **Circular Economy & Resource Use:** Evaluating long-term positioning, biodiversity impacts, and the supply of silicon materials critical to global green transition technologies.

The Value of Active Ownership

This engagement is important because Storebrand believes active ownership can deliver real-world emissions reductions, rather than simply shifting emissions through divestment. By working directly with high-impact companies like Elkem, Storebrand seeks to influence corporate strategy, strengthen resilience to climate-related risks, and support alignment with the goals of the Paris Agreement. Ultimately, engagement with Elkem reflects Storebrand's broader approach: using its role as an investor to accelerate decarbonization in key industrial sectors, reduce financial risk, and contribute to the transition to a sustainable economy.

Post-exclusion engagement

Status on Storebrand AM's engagement with Vale

Storebrand Asset Management's approach to active ownership extends beyond portfolio inclusion decisions. Exclusion of a company does not mark the end of engagement but rather a shift in how dialogue is conducted. This reflects a broader commitment to managing long-term financial risks and contributing to improved market practices.

Background and Investment Considerations

Vale was excluded from Storebrand's investment universe following the Mariana (2015) and Brumadinho (2019) tailings dam failures. These incidents resulted in significant loss of life and led to material financial consequences, including substantial legal liabilities, operational disruption, and increased regulatory and compliance risks. From an investment perspective, these events highlighted structural shortcomings in risk management. As a result, the company currently remains outside Storebrand's investable universe, pending sufficient evidence that these risks have been addressed.

Continued Engagement Post-Exclusion

Despite the exclusion, Storebrand has maintained a dialogue with Vale at senior management level. This reflects the view that engagement can contribute to improved practices in companies with significant environmental and social risks, particularly where these risks may have broader systemic implications.

Meetings with company leadership have focused on assessing progress across key areas that are critical for any future reassessment of investability:

- Risk management and liabilities: Monitoring progress on remediation efforts, legal settlements, and financial provisioning related to past incidents
- Asset integrity and operational safety: Evaluating measures to improve the safety, monitoring, and decommissioning of tailings dams
- Governance and oversight: Assessing whether internal controls, accountability structures, and risk management frameworks have been strengthened
- Stakeholder and community relations: Reviewing efforts to rebuild trust with affected communities and reduce the likelihood of future disputes

Investment Perspective

Storebrand's approach reflects the view that exclusion alone does not eliminate underlying risks in the real economy. Continued engagement allows investors to monitor developments, communicate expectations, and contribute to improvements in corporate practices over time.

For large, systemically important companies operating in high-impact sectors, such as mining, progress on environmental and social risk management is closely linked to long-term financial resilience. Improvements in these areas can reduce operational disruptions, legal exposure, and reputational risk.

Looking Ahead

Vale remains excluded from Storebrand's investment universe. Any potential reconsideration would depend on demonstrable and sustained improvements in risk management, operational safety, and governance practices.

Through continued engagement, Storebrand seeks to support stronger industry standards while maintaining a disciplined investment approach aligned with its sustainability and risk management objectives.

Photo: Getty Images for Unsplash+

Advancing the Nature Transition

New Initiative Co Chaired by Storebrand and BNP Paribas Asset Management

As the global economy confronts the accelerating loss of biodiversity, the need for a structured and credible "nature transition" is becoming increasingly urgent. While significant progress has been made in climate transition frameworks, the equivalent for nature remains under-developed—leaving financial institutions without clear guidance on how to assess and support companies transitioning toward nature-positive outcomes.

To address this critical gap, the Finance for Biodiversity Foundation has launched a new Nature Transition Companies working group. This initiative aims to develop a practical and decision-useful framework that enables financial institutions to identify and support companies that are credibly transitioning toward alignment with global nature goals.

At the heart of the initiative is a strong leadership commitment: Emine Isciel, Head of Climate and Environment at Storebrand Asset Management, and Robert-Alexandre Poujade, Biodiversity Lead at BNP Paribas Asset Management, will co-chair the working group.

Closing a Critical Market Gap

Financial markets are increasingly recognizing nature as a systemic financial risk and opportunity. However, despite the emergence of disclosure frameworks and growing awareness, there is still no widely accepted methodology for assessing whether companies are genuinely progressing along a nature transition pathway.

This lack of clarity creates challenges for investors in capital allocation, stewardship, and engagement. Without a robust framework, it remains difficult to distinguish between companies making meaningful progress and those whose strategies fall short of delivering real-world outcomes for nature.

The Nature Transition Companies working group seeks to bridge this gap by developing:

- A structured framework to assess companies' nature transition pathways
- Decision-useful tools to guide investment and engagement strategies
- A common approach for aligning financial flows with nature-positive objectives

The ultimate goal is to support the redirection of capital toward companies that are actively reducing their impact on nature and contributing to halting and reversing biodiversity loss by 2030.

The Role of Financial Institutions

Financial institutions have a central role to play in enabling the nature transition. By integrating nature considerations into investment decisions, investors can influence corporate behaviour, accelerate business model transformation, and help scale solutions that support ecosystem resilience.

As highlighted in Storebrand Asset Management's contribution: "Financial markets play a critical role in enabling the transition to a nature-positive economy. A clear and practical framework for nature transition companies is essential to support better capital allocation, strengthen market confidence, and ensure that financial flows are directed toward companies genuinely reducing pressures on nature".

This reflects a broader recognition within the financial sector that achieving global biodiversity goals requires not only increased funding for nature, but also a fundamental shift in how capital is allocated.

A Collaborative, Global Effort

The working group brings together a diverse set of financial institutions — including asset managers, asset owners and banks — reflecting the cross-sector collaboration needed to address the complexity of the nature crisis.

Opinion

Reflecting Nature in Corporate Reporting

The ISSB and investor engagement can play an important role

Text: **Emine Isciel,**
Head of Climate and Environment

Photo: Polina Kuzovkova / Unsplash

As global attention increasingly turns to the risks associated with biodiversity loss, the evolution of corporate reporting frameworks is entering a critical phase. While climate-related disclosure has made significant progress in recent years, the integration of nature-related risks and impacts into financial reporting remains at an earlier stage. Ensuring that nature is fully embedded within emerging global standards is now essential for building a resilient and future-proof financial system.

The International Sustainability Standards Board (ISSB) plays a central role in shaping this transition. Its work to develop globally consistent sustainability reporting standards is already influencing regulatory frameworks and corporate disclosures across major markets. As these standards evolve, there is a growing recognition that climate and nature cannot be treated separately. The integrity of financial reporting frameworks depends on capturing both.

As highlighted in the broader international discussion, there is already movement toward connecting climate standards with nature-related issues, including ecosystems, biodiversity, and water. This reflects a fundamental shift in understanding: nature loss is not only an environmental issue but a financial one, with direct implications for companies' operations, supply chains, and long-term value creation.

