

**Cubera**

Part of Storebrand

# 2022 Sustainability Report

## Creating value beyond return

[Explore the report →](#)



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# 01 About Cubera

As a fund-of-funds (FoF) manager having solid relationships with many of the leading private equity managers globally, Cubera is well-positioned to help drive progress on ESG (environment, social and governance) in private equity. ESG has long been integrated into our operations, and with this report we seek to disclose more information to the benefit our investors. We act as stewards and managers of the capital of our beneficiaries which includes generating financial returns but also addressing ways to protect and improve their livelihoods.

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# Message from Managing Partner

**Cubera is driven by its purpose, "Value Beyond Return". To us, this means that we strive to provide our investors with best risk-adjusted financial returns, coupled with a focus on sustainable investment practices to limit negative environmental and societal impacts.**

We firmly believe that ESG integration will not only enable a more coherent and conclusive approach to risk management in Cubera, but that it will ultimately provide financial and nonfinancial benefits to our investors, their beneficiaries and further stakeholders in both the short and long term.

2022 marked yet another year when sustainability drivers increasingly influenced the investment arena. Consequently, we are currently witnessing more focused engagement in sustainable finance, especially from policy makers and regulators across the globe. To stay on top of these developments, we have built out a dedicated sustainability team at Cubera and hired Urs Bitterling as our first Chief Sustainability Officer.

The consideration of ESG issues has long been an integrated part of our investment process across all our funds. In 2022, we strengthened this approach in our updated [ESG policy](#). 2022 was also the first complete year when our impact fund was available to third party investors. While we focus on deploying that fund, we are already thinking about the shape of subsequent vintages. As we see that the private equity market is waking up to the notion of "impact", we are working on gaining a deeper understanding of how our investments create real-world outcomes and how to best measure, manage and report them.

Last but not least, 2022 was the year we started working on our first sustainability report for Cubera which we hope you will enjoy reading. We are proud to present this report as it represents Cubera's commitment to enhance and develop our transparency on how sustainability creates value in our business.

Best regards,



➤ Reidun Tysseland, Managing Partner at Cubera



[Download our ESG policy](#)

# Cubera as an organization

Cubera was founded in 2006 and has been steadily growing over the past decades. Today, we are the leading private equity fund-of-funds manager in the Nordic region.

At the end of 2022, we counted 30 full-time employees across our offices in Oslo and Stockholm. The team grew by 11 people, where two employees are fully dedicated to Cubera’s sustainability work.

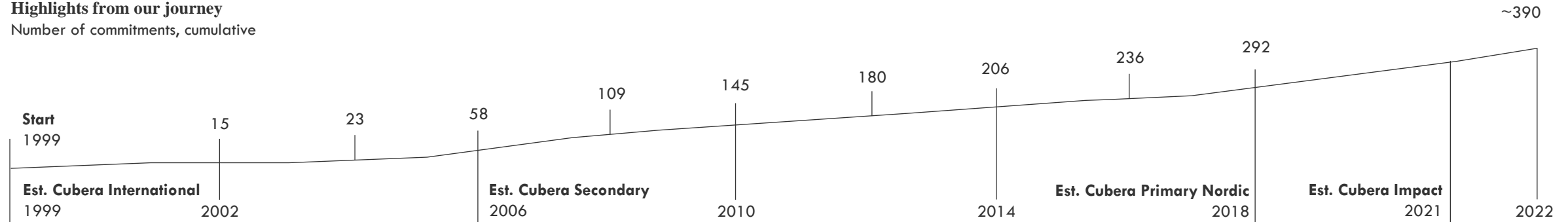
Cubera manages assets of approximately EUR 4.5 billion and offers three primary fund-of-funds programmes covering International, Nordic and Impact strategies and one Nordic secondary program. We were recognized for our extra-ordinary performance and track-record in 2022\*.

→ \* Fund-of-funds ranking shows once sluggish sector becoming more competitive – Private Equity News (penews.com)

Our success is built on long-term relationships. With the international and Nordic private equity programs established in 1999 and 2006 respectively, Cubera has built a deep network, knowledge, and access to managers worldwide. Cubera has and will continue to place high emphasis on environmental and social considerations in investment decisions, including requiring from our partners regular disclosure of specific ESG key performance indicators (KPI). Despite being a relatively small organization when compared to some of the managers we invest in, we recognize that the same requirements we expect of others apply to Cubera. Therefore, this report includes our first measurement of our carbon footprint and disclosures on our gender balance across different organizational levels.

## Highlights from our journey

Number of commitments, cumulative



First fund offering launched

1999

Number of professionals

30

Average senior partner PE experience in years

24

Number of new hires in 2022

11

Assets under management in EUR, as of December 2022

4.5bn

Ranking in HEC-Dow Jones fund-of-funds assessment 2022\*

#1

# Cubera's business model and ESG

Our ESG journey started more than a decade ago and there are numerous ways how ESG considerations support and supplement our investment process. Our business model is designed to offer our investors the best risk-adjusted returns possible, and we believe that integrating ESG into our investment process makes us better investment advisors.

## Cubera's ESG journey

1999	2006	2010	2014	2018	2021	2022
Cubera Int. formed	UN PRI signatory*	First ESG policy	Dedicated ESG partner	Level20 membership	Cubera's first PRI report Impact strategy launched First SFDR art.8 and art. 9 fund	EDCI and iCI memberships First Chief Sustainability Officer

\* Storebrand Asset Management / SIPE

## How ESG adds value to our investment process

### 1 Better insight into underlying businesses

Firstly, and unsurprisingly, ESG information complements our risk-analysis at General Partner (GP) level in our primary business. The same is true for us as a secondary investor where ESG information gives us a more holistic picture of the underlying businesses and their value chains. ESG factors also allow us to identify systemic risks to the future profitability of a given business and are therefore part of our downside risk protection; they also serve as a good indicator of inherent opportunities. As an investor in other funds, we use such information to assess and potentially challenge the way GPs propose to generate value over time. In that regard, understanding how GPs address the ESG performance of the portfolio companies in their funds, gives us insights into how a GP drives asset-valuation over the holding period and optimizes exit-value.

### 2 Resonates with common viewpoints and societal beliefs

Secondly, as an organization of Nordic heritage, we operate in an environment where there is comparatively high societal conviction on different ESG matters. While this does not mean that there is unilateral consensus on underlying environmental or societal issues, many of our employees, investors and business partners originate from the Nordics and therefore often share common viewpoints and societal belief-sets on issues such as equality, labour rights or environmental issues like climate change.

### 3 Induce change in the private markets

Thirdly, as a purpose-driven investor and custodians of capital for our investors, we realize it is a privileged position and we strive to keep the future of our beneficiaries in mind. In other words, we consider it a part of the fiduciary duty we owe to our investors to induce change and use levers that are available to us to drive ESG-related improvements in the (private) markets that we are invested in.



# Part of Storebrand -A driving force for sustainable investments

Cubera PE AS is a wholly owned subsidiary of Storebrand Asset Management, which is a subsidiary of Storebrand Group.

The Storebrand Group (Storebrand ASA) dates back to 1767 and is Norway's oldest financial institution. Today Storebrand is a leading player in the Nordic market for long-term savings, pensions, banking, and insurance. Storebrand ASA is listed on the Oslo Stock Exchange.

Storebrand Asset Management is part of Storebrand Group, managing NOK 1100 billion of assets for Nordic and international clients. Storebrand takes an integrated approach to sustainable investments, combining sustainability strategy with investment strategy. This approach enables Storebrand to be a driving force for sustainable investments, contributing to positive change and development, while reducing financial risk.

In the period 2021-2023, the race to net zero, biodiversity and ecosystems, resilient supply chains and corporate sustainability disclosure are Storebrand's prioritized engagement themes. Biodiversity and ecosystems are emerging as crucial building blocks to solve global warming and climate challenge. Storebrand is leading the Investor Policy Dialogue on Deforestation. Increasingly, issues such as healthy working conditions and social and economic justice are seen as key components in a sustainable society. In addition, corporate governance and transparency have become critical enablers for both companies and investors.

## Discover Storebrand's Memberships and awards

[→ Explore all of Storebrand's memberships and awards](#)

### Dow Jones Sustainability Index (DJSI)

Storebrand has been ranked in the top 10 per cent of the most sustainable listed companies globally in 2020, 2021 and 2022.

### Net Zero Asset Owner Alliance (NZOA)

Founding member of the alliance of some of the world's largest pension funds and insurance companies, committed to a net carbon-free investment portfolio by 2050.

### Principle for Responsible Investment (PRI)

Storebrand is one of the 12 founding signatories of the PRI.

### Science Based Targets (SBTI)

Storebrand is committed to 52 per cent reduction of Scope 1-2 GHG emissions by 2030.

Storebrand's approach to sustainable investment

## Solution investment

Contributing to positive influence by allocating more capital to equity investments in solution companies, green bonds and investments in certified green real estate and green infrastructure.



[→ Learn more about Storebrand's approach to sustainable investments](#)

## Engagement

Engagement, including voting: exercising active ownership to reduce the negative impact our investments can have.



