

From challenges to opportunities – Sustainability from an Investor's perspective

How to achieve cost effective and sustainable buildings?

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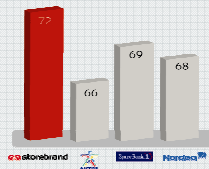
Storebrand Group – in a nutshell



Storebrand Life Insurance

Leading actor in the Nordic pensions and life insurance markets

NOK 312 billion in assets



Storebrand Investments

A holistic view on asset management with a socially responsible profile

NOK 336 billion AUM



SPP

The acquisition of SPP expands Storebrands core business

A truly Nordic business model

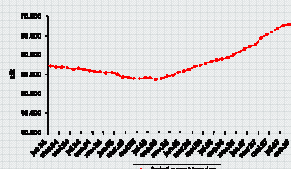
SEK 150 billion in assets



Storebrand Bank

An innovative internet bank

NOK 46 billion AUM



Storebrand P & C Insurance

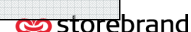
Modern internet based insurance company

NOK 1,7 billion in assets

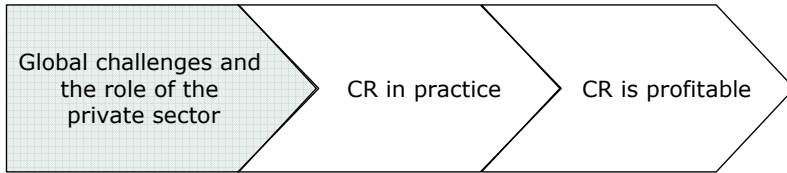


Storebrand Baltic

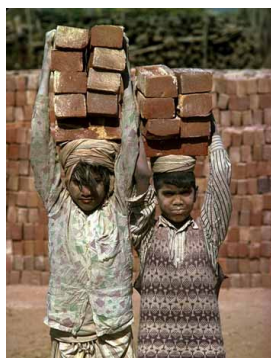
Group effectiveness through outsourcing



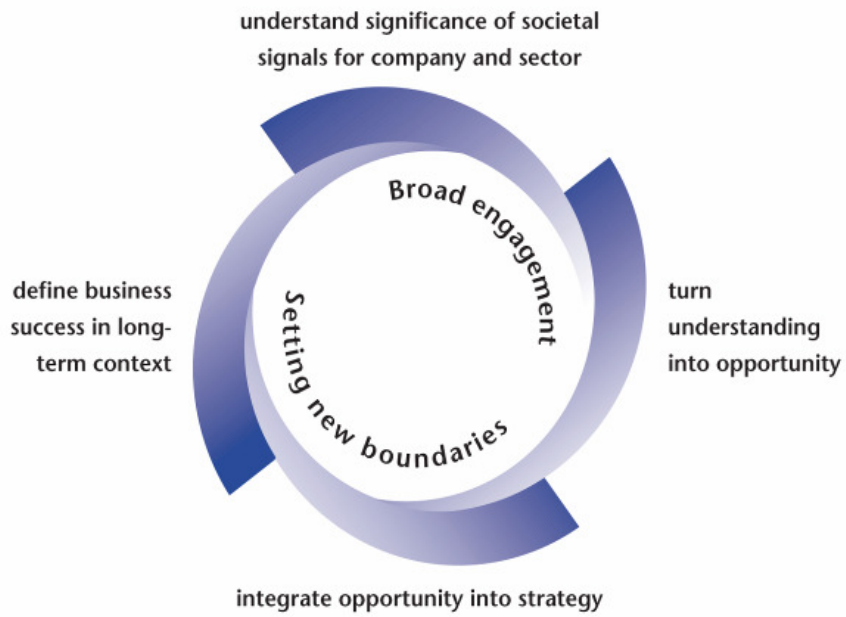
Agenda



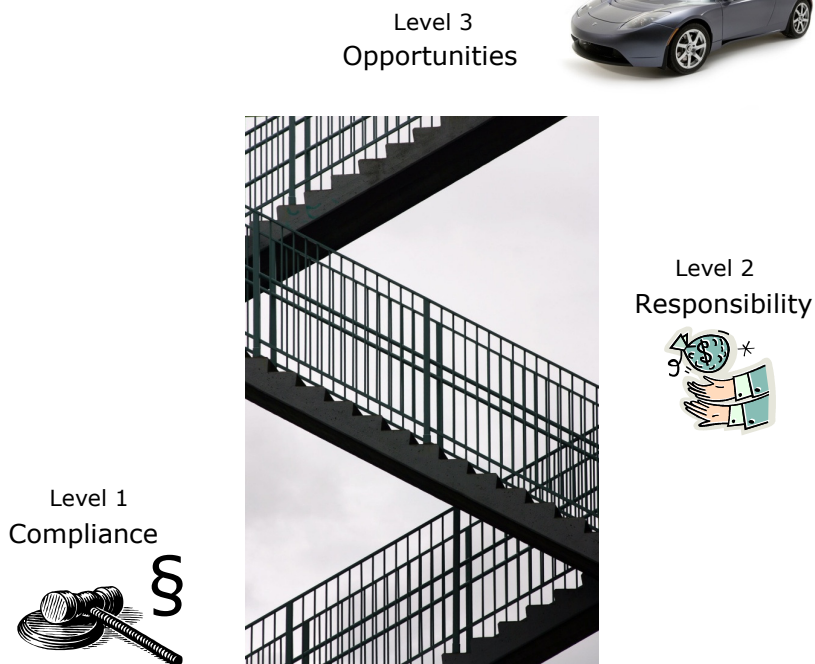
Global challenges



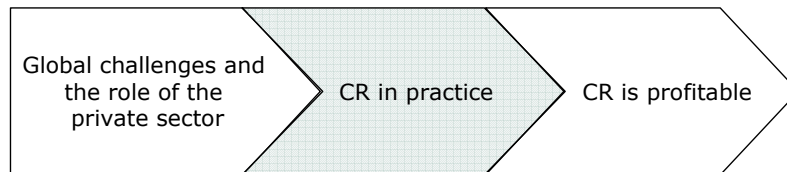
Sustainable business strategy



Tomorrow's winners

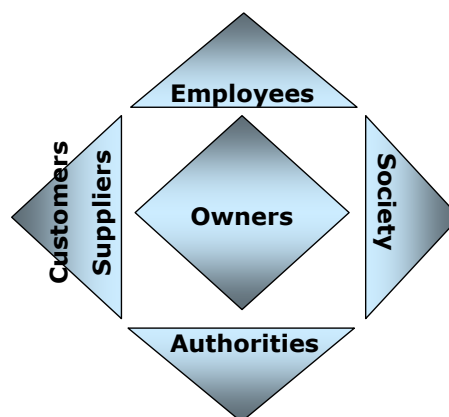


Agenda



Corporate responsibility in practice

- Employee satisfaction
- Equality/diversity
- Illness absence
- Ethics and anti-corruption



- Provide quality financial products and services in a responsible way
- Customer satisfaction
- Procurement policy
- Responsible investments and microfinance

- National and international collaboration
- Pro-active
- Walk the talk: Energy consumption and recycling
- Climate footprint and CO2-neutrality

- Dialogue with the authorities about the regulatory frameworks etc.
- Collaboration (e.g. NMI)

Responsible investments – why?

- Long-term perspective
- Reduce risk
- Opportunities