Why Nature Must Be Reflected in Reporting

Nature underpins economic activity. From pollination and water supply to soil health and climate regulation, ecosystems provide essential services on which businesses depend. As these systems degrade, the associated financial risks — physical, transition, and systemic—are becoming increasingly material for investors. However, without consistent and comparable reporting, financial institutions face significant challenges in assessing these risks and opportunities. Investors need reliable information to determine:

- How companies depend on and impact nature
- Whether these impacts are being reduced over time
- Whether corporate strategies are aligned with global biodiversity goals

Existing frameworks, including the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), have begun to address this gap by providing guidance on how to assess and disclose nature-related risks and opportunities. Importantly, these efforts are intended to complement and inform broader standard-setting processes such as those led by the ISSB.

Investor Engagement with Standard Setters

Investors have a critical role to play in shaping the development of these standards. As end-users of corporate disclosures, they are uniquely positioned to ensure that reporting frameworks are decision-useful, robust, and aligned with real-world needs.

Storebrand Asset Management has been actively engaged in this process, including through its leadership and broader advocacy efforts. Building on its work in international forums and initiatives such as the Finance for Biodiversity Foundation and Nature Action 100, Storebrand Asset Management is contributing to the broader dialogue on how nature-related risks should be reflected in financial reporting.

This engagement reflects a clear priority: ensuring that emerging sustainability standards meaningfully capture nature-related dependencies, impacts, risks, and opportunities—not as a peripheral issue, but as a core component of financial decision-making.

Aligning Reporting with the Nature Transition

Embedding nature into ISSB standards is also essential for enabling the transition to a nature-positive economy. Without clear and consistent reporting, it becomes difficult to direct capital toward companies that are genuinely reducing their impact on nature and aligning with global biodiversity goals.

The integration of nature into reporting frameworks will support:

- Better capital allocation by investors
- Stronger corporate accountability
- Increased transparency in financial markets
- Greater alignment between public policy goals and private sector action

In this context, investor engagement with standard setters is not only about improving disclosure — it is about shaping the foundations of the future financial system.

Looking Ahead

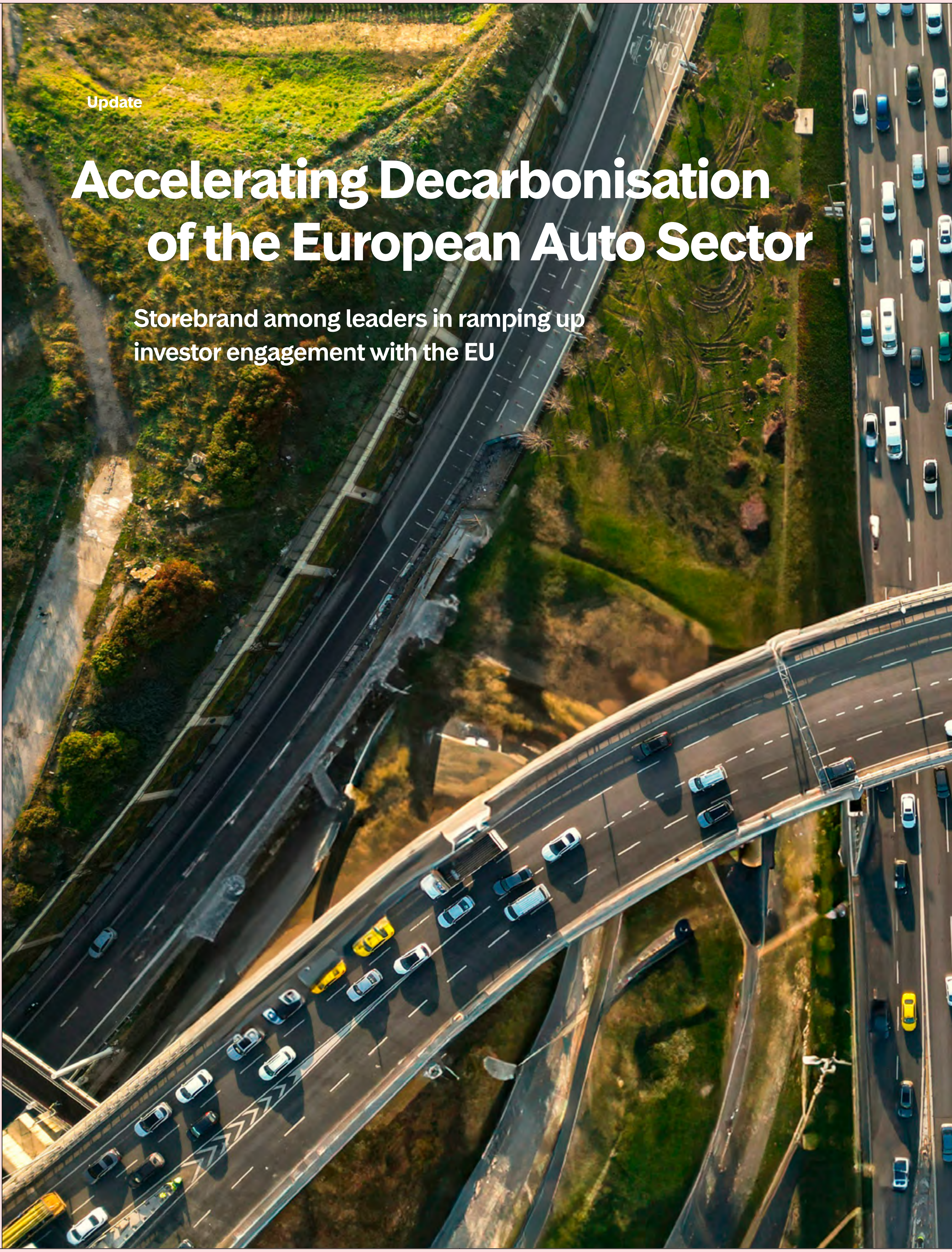
The development of global sustainability reporting standards represents a once-in-a-generation opportunity to align financial markets with planetary boundaries. To realize this opportunity, it is essential that nature is fully and explicitly integrated into the frameworks being developed today.

By engaging with standard setters such as the ISSB, investors can help ensure that reporting evolves to reflect the interconnected challenges of climate change and biodiversity loss — and, crucially, to support the transition toward a resilient, nature-positive economy.