## Exclusion

Screening out and/or exiting investments that are not likely to be aligned with our sustainability principles.



# Interview with the CSO

Meet Urs Bitterling,  
Chief Sustainability Officer at Cubera

## 1. Why is it important for PE firms to focus on ESG?

Fortunately, we have seen sustainable finance approaches mature across markets and jurisdictions, and this is also true for different asset classes, including private equity. Given that private equity represents roughly 9 per cent of global market capitalization, it naturally has a huge role to play in supporting the sustainable transition. While the public debate might often be dominated by the progress made in listed asset classes, the more direct influence and longer holding periods of portfolio companies provide good breeding-grounds for private equity managers to contribute to better ESG performance in the unlisted parts of the economy.

## 2. What role does Cubera play here?

Cubera plays an important role to mainstream sustainability in the PE community. On an annual basis, we are in touch with hundreds of General Partners and service providers, and it is where we can make a difference by including and prioritizing sustainability topics in our business. We might not always be in the position to influence companies directly, but Cubera has a role to play in strengthening the build-out of ESG capabilities of our partners in the wider PE ecosystem. We can do this by recognizing and engaging on the existing efforts of GPs, and where necessary, by requesting that they do more on sustainability issues.

## 3. What are the main sustainability challenges in PE?

I have worked in sustainable finance much of my career, and throughout this period, the challenges have remained quite constant. Chief among them are lack of standardized data, insufficient mainstreaming and standardizing ESG within the industry or manoeuvring within increasingly dynamic and – of late – increasingly politicized regulatory landscape. These challenges are real, but they do not take away from the vast opportunities that come with sustainable finance. For us at Cubera, these opportunities lie primarily in the careful selection of fund managers and their ability to finance and develop companies sustainably.

## 4. What are the sustainability priorities for Cubera going forward?

Our three priority themes are funds, transparency and further integrating ESG in the PE ecosystem.

As an asset manager, we are naturally focused on offering attractive and up to date funds. All Cubera funds have integrated ESG since 2010 and we will continue to develop our integration-activity across all funds. Of equal importance, we will invest into the further development of our impact funds.

A second area of focus will be transparency on sustainability issues. You are reading our first sustainability report and we are also looking into how best to include ESG metrics in our regular investor reporting. By being transparent we not only want to include our stakeholders in our sustainability efforts, we also hope to contribute to more data availability within the broader PE space.

The third priority is about driving sustainable change in the PE ecosystem. While every organization needs to do their part in mainstreaming sustainability, no one can do it alone.

For Cubera, this means that we will actively involve our investors in building ESG into mandates, collaborate with our peers to develop and standardize data and work on industry initiatives to address overarching issues like climate change.



➤ Urs Bitterling, Chief Sustainability Officer at Cubera



## 02 Strategy

As a central private equity player in the Nordics with an international reach, we want to provide high, stable risk-adjusted returns to our investors. In our delivery we rely, amongst other things, on our selection skills, close relationships, and most importantly, the experience and capabilities of our staff and colleagues. The following chapter lays out our business strategy and how sustainability is included.

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## About Cubera and ESG

# Nordic at heart and in heritage

Strategic positions: how we are  
generating value for our investors



## Being the Gateway to the Nordics

Being the Gateway to the Nordics means we aspire to be the leading Nordic PE manager for investors looking for primary and secondary fund exposure. We will achieve this by offering top-quartile investment possibilities and supporting our investors with professional and customer-centric investor-relations.



## Being the Nordic PE partner

We want to be a trusted partner not only with the GPs we invest with, but with our own investors too. We realize it is a privilege to manage third party capital and to ensure we deliver value beyond financial return, Cubera needs to innovate and evolve alongside our investors, to embrace the spirit of true partnership.



## Being a sustainable pioneer

Being a sustainable pioneer means that we are committed to invest sustainably and provide leading Impact-investment solutions. As part of our Nordic heritage, all our funds consider ESG in their investment process. We are driving transparency in the PE space by requesting quantified ESG metrics from our GPs and disclosing them to our investors.

### Our purpose

# Creating value beyond return

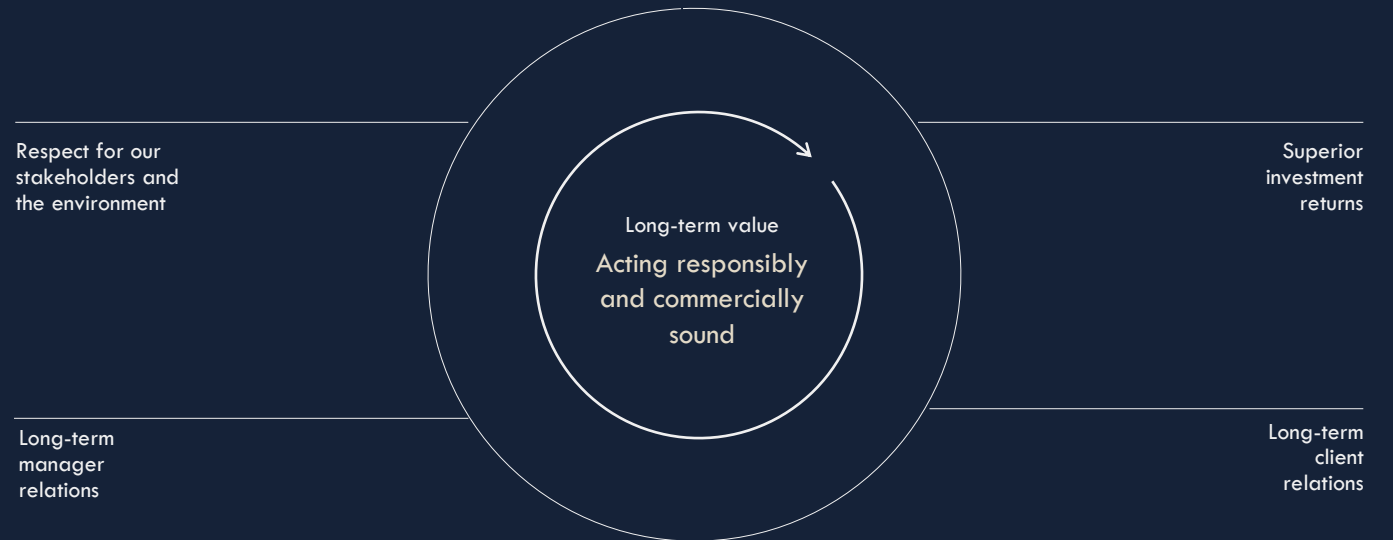
**Our purpose is to create Value Beyond Return and that is the description of Cubera's long-term value generation promise.**

Long-term value creation necessitates acting responsibly and commercially sound. That is why Cubera's ESG practices are fully integrated into its day-to-day operations, investment processes and organization, and a defining feature of Cubera's relationships with its stakeholders.

To create value beyond return for us means that we are striving to create value through delivering strong risk-adjusted returns to the ultimate benefit of our investors. We have a responsibility to safeguard the capital that is entrusted with us by our investors – the ultimate beneficiaries oftentimes being retirees across the globe. Investing responsibly helps us to maximize the risk-return ratio, reducing risk and at the same time it safeguards our collective future. We are doing this by investing with partners who share our values and those of our investors. By leveraging our position as an active, responsible steward of our investor's capital, we can contribute to how the investment industry works for the benefit of society.

We firmly believe that we cannot reach our strategic objectives without integrating environmental, social and governance considerations within our business. We have therefore defined [three overarching ESG priorities](#) which directly tie into our strategy (see *next page*).

**The way we operate and invest contributes towards solutions to environmental and social problems ("beyond return").**



# Cubera's ESG priorities

**We recognize that the financial sector has a significant role to play in the sustainable transformation of economies and societies across the globe.**

While this conviction is supported by a growing number of investors, maturity and ambition levels across asset classes differ substantially. Private equity has historically included sustainability considerations mainly in due diligence processes and pre-investment analyses.

Cubera wants to contribute to making PE investment practices more sustainable going forward. Therefore, and based on a firm foundation of ESG integration, Cubera has identified three priority areas for our sustainability agenda: funds, transparency and PE ecosystem change.

## Focus areas

How can Cubera drive the sustainability agenda?

- Funds
- Transparency
- PE ecosystem

- [More on funds](#)
- [More on transparency](#)
- [More on PE ecosystem](#)

<p><b>Cubera acknowledges that:</b></p>	<p><b>The ESG concepts are integrated into Cubera's operations to:</b></p>
<p>1 private equity investments have an impact on society and the environment;</p>	<p>a create sustainable returns and value for our investors and the societies we directly or indirectly invest in;</p>
<p>2 ESG risks may have a detrimental impact on the value of portfolio companies and, consequently, private equity fund investments;</p>	<p>b through our GPs, influence businesses to improve their sustainability performance and identify opportunities to contribute to the Sustainable Development Goals (SDGs);</p>
<p>3 ESG related opportunities may also increase the value of portfolio companies and private equity fund investments;</p>	<p>c contribute to the development of ESG practices in the private equity industry through own ESG activities and collaboration within the PE ecosystem; and</p>
<p>4 ESG data is an important subsector of all extra-financial information;</p>	<p>d contribute to efforts to promote good corporate citizenship and build a more stable, sustainable and inclusive global economy.</p>
<p>5 assessing the materiality of relevant ESG factors is vital in order to be relevant and yielding measurable results; and</p>	
<p>6 the private equity ownership model, thanks to its long-term, active and (typically) majority ownership character, is particularly suited to manage these ESG risks and opportunities.</p>	

Focus area #1

# Funds

**Our funds naturally lie at the core of what we do, and it is where we can best create value for our investors.**

On the one hand, it means that we continually develop and strengthen our ESG integration approaches across all our funds. Our ESG policy is applicable to all our funds and every fund adheres to its provisions.