Our strongest contribution to sustainable development



Methodology

- Best in Class analysis
- Negative screening
- Engagement

BEST IN CLASS
environmental and
social performance
STOREBRAND SRI 

Group standard for responsible investments

Human rights (13)	Landmines (1) Cluster munitions (6) Nuclear weapons (13)
Corruption (9)	Tobacco (12)
Climate and severe environmental damage (6)	10% worst performers in high risk industries (31)

- Totally 84 companies are excluded as of 2Q 2009
- Applies to all funds and portfolios under management
- Based on international standards and norms, e.g. UN, ILO, OECD, Ottawa, Kyoto
- In-house department monitoring app. 3000 companies

 storebrand

Construction & Engineering – What do we look for

- Management systems & implementation
- Suppliers & subcontractors
- Emission and waste reductions
- Climate change: company specific initiatives and solutions
- Occupational health and safety
- Corporate governance
- Anti-corruption initiatives

- Standard of reporting varies greatly within the industry
- Use of guidelines such as Global Reporting Initiative are low



Construction & Engineering - Industrial impact



- 10% of global GDP
- 7% of global employment
- 50% of global resource usage
- 40% of global energy consumption

Engineering and construction CEOs are ahead of the pack in terms of recognising the commercial implication of climate change

PWC - 2009



Construction & Engineering - Risks & opportunities



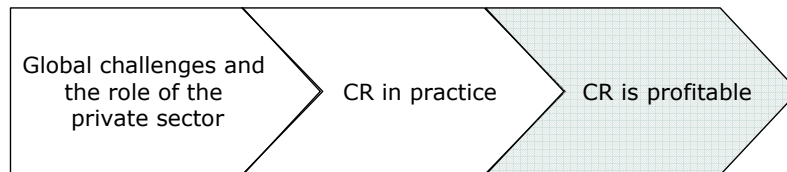
UNEP FI – Sustainable Building Initiative:

- Potential for large emission reductions in buildings exists in all countries
- Emission reduction from buildings easily monitored
- Energy efficiency improvement costs offset by reduced energy costs

UNEP FI – SBI (April 2009)

Climate change initiatives within the sector should have a net positive gain for the industry, the relevant states and those companies that recognize opportunities.

