

CORPORATE RESPONSIBILITY – HIGHLIGHTS OF OUTCOMES & MEASURES

This document sets out to demonstrate the overall management of Corporate Responsibility in PFA during 2016 and includes the measures and outcomes achieved. The overview is extracted from the 2016 Corporate Responsibility Report and from pfa.dk.

Field	Measures and outcomes	UN Global Compact Principle
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Framework on Corporate Responsibility

Policy on Corporate Responsibility	<ul style="list-style-type: none"> New policy adopted, which coordinates the initiatives and projects across PFA. Integrating commitments to climate change (Paris Agreement) and to the UN Guiding Principles on Business and Human Rights. 	UN Global Compact
CR Strategy Investing in a sustainable society 2017-2020	<ul style="list-style-type: none"> Gives a clear indication of PFA's work in the future and combines PFA's new and existing efforts Prioritises the areas in which PFA's business activities can have the greatest possible effect on society. Outlines the UN Sustainable Development Goals that PFA is prioritising 	UN Global Compact and the UN Global Goals

Responsible Value Creation

Responsible Investments	<ul style="list-style-type: none"> PFA has resumed membership of the PRI. Following a dialogue process of three years with the PRI's board of directors on its organisation. In 2016, PFA completed an update of its policy in which implies that it now includes a number of new goals for the work with responsible investments. This includes PFA's commitment to refrain from investing in companies which obstruct the COP21 agreement on global reduction of greenhouse gases. In addition, PFA works determinedly towards complying with the methodology of the UN Guiding Principles on Business and Human Rights (UNGPs). PFA has expanded its log at pfa.dk with companies and updates in order to continue the work of transparency on active ownership dialogue. PFA works with an external service provider that screens PFA's portfolio of shares and enters into engagement dialogues on behalf of PFA if necessary. In 2016, the provider entered into dialogue with 91 companies in PFA's portfolio. PFA has been in active ownership dialogue with 13 companies. PFA screens and analyses the countries in accordance with PFA's guidelines for responsible investment in government bonds. At the end of 2016 PFA invested in bonds in 96 countries and excluded three countries. PFA has made a commitment to work on launching two action plans in 2017. One with a methodology of how to prioritise the work on integrating the UNGPs in the investment processes. The other on how the most greenhouse gas-intensive sectors will be brought into focus and how data from company specific CO₂ analyses can be integrated into the investment process. 	1-10
New process for risk management of suppliers	<ul style="list-style-type: none"> In 2016, integrated the process for the application of PFA's Code of Conduct into a new procurement system. The Code of Conduct was also revised to integrate the focus PFA has on due diligence and management systems to avoid negative impact on human rights and the environment. 	1-10

Society

Promoting understanding of pension	<ul style="list-style-type: none"> PFA has strengthened its reputation and public visibility. The objective is to ensure a higher level of familiarity with PFA as a business and to create an understanding of pension as a vital part of society's economic foundation. PFA manages a large part of the pension savings in Denmark and influences many lives. In 2016, PFA has made active contributions to the public debate with subjects such as pension, health, preventive measures and savings. PFA Participated at Folkemødet on Bornholm – The Peoples Political festival. The purpose was to participate and initiate debates on pension issues. 	Increasing transparency
PFA Brug Livet Fonden	<ul style="list-style-type: none"> In 2016, the five organisations below were selected as the causes of the year and received donations and support: <ul style="list-style-type: none"> - Cystisk Fibrose Foreningen - Immun Defekt Foreningen - Sølund Musikfestival - Foreningen Handicappede Børn og deres Familier - Foreningen Børns Voksenvener - Julemærkefonden The foundation furthermore launched 3 short information videos produced in cooperation between PFA and the causes to promote the organisations' work on specific issues. The foundation also participated at Folkemødet (the people's meeting), where all the current and previous causes were invited to present their cause. 	

