

Storebrand's corporate sustainability reporting 2011

The Group's Scorecard for sustainability (formerly the Corporate Responsibility Action Plan) is a dynamic compilation of the Group's defined sustainability targets that Storebrand Group considers most important to report to the stock market. Together, they form the basis for our reporting to relative sustainability indexes such as Dow Jones Sustainability Index and FTSE4Good. The Scorecard for sustainability is owned and followed up by the Group's Strategy Department. This implies that the Strategy Department selects the corporate targets that are material to our work relating to sustainability. Only in exceptional cases, does the Strategy Department set its own goals for this sustainability work and delegate these throughout the organisation. The relevant Executive Vice President is responsible for all of these targets. The targets are set for a two-year period, but results are reported annually. Status reports on Scorecard for sustainability targets are made annually to corporate management and the Board of Directors.

Storebrand has signed the UN Principles for responsible business: Global Compact, which is the foundation of all our work with sustainability. The principles cover the following areas: human rights, labour, environment and anti-corruption. Furthermore, we support the UNs principles for sustainable investments, UNPRI. We have been working actively with the development of the World Business Council for Sustainable Developments Vision 2050 and are working towards a world in 2050 where "9 billion people are living well and within our planet's resources".

Since 1995, Storebrand Group has published environmental and sustainability reports. Since 2008, sustainability reporting has been incorporated into the Group's annual reports. We use Global Reporting Initiative's guidelines as a tool for corporate sustainability reporting. In our opinion, our reporting practice confirms, in general, with GRI's reporting principles and qualifies for level B in accordance with

these guidelines. Our website (www.storebrand.no) provides references to where information on the indicators is to be found, and whether these are answered completely or partly. Storebrand seeks to ensure transparency in its work on corporate responsibility, and demands accountability and quality in this work. The results relating to sustainability have therefore been reviewed and attested to by Deloitte AS. Please find the Auditor's report on corporate responsibility in the annual report on page 173. Such reviews increase the credibility of the reporting and the data presented. Additionally, they also increase internal confidence that the information has been gathered, collated and quality assured in a proper manner.



We can not save the whole world, but we take responsibility for our share of the cake.

The report consists of two elements: the Group's scorecard for sustainability and texts related to the most important activities in 2011. The scorecard for sustainability is published on page 174-175 in the annual report, while the texts are published on page 18-21. Reporting is limited to the Group's activities in Norway, Sweden and the Baltic States, where all companies in the consolidated financial statements are included. The results are as far as possible reported for the Group as a whole. Some indicators are due to differences in access to information and procedures for the collection and collation of data only reported for the Group's operations in Norway. Great emphasis is placed on ensuring that information is complete and correct, but some uncertainty may still be linked to certain parts of the figures. Details relating to the definition and delimitation of each indicator are attached at the end of this document.

The scorecard for sustainability is built around the triple bottom line (Economic value, Social Responsibility and Environmental considerations) and key stakeholder groups (shareholders, customers, employees, suppliers and the international and national society). Indicators for the major intersections between the Group and stakeholder groups are developed, i.e. where the Group significantly affect or is affected by the stakeholders. The action plan should reflect the long-term strategy for sustainability, and the themes discussed will vary little from reporting period to reporting period. The objectives for each indicator are set for a two year period and will reflect the Group's ambitions in the short term to realize the strategy for sustainability. In the annual report for 2011 the results 2010, results 2011 and targets for the period 2011-2012 are reported.

The texts related to sustainability in the annual report highlight issues that have been particularly important in 2011. Internal processes, the media in Norway and Sweden and dialogue with key stakeholders are factors that have been relevant when we have selected and prioritized the topics to be discussed in the texts. We expect that the report mainly will be used by owners, investors, customers, academia and national and international rating agencies.

Interaction with stakeholders

Owners have the opportunity to provide input to the Group on the AGM, where common themes are the economic value in the company and individual cases that individual shareholders want answers to. The Group informs shareholders, analyst and investors about the company's value creation through press releases, quarterly presentations and the annual report. We conduct customer surveys in order to know what our customers believe about us. We measure satisfaction and loyalty, as well as we examine how cus-

tomers perceive our employees' skills, reaction skills and personal treatment. The results are important management tool for our continuous improvement efforts. The Group has a systematic monitoring of all complaints received, with clear standards of quality in the answers, processing time and internal learning.