Agenda

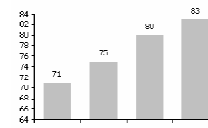


“ Responsible employers attract responsible employees ”

22% of Norwegian students find CSR the most important criterion when choosing future employer (Universum, 2007)



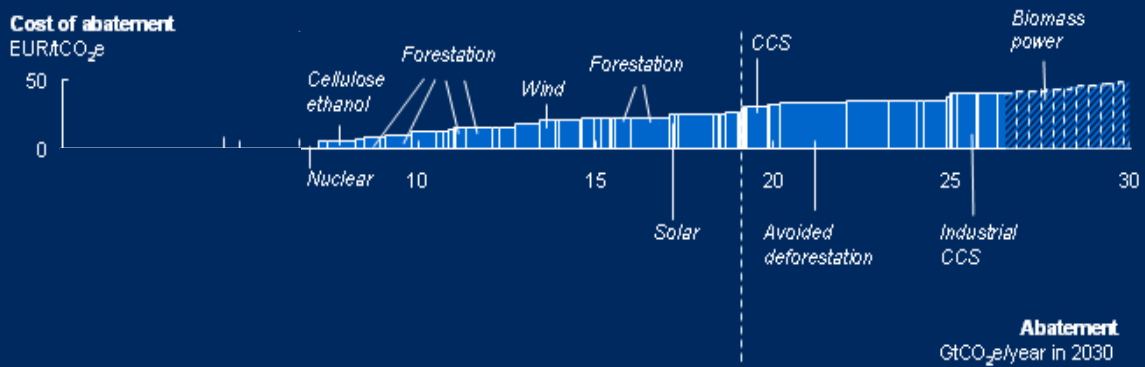
Public enterprises should lead the way and act as responsible consumers that demand environmentally responsible products that are produced under high ethical and social standards



8 av 10 nordmenn mener det er viktig at sparepengene ikke investeres i bedrifter som bryter etiske regler

Spare- og forsikringsundersøkelsen 2006, Storebrand/MMI

Investment opportunities from climate change can be identified by analyzing the CO2 abatement cost curve



Unlocking mechanism

- Economic incentives
 - Market-driven (e.g., trading)
 - Penalties (e.g., taxes)
 - Subsidies
- Financial and political aid to developing countries

- Targeted financial incentives

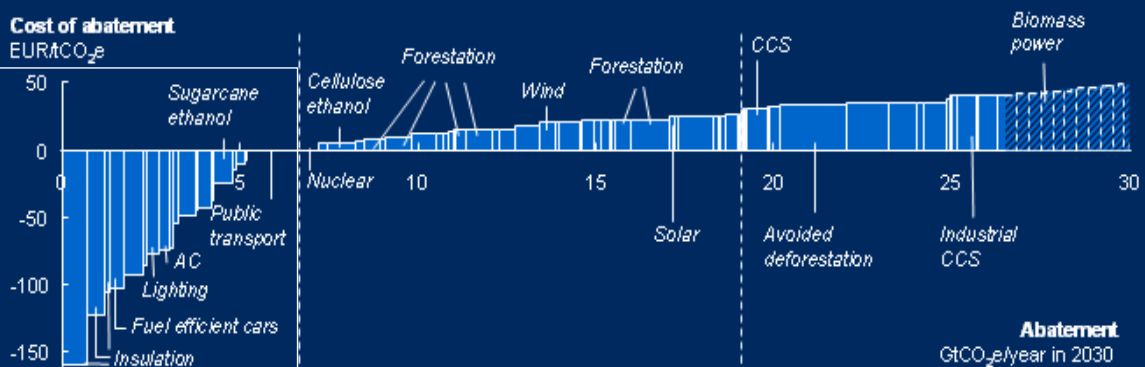
Key opportunities

- Biomass generation
- Financial markets, i.e., trading of emission rights
- Biofuels refining
- Forestation
- Nuclear power
- Wind power

- Solar power
- Biomass power generation
- Carbon capture and storage
- Avoided deforestation

Source: McKinsey & Company

Investment opportunities from climate change can be identified by analyzing the CO2 abatement cost curve



Unlocking mechanism

- Regulations
- Policies
- Information/education
- Economic incentives
 - Market-driven (e.g., trading)
 - Penalties (e.g., taxes)
 - Subsidies
- Financial and political aid to developing countries

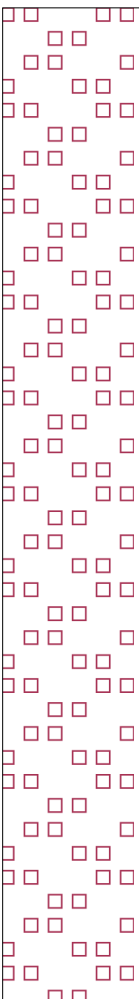
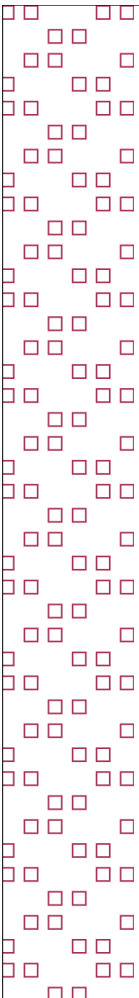
- Targeted financial incentives

