



CR Report

# Corporate responsibility in PFA

- activities and results for 2017

**PFA**

More for you



# Corporate responsibility in PFA

- activities and results for 2017

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## The photos in this report

The photos in this report show organisations and projects that have been elected as the 2018 causes and have received financial support from PFA Brug Livet Fonden.

Photos by photographer Jakob Dall.

Photo on page 13 by Lisbeth Grønhøj Terp.

**Front page: Gigtramte Børns Forældreforening**

## TRANSLATION:

This is a translation of PFA Holding's Corporate Responsibility report 2017 in Danish. In case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

# 100 years of experience and commitment

– An anniversary year leaving many new footprints in society

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In many ways, 2017 was a special year for PFA. We celebrated our 100<sup>th</sup> anniversary, which was marked for the benefit of both customers and society. During the year, we initiated a number of activities aiming to contribute positively to the development of society. The outcome of the activities is described in this report, which details the results for the year of our work with corporate responsibility and engagement in the development of society.

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The involvement of our employees and customers is an essential part of our dealing with corporate responsibility and contributing with solutions regarding a number of important subjects. The subjects include health and preventive measures, inspiration for a good senior life and communication of savings trends to the various age groups. 100 years of experience makes us liable to engage in the development of society – and we feel strongly about doing so. To mark the anniversary, we, among other things, launched the Think Tank – The New 3<sup>rd</sup> Age, which has contributed with recommendations to how the individual will ensure the best possible life as a senior citizen towards 2040. Also, we put savings on the agenda injecting humour and satire into a new campaign based on the Pension Estimator. The campaign was intended as a helping hand to those who rarely consider the subject – be it because it is difficult to understand or because it is not considered that relevant.

In 2017, we combined our efforts in a Corporate Responsibility strategy entitled 'Investing in a sustainable society 2017-2020'. The work with responsible investments and the respect for climate, environment and human rights were key elements of the total strategy. This year, we have worked on realising the 15 focus areas of the strategy. For instance, we have, in dialogue with a number of stakeholders, prepared and published our method to ensure that the Paris Agreement on reduction of greenhouse gases is integrated into our investment processes. This report provides more detailed information about the subject.

This way, PFA's corporate responsibility covers a wide field. Our basis for acting as a responsible company is the UN Global Compact and the international conventions and principles on which there is global consensus. We find that this is the best approach when we, in the capacity as company, investor and business partner, are to communicate what we stand for and what we expect from our cooperative relations.

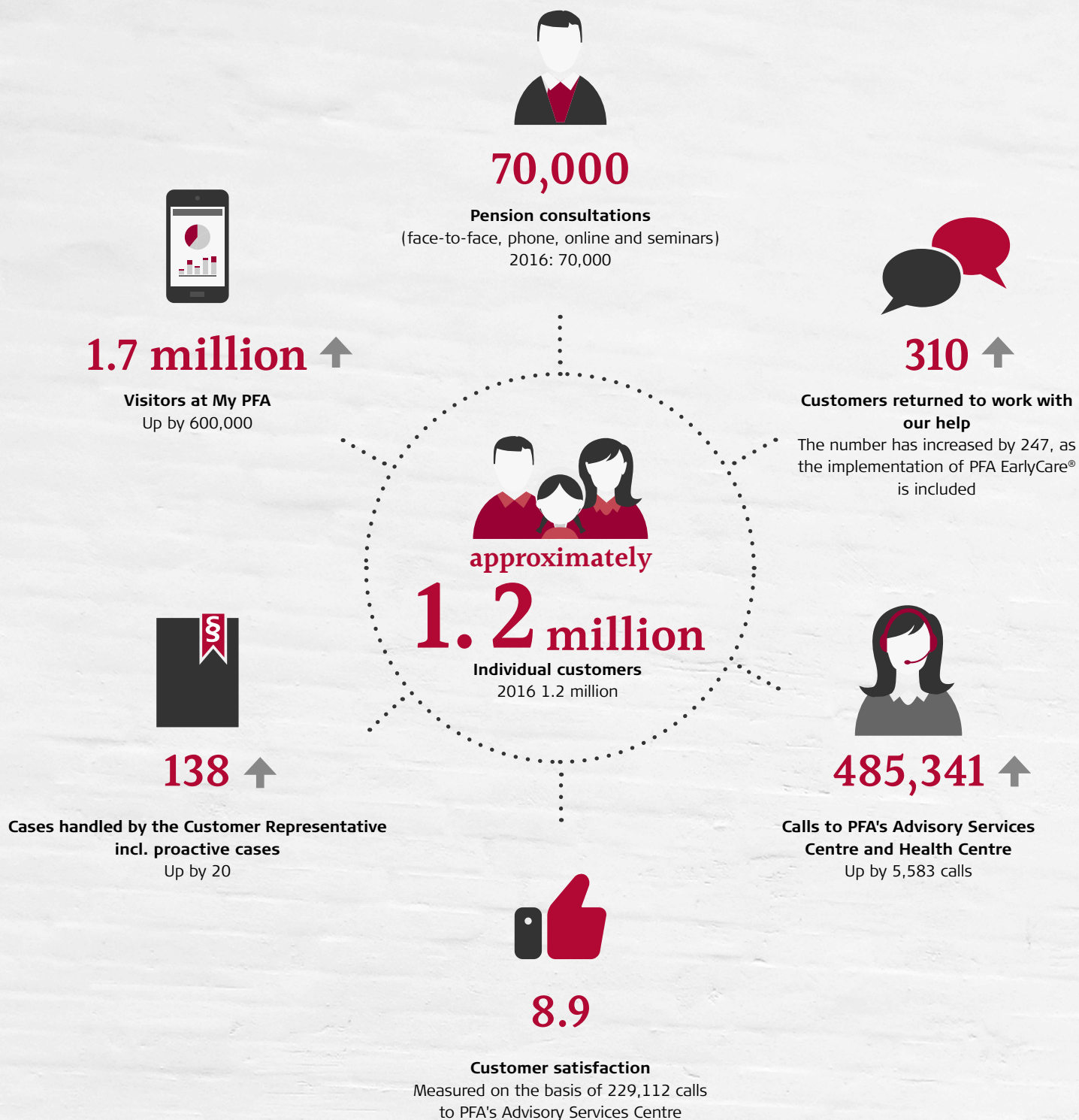
We anticipate a new and exciting 2018, when we once again give priority to a number of new efforts which will benefit our customers, society and employees well. We look forward to a year with constructive customer dialogues, responsible investments, intense debates and a continued commitment in Danish society.

Please enjoy reading.

Yours sincerely

**Allan Polack**  
Group CEO

# PFA in figures and overview of 2017







**81.6** ↑

**Employee satisfaction**  
Up by 1.6 according to the index



**1,894 tons** ↑

Up by 289 tons



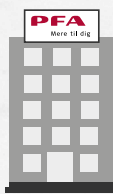
**36 per cent** ↓

**Women in management**  
Down by 5 per cent.



**232 tons** ↓

**Total amount of waste**  
Reduced by 49 tons



**1,296**

**Employees**  
(average number of full-time employees)  
Up by 20



**DKK 34.0 billion** ↑

**Payments**  
2016: DKK 31.8 billion



**DKK 9.4 billion** ↑

**Total taxes paid by PFA**  
2016: DKK 8.6 billion



**Pension DKK 20.5 billion**  
**Insurance DKK 2.0 billion**

**Payouts**  
Pension: 2016: DKK 16.2 billion  
Insurance: 2016: DKK 2.2 billion

# Policy and strategy directs PFA's corporate responsibility

PFA's policies on corporate responsibility and responsible investments as well as the CR strategy 'Investing in a sustainable society 2017-2020' define the target for PFA's contribution to the development of society and indicate its direction. At the same time, PFA's efforts contribute to support some of the UN's Global Goals for sustainable development.

