

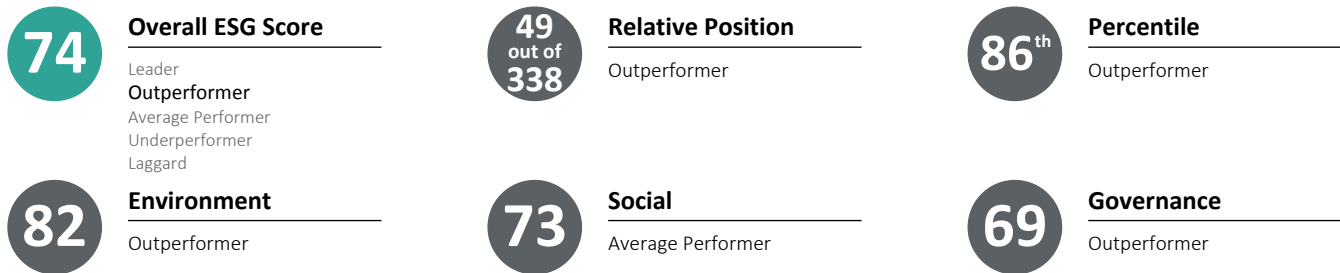
Industry: **Banks**
Domicile: **Norway**

Marketcap.: **370 mm. USD**
Ticker: **OSL:SVEG**

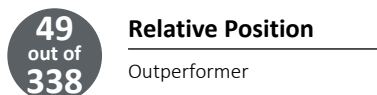
Employees: **720**

ESG Summary

Overall Performance



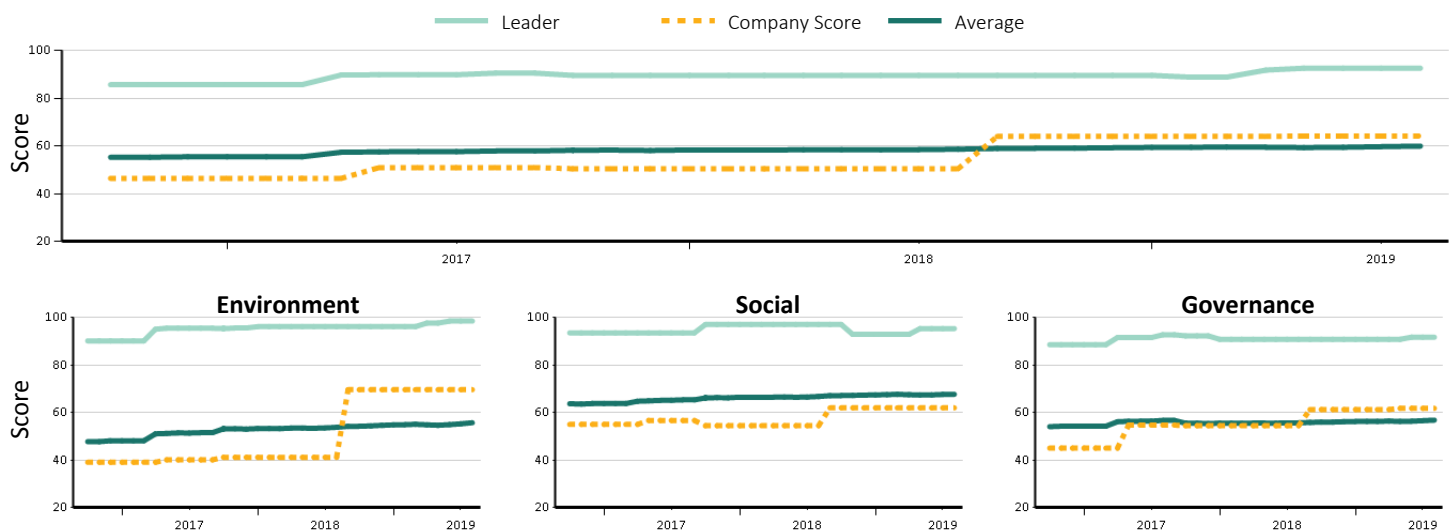
Relative Performance



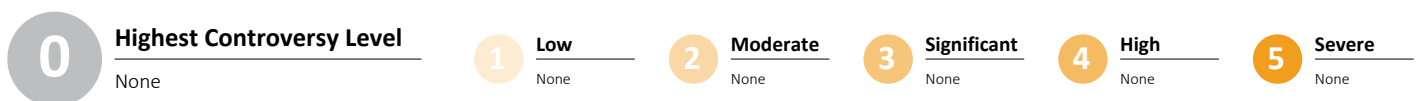
Rank	Company	Score
1.	KfW Bankengruppe (Hessen)	93
2.	Oesterreichische Kontrollbank	89
3.	Coöperatieve Rabobank U.A.	89
4.	De Volksbank NV	88
5.	DNB ASA	87

Peers (Market cap \$0-\$1bn)	Score
De Volksbank NV	88
Sparebanken Vest	74
Banco Santander (México), S.A., Institución	72
Sbanken ASA	62
Metro Bank PLC	48

