

# **Sustainable finance by a large institutional investor**

**Carine Smith Ihenacho**

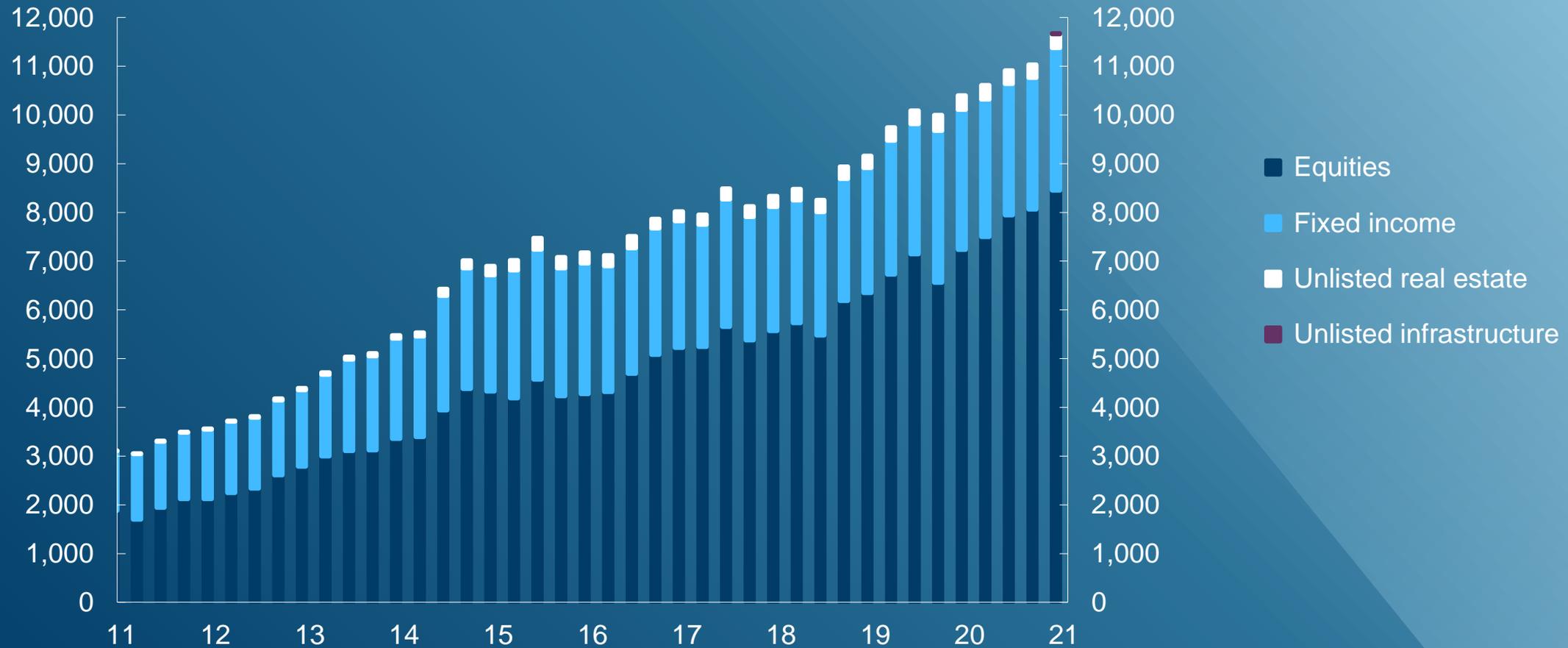
**Norges Bank Investment Management**



Mission  
**Safeguard and build financial  
wealth for future generations**

# A large global fund

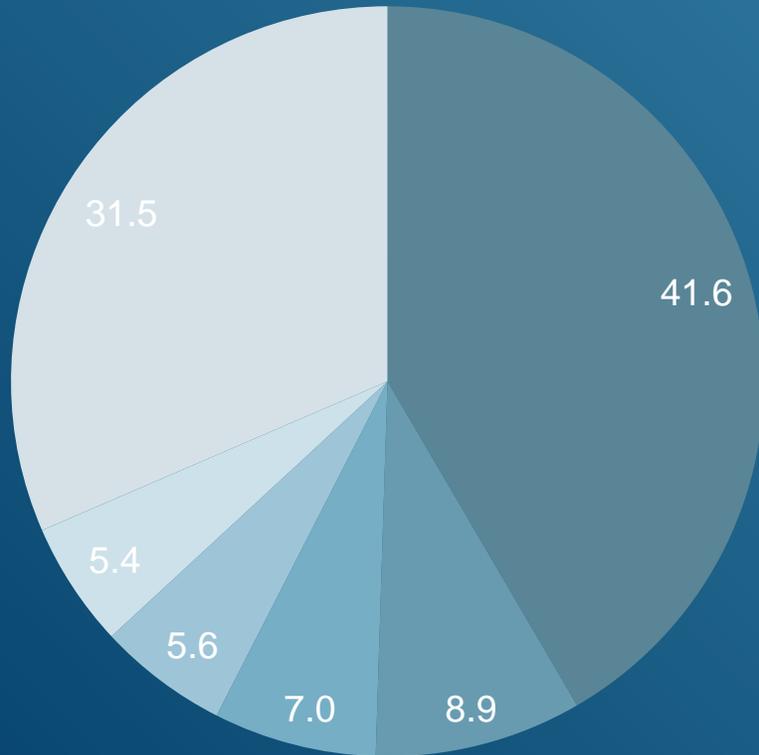
Market value as at 30.06.2021. Billion kroner.



# Japan 2<sup>th</sup> largest market for NBIM

652 billion Norwegian kroner invested at the end of 2020

THE FUND'S INVESTMENTS BY COUNTRY



■ US ■ Japan ■ UK ■ Germany ■ France ■ Rest

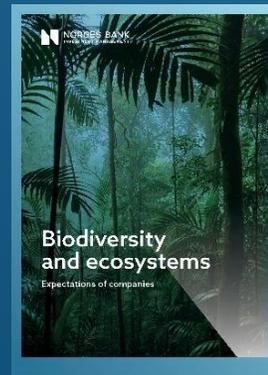
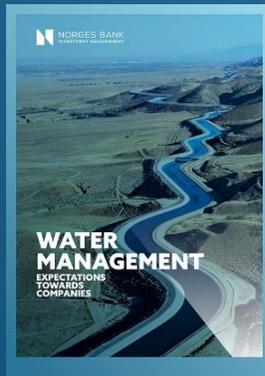
TOP 10 HOLDINGS IN JAPAN AS AT 31.12.2020