Update

Accelerating Decarbonisation of the European Auto Sector

Storebrand among leaders in ramping up investor engagement with the EU



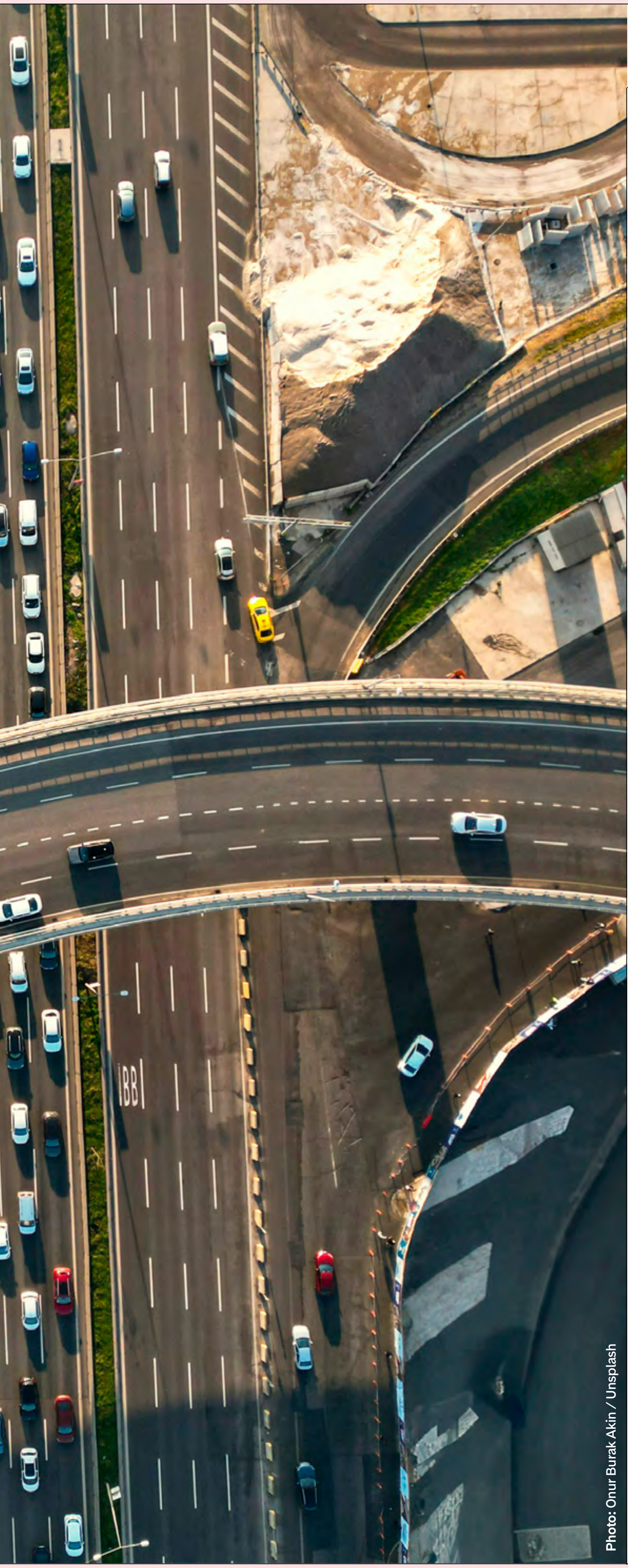


Photo: Onur Burak Akin / Unsplash

The decarbonisation of the automotive sector is central to Europe's climate transition. As one of the largest sources of industrial emissions and a critical enabler of the broader energy transition, the pace and credibility of change within the auto sector will play a decisive role in achieving the EU's climate targets. Recognising this, institutional investors have increasingly stepped-up engagement with European policymakers to help shape the regulatory environment needed to accelerate the transition.

Storebrand Asset Management is among the investors participating in this effort, including through its support for investor-led initiatives coordinated by IIGCC — the Institutional Investors Group on Climate Change.

The Role of Investor Advocacy

Investor engagement with policymakers is a core pillar of the net-zero transition. Beyond portfolio-level decarbonisation, investors are actively contributing to the development of policy frameworks that can enable and scale real-economy change.

As highlighted in broader investor frameworks, policy engagement is recognised as a key lever to drive emissions reductions across sectors and to ensure alignment with the goals of the Paris Agreement.

Supporting EU Ambition Through the Auto Sector

Through the IIGCC platform, investors including Storebrand Asset Management have supported a statement addressed to EU policymakers on the role of the automotive sector in decarbonisation.

The statement underscores several key messages:

- The importance of regulatory certainty to enable long-term investment decisions in electrification and low-carbon technologies
- The need for ambitious emissions standards aligned with the EU's net-zero objectives
- The critical role of capital markets in financing the transition of automotive manufacturers and supply chains
- The importance of aligning industrial policy with climate goals, ensuring that the transition strengthens Europe's competitiveness while delivering emissions reductions

By signing this statement, Storebrand Asset Management signals its support for a policy framework that provides clarity and predictability to both investors and companies.

Linking Policy, Capital and Corporate Action

The auto sector transition cannot be achieved through corporate action alone. It requires coordinated efforts across policymakers, industry, and the financial sector.

Investors play a unique role at the intersection of these actors. Through engagement with companies, they influence strategic direction and capital allocation. Through engagement with policymakers, they help shape the enabling environment that determines whether the transition can scale.

Initiatives such as those led by IIGCC bring these elements together, creating a platform where investor expectations, policy advocacy, and sector-specific pathways can align.

A Strategic Priority for Real-Economy Transition

For Storebrand Asset Management, engagement with the EU on the decarbonisation of the auto sector reflects a broader strategic priority: ensuring that financial markets support credible, real-economy transitions.

The firm's work across sectors from climate to nature consistently emphasises the importance of:

- Clear transition pathways
- Strong policy signals
- Decision-useful frameworks for investors

The auto sector is a particularly visible and economically significant test case for these principles.

Looking Ahead

As Europe continues to refine its climate and industrial policy framework, investor engagement will remain critical. Clear, ambitious, and implementable regulation will be essential to sustain momentum in the auto sector's transition.

By supporting the IIGCC statement and engaging with EU policymakers, Storebrand Asset Management contributes to ensuring that the financial sector plays its full role in accelerating decarbonisation, helping align capital flows with a net-zero future.

Photo: Chuttersnap / Unsplash

Update

Leadership Role for Storebrand Asset Management

Latest status on our engagement within the Nature Action 100 initiative

Investor engagement on biodiversity continues to gain momentum, reflecting the growing recognition that nature-related risks are financially material and require coordinated action across the investment community. Nature Action 100 represents one of the most important global investor initiatives focused on addressing nature loss through active ownership.

The initiative brings together institutional investors to engage with companies in key sectors with significant impacts on biodiversity, with the aim of driving improved corporate ambition, action, and disclosure on nature-related risks and dependencies.

Leadership Role for Storebrand Asset Management

During the reporting period, Storebrand Asset Management has taken on an enhanced leadership role within Nature Action 100. Emine Isciel, Head of Climate and Environment at Storebrand AM, has been appointed co-chair of the initiative's Steering Group, alongside Lynn Paquin of CalSTRS.

