



LEA 02	Disclosures: Mandatory	Reason for Interaction	Priority: PRI 1,2,3
Individual/ internal staff engagements	<p><input checked="" type="checkbox"/> To support investment decision-making in & company's material ESG issues</p> <p><input checked="" type="checkbox"/> To enhance corporate transparency on ability to address the needs of stakeholders</p> <p><input type="checkbox"/> To engage internal staff</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via internal staff</p>		
Collaborative engagements	<p><input type="checkbox"/> To support investment decision-making in & company's material ESG issues</p> <p><input type="checkbox"/> To enhance corporate transparency on ability to address the needs of stakeholders</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via collaborative engagements</p>		
Service provider engagements	<p><input type="checkbox"/> To support investment decision-making in & company's material ESG issues</p> <p><input type="checkbox"/> To enhance corporate transparency on ability to address the needs of stakeholders</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via service providers</p>		

RI TRANSPARENCY REPORT

2017

Folksam

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2017 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
Ⓜ	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	✓	Private							✓
OO 08	Segregated mandates or pooled funds	✓	Private							✓
OO 09	Breakdown of AUM by market	✓	Private							✓
OO 10	RI activities for listed equities	✓	Public							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO End	Module confirmation page	✓	-							

Strategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public							✓
SG 03	Conflicts of interest	✓	Public							✓
SG 04		✓	Private							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Private							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 08	RI in performance management, reward and/or personal development	✓	Private							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
SG 12	ESG issues in strategic asset allocation	✓	Public	✓						
SG 13	Long term investment risks and opportunity	✓	Private	✓						
SG 14	Allocation of assets to environmental and social themed areas	✓	Private	✓						
SG 15	ESG issues for internally managed assets not reported in framework	✓	Public							✓
SG 16	ESG issues for externally managed assets not reported in framework	⚠	n/a							✓
SG 17	Innovative features of approach to RI	✓	Private							✓
SG End	Module confirmation page	✓	-							

Indirect – Manager Selection, Appointment and Monitoring				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SAM 01	Role of investment consultants/fiduciary managers	✓	Public				✓			
SAM 02	RI factors in selection, appointment and monitoring across asset classes	✓	Public	✓						
SAM 03	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Private							✓
SAM 04	ESG incorporation strategies	✓	Public	✓	✓					
SAM 05	Selection processes (LE and FI)	✓	Public	✓						
SAM 06	Evaluating engagement and voting practices in manager selection (listed equity/fixed income)	🔒	n/a		✓					
SAM 07.1	Appointment processes (listed equity/fixed income)	✓	Public	✓						
SAM 07.2-5	Appointment processes (listed equity/fixed income)	✓	Public	✓						
SAM 08	Monitoring processes (listed equity/fixed income)	✓	Public	✓						
SAM 09	Monitoring on active ownership (listed equity/fixed income)	🔒	n/a	✓						
SAM 10	Percentage of (proxy) votes	🔒	n/a		✓					
SAM 11	Percentage of externally managed assets managed by PRI signatories	✓	Private	✓						
SAM 12	Examples of ESG issues in selection, appointment and monitoring processes	✓	Public	✓						✓
SAM 13	Disclosure of RI considerations	✓	Public							✓
SAM End	Module confirmation page	✓	-							

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	✓	Public		✓					
LEA 02	Reasoning for interaction on ESG issues	✓	Public	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 04	Objectives for engagement activities	✓	Public		✓					
LEA 05	Process for identifying and prioritising collaborative engagement	✓	Public		✓					
LEA 06	Objectives for engagement activities	✓	Public		✓					
LEA 07	Role in engagement process	✓	Public		✓		✓			
LEA 08	Monitor / discuss service provider information	✓	Public		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	✓	Private	✓	✓					
LEA 10	Tracking number of engagements	✓	Public		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	✓	Private		✓					
LEA 12	Engagement methods	✓	Private		✓					
LEA 13	Engagements on E, S and/or G issues	✓	Private		✓					
LEA 14	Companies changing practices / behaviour following engagement	✓	Private		✓					
LEA 15	Examples of ESG engagements	✓	Private		✓					
LEA 16	Disclosure of approach to ESG engagements	✓	Public		✓				✓	
LEA 17	Voting policy & approach	✓	Public	✓	✓	✓				
LEA 18	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 19	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 20	Confirmation of votes	✓	Private		✓					
LEA 21	Securities lending programme	✓	Private		✓					
LEA 22	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 23	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 24	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 25	Shareholder resolutions	✓	Private		✓					
LEA 26	Examples of (proxy) voting activities	✓	Private		✓					
LEA 27	Disclosing voting activities	✓	Public		✓				✓	
LEA End	Module confirmation page	✓	-							

Direct – Private Equity				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PE 01	Breakdown of investments by strategy	✓	Private							✓
PE 02	Typical level of ownership	✓	Private							✓
PE 03	Description of approach to RI	✓	Private	✓						✓
PE 04	Investment guidelines and RI	✓	Public		✓					
PE 05	Fund placement documents and RI	🔒	n/a	✓			✓		✓	
PE 06	Formal commitments to RI	🔒	n/a				✓			
PE 07	Incorporating ESG issues when selecting investments	✓	Public	✓						
PE 08	Types of ESG information considered in investment selection	✓	Public	✓		✓				
PE 09	Encouraging improvements in investees	✓	Private	✓	✓					
PE 10	ESG issues impact in selection process	✓	Private	✓						
PE 11	Proportion of companies monitored on their ESG performance	✓	Public		✓					
PE 12	Proportion of portfolio companies with sustainability policy	🔒	n/a		✓					
PE 13	Actions taken by portfolio companies to incorporate ESG issues into operations	🔒	n/a		✓					
PE 14	Type and frequency of reports received from portfolio companies	🔒	n/a		✓	✓				
PE 15	Disclosure of ESG issues in pre-exit	✓	Private		✓					
PE 16	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
PE 17	Examples of ESG issues that affected your PE investments	✓	Private	✓	✓					
PE 18	Disclosure of ESG information to public and clients/beneficiaries	✓	Public							✓
PE 19	Approach to disclosing ESG incidents	🔒	n/a							✓
PE End	Module confirmation page	✓	-							

Folksam

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic Information

OO 01	Mandatory	Public	Gateway/Peering	General
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OO 01.1 Select the type that best describes your organisation or the services you provide.

