

ODINs approach to responsible investments



ODIN's ESG philosophy

*ODIN will promote sustainable **value creation** by **improving** company governance and behaviour in order to obtain superior risk adjusted **return***

Why responsible investing

We have approached ESG (environmental-, social and governance factors) integration from a perspective of potential value-creation rather than just market-driven client requirements.

- Reduce risk
- Upside potential from engagement
- High quality corporate management tend to focus on ESG



“Companies that are considered leaders in ESG policies are also leading the pack in stock performance by an average of 25%” – Goldman Sachs



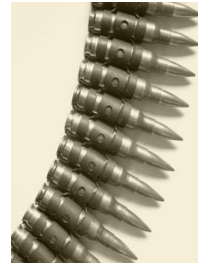
Carbon emissions



Oil Sands



Access to medicines



Munitions



Middle East Labour



Bribery & Corruption



Poison Pills



Governance



Forestry



Water



Troubled areas



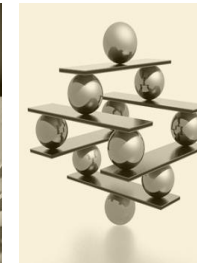
Supply Chain



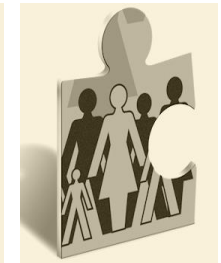
Remuneration



Biodiversity



Strategy & Performance



Public Policy

Long term horizon = sustainability focus

- Our investment horizon on our holdings are 3-5 years.
- We believe that companies that focus on sustainability and has a sustainable business model will perform better than their peers in the long term.
- Our portfolio managers are responsible for ESG integration in the portfolios themselves, and we provide them with training and support as necessary.



Consequences can be high



BP lost half of its market cap after the Macondo-accident in 2010



ODIN has signed the UNPRI

Signatory of:



- 1) We will incorporate ESG issues into investment analysis and decision-making processes
- 2) We will be active owners and incorporate ESG issues into our ownership policies and practices
- 3) We will seek appropriate disclosure on ESG issues by the entities in which we invest
- 4) We will promote acceptance and implementation of the Principles within the investment industry
- 5) We will work together to enhance our effectiveness in implementing the Principles
- 6) We will each report on our activities and progress towards implementing the Principles