In this role, the co-chairs are responsible for providing strategic direction to the initiative, supporting coordination across investor participants, and serving as key representatives in external engagement.

This appointment reflects Storebrand's continued commitment to advancing investor action on nature and contributing to the development of effective market frameworks.

Progress and Priorities

Nature Action 100 builds on the model established by climate-focused engagement initiatives, applying a similar approach to biodiversity. The initiative focuses on a set of priority companies across sectors such as food, agriculture, extractives, and consumer goods—where corporate practices have significant implications for ecosystems and natural capital.

Through collaborative engagement, investors seek to ensure that companies:

- Assess and disclose their nature-related dependencies and impacts
- Set targets aligned with global biodiversity goals
- Integrate nature considerations into governance and strategy
- Take measurable action to reduce pressures on ecosystems

Recent updates to the initiative have also highlighted the increasing focus on sector-specific engagement, including the development of engagement briefs to support investor dialogue with companies operating in high-impact sectors.

Looking Ahead

As Nature Action 100 continues to mature, its role in shaping both corporate behaviour and market expectations on biodiversity is expected to grow. For Storebrand Asset Management, taking on a co-chair role provides an opportunity to contribute directly to this development and help align investor engagement with global goals to halt and reverse nature loss.

Through this work, Storebrand aims to support the transition toward a more resilient, nature-positive economy, while strengthening the information base and corporate practices needed for long-term investment decision-making.

Updates

Storebrand signed Rotterdam TFFF Statement of Support

Demonstrating private finance interest, to stimulate necessary government funding

Storebrand has signed the "Rotterdam TFFF Statement of Support", which was pre-launched on Tuesday 23rd at London Climate Action Week, and will be open for further signatories until October.

Through this action, we demonstrate our support for the Tropical Forests Forever Facility (TFFF), which is a blended finance instrument aiming to allow investors to invest in vanilla bonds, with parts of the funds raised to go to forest protection. The TFFF was launched last year at the Belém COP, but is not yet operational. Norway and a few other states have committed funding, but the TFFF must raise more initial funding from states by the end of the year. This statement is aimed at underlining to governments that, if they put up the necessary funding to get the initiative off the ground, there is interest from private finance to invest at a later stage.

Active ownership on living wages

Letter on living wages to RSPO

Storebrand has signed the "Rotterdam TFFF Statement of Support", which was pre-launched on Tuesday 23rd at London Climate Action Week, and will be open for further signatories until October.

Through this action, we demonstrate our support for the Tropical Forests Forever Facility (TFFF), which is a blended finance instrument aiming to allow investors to invest in vanilla bonds, with parts of the funds raised to go to forest protection. The TFFF was launched last year at the Belém COP, but is not yet operational. Norway and a few other states have committed funding, but the TFFF must raise more initial funding from states by the end of the year. This statement is aimed and underlining to governments that, if they put up the necessary funding to get the initiative off the ground, there is interest from private finance to invest at a later stage.

London Climate Action Week 2026

Key Takeaways from the events

London Climate Action Week 2026 unfolded against a backdrop of severe extreme weather, as a historic and record-breaking heatwave gripped the UK capital, giving immediate urgency to the climate negotiations. As investors, policymakers, and corporates gathered to accelerate progress on climate and nature, amid record temperatures and extreme heat warnings in the London region, the reality of physical climate risk was felt directly outside the conference halls.

Storebrand Asset Management was actively engaged throughout the week, with our CEO, Head of Sustainable Investment, Head of Climate and Environment and Head of Uk Distribution participating and speaking at several of the events.

A major highlight was Storebrand Asset Management's own breakfast session on corporate lobbying and the auto sector, co-hosted alongside InfluenceMap and IIGCC. This discussion focused heavily on aligning corporate lobbying with global climate goals and driving transparency in high-impact sectors. Storebrand also participated in the PRI Investor Day, which marked the two-year anniversary of the UNPRI 'Spring' initiative. The event showcased the latest benchmark results, highlighting corporate progress while simultaneously underlining persistent gaps in planning and execution.

Alongside decarbonisation, nature continued to be an equally vital pillar throughout Climate Week. Several key events underscored the growing intersection of climate and biodiversity, including a crucial opportunity for Storebrand AM to engage directly with CBD Executive Secretary Astrid Schomaker to discuss key issues ahead of the upcoming COP17 in Armenia.

The intense local heatwave gave a stark, real-world context to the IIGCC Summit, where discussions centered on the urgent need to scale decarbonisation. Sessions reflected a growing recognition that both transition and physical risks must be addressed in parallel to strengthen portfolio resilience against the kinds of extreme weather playing out across London.

Overall, the week reinforced that while ambition and frameworks are firmly in place, delivery and execution remain the primary challenges, with a critical role for investors to drive progress through engagement, capital allocation, and policy advocacy.

Photo: Elisabeth Jurenka / Unsplash


Photo: Jeremy Thomas / Unsplash

SpaceX

Storebrand Asset Management's position regarding governance concerns

The recent initial public offering of SpaceX has raised a lot of attention and concern from various sides, which we believe warrants clarification about Storebrand Asset Management's position regarding the company.

To begin with, we note that SpaceX's governance structure raises some clear concerns, particularly related to concentrated founder control, board independence and shareholder rights.

The specific governance concerns are:

- **Concentrated founder control** — a share structure giving a single person superior voting rights, strong influence over composition of the company's board and practical control over whether that person can be removed
- **Limited independent oversight** — board supervision is weakened when the person being overseen also controls the mechanisms of oversight
- **Weaker shareholder protection** — features that entrench control over time and extensive barriers for shareholders seeking legal recourse, alongside conflict-of-interest risks flagged in the company's own filing

That said, SpaceX does not meet our exclusion criteria, and the company is therefore not subject to formal exclusion from our investment universe at this time.

However, formal exclusion is not the only tool at our disposal to mitigate potential risk exposure. From an investment perspective, we currently have no plans to invest in SpaceX in our actively managed strategies, reflecting both governance considerations and broader investment assessments. As is standard, index-tracking strategies may still gain exposure, if the company is included in relevant benchmarks.

We will continue to monitor developments closely and assess the company, in line with our policies and investment frameworks.

906 Ongoing engagements

20 Completed engagements

926 Total engagements

257 Engagements with active participation by Storebrand

Data

Engagement data
Q2 2026

All engagement data presented here, represents unreviewed, unaudited year-to-date totals of engagements conducted, during the period from the beginning of the year until the end of the quarter being reported in.