- Non-corporate pension or superannuation or retirement or provident fund or plan
- Corporate pension or superannuation or retirement or provident fund or plan
- Insurance company
- Foundation
- Endowment
- Development finance institution
- Reserve - sovereign or government controlled fund
- Family office
- Other, specify

OO 01.2 Additional information. [Optional]

Folksam is a mutual insurance and pension company.

OO 02	Mandatory	Public	Peering	General
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OO 02.1 Select the location of your organisation's headquarters.

Sweden

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

3900

OO 03	Mandatory	Public	Descriptive	General
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OO 03.1

Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

OO 04

Mandatory

Public

Gateway/Peering

General

OO 04.1

Indicate the year end date for your reporting year.

31/12/2016

OO 04.2

Indicate your total AUM at the end of your reporting year, excluding subsidiaries you have chosen not to report on.

	trillions	billions	millions	thousands	hundreds
Total AUM		400	270	000	000
Currency	SEK				
Assets in USD		43	543	693	362

OO 06

Mandatory

Public

Descriptive

General

New selection options have been added to this indicator. Please review your prefilled responses carefully.

OO 06.1

How you would like to disclose your asset class mix.

- as percentage breakdown
- as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	<10%	10-50%
Fixed income	<10%	>50%
Private equity	<10%	<10%
Property	<10%	0
Infrastructure	<10%	<10%
Commodities	0	0
Hedge funds	0	0

Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	<10%	<10%
Other (1), specify	0	0
Other (2), specify	0	0

OO 06.2 Publish our asset class mix as per attached image [Optional].

Gateway asset class implementation indicators

OO 10	Mandatory	Public	Gateway	General
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OO 10.1 Select the direct or indirect ESG incorporation activities your organisation implemented for listed equities in the reporting year.

- We incorporate ESG in our investment decisions on our internally managed assets
- We address ESG incorporation in our external manager selection, appointment and/or monitoring processes
- We do not incorporate ESG in our directly managed listed equity and/or we do not address ESG incorporation in our external manager selection, appointment and/or monitoring processes.

OO 10.2 Select the direct or indirect engagement activities your organisation implemented for listed equity in the reporting year.

- We engage with companies on ESG factors via our staff, collaborations or service providers
- We require our external managers to engage with companies on ESG issues on our behalf
- We do not engage directly and do not require external managers to engage with companies on ESG factors.

OO 10.3 Select the direct or indirect voting activities your organisation implemented for listed equity in the reporting year

- We cast our (proxy) votes directly or via dedicated voting providers
- We require our external managers to vote on our behalf
- We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf

OO 11	Mandatory	Public	Gateway	General
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OO 11.1 Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

- Fixed income – SSA
- Private equity
- Property
- Infrastructure
- Cash
- None of the above

OO 11.2 Select the externally managed assets classes where you addressed ESG incorporation and/or active ownership in your external manager selection, appointment and/or monitoring processes (during the reporting year)

- Fixed income – SSA
- Fixed income – corporate (financial)
- Private equity
- Infrastructure
- Cash
- None of the above

OO 12	Mandatory	Public	Gateway	General
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You will need to make a selection in OO 12.1 only if you have any voluntary modules that you can choose to report on.

OO 12.1 Select from below any additional applicable modules or sections you would like to report on voluntarily. You are only required to report on asset classes that represent 10% or more of your AUM.

Core modules

- Organisational Overview
- Strategy and Governance

RI implementation directly or via service providers

Direct - Listed Equity active ownership

- Engagements
- (Proxy) voting

Direct - Other asset classes with dedicated modules

- Private Equity

RI implementation via external managers

Indirect - Selection, Appointment and Monitoring of External Managers

- Listed Equities
- Private Equity

Closing module

- Closing module

Folksam

Reported Information

Public version

Strategy and Governance

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Investment policy

SG 01

Mandatory

Public

Core Assessed

General

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input checked="" type="checkbox"/> Engagement policy <input checked="" type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.3

Indicate if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Processes / approaches to incorporating ESG
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

SG 01.4 Indicate what norms you have used to develop your investment policy that covers your responsible investment approach.

- UN Global Compact Principles
- UN Guiding Principles on Business and Human Rights
- Universal Declaration of Human Rights
- International Bill of Human Rights
- International Labour Organization Conventions
- United Nations Convention Against Corruption
- OECD Guidelines for Multinational Enterprises
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

SG 01.5 Describe your organisation’s investment principles, and overall investment strategy, and how they consider ESG factors and real economy impact.

It is important to our customers that the companies we invest in act responsibly. We are therefore working to influence them through our investment criteria regarding the climate and environment, human rights and anti-corruption. Our goal is not to reject companies to invest in, but rather to encourage as many as possible to improve at taking responsibility.

We exclude tobacco and illegal arms such as cluster weapons, anti-personnel mines and nuclear weapons. From 2016 we neither invest in companies with more than 30 percent of their returns from coal. All companies within Folksam apply these criteria, with two exceptions. The companies within KPA Pension have even tougher exclusion criteria and therefore do not invest in the alcohol industry, the arms industry or the commercial gambling industry. For Folksam General, whose car, home and holiday home insurance products are Good Environmental Choice certified, investments in coal-fired generators, nuclear power and uranium are excluded in addition to arms and alcohol.

