Principles for Responsible Investment

ASSESSMENT REPORT

2021 PILOT

Sector Asset Management AS

Generated 2022-11-21

ABOUT THIS REPORT

The assessment report is designed to provide feedback to signatories and support ongoing learning and development. The high-level assessment methodology can be found here and question-level assessment criteria can be found after each indicator in the Investor Reporting Framework, here. Note that the 2021 scoring methodology has changed to reflect the new Reporting Framework, and is incomparable with scores from previous PRI years.

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A dataset of medians based on all signatories' scores can be referenced here.

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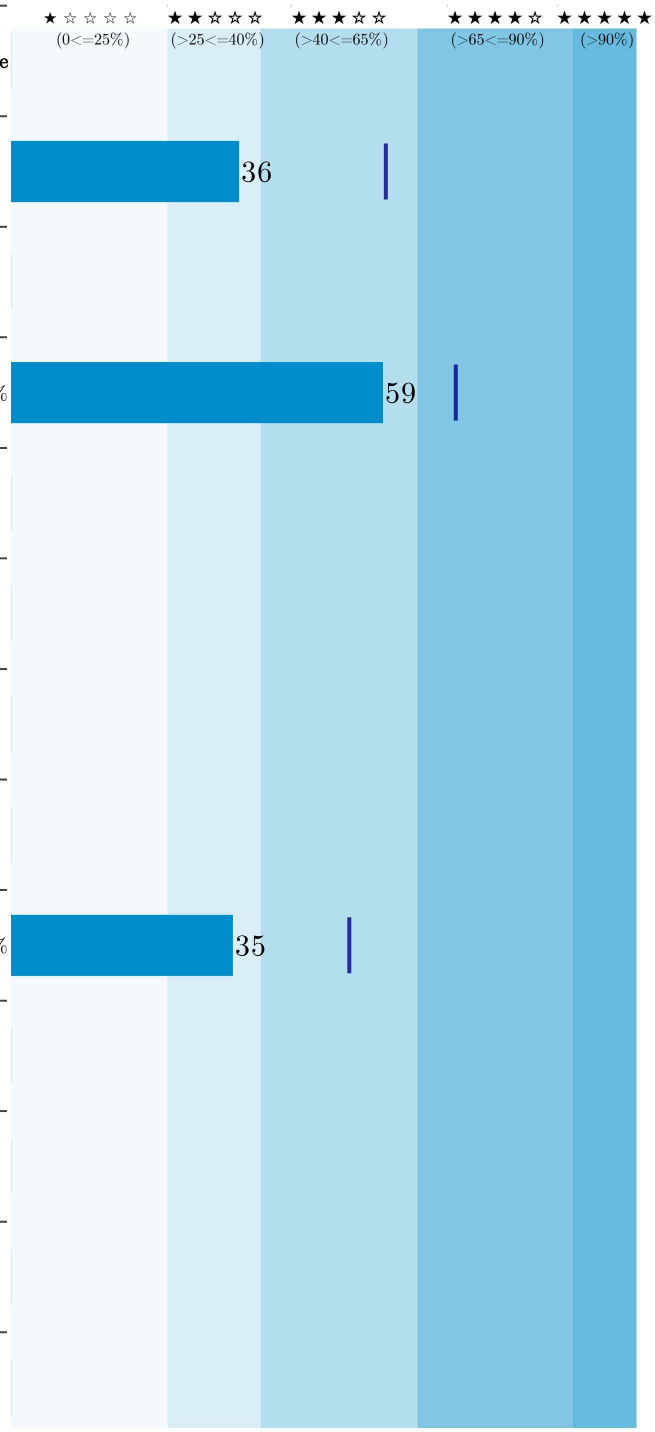
Summary Scorecard

PRI Median — Module Score

Module score / Star score	AUM coverage
Investment & Stewardship Policy ★ ★ ☆ ☆ ☆	
Direct - Listed equity - Active quantitative - incorporation N/A	
Direct - Listed equity - Active fundamental - incorporation ★ ★ ★ ☆ ☆	>50%
Direct - Listed equity - Investment trusts - incorporation N/A	
Direct - Listed equity - Other - incorporation N/A	
Direct - Listed equity - Passive - incorporation N/A	
Direct - Listed equity - Active quantitative - voting N/A	
Direct - Listed equity - Active fundamental - voting ★ ★ ☆ ☆ ☆	>50%
Direct - Listed equity - Investment trusts - voting N/A	
Direct - Listed equity - Other - voting N/A	
Direct - Listed equity - Passive - voting N/A	
Direct - Fixed income - SSA N/A	