UN PRI

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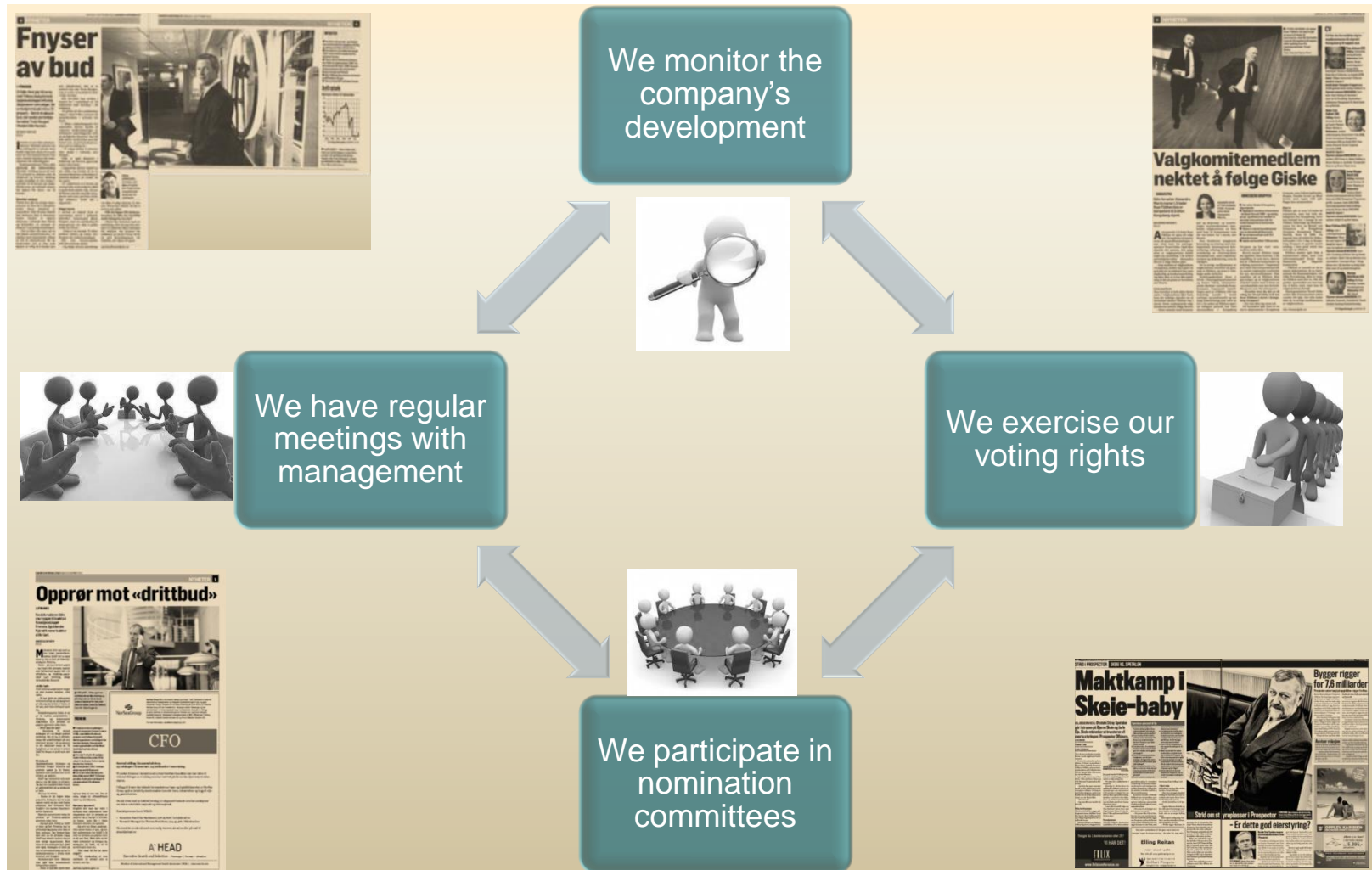
ESG is an integrated part in the investment process



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Focus on sustainability and active ownership



We are voting for all our holdings

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[Seven of 25 Largest Class Action Settlements Since 1995 Approved Last Year](#)

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Seeking ESG-info

Different sources of information:

- ❖ Publicly available information
- ❖ Direct discussion with company management
- ❖ Sustainalytics