Historical Performance



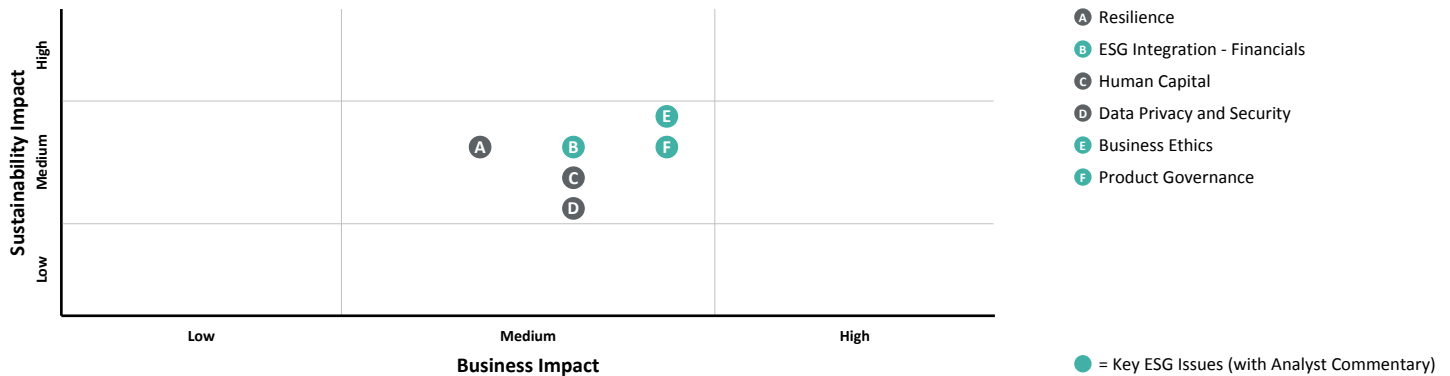
Qualitative Performance - Controversies





Overview of ESG Issues - Diversified Banks

The Materiality Matrix presents, from the perspective of the industry, the most material ESG issues from a business impact and/or environmental/social impact perspective. ESG issues can be interpreted as the most important management areas, i.e. the issues that could cause the most significant business and/or environmental/social impacts if not managed well. The location on the matrix indicates the relative importance of the ESG issue, with those located in the top right corners being the most material for the industry as a whole. The graph also highlights the 2-3 ESG issues that, for the company under consideration, our analysts have identified as the most relevant to comment on in more detail. This selection takes into account company specific factors such as business model, geographic presence, product offering, as well as important recent developments and trends (e.g. incidents, announcements of new initiatives, management changes). Analyst commentary on the latter ESG issues is provided in relevant sections further below.



Analyst Commentary

The company is considered an outperformer on ESG issues compared to its industry peers. This stems from its outperformance on governance and environmental issues and average performance on social issues. The company has not been implicated in any ESG-related controversies.

Norway-based Sparebanken Vest is a financial services company that provides banking and other financing services to both the private and corporate sectors. In FY2018, the company generated net income from its following business segments: Retail Market (56%), Corporate Market (31%), Treasury (7%) and Estate Agency (6%). At the end of 2018, Sparebanken Vest had 33 points of sale in the counties of Hordaland, Rogaland and Sogn og Fjordane.

In FY2018 Sparebanken Vest's retail market segment accounted for approximately 75% of the portfolio, and approximately 96% of this portfolio included loans secured by residential mortgages. Retail customers are typically less financially and rely on bank staff for financial advice. Failure to provide a simple and fair description of products or the misrepresentation of fees and interest rates could trigger customer loss and reputational damage. Moreover, due to its diversified business line and customer base, Sparebanken Vest is exposed to ethical risks. Misconduct such as involvement in kickback schemes, conflicts of interest or money laundering could lead to prolonged investigations and expensive fines. Furthermore, financing controversial projects that adversely impact the environment or communities through loans or investments could trigger reputational damage and client loss.

Based on its operations, we consider Business Ethics, Product Governance and ESG Integration - Financials to be the company's notable ESG issues.

Sparebanken Vest's overall ESG-related disclosure is not in accordance with GRI reporting standards, lagging behind best practice. The company's ESG-related issues are overseen by the board or the executive team, suggesting that these are integrated in core business strategy.

The company's overall management of ESG issues is strong.

Product Governance

Product Governance refers to banks' management of the quality of financial products and services they offer, as well as the way they are marketed. Types of misconduct include discriminatory lending practices, false marketing, predatory lending, misleading investors through poor disclosure and illegal foreclosure practices. Major controversies such as the subprime mortgage crisis highlight the consequences of poor management and demonstrate the operational and reputational risks to banks.

High regulatory oversight incentivizes banks to institute best practice management systems and internalize quality control across thousands of branches and individual client interactions.

Considering its preparedness measures and involvement in controversies, we view the company as having strong management of Product Governance.