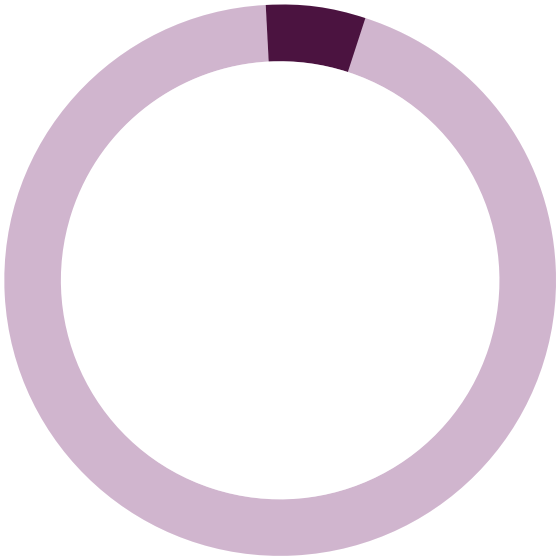
We use these rolling summaries of year-to-date data, because the nature of engagement activity involves engagement points that are not always predictable. Therefore, our engagement activity would not be properly represented, if we presented isolated snaps-hots of data limited to the periods within each quarter of the year.

Where we engaged

Top countries engaged in

Country	Number of engagements
United States	244
Germany	52
Japan	51
Norway	46
France	37
United Kingdom	36
China	31
Sweden	30
Australia	21
India	20
Brazil	19

Reasons for engagement



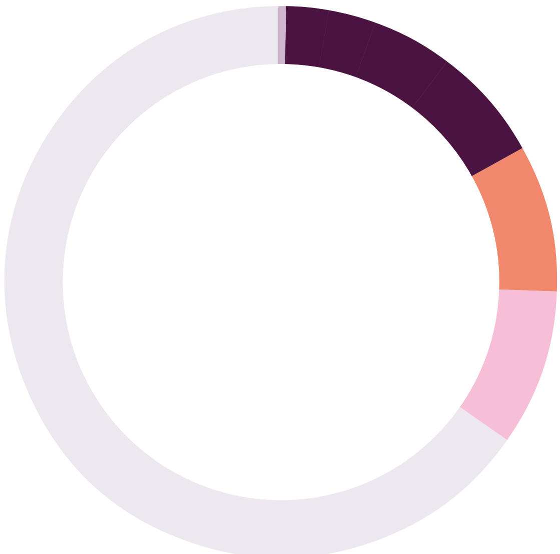
8% Reactive

92% Proactive

Sectors engaged in

Sectors	Number of engagements
Materials	148
Communication Services	102
Consumer Staples	102
Industrials	95
Consumer Discretionary	90
Information Technology	77
Energy	71
Utilities	46
Financial	19
Healthcare	16
Real Estate	3
Other	155

Format of engagements



15 % Internal

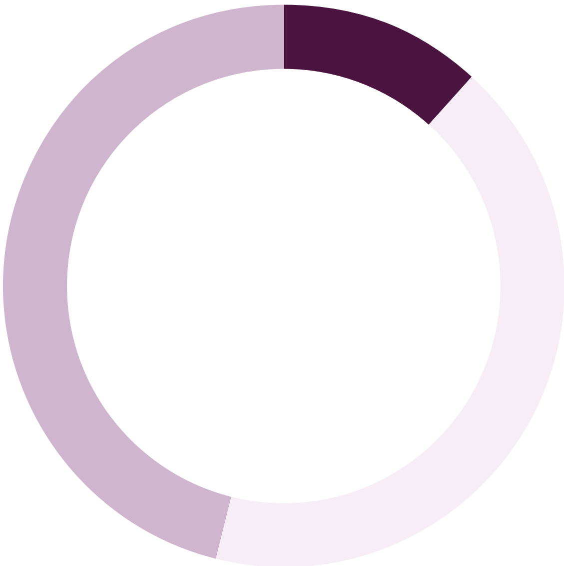
6 % Collaborative (leading role)

5 % Collaborative (non-leading role)

73 % Signatory only

1 % Uncategorized

ESG categorizations of engagements

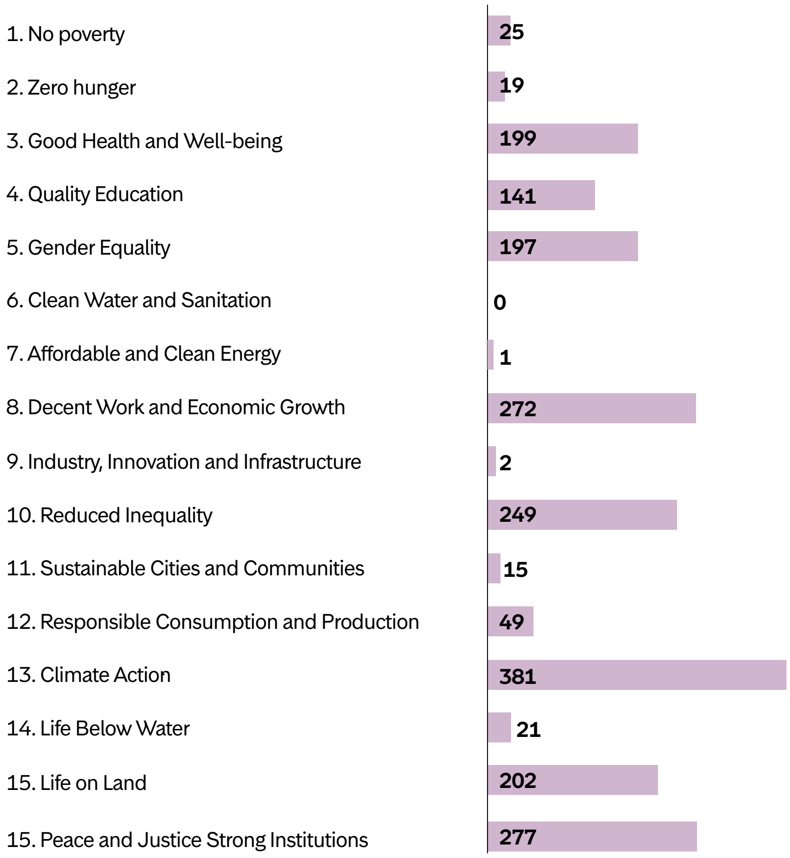


13 % Governance

40 % Social

47 % Environmental

SDGs impacted by engagements



We take the viewpoint that all our engagement activities contribute to SDG 17, meaningful partnerships for goals.

Data

Voting commentary Q2 2026

Q2 was, as is the standard, the busiest quarter for us in terms of proxy voting, due to the number of shareholder meetings that were held in this period. In Q2, we voted at 1300 meetings, which is more than four times as many meetings as in Q1. Certain areas where Storebrand AM disagreed with management recommendations during Q2 include shareholder proposals concerning advisory votes on climate action plans, human rights risk assessments, improvement of human rights standards or policies, as well as data security and privacy, to name a few.