Nearly all our investments are with GPs that have an ESG policy in place. All investments in all four strategies were subjected to the same ESG due diligence process that is described in our ESG policy. Funds in the primary and secondary strategy that have been established after 2021 are reporting according to SFDR Article 8. This means that environmental and social aspects are taken into account when making investment decisions.

Additionally, through the Cubera Impact strategy, we offer our investors specific opportunities to generate positive environmental and social impact through their investments. Our Impact strategy reports according to SFDR Article 9.

## Spotlight: Cubera Impact

**The Cubera Impact strategy invests in funds that have as a stated objective to generate positive outcomes and actively solving one or more social or environmental issues.**

Cubera Impact has defined three objectives and paths to efficiently deploy the fund's capital, making meaningful and diversified positive impact, while also generating attractive returns.

Impact Objectives	1. Accelerate a sustainable transition targeting solutions to global environmental issues	2. Drive inclusive growth	3. Advance innovations
Investment themes	 Energy transition  Circular economy  Sustainable food  Sustainable production & consumption	 Quality education  Health services  Financial services	 Enabling technology  Climate action



Focus area #2

# Transparency

**Compared to listed markets, the availability of reported ESG data has historically been quite low in PE and continues to hinder further and deeper ESG integration in the industry.**

**Therefore, we have started to take dedicated action to contribute to more and better ESG data availability through different activities which each address distinct aspects of the issue →**

## How Cubera contributes to more and better ESG data availability

1

The easiest way to contribute to data development is to self-disclose in a meaningful and material way. This report contains Cubera's most detailed account of our ESG activities to date. We have published ESG information on a best effort basis using available quantified data covering GHG emissions as well as diversity indicators that currently focus on female representation at various levels of the workforce. In a survey by ESG Data Convergence Initiative, they found that the private equity industry was lagging its public peers in these two areas when it comes to reporting\*. Both topics are material to our business and gave us the best chance to build up sufficiently robust datasets throughout 2022. In doing so, we hope to contribute to solidifying and further developing data which is vital to manage the sustainability performance of our portfolios.

→ [\\* Private equity ESG metrics reveal growth new data shows | BCG](#)

2

We became a member of the ESG Data Convergence Initiative (EDCI), which seeks to standardize the reporting on ESG KPIs between GPs and limited partners (LPs) and to increase transparency. EDCI has decided to focus on six areas\* which Cubera follows when asking data from our GPs. In doing so, we contribute to the standardization of ESG data in the private equity ecosystem.

\* GHG emissions, diversity, renewable energy, work-related accidents, net new hires, and employment engagement

3

We purchased a third-party data set which allows us to undertake our first portfolio-wide carbon inventory. As the availability of GP-reported data is comparatively low in our asset class, we spent a good part of 2022 to scan available solutions. In Burgiss, we found a provider that can provide computed (scope 1, scope 2 and scope 3) carbon data that cover close to 90 per cent of our portfolio. We use this data to disclose the carbon footprints of our active investment funds.

Focus area #3

## PE ecosystem

**We called our third priority “PE ecosystem change”. Cubera believes that sustainable development of economies and societies is about collaboration with our stakeholders.**

We therefore not only focus on what lies in our own sphere of influence, but also seek to work with our partners to make sustainability more mainstream in private equity. As a fund investor ourselves, Cubera can play a significant role in supporting our investors to articulate their sustainability preferences and consequently facilitate the consideration and implementation of these preferences through the fund managers that we invest with.

By regularly meeting with our investors, we get to better understand their sustainability views and priorities. These discussions can not only deliver important input to the development and specification of sustainability issues in future fund vintages, but can also give us a stronger mandate to include ESG throughout the entire investment value chain. It can also encourage increasingly specific and explicit ESG integration activities at the GP level.

This will mean that we will continue to invest into our own ESG capabilities (learning and development) and continuously seek opportunities to build our investor-offerings with regards to ESG and Impact.

# Cubera's performance on climate and diversity

As stated in the previous chapter, data availability on ESG KPIs are lagging in private markets. Qualitative assessments of ESG risks are carried out pre-investment, but there is little data readily available to manage and track investments on ESG issues over time.

With the long holding period of portfolio companies and the fast-changing sustainability agenda, we believe it is important to track the ESG risks over the whole holding period. In our first sustainability report, climate and gender diversity are two topics Cubera has decided to focus on.

During the second half of 2022, Cubera conducted a detailed review of available sustainability disclosures of our GPs. We found that a large share have public ESG policies and publish their work with regards to environment and social efforts, yet only a small share report quantified data of how their portfolio companies are performing in terms of ESG. By asking for disclosures on GHG emissions and gender balance, and disclosing our own numbers, we want to encourage GPs to increase their transparency on ESG topics and to drive progress.

## Climate

Climate can be considered a systemic risk for the entire private equity industry and is a priority topic for Cubera. By collecting GHG emission inventories, we aim to better understand and address potential climate risks in our portfolio. For Cubera's highly diversified portfolio, with investments in sectors with varying degree of climate impact, understanding and working with these results will be important going forward.

For the first time, Cubera has measured its own organizational carbon footprint. Cubera's GHG organizational emissions inventory is quite typical for a financial service provider with Scope 1 and 2 emissions much lower than our Scope 3 emissions\*. This difference is mainly driven by our air travel consumption. While we are mindful of the associated emissions, our business success as FoF investor is dependent on our knowledge of and access to the international private equity markets and, therefore, international travel is part of our business. We carefully consider our travel and will continue to measure and disclose the development of our organizational carbon footprint. Also, due to the growth and internationalization of our business will make travel a necessary part of our business going forward.

Cubera's largest carbon footprint comes from our investment portfolio ([learn more here](#)). In 2022, we started to track our portfolio companies' emissions by gathering data directly from portfolio companies via GPs, but also by using third party data sources that specialize in emission estimates. A solid data set is necessary to enable management of emissions and to set targets.

We note that climate is only a sub-set of the ever-broadening ESG agenda, with policies covering aspects such as biodiversity and nature quickly becoming more common. We are closely following the development in both the private equity industry and in financial markets more broadly, and we aim to be an active participant in discussions on how Cubera and the private equity industry in general can contribute to this field.

→ \*GHG emissions – calculations and definitions

## Cubera's 2022 carbon emissions

Scope 1



Carbon emissions by Cubera in 2022 (tCO2e)

0

Scope 2



Carbon emissions by Cubera in 2022 (tCO2e)

2.33

Scope 3



Carbon emissions by Cubera in 2022 (tCO2e)

101

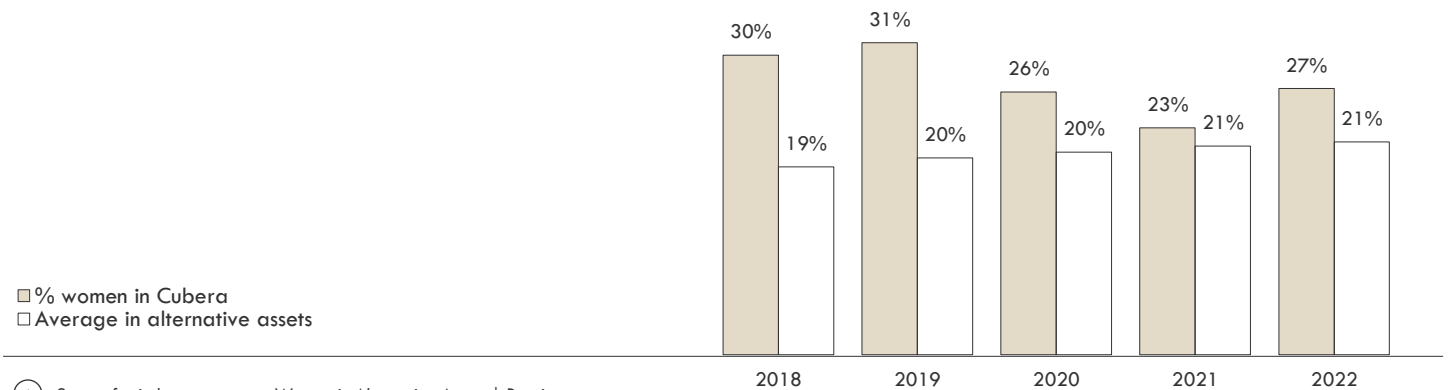
### Gender diversity

Gender diversity is a topic that Cubera has focused on for a long time. Since 2018, Cubera has been an active member of Level20, a European initiative working on increasing female participation in PE. In the private equity industry, the share of women in either senior positions or investment teams has been relatively low. Globally, only one fifth of people working in alternative assets firms are women, and about 13.6 per cent of senior positions in alternative assets firms are held by women\*. We believe that diverse teams and gender balance in leadership roles are an asset in both portfolio companies and with GPs.