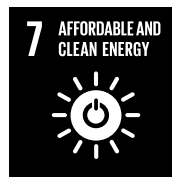
PFA's CR efforts are based on the objective of realising the 15 goals that were defined in the 2017 CR strategy. The report describes the work on the efforts and the evaluation in order to fix new goals for 2018. The strategic efforts are the means by which PFA's corporate responsibility policy and the policy for responsible investments are implemented. We are focusing on efforts that match PFA's core business, and which can contribute to the development in society with maximum effect.

## Four key areas of PFA's corporate responsibility

PFA's corporate responsibility policy is based on PFA's role as company, investor and employer. It defines the way in which we want to assume responsibility in society. Our corporate responsibility is based on four focus areas: Responsible value creation, Customers, Society and Employees. The focus areas are key to linking policy, strategy and efforts together. This way, we can summarise the year's activities and results in PFA's annual corporate responsibility report. The focus areas form the basis of specific activities, including activities related to PFA's objective to contribute to the UN's Global Goals for sustainable development.

## PFA contributes to five of the UN's Global Goals

As part of the work on the CR strategy, PFA has given priority to particularly five of the UN's 17 Global Goals for sustainable development, as they are a natural fit with PFA's core business. In 2020, we will prepare an overall status of PFA's contributions to the goals. The UN's Global Goals cover the years 2015-2030 and PFA has given priority to the following goals:



## PFA bases corporate responsibility on international conventions and guidelines

PFA's corporate responsibility policy is built on international principles and conventions. The work is based on observing:

- The UN Global Compact's ten principles for responsible corporate behaviour focusing on human rights, labour rights, the environment and anti-corruption. PFA joined the principles in 2009.
- The UN Guiding Principles on Business and Human Rights which became part of PFA's corporate responsibility policy in 2016.
- The Paris Agreement on reduction of greenhouse gases. This was incorporated in PFA's corporate responsibility policy in 2016.
- The six UN-backed principles for responsible investments, where PFA reentered the organisation Principles for Responsible Investment (PRI) in 2016.



**MusikBeRiget**  
Selected as one of PFA Brug Livet  
Fonden's 2017 causes.




# CR strategy status of the 2017 activities

In 2017, PFA's corporate responsibility started with working on the 15 prioritised efforts for 2017 which are described in the CR strategy. The 14 efforts are either fully realised or in satisfactory process, and they are further described below. The efforts concerning measurement of PFA's contribution regarding five of the UN's Global Goals will not be settled until 2020, when the total results and the effects of the CR strategy will be reported.

As for the strategy, 10 of the efforts consisted in activities that were initiated in 2017. The remaining four efforts were continuations of already initiated efforts. The realised efforts are described in this report under the relevant sections. They are briefly mentioned in the total status to create an overview. We also briefly describe the initiated efforts in this overview. At the same time, they will form part of the prioritised efforts for 2018, which are described on page 12.

## Overview of the work with 15 focus areas in 2017

Below, we briefly describe what has been accomplished for the individual efforts, and on which page they are described in the report.

CR activities broken down by area		Status at end-2017
<div>  <b>Responsible value creation</b> </div>		
1.	Developing investment processes that focus on ensuring that the carbon emissions comply with the Paris Agreement. Including preparing a method to identify companies which work against the Paris Agreement and initiating a dialogue with selected carbon intensive sectors.	Method and guidelines used for implementing the Paris Agreement in the investment process have been prepared. Read more on page 16.
2.	Publishing a plan of action and method of application of the UN Guiding Principles on Business and Human Rights in the investment process, beginning the implementation in selected sectors and communicating about the progress of the work.	Method and action plan used for implementing the UN guiding principles in the investment process have been prepared. Read more on page 18.
3.	Integrating policy and principles for responsible investments in property investments and alternative investments and ensuring that 'responsible tax' is integrated into screening of and active ownership dialogue with companies in our company portfolio.	Alternative investments, property investments and responsible tax practice are integrated into the annual cycle for PFA's RI Board.
4.	The planning of the renovation of PFA's domicile will concentrate on ensuring a healthy working environment for the employees and a sizeable reuse of the existing building stock.	Renovation of the domicile with sizable reuse, new systems, which will reduce the carbon emissions from the building and tests of different office environments made available to the employees. The project continues in 2018.
<div> <span>● Activity completed</span> <span>● Activity continues</span> <span>● Activity postponed to 2020</span> </div>		



## Society

5.	Establishing a think tank on the third age in order to contribute to the public debate with potential solutions allowing for increased life expectancy.	The Think Tank – The New 3 <sup>rd</sup> Age was established, see page 20.	Activity completed
6.	Mapping out potential use of properties and material in a more energy and resource-efficient way.	PFA is participating in a pilot project about temporary use/rental of a property. The project continues in 2018.	Activity continues
7.	Benchmarking PFA's efforts against five of the UN's Global Goals to which PFA has given priority.	Benchmarking PFA's contribution against five of the UN's Global Goals to which PFA has given priority will be postponed to 2020.	Activity postponed to 2020



## Customers

8.	Increasing knowledge about pension, targeting communication to specific groups and relaunching the Pension Estimator.	PFA's focus on communicating about pension is described on page 25. The Pension Estimator was relaunched through a new campaign, see page 25.	Activity completed
9.	Mapping out the possibilities of cooperation with external experts and suppliers to ensure better expertise and more options when it comes to helping the individual return safely and securely to work after an illness or an accident.	Initiated a partnership on stress management, read more on page 26. Efforts and dialogue on new partnerships continue in 2018.	Activity continues



## Employees

10.	Involving employees in specific projects through after-work meetings, mentor systems, etc.	After-work-meetings on the work on PFA's think tank, etc. The efforts continue in 2018.	Activity continues
11.	Revitalising PFA's own health strategy.	PFA has prepared a health strategy for the employees. The strategy is described on page 31.	Activity completed



## Continuation of existing initiatives

12.	Responsible investments: Holding minimum 10 Responsible Investment Board meetings per year with focus on investment screening, active ownership dialogue with companies and communication about the progress of the work.	PFA's RI Board is described on page 14.	Activity continues
13.	Working on Code of Conduct during the process of concluding contracts as part of responsible procurement.	PFA's Code of Conduct is described on page 19.	Activity continues
14.	Supporting and cooperating with associations and projects which are elected by PFA Brug Livet Fonden.	PFA Brug Livet Fonden's activities are described on page 23.	Activity continues
15.	Organised NGO and customer dialogue about prioritised efforts within corporate responsibility.	Dialogue with NGOs and customers is described on page 15 and 25. Page 44 contains a list of the structured dialogue on responsible investments.	Activity continues

● Activity completed

● Activity continues

● Activity postponed to 2020

# PFA's CR efforts – 2018

PFA regularly evaluates the priority of the efforts in the corporate responsibility area, as a need for dealing with new subjects may arise in existing processes. In connection with the evaluation of the prioritised efforts for 2017, we have identified new goals and efforts for 2018.

The new efforts are assessed in relation to areas in which PFA would be able to contribute in the best possible way to the development of society. At the same time, we have assessed the areas in which PFA may negatively affect the environment, human rights and society.

The basis of PFA's future work with corporate responsibility will be determined in 2018. At the same time, a total communication strategy will include the goals that can contribute to PFA's work on responsibility and support the continued development of our reputation. 2018 is the second year of the work with implementing

the CR strategy 'Investing in a sustainable society 2017-2020'. We will continue prioritising activities in which PFA's operation may have a possible influence on society and where we can contribute with specific knowledge and qualifications.