Business Ethics

Diversified banks play a vital role in the functioning of the global economy, and it is essential that banks provide reliable and trustworthy services. Diversified banks offer a complex range of financial products and services, own multiple business lines, and may operate in many countries. Ethical infractions may include broad market manipulations (of Libor, forex, Euribor, etc.), money laundering and sanctions violations. Regulatory scrutiny is high, and banks have received record fines for ethics infractions (sometimes in the billions of dollars), but controversies are ongoing.

Companies have been strengthening compliance monitoring programmes to adhere to regulations on sanctions and embargoes. Linking ethics programmes to material incentives is an emerging trend that enables banks to discipline infractions by clawing back bonuses and/or decreasing executive compensation.

Considering its preparedness measures and involvement in controversies, we view the company as having strong management of Business Ethics.

ESG Integration - Financials

With their comprehensive product offering, diversified banks face a multifaceted array of risks and opportunities related to responsible finance, with each bank facing a different level of exposure depending on its product mix and geographical footprint. In their lending operations, diversified banks are subject to criticism and may encounter risks by lending to controversial industries and projects, such as coal mines, hydroelectric dams, controversial weapons manufacturers and palm oil producers.

Companies that employ successful risk management strategies, including ESG considerations, may experience a competitive advantage compared to their peers. Diversified banks may also be able to capture business opportunities in the area of responsible finance. For example, some diversified banks have developed new products that cater to sustainability-minded investors and consumers, such as green bonds that invest in renewable energy and energy efficiency projects. Likewise, new lending products catering to businesses and retail customers can establish diversified banks in growth markets that may be particularly important in the event of regulatory and market shifts. Shifting public expectations suggest that responsible finance will increasingly be an important area of differentiation among diversified banks.

Considering its preparedness measures and involvement in controversies, we view the company as having strong management of ESG Integration - Financials.

Key ESG Issues For This Company

Key ESG Issue	Indicator Name	Company Score (out of 100)	Peer Group Average	Leading Practice Average	Leading Practice Gap
Product Governance	Responsible Product Offering	Contact Your Client Advisor	--	--	●
	Marketing Practices Events	Category 0	Category 0	Category 0	●
	Quality and Safety Events	Category 0	Category 0	Category 0	●
Business Ethics	Bribery & Corruption Policy	50	61	99	●
	Whistleblower Programmes	50	44	79	●
	Money Laundering Policy	100	53	100	●
	Political Involvement Policy	25	35	84	●
	Accounting and Taxation Events	Category 0	Category 0	Category 0	●
	Lobbying and Public Policy Events	Category 0	Category 0	Category 0	●
	Sanctions Events	Category 0	Category 0	Category 0	●
	Anti-Competitive Practices Events	Category 0	Category 0	Category 0	●
	Bribery and Corruption Events	Category 0	Category 0	Category 0	●
	Business Ethics Events	Category 0	Category 0	Category 0	●
ESG Integration - Financials	Responsible Asset Management	40	26	80	●
	PRI Signatory	0	19	76	●
	Responsible Investment Policy	100	26	82	●
	Responsible Investment Programme	50	23	73	●
	Financial Inclusion	25	45	71	●
	Environmental Impact of Products Events	Category 0	Category 0	Category 0	●
	Social Impact of Products Events	Category 0	Category 0	Category 0	●
	Society - Human Rights Events	Category 0	Category 0	Category 0	●

● A negative to +25 point gap or Event Category 0-2 ● A 26-74 point gap or Event Category 3 ● A 75+ point gap or Event Category 4-5

30% Environment Weight

82 Environment Score
Outperformer

39 out of **338** Relative Position

89th Percentile

Environment - Preparedness

Environmental Policy

E.1.1

75
Raw Score: **75**
Weight: **0.50 %**
⬆️ Weighted score: **0.38**

The company has a strong policy

- Commitment to environmental protection
- Commitment to create environmental awareness
- Commitment to implement an environmental management system
- Commitment to use natural resources or energy more efficiently
- Commitment to reduce emissions, releases and waste
- Commitment to monitor the company's environmental performance
- Commitment to report regularly on environmental issues
- Commitment to consult with stakeholders on environmental issues
- Approved by senior management or the board of directors

Environmental Management System

E.1.2

80
Raw Score: **80**
Weight: **1.00 %**
⬆️ Weighted score: **0.80**

The company has a strong EMS

- Managerial or board level responsibility for environmental issues
- Identification of products, activities and services that have significant impacts on the environment
- Compliance with environmental regulation
- Objectives, targets and deadlines
- Environmental programmes
- Assigned roles and responsibilities
- Training and awareness programmes for employees
- Internal and external communications on environmental management issues
- Monitoring and measurement
- Environmental performance records
- External environmental audits
- Internal environmental audits
- Corrective actions to stimulate continual improvement

Credit & Loan Standards

E.3.1.10

100
Raw Score: **100**
Weight: **4.00 %**
⬆️ Weighted score: **4.00**

The company has detailed and specific standards and excludes certain industries from financing for sustainability reasons