The dialogue with employees takes place in formal forums such as the committee for working environment, the Board of Directors, with elected representatives, through the annual employee satisfaction survey and informal channels such as intranet, management meetings and general meetings. Health and well-being, internal change processes and compensation are common themes in the dialogue with the employees. Continued dialogue on indoor air quality, recycling etc. has been important in order to operate the head office in a positive way for the employees and the company as well as the environment. The dialogue has among others led to adjustments in the indoor temperature and ventilation.

The Group meets new suppliers in the procurement process as well as regularly status meetings with the main suppliers are carried out. The Groups purchasing guidelines require environmental and social responsibility from the suppliers, and the procurement process is an important arena to find responsible and long-term solutions.

The Group is visible in the community through participation in important national and international forums, memberships in organisations, national and international conferences and through articles and commentaries in Norway and Sweden. For example, we participate in the project Focus: CSR at the Stockholm School of Economics and participate regularly as speakers at the Norwegian universities and colleges.



Explanation to the scorecard for corporate sustainability 2011-2012

Economic value creation

Storebrand's main task is to contribute to the society's value creation through strong profitability. As an actor in an industry with a long-term horizon, we know that the future business champions are those who develop products and services in a way that unites the global social and environmental challenges with their own profitable growth. This way of working with value creation will serve to both reduce risk and new business opportunities related to, among other things, investments, credit and product- and service development.

Indicator	Definition and delineation
Shareholders	
Solvency margin of Storebrand Life Insurance	According to Note 12 in the annual report 2011.
Dow Jones Sustainability Index	Qualified for the index and score achieved.
Profitability of corporate responsibility	Activities to assess profitability of corporate responsibility.

Social responsibility

The Group's interaction with customers, employees and suppliers is critical to Storebrand's vision: "Recommended by our customers". An including work environment facilitates the recruiting and developing of skilled and motivated employees who meet the customers with credibility and competence.

Indicator	Definition and delineation
Customers	
UN's principles for responsible investments (UN PRI)	Number of areas where Storebrand is in upper quartile on the annual ranking conducted by the UN PRI. The rating is based on an independent analysis of the information submitted by the companies supplemented with publicly available information.
Proportion of investments (on balance) that have a clear sustainable profile	Share of total investments that provide a significant contribution to the sustainable development as of 31.12 in the reporting year. Definition of this type of investments are: <ul style="list-style-type: none"> - Investments in Microfinance. - Investments in FSC/PEFC/(or equivalent) marked forest. - Investments in environmentally certified properties (Norwegian environmental standard "Miljøfyrtårn" or equivalent certification). - Equity investments in the most sustainable companies both through mutual funds and direct investments. - Investments in mortgage securities issued by the most sustainable companies both through mutual funds and direct investments.
Investments in microfinance and alternative asset classes	Activities to explore investment opportunities and possibly make investments in microfinance and alternative asset classes, conducted by Storebrand Kapitalforvaltning on behalf of Storebrand Livsforsikring AS og SPP Livförsäkring AB. Committed and invested accumulated amount as of 31.12 in the reporting year.
Customer satisfaction – retail customers	Customer satisfaction score based on methodology similar to the Norwegian Customer Satisfaction Barometer. Prepared in cooperation with the Norwegian School of Management. The score represents the retail customers satisfaction with Storebrand, both customers with their own advisor and customers served through the website and the call centre.
Customer satisfaction – corporate customers	Ranking among companies in the pension and life insurance market in Norway, based on a survey conducted by the Norwegian Customer Satisfaction Barometer at the Norwegian School of Management.