In 2018, we will review the efforts and define new efforts for 2019, and we will also in 2018 report on the progress of the work on implementing the strategy.

## CR strategy – Investing in a sustainable society 2017-2020 - 15 specific focus areas for 2018



### Responsible value creation

1. Prepare a total revised tax policy for the PFA Group.
2. Review the work on voting at listed companies' general meetings.
3. Prepare a method of implementing the Paris Agreement in PFA's property portfolio and continue the focus on climate and employee satisfaction during the renovation of PFA's domicile.
4. Implement PFA's climate screening model for listed companies and efforts for 2018 in the action plan to ensure that the UN Guiding Principles on Business and Human Rights are implemented in the investment process.



### Society

5. A pilot project with focus on a more resource-efficient use of properties.
6. Strategic partnerships with focus on bringing PFA's data and experience on the health area into play.
7. Launch the recommendations for the good life in the third age from the Think Tank – The New 3<sup>rd</sup> Age and make the recommendations come alive.



### Customers

8. Help senior employees and companies secure a better transition from working life to life in retirement.
9. Establish a private customer panel to bring forward a better customer experience and digital solutions as well as to revitalise PFA Health Forum.



### Employees

10. Establish a diversity policy and revise internal guidelines to ensure that PFA complies with the standards to preventing and protecting employees against corruption and bribery.
11. Strategic partnerships with organisations that help groups of people where particular employee competences are called on.



### Continuation of existing initiatives

12. Responsible investments: Holding a minimum of 10 RI Board meetings.
13. Work with Code of Conduct in the process of concluding contracts.
14. Select the PFA Brug Livet Fonden's causes of the year, cooperate with the causes and coordinate the foundation's activities at the Folkemødet.
15. Organised NGO and customer dialogue about prioritised corporate responsibility efforts.



**WutomiAgri**

Selected as one of PFA Brug Livet Fonden's  
2017 causes.

[wutomiagri.wordpress.com](http://wutomiagri.wordpress.com)



# Responsible value creation

Investment funds	DKK 594 billion
Total return on investments	DKK 26,3 billion
Excluded countries / Excluded companies	3 / 34

Responsibility is one of PFA's fundamental values, and responsible value creation is a key element in PFA's CR strategy 'Investing in a sustainable society 2017-2020'. As a responsible investor, PFA aspires to generate a high and long-term investment return, where the customers can trust that their savings are invested with respect for human beings, the environment and internationally recognised conventions. Responsibility is also a key parameter when PFA enters into contracts. This is the reason why we have a Code of Conduct which is integrated into the process of concluding contracts and it is thus a part of our dialogue with business partners.

## Policy for responsible investments

The policy for responsible investments is based on PFA's compliance with the international UN conventions and principles, including the six UN-backed Principles for Responsible Investment (PRI), the UN Guiding Principles on Business and Human Rights and the Paris Agreement on global reduction of greenhouse gases. PFA focuses on translating the international conventions into action in PFA, on acquiring the necessary data and on integrating it in the processes of the investment area.

PFA's policy for responsible investments was updated in 2017 in order to ensure that PFA complies with the recommendations of active ownership from the Danish Committee on Corporate Governance. In connection with the update, we added an expectation of the companies in which PFA invests to act responsibly in terms of tax, and PFA screens the companies to assess whether they comply with OECD's BEPS measures on correct tax payment and whether they pursue responsible tax practices.

## Responsible Investment Board

PFA's Responsible Investment Board (RI Board) held 10 meetings in 2017 which focused on the implementation of PFA's policy for responsible investments. During the year, PFA and Global Engagement Services (GES) have been in dialogue with a number of companies, and the RI Board has been assessing the progress of these cases on an ongoing basis. Furthermore, the Board has prepared guidelines for PFA's approach to ensuring that both the Paris Agreement and the UN Guiding Principles on Business and Human Rights are integrated into the investment process. This is described on page 16.

PFA gives priority to dialogue with stakeholders. Therefore, the board has during the year held meetings with a number of organisations in order to deal with particular subjects and ensure that the work with responsible investments progresses. The subjects of interest are, for instance, the rights of the Native Americans in connection with the Dakota Access Pipeline, investments in tobacco shares and responsible tax practice. In 2018, the Board will maintain its focus on responsible tax and voting at international companies' general meetings.

## PFA offers investments in sustainable investment fund

At the end of 2017, PFA's customers were given the opportunity to invest in the fund 'UBS Globale Bæredygtige Aktier' (UBS Global Sustainable Shares) through You Invest. The fund was selected because it had generated the best return and is based on a best-in-class approach to sustainable investments. This implied excluding tobacco and weapon investments.

Also, the fund is investing in long-term alternatives such as energy, water and health. The work with selecting the investments for the fund is taking place as a parallel to PFA's dialogue with customers and organisations on tobacco shares, etc.



## Active ownership in 2017

PFA wants to be an active owner in the companies in which we are investing. Active ownership covers various activities such as monitoring and screening of investments, dialogue with companies, voting and possible divestment and exclusion. In the section below, we describe a number of the activities, whereas you can find the specific data in the data section of the report on page 44.

### Monitoring and screening of companies and countries

PFA is consulting Global Engagement Services (GES) for screening of possible violations of PFA's policy for responsible investments. If a violation of the policy is suspected in a company in which PFA invests, GES will investigate the case and enter into dialogue with the company about compliance with the international conventions on which our policy is based.

We are evaluating the results of our dialogue with GES on an ongoing basis. The purpose is to determine whether there is progress in the dialogue, or whether we, alone or together with other investors, should enter into dialogue with a company in order to push the development towards compliance with PFA's policy for responsible investments. In 2017, GES assessed 209 cases that indicated violation of the policy for responsible investments among the companies in our investment portfolios.

PFA screens and analyses its own investments in foreign government bonds based on PFA's method and guidelines for responsible investments in government bonds. PFA does not enter into engagement dialogues with countries, as this is considered to be a foreign policy issue. In 2017, there has been particular focus on Venezuela, which was subject to a negative development both politically and economically. The country is experiencing an increasing pressure from its population and the international society after a controversial election in 2017. We have decided to keep our investments in Venezuelan government bonds and we follow the development in the international dialogue with the government towards a stabilisation.

### Active ownership dialogue with companies and managers

In 2017, GES engaged in dialogue with 89 companies in PFA's portfolio on 109 cases of which 10 cases concerning verified violations of PFA's policy were solved by a change of the companies' practice. PFA was in direct dialogue with 13 companies on potential violations of PFA's policy for responsible investments. The development in the dialogue is updated regularly through our log of active ownership at [pfa.dk](http://pfa.dk).

During the year, we closed our dialogue with Syngenta. The dialogue began in 2014 and focused on unacceptable conditions in Syngenta's supplier chain. The purpose of the dialogue was to assess the company's measures, as Syngenta initiated a multi stakeholder consultation and later two pilot projects in India. The company's focus in these activities has been to improve the processes in order to ensure payment of minimum wages in the supplier chain. Meanwhile, Syngenta was taken over and is no longer listed on the stock exchange. PFA no longer has any investments in the company.

We cooperate with other investors about dialogue with companies to enhance the effect of the company dialogue. This is the case in the PRI as well as in the Nordic Engagement Cooperation (NEC), which PFA became a member of in the autumn 2017. It is expected that, in 2018, the members of the NEC will put focus on identifying potential violations of human and labour rights in a specific sector which is not being addressed adequately at present.

During the year, we have held meetings with external managers from Denmark, England and USA in order to discuss the progress of their work on responsible investments. At the meetings, specific companies were discussed in order to deal with potential violations of PFA's policy for responsible investments, and the manager's momentum of dialogue with the companies was also addressed.