EMS Certification

E.1.3

100
Raw Score: **100**
Weight: **1.00 %**
⬆️ Weighted score: **1.00**

90% or more of the company's activities have received external certification

GHG Reduction Programme

E.1.7.0

100
Raw Score: **100**
Weight: **0.50 %**
⬆️ Weighted score: **0.50**

The company has a strong programme

- Policy commitment to reduce GHG emissions
- Managerial responsibility for GHG emissions
- Initiatives to reduce GHG emissions
- GHG reduction targets and deadlines
- GHG emissions monitoring and measurement
- Regular GHG audits or verification

Renewable Energy Programmes

E.1.8

100

Raw Score: **100**
Weight: **0.50 %**

⬆️ Weighted score: **0.50**

The company has set quantitative targets at group level and has set a clear deadline for reaching these targets

Green Procurement Policy

E.2.1

100

Raw Score: **100**
Weight: **2.00 %**

⬆️ Weighted score: **2.00**

The company's green procurement initiatives are strong

- Policy addressing process related requirements
- Policy addressing product related requirements
- Policy or initiatives addressing office products
- Engagement with suppliers to improve environmental performance

Environment - Disclosure

CDP Participation

E.1.5

0

Raw Score: **0**
Weight: **0.50 %**

➡️ Weighted score: **0.00**

The company did not respond to the latest CDP questionnaire or the response is not publicly available

Scope of GHG Reporting

E.1.6

100

Raw Score: **100**
Weight: **0.50 %**

⬆️ Weighted score: **0.50**

The company reports on scope 1 & 2 and discloses relevant information on Scope 3 GHG emissions

Company feedback

Environment - Quantitative Performance

Renewable Energy Use

E.1.11

100

Raw Score: **100**
Weight: **0.50 %**

⬆️ Weighted score: **0.50**

More than 50% of the company's primary energy use comes from renewable energy sources

Environmental Fines & Penalties

E.1.4

100

Raw Score: **100**
Weight: **0.50 %**

➡️ Weighted score: **0.50**

There is no evidence of the company having received relevant environmental fines or non-monetary sanctions in the last three years

Sustainable Financial Initiatives

E.3.1.15

50

Raw Score: **50**
Weight: **4.00 %**

⬆️ Weighted score: **2.00**

The company has an adequate programme

Carbon Intensity Trend

E.1.10

75

Raw Score: **75**
Weight: **0.50 %**

⬆️ Weighted score: **0.38**

The company's carbon intensity trend shows a decline of between 10% and 25% over the last 3 years

Company Corporate Website www.spv.no

Responsible Asset Management

E.3.1.11

40

Raw Score: **40**
Weight: **4.00 %**

⬆️ Weighted score: **1.60**

Some assets under management can be categorised as "responsible investment" but their relative share is not disclosed

Carbon Intensity

E.1.9

100

Raw Score: **100**
Weight: **0.50 %**

⬆️ Weighted score: **0.50**

The company's carbon emissions intensity is well below the industry median

Company Corporate Website www.spv.no

Environment - Qualitative Performance - Controversies

Product & Service Incidents

E.3.2

100

Raw Score: **100**
Weight: **5.00 %**

➡️ Weighted score: **5.00**

No evidence of relevant controversies

Operations Incidents

E.1.12

100

Raw Score: **100**
Weight: **3.50 %**

➡️ Weighted score: **3.50**

No evidence of relevant controversies

Environmental Supply Chain Incidents

E.2.2

100

Raw Score: **100**
Weight: **1.00 %**

➡️ Weighted score: **1.00**

No evidence of relevant controversies

32% Social Weight

73 Social Score
Average Performer

88 out of **338** Relative Position

74th Percentile

Social - Preparedness

Freedom of Association Policy

S.1.1

100
Raw Score: **100**
Weight: **1.13 %**
↑ Weighted score: **1.13**

The company has a strong policy on freedom of association

Financial Inclusion

S.4.2.3

25
Raw Score: **25**
Weight: **4.13 %**
↑ Weighted score: **1.03**

The company has a weak programme

Scope of Social Supplier Standards

S.1.1

50
Raw Score: **50**
Weight: **1.13 %**
↑ Weighted score: **0.57**

The company has adequate social supply chain standards

- Addresses health and safety
- Addresses minimum living wages
- Addresses maximum working hours
- Addresses freedom of association and the right to collective bargaining
- Addresses child labour
- Addresses acceptable living conditions
- Addresses non-discrimination
- Addresses corporal punishment/disciplinary practices
- Addresses forced labour

Supply Chain Monitoring

S.2.2

50
Raw Score: **50**
Weight: **1.63 %**
↑ Weighted score: **0.82**

Over the last 3 years, there have been supplier monitoring activities but the company does not have a formal monitoring system