The gender balance in Cubera is above the global industry average across different seniority levels. From the start, Cubera has had women in senior positions. Of the four managing partners Cubera has had since 2006, two have been women. While we have been successful in attracting and retaining female talents, more career support for women in private equity is needed. For a more detailed description of diversity in the industry and Cubera’s own diversity number, [see Cubera’s ESG metrics](#).

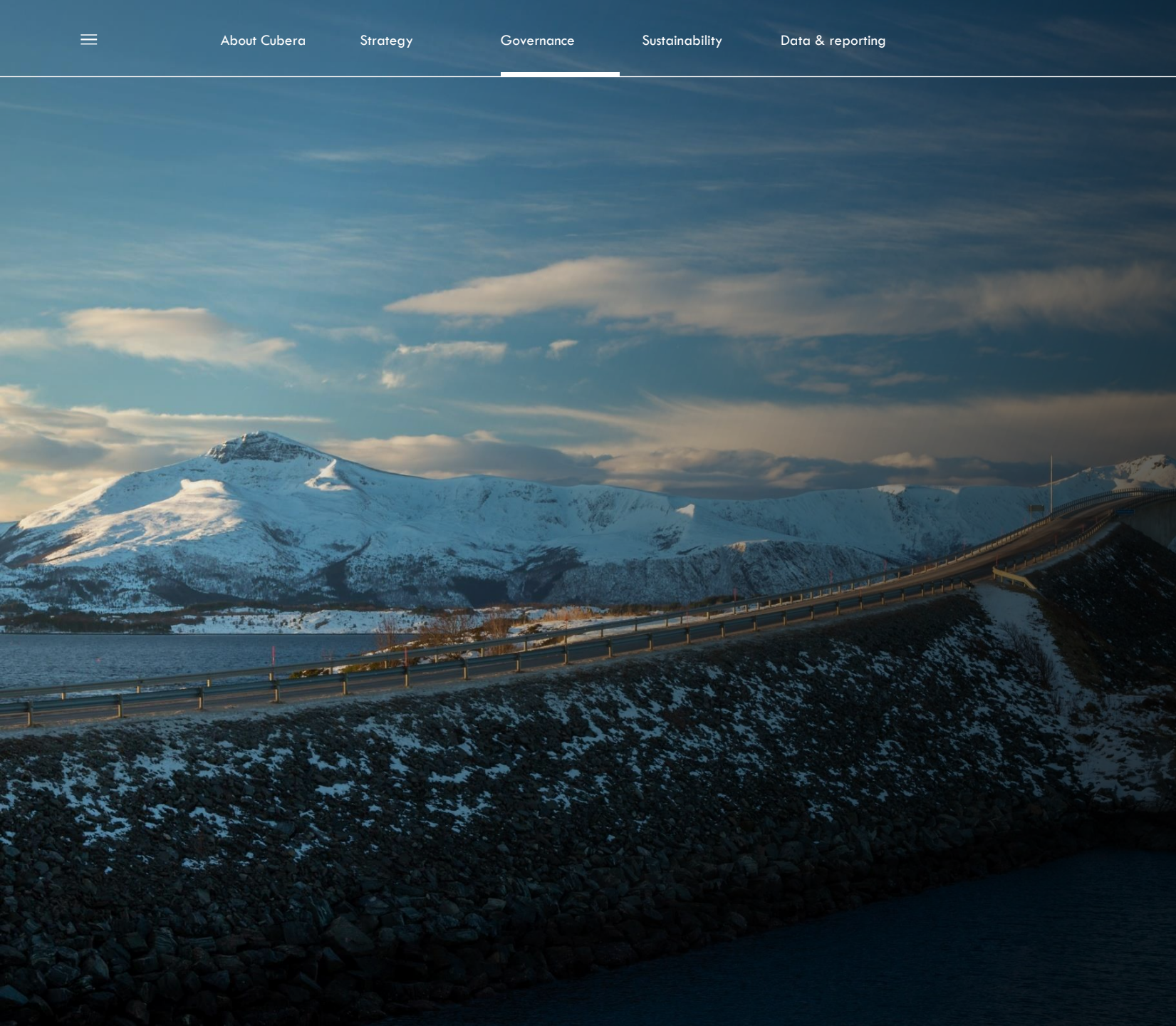
→ [\\* Women in Alternative Assets | Preqin](#)

### Gender balance in Cubera compared with global alternative assets average



→ [Source for industry average: Women in Alternative Assets | Preqin](#)





# 03 Governance

When it comes to sustainability, Cubera pursues an integrated management approach, meaning that we embed sustainability across the organization and our business. Our sustainability governance is set up to enable the investment teams to address and incorporate ESG considerations in all of our investment- and due diligence processes. Furthermore, coordination and development of ESG policies and activities are driven centrally from a dedicated sustainability team.

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# Governance structure

The different teams within Cubera all play an important part in ensuring that ESG is central to all our activities. The leadership team includes the CSO, ensuring that sustainability is a central theme in the strategic and operational planning of Cubera.

The investment teams play a crucial role in assessing the ESG capabilities of the GPs ([see ESG integration in investment process](#)). Investment teams are responsible for implementing and overseeing ESG requirements in the investment process and to follow up on any incidents. An ESG assessment forms part of the investment case and it is considered by the investment advisory committee before recommending any investments.

The sustainability team is responsible for the development and maintenance of Cubera's ESG policy, procedures and processes and for guiding their implementation and use. It further drives our work on sustainability disclosures, supports existing and future impact funds, and acts as an internal centre of competence for sustainability.

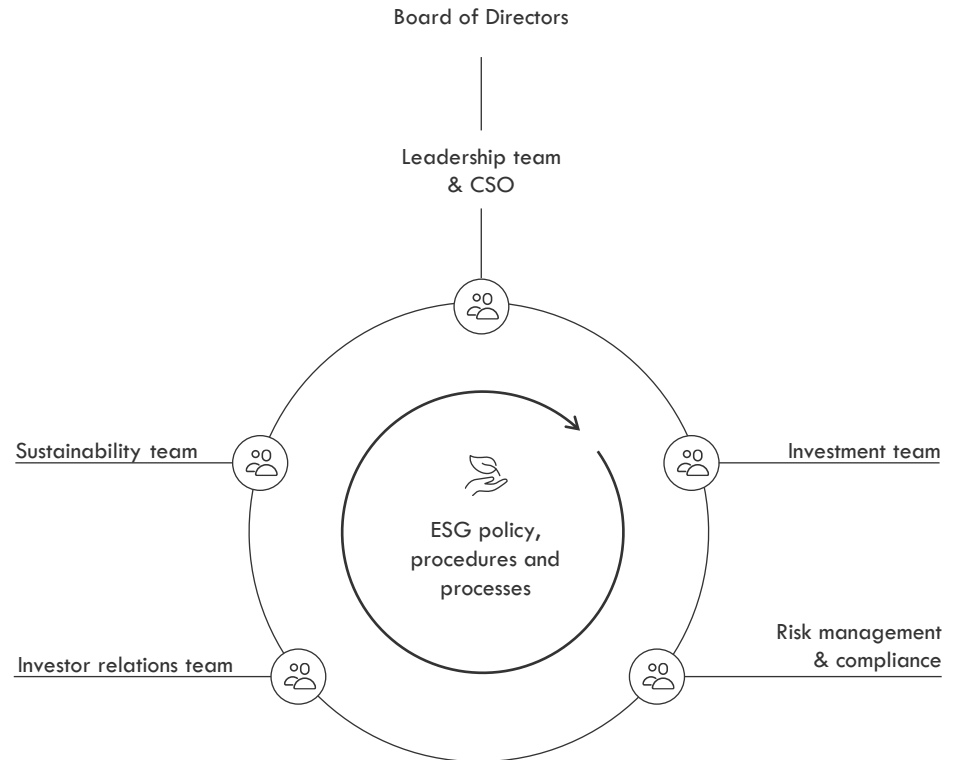
The investor relations team deal with the ongoing ESG enquiries and due diligence questions received from current and prospective investors. This helps us understand the issues that are important to investors, pushes us to address those issues, and ultimately help us broaden our knowledge and expertise whilst continuously improve our ESG offering.

The risk management and compliance team manage the interplay between ESG and risk management through risk assessments and mitigating actions, monitoring compliance with procedures and relevant regulations and reporting to the Board of Directors.

The Board of Directors is responsible for the oversight and development of appropriate ESG policies and that policies are integrated into Cubera's risk management system and investment processes, making sure that we are able to identify and manage ESG related risks and opportunities.