### Nordic Engagement Cooperation

#### - cooperation on dialogue with companies

PFA became a member of the NEC in 2017. The other members are: Folksam (Sweden), KLP (Norway) and Ilmarinen (Finland). The membership of the NEC makes it possible to cooperate on a dialogue with companies and in this way, we can strengthen our influence. The NEC members meet four times a year to discuss momentum in the dialogue with companies, determine possible new dialogues and close existing dialogues once the fixed goals have been achieved. The NEC prepares a report every year which describes the work on active ownership under the framework of the NEC.

## Exclusion

PFA excludes companies when violations of PFA's policy for responsible investments are considered to be present and when we have not succeeded in exerting our influence through dialogue with the company in question. An assessment of a possible exclusion follows the process of PFA's guidelines for exclusion. In 2017, we excluded the US-based company Energy Transfer Equity and its subsidiary Energy Transfer Partners. The reason for the exclusion is that the company did not want to enter into dialogue with PFA about its communication with the Native Americans in connection with the Dakota Access Pipeline project in the USA. Furthermore, we removed L3 Technologies Inc. from the exclusion list, after the company had confirmed that it was no longer associated with the production of cluster munitions.



### Example on dialogue with companies involved in the Dakota Access Pipeline project

In March 2017, the UN's Special Rapporteur issued a report describing how the Native Americans' rights were violated in connection with the construction of the Dakota Access Pipeline (DAPL), North Dakota, USA. At the time in question, PFA held investments in Phillips 66, Enbridge, Energy Transfer Equity (ETE) and its subsidiary Energy Transfer Partners (ETP), and was attempting to open a dialogue with the companies as a result of the UN report. As the only company, ETE chose not to respond to our dialogue request. Therefore, we later decided to exclude ETE and ETP, as we did not succeed in establishing a constructive dialogue. PFA is still in dialogue with and holds investments in Phillips 66 and Enbridge - two companies which have minority investments in the company behind DAPL. The dialogue concerns both the companies' own processes, policies for consulting local stakeholders and their possibility of influencing the company behind DAPL by making use of their influence.

## How the Paris Agreement is implemented in PFA

In 2017, PFA has prepared guidelines and a method for the implementation of the Paris Agreement in the investment process. This is made based on a constructive dialogue with, among others, WWF-Denmark. A variety of data and methods exist for measurement of companies' carbon emissions, and it has not been finally settled how much carbon investors are allowed to emit while complying with the goals fixed in the Paris Agreement. Consequently, we developed our own method in 2017 which includes data from three different suppliers.

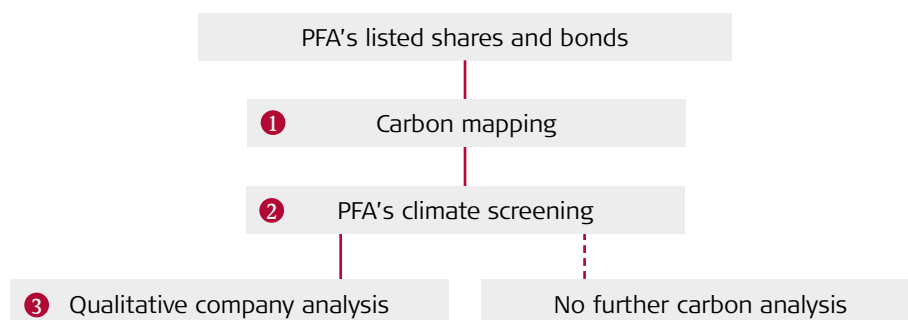
The method includes PFA's listed shares and bonds, and it is meant to ensure a data-based approach to the assessment of a number of different parameters concerning the companies' carbon and environmental impact. The method includes three steps as shown in the figure on the next page:

- Step one consists of a mapping of the carbon emission of the total portfolio.
- Step two consists of PFA's own climate screening which includes all companies which are either comprised by an energy-intensive industry, or which emits excessive amounts of carbon compared to the sector. The screening includes, among other things, the present emission, the percentage of reserves and the company's possibilities within application of sustainable energy sources.
- Step three focuses on companies in which climate screening shows no focus on the company's impact on the climate or on companies which have not addressed their consumption of energy or set any targets for the carbon emissions or the way in which they contribute to the green transition. This is done by preparing company-specific qualitative analyses and assessing whether the investment in the company complies with the targets defined in the Paris Agreement.

The method is accessible at [pfa.dk](http://pfa.dk) and will regularly be integrated in the investment process for which we have also put focus on contributing to the green transition through investments in energy-efficient projects such as solar and wind power.

PFA's expectations of 2018 are to create a broad climate focus on investments, ensure better data and qualitative analyses, create further dialogue with a number of companies, and cooperate in international forums on the impact on climate.

## How the Paris Agreement is implemented in PFA



One of PFA's goals for 2018 is to prepare a method and map out possible scenarios for embedding compliance with the Paris Agreement into our property portfolio. An increasing property portfolio, nationally as well as globally, requires a methodology which is based on the data available in the area. The mapping replaces recent years' focus on the energy consumption in the Danish property portfolio, as focus is now spread out on the entire portfolio.

### Membership of the Institutional Investors Group on Climate Change (IIGCC)

In 2017, PFA signed up for a membership in the international climate organisation IIGCC. The membership makes it possible for us to cooperate with other investors in putting climate on the global agenda and securing consistent climate legislation in the EU and worldwide.

### Cooperation on climate scenario analysis

PFA has participated in a European project prepared by the WWF. Among other things, the think tank 2 Degrees Investing Initiative carried out a climate scenario analysis of our share portfolio. The purpose was to assess whether the companies in which we invest comply with the ambition outlined in the Paris Agreement to limiting global warming to maximum two degrees Celsius.

The analysis showed that PFA is well-placed when it comes to the two degree scenario as our share portfolio have had twice as big an exposure to renewable energy compared to a two degree scenario. The analysis also showed that we have less coal, oil and gas compared to the expected percentage under the applied two degree scenario. According to the scenario analysis, the maximum exposure to oil for an investor of PFA's size would be 3 million barrels of oil, where our exposure was under 2 million barrels. PFA's investments in the car industry indicated that there was an overexposure of car manufacturers making cars with combustion engines. This exposure is expected to change as more car manufacturers plan for production of electric cars.

### PFA's carbon emissions in the share portfolio in 2017

PFA emits less carbon than our benchmark index. This is demonstrated in our mapping of the carbon emissions from PFA's share portfolio in 2017. The difference is primarily due to our investments in companies in the supply sector which are emitting less carbon than their competitors. The calculation is made on the basis of normalised data for emission of carbon per million USD invested in the respective sectors. The purpose of this method of calculation is to focus on the primary sources of carbon emissions and on the relationship between PFA's portfolio and the benchmark index.