Diversity Programmes

S.1.3

50
Raw Score: **50**
Weight: **2.13 %**
↑ Weighted score: **1.07**

The company has an adequate programme

- Managerial or board level responsibility for diversity initiatives
- Targeted recruitment
- Training and guidance regarding diversity
- Diversity initiatives that go beyond legal compliance
- Employee affinity groups, diversity councils, or networking groups
- Mentorship programmes
- Initiatives supporting a diverse workforce
- Diversity monitoring or audits

50

Raw Score: 50
 Weight: 2.13 %
 Weighted score: 1.07

The company has an adequate policy

- List of the types of discrimination the company is committed to eliminate
- Commitment to ensure equal opportunity
- Reference to the ILO conventions

Social - Quantitative Performance

Activities in Sensitive Countries

S.4.1

100

Raw Score: 100
 Weight: 0.01 %
 Weighted score: 0.01

There is no evidence of involvement in high risk industries of sensitive countries

Employee Turnover Rate

S.1.5

20

Raw Score: 20
 Weight: 2.13 %
 Weighted score: 0.43

The company does not disclose data about employee turnover rates

Collective Bargaining Agreements

S.1.4

75

Raw Score: 75
 Weight: 1.13 %
 Weighted score: 0.85

50-74% of the company's employees are covered by collective bargaining agreements

Social - Qualitative Performance - Controversies

Social Supply Chain Incidents

S.2.3

100

Raw Score: 100
 Weight: 1.50 %
 Weighted score: 1.50

No evidence of relevant controversies

Customer Incidents

S.3.3

100

Raw Score: 100
 Weight: 5.99 %
 Weighted score: 5.99

No evidence of relevant controversies

Society & Community Incidents

S.4.3

100

Raw Score: 100
 Weight: 4.00 %
 Weighted score: 4.00

No evidence of relevant controversies

Employee Incidents

S.1.7

100

Raw Score: 100
 Weight: 5.00 %
 Weighted score: 5.00

No evidence of relevant controversies



Governance - Preparedness

PRI Signatory

G.1.3.1



Raw Score: **0**
Weight: **1.46 %**

→ Weighted score: **0.00**

The company is not a signatory to the UN Principles for Responsible Investment

Board Leadership

G.2.8.1



Raw Score: **70**
Weight: **0.46 %**

→ Weighted score: **0.32**

There appear to be minor strengths related to the board leadership structure

The presence of an independent leadership role on the board of directors provides a conduit for accountability.

- The Chair is independent.
- There is no need for an Independent Lead Director, because the Chair is independent.
- The company has not recently combined or split its CEO/Chair positions.
- The Chair and CEO roles are separate.
- The company does not disclose a succession plan for the Chairman or CEO positions.

Board Diversity

G.2.7.1



Raw Score: **80**
Weight: **0.96 %**

↑ Weighted score: **0.77**

There appear to be moderate strengths related to the level of gender and/or national diversity on the board

Diversity of background can provide fresh perspectives in the boardroom and lead to better board decision-making.

- Women constitute one-third or more of the board's membership.
- The company has disclosed a formulaic or non-material diversity policy for its board membership.

Board Independence

G.2.9.1



Raw Score: **70**
Weight: **0.96 %**

→ Weighted score: **0.67**

There appear to be minor strengths related to the level of board independence

A board with a substantial portion of independent directors can provide oversight for management and protect shareholder and stakeholder interests.

- Two thirds or more of the board members are independent.
- The level of board independence exceeds market practice.

Equator Principles Signatory

G.1.3.5



Raw Score: **0**
Weight: **1.96 %**

→ Weighted score: **0.00**

The company is not a signatory to the Equator Principles

Lobbying and Political Expenses

G.3.2



Raw Score: **100**
Weight: **0.71 %**

→ Weighted score: **0.71**

Based on available evidence, the company does not make political contributions and is not involved in lobbying activities

Political Involvement Policy

G.3.1

25

Raw Score: **25**
Weight: **0.71 %**
Weighted score: **0.18**

The company has a weak policy

- Prohibits political involvement of any kind on the company's behalf
- Partially prohibits political involvement
- Approved by senior management
- Commits the company to disclose political donations and/or lobbying expenditures

Money Laundering Policy

G.1.4.1

100

Raw Score: **100**
Weight: **1.96 %**
Weighted score: **1.96**

The company has a strong policy on money laundering

Whistleblower Programmes

G.1.2

50

Raw Score: **50**
Weight: **2.46 %**
Weighted score: **1.23**

The company has an adequate programme

- Proactively communicated to employees
- Available to suppliers, customers and other third parties
- An independent, reporting hotline available 24/7
- Possibility for anonymous reporting and reports are treated confidentially
- Non-retaliation policy
- Structures in place to process whistleblower reports
- Disclosure on the number of reports received, the types of misconduct and measures taken
- Available in local languages

UNEPFI Signatory

G.1.3.3

0

Raw Score: **0**
Weight: **0.96 %**
Weighted score: **0.00**

The company is not a signatory to the UNEP Finance Initiative

Bribery & Corruption Policy

G.1.1

50

Raw Score: **50**
Weight: **0.46 %**
Weighted score: **0.23**

The company has a weak policy

- Prohibition of bribery
- Definition of bribery or corruption
- Prohibition and definition of conflicts of interest
- Prohibition and definition of facilitation payments
- Guidelines of what is considered acceptable behaviour

Audit Committee Structure

G.2.10.1

20

Raw Score: **20**
Weight: **0.21 %**
Weighted score: **0.04**

There appear to be moderate concerns regarding the structure of the audit committee

The integrity of financial reporting is perhaps the most critical consideration for investors. The audit function should be overseen by a fully independent committee of the board of directors.