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Summary Scorecard (continued)

PRI Median   Module Score

Module score Star score	AUM coverage	Module score ★☆☆☆☆ (0<=25%) / ★★☆☆☆ (>25<=40%) / ★★★☆☆ (>40<=65%) / ★★★★☆ (>65<=90%) / ★★★★★ (>90%)
Direct - Fixed income - Corporate N/A		
Direct - Fixed income - Securitised N/A		
Direct - Fixed income - Private debt N/A		
Direct - Private equity N/A		
Direct - Real estate N/A		
Direct - Infrastructure N/A		
Direct - Hedge funds - Multi-strategy N/A		
Direct - Hedge funds - Long/short equity - incorporation ★ ★ ★ ☆ ☆	>=10 and <=50%	50
Direct - Hedge funds - Long/short equity - voting ★ ☆ ☆ ☆ ☆	>=10 and <=50%	13
Direct - Hedge funds - Long/short credit N/A		
Direct - Hedge funds - Distressed, special situations, and event-driven fundamental N/A		
Direct - Hedge funds - Structured credit N/A		

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Summary Scorecard (continued)

PRI Median | Module Score

Module score Star score	AUM coverage	★☆☆☆☆ (0<=25%)	★★☆☆☆ (>25<=40%)	★★★☆☆ (>40<=65%)	★★★★☆ (>65<=90%)	★★★★★ (>90%)
Direct - Hedge funds - Global macro N/A						
Direct - Hedge funds - Commodity trading advisor N/A						
Direct - Hedge funds - Other N/A						
Indirect - Listed equity - Passive N/A						
Indirect - Listed equity - Active N/A						
Indirect - Fixed income - Passive N/A						
Indirect - Fixed income - Active N/A						
Indirect - Private equity N/A						
Indirect - Real estate N/A						
Indirect - Infrastructure N/A						
Indirect - Hedge funds N/A						

Indicator Level Scores For Direct - Hedge funds - Long/short equity - incorporation

Section	Sub-section	Topic	Indicator	Your Score	PRI Median Score	Median Sample Size
Policy	Investment guidelines	Hedge fund specific elements of responsible investment policy	HF 1	25/100	50/100	86
Pre-investment phase	Materiality analysis	AUM coverage of ESG materiality assessment process	HF 2	128/200	200/200	86
Pre-investment phase	Materiality analysis	How ESG is incorporated into materiality assessment process	HF 2.1	105/150	60/150	86
Pre-investment phase	Long-term ESG trend analysis	How long-term ESG trends are incorporated into investment analysis	HF 3	150/150	75/150	86
Pre-investment phase	Long-term ESG trend analysis	AUM coverage of long-term ESG trend incorporation	HF 3.1	32/100	64/100	86
Pre-investment phase	ESG incorporation	AUM coverage of ESG incorporation in investment research	HF 4.1	99/150	99/150	86
Pre-investment phase	ESG incorporation in portfolio construction	Portion of cases where ESG affected portfolio construction	HF 6.1	68/150	68/150	86
Pre-investment phase	ESG incorporation in portfolio construction	How emerging and potential ESG risks are assessed	HF 8	38/150	38/150	86
Post-investment phase	ESG risk management	Compliance processes for negative screening	HF 10	64/200	64/200	62
Post-investment phase	ESG risk management	Incorporation of ESG in regular reviews	HF 11	150/150	112/150	86
Post-investment phase	ESG risk management	Identification of ESG incidents	HF 12	38/150	38/150	86
Reporting/Disclosure	Disclosure on ESG products	Information reported to clients or beneficiaries	HF 13	0/150	30/150	86

Indicator Level Scores For Direct - Hedge funds - Long/short equity - voting

Section	Sub-section	Topic	Indicator	Your Score	PRI Median Score	Median Sample Size
Stewardship	Alignment & effectiveness	Consistency between voting policy and advice from external voting advisors	HF 17	100/100	0/100	138
Stewardship	Pre-declaration of votes	Pre-declaration of votes	HF 19	0/150	0/150	167
Stewardship	Voting disclosure post AGM/EGM	Disclosure of voting activities	HF 20	0/200	0/200	170
Stewardship	Voting disclosure post AGM/EGM	Time between vote and disclosure of voting activities	HF 20.1	0/150	0/150	170
Stewardship	Voting disclosure post AGM/EGM	Coverage of communication of the rationale for voting abstain/against management recommendations	HF 21.1	0/150	0/150	161