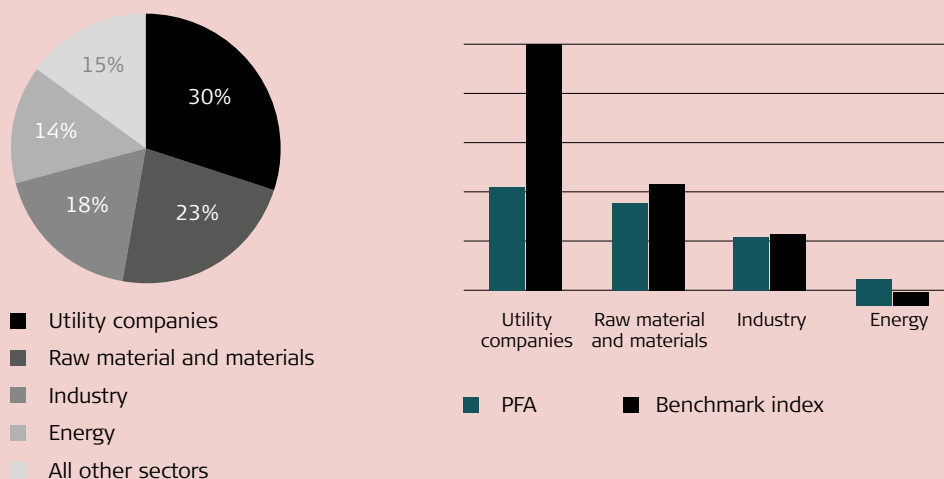


### Case

#### PFA invests in the world's biggest offshore wind farm – Walney Extension

In 2017, we invested in the world's biggest offshore wind farm, Walney Extension. The Danish energy company Ørsted holds an equity interest of 50 per cent, while PFA holds an equity interest of 25 per cent. The wind farm has a total capacity of 659 MW and is thus able to provide electricity from renewable energy sources to more than half a million UK homes. The wind farm is situated in the Irish Sea approximately 19 km from Walney Island in Cumbria in the north western England and it covers an area of 145 km<sup>2</sup>.

### PFA's carbon emissions in the share portfolio in 2017 compared to the benchmark index



### Implementation of the UN Guiding Principles on Business and Human Rights

It is one of PFA's objectives to implement the UN Guiding Principles on Business and Human Rights in the investment process. During 2017, we therefore prepared guidelines for the area as well as a method and an action plan. These are accessible at [pfa.dk](http://pfa.dk). The purpose is to ensure that the due diligence process, which is key to the UN guiding principles, is embedded in PFA's investment process. This was based on a constructive dialogue with a number of stakeholders including Mellemfolkeligt Samvirke (MS) – ActionAid.

The due diligence concept included in the UN guiding principles is also a part of the OECD's guidelines for multinational companies. The guidelines are based on the work that companies and investors do to integrate due diligence processes into their policies and management systems. For that reason, PFA now has an overall approach to mapping the risks of the portfolio of causing, contributing to or being directly linked to an existing or potential negative impact on human rights, environment and climate. The approach also includes the way in which we want to act to address and prevent negative impact.

As an investor, it is difficult to gain an overview of the negative impact that a portfolio of several thousand companies may have. Therefore, we have

developed our own heat map based on a number of company-specific measurement points relative to the negative impact on society. The measurement points allow for, among other things, whether the screening has proved that the company is violating the OECD's and the UN's guidelines, the actual number of violations of the international guidelines found in the company and whether the company has a human rights policy.

The method covers different scenarios for how PFA as a minority shareholder or owner with controlling influence must act with regard to companies that have a negative impact on human rights and society. Active ownership dialogue, openness on progress in the dialogue and cooperation with other investors about exerting influence on a company are the areas that PFA has brought into focus in its work with the UN guiding principles. The action plan describes the asset classes to which priority is given in 2018 and 2019. The order of priority is primarily justified by PFA's internal efforts to include some data and new processes which will be subject to evaluation before new asset classes can be included.

### **PFA's work on implementing the UN Guiding Principles on Business and Human Rights in the investment process**

- Mapping areas in which PFA as an investor may cause, contribute to or be directly linked to negative impact on society through our investments.
- Giving priority to the efforts to implement the UN guiding principles with focus on cases in which a negative impact has been demonstrated or in which an impact of disproportionate character is suspected, or where the range of people affected is extensive. In-house processes are prepared to ensure that data is integrated into the investment considerations before an investment is made on the areas where the efforts are prioritised.
- Integrating the due diligence process as part of the active ownership dialogue with the companies and external managers that PFA is in dialogue with.
- Considering possible divestments and exclusions.

Read more about guiding principles, method and action plan at [pfa.dk](http://pfa.dk).

### **Embedding the policy for responsible investments in the property portfolio**

The policy for responsible investments applies to all asset classes in PFA's portfolio. In 2017, the focus was still on embedding the policy in property investments in both Denmark and globally. Investments in Denmark are made according to PFA's Code of Conduct, which is based on international conventions and guidelines. The Code of Conduct forms the basis of the dialogue on PFA's expectations of our business partners including managers, administrators and contractors. They sign our Code of Conduct on entry into the respective contracts. As for property investments outside Denmark, PFA is in the process of implementing a method to ensure that PFA's policy for responsible investments forms part of the overall due diligence process for investments in foreign properties.

### **Responsible procurement is part of PFA's conclusion of contracts**

PFA's Code of Conduct is based on the UN Global Compact's principles for responsible corporate behaviour and focuses on the supplier's work with responsibility. This includes the supplier's management systems and due diligence in relation to a potential negative impact on human rights and environment. PFA's Code of Conduct forms part of the procurement and conclusion of contract process in PFA. PFA has reviewed its policies of outsourcing and conclusion of contracts in 2017

and a data processing agreement has been prepared. The policies are meant to strengthen the procurement process and ensure that the work with the Code of Conduct is being fully integrated. In order to obtain a better overview of the entire contract portfolio and the obligations of the suppliers, PFA has established an in-house function which aims to create the right processes and regularly follow up on all contracts and deliveries to determine whether they comply with PFA's guidelines for Responsible Procurement. In order to obtain a complete overview and support the in-house function optimally, PFA will implement a new Contract Management system.

All vice presidents who are authorised to conclude contracts with external business partners have participated in an introduction course on PFA's policy for conclusion of contracts and process for Responsible Procurement. In 2018, PFA will establish a body of contract managers under each executive management area, which is to ensure that the operations in the company will get closer to the contractual liabilities determined by the supplier. This will ensure an extensive embedding of the processes – also when it comes to PFA's attitude towards external business partners who do not comply with PFA's Code of Conduct.

# Society

PFA wants to make a positive contribution to the development of society. During the past 100 years, we have accumulated knowledge and experience which we gladly share. Our size and market share commit us to apply the knowledge we have accumulated and thereby assume co-responsibility for the development of our society.

- ★ PFA contributes to society in a manner that enables our customers to live life – all their life. Half of all children born today can expect to live to be a hundred, technology develops at the speed of light, and we change jobs more often than ever before. This puts a strain on the flexibility in our society, and, at the same time, it provides new opportunities for PFA's present and future role towards our customers and society.

## It must be worthwhile to save for retirement

In 2017, PFA continued its work on taking care of the interests of the customers and thus the people in Denmark in relation to politicians and legislators. We have given priority to translating our professional competence and communicating how new bills may affect the individual pension saver in practice. In 2017, the Danish Government presented two initiatives which are to address the interplay issues between public benefits and private pension plans and ensure that it will always be worthwhile to save up for retirement irrespective of your income. PFA has submitted its view and been in dialogue with the Danish Government and the parties represented in Parliament with a view to contribute towards making the initiatives less complex and more easily put into practice. One of the initiatives has been adopted, while the other is expected to be adopted during spring 2018. Furthermore, PFA follows the development of the European Commission's drafting of a Pan-European pension product.

## Debate on and knowledge sharing of responsible investments

One of PFA's absolute core competences is investment and management of the customers' long-term savings. We want to be a responsible investor, and, during 2017,

we have contributed to put focus on the dilemmas of being a responsible investor working with integrating international conventions and the UN guiding principles into the investment process. We did so through discussions, participation in a Parliamentary hearing and through events at the Folkemødet. PFA was also represented in a task force under the minister of business and industry on new guidelines on responsible investments.

## The Think Tank – The New 3<sup>rd</sup> Age rethinks life as a senior citizen

People in Denmark live longer, and, in 2040, an increasing number of us will live to be a hundred. Life as a senior is not supposed to be a question of getting through and getting older but of progress and freedom to enjoy new experiences. In the light of changes in life expectancy and the major changes in the surrounding world, PFA decided to focus on rethinking a number of conditions in relation to the third age. Therefore, we established the Think Tank – The New 3<sup>rd</sup> Age in 2017. The purpose of the Think Tank was to debate and provide recommendations for how to ensure the good life in the third age towards 2040. The total recommendations of the Think Tank are published in 2018.