Since 1st January 2017, our investment criteria cover all our asset classes, ie listed companies, alternative investments and real estate.

No

SG 02	Mandatory	Public	Core Assessed	PRI 6
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 02.1 Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.

- Formalised guidelines on environmental factors

URL/Attachment

- URL

URL

<https://www.folksam.se/om-oss/vart-hallbarhetsarbete/ansvarsfullt-agande/vara-placeringskriterier>

- Attachment (will be made public)
- Formalised guidelines on social factors

URL/Attachment

- URL

URL

<https://www.folksam.se/om-oss/vart-hallbarhetsarbete/ansvarsfullt-agande/vara-placeringskriterier/manskliga-rattigheter>

- Attachment (will be made public)
- Formalised guidelines on corporate governance factors

URL/Attachment

- URL

URL

<https://www.folksam.se/om-oss/vart-hallbarhetsarbete/ansvarsfullt-agande/mer-om-extern-bolagsstyrning>

- Attachment (will be made public)
- Screening / exclusions policy

URL/Attachment

- URL

URL

<https://www.folksam.se/om-oss/vart-hallbarhetsarbete/ansvarsfullt-agande/vara-placeringskriterier/uteslutna-foretag>

- Attachment (will be made public)
- Engagement policy

URL/Attachment

- URL

URL

<https://www.folksam.se/om-oss/vart-hallbarhetsarbete/ansvarsfullt-agande/mer-om-extern-bolagsstyrning>

- Attachment (will be made public)
- (Proxy) voting policy
- We do not publicly disclose our investment policy documents

SG 02.2 Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment

- URL

URL

<https://www.folksam.se/om-oss/vart-hallbarhetsarbete/ansvarsfullt-agande/sa-jobbar-vi>

- Attachment
- Processes / approaches to incorporating ESG

URL/Attachment

- URL

URL

<https://www.folksam.se/om-oss/vart-hallbarhetsarbete/ansvarsfullt-agande/sa-jobbar-vi>

- Attachment
- Governance structure of organisational ESG responsibilities
- Active ownership approaches
- We do not publicly disclose any investment policy components

SG 02.3 Indicate if your organisation's investment principles, and overall investment strategy is publicly available

- Yes

URL

<https://www.folksam.se/om-oss/vart-hallbarhetsarbete/ansvarsfullt-agande/sa-jobbar-vi>

- No

SG 02.4	Additional information [Optional].
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Since January 2016, the department of Responsible Investments and Corporate Governance is part of Folksam Asset Management.

SG 03	Mandatory	Public	Core Assessed	General
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SG 03.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
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Yes

SG 03.2	Describe your policy on managing potential conflicts of interest in the investment process.
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The policy is part of the "Guidelines for conflicts of interest" and describes different situations and how they should be handled.

No

Objectives and strategies

SG 05	Mandatory	Public	Gateway/Core Assessed	General
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SG 05.1	Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.
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- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc basis
- It is not reviewed

SG 05.2	Additional information. [Optional]
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Folksam's Boards of Directors have established a corporate governance policy and ethical investment criteria for the companies' holdings, which are available at folksam.se. These activities are followed up by an internal corporate governance committee within the Department of Asset Management. The committee is lead by the Chief Investment Officer and the results are reported to the boards.

Governance and human resources

SG 07	Mandatory	Public	Core Assessed	General
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SG 07.1

Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

Roles present in your organisation

- Board members or trustees
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
 - Presidents of subsidiaries**
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
- Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- External managers or service providers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Investor relations
- Other role, specify (1)
- Other role, specify (2)

SG 07.3

Indicate the number of dedicated responsible investment staff your organisation has.

Number

5

SG 07.4

Additional information. [Optional]

Our external asset managers are also working with responsible investments however Folksam Group make all the formal decisions regarding the investment criteria and how to implement them.

Promoting responsible investment

SG 09

Mandatory

Public

Core Assessed

PRI 4,5

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 09.1

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

Select all that apply

- Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
 Moderate
 Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Folksam was part of the initial group forming the principles and has been and is active in various engagement projects.

- AFIC – La Commission ESG
 Asian Corporate Governance Association
 Australian Council of Superannuation Investors
 BVCA – Responsible Investment Advisory Board
 CDP Climate Change

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
 Moderate
 Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Folksam earlier sponsored the Nordic Secretariat.

- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Code for Responsible Investment in SA (CRISA)
- Code for Responsible Finance in the 21st Century
- Council of Institutional Investors (CII)
- ESG Research Australia
- Eumedion
- EVCA – Responsible Investment Roundtable
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced
- United Nations Global Compact

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced
- Other collaborative organisation/initiative, specify

Global Network Initiative

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced
- Other collaborative organisation/initiative, specify

Nordic Engagement Cooperation

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Cooperation with Norwegian KLP and Finnish Ilmarinen, for more information see:

https://www.klp.no/polopoly_fs/1.22346.1366369110!/menu/standard/file/NEC_annual%20report_2012.pdf

The report for 2016 is to be found here:

https://www.folksam.se/media/NEC_Annual%20Engagement%20Report_GES_2016_final_tcm5-23324.pdf

- Other collaborative organisation/initiative, specify

Sustainable Value Creation

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

For more information see <http://www.svcinitiative.com/>

- Other collaborative organisation/initiative, specify

Swesif

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Part of the board of Swesif

SG 10	Mandatory	Public	Core Assessed	PRI 4
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SG 10.1 Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

Yes

SG 10.2 Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Wrote articles on responsible investment in the media.
- Other, specify

No

SG 10.3 Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment [Optional]

Carina Lundberg Markow, head of the Department for Responsible Investments at Folksam, spoke at various seminars during 2016 and was active in media on the subject on responsible investments.