Customer's awareness and support of Storebrand's corporate sustainability work	Activities to identify the customers' awareness and support for the Storebrand Group's sustainability work. The project is in its early stages. Baseline targets will be carried out through 2012. Annual measurement consistent of four questions about the relevance for our customers and their opinion on how Storebrand is performing:
Prevention and detection of fraud	Activities within the Group to prevent and detect corruption and other forms of economic crime, and participation in external forums, industry groups and cooperation organs to prevent and detect financial crime.
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Processing time for complaints	Share of registered complaints that have been processed within 3 weeks (21 calendar days or less) from date of complaint (date of inquiry from customer). The measurement does not include complaints handled by remote appeal bodies, including litigation. A complaint is a written or oral request from a customer who expresses dissatisfaction/disagreement with a decision and that leads to a written response from Storebrand. The measurement includes both health assessments and ordinary complaints from all parts of the Group.
Employees	
Ethics work in the Group	Indicator composed of four components: 1) Employee awareness - Score for the question: "I have a clear picture of the importance of the ethical guidelines in my daily work" in the annual employee satisfaction survey conducted by Ennova. 2) Percentage of employees who complete the e-learning course. Measured every third year, last in 2010. For comparability the 2010 result is used until replaced by a new measurement, presumably in 2013. 3) Percentage of managers who complete dilemma training in their department/management team. 4) Percentage of managers who report the status of compliance of the Groups ethical guidelines.
Sick leave	Number of sick leave hours divided by number of hours worked. Including SPP (incl. Nordben and Euroben), Storebrand Norway (13 companies, not incl. Ring and Hadrian) and Storebrand Baltic.
Employees' health and wellbeing	Activities to define the Group's ambition related to health and well-being. The indicator for the Employees' health and well-being (physical and psychological factors) is composed ny eight questions in the annual employee satisfaction survey conducted by Ennova: Health: 1) To what extent is the sound environment in your workplace good? 2) To what extent is the air condition in your workplace good? 3) To what extent are the lighting conditions in your workplace good? 4) I know how my workplace can be customised ergonomic. Well-being: 1) To what extent do you have confidence in the immediate manager? 2) To what extent do you experience your own time pressure and workload as manageable? 3) In general, how satisfied are you as an employee at your workplace? 4) Overall, to what extent do you feel the Storebrand-Group is a great place to work?
Proportion of female managers	Defined as a management position with personnel responsibilities. Project managers are not included.

Diversity	The indicator Diversity is composed by three questions in the annual employee satisfaction survey conducted by Ennova: 1) I support Storebrand's ambition that the composition of employees should reflect the society as a whole and is characterised by diversity. 2) I think the composition of the employees in Storebrand reflect the society as a whole and is characterised by diversity. 3) To what extent do you feel treated equally regardless of age, gender, belief, disability, ethnicity or sexual orientation?
Productivity measurements LEAN	Activities to establish scorecard/reporting on the productivity of selected processes in the Group.
Employees' awareness and support of Storebrand's corporate responsibility work	Composed by two questions in the annual employee satisfaction survey conducted by Ennova: 1) I am aware of the main elements in Storebrand Group's CSR work. 2) I think it is valuable that the Storebrand Group wants to be a leader in social responsibility.
Suppliers	
Environmental requirements for suppliers	Percentage of new appointments in the reporting year signed with suppliers in Norway where the supplier's improvement of environmental and/or social responsibility is a condition of entering into the contract.

Environmental considerations

Storebrand is working systematically to reduce the impact on our business environment, both in relation to our own operations, property management, investments and purchases. Areas where we have a large impact are the energy of the properties we manage, the energy consumption at the head office and the number of flights.

Indicator	Definition and delineation
Society	
CO2 emissions (metric tons)	CO2-emissions from the Group's Norwegian operations. Includes direct and indirect emissions, including transport, energy consumption in the head office, air travel and waste in the head office. Energy consumption in managed properties are measured and reported, but is not included in the Group's carbon footprint, as there is no emission from the Group's activities. The carbon footprint is calculated by CO2Focus based on their methodology. CO2Focus utilises a Nordic mix as the basis for calculating emissions from electric power.
Air travel (individual flights)	Number of individual flights made by the employees of the Group's Norwegian and Swedish business in service purposes. Based on the report of the number of individual flights from the travel provider. In addition, the number of trips not booked through the travel operator, based on time-travel allowance in the HR system. The supplement was estimated to 5% in 2011 and 15% in 2010.
Energy consumption (externally managed properties)	Activities to identify energy on properties owned by Storebrand, but managed externally. Includes only property portfolio to the Group's operations in Norway.
Energy consumption (managed properties)	Percentage change in temperature corrected energy consumption per square meter of heated area of managed properties from 31.12.2011. Based on figures from the power supplier (electricity and district heating) registered in energinet.net.
Energy consumption (head office)	Temperature adjusted energy consumption per square meter of heated area on the Group's headquarters at Lysaker Park. Total consumption registered by the power supplier (electricity and district heating) corrected for street heat, heating of the garage facility and cooling of the ICT room.
Environmental certification of managed properties	Percentage of managed properties in Norway which is certified according to the Norwegian certification scheme Miljøfyrtårn.

Contact: Head of Sustainability Stina Billinger, stina.billinger@storebrand.no