Cubera's governance structure

## ESG is embedded in all parts of the organization



# Policies

**An important complement to the governance structure are our policies and guidelines. Cubera's policies and guidelines that are relevant for ensuring good ESG in our investments are listed below.**

## Cubera policy overview

ESG policy	<a href="#">→ Download our ESG policy</a>
Remuneration policy	<a href="#">→ Go to our Remuneration policy</a>
Ethical guidelines	
Risk management policies	
ESG investment strategies in individual fund prospectuses	

Cubera's ESG policy describes our approach to ESG and how we take it into our daily business. The policy applies to all Cubera's investment advisory activities. In addition, in the individual fund prospectuses, the ESG components of the investment strategies for each specific fund are laid out in detail.

The ESG policy includes guidelines on ESG due diligence ([see Sustainability in investment process](#)). At the core of the due diligence process are assessments of the managers' ESG commitments, policies, and capabilities, as well as an analysis of ESG track record. In this process, the aim is to identify materially critical topics for investment decision and/or an engagement with the fund manager. Post-investment monitoring and reporting secure transparency and provide intelligence feeding into future investment evaluations.

Cubera's remuneration policy aims to safeguard Cubera's objectives related to business and financial performance, ESG and sustainability, and ultimately the objective of delivering long-term value to its shareholders.

Cubera's ethical guidelines provide employees guidance for decision-making by laying out our standards on integrity and ethics.

Part of Storebrand

## Storebrand policies on sustainable investment

As part of Storebrand Asset Management, Cubera is committed to the group policies on sustainability and responsible investing, to the extent applicable to the nature of Cubera's business.

More information on Storebrand and sustainability can be found by following the links below.

- [→ Policies and guidelines](#)
- [→ Sustainable investment policy](#)
- [→ Sustainable Finance Disclosure Regulation](#)
- [→ Principal Adverse Impact statement](#)

# Memberships and commitments

**An important way to contribute to responsible investment practices within the private equity industry is through memberships and commitments. Cubera has carefully chosen to be part of such initiatives that are complementary and add value to our ESG work.**



Established in 2005, the PRI is the largest organization for promoting responsible investment, with six principles that signatories are to follow. Cubera became a signatory to the PRI in 2020 and completed its first PRI reporting in 2021. Before 2020, Cubera was included in the reporting of Storebrand Asset Management.

[→ Go to Principles for Responsible Investment](#)



Level20 aims to improve gender diversity in the private equity sector. The goal is to reach at least 20 per cent women in senior positions. The initiative is a European initiative, with a Nordic chapter. Cubera is an active member of the initiative, holding the position of co-chair in Norway. Cubera has supported the initiative since 2018.

[→ Go to Level20](#)



With voluntary ESG reporting rising in the private equity industry, streamlining and standardization of ESG KPIs is important. As Cubera is a fund-of-funds, our collection and aggregation of ESG KPIs becomes more effective if our GPs report in the same way and use the same methods of calculation. EDCI works to streamline the reporting and developing ESG benchmarks for private equity. Cubera joined the initiative in August 2022, and our objective is to contribute to standardization and simplify data specification by relying on co-developed standards, material to both GPs and LPs.

EDCI focuses on data collection and standardization of six areas below:

- GHG emissions
- diversity
- renewable energy
- work-related accidents
- net new hires
- employment engagement

[→ Go to ESG Data Convergence Initiative](#)



Initiative Climat International (iCI) is a platform for private equity firms to share best practices and tools for integrating climate considerations into the investment processes and holding period of portfolio companies. Cubera became a signatory in October 2022. The initiative is the most advanced platform to discuss and drive decarbonization efforts within the private equity industry.

We believe that GPs play an important role in driving the on-the-ground climate protection efforts as long-term owners of portfolio companies. The development of guides and tools for decarbonization of iCI serves as a practical tool for how to actually implement decarbonization programmes. The initiative is rapidly expanding, pointing to the growth in focus on climate issues in private equity.

[→ Go to iCI LinkedIn-page](#)

# 04 Sustainability

The largest impact Cubera has on society is through our investments. We believe that managers and portfolio companies that take ESG risks into account contribute to better outcomes in the long run. Through our due diligence processes, engagements with managers and our exclusion criteria we work to maximize risk-adjusted returns on investments.

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# Sustainability in the investment process

**The ultimate goal of Cubera’s operations is to maximize the risk-adjusted returns for Cubera’s investors. We firmly believe that ESG integration will not only lead to better risk management for our investments, but that it will ultimately provide financial and non-financial benefits to our investors, their beneficiaries, and other stakeholders in both the short and long term.**

## Due diligence in manager selection

Cubera has established and follows a systematic ESG framework that is integrated into the firm's management system, investment process and corporate development plans. This includes a procedure covering governance and ethics of prospective GPs.

For both the primary strategy, including the Impact strategy, and the secondary strategy, the ESG capabilities and ESG policies of the GPs are assessed as part of the due diligence process conducted by the investment teams. These include:

- pre-assessment of inherent ESG risk levels in a given investment strategy,
- the historic ESG performance of the GP,
- how a GP has followed up on ESG-related incidents,
- how a GP incorporates ESG into firm operations and the investment process,
- if the GP has a responsible investment policy, and
- if the prospective GP provides sufficient reporting on ESG topics during ownership.

For the primary strategies, these assessments are conducted in a systematic manner based on ILPA ESG framework, which considers the maturity of the ESG policies and operations by the GPs. The assessment is included in the materials to the investment committee.

Cubera will decide not to invest with GPs if their ESG policies and capabilities are deemed insufficient. Since the primary strategies typically invest in blind pools, which means that the investments by the GPs have not yet been made, the investment team are to make an evaluation of about 10 to 15 selected portfolio companies from previously raised vintages or funds that the GP still holds. Historical ESG incidents would then be reviewed and scored and included in the investment recommendation.

In addition to the due diligence of the manager, the secondary strategy also screens for potential ESG issues in the underlying portfolio companies as funds are often fully invested at the time the secondary team considers a transaction. Each portfolio company is screened to identify any ESG risks. For Cubera, it is important to identify and assess material governance factors and gain confidence in the manager's and companies' ability to address any such factors in a meaningful and appropriate way.

In co-investment transactions, which can occur both in secondary and primary strategies, individual companies will undergo additional due diligence.



# ESG integration at work

## ESG integration in investment process

→ [Due diligence in the Impact strategy](#)



### Pre investment

- Pre-assessment of GPs' investment strategies with regards to ESG risk levels (sector-focus, style factors, etc.)
- Assess manager's formalized ESG capabilities
- Assess the ESG track record of the manager/portfolio in question
- Consider alignment with other factors deemed material to Cubera
- Based on the ILPA ESG assessment framework

**Strategies**  
Nordic Secondary  
Nordic Primary  
International Primary  
Cubera Impact



### Post investment

- Monitoring**
- Monitor material topics, watchlist companies and incidents
  - Continuous dialogue on managers' ESG development
  - Based on Operating Principles for Impact Management (OPIM) and Impact Management Project (IMP)
- Reporting**
- Reporting incidents and developments to investors
  - Reporting related to regulatory requirements
  - Reporting to Cubera's affiliations

Create Value beyond Return

## Spotlight: Due diligence in the Impact strategy



**Cubera Impact applies the same investment philosophy and rigorous selection criteria as we do for all of our strategies, yet with the additional dimension for evaluating impact.**

The Cubera Impact Assessment Framework builds on leading industry standards such as the Impact Management Project, the UN Sustainability Development Goals and SFDR on how to measure, assess and report impact on people and environment. The assessment framework considers the dimensions described in the table to the right and is applied to all investment opportunities to understand the objective, intent and contribution to the fund. We also analyse the manager's ability to measure and report on impact outcomes. In essence, the evaluation can be split into two parts: evaluation of GP's strategy and capabilities and their ability to measure and report impact.

The first step when considering a potential investment is for the impact investment team to evaluate how the investment strategy of the GP unites with the team's experience and capabilities to address any social or environmental challenges. We consider the characteristics, and if possible, outcomes from previous, current or proposed investments. Cubera Impact seeks to make a positive change, and to determine change we also need to be able to measure outcomes from the activities resulting from the investments. The other part is therefore oriented around measurement and reporting. We validate the managers measurement methodology, transparency and general reporting adequacy.

### Cubera Impact Investment Framework

The Cubera Impact Investment Framework builds on the leading thinking of how to measure, assess and report impact on people and environment by the Impact Management Project. We have developed our own version based on our needs as a primary private equity impact investor.

