

# Folksam, climate change and the Net Zero Asset Owner Alliance

Anna-Karin Laurell, Folksam Group

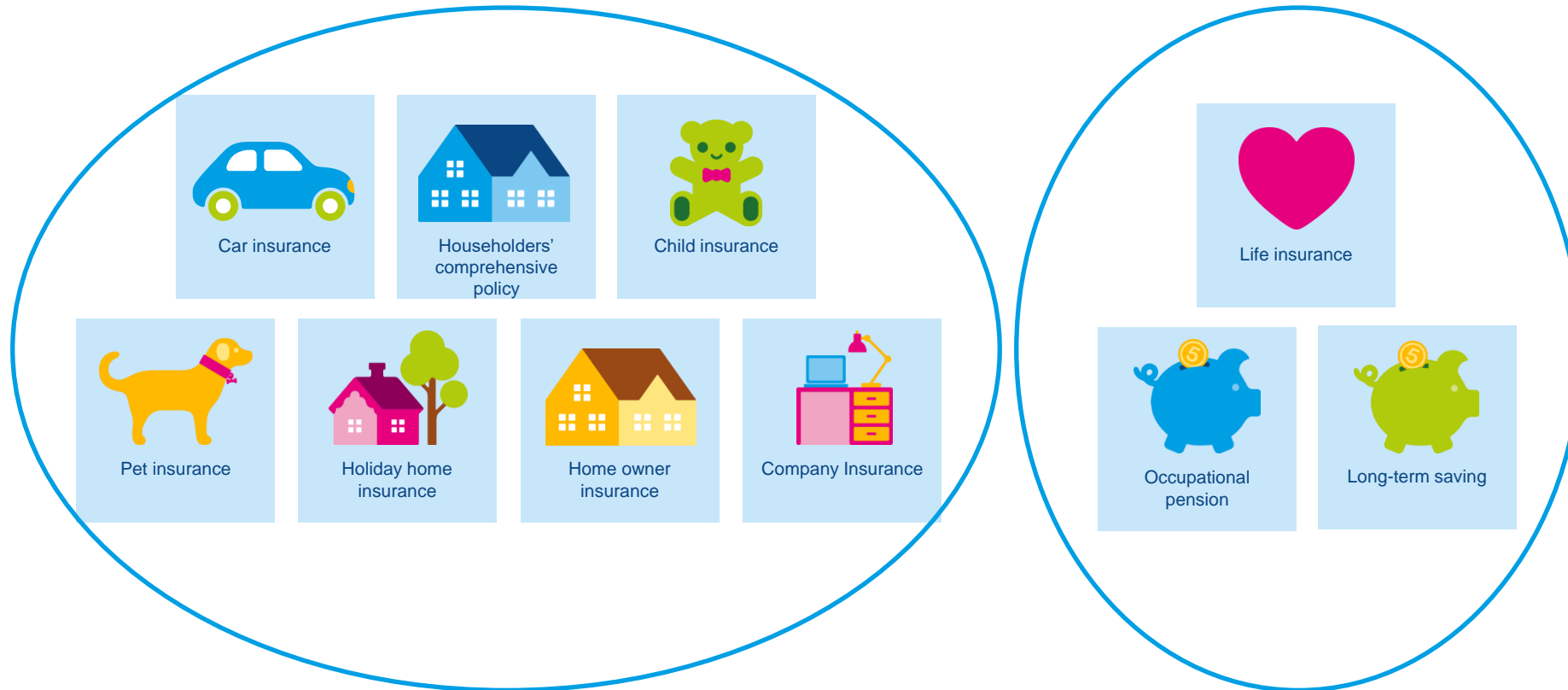


Folksam

## This is the Folksam Group

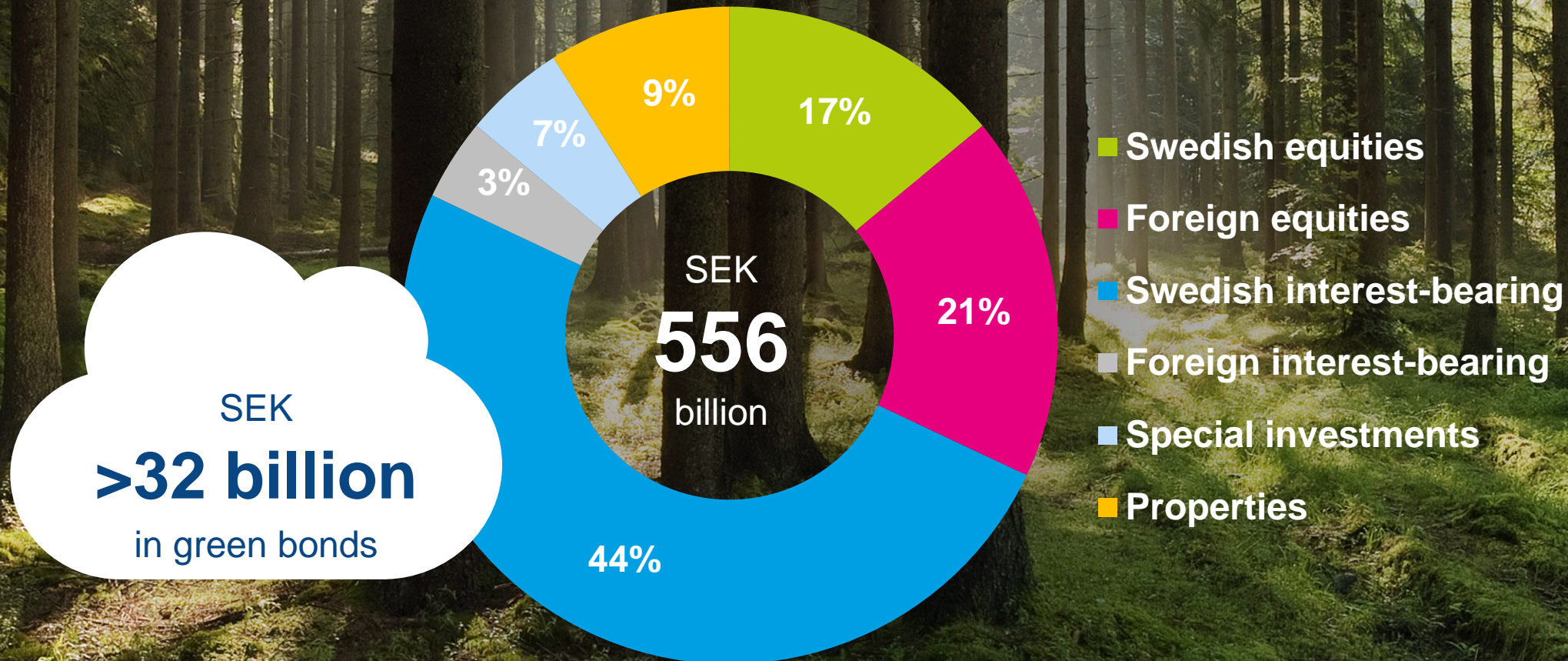


# Our offer





# Folksam Group's managed assets, 31 Dec 2021





# Why care about climate change?



# Guiding documents



# UN Convened Net Zero Asset Owner Alliance





# Commitment Net-Zero Asset Owner Alliance

- “Commit to transitioning investment portfolios to net-zero GHG emissions by 2050”
- “Consistent with a maximum temperature rise of 1.5°C, taking into account the best available scientific knowledge”
- “Regularly reporting on progress, including establishing intermediate targets every five years”
- “Emphasize GHG emissions reduction outcomes in the real economy”
- “Reach this Commitment, especially through advocating for, and engaging on, corporate and industry action, as well as public policies”
- “This Commitment is made in the expectation that governments will follow through on their own commitments”