Company	Market Value (mNOK)	Ownership (%)
Toyota Motor Corp	23,340	1.08
Sony Corp	16,896	1.57
Keyence Corp	16,609	1.42
SoftBank Group Corp	15,104	1.08
Shin-Etsu Chemical Co Ltd	14,131	2.27

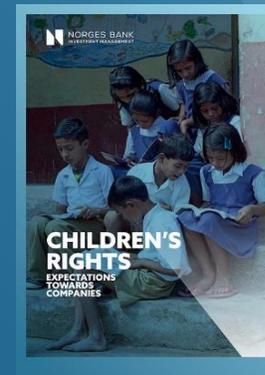
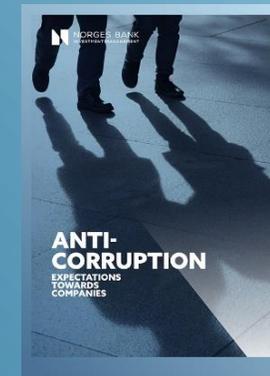
# Our sustainability expectations

Communicate our priorities to the wider market

## Environmental



## Social



# Setting expectations since 2009

More than 10 years work on climate change risk



- Addressed to boards
- Guidelines for our interaction with companies
- Support companies to manage risks and pursue opportunities
- Scenario planning
- Take into account the Paris Agreement goals