Key opportunities

- Construction of low energy houses
- Efficient appliances
- Energy management systems and consulting
- Fuel efficient vehicles
- Public transport
- Biomass generation
- Financial markets, i.e., trading of emission rights
- Biofuels refining
- Forestation
- Nuclear power
- Wind power

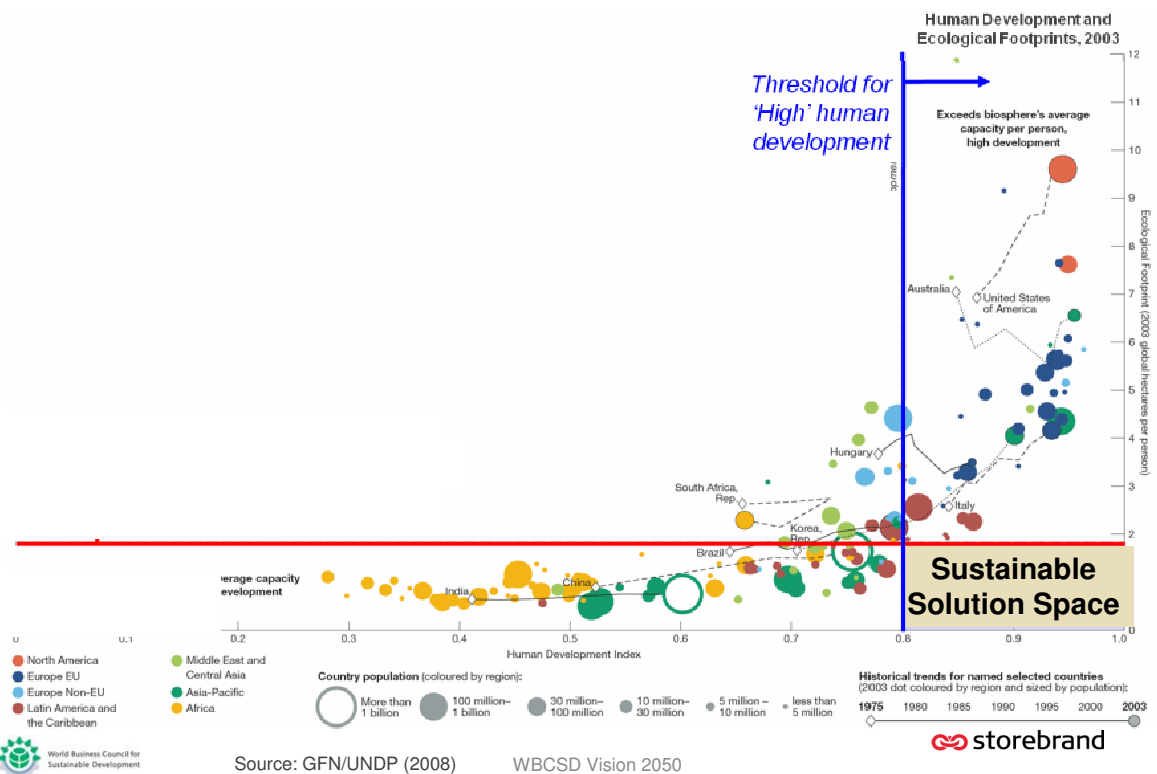
- Solar power
- Biomass power generation
- Carbon capture and storage
- Avoided deforestation

Source: McKinsey & Company



Backup

Vision 2050: Accept One World – People & Planet



Best Practice - examples

Hochtief

Requires subcontractors & suppliers:

- to observe environmental protection
- to minimize adverse impact on the environment and to constantly improve environmental protection
- to put in place and/or apply an environmental management system in line with ISO 14001.

YIT

YIT has already decided to implement all its new residential projects as low-energy buildings.

Taisei

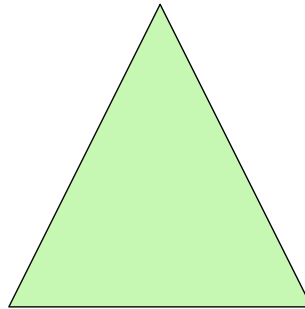
First approach is to promote the application of environmentally conscious design

Second approach is to pursue CO2 emission reduction directly at sites.

Storebrand's climate strategy



Walk the talk



Products and services

Compensating for own emissions

BEST IN CLASS
environmental and social performance
STOREBRAND SRI 