Elements		Manager & Fund Assessment				
IMP alignment	☐ What	○ Who	+ Contribution	☰ How much	 UN SDG	◇ Why
Assessment	Objective and intent	Beneficiary	Contribution	Measurement and reporting	SDG Alignment	Value Beyond Return
Assessment focus	<p>Focus on WHAT the company does. Revenue = Impact. The main activities (products or services) of the strategized investments drives positive outcomes</p> <p>Contribution and outcomes in historical, current and pipeline investments</p> <p>Qualifications, experience and prerequisites to achieve objective</p>	<p>Environment / Social</p> <p>Additionality and affordability</p> <p>Scope (local or global)</p>	<p>Disruption / displacement</p> <p>Scalability</p> <p>Urgency of problem</p> <p>Significance of solution</p> <p>Product mix</p> <p>Stage</p>	<p>Measurement methodology</p> <p>KPIs / Sustainability indicators</p> <p>Reporting adequacy</p> <p>Transparency</p> <p>Commitments to reporting standards, organizations and network</p>		Alignment to Cubera Impact's objectives

### Cubera Impact Workflow

Source: Cubera

Overall workflow →		Current pipeline →		Invested in 2022 →
Total identified managers	Initial identified opportunities	Current opportunities	Under evaluation	
200+	129	27	12	4

## ESG engagement with GPs

**One of the most impactful ways Cubera can influence our GPs is through engagement.**

By engagement we mean specific dialogue about ongoing or recurring ESG topics or material incidents in the portfolio. Often such talks begin with a request on more transparency around a given issue and leads to input on how managers should address, improve or prevent ESG related incidents. Because of the fund-of-funds nature of Cubera’s business, we do not interact directly with portfolio companies, which makes it even more important that we have strong relations with our managers and that there is mutual trust and transparency between us as partners.

Cubera will prioritize its engagement with managers where incidents are material and/or we are an important LP and are in a position to have impact. Where there is an incident with one of Cubera’s investments, Cubera will engage with the GP and seek for transparency and a clearly stated plan to address and provide satisfactory solutions to a given problem. We expect our GPs to report ESG incidents in their periodic reporting, while major ESG incidents should be reported to Cubera immediately. In addition to this, Cubera uses RepRisk as its internal monitoring tool for ESG incidents.

In 2022, there was one material ESG incident in our portfolio.

Material ESG incidents in 2022

**1** incident (resolution in progress)

**“We will actively involve our investors on ESG topics, collaborate with our peers to develop and standardize data and work on industry initiatives to address overarching issues like climate change.”**

Urs Bitterling, Chief Sustainability Officer at Cubera



# Exclusions

## Cubera operates with several exclusions when deciding where to invest.

As a limited partner, Cubera does not have the power to exclude portfolio companies from being invested in by our GPs. However, if Cubera’s priorities and the GP’s priorities do not align, Cubera can choose to use side letter agreements or excuse rights for individual investments into the GP’s fund. For the primary strategies, this means that if the GP invests in a portfolio company that operates in a sector where Cubera has investment restrictions or if the portfolio company breaches any of the other exclusion criteria, Cubera’s commitments into the GP’s vehicle will be excluded from that particular transaction.

When Cubera acquires secondary fund positions, the fund is in a more mature investment cycle. Cubera is not able to exercise direct influence on the fund manager’s investment decisions which have happened in the past. However, when assessing a secondary fund position Cubera knows which companies are in the fund and can choose to not buy the fund if some of the portfolio companies are misaligned with Cubera’s ESG priorities.

## Cubera’s exclusion criteria

For newer vintages in the primary strategies the exclusion policy covers*:	Companies with revenue from production and/or more than 5 per cent revenue from distribution of tobacco;
	companies with more than 5 per cent of revenue from production and/or distribution of recreational cannabis;
	companies with more than 5 per cent of revenue from production and distribution of adult entertainment (pornography);
	companies with more than 10 per cent of revenue from commercial gambling operations;
	companies with more than 5 per cent of revenue from production and/or distribution of coal related activities as well as companies mining more than 20 million tonnes of coal annually or that have over 10,000MW coal power capacity;
	companies with more than 5 per cent of their revenue from production and/or distribution of Oil Sands;
	companies with more than 10 per cent of revenue from extraction of oil and natural gas; and
	investments in development and/or production of controversial weapons. This also includes testing of controversial weapons and production of components to be used exclusively for such weapons.
For the secondary strategy, Cubera does not make investment in funds holding portfolio companies that:	Contribute to serious and systematic breaches of international law and human rights;
	are involved in serious environmental degradation, including the climate;
	are involved in systematic corruption and financial crime; or
	produce or sell controversial weapons, illegal drugs or adult entertainment.

\*While Cubera uses the exclusion criteria provided by [Storebrand](#), we accept that GPs might have different exclusions, which we can accept if our strategy pre-assessment makes it highly unlikely that these differences lead to unintended exposures and therefore can vary in detail for specific funds.

# Sustainable investments

**Investments in what can be considered sustainable activities have grown rapidly over the last couple of years, both in public and private markets.**

Cubera invests in a wide range of sectors, where companies with sustainable activities are part of the investment universe. Although our impact strategy is the main investor into impact funds, our other strategies can and do also invest with impact-focused funds, granted they meet all other requirements (e.g., financial, geographical, portfolio requirements) of the given Cubera strategy. Cubera integrates ESG into all investment decisions, and almost all our investments are with managers with ESG policies and good ESG capabilities.

For the time being however, we do not formulate specific sustainable investment targets for Cubera strategies apart from the Impact strategy. Given the blind-pool nature of our GP commitments in the primary strategies, we are unable to control the acquisition of solution companies (irrespective of how they are defined) at the time of our commitment. However, most of our older vintages have had considerable sustainable investment allocations.

The deployment capability of our secondary strategy depends on the availability of invested GP fund vintages, which – often due to their age – cannot be considered as sustainable investments (as defined in SFDR) in terms of the underlying fund documentation. We expect this will change and improve over time.

For this reason, an allocation target to sustainable investments might also be too restrictive in terms of the investable Nordic GP fund universe that we rely on to successfully deploy our secondary funds. That said, the past also in this case shows that Cubera secondary funds do include sustainable investment allocations, even in the absence of a formalized target.

Our Impact strategy makes investments into funds that have as objective to generate positive outcomes and to actively solve one or more social or environmental issues. By *impact investments* we mean investment activities that contribute to accelerate the sustainable transition, drive inclusive growth, and advance innovations. In addition, the managers must be able to measure and report on outcomes generated by the investment activities. Since the Impact strategy is also a fund-of-funds, commitments are to managers who have yet to finalize their impact investments.

Next:

Sustainability  
in funds  
→



# Sustainability in funds

## Sustainability, by investment strategy

	Primary International	Impact	Primary Nordics	Secondary
Investment geography	Global	Global	Nordic	Nordic
ESG Due Diligence	✓	✓	✓	✓
Share of GPs with ESG policy	100 %	100 %	100 %	90 %
Incident reporting in periodic reports	✓	✓	✓	✓
Periodic reporting under SFDR	From 2023	From 2023	From 2023	From 2024

# Cubera’s key ESG metrics

**As previously stated, the availability of reliable and standardized ESG metrics is comparatively low across the PE industry. We therefore place great importance on working with our GPs to produce relevant ESG information.**

We kept the number of KPIs confined to two themes in this year’s data collection pilot being aware that it might cause considerable effort for our GPs to generate such information. 2022 was the first year we collected ESG KPIs from our GPs and underlying funds in a systematic manner, and we did the same internally. While more work needs to go into maturing these datasets over time, we feel that it is important to start working with the data that is already available today.

In this year's data collection pilot, we kept the number of KPIs small, focusing on reaching a reasonable response rate rather than potentially patchy information on a large set of KPIs. While we invested much time and effort into creating buy-in for our chosen KPIs, it was clear from the beginning that the collection will be a multi-year effort to reach full portfolio coverage, especially when it comes to GHG emissions on both a fund and portfolio level.

## ESG KPIs in 2022 data collection pilot

Questions on climate	Scope 1, 2 and 3 emissions, both GPs own emissions and aggregated emissions in the fund
	How many portfolio companies in the fund report GHG emissions?
	Has the GP set a GHG emission reduction target?
	How many portfolio companies in the fund has set GHG emission reduction target?
Questions on diversity	If the GP has a Board of Directors, what is the gender balance?
	What is the gender balance in the GPs senior management team?
	What is the gender balance of the GPs investment teams?
	How many portfolio companies in the fund report diversity indicators?
	What is the aggregated gender balance of Board of Directors in the portfolio companies held by the fund?
	How many portfolio companies in the fund have less than 20 per cent women on the Board of Directors?
	How many portfolio companies in the fund have less than 20 per cent women in senior management positions?

# Results of the data collection pilot

**In our first-year data request, we asked about 75 per cent of our GPs across Nordic Secondary, Nordic Primary, Impact and International Primary portfolios for the information described in the data collection pilot.**

Of the GPs contacted, 80 per cent responded and sent some or all data requested. Of these, 48 per cent track their own GHG emissions and 92 per cent provided us data on gender balance within their own organization.

The response rate at fund level was 45 per cent. Of these, 37 per cent had GHG emission data and 70 per cent had gender balance data. Of those funds with complete information on both indicators, about 90 per cent came from Nordic GPs.

[→ Read more about gender diversity in Cubera's portfolio](#)

## Data collection pilot: Response rates

### Key learning points

Collecting ESG KPIs from our managers has been a learning experience for us. We were originally hoping for a high response rate, but most importantly we were curious to see how detailed and useful the data received from our GPs would turn out to be, or worse, whether they collected the requested data at all. It has become evident that for some GPs there is a considerable time-lag when it comes to generating the data in question, especially data relating to GHG emissions. Our data-delivery is therefore less complete than what we had hoped for, but nevertheless we see it as a satisfactory result considering it was a first-time effort.