Indicator Level Scores For Investment & Stewardship Policy

Section	Sub-section	Topic	Indicator	Your Score	PRI Median Score	Median Sample Size
Responsible investment policy & governance	Responsible investment policy	Signatories responsible investment policy	ISP 1	200/200	200/200	2791
Responsible investment policy & governance	Responsible investment policy	Signatories with elements of responsible investment policy	ISP 1.1	40/200	160/200	2791
Responsible investment policy & governance	Responsible investment policy	Signatories with public responsible policy elements	ISP 2	200/200	200/200	2791
Responsible investment policy & governance	Responsible investment policy	Coverage of responsible policy elements	ISP 3	200/200	200/200	2791
Responsible investment policy & governance	Governance	Roles with formal oversight and accountability for responsible investment	ISP 6	150/150	150/150	2791
Responsible investment policy & governance	Governance	Roles with implementation responsibilities for responsible investment	ISP 7	100/100	100/100	2791
Responsible investment policy & governance	People and capabilities	Staff objectives for responsible investment practices	ISP 8	150/150	150/150	2791
Responsible investment policy & governance	People and capabilities	Bonuses for responsible investment practices	ISP 8.2	0/100	32/100	2789
Responsible investment policy & governance	People and capabilities	Frequency at which staff training for responsible investment is reassessed	ISP 9	32/100	64/100	2791
Stewardship	Stewardship policy	Coverage of stewardship policy	ISP 11	175/200	200/200	2223
Stewardship	Stewardship policy	Elements of stewardship policy	ISP 12	0/150	90/150	1987
Stewardship	Stewardship policy implementation	Primary mechanism of stewardship policy	ISP 13	150/150	150/150	1987
Stewardship	Stewardship objectives	Primary objective of stewardship policy	ISP 15	75/200	100/200	2223
Stewardship	Stewardship prioritisation	Criteria for prioritising engagement targets	ISP 16	32/100	100/100	2180

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Indicator Level Scores For Investment & Stewardship Policy (continued)

Section	Sub-section	Topic	Indicator	Your Score	PRI Median Score	Median Sample Size
Stewardship	Collaborative stewardship	Positions on collaborative engagement	ISP 18	75/150	75/150	1314
Stewardship	Escalation strategies	Escalation strategies not used in stewardship	ISP 20	150/150	150/150	1721
Stewardship	Engaging policymakers	Signatories who engage with public policy makers	ISP 23	0/200	100/200	1927
Stewardship	Engaging policymakers	Methods used to engage with public policy makers	ISP 23.1	0/200	150/200	1927
Stewardship	Engaging policymakers	Signatories with governance processes to ensure alignment of political activity with stance on responsible investment	ISP 23.2	0/200	200/200	1927
Stewardship	Engaging policymakers – Policies	Signatories with policies to ensure alignment of political activity with stance on responsible investment	ISP 24	0/200	0/200	1927
Stewardship	Engaging policymakers – Policies	Public disclosure of political influence policies	ISP 24.1	0/150	0/150	1927
Stewardship	Engaging policymakers – Transparency	Disclosure of political influence activities	ISP 25	0/200	64/200	1744
Climate change	Public support	Signatories publicly supporting the Paris Agreement	ISP 26	0/150	0/150	2791
Climate change	Public support	Signatories publicly supporting the TCFD	ISP 27	0/150	0/150	2791
Climate change	Governance	Board oversight for climate-related risks and opportunities [TCFD Governance A]	ISP 28	0/200	100/200	2791
Climate change	Governance	Management responsibility for climate-related risks and opportunities [TCFD Governance B]	ISP 29	0/200	100/200	2791
Climate change	Strategy	Time horizon for climate risks and opportunities [TCFD Strategy A]	ISP 30.1	0/200	100/200	2791
Climate change	Strategy	Climate risks and opportunities identified beyond investment horizon [TCFD Strategy A]	ISP 31	0/200	0/200	2791

Scorecard continues on next page

Indicator Level Scores For Investment & Stewardship Policy (continued)