During the quarter, our two co-filed shareholder resolutions were voted on at Alphabet Inc. and Meta Platforms, Inc.'s meetings. Look out in August for our update on AGM season.

All our votes and voting rationales are publicly disclosed on our **proxy voting dashboard**, five days ahead of company meetings.

General voting data

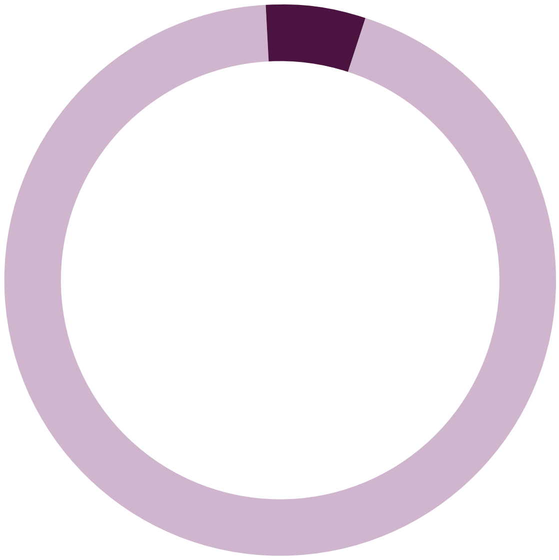
	Voted	Votable	% Voted
Number of general meetings voted	1,300	2,883	45.1%
Number of proposals	18,231	38,434	47.4%
Number of shareholder proposals	531	777	68.3%

Top countries voted in

Country	Votable meetings	Voted meetings	Percentage
USA	525	320	61%
China	443	127	29%
Japan	239	88	37%
Sweden	336	80	24%
Norway	93	66	71%
Taiwan	123	57	46%
India	86	53	62%
Canada	95	52	55%
Brazil	89	50	56%
Cayman Islands	114	47	41%
France	54	35	65%
United Kingdom	60	33	55%
Germany	54	31	57%
Netherlands	44	25	57%
Bermuda	40	22	55%

[Percentages rounded off to nearest decimal]

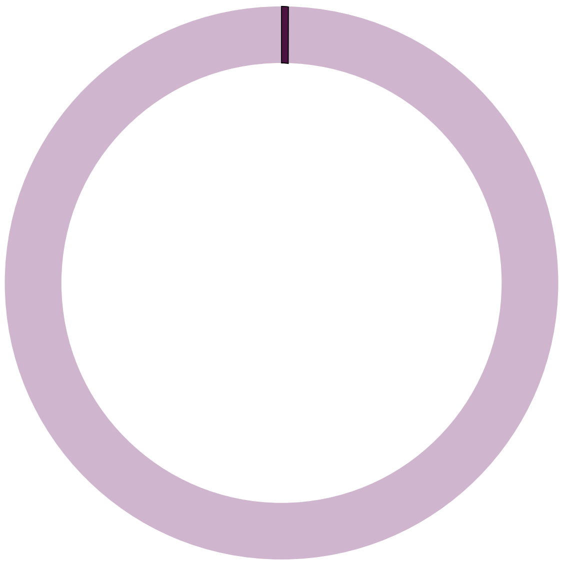
Voting choices compared to management recommendations



7 % Votes against management

93 % Votes with management

Voting choices compared to ISS recommendations



1 % Votes against ISS Sustainability Policy

99 % Votes with ISS Sustainability Policy

Details of Environmental and Social Proposals

Proposal category	ESG Pillar	Proponent	Number of proposals voted	Number voted with management	% voted with management
E&S Blended – Accept/Approve Corporate Social Responsibility Report	E, S	Management	31	31	100%
E&S Blended – Establish Environmental/Social Issue Board Committee	E, S	Shareholder	4	3	75%
E&S Blended – Link Executive Pay to Social Criteria	E, S	Shareholder	1	0	0%
E&S Blended – Product Toxicity and Safety	E, S	Shareholder	3	0	0%
E&S Blended – Report on Sustainability	E, S	Shareholder	2	0	0%
E&S Blended – Miscellaneous – Environmental & Social Counterproposal	E, S	Shareholder	17	17	100%
E&S Blended – Miscellaneous Proposal – Environmental & Social	E, S	Shareholder	1	0	0%
E&S Blended – Climate Change Lobbying	E, S	Shareholder	2	1	50%
Environmental – Management Climate-Related Proposal	E	Management	2	1	50%
Environmental – Reporting on Climate Transition Plan	E	Management	5	2	40%
Environmental – Report/Assess Environmental Impacts on Company and/or Community	E	Shareholder	4	0	0%
Environmental – Report on Climate Change	E	Shareholder	8	1	13%
Environmental – GHG Emissions	E	Shareholder	9	1	11%
Environmental – Climate Change Action	E	Shareholder	2	2	100%
Environmental – Restrict Spending on Climate Change-Related Analysis or Actions	E	Shareholder	3	3	100%
Environmental – roposals Requesting Non-Binding Advisory Vote On Climate Action Plan	E	Shareholder	7	0	0%
Environmental – Recycling	E	Shareholder	3	0	0%
Environmental – Miscellaneous Proposal – Environmental	E	Shareholder	3	3	100%
Environmental – Disclosure of Fossil Fuel Financing	E	Shareholder	3	0	0%
Social – Approve Charitable Donations	S	Management	9	8	89%
Social – Approve Political Donations	S	Management	24	24	100%
Social – Board Diversity	S	Shareholder	1	0	0%
Social – Human Rights Risk Assessment	S	Shareholder	6	0	0%
Social – Improve Human Rights Standards or Policies	S	Shareholder	3	0	0%
Social – Operations in High Risk Countries	S	Shareholder	2	1	50%
Social – Data Security, Privacy, and Internet Issues	S	Shareholder	7	0	0%
Social – Miscellaneous Proposal – Social	S	Shareholder	23	15	65%
Social – Political Spending Congruency	S	Shareholder	1	0	0%
Social – Facility Safety	S	Shareholder	1	1	100%
Social – Review Drug Pricing or Distribution	S	Shareholder	1	0	0%
Social – Prepare Report on Health Care Reform	S	Shareholder	2	1	50%
Social – Political Contributions Disclosure	S	Shareholder	7	0	0%
Social – Political Lobbying Disclosure	S	Shareholder	2	0	0%
Social – Report on EEO	S	Shareholder	4	1	25%
Social – Labor Issues – Discrimination and Miscellaneous	S	Shareholder	1	0	0%
Social – Animal Welfare	S	Shareholder	3	2	67%
Total			**207**	**118**	**57**