Folksam also encourage the fund providers whose funds we promote to engage more in responsible investments. Last year we arranged a seminar

Various fund managers as well as investors were invited to a seminar we arranged on climate change and Montreal Carbon Pledge.

Implementation not in other modules

SG 12	Mandatory	Public	Descriptive	PRI 1
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 12.1 Indicate if your organisation executes scenario analysis and/or modelling in which the risk profile of future ESG trends at portfolio level is calculated.

- We execute scenario analysis which includes factors representing the investment impacts of future environmental trends
- We execute scenario analysis which includes factors representing the investment impacts of future social trends
- We execute scenario analysis which includes factors representing the investment impacts of future governance trends
- We execute other scenario analysis, specify
- We do not execute such scenario analysis and/or modelling

SG 12.2 Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.

- We do the following
- We do not consider ESG issues in strategic asset allocation

SG 15	Mandatory	Public	Descriptive	General
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SG 15.1 Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
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Folksam

Reported Information

Public version

Indirect – Manager Selection, Appointment and Monitoring

PRI disclaimer

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Overview

SAM 01	Mandatory	Public	Core Assessed	PRI 4
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SAM 01.1 Indicate whether your organisation uses investment consultants and/or fiduciary managers.

- Yes, we use investment consultants

SAM 01.2 Indicate how your organisation uses investment consultants in the selection, appointment and/or monitoring of external managers.

- We use investment consultants in our selection and appointment of external managers
 We use investment consultants in our monitoring of external managers

Asset class

- Listed Equity (LE)
 Private equity (PE)

SAM 01.3 Indicate if your organisation considers responsible investment in the selection, appointment and/or review processes for investment consultants.

- Responsible investment is incorporated in the selection process for investment consultants
 Consultants' responsibilities in terms of responsible investment in manager selection, appointment and monitoring processes are included in our contractual agreements with them.
 Responsible investment is considered when reviewing investment consultants' advice on manager selection and performance monitoring.
 We do not consider responsible investment in the selection, appointment and/or review processes for investment consultants.
- Yes, we use a fiduciary manager that delegates management of some or all of our assets to third-party managers.
 No, we do not use investment consultants or fiduciary managers.

SAM 02	Mandatory	Public	Gateway	PRI 1
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SAM 02.1 Indicate for which of the following externally managed asset classes your organisation, and/or your investment consultants, consider responsible investment factors in investment manager: (a) Selection, (b) Appointment (investment management agreements/contracts), and (c) Monitoring

Select all that apply

Asset classes	(a) Selection	(b) Appointment	(c) Monitoring
Listed equity	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Private equity	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

SAM 02.2

Provide a brief description of how your organisation includes responsible investment considerations in your investment manager selection, appointment and monitoring processes.

Folksam has outsourced its asset management to Swedbank Robur although we have kept the responsibility for the ESG part internally.

Listed Equity and Fixed Income Strategies

SAM 04

Mandatory

Public

Gateway

PRI 1,2

SAM 04.1

Indicate which of the following ESG incorporation strategies you require your external manager(s) to implement on your behalf:

Passive investment strategies

Passive investment strategies	Listed Equity				
Screening	<input checked="" type="checkbox"/>				
Thematic	<input checked="" type="checkbox"/>				
Integration	<input type="checkbox"/>				
None of the above	<input type="checkbox"/>				

SAM 04.2

Explain how you integrate ESG factors in the selection, appointment and monitoring of your passive funds

It is important to our customers that the companies we invest in act responsibly. We are therefore working to influence them through our investment criteria regarding the environment, human rights and anti-corruption. Our goal is not to reject companies to invest in, but rather to encourage as many as possible to improve at taking responsibility. We also do our best to push equality issues and to ensure that the bonus programmes in the companies will be reasonable and structured to benefit the shareholders in the long term.

There are some companies we choose not to invest in, however, regardless of how small their environmental impact is or how good a working environment they have. The disqualifying criteria are tobacco and illegal arms such as cluster weapons, anti-personnel mines and nuclear weapons. Since 2016 we no longer invest in companies with more than 30 percent of the revenue from coal. All companies within Folksam apply these criteria, with two exceptions. The companies within KPA Pension have even tougher exclusion criteria and therefore do not invest in the alcohol industry, the arms industry or the commercial gambling industry. For Folksam General, whose car, home and holiday home insurance products are Good Environmental Choice certified, investments in coal-fired generators, nuclear power and uranium are excluded in addition to arms and alcohol.

We screen all our assets on ESG and have a focus on incidents as well as an thematic approach.

Selection

SAM 05	Mandatory	Public	Core Assessed	PRI 1
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SAM 05.1

Indicate what RI-related information your organisation typically covers in the majority of selection documentation for your external managers

	LE					Private equity			
Investment strategy and how ESG objectives relate to it	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>			
ESG incorporation requirements	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>			
ESG reporting requirements	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>			
Other	<input type="checkbox"/>					<input type="checkbox"/>			
No RI information covered in the RFPs	<input type="checkbox"/>					<input type="checkbox"/>			

SAM 05.2

Explain how your organisation evaluates the investment manager's ability to align between your investment strategy and their investment approach

Strategy

	LE					Private equity			
Assess the time horizon of the investment manager's investment strategy	<input type="checkbox"/>					<input type="checkbox"/>			
Assess the quality of investment policy and its reference to ESG	<input type="checkbox"/>					<input type="checkbox"/>			
Assess the investment approach and how ESG objectives are implemented in the investment process (asset class specific)	<input type="checkbox"/>					<input type="checkbox"/>			
Assess the ESG definitions to be used	<input type="checkbox"/>					<input type="checkbox"/>			
Other	<input type="checkbox"/>					<input type="checkbox"/>			
None of the above	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>			