Section	Sub-section	Topic	Indicator	Your Score	PRI Median Score	Median Sample Size
Climate change	Strategy: Scenario analysis	Use of climate scenario analysis	ISP 33	0/200	0/200	2791
Sustainability outcomes	Identify sustainability outcomes	Tools and frameworks used to identify and map activities onto sustainability outcomes	ISP 44	0/200	64/200	2791
Sustainability outcomes	Identify sustainability outcomes	Levels at which sustainability outcomes are identified and mapped	ISP 44.1	0/150	150/150	2790
Sustainability outcomes	Identify sustainability outcomes	Processes for identifying most salient sustainability outcomes	ISP 45	0/200	200/200	2791
Transparency & Confidence-Building Measures	Information disclosed – All assets	Information shared	ISP 49	96/150	150/150	2791
Transparency & Confidence-Building Measures	Client reporting – All assets	ESG information included in regular client reporting	ISP 50	100/200	100/200	2239
Transparency & Confidence-Building Measures	Frequency of client reporting – All assets	Frequency of client reporting of ESG information	ISP 51	100/100	50/100	2058
Transparency & Confidence-Building Measures	Confidence-building measures	Confidence building measures	ISP 52	128/200	128/200	2791
Transparency & Confidence-Building Measures	Confidence-building measures	Internal review: coverage	ISP 58	100/100	100/100	2392

Indicator Level Scores For Direct - Listed equity - Active fundamental - incorporation

Section	Sub-section	Topic	Indicator	Your Score	PRI Median Score	Median Sample Size
Pre-investment phase	Materiality analysis	AUM coverage of ESG materiality assessment process	LE 1	150/150	150/150	1085
Pre-investment phase	Materiality analysis	How ESG is incorporated into materiality assessment process	LE 1.1	160/200	160/200	1084
Pre-investment phase	Long-term ESG trend analysis	Continuous monitoring of long-term ESG trends	LE 2	0/150	150/150	1083
Pre-investment phase	ESG incorporation	Coverage of valuation and financial modelling incorporating ESG risks	LE 3.1	138/150	98/150	1084
Pre-investment phase	Assessing ESG performance	AUM coverage of information used in incorporating ESG in financial modelling	LE 4.1	125/150	112/150	1084
Pre-investment phase	ESG incorporation in portfolio construction	Portion of cases where ESG affected portfolio construction	LE 6.1	98/150	112/150	1085
Pre-investment phase	ESG risk management	Compliance processes for negative screening	LE 8	64/200	64/200	821
Post-investment phase	ESG risk management	Incorporation of ESG in regular reviews	LE 9	150/150	112/150	1082
Post-investment phase	ESG risk management	Identification of ESG incidents	LE 10	75/100	100/100	1084
Reporting/Disclosure	Sharing ESG information with stakeholders	Communication of the side-effects of listed equity screening to clients or beneficiaries	LE 13	0/100	65/100	846
Reporting/Disclosure	Sharing ESG information with stakeholders	ESG information included in client reporting	LE 14	49/200	131/200	1083

Indicator Level Scores For Direct - Listed equity - Active fundamental - voting

Section	Sub-section	Topic	Indicator	Your Score	PRI Median Score	Median Sample Size
Stewardship	Voting policy	Voting policies	LE 15	64/200	200/200	1144
Stewardship	Voting policy	Coverage of voting policy	LE 15.1	200/200	200/200	1144
Stewardship	Voting policy	Guidance on specific ESG issues in voting policy	LE 16	0/150	112/150	1144
Stewardship	Alignment & effectiveness	Consistency between voting policy and advice from external voting advisors	LE 17	100/100	81/100	607
Stewardship	Shareholder resolutions	Stance on shareholder resolutions	LE 19	150/150	150/150	1098
Stewardship	Pre-declaration of votes	Pre-declaration of votes	LE 20	0/150	0/150	1115
Stewardship	Voting disclosure post AGM/EGM	Disclosure of voting activities	LE 21	0/200	64/200	1144
Stewardship	Voting disclosure post AGM/EGM	Time between vote and disclosure of voting activities	LE 21.1	0/150	38/150	1144
Stewardship	Voting disclosure post AGM/EGM	Coverage of communication of the rationale for voting abstain/against management recommendations	LE 22.1	0/150	0/150	1059