### GP level

All GPs invested in by Cubera  
→

75% of GPs participated in data collection  
→

80% of GPs responded with some or all data requested  
→

92% of GPs provided gender balance data

48% of GPs provided own GHG emissions

### Fund level

All GPs invested in by Cubera  
→

75% of GPs participated in data collection  
→

45% response rate on fund level  
→

70% provided gender balance data

37% provided GHG emission data

# Cubera’s own emissions

For the year 2022, Cubera had no scope 1 emissions. Cubera calculated scope 2 and scope 3 emissions (business travel).

Cubera operates out of two offices in Oslo and Stockholm that had a total energy usage of 155 mWh. The office in Stockholm sourced renewable energy guaranteed by the electricity provider. The office in Oslo bought Guarantees of Origins for the electricity consumption during 2022. In accordance with GHG Protocol, we used supplier-specific emission factors for our consumption. Cubera’s total scope 2 emissions were 2.33 tCO2e [\(see GHG emissions- calculations and definitions\)](#).

Cubera’s scope 3 emissions from air travel for 2022 were 101 tCO2e as a company and 3.3 tCO2e per full-time employee. The business of Cubera requires travelling to our GPs and to prospective investors. Being based in the Nordics results in travel to other European cities as well as further afield. While we always carefully consider the necessity of air-travel, our business is dependent on meeting our GPs and business partners face-to-face.

Going forward, we will use 2022 as a baseline for comparisons as it was the first stable year after Cubera moved offices and experienced a large increase in numbers of employees as well as the first year after COVID. We will continue to monitor how our scope 3 emissions develop in light of our growth-ambitions.

## Carbon emissions by Cubera

Scope 1



Carbon emissions by Cubera in 2022 (tCO2e)

0

Scope 2



Carbon emissions by Cubera in Stockholm in 2022 (tCO2e)

1.6

Scope 2



Carbon emissions by Cubera in Oslo in 2022 (tCO2e)

0.73

Scope 3



Total carbon emissions by Cubera from air travel in 2022 (tCO2e)

101



Average carbon footprint per Cubera FTE from air travel in 2022 (tCO2e/FTE)

3.3

Next:

Emissions in Cubera’s portfolio →

# Emissions in Cubera's portfolio

The largest share of Cubera's indirect GHG emissions came from our investments. Cubera's scope 3 financed emissions are the emissions of portfolio companies that Cubera is invested in through our fund investments, weighted by ownership share. Cubera's portfolio includes about 1 500 portfolio companies, with a varying share of effective ownership but often less than 1 per cent.

We have chosen to purchase estimated emission data (scope 1 and scope 2)\* for all our portfolio companies, as well as request the information directly from the portfolio companies via our GPs. We expect to see a rise in the share of reported GHG emission data in the future, both in terms of the share of reported data available in our bought dataset, but also from our own data collection efforts. For the calculations of emissions in 2022, we only used the estimated numbers available to us due to the higher coverage. We are mindful that the modelled data is only an approximation of our emissions data, but feel it already gives us a relevant and necessary starting point for further analysis.

The financed carbon emissions from our investments amounted to 59 572 tCO<sub>2</sub>e for scope 1 and 33 016 tCO<sub>2</sub>e for scope 2. The investment intensity and revenue intensity amounted to 26.6 tCO<sub>2</sub>e/\$1mm EVIC and 57.7 tCO<sub>2</sub>e/\$1mm revenue, respectively.

The above revenue intensity score of Cubera's portfolio which measures the exposure to carbon-intensive companies, is considered to be a low carbon risk. The average revenue intensity for MSCI Europe is 129.1\*\*, which shows that Cubera's is invested in relative light carbon intensive sectors.

\* Data bought from [Burgiss](#). Scope 3 of our portfolio companies is not included in the calculations because scope 3 data are not available on a meaningful scale yet.

\*\* [Index carbon footprint metrics \(msci.com\)](#)

## Emission by sector

The largest share of Cubera's investments is in information technology which represents approximately 25 per cent of our holdings, while they represent 2.5 per cent of financed emissions. IT is followed by health care (~17 per cent of holdings, 4 per cent of GHG emissions), industrials (~16 per cent of holdings, 24 per cent of GHG emissions) and consumer discretionary (14 per cent of holdings, 8 per cent of GHG emissions). These four sectors account for 38 per cent of the emissions in Cubera's portfolio. The energy sector and materials sector (3 per cent and 5 per cent of holdings) represent 20 per cent and 28 per cent of GHG emissions, respectively.

Sector	% Share of total financed emissions	% Holdings Q4 2022
Materials	28.7%	5.2%
Industrials	23.9%	16.1%
Energy (incl. O&G)	20.6%	3.1%
Consumer Discretionary	8.3%	14.2%
Consumer Staples	6.7%	3.9%
Health Care	4.1%	17.1%
Other	2.6%	1.2%
Information Technology	2.5%	25.0%
Financials	1.1%	8.3%
Utilities	0.8%	0.4%
Communication Services	0.7%	4.7%
Real Estate	0.2%	0.7%
Total	100.0%	100.0%

## Emissions by geography

The majority of Cubera's investments are in Western Europe and North America, with 46 per cent and 47 per cent, respectively. The share of calculated emissions is more skewed, with 59 per cent in Western Europe and 34 per cent in North America. A large share of IT investments are in the US, a sector that is asset light explaining some of the skewness, while most of our oil and gas exposure is in Norway.

Region	% Share of total financed emissions	% Holdings Q4 2022
Western Europe	58.8%	46.2%
North America	34.4%	46.8%
Asia	3.5%	3.1%
Latin America	1.6%	1.7%
Pacific	0.6%	0.8%
Eastern Europe	0.6%	0.6%
Middle East	0.4%	0.8%
Africa	0.0%	0.1%
Total	100.0%	100.0%



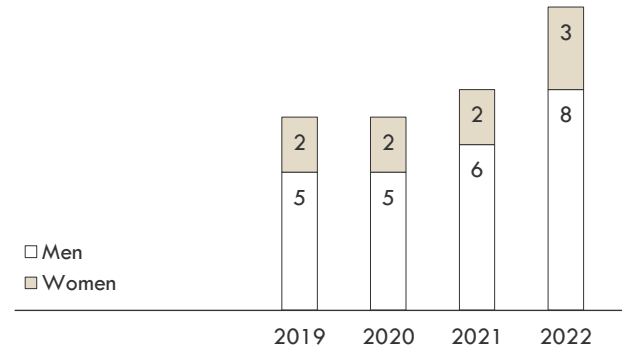
# Gender diversity in Cubera

**Gender diversity in the private equity industry is comparatively low across all levels. Cubera strives to be an inclusive and equal opportunity employer and encourages our industry partners to focus on improving the diversity of the industry, both across GPs own organizations and in their portfolio companies.**

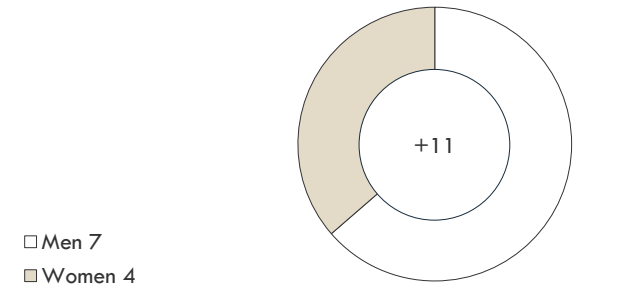
For Cubera as an organization, our gender balance is above industry average for Board of Directors, senior management, and investment teams. Cubera hired 11 new employees in 2022 of which four were women.

The gender balance in Cubera has been historically strong and we will take appropriate efforts to maintain these levels in the future. On Cubera's Board of Directors the gender balance is 40 per cent and the senior management gender balance is 27 per cent. This includes all partners and c-suite employees. For our two investment teams, the overall gender balance is 25 per cent.

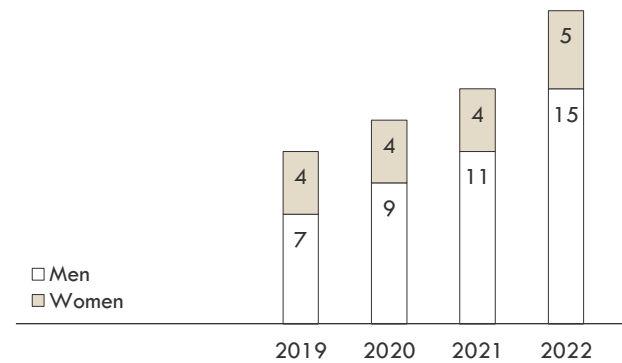
### Senior management, by gender



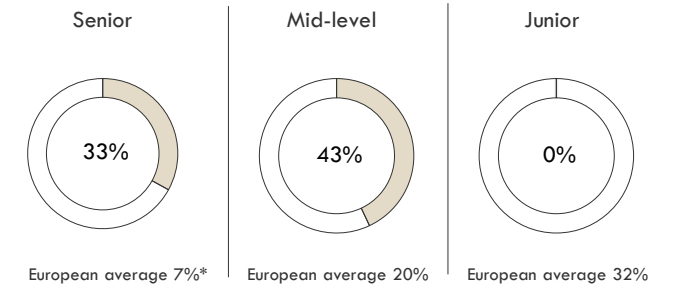
### New hires 2022, by gender



### Investment team, by gender



### % Female in investment teams, by level of seniority



→ \* European gender diversity report 2022 | Level 20

# Gender diversity in Cubera’s portfolio

For the GPs that Cubera has invested with and who have responded to our questionnaire (80 per cent response rate), women accounted for 18 per cent of leadership roles, which is above the alternatives industry average of 13.6 per cent\*.