- There is insufficient information to determine the audit committee's constitution.

Remuneration Committee Effectiveness

G.2.12.1

0

Raw Score: **0**
Weight: **0.21 %**
Weighted score: **0.00**

There appear to be severe concerns regarding the structure of the remuneration committee

Remuneration (compensation) committees should ideally be composed entirely of independent directors, in order to ensure that pay decisions are not subject to conflicts of interest or bias.

- There is insufficient information to determine the remuneration committee's constitution.

100

Raw Score: 100
Weight: 0.96 %

→ Weighted score: 0.96

A board member or a board committee is responsible for overseeing ESG issues

Auditor Fees

G.2.11.1

50

Raw Score: 50
Weight: 0.21 %

→ Weighted score: 0.11

The level of non-audit fees appears broadly in line with market practice

High non-audit fees in relation to audit and audit-related fees suggest that the auditor's independence is compromised.

- Non-audit fees paid to the auditor are less than 50% but more than 10% of audit and audit-related fees.

ESG Performance Targets

G.2.6

0

Raw Score: 0
Weight: 0.96 %

→ Weighted score: 0.00

Executive compensation is not explicitly tied to ESG performance targets

Responsible Investment Policy

G.1.3.2

100

Raw Score: 100
Weight: 1.96 %

↑ Weighted score: 1.96

The company has a strong policy

- Commitment to exclusion based on the companies' activities
- Commitment to integrate ESG factors or select best-in-class companies according to ESG factors
- Commitment to engage with companies on ESG issues

Global Compact Signatory

G.1.3

100

Raw Score: 100
Weight: 0.46 %

↑ Weighted score: 0.46

The company is a signatory to the UN Global Compact

Responsible Investment Programme

G.1.3.6

50

Raw Score: 50
Weight: 2.96 %

↑ Weighted score: 1.48

The company has an adequate programme

- Managerial responsibility for responsible investment
- Requirements for investment managers to integrate ESG issues into investment strategies
- Prior ESG risk assessment of investment
- Continuous monitoring of ESG risks
- Active ownership
- Investment exclusions based on ESG factors
- Best-in-class investments based on ESG factors
- Other initiatives to promote responsible investment
- Reporting on RI implementation and performance
- Objectives and targets related to responsible investment

Governance - Disclosure

Verification of ESG Reporting

G.2.2

0

Raw Score: 0
Weight: 0.96 %

→ Weighted score: 0.00

The CSR report was not externally verified.

25

Raw Score: 25
Weight: 0.96 %

→ Weighted score: 0.24

The company's ESG reporting is weak

Tax Disclosure

G.1.4

100

Raw Score: 100
Weight: 0.96 %

→ Weighted score: 0.96

Tax transparency is strong

Director Disclosure

G.2.4.1

60

Raw Score: 60
Weight: 0.21 %

→ Weighted score: 0.13

The level of disclosure of directors' biographical or remuneration details is in line with regional market practice

Investors require sufficient information regarding director nominees to cast an informed vote and evaluate the overall quality of the board of directors. In some markets, minimal or no information is typically available regarding director candidates and incumbent directors.

- Director biographical details are disclosed.
- The level of disclosure meets market standards.
- Director remuneration is disclosed.

Remuneration Disclosure

G.2.3.1

50

Raw Score: 50
Weight: 0.21 %

→ Weighted score: 0.11

The level of disclosure of executive remuneration practices appears broadly in line with market practice

The disclosure of specific remuneration figures for executives and directors, together with information regarding the design of the remuneration programme, are critical for investors' evaluation of pay.

- Remuneration disclosure meets market practice.
- The structure and philosophy of the remuneration programme is poorly or not disclosed.
- Remuneration amounts are disclosed individually for executives other than the CEO.
- Remuneration amounts are disclosed for the CEO.

Governance - Qualitative Performance - Controversies

Business Ethics Incidents

G.1.5

100

Raw Score: 100
Weight: 8.00 %

→ Weighted score: 8.00

No evidence of relevant controversies

Governance Incidents

G.2.13

100

Raw Score: 100
Weight: 4.21 %

→ Weighted score: 4.21

No evidence of relevant controversies

Public Policy Incidents

G.3.4

100

Raw Score: 100
Weight: 1.46 %

→ Weighted score: 1.46

No evidence of relevant controversies

All data in this report is based on information found in the following sources.
Events have their sources referenced where they appear in the report.