# Predictable and consistent Voting guidelines and position papers



## Global voting guidelines

2020



# An active owner

2020 numbers

## Voting

121 619 resolutions at 11 871 shareholder meetings

## Dialogue

2 877 company meetings

## Follow-up

4 158 analysis of company reporting

# Shareholder proposals on sustainability

## 262 shareholder proposals in 2020

### Our criteria

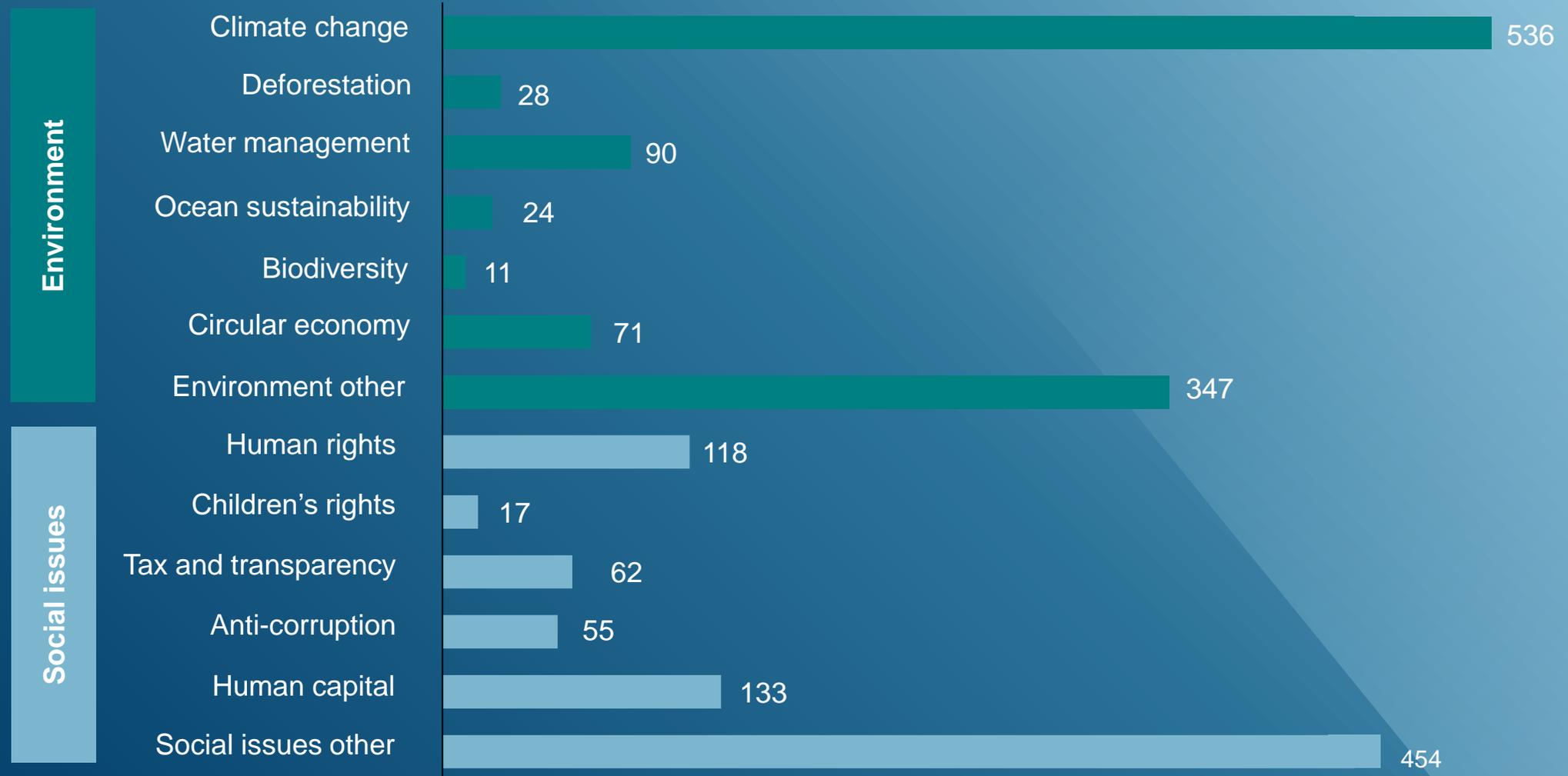


### Proposals with majority support



# Sustainability topics frequently discussed

## Number of meetings, by topic



# Assessment of company reporting

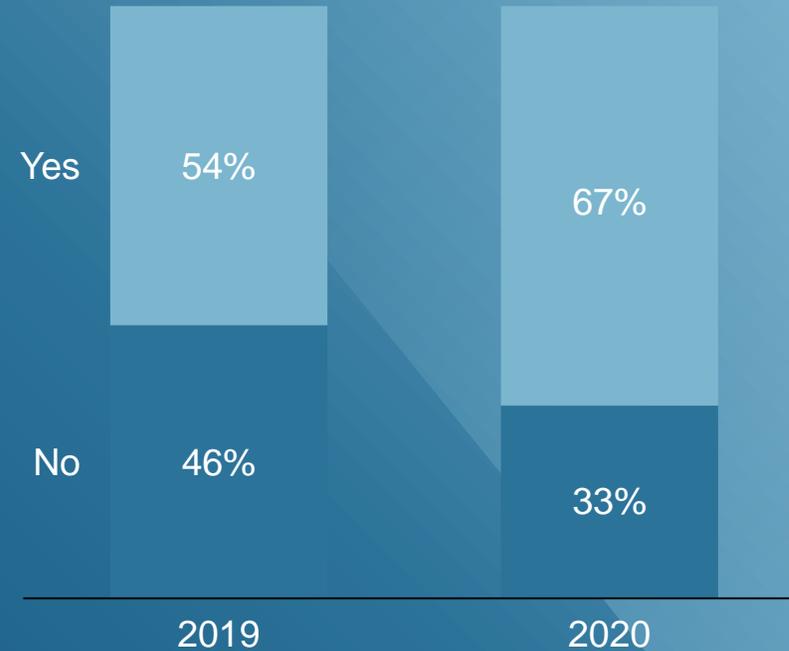
4,158 detailed assessments