## PFA turned 100 – and so may you

In 2017, PFA celebrated its 100<sup>th</sup> anniversary, and took the opportunity to focus on the changes in living conditions which the increasing life expectancy is likely to entail for the individual and for society. We boiled this down to the slogan: PFA is turning 100 – and so may you!



**Ordskaelv**

Selected as one of PFA Brug Livet Fonden's 2017 causes.  
[ordskaelv.org](http://ordskaelv.org)



### The Think Tank's work and debates

The Think Tank is comprised of 12 participants and is broadly founded with representatives from Danish associations, organisations, the industry, experts as well as labour market parties. In its work with rethinking the future life as a senior citizen, the Think Tank dealt with three overall themes:

1. Health and quality of life
2. The transition from work to retirement
3. Housing and social relations

The Think Tank's work has frequently been the subject of debate. For instance, PFA had the good life in the third age on the agenda at the Folkemødet in Bornholm, where PFA once again took on the gold sponsorship. The themes for the debates included the future senior housing models, flexible retirement and various dilemmas in the life as a senior citizen. At the conference 'Denmark towards 2040', the preliminary recommendations of the Think Tank were presented and discussed by a number of scientists and experts. The members of the Think Tank acknowledged the feedback by carrying it on to their continued work with the recommendations.

### PFA is building student housing for more than 1,000 students

PFA has prospered by the development that Denmark has been going through during the last 100 years. We want to contribute to the continued development of a high professional standard of education. As part of PFA's celebration of its 100<sup>th</sup> anniversary, we decided to build student housing in four university cities – Odense, Aalborg, Aarhus and Copenhagen – over the coming years. The purpose is to create modern and attractive student housing which accommodate the housing shortage that many students face. The project is driven by an ambition of developing an optimum framework of learning, community and sustainability. The first student housing facility will be finalised in Odense in 2020.

### PFA Seniorboligstandard® puts the good life as a senior citizen in focus

In 2017, we developed PFA Seniorboligstandard®, which is a concept that makes 46 specific demands for how to construct senior-friendly housing in the future. The concept will thus form part of the basis of the good life as a senior citizen. For example, it should be uncomplicated to move around in one's home, just as easy entry and exit is a must. A number of projects using PFA Seniorboligstandard® are already in the pipeline. In Hillerød, 50 senior-friendly housing units are being built, in Gartnerbyen in Odense, 36 senior-friendly housing units are being built, and as for PFA's senior cohousing community project in Horsens, which is developed in cooperation with Realdania, all housing units are built according to the standard.



#### Gigtramte Børns Forældreforening

Selected as one of PFA Brug Livet Fonden's 2017 causes.  
gbf.dk

Causes of the year	5
Information videos	5
Causes present at the Folkemødet	12
Number of votes cast for the 2017 causes	30,189
Followers on the foundation's Facebook page	36,000+

For PFA Brug Livet Fonden, it is important to put focus on the many dedicated volunteers who make a great effort to help vulnerable or marginalised groups live life. Every year, the foundation selects the causes of the year, and, in cooperation with PFA, the foundation draws attention to the causes, for instance by offering them speaking time in PFA's tent at the Folkemødet in Bornholm.

#### Causes featured on video

In 2017, the foundation and PFA together produced and launched videos featuring some of the causes in order to put spotlight on the causes of the year. Five of the causes accepted this opportunity, and the result was a video made in close cooperation with each cause. The videos were released during the year and received broad exposure. They were uploaded on the foundation's website, on Facebook and on the various platforms of the individual causes. The videos were frequently shared, liked and commented on at the foundation's Facebook page, where all posts reached almost 150,000 views together with likes and comments.

#### 12 causes participated at the Folkemødet

Once again, the foundation formed an integral part of PFA's tent at the Folkemødet. 12 causes agreed to participate in the foundation's programme. Together with the causes of the year, the foundation hosted a number of debates on marginalised individuals in Denmark, mental vulnerability as a strength in the labour market, and the impact of the closed counties on persons with a handicap, among other things.

#### Increased visibility and employee engagement

At the Folkemødet, PFA Brug Livet Fonden attracted attention to its causes through PFA's employees and representatives from the causes who handed out heart-shaped flyers. For each heart-shaped flyer which found its way back to PFA's tent, PFA donated DKK 200 to the foundation.

A lot of visitors backed the initiative, and PFA counted 814 returned heart-shaped flyers at an event with Bjørn Nørgaard, who is a member of the board of the foundation. This resulted in a donation of DKK 162,800, which is earmarked for distribution. Later in 2017, PFA's employees participated in the DHL Relay Race. This resulted in a PFA donation to the foundation of DKK 500 per team – a total amount of DKK 33,000.

#### Inspiration for senior citizens

When phasing out working life and approaching life in retirement, many people engage in voluntary work. Therefore, the foundation and four of the causes of the year were present at the customer event 'PFA Seniordag' which focused on the good life as a senior citizen with 800 participants. The foundation's stand at the event was well-attended, and we had a good dialogue on the foundation's work as well as on the activities of the individual causes.



### Selection of the causes of the year

At the end of 2017, the foundation selected five new causes among the 59 causes nominated for support at [pfabruglivetfonden.dk](http://pfabruglivetfonden.dk). All visitors could then vote for their favourite cause at the foundation's website. During the voting period, which lasted two weeks, more than 27,000 unique users visited the site and more than 30,000 votes were cast. The 15 causes that received the most votes were recommended to the foundation's board. With the selection of the causes of the year, the board wanted to support a number of specific projects such as research into vaccines, agricultural development in Africa, a writers' workshop for vulnerable souls as well as activities for children and families struggling with illness.

### Causes of the year

#### **The society 'Gigtramte Børns Forældreforening (GBF)' received DKK 50,000 earmarked for family courses:**

The purpose of the society is to ensure the best conditions for children suffering from arthritis. In order to do this, the society aims to improve treatment options and assistance/services, to inform about and draw the surrounding world's attention to children's arthritis and it also holds courses for families with children suffering from arthritis.

#### **MusikBeRiget received DKK 25,000 for musical visits at Danish hospitals:**

MusikBeRiget is an initiative created by professional musicians who want to bring music to the hospitalised and their relatives. The purpose is to create good memories and interhuman experiences through live music in the middle of a humdrum day full of illness and treatment.

#### **Ordskaelv received support in order to boost the digital platform of the writers' workshop – estimated value is DKK 25,000:**

Ordskaelv is a writers' workshop and a non-profit publishing company which links vulnerable young adults with professional artists and gives the floor to those we often hear about but seldom hear from.

#### **The patient association 'Patientforeningen Danmark' received DKK 50,000 for research in aluminium in vaccines:**

Patientforeningen Danmark works for the interests of the patients. This means aiming at higher patient security, reliable diagnostics, better quality of treatment and improved conditions for those absent due to illness.

#### **The project 'WutomiAgri' received DKK 50,000 for education in agriculture in Mozambique:**

WutomiAgri is a non-profit relief organisation and agricultural college providing young adults in Mozambique with tools for taking charge of their own lives. The organisation educates the young adults to become entrepreneurs who can break the country's established pattern of unemployment and poverty by operating a profitable farm.

### Five causes featured on video

In 2017, we produced videos featuring five causes which were selected the previous year. The videos can be viewed at the foundation's website and at the websites of the five respective causes.