Overview of alignment on proposals

	Number of proposals	No. voted with mgmt	% voted with mgmt	Number voted with ISS Sustainability	% voted with Policy	ESG Flag
Audit Related	1,153	1,102	95.6%	1,149	99.7%	G
Capitalization	1,332	1,167	87.6%	1,321	99.2%	G
Company Articles	422	383	90.8%	420	99.5%	G
Compensation	2,416	2,033	84.1%	2,388	98.8%	G
Corporate Governance	50	3	6.0%	50	100.0%	G
Director Election	7,627	6,950	91.1%	7,434	97.5%	G
Director Related	2,206	2,054	93.1%	2,136	96.8%	G
E&S Blended	61	52	85.2%	61	100.0%	ES
Environmental	49	13	26.5%	48	98.0%	E
Miscellaneous	117	95	81.2%	109	93.2%	G
Mutual Funds	2	2	100.0%	2	100.0%	G
Non-Routine Business	212	193	91.0%	212	100.0%	G
Procedural/Non-Equity	2	1	50.0%	2	100.0%	G
Routine Business	2,359	2,284	96.8%	2,343	99.3%	G
Social	97	53	54.6%	96	99.0%	S
Strategic Transactions	158	118	74.7%	158	100.0%	G
Takeover Related	71	62	87.3%	71	100.0%	G

Exclu-
sions

Photo: Ales Krivec / Unsplash

Exclusions / Screening Exclusions / Screening Exclu

Exclusions / Screening Exclusions / Screening Exclusions / Screening Exclusions / Screening Exclusions /

Exclusion key figures Q2 2026

Storebrand Exclusion List **Companies excluded by Storebrand, June 30, 2026**

This list details exclusions that apply to all our products, based on our extensive exclusion process involving both internaland 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. See the full list of companies on the Storebrand Exclusion List, as of Q2 2026 on our website.

Exclusion Category	Total Excluded
Conduct-based exclusion – Environment	41
Conduct-based exclusion – Corruption and Financial Crime	12
Conduct-based exclusion – Human Rights and International Law	89
Tobacco	35
Controversial weapons	54
Climate – Coal	147
Climate – Oil sands	8
Climate – Lobbying	6
Ecologically Sensitive Areas	0
Deep-sea mining	1
Marine/riverine tailings disposal	7
Deforestation	25
Cannabis	4
State-controlled companies	23
Total	**420** *
Observation list	1

Storebrand Exclusion List Extra Criteria

Storebrand's extra criteria only apply to selected funds and saving profiles. See the full list of companies on our Storebrand Exclusion List Extra Criteria, as of Q2 2026, on our website.

Category	Total Excluded
Alcohol	73
Adult entertainment	0
Weapons	72
Gambling	37
Fossil fuels (oil, coal, gas)**, PAB-aligned	514
Total number companies excluded	**681** *

* 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 %.

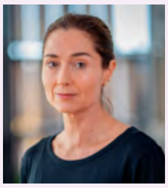
Learn more about how we manage exclusions in our updated **Storebrand Exclusion Policy**, and see more data on exclusions, in the **reporting and transparency section** of our website.

Team

Photo: Charles Deluvio / Unsplash

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.LM. 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

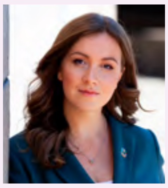
Machado-Helland, who joined our sustainable investments team in 2008, leads our work on human rights, labour rights and Conflict-Affected and High-Risk Areas (CAHRA). She is responsible for Storebrand's active ownership on social issues, as well as with overlapping environmental issues. Previously, she 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 Investor Policy Dialogue on Deforestation (IPDD) and 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.

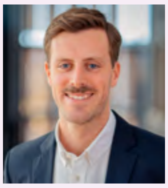
Vemund Olsen
Senior Sustainability Analyst

Olsen joined our sustainable investments team in 2021. He leads our work on deforestation, building on 20 years of experience engaging with policy-makers, 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

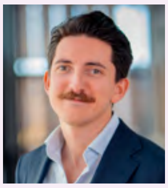
Lidén, who joined our sustainable investments team in 2021, is based in Stockholm and works with ESG analysis and active ownership, with a focus on the Swedish/Nordic market. On behalf of Storebrand Fonder AB, she is also a member of corporate board nomination committees. Prior to joining Storebrand, 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.

Team / Risk & Ownership team Team / Risk & Ownership team Team / Risk & Ownership team Team / Risk & Ownership team



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.

Publication	Article summary
FT Sustainable Views 17th April 2026	**Deep-sea mining is a systemic risk, investors say** An analysis of how investors have shifted away from deep-sea mining investments, assessing the sector as financially unviable. Leading off the expert perspectives, Storebrand Asset Management head of climate and environment Emine Isciel says: "If you're serious about managing risk, this is not only about environmental risk, it's financial risk for your portfolios and ultimately a systemic risk". Isciel also points out that even with clear policies, investment criteria, and quarterly portfolio screening, asset managers remain at risk of their portfolios containing hidden exposure to deep-sea mining.
Responsible investor 27th April 2026	**Big Read: Investors face climate target reckoning as emissions progress slows** RI's Gina Gambetta and Dominic Webb take an overview of how, although many investors hit their 2025 climate goals, the slowing pace of emissions is leading to a rethink for 2025 and beyond. Storebrand AM is among the investors mentioned.
FT Sustainable Views 28th April 2026	**Editor's note: going hell for leather** The FT assesses the European Commission's review of EU Deforestation Regulation (EUDR), which is being subjected to fierce lobbying aimed at moving leather out of the EUDR's scope. Storebrand AM's senior sustainability analyst Vemund Olsen is cited providing an investor perspective on why this would be a bad idea. In the article, Olsen observes: "As the EU is such an important market for leather from South America, European investors have much higher exposure to companies with leather supply chains than to other cattle products like beef. To remove leather from the product scope of the EUDR would have a serious negative impact on investors' ability to assess and reduce deforestation-related financial risks in their investment portfolios."
FT Sustainable Views 5th May 2026	**Instant coffee and frozen cattle tongues in; leather out** Following an update by European Commission (EC) on its disposition for changes to the EU Deforestation Regulation (EUDR). Among the key changes revealed were the EC's proposal to remove leather from the list of commodities to be subjected to EUDR requirements, a move that Storebrand had previously indicated would be undesirable. Storebrand Asset Management senior sustainability analyst Vemund Olsen explains: "As the EU is such an important market for leather from South America, European investors have much higher exposure to companies with leather supply chains than to other cattle products like beef".
Responsible Investor 5th May 2026	**Investors raise concerns over the proposed removal of leather from EUDR** RI takes stock of investor reactions to the package published by the European Commission (EC) on proposed changes to the EUDR. Highlighted among them is the decision to remove leather from the commodities regulated. Storebrand AM senior sustainability analyst Vemund Olsen is quoted reiterating our concerns that removing leather from the product scope of the EUDR, despite clear evidence of its links to deforestation, would create a significant loophole, and undercut the ambitions behind the regulation.
Environmental Finance 4th June 2026	**Storebrand and BNP to lead nature transition group** A news article on the Finance for Biodiversity Foundation (FfB) launching a nature transition working group in a bid to scale up capital flows to companies reducing pressure on nature., Storebrand Asset Management's Head of Climate and Environment Emine Isciel, who will co-chair the group alongside BNP Paribas Asset Management's Robert-Alexandre Poujade, notes: "Fundamentally this should help financial institutions "allocate more capital towards those that are doing better in their sector".