160,000 data points

Improvements in 2020

Dialogue yields results

Number of companies with long-term climate goals



# Top five holdings in environmental portfolio

## Investments in environmental technology



### Low-carbon energy and alternative fuels

- Iberdrola SA
- NextEra Energy Inc
- Sempra Energy
- Linde PLC
- EDP - Energias de Portugal SA



### Clean energy and energy efficiency

- Keyence Corp
- Thermo Fisher Scientific Inc
- Daikin Industries Ltd
- Legrand SA
- Tesla Inc

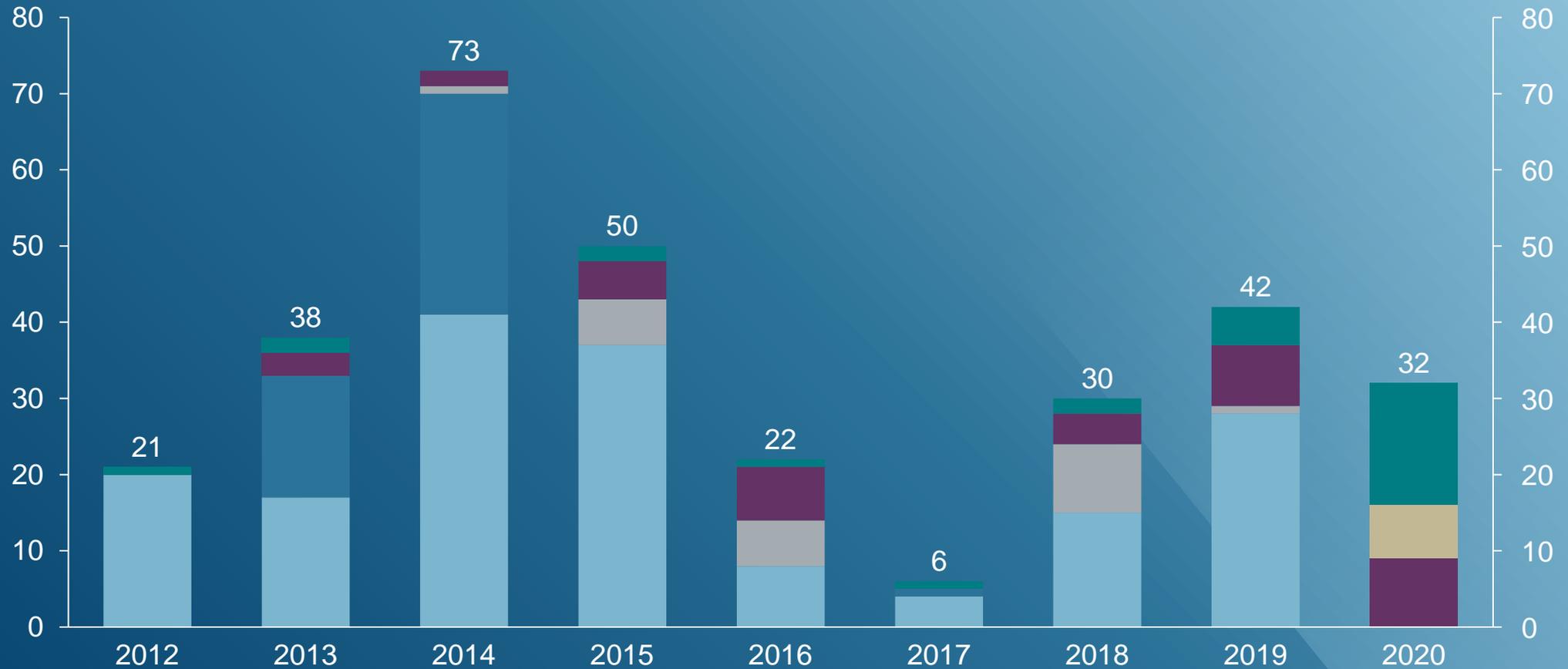


### Natural resource management

- Waste Connections Inc
- Koninklijke DSM NV
- DS Smith PLC
- LKQ Corp
- Veolia Environnement SA