ESG people/oversight

	LE					Private equity			
Assess ESG expertise of investment teams	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>			
Review the ownership of the ESG implementation	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>			
Review how is ESG implementation enforced /ensured	<input type="checkbox"/>					<input type="checkbox"/>			
Other	<input type="checkbox"/>					<input type="checkbox"/>			
None of the above	<input type="checkbox"/>					<input type="checkbox"/>			

Process/portfolio construction/investment valuation

	LE					Private equity			
Review the process ensuring the quality of the ESG data used	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>			
Review and agree the investment decision making process (and ESG data use in it)	<input type="checkbox"/>					<input type="checkbox"/>			
Review and agree the ESG incorporation strategy impact of ESG analysis on investment decisions	<input type="checkbox"/>					<input type="checkbox"/>			
Review and agree how the manager is targeting returns and ESG objectives	<input type="checkbox"/>					<input type="checkbox"/>			
Review and agree how the manager identifies, measures and manages ESG risk	<input type="checkbox"/>					<input type="checkbox"/>			
Review and agree return and risk in combination at a portfolio level (portfolio construction) and ESG objectives	<input type="checkbox"/>					<input type="checkbox"/>			
Review how ESG materiality is evaluated by the manager in the monitored period	<input type="checkbox"/>					<input type="checkbox"/>			
Review process for defining and communicating on ESG incidents	<input type="checkbox"/>					<input type="checkbox"/>			
Other, specify	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>			
None of the above	<input type="checkbox"/>					<input type="checkbox"/>			

SAM 05.3 Describe the selection process

- Review responses to RfP, RfI, DDQ etc.
- Review Limited Partners' Responsible Investment Due Diligence Questionnaire (PE DDQ)
- Review publicly available information
- Review assurance process
- Review PRI Transparency Reports
- Request and discuss PRI Assessment Reports
- Meetings with the potential shortlisted managers
- Site visits to potential managers offices
- Other, specify

Folksam does not outsource the ESG work, we have kept it all inhouse. Therefore the questions above are very difficult to reply to.

SAM 05.4 When selecting external managers does your organisation set any of the following:

	LE					Private equity		
ESG score	<input type="checkbox"/>					<input type="checkbox"/>		
ESG weight	<input type="checkbox"/>					<input type="checkbox"/>		
Real world economy targets	<input type="checkbox"/>					<input type="checkbox"/>		
Other RI considerations	<input type="checkbox"/>					<input type="checkbox"/>		
None of the above	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>		

SAM 05.5 Provide additional information relevant to your organisation's selection approach [OPTIONAL]

Folksam does not outsource the ESG work, we have kept it all inhouse. Therefore the questions above are very difficult to reply to.

Appointment

SAM 07.1

Mandatory

Public

Core Assessed

PRI 1

SAM 07.1

Indicate if in the majority of cases and where the structure of the product allows, your organisation does any of the following as part of the manager appointment

- Sets standard or ESG benchmarks
- Defines ESG objectives
- Sets incentives and controls linked to the objectives
- Requires reporting on these objectives
- None of the above
- None of the above, we invest only in pooled funds and have a thorough selection process

SAM 07.2-5**Mandatory****Public****Core Assessed****PRI 1****SAM 07.2**

Provide an example per asset class of your benchmarks, objectives, incentives/controls and reporting requirements that would typically be included in your managers' appointment.

Asset class

- Listed equity (LE)

Benchmark

- We do not set benchmarks

Objectives

- Voting, specify
- Engagement, specify
- Integration, specify
- Investment restrictions, specify
- Strategy, specify
- Other, specify

See below

Incentives and controls

- We do not set incentives and controls

Reporting requirements

- We do not require the reporting on ESG objectives

- Private equity

Benchmark

- We do not set benchmarks

Objectives

- Voting, specify
- Engagement, specify
- Integration, specify
- Investment restrictions, specify
- Strategy, specify

We have not outsourced the work with ESG. We do the voting, the engagement and the investment restrictions ourselves .

Incentives and controls

- We do not set incentives and controls

Reporting requirements

- We do not require the reporting on ESG objectives

SAM 07.4 Explain which of these actions your organisation might take if any of the requirements are not met

- Discuss requirements not met and set project plan to rectify
- Review performance in more detail
- Place investment manager on a “watch list”
- Investigate reason for non-compliance
- Require action plan from the manager
- Negotiate fees
- Failing all actions, terminate contract with the manager
- Other, specify

We have not outsourced the work with ESG. We do the voting, the engagement and the investment restrictions ourselves .

- No actions are taken if any of the requirements are not met

SAM 07.5 Provide additional information relevant to your organisation's appointment processes of external managers. [OPTIONAL]

We have not outsourced the work with ESG. We do the voting, the engagement and the investment restrictions ourselves .

Monitoring

SAM 08	Mandatory	Public	Core Assessed	PRI 1
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SAM 08.1 When monitoring managers, indicate which of the following types of responsible investment information your organisation typically reviews and evaluates from the investment manager in meetings/calls

	LE					Private equity		
ESG objectives linked to investment strategy	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>		
Investment restrictions and any controversial investment decisions	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>		
ESG incorporation objectives (with examples)	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>		
ESG portfolio characteristics	<input type="checkbox"/>					<input type="checkbox"/>		
How ESG materiality has been evaluated by the manager in the monitored period	<input type="checkbox"/>					<input type="checkbox"/>		
Information on any ESG incidents	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>		
Metrics on the real economy influence of the investments	<input type="checkbox"/>					<input type="checkbox"/>		
PRI Transparency Reports	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>		
PRI Assessment Reports	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>		
Other general RI considerations in investment management agreements; specify	<input type="checkbox"/>					<input type="checkbox"/>		
None of the above	<input type="checkbox"/>					<input type="checkbox"/>		

If you select any 'Other' option(s), specify

We have not outsourced the work with ESG. We do the voting, the engagement and the investment restrictions ourselves .