# Intermediary targets

## Engagement Targets

- Engagement with 20 companies with a focus on highest emitters or those responsible for 65% of emission in portfolio (either Direct, Collective, or via Asset Manager)
- Contribute to
  - Sector - Engagement with corporates in target sectors
  - Asset Manager - Each member to participate in at least one engagement with the pre-identified (largest) 4 Asset Managers
  - Alliance position papers

AOs to set action targets on policy advocacy

## Sector Targets

- Intensity-based reductions on Alliance priority Sectors (O&G, Utilities, Steel, and Transport – Aviation, Shipping, Heavy and Light Duty Road)
- Scope 3 to be included wherever possible
- Sector specific intensity KPIs recommended
- Sectoral Decarbonization Pathways used to set targets

**1.5 degree  
Net-Zero by 2050  
Real World Impact**

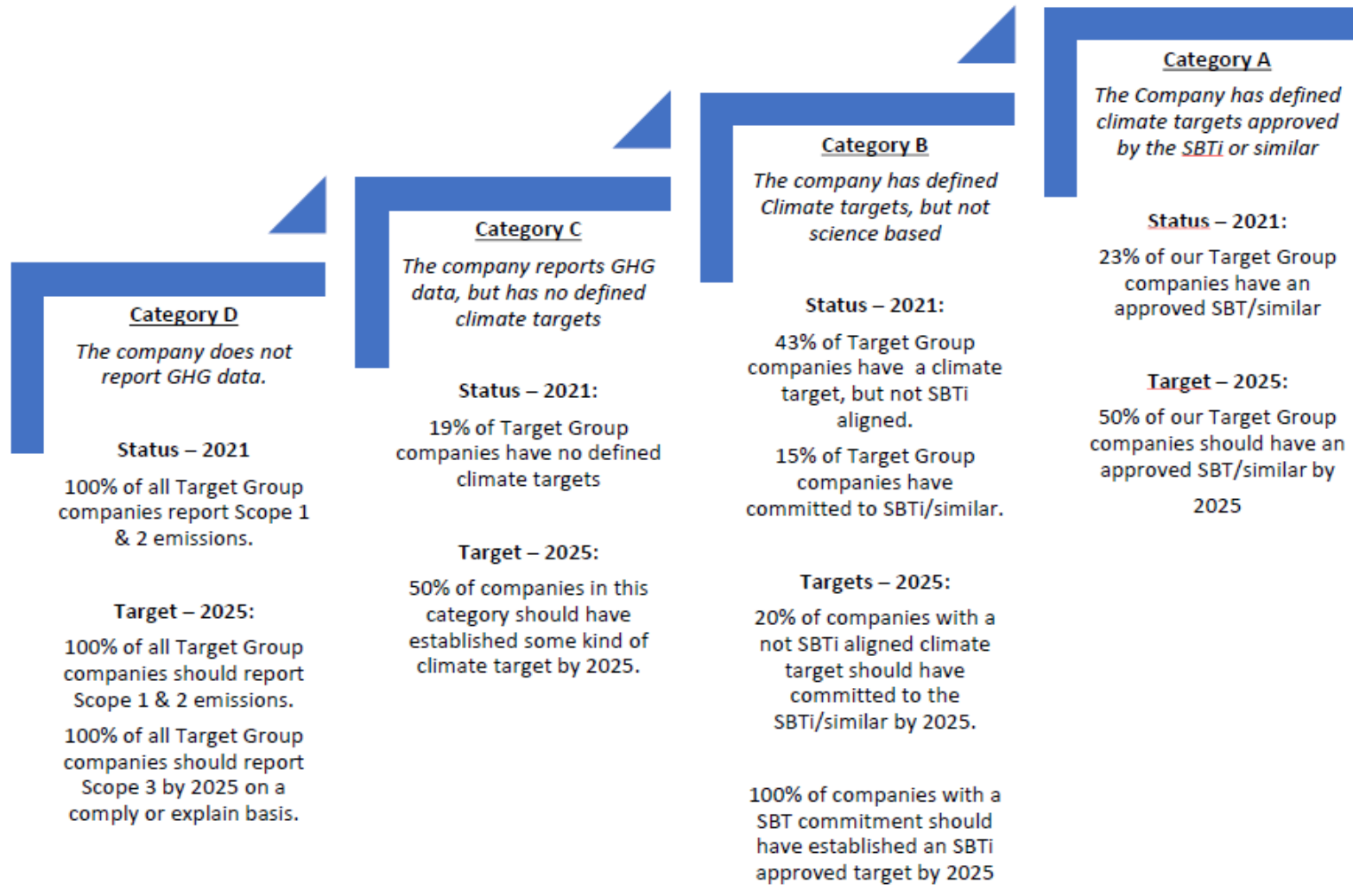
## Sub-portfolio (later Portfolio) Emission Targets

