

Response from Storebrand

8 July 2019

Business & Human Rights Resource Centre invited Storebrand to respond to allegations of complicity with environmental and human rights in Brazil.

- [“Complicity in Destruction II: How northern consumers and financiers enable Bolsonaro's assault on the Brazilian Amazon”](#), Amazon Watch, 24 April 2019
- [“China, EU, US trading with Brazilian firms fined for Amazon deforestation: report”](#), Mongabay, 6 May 2019
- [Portuguese] [“Cumplicidade na destruição: como os consumidores e financiadores do norte permitem o ataque do governo Bolsonaro à Amazônia brasileira”](#), Articulação dos Povos Indígenas do Brasil-APIB, Maio 2019
- [Portuguese] [“Empresas europeias e norte-americanas estão ligadas à responsáveis pela invasão à terras indígenas e desmatamento na Amazônia”](#), Articulação dos Povos Indígenas do Brasil-APIB, 3 de maio de 2019
- [Portuguese] [“Índios propõem boicote a empresas que negociam com invasores de reservas”](#), Época, 29 de abril de 2019

Storebrand sent the following statement:

Sustainability has for many years been an integral part of our asset management services. We recognize the vital role forests play in climate change mitigation, biodiversity protection and in supporting livelihoods. Our work on deforestation started already in 2013 when we divested our shares in eleven of the twelve palm oil companies in which we were invested. Since then, we have expanded our work on deforestation to also focus on other forest-risk commodities such as soy, timber and cattle products and are active participants of the PRI working groups on palm oil, cattle/soy and ASEAN banks.

We expect companies to commit to eliminate deforestation from their supply chain to help end global deforestation and that company's production, sourcing, and financial investments do not cause or contribute to the loss of natural forests. Companies should commit to eliminating the conversion of other natural ecosystems from their supply chains and that its activities do not cause or contribute to the loss of natural ecosystems. We furthermore expect companies to commit to respect human rights, including the rights of indigenous peoples and local communities. Internationally recognized rights of workers should be respected in all production and trade activities in their operations and supply chains and to conduct business consistent with the Universal Declaration on Human Rights and ILO Core Conventions.

We highly appreciate the report from Amazon Watch which we have read with careful attention. As an investor based in Oslo we are dependent on a variety of stakeholders to provide us with relevant information so that we can ensure that the companies we invest in operate in accordance with good international practice, helping those that make acceptable progress, but closing relationships with those who do not meet our standards. The presence of responsible investors is particularly important in a changing political landscape where socio-environmental standards are rolled back.

When it comes to our shares in Marfrig, we are in close dialogue with this company through the PRI working group on cattle together with other international investors but also on a bilateral basis. Storebrand had a meeting with the CEO, CFO and Head of ESG of Marfrig in June 2019 in Oslo. Our discussions were solely based on deforestation related issues and how the company can better

integrate relevant deforestation challenges and opportunities in their business management, such as investment planning, risk management and reporting. We expect companies including Marfrig to demonstrate commitment to eliminating deforestation within their entire supply chain, and will seek evidence of this on multiple levels. The report from Amazon Watch was also brought to their attention. We will continue to engage with Marfrig and other relevant investee companies to address deforestation in a manner meaningful to their operations and wish to support their efforts to manage the risks and pursue the opportunities.