SAM 08.2 When monitoring external managers, does your organisation set any of the following to measure compliance/progress

	LE					Private equity		
ESG score	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>		
ESG weight	<input type="checkbox"/>					<input type="checkbox"/>		
Real world economy targets	<input type="checkbox"/>					<input type="checkbox"/>		
Other RI considerations	<input type="checkbox"/>					<input type="checkbox"/>		
None of the above	<input type="checkbox"/>					<input type="checkbox"/>		

If you select any 'Other' option(s), specify

We have not outsourced the work with ESG. We do the voting, the engagement and the investment restrictions ourselves .

Outputs and outcomes

SAM 12	Mandatory	Public	Additional Assessed	PRI 1,6
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SAM 12.1 Provide examples of how ESG issues have been addressed in the manager selection, appointment and/or monitoring process for your organisation during the reporting year.

- Add Example 1
- Add Example 2
- Add Example 3
- Add Example 4
- Add Example 5
- We are not able to provide examples

Communication

SAM 13	Mandatory	Public	Core Assessed	PRI 6
---------------	------------------	---------------	----------------------	--------------

SAM 13.1 Indicate if your organisation proactively discloses any information about responsible investment considerations in your indirect investments.

- Yes, we disclose information publicly

provide URL

<http://omoss.folksam.se/meranforsakring/sajobbarvi>

provide URL

https://media.folksam.se/en/files/2016/04/S12430_Folksam-Annual-Report-Sustainability-Report-2015.pdf

SAM 13.2

Indicate if the level of information you disclose to the public is the same as that disclosed to clients and/or beneficiaries.

Yes

SAM 13.3

Indicate what type of information your organisation proactively discloses to the public and clients and/or beneficiaries about your indirect investments.

- How responsible investment considerations are included in manager selection, appointment and monitoring processes
- Details of the responsible investment activities carried out by managers on your behalf
- E, S and/or G impacts and outcomes that have resulted from your managers' investments and active ownership
- Other, specify

No

Yes, we disclose information to clients/beneficiaries only

We do not proactively disclose information to the public and/or clients/beneficiaries

SAM 13.4

Additional information. [Optional]

Our clients are also our owners. We disclose information on our webpage, through our sustainability report as well as our blog <http://agarstyrning.folksamblogg.se/> and our twitter account @etikkatten.

Folksam

Reported Information

Public version

Direct - Listed Equity Active Ownership

PRI disclaimer

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Engagement

Overview

LEA 01	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 01.1 Indicate whether your organisation has a formal engagement policy.

Yes

LEA 01.2 Indicate what your engagement policy covers:

- Conflicts of interest
- Prioritisation of engagements
- Transparency
- Environmental factors
- Social factors
- Governance factors
- Engagements following on from decisions
- Other, describe
- None of the above

LEA 01.3 Attach or provide a URL to your engagement policy. [Optional]

URL

<https://www.folksam.se/om-oss/vart-hallbarhetsarbete/ansvarsfullt-agande>

LEA 01.4 Provide a brief overview of your organization's approach to engagement

Every year, we conduct an owner dialogue with a number of companies in which we have holdings. We write letters to representatives of these companies. We follow up the companies' work in terms of our investment criteria and corporate governance.

Folksam participates in the Swedish AGMs where we have shareholdings. This means that we attend just around 50 AGMs per year. Before the meetings, we send letters to the board chairs to inform them of the issues Folksam will be focusing on in particular. More information on what questions we asked and what answers we received can be found in the meeting reports, in the blog "A Cat Among the Pigeons" and at the Twitter account @etikatten. Folksam votes both for and against share-related bonus schemes. In cases where companies have disregarded Folksam's views, we have chosen to vote against the bonus system.

Folksam has also used its influence to vote at AGMs abroad by electronic voting since 2005.

No

LEA 02	Mandatory	Public	Gateway	PRI 1,2,3
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LEA 02.1	Indicate the method of engagement, giving reasons for the interaction.
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Type of engagement	Reason for interaction
Individual/Internal staff engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via service providers

Process

Process for engagements run internally

LEA 03	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 03.1	Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.
-----------------	---

Yes

LEA 03.2	Describe the criteria used to identify and prioritise engagement activities carried out by internal staff.
-----------------	--

- Geography/market of the companies targeted
 - Materiality of ESG factors
 - Systemic risks to global portfolios
 - Exposure (holdings)
 - In reaction to ESG impacts which has already taken place
 - As a response to divestment pressure
 - As a follow-up from a voting decision
 - Client request
 - Other, describe
- No

LEA 04	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 04.1	Indicate if you define specific objectives for your engagement activities.
-----------------	--

- Yes
 - Yes, for all engagement activities
 - Yes, for the majority of engagement activities
 - Yes, for a minority of engagement activities
- We do not define specific objectives for engagement activities carried out by internal staff.

LEA 04.2	Indicate if you monitor the actions that companies take following your engagements.
-----------------	---

- Yes
 - Yes, in all cases
 - Yes, in the majority of cases
 - Yes, in the minority of cases
- We do not monitor the actions that companies take following engagement activities carried out by internal staff.

LEA 04.3	Indicate whether your organisation defines milestones and goals for engagement activities carried out by internal staff.
-----------------	--

- Yes
- No

Process for engagements conducted via collaborations				
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LEA 05	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 05.1

Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements

Yes

LEA 05.2

Describe the criteria used to identify and prioritise collaborative engagements

- Potential to learn from other investors
- Ability to add value to the collaboration
- Geography / market of the companies targeted
- Materiality of ESG factors
- Systemic risks to global portfolios
- Exposure (holdings)
- In response to ESG impacts which has already taken place
- In response to divestment pressure
- Client requests
- Other, describe

No

LEA 06

Mandatory

Public

Core Assessed

PRI 2

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 06.1

Indicate if you define specific objectives for your engagement activities carried out collaboratively.