Source Name

Equator Principles, equator-principles.com; accessed 25 July 2019	G.1.3.5
European Commission and European Parliament Transparency Register, ec.europa.eu; accessed 25 July 2019	G.3.2
Sparebanken Vest Anti-Money Laundering and Anti-Corruption Strategy, released 6 June 2019	G.1.4.2
Sparebanken Vest GHG Emissions Footprint; accessed 2 August 2019	E.1.2, E.1.7.0
Sparebanken Vest Privacy Policy, available online at www.spv.no; accessed 25 July 2019	S.3.1.3, S.3.1.3.1
Sparebanken Vest Strategy for Sustainability; accessed 2 August 2019	E.1.1, E.1.7.0, E.1.8
Sparebanken Vest Strategy processing of personal data, released October 2018	S.3.1.3, S.3.1.3.1
Sparebanken Vest Annual Report 2018 (FY2018)	E.1.2, S.1.3, S.1.5.2, S.4.2.3, G.1.2, G.1.4
Sparebanken Vest Anti-Money Laundering Policy, released May 2016	G.1.4.1
Sparebanken Vest Code of Conduct, released October 2018	E.1.1, S.1.2, G.1.1, G.1.1.1, G.1.3.8
Sparebanken Vest Corporate Website, Business culture and working environment, www.spv.no; accessed 25 July 2019	G.3.1
Sparebanken Vest Corporate Website, Complaints, www.spv.no; accessed 25 July 2019	G.1.3.8
Sparebanken Vest Corporate Website, Sustainability in Sparebanken Vest, www.spv.no; accessed 25 July 2019	G.2.5
Sparebanken Vest Policy for Corporate Governance, released January 2016	E.1.8, S.1.4
Sparebanken Vest Principles for Corporate Social Responsibility; accessed 25 July 2019	E.1.1, E.1.2, E.1.7.0, E.1.11, E.2.1, E.3.1.10, E.3.1.11, E.3.1.15, S.1.1, S.1.3, S.1.5.2, S.2.2, S.4.2.3, G.1.1, G.1.2, G.1.3.2, G.1.3.7, G.1.3.8, G.2.1, G.2.2
Sparebanken Vest Risk and Capital Management 2018 (FY2018)	G.2.2
Sparebanken Vest Supplier Code of Conduct; accessed 25 July 2019	S.2.1
Sparebanken Vest The Wolfsberg Group Questionnaire, released June 2018	G.1.4.2
Sparebanken Vest, Our Customers, www.spv.no; accessed 25 July 2019	G.1.3.8
The company provided feedback on 2 August 2019	E.1.1, E.1.2, E.1.3, E.1.7.0, E.1.8, S.1.3, S.1.4, S.1.5.2, S.3.1.3, S.3.1.3.1, G.1.1, G.1.2, G.1.3.8, G.1.4.2, G.2.5
The company provided feedback on 5 July 2019	G.1.1, G.3.1
The updated ESG Report was sent by email to Sparebanken Vest on 10 August 2018.	G.1.1
UN Environmental Programme Finance Initiative, www.unepfi.org; accessed 25 July 2019	G.1.3.3
UN Global Compact, www.unglobalcompact.org, signed in June 2017; accessed 25 July 2019	G.1.3
UN Principles for Responsible Investment, www.unpri.org; accessed 25 July 2019	G.1.3.1

Report Parameters

Settings

The relative performance data in this report is based on the following settings:

Weight Matrix:	Default Weight Matrix
Comparative group:	Peer Group
Reference Universe:	Default
Company type:	Public
Company type selection:	Combined
Template type:	Type A
Template type selection:	Combined

Profile Log

Annual Report:	2018
CSR Report:	2018
Latest Feedback Request:	Jul 2019
Company Response:	Jul 2019
Last Analyst Review:	Aug 2019

Glossary of Terms

Business Impact

The magnitude of the potential impact that a key ESG issue may have on the financial performance of companies within an industry.

Controversy

An event or aggregation of events relating to an environmental, social and governance topic.

Disclosure

A company's transparency on its ESG preparedness and performance via sustainability reporting and its utilization of key reporting and verification standards.

Event

A series of incidents which pertain to a common theme. An event assessment is based on the highest impact or risk score assigned to the related incidents, alongside a broader assessment of event trend and company preparedness and response.

Category 5 – Severe (raw score of 0):	The event has a severe impact on the environment and society, posing serious risks to the company. This category represents the most egregious corporate behavior.
Category 4 – High (raw score of 20):	The event has a high impact on the environment and society, posing significant risks to the company. This category often reflects structural problems in the company.
Category 3 – Significant (raw score of 50):	The event has a significant impact on the environment and society, posing moderate risks to the company.
Category 2 – Moderate (raw score of 80):	The event has a moderate impact on the environment and society, posing minimal risks to the company.
Category 1 – Low (raw score of 99):	The event has a low impact on the environment and society, posing negligible risks to the company.