Børns Voksenvenner



Sølund Musik-festival



Julemærkefonden



Foreningen for Børn med Handicap  
– og deres Familier



Cystisk Fibrose Foreningen



# Customers

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PFA wants to focus on the customers and their individual needs. The customer experience is key to PFA. This is the case on the digital platforms, during consultations and in the contact with our health and advisory services centre, as well as when dealing with complaints and critical enquiries.

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- ✱ PFA strives to make pension easy to understand for all its customers. We provide advisory services and put pension into the perspective of the individual customer's life situation, age and needs. The information must be simple and transparent so that it supports the customer's choice. In our efforts, we place high priority on combining digital solutions and self-service options in our planning. PFA is working on its feedback to critical enquiries and complaints so that bad experiences are minimised in the future.

## Customers take part in the product development

In order to give the highest priority to the customers' wishes and needs, PFA listens to the customers when products and benefits are being developed. This helps ensure that we create holistic solutions which benefit the individual customer, the company and society in the long term. PFA's strategic approach to the health area is, among other things, based on data from approximately 500,000 private customers and experience from more than 400 activities involving corporate customers. The customers also have a hand in the creation of new strategies. During the year, PFA's Customer Board has, for instance, contributed with input to the product PFA EarlyCare® prior to its launch, debated responsible investments and the importance of complying with the climate goals fixed in the Paris Agreement.

When specific products are selected and tested for a given purpose, it often takes place in cooperation with a corporate customer or PFA's own employees. In this way, we can better estimate whether solutions and results match the needs that our customers express.

In connection with the development of digital tools, we have, during the years, worked on integrating the customers' wishes and feedback into the development of the Investment Guide, which is a self-service and assisted service tool which helps the customer fix an investment profile. This has led to a better understanding of the final recommendation to the customer. The Investment Guide will be launched at the beginning of 2018.

## Establishment PFA's Senior Customer Board

In 2017, PFA established a Senior Customer Board consisting of nine customers in the age group 59-70 with a gender distribution of five men and four women. The purpose is to create a confidential space furnished with a focus group of PFA's own customers who form a sounding board regarding products and needs which

can contribute with quick response to new ideas. In 2017, the Senior Customer Board held five meetings, and four meetings are scheduled for 2018.

## Alternative campaign for the Pension Estimate reaches new market segment

In 2017, PFA relaunched the digital tool 'the Pension Estimator' and marketed a broad campaign: "Meet your older self". The purpose of the campaign was to make pension seem more relevant and inspiring for people in the age group 35-50. We did so by combining our digital tool with humour and satire.

The Pension Estimator helps determine whether you are saving enough for retirement, and the digital tool is available to everyone who visits the website. This way, we can engage more people in Denmark in their own pension plans and make pension easier to relate to and talk about.

## Results from the Pension Estimator campaign

During the campaign period from 30 October to 10 December, 107,049 persons visited Pensionstallet.dk. Approximately one third of the visitors took the test. The campaign resulted in an increase in the knowledge of the Pension Estimator among PFA's own customers from 59 per cent in February 2017 to 84 per cent in December 2017. This increase is demonstrated in a questionnaire undertaken by PFA.

At the same time, a survey conducted by Epinion for PFA among the population in Denmark shows that 58 per cent rate the campaign as "good" or "very good", and half of the respondents interpret the campaign as a reminder of the importance of saving for their retirement. 44 per cent find that PFA delivered the message of making pension seem more relevant and easy to talk about in a very understandable way.

### **PFA inspires customers to aim for the good life as a senior citizen**

In 2017, we held 152 senior seminars for customers in the age group 55+. The seminars are based on the customers' pension finances which means all financial conditions are included in the considerations for the time when salary is to be replaced by other income, such as public benefits, savings in securities and home equity. Very often, the seminar will be supplemented by a theme about inheritance, will and beneficiary designation, and, when it comes to the extended seminars, also a theme which deals with the late career and the transition to a life in retirement from a mental and practical point of view. During the year, a total of 4,487 customers attended the seminars.

A new initiative was PFA Seniordag (PFA Senior Day). PFA had invited customers in the age group 60+ together with their spouses to a full day of focus on retirement and the good life as a senior citizen. At the 19 exhibition stands, it was possible to learn more about health, housing, experiences, finances, activities and occupation. In addition, the senior day had five relevant presentations from the main stage, and the customers had the opportunity to book a consultation with a pension or bank adviser from PFA. A total of 800 senior citizens were present throughout the senior day.

### **Increased efforts to prevent and to help sickness-absent employees return to work**

In 2017, PFA introduced PFA EarlyCare®, which is a holistic product according to which the individual employee can receive help already from the first day of sickness absence with a notification of illness of minimum 2 weeks. Help is provided by advisers who are ready to guide and assist with putting together a programme which focuses on the individual customer's immediate symptoms as well as other health-related parameters – both private and work-related – in order to ensure a positive, quick and permanent return to work. This way, the complete person is in focus in PFA EarlyCare®. Since the product was introduced, 677 PFA EarlyCare® enquiries have been handled. Many of the enquiries are from customers and managers who need feedback, guidance and advice in social and health matters. 80 per cent of the enquiries are mental issues and a majority is related to stress.

Active claims handling is PFA's targeted effort for customers who have been absent due to illness for more than three months and who apply for occupational capacity insurance payouts or are already receiving payouts.

The purpose is to use the individual person's situation as a starting point and find a way back to work when possible through a targeted effort. Thus, PFA grants a course of treatment which is adjusted to the customer's needs.

In 2017, we were in contact with 1,424 sickness-absent customers through PFA EarlyCare®, PFA Active Claims Handling and Advisory services for Managers & HR who had been absent from work for more than 2 weeks. At the end of the year, 310 of these customers had returned to work with our assistance.

### **New partnership dealing with stress handling for managers**



PFA entered into an exclusive agreement with business psychologist Marie Kingston in 2017. She is one of Denmark's leading experts within stress prevention and she is co-author of the book 'Stop Stress', which was named the best management book of 2016. Together with Marie Kingston, we have formed 'PFA Stress Management for Executives', which is an add-on programme for corporate customers and organisations. The purpose is to equip our customers to prevent and reduce the number of stress-related claims.

The programme 'PFA Stress Management for Executives' addresses all PFA's corporate customers and organisations. It is very tool-oriented. This means that the managers will get specific tools to use in their handling and prevention of stress. One of the tools is the 'Stress staircase' which shows the development from well-being to stress, which symptoms the manager should look for and which initiatives the manager can take to help an employee prevent stress from progressing.

### **A customer representative sees the case administration through the eyes of the customers**

PFA's customer representative is the customers' representative in PFA. The customers' trust is important to us. Therefore, it is key that we have a person whom the customers can turn to if they do not feel comfortable about a situation or if they have questions. The customer representative cannot reverse cases or complaints from the department of Complaints & Customer Satisfaction. The customer representative listens to the customer's experience, helps navigate through the pension universe and passes on the customers' experiences to PFA, so that processes and products develop





Corporate customers	5,451
Customers	1.2 million
Consultations face to face, online, by phone and seminars	70,016
Phone calls to PFA's Advisory Services Centre	229,112
Phone calls to PFA's Health Centre	256,229
Customers who were helped back to work	310
Customer satisfaction (calls to PFA's Advisory Services Centre)	8.9
Number of complaints	343
Cases handled by the Customer Representative	138

in their customer service. In 2017, the customer representative reviewed 138 cases. This is 20 cases more than in 2016 – an increase of 17 per cent.

Although we do our very best to offer fair treatment, we occasionally hear from dissatisfied customers. For this purpose, we have a customer representative who our customers can contact about their experience and who may speed up their case or is able to give some advice to how to proceed. In fact, some customers simply like to share a regretful experience with PFA so that we can learn from our mistakes. It is all about listening and understanding

the customer's problem and trying to accommodate the customer by offering advice and guidance. By explaining the various connections and possibilities – and not least by acknowledging irregularities – we solve the customers' problems in the vast majority of cases. In 2017, the customer representative accommodated the customers in 81 out of the total of 138 enquiries.

