storebrand

Green Bonds – Monitoring and Reporting

Sao Paolo, Brazil
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Helena Lindahl
Senior Portfolio Manager –Fixed Income
Storebrand Asset Management

Storebrand - leading Nordic life- and pension firm

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spp

Euro **60** bn

100%

Of the capital is invested according to our **sustainable investment** policies

FTSE4Good

Global Challenges Index

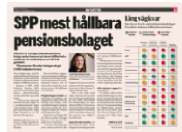
Dow Jones Sustainability Indexes

G100

Long experience and recognized as a leader in sustainable investing

- More than 20 years of sustainable investment experience

- An in house research team of specialists



- Rated as the most sustainable life- & pension company in 2016 by Corporate Knights. All investments in our life portfolio investeded according to our sustainability policy since 2001 for Storebrand and 2008 for SPP

- Co-operate with many national and international stakeholders through initiatives like UN PRI, UN Global Compact and Reporting initiative (GRI), Montreal Pledge, Portfolio Decarbonization Coalition

"Best Use of ESG"

FT/IFC **Sustainable Finance Conference & Awards** 2011
Where Innovation Meets Impact
London, 16 June 2011

Evolution of sustainable investments

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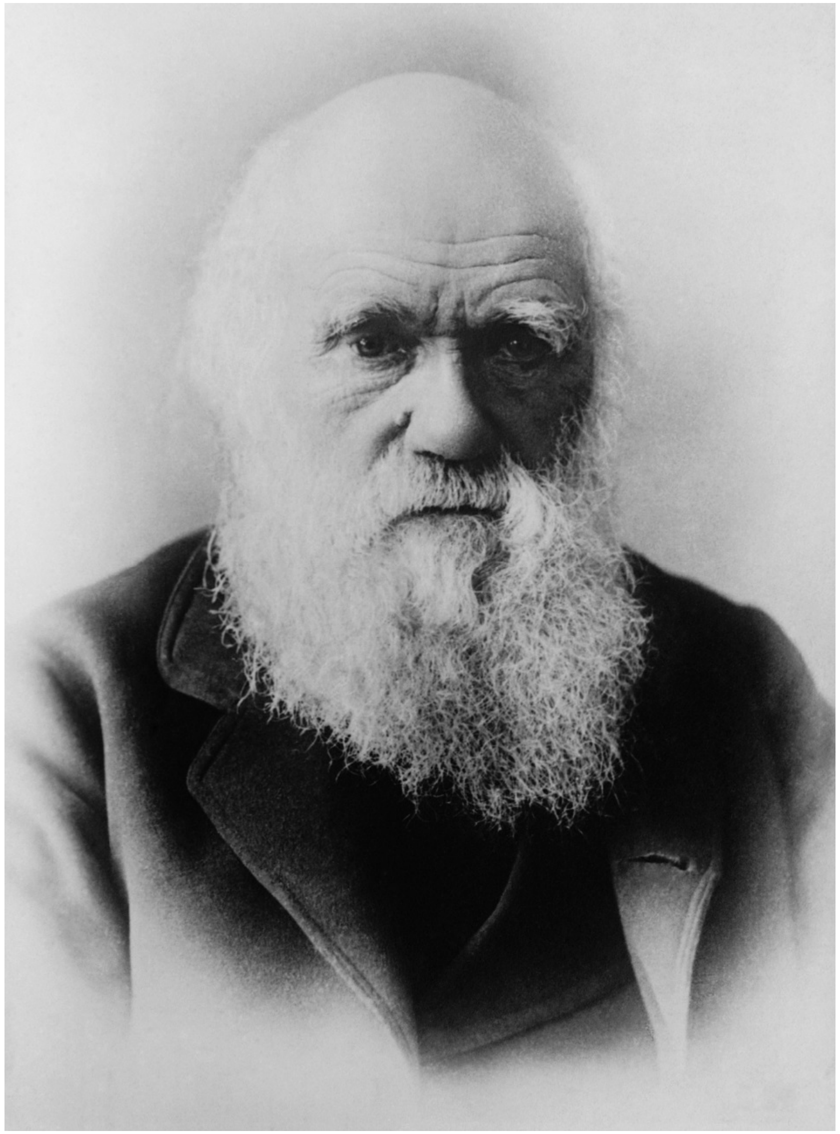
We try to invest more in the winners



"It is not the strongest of
the species that survives,
nor the most intelligent,
but the one most
responsive to change"

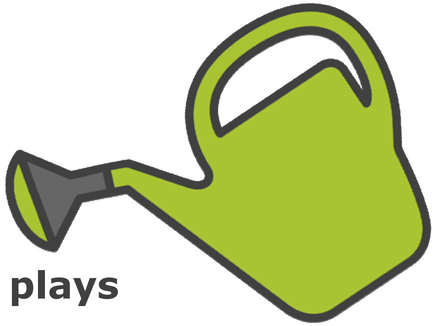
- Charles Darwin, 1809

Storebrands fixed income investment process
ESG as risk factor

Compliant investment universe

Market risk Liquidity risk	→ Market intelligence and analysis
Geographic risk Political risk Credit risk	→ Fundamental credit analysis
Interest rate duration Credit duration Curve risk FX risk	→ Macro economic analysis
Sustainability - risk	→ Sustainability rating

Storebrands Green Bond Process



- **A project univers defined by our research team**
  - Similar to the Green Bond Principles
- **Third party opinion – in most cases**
  - Our research team have to qualify a third party opinion provider
- **Special assessment of bonds from high risk industri or pure plays**
  - Our research team can reject an issue or opinion
- **Investment teams monitor use of proceeds**
  - Prefer audited use of proceeds
- **Impact reporting monitored by our research team**
  - Gather information of impact reports to establish sustainability level of portfolio
  - Impact – evolving materia – seeking industry standard. "Best effort basis"

Mexico– reforestation
World bank

China– Energy efficiency and reduced CO^2-emmisions
Reduction of 5,0 million tonnes of CO^2 per year
World bank

Kenya– wind park
Reduction of 700.000 tonnes of CO^2 per year
African Development Bank

City of Gothenburg – new water treatment facility
Saving1.4million sick days over 30 years

Green Bonds is our common best available tool

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