

Summary

Sustainability-related information for Savings with Guarantee

Valid with effect
from:
01.01.2023



a) Summary

Savings with Guarantee promotes environmental and social qualities¹ and, although it does not have a sustainable investment as its goal, will have a minimum component of 10% sustainable investments. Savings with Guarantee promotes sustainability through:

- ☒ Environmentally-related qualities (such as companies' impact on the environment and climate).
- ☒ Social qualities (such as human rights, labour rights and equal treatment).
- ☒ Good governance practices (such as shareholder rights, issues of remuneration of senior executives and anti-corruption).

- It promotes environmentally-related qualities by avoiding investments that contribute to the following negative consequences for sustainability: The product does not invest in companies that contribute to serious climate and environmental damage or receive more than 5% of their income from the production or distribution of coal and oil sands
- It promotes social qualities by avoiding investments that contribute to the following negative consequences for sustainability: The product does not invest in companies that produce or distribute tobacco, cannabis (for non-medical use) or non-conventional weapons or that violate human rights, international law or workers' rights in the supply chain or exploit child or slave labour
- It promotes good governance practices by avoiding investments that contribute to the following negative consequences for sustainability: The product does not invest in companies that engage in corruption and economic crime or states that are systematically corrupt

Listed holdings, bonds, properties, infrastructure and mortgages have additional environmental and socially-related qualities by also excluding companies that receive more than 5% of their income from the production or distribution of alcohol, pornography and commercial gambling activities (social and personnel-related sustainability indicators), in addition to the above criteria.

The product also promotes a transition to a low carbon emission (greenhouse gas) world by excluding companies that derive more than 5% of their income from the production or distribution of fossil fuels and companies with large fossil fuel reserves. A large proportion of the shareholdings is also in funds that optimise the carbon footprint, so as to invest more in carbon-efficient companies. Investments in property promote the transition to a low carbon emission world by investing in properties that buy origin-labelled, renewable electricity from fossil-free sources and eco-labelled district heating, wherever possible. The goal is to continuously reduce the product's carbon intensity and footprint down to net zero by no later than 2050.

Within the asset class listed shares, investments are made solely in Storebrands Plus funds and in Storebrand Global Solutions. The Plus funds select companies with lower carbon dioxide emissions and higher ESG ratings compared to the companies in their respective index, as well as companies that provide products and services that to some extent contribute solutions to the world's sustainability challenges, i.e. the UN's 17 sustainability goals. These companies are on the group's list of solution-focused companies. The Storebrand Global Solutions fund invests only in solution-focused companies.

¹ A small percentage of the portfolio consists of old investments in non-liquid assets where the term of the investments continues for a few more years, but no new investments are made. These cannot always be guaranteed to comply with all the aspects mentioned above, as they are difficult to scrutinise and were made before all the above requirements were in place. Indirect exposure via share futures also cannot be guaranteed to comply with all requirements. In

The following indicators are used to measure the fulfilment of the promoted qualities, and these are monitored annually:

- Investments in companies that receive more than 5% of their income from the production or distribution of fossil fuels
- Carbon intensity (calculated as the weighted average of the holdings' emissions in relation to their income (measured in tonnes of CO2 per million SEK). Includes listed shares, corporate bonds issued by listed companies and directly owned properties and property companies.)
- Energy consumption in the property holdings
- Investments in companies that receive more than 5% of their income from the production or distribution of tobacco
- Investments in companies that receive more than 5% of their income from the production or distribution of cannabis for non-medical use
- Investments in companies that receive more than 0% of their income from the production or distribution of nuclear weapons or controversial weapons such as cluster bombs, anti-personnel mines, chemical and biological weapons
- Investments whose products and/or services contribute to the achievement of the UN's 17 Sustainability Goals in Agenda 2030. Measured as equity investments in this type of company, in environmentally certified properties and in green or social bonds

At least 10% of the product must be invested in sustainable investments. The aim of these is to contribute to any of the UN's sustainability goals while not harming any other sustainability goals. For shares, these investments are identified by the group's administrators and the requirement is that at least 20% of income comes from contributions to the sustainability goals or that the company as a whole has a top ESG rating. Companies that pass this analysis are called "solution companies". For bonds, sustainable investments are defined as green bonds or bonds in solution companies. For properties, sustainable investments are investments in properties that are at the forefront of climate work for the property industry and that continuously contribute to reducing emissions and energy intensity in the portfolio. The properties must be, or have a plan to become, environmentally certified and have five out of five stars in the Global Real Estate Sustainability Benchmark.

A variety of data sources and both quantitative and qualitative analysis are used to promote sustainability and invest in sustainable investments. Active advocacy is also an important factor in increasing the sustainability of investments over time, reducing sustainability risks and increasing shareholder value.

For exclusions made in the product, an income limit of a maximum of 5% of the companies' income is applied. For some companies, such as the production of controversial weapons, the limit is 0%. Compliance with the exclusion criteria is followed up through daily compliance.