- Yes
 - Yes, for all engagement activities
 - Yes, for the majority of engagement activities
 - Yes, for a minority of engagement activities
- We do not define specific objectives for engagement activities carried out collaboratively.

LEA 06.2

Indicate if you monitor the actions companies take following your collaborative engagements.

- Yes
 - Yes, in all cases
 - Yes, in the majority of cases
 - Yes, in the minority of cases
- We do not monitor the actions that companies take following engagement activities carried out collaboratively

LEA 06.3

Indicate whether your organisation defines milestones and goals related to engagement activities carried out via collaborations.

- Yes
- No

Process for engagements conducted with/on your behalf by service providers

LEA 07

Mandatory

Public

Core Assessed

PRI 2,4

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 07.1

Indicate if you play a role in the engagement process that your service provider conducts on your behalf.

- Yes

LEA 07.2

Indicate the role(s) you play in engagements that your service provider conducts on your behalf.

- Discuss the topic (or ESG issue(s)) of engagement
- Discuss the rationale for engagement
- Discuss the objectives of the engagement
- Select the companies to be engaged with
- Discuss the frequency/intensity of interactions with companies
- Discuss progress towards the engagement objectives
- Monitor and review outcomes that have been achieved from the engagement
- Discuss next steps for engagement activity
- Participate directly in certain engagements with your service provider
- Ad hoc monitoring and review of engagement processes.
- Other, specify

- No

LEA 08

Mandatory

Public

Core Assessed

PRI 2,6

LEA 08.1

Indicate whether you monitor and/or discuss the following information provided to you by your service provider

Please select all that apply

- The subject (or ESG issue(s)) of engagement
- The objectives of the engagement
- The rationale for engagement
- The frequency/intensity of interactions with companies
- Progress towards achieving engagement goals
- Outcomes that have been achieved from the engagement
- Next steps for engagement activity
- Other, specify
- None of the above

General processes for all three groups of engagers

LEA 10	Mandatory	Public	Gateway	PRI 2
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LEA 10.1 Indicate if you track the number of engagements your organisation participates in.

Type of engagement	Tracking engagements
Individual / Internal staff engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> We do not track
Collaborative engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> We do not track and cannot estimate our engagements
Service provider engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> We do not track and cannot estimate our engagements

Communication

LEA 16	Mandatory	Public	Core Assessed	PRI 2,6
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LEA 16.1 Indicate whether your organisation proactively discloses information on its engagements.

- We disclose it publicly

provide URL

<http://agarstyrning.folksamblogg.se/>

provide URL

<https://www.folksam.se/om-oss/vart-hallbarhetsarbete/ansvarsfullt-agande/sa-jobbar-vi>

LEA 16.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

Yes

LEA 16.3

Indicate what engagement information your organisation proactively discloses to clients/beneficiaries and/or the public.

Engagement information disclosed

- Details of the selections, priorities and specific goals of engagement
- Number of engagements
- Breakdown of engagements by type/topic
- Breakdown of engagements by region
- An assessment of the current status of the engagement
- Outcomes that have been achieved from the engagement
- Other information

LEA 16.4

Indicate how frequently you report engagements information.

- Disclosed continuously (prior to and post engagements)
 - Disclosed quarterly or more frequently
 - Disclosed biannually
 - Disclosed annually
 - Disclosed less frequently than annually
 - Ad hoc/when requested
- No
- We disclose it to clients and/or beneficiaries only
 - We do not proactively disclose it to the public and/or clients/beneficiaries.

LEA 16.8

Additional information. [Optional]

We disclose information in the sustainability report as well as on our blog on most of the engagements.

(Proxy) voting and shareholder resolutions

Overview

LEA 17

Mandatory

Public

Gateway

PRI 1,2,3

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 17.1

Indicate whether your organisation has a formal voting policy.

Yes

LEA 17.2

Indicate what your voting policy covers:

- Conflicts of interest
- Prioritisation of voting activities
- Transparency
- Decision making processes
- Environmental factors
- Social factors
- Governance factors
- Filing/co-filing resolutions
- Extraordinary meetings
- Share blocking
- Regional voting practices
- Record keeping
- Company dialogue pre/post vote
- Securities lending process
- Other, describe
- None of the above

LEA 17.4

Provide a brief overview of your organization's approach to (proxy) voting.

Folksam attends all the AGMs in Sweden where we have holdings and we vote against the proposed remuneration programs occasionally when they do not live up to our standards. We also vote by proxy on AGMs outside of Sweden and in this case we prioritise the AGMs where there are ongoing ESG issues and/or resolutions on that theme.

LEA 17.5 Provide an overview of how you ensure your voting policy is adhered to, giving details of your approach when exceptions to the policy are made (if applicable).

We report live from the Swedish AGMs on Twitter and after the AGM we publish a short report on our blog. We also publish a specific report with all the questions we have asked on the AGMs and the answers that we have been given; <https://www.folksam.se/om-oss/vart-hallbarhetsarbete/ansvarsfullt-agande/mer-om-extern-bolagsstyrning>

No

Process

LEA 18 **Mandatory** **Public** **Descriptive** **PRI 2**

LEA 18.1 Indicate how you typically make your (proxy) voting decisions.

Approach

- We use our own research or voting team and make voting decisions without the use of service providers.
- We hire service provider(s) that make voting recommendations or provide research that we use to inform our voting decisions.

Based on

- the service provider voting policy signed off by us
- our own voting policy
- our clients' requests or policy
- other, explain
- We hire service provider(s) that make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions.
- We hire service provider(s) that make voting decisions on our behalf.

LEA 18.2 Additional information.[Optional]

We both hire service providers and do our own research. It was not possible to choose two alternatives so we picked one of them.