Environment and climate policy	<ul style="list-style-type: none"> PFA's environment and climate policy is founded on a broad integration of environmental initiatives into our business, including how PFA purchases and invests, runs its headquarters and involves employees. In 2016 PFA has been mapping its share portfolio to get an overview of the total CO₂ emissions. The data covered almost ¾ of the portfolio. The analyses showed that 88 percent of the portfolio's carbon footprint is released by four sectors: Raw Material & Materials, Utility Companies, Industry and Energy PFA has established an energy management system for mapping of total energy consumption of the Danish property portfolio. The consumption of electricity is the first element to be mapped and in 2016 PFA has mapped all common areas, which corresponds to 11 percent of the expected total consumption in the property portfolio. 	7,8,9
CO ₂ figures for PFA offices and staff	<ul style="list-style-type: none"> In 2016, PFA's total CO₂-consumption was 1,605 tons including transportation and paper consumption. This is a reduction of 399 ton. 	8
Waste management	<ul style="list-style-type: none"> In 2016, PFA's total waste increased by 57 tons due to an increase in the amount of building waste from major renovations. PFA continued to digitize its communication primarily through My PFA (mitpfa.dk) and e-Boks, a secure electronic mailbox solution. This way PFA converted 412,790 kg of paper to electronic communication corresponding to a saving of 426 tons CO₂. 	8

Prizes and awards	<ul style="list-style-type: none"> PFA was rewarded by the Danish newspaper Berlingske Business for being the pension company with the best image. This happened in the study 'Berlingske Guld Image' under the institute for opinion analyses IFO (Institutet for Opinionsanalyse). In 2016, My PFA received an award for best digital pension company of the year. The prize is awarded by the Danish news media Finanswatch and the consultancy & analytics firm Wilke. PFA Advisory Services Centre was voted best customer service in the pension and insurance industry, a prize which is awarded by DI Service (Dansk Industri Service) and the consultancy & analytics firm Wilke. PFA is represented in the 'Hall of Fame', an acknowledgement awarded by the Dutch peace organization PAX. The organisation has evaluated PFA's policy and practice for exclusion of companies that produce nuclear weapons. 	
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Customers

Customers return to work & Focus on stress and improving health	<ul style="list-style-type: none"> PFA Active Claims Handling has helped more employees back to work in 2016. PFA has increased efforts in handling stress PFA health screenings paved the way for corporations and new projects. 	1,2
Customer dialogue & login on My PFA	<ul style="list-style-type: none"> In 2016, the total number of customer interactions was 623,052. This includes calls and e-mails to the Health Centre, the Claims Centre, the Advisory Services Centre as well as meetings and consultations with customers. In 2016, My PFA experienced more than 1.1 million logins against approximately 790,000 the year before, and customer satisfaction increased to 7.6 on a 1-10 scale against 7.5 in 2015. 	1
New digital solutions & Customer satisfaction	<ul style="list-style-type: none"> PFA expanded My PFA to make it easy for the customers to transfer information from SKAT on available funds, property, debt etc. to ensure a true and fair view – and thus relevant recommendations through the holistic advisory services. In 2016, PFA received 297 complaints, which is a decrease from last year. The Customer Representative handled 118 cases, where 62 were finalized with a, considering the circumstances, satisfactory result for the customer. In 2016, 42 complaints about PFA have been presented to the Danish Insurance Complaints Board. This is 12 cases fewer than 2015. 	1

Employees

Employee satisfaction	<ul style="list-style-type: none"> PFA has developed a new question frame for the employee satisfaction survey. The purpose was to illustrate and measure the linkage between employee satisfaction and job satisfaction, engagement, performance and results. 93 per cent of the employees chose to respond to the survey. PFA's target was split up into three questions and was achieved with the index score 80.3 as an overall average of the responses to the questions. 	3-6
Healthy workplace & new management	<ul style="list-style-type: none"> PFA continued its efforts towards a healthy PFA. Health in PFA is about creating a framework for each individual employee's engagement at work, with a high energy level and still with a reserve of energy when working hours are over. Exercise during the working day was put on the agenda as it stimulates the engagement and affects the physical as well as the mental immune defense system. 	3-6
Number of women in management	<ul style="list-style-type: none"> PFA's target for the share of women in management is 40 per cent. Throughout the period 2012-2015, the share has been 39, 39, 41 and 38 per cent respectively. And, in 2016, PFA reached 41 percent. PFA intends to maintain this relatively high proportion of female managers and to gradually increase the share with more women represented in senior management, including on the Board of Directors. 	1,6