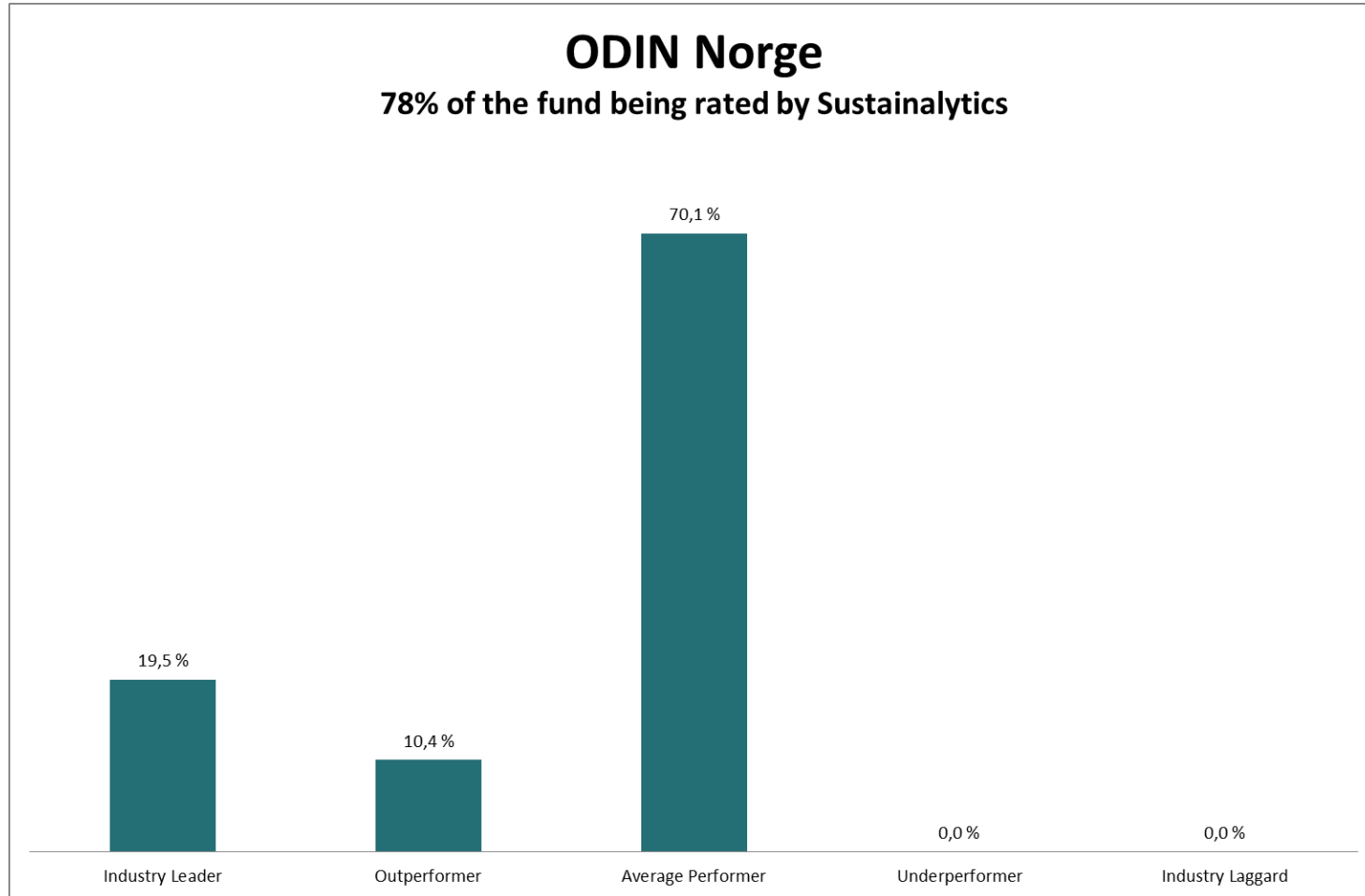
New partnership - Sustainalytics

ODIN starts strategic partnership with one of the world leaders in ESG analysis, Sustainalytics, in order to enhance the internal competencies and understandings of ESG factors in our portfolios



Read the full press release [here](#) >>>

Our portfolios receive high score from Sustainalytics



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ODIN will work together with other investors

Member of:

- ❖ Norsk Eierforum
- ❖ SWESIF
- ❖ FINSIF
- ❖ UNPRI

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Conclusion

- We believe ESG is enhancing risk-adjusted returns
- ESG is implemented directly in the investment process
- ESG fits well to our long term investment philosophy and to our concentrated portfolios

Important information

This fund and ODIN Forvaltning AS are registered in Norway and regulated by Finanstilsynet (the Financial Supervisory Authority of Norway).

Please note that the historical return is not a guarantee of future returns. The future return will among other things depend on market developments, the manager's skills, the fund's risk level and the costs of buying units and managing the fund. The return may be negative as a result of share losses.

ODIN Forvaltning employees may trade for their own account in several types of financial instruments. This means that ODIN Forvaltning employees may own securities in companies that are referred to in this report as well as units in ODIN's mutual funds. The employees' own-account trading is to take place in accordance with ODIN Forvaltning AS's internal guidelines on employee own-account trading, which have been prepared pursuant to the Norwegian Securities Trading Act and the Norwegian Fund and Asset Management Association's industry standard.

ODIN Forvaltning AS may only be held responsible for information in this document that is misleading, inaccurate or inconsistent in relation to relevant information in the prospectus.

For additional information please visit www.odinfundmanagement.com / www.odinfonder.se



creates value for the future