Historical ESG Performance

Historical scoring data over a rolling 36-month period. Note that the industry leader and industry average are based on Sustainalytics' full research universe and default weight matrix rather than customized portfolio settings or weights.

Incident

Company operations and/or products and services that have a negative impact on the environment, society and external stakeholders.

Indicator Performance

How a company performs on the indicators on which it has been assessed.

Key Indicator	Indicators that relate to an industry key ESG issue, provide considerable insight into a company's ESG preparedness/performance, and/or distinguish between leaders and laggards.
Raw Score	A score out of 100 assigned to an indicator based on a set of internal criteria.
Indicator Weight	The percentage of weight assigned to each indicator in an industry. Note: weight matrices are customizable.
Weighted score	The raw score multiplied by the weight assigned per indicator.
Trend Icons	Indicates if the raw score of an indicator improved, declined or remained unchanged over the last 12 months.

Key ESG issue

Key ESG issues identify the most important areas in which a company has potential to cause significant sustainability impacts or experience significant ESG-related business impacts, and that must therefore be managed effectively. To determine the most relevant ESG issues per industry, lead analysts assessed potential of each industry to cause significant sustainability impacts and, separately, the potential for these to impact corporate financial performance.

Product Governance	Product Governance focuses on how companies manage responsibilities vis-à-vis clients (quality and/or safety of their products and services). Emphasis is put on quality management systems, marketing practices, fair billing and post-sales responsibility. For Media companies, this issue also includes the management of content-related standards, such as journalistic standards and the protection of sources.
Business Ethics	Business Ethics focuses on the management of ethical considerations applicable to most or all sectors, such as taxation and accounting, anti-competitive practices and intellectual property issues. Business Ethics may include Bribery and Corruption if the latter is not regarded as sufficiently material on its own. Additional sector specific topics – such as Media Ethics issues, Medical Ethics and Financial Services Ethics issues, etc. – may also be included in this issue.
ESG Integration - Financials	ESG Integration - Financials includes all ESG integration activities by financial institutions that are either driven by financial downside risk considerations or by business opportunity considerations. This issue includes an institution's own current assets, including direct investments, corporate credits or stakes in project financing, as well as assets managed for clients. Product offerings can span a wide spectrum of product types, starting with ESG investment funds, microfinance products, etc. The issue also includes the consideration of ESG criteria in real estate investments.

Leader

The score of the best performing company in the industry or any selected subset of companies.

Leading Practice

Leading Practice Average: For each indicator, the Leading Practice Average is the top quartile mean score among industry peers.

Leading Practice Gap: The Leading Practice Gap is the difference between the Leading Practice Average and the company's score for that particular indicator. The size of the gap is indicated by a colored dot.

Outlook

A forecast of how a controversy rating will change over the next 12 months.

Negative	The event is likely to deteriorate within 12 months, leading to a downgraded rating of the corresponding indicator.
Positive	The event is likely to improve within the next 12 months, leading to an upgraded rating of the corresponding indicator.
Neutral	The event is unlikely to change significantly within the next 12 months, and is not expected to undergo a change in rating of the corresponding indicator.

Overall ESG Score

Assessment of a company's overall ESG preparedness and performance. These scores are dynamic, depending on the weight matrix, comparison group and reference universe selected.

Percentile

The company's percentile rank within its industry or within another client-selected reference group.

Preparedness

A company's systems and policies to manage potential ESG impacts and risks. Key indicators of a company's ESG preparedness include policies, management systems, programs and targets.

Qualitative Performance

A company's ESG performance based on qualitative information relating to events and incidents that have resulted in negative ESG impacts.

Category 5 – Severe (raw score of 0):	The event has a severe impact on the environment and society, posing serious risks to the company. This category represents the most egregious corporate behavior.
Category 4 – High (raw score of 20):	The event has a high impact on the environment and society, posing significant risks to the company. This category often reflects structural problems in the company.
Category 3 – Significant (raw score of 50):	The event has a significant impact on the environment and society, posing moderate risks to the company.
Category 2 – Moderate (raw score of 80):	The event has a moderate impact on the environment and society, posing minimal risks to the company.
Category 1 – Low (raw score of 99):	The event has a low impact on the environment and society, posing negligible risks to the company.

Quantitative Performance

A company's ESG performance based on quantitative social and environmental metrics such as carbon intensity, number of fatalities, etc.

Relative Position

The company's performance classification is relative to its global industry peers, based on the company's absolute ESG score. Each industry has a fixed band of scores that links to a relative position range. Companies can fall in five categories: laggards, underperformers, average performers, outperformers and leaders. The industry specific bands are based on the rating scores of approximately 4,000 companies that are assessed under the Sustainalytics comprehensive ESG Ratings framework. The bands are reviewed and updated annually.

Sustainability Impact

The magnitude of potential sustainability impacts (measured in terms of depth, breadth, and duration) that may be caused by an industry's activities if not managed effectively.

Tag

A key word associated with a key ESG issue and linked to incidences to facilitate search functionalities.

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