Publication	Article summary
Fortune 4th June 2026	**World's largest sovereign wealth fund backs push for Google oversight on government use of its AI and cloud technology** A preview of Alphabet's shareholder vote on a resolution (backed by a shareholder coalition that includes Storebrand AM) that calls for greater transparency over the risks posed by government use of Google's cloud and AI technology. In a major development, Norges Bank Investment Management (NBIM), the world's largest sovereign wealth fund, announced it would back the proposal, against Alphabet management's wishes. Kamil Zabielski, Head of Sustainable Investments at Storebrand Asset Management emphasises our concerns about the multifaceted risks involved: "Failures in managing human rights risks stemming from governance gaps can have real-life consequences and can lead to legal, regulatory, operational, and reputational consequences that affect long-term shareholder value."
Responsible Investor 4th June 2026	**Investors head up nature transition framework working group** RI details the plans for the new nature transition working group launched by FfB. Emine Isciel, Head of climate and environment at Storebrand Asset Management, sums up the objective: "This framework is about shifting the conversation from "what is the risk?", to "what does a credible nature transition look like in practice?"
Responsible Investor 10th June 2026	**Investors push back against EUDR's proposed leather removal** RI's article surveys investors' reactions to the European Commission's formal consultation on proposed changes to the EU Deforestation Regulation. The responses include reactions from the IPDD and Storebrand AM, which was cited as being negative on the proposed removal of leather from the EUDR's scope but positive on the proposed addition of products such as soluble coffee.

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.

A publication by Storebrand Asset Management

Find out more about our work and offerings

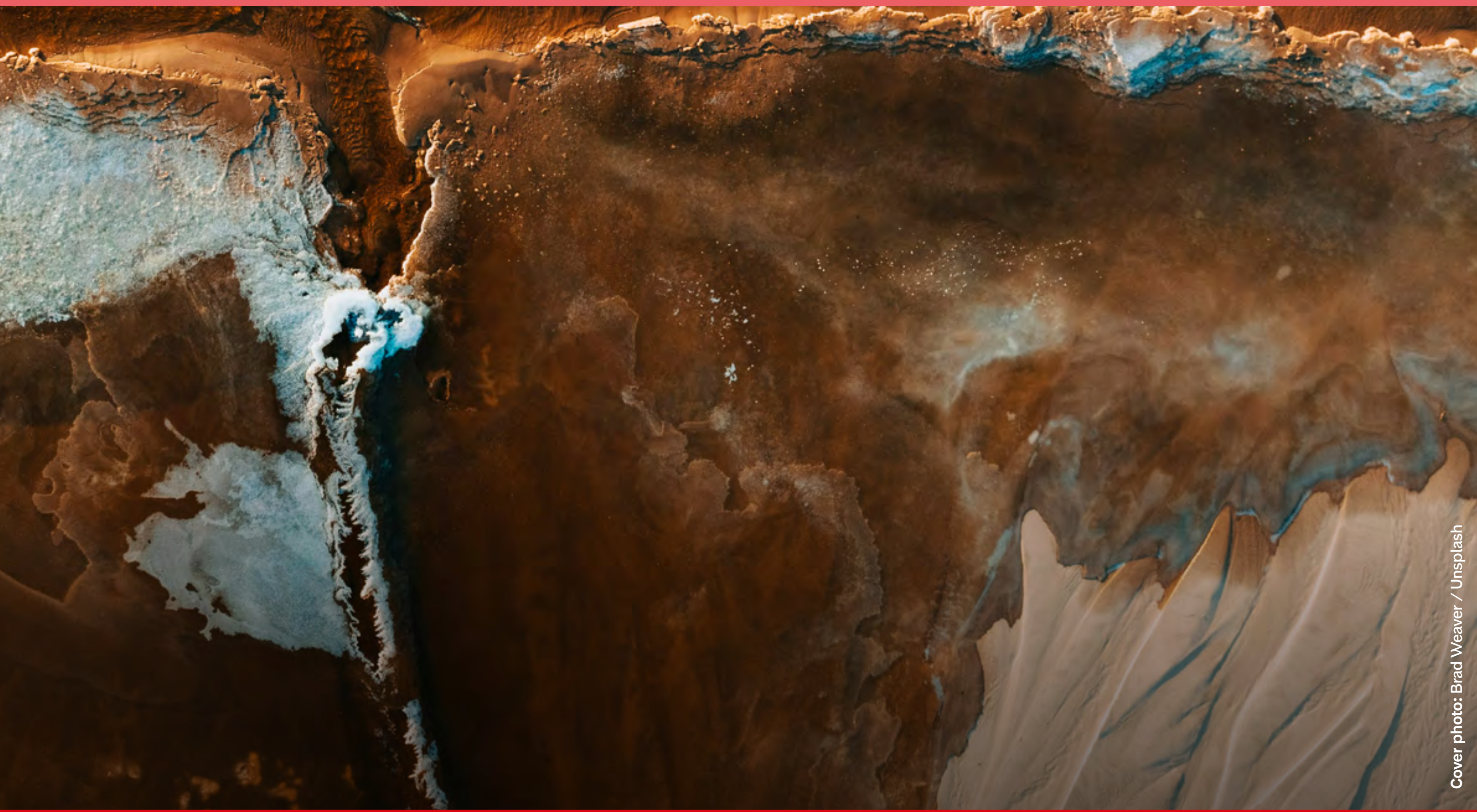
Storebrand Asset Management is part of the Storebrand Group, managing NOK 1200 billion of assets for Nordic and international clients.

Inquiries and feedback:
Sara Skärvad
Storebrand Asset Management
Vasagatan 10, 10539 Stockholm, Sweden
+46 70 621 77 92 (Mobile)
sara.skarvad@storebrand.com

Visit the Storebrand Asset Management document library
Follow us on LinkedIn

Storebrand

Sustainable Investment Review / 2nd Quarter 2026 **Sustainable Investment Review** / 2nd Quarter 2026



Cover photo: Brad Weaver / Unsplash