LEA 22 **Mandatory** **Public** **Core Assessed** **PRI 2**

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 22.1 | Indicate whether you or the service providers acting on your behalf raise any concerns with companies ahead of voting

- Yes, in most cases
- Sometimes, in the following cases:
 - Votes for selected markets
 - Votes relating to certain ESG issues
 - Votes for significant shareholdings
 - Votes for companies we are engaging with
 - On request by clients
 - Other
- Neither we nor our service provider raise concerns with companies ahead of voting

LEA 22.2 | Indicate whether you and/or the service provider(s) acting on your behalf, communicate the rationale to companies, when , you abstain or vote against management recommendations.

- Yes, in most cases
- Sometimes, in the following cases.
- We do not communicate the rationale to companies
- Not applicable because we and/or our service providers do not abstain or vote against management recommendations

LEA 22.3 | Additional information. [Optional]

In Sweden we always motivate the vote against publicly at the AGM. We also inform the company about it before the AGM.

Outputs and outcomes

LEA 23	Mandatory	Public	Core Assessed	PRI 2
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LEA 23.1 | For listed equities where you and/or your service provider have the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.

- We do track or collect this information

	Votes cast (to the nearest 1%)
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	%
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41

Specify the basis on which this percentage is calculated

- of the total number of ballot items on which you could have issued instructions
- of the total number of company meetings at which you could have voted
- of the total value of your listed equity holdings on which you could have voted

LEA 23.2

Explain your reason(s) for not voting certain holdings

- Shares were blocked
 - Notice, ballots or materials not received in time
 - Missed deadline
 - Geographical restrictions (non-home market)
 - Cost
 - Conflicts of interest
 - Holdings deemed too small
 - Administrative impediments (e.g., power of attorney requirements, ineligibility due to participation in share placement)
 - We do not vote on environmental resolutions
 - We do not vote on social resolutions
 - On request by clients
 - Other
- We do not track or collect this information

LEA 24

Mandatory

Public

Additional Assessed

PRI 2

LEA 24.1

Indicate if you track the voting instructions that you and/or your service provider on your behalf have issued.

- Yes, we track this information
- No, we do not track this information

Communication

LEA 27

Mandatory

Public

Core Assessed

PRI 2,6

LEA 27.1

Indicate if your organisation proactively discloses information on your voting activities.

- We disclose it publicly

provide URL

<https://www.folksam.se/om-oss/vart-hallbarhetsarbete/ansvarfullt-agande/mer-om-extern-bolagsstyrning>

LEA 27.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

- Yes

LEA 27.3

Indicate the voting information your organisation proactively discloses to the public and/or to clients/beneficiaries.

Indicate how much of your voting record you disclose

- All voting decisions
- Some voting decisions
- Only abstentions and opposing vote decisions
- Summary of votes only

Indicate what level of explanation you provide

- Explain all voting decisions
- Explain some voting decisions
- Only explain abstentions and votes against management
- No explanations provided

LEA 27.4

Indicate how frequently you typically report voting information.

- Continuously (primarily before meetings)
- Continuously (soon after votes are cast)
- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc/as requested
- No
- We disclose it to clients/beneficiaries only
- We do not proactively disclose our voting activities to the public and/or to clients/beneficiaries

LEA 27.8

Additional information. [Optional]

For the AGMs in Sweden: As mentioned earlier we report live on Twitter at @etikkatten, publish a report after the AGM on our blog and after the Swedish AGM season we publish a specific report on the subject.

Folksam

Reported Information

Public version

Direct – Private Equity

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Overview

PE 04	Mandatory	Public	Core Assessed	PRI 2
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PE 04.1 Indicate if your organisation's investment guidelines for private equity refer to responsible investment.

- Our investment guidelines do refer to responsible investment

PE 04.2 Describe how your organisation's investment guidelines outline your expectations on staff and portfolio companies' approach towards ESG issues [Optional].

Our guidelines for responsible investments include all asset classes since January 1, 2017.

- Our investment guidelines do not refer to responsible investment
 We do not have investment guidelines

Pre-investment (selection)

PE 07	Mandatory	Public	Gateway	PRI 1
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PE 07.1 During due-diligence indicate if your organisation typically incorporates ESG issues when selecting private equity investments.

- Yes

PE 07.2 Describe your organisation's approach to incorporating ESG issues in private equity investment selection.

Our guidelines for responsible investments include all asset classes since January 1, 2017.

- No

PE 08	Mandatory	Public	Core Assessed	PRI 1,3
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PE 8.1	Indicate what type of ESG information your organisation typically considers during your private equity investment selection process.
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- Raw data from target company
- Benchmarks against other companies
- Sector level data/benchmarks
- Country level data/benchmarks
- Reporting standards, industry codes and certifications
- International initiatives, declarations or standards
- Engagements with stakeholders (e.g. customers and suppliers)
- Advice from external resources
- Other, specify
- We do not track this information

PE 8.2	Describe how this information is reported to, considered and documented by the Investment Committee or similar.
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Our guidelines for responsible investments include all asset classes since January 1, 2017.

Post-investment (monitoring)

PE 11	Mandatory	Public	Gateway/Core Assessed	PRI 2
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PE 11.1	Indicate whether your organisation incorporates ESG issues in investment monitoring of portfolio companies.
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- Yes
- No

PE 11.4	Additional information. [Optional]
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Our guidelines for responsible investments include all asset classes since January 1, 2017.

Communication

PE 18	Mandatory	Public	Core Assessed	PRI 6
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PE 18.1	Indicate whether your organisation proactively discloses ESG information on your private equity investments.
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- Disclose publicly
- Disclose to investor clients (LPs)/beneficiaries only
- No proactive disclosure to the public or to clients (LPs)/beneficiaries