- -16% to -29% CO<sub>2</sub>e reduction by 2025 (per IPCC 1.5°C SR scenarios) on Listed Equity and Publically Traded Corporate Debt, with the same recommended for Real Estate and/or CRREM national pathways used
- Covers Portfolio Emissions Scope 1 & 2, tracking of Scope 3
- Absolute or intensity-based reduction against 2019 base year recommended

## Financing Transition Targets

- Report on progress on climate-positive investments
- Focus on renewable energy in Emerging Markets, Green Buildings, Sustainable Forests, and Green Hydrogen, among others
- Contribute to activities enlarging the low carbon investment universe and building solutions

## Folksam AOA Engagement Framework & Targets



Oct 13, 2021, 01:25pm EDT | 2 247 views

# This Is The World's First 'Fossil-Free Steel' Vehicle: Autonomous, Electric—And A Volvo



**David Vetter** Senior Contributor @ Sustainability  
*Climate research, renewables and circularity*

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Volvo's load carrier is autonomous, fully electric and made using fossil fuel-free steel. © AB VOLVO

## Folksam ökar ägandet i SSAB för att stötta fossilfri omställning



MÅN, JUN 21, 2021 07:00 CET



Folksam har i dag flaggat för ett ökat innehav i stål företaget SSAB. Innehavet uppgår nu till cirka 5,2 procent av rösterna och 2,1 procent av kapitalet. Syftet med det större innehavet är att som långsiktig ägare vara med och stötta SSAB:s omställning till fossilfri stål tillverkning, samtidigt som investeringen på sikt förväntas ha god potential att ge en attraktiv avkastning till Folksam:s kunder.

- Att kunna producera fossilfritt stål är en av de viktigaste frågorna för att klara klimatomställningen, både i Sverige och globalt. Samtidigt är omställningen också viktig för att säkra svenska industrjobb. Vi har varit ägare i SSAB i många år, och vill nu vara med och ta ett mer långsiktigt ansvar för bolagets omställningsarbete, säger Ylva Wessén, vd för Folksamgruppen.

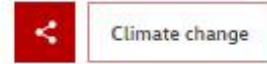




# HSBC plans to phase out coal financing by 2040

By Tom Espiner  
Business reporter, BBC News

11 March | Comments



HSBC has said it plans to ramp up its climate change policies and stop financing coal projects by 2040, as long as shareholders back the move.

It follows pressure from a coalition of investment firms and pension funds who called for stronger action from the bank on climate change.

Charity Shareaction, which led the group, said HSBC had put \$15bn (£11bn) into coal developers since 2018.

HSBC said it welcomed the group's decision to back its new plan.

Noel Quinn, HSBC's chief executive, said its proposal marked the "next phase" of the bank's so-called net zero strategy to cut carbon emissions, which was announced in October.

"This represents an unprecedented level of co-operation between a bank, shareholders, and NGOs on a critical issue, with a positive outcome for all," he added.



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March 11, 2021  
5:04 AM CET  
Last Updated 7 months ago

Finance

## HSBC toughens stance on fossil fuel funding after shareholder heat

3 minute read

By Lawrence White and Simon Jessop