# Risk-based divestments

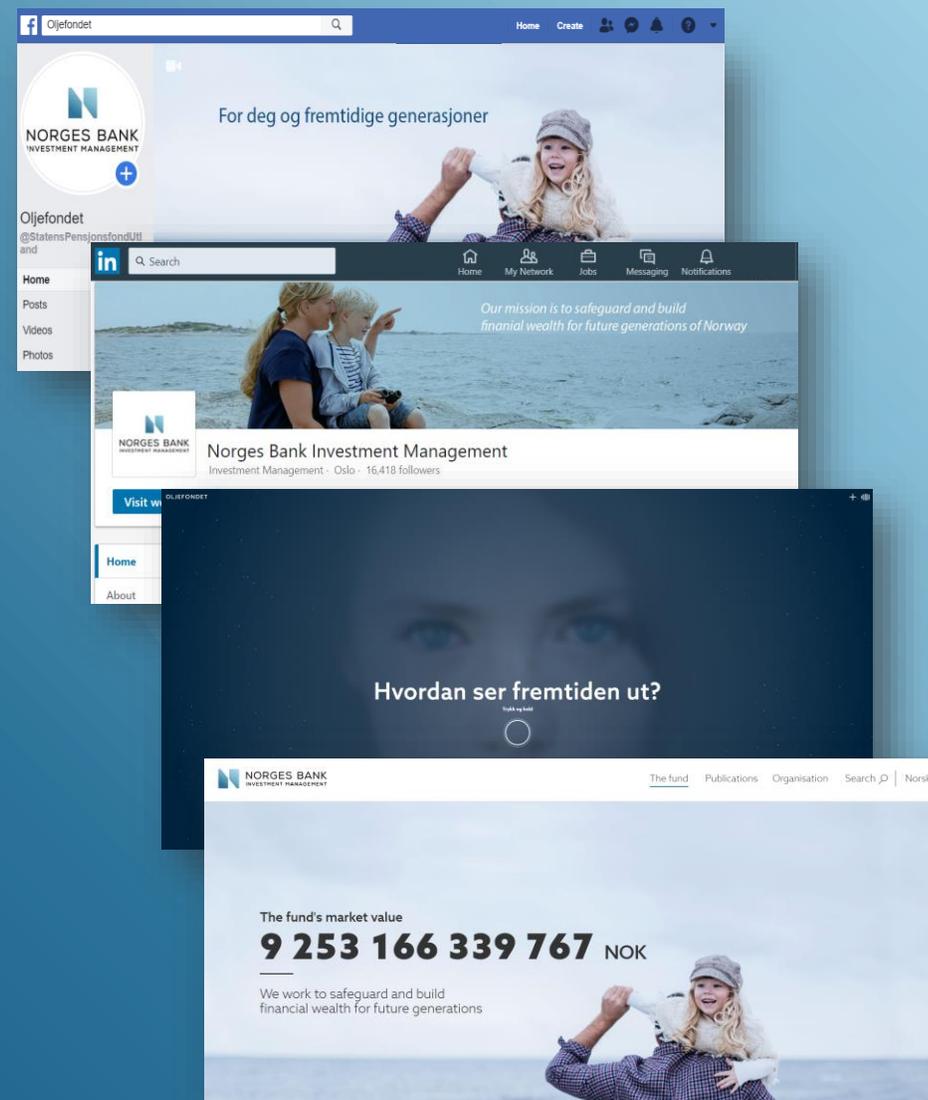
Number of companies 2012-2020



# Transparency

www.nbim.no

- Voting records published one day after general meetings
- Annual and quarterly reports, including full IFRS financial reporting
- Annual publication of complete holding lists
- Governing documents, correspondence and research
- Extended information on responsible investment, return and risk and real estate investments



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