About 22 per cent of GPs that responded to our questionnaire have more than 30 per cent women in their leadership teams. Of our GPs, smaller organizations (less than 50 employees) have a slightly higher gender balance in leadership roles than larger organizations (21 per cent vs 16 per cent).

The average gender balance in investment teams is 24 per cent. In Europe, where Level 20 conducts research on the topic, the average gender balance in investment teams in the PE industry is 20 per cent\*\*. The Board of Directors gender balance is 19 per cent.

In the funds that Cubera invests in, the average Board of Directors gender balance is 17 per cent. 53 per cent of companies report that they have less than 20 per cent female representation on the Board. 33 per cent of companies report that they have less than 20 per cent female representation in senior management.

**Note on industry averages:**

When we look at the gender balance of the whole organization of Cubera, we use the global Preqin study "Women in Alternative Assets". This study includes professionals that are not directly involved in investment activities, such as investor relations, sustainability, risk and finance.

We use Level20's study "European gender diversity report 2022" when comparing our gender balance of investment teams to industry average. This study only includes PE investment professionals in European PE firms.

→ \* Women in Alternative Assets | Preqin

→ \*\* European gender diversity report 2022 | Level 20

## Gender diversity for GPs that Cubera has invested with

% females on Board of Directors

19%

% females in leadership roles

18%

Industry average 13.6%\*

% females in investment teams

24%

European industry average 20%\*\*

## Gender diversity in portfolio companies

% females on Board of Directors

17%

% of companies with less than 20 % women on Board of Directors

53%

% of companies with less than 20 % women in leadership roles

33%





# 05 Data & reporting

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## Key performance indicators

Entity	Key performance indicator	2021	2022	Comment
Cubera	Full-time employees	22	30	As of 31 December.
	Cubera's emissions: scope 1+2+3	N/A	103.1 tCO <sub>2</sub> e	Market-based calculations.
	Scope 1	N/A	0	
	Scope 2 Market based	N/A	2.33 tCO <sub>2</sub> e	
	- Oslo	-	0.73 tCO <sub>2</sub> e	
	- Stockholm	-	1.6 tCO <sub>2</sub> e	
	Scope 3: business travel	N/A	101 tCO <sub>2</sub> e	Flights only.
	- Per FTE	-	3.3 tCO <sub>2</sub> e	
	Scope 3: Financed emissions	88 034 tCO <sub>2</sub> e	92 587 tCO <sub>2</sub> e	Estimated numbers. Includes scope 1 and scope 2. Long-only valuation (in \$1mm).
	- primaries	69 666 tCO <sub>2</sub> e	73 494 tCO <sub>2</sub> e	
	- secondaries	18 368 tCO <sub>2</sub> e	19 093 tCO <sub>2</sub> e	
	Investment intensity	27.80	26.61	tCO <sub>2</sub> e/\$1mm EVIC (enterprise value including cash).
	- primaries	25.50	25.92	
	- secondaries	47.52	30.10	
	Revenue Intensity	59.35	57.74	tCO <sub>2</sub> e/\$1mm revenue.
	- primaries	53.17	54.55	
	- secondaries	103.46	72.79	
Board of Directors gender balance	40 %	40 %		
Senior management gender balance	25 %	27 %	Partners and C-suite.	
Investment teams gender balance	27 %	25 %		
Cubera's GPs	Response rate data requests	N/A	80 %	Of those contacted.
	Share of GPs with ESG policies	96.5 %	96.4 %	
	Share of GPs that are members of PRI	73.1 %	73.7 %	As of March 2023.
	Share of GPs that tracks their own emissions	N/A	48 %	Of respondents.
	Share of GPs with GHG reduction targets	N/A	28 %	
	Average Board of Directors gender balance	N/A	19 %	
	Average gender balance senior management	N/A	18 %	
	Average gender balance investment teams	N/A	24 %	
GPs' funds	Share of portfolio companies that track GHG emissions	N/A	48 %	Response rate funds: 45 %.
	Share of portfolio companies that has a reduction target	N/A	24 %	
	Average Board of Director gender balance	N/A	17 %	
	Share of companies with less than 20 % female representation on Board of Directors	N/A	53 %	
	Share of companies with less than 20 % female representation in senior management	N/A	33 %	

## GHG emissions - calculations and definitions

### Scope 2 calculations: market-based

Office location	Type of energy	Usage kWh	Emission factor gCO <sub>2</sub> e/kWh	Source	Emissions tCO <sub>2</sub> e
Oslo	District heating kWh	42 717	17.2	<a href="#">Celsio EPD</a>	0.73
Oslo	Electricity kWh	64 977	0	Guarantee of Origin*	0.00
Stockholm	Electricity kWh	9 469	9.8	Invoice from electricity provider (Godel)	0.09
Stockholm	District heating kWh	28 000	54	<a href="#">Stockholm Exergi</a>	1.51
Stockholm	District cooling kWh	10 800	0	<a href="#">Stockholm Exergi</a>	0
Total energy consumption		155 963			
Total scope 2 emissions for market-based method					2.33 tCO <sub>2</sub> e

### Scope 2 calculations: location-based

Office location	Usage kWh	Emission factor gCO <sub>2</sub> e/kWh	Source	Emissions tCO <sub>2</sub> e
Norway	107 694	405	<a href="#">Residual mix Norway, 2021</a>	43.62
Sweden	48 269	77	<a href="#">Residual mix Sweden, 2021</a>	3.72
Total energy consumption		155 963		
Total scope 2 emissions for location-based method				47 tCO <sub>2</sub> e

\* Documentation available upon request

### Definition of scopes

Type of emissions	Definition	Units	Example
Scope 1 Emissions	Direct emissions due to owned and controlled sources, accounted for using GHG Protocol	Tonnes CO <sub>2</sub> equivalent (tCO <sub>2</sub> e)	Company vehicles, direct emissions from companies' facilities.
Scope 2 Emissions	Indirect emissions due to purchase of electricity, heat, steam, etc. accounted for using GHG Protocol	tCO <sub>2</sub> e	Purchased electricity, heat/cooling of office buildings
Scope 3 Emissions (upstream Scope 3 emissions)	All other indirect emissions, accounted for using GHG Protocol	tCO <sub>2</sub> e	Business travel, employee commuting, waste generated in operations



## Glossary\*

Subject	Explanation
Climate accounting/GHG inventory	Calculation of a company's or portfolio's greenhouse gas emissions.
CSO	Chief sustainability officer.
Due diligence	A systematic process to collect and interpret information about a prospective investment, which includes both technical and financial due diligence.
Engagement	Specific and separate conversation about ongoing or recurring ESG incident in the portfolio, and conversations on how the managers should address the ESG incident.
ESG	Environmental, Social and Governance.
ESG investing	Cubera defines ESG investing as the investment decision-making process that enables Cubera to identify environmental, social and governance (ESG) risks and opportunities associated with the underlying portfolio companies of private equity funds and its fund managers.
ESG policy	A documented business approach to ESG issues.
Financed emissions	The carbon emission of a portfolio, tCO <sub>2</sub> e per year.
Fund-of-funds (FoF)	An investment vehicle that invests in other funds. Its portfolio contains different underlying portfolios of other funds.
General partner / manager (GP)	An investment firm that manages pooled investment funds, usually focused on alternative assets classes, such as private equity, and is responsible for selecting and managing the investments.
Impact Management Project	The Impact Management Project (IMP)'s focus on "impact" is based on the logic that measurement of a change in outcome, when assessed relative to the relevant social or ecological threshold, provides the basis for optimal decision-making by a company and its stakeholders.
Investment intensity	Normalized carbon footprint per million dollars invested.
Limited partners (LP)	Organizations that invest in a pooled fund and do not take part in its active management. Limited partners can include institutional investors, sovereign and endowment funds, family offices, and high-net-worth individuals.
Operating Principles for Impact Management (OPIM)	Framework for investors to ensure that impact considerations are purposefully integrated throughout the investment life cycle.
Revenue Intensity	Portfolio's exposure to carbon-intensive companies, tCO <sub>2</sub> e/\$1mm revenue. Also known as Weighted Average Carbon Intensity (WACI).
Secondaries	Acquiring direct positions in companies or LP positions in funds from existing private equity investors, typically through portfolios.
Side letter	An agreement entered into by the general partner (GP) and a specific limited partner (LP), clarifying and/or supplementing the terms of the fund documentation when applied to that LP.
Total carbon emissions	The absolute greenhouse gas emissions associated with a portfolio, expressed in tonnes CO <sub>2</sub> e, adjusted for ownership share.

\* Please note that many of the definitions are based on [PRI's reporting framework glossary](#).

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