## Overview of subjects of customer representative cases in 2017

- **Case processing time and observation of deadlines.** It is PFA's obligation that all agreements with the customers are complied with. It is therefore important that the advisers pay attention to inter-adjust deadlines with the individual customer and to always keep the customer informed about the progress of his or her case. In 2017, several self-service options were implemented, which may lead to an even better customer experience.
- **Changing jobs.** PFA must ensure a reliable and secure process and inform the customers how important it is that they make active decisions and meet deadlines in connection with possible continuation of plans, as their insurance cover may otherwise lapse. (As PFA is subject to the rules of the Danish Financial Supervisory Authority, the given deadlines must always be met, as it is important that all customers have uniform conditions.)
- **Average interest rate and guaranteed benefits.** Average interest rate plans with guaranteed benefits are very complex. Many customers believe mistakenly that they are covered by an interest rate guarantee. The customer representative can provide the customers with insight into how guaranteed benefits operate and ensure the customer that everything is done exactly right. PFA is working on integrating average interest rate plans into My PFA, so that the customers will receive an even better experience.
- **Proof of identity.** New legislation in 2017 concerning the Danish Act on Measures to Prevent Money Laundering and Financing of Terrorism implies that PFA is liable to request proof of identity for each individual customer. This may seem odd to a loyal customer or to customers with small deposits, however, PFA must always comply with the prevailing legislation. Through constructive dialogue with the customer, it is possible to explain the complex legislation in more detail.

**Ordskaelv**

Selected as one of PFA Brug Livet Fonden's 2017 causes.  
[ordskaelv.org](http://ordskaelv.org)

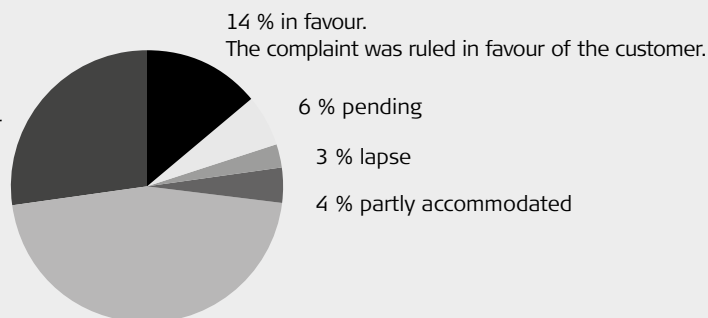


### Outcome – customer complaints 2017

27 % were accommodated.

Customer enquiries are dealt with through dialogue, and the customer drops the complaint.

46 % rejected



14 % in favour.

The complaint was ruled in favour of the customer.

6 % pending

3 % lapse

4 % partly accommodated

### Dealing with the customers' complaints

In PFA, the complaints we receive are handled in an independent department for Complaints & Customer Satisfaction which is attached to our legal unit. The department deals with already submitted complaints and has an additional focus of increasing overall customer satisfaction. The goal is to localise and proactively eliminate the factors that give occasion for dissatisfaction and which, eventually, make the customers feel compelled to complain.

In 2017, the number of complaints was 343. This is an increase of 16 per cent compared to 2016 when PFA received 296 complaints. The activity in customer enquiries generally increased in 2017, and so did the number of legislative initiatives which implied an intensified focus from our customers. This includes, among others, the measures to prevent money laundering and financing of terrorism. In spite of the increase in the number of complaints, 2017 saw a decline in the number of customers whose complaints were ruled in favour from 25 per cent in 2016 to 14 per cent in 2017.

The complaints department especially focuses on balancing of expectations with the customers. The department registers and analyses all complaints that PFA receives. In addition, all customer enquiries regarding issues of a more general nature than just the challenges of the individual customer are registered. This gives a more accurate picture of which trends and general possibilities of improvement that PFA may initiate when it comes to PFA's services, customer approach and products.

Insurance and pension products can be quite complicated. Some customer enquiries can be adequately taken care of with a detailed explanation of a product or the issue that the customer has raised. In those situations, we close the complaint as 'accommodated'. This is positive for both PFA and the customers. PFA will have the possibility of learning more about the customers' needs. In 2017, we accommodated the customers in 93 out of the 343 cases, where the customers dropped their complaint because they received an explanation to the issues of their complaint.

### Cases presented to the Danish Insurance Complaints Board

In 2017, 92 complaints about PFA were presented to the Danish Insurance Complaints Board. Unfortunately, this is a rather large increase compared to 2016 when 44 complaints were filed. However, this was actually an unusually low number compared to previous years. The number of complaints in 2017 is still relatively low compared to PFA's 1.2 million customers, and the fact that PFA had more than 645,000 interactions with customers during 2017.

During the year, the Danish Insurance Complaints Board processed and finalised 61 complaints about PFA, whereas, in 2016, only 43 complaints were finalised. Overall, the board ruled in favour of PFA in approximately 82 per cent of the finalised cases in 2017. We always make an effort to be professional and accountable when making decisions.

# Employees

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Engaged employees are important ambassadors when it comes to extending the knowledge of PFA. In order for PFA to succeed in reaching the ambitious goals set in Strategy2020, it is important to have dedicated employees.

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- ✱ **PFA wants to ensure a clear direction, a high level of engagement and a healthy workplace. Strategy2020 is PFA's overall business strategy towards 2020. The strategy has been the central point of the efforts in 2017, just like the employees were involved in the celebrations of PFA's 100<sup>th</sup> anniversary and the embedding of the new brand that PFA introduced in 2017.**

## **Continued high employee engagement**

PFA completes an employee satisfaction survey every year in order to measure the work engagement and employee motivation. Work engagement and employee motivation are important elements when it comes to performing well and delivering the results necessary for PFA to be successful with its Strategy2020. In 2017, 90 per cent of all employees participated in the employee satisfaction survey. The year before, the response rate was just under 93 per cent. PFA attained a total score of 6 on a scale of 1 to 7, where 7 is best. This illustrates that PFA's employees are happy to work with their colleagues, are motivated in their job, and that they have a high engagement which is significantly higher than the industry benchmark of 5.5.

PFA's goal for work engagement and employee motivation was set at index 79.0 in 2017. This goal was surpassed as the total job satisfaction score finished at 81.6. The highest scores in the survey were the work engagement and the extent to which colleagues and teams are appreciated and back each other up. They each scored 6.4 on the scale from 1 to 7. The lowest scores were 'the possibility of performing work tasks of a designated quality' and 'insufficient tools available for efficient work performance' scoring 5.4 and 5.6, respectively, on a scale from 1 to 7 which is still rather high.

## **Involving communication about PFA's strategy, brand and anniversary**

In 2017, PFA's Strategy2020 has still formed the basis for a number of in-house activities with the purpose of ensuring a wide integration of goals and direction among the employees. Furthermore, PFA's 100<sup>th</sup> anniversary and the celebration of this throughout the year ran through the internal communication as a connecting thread, which did its share towards creating pride and engagement among the employees.

When PFA launched its new customer pledge: 'PFA – more for you', the opportunity was taken to put PFA's strategy on the agenda. To begin with, the executive management was equipped, later the 130 managers in PFA, and finally all employees at a dialogue day, during which it was possible to have brand and strategy elaborated at 10 different stands. At the stands, it was possible for the employees to get closer to the executive management and the employees who work in selected projects and ask them questions. After the dialogue day, all managers received a dialogue kit for each team for its further work in defining their contributions to strategy and brand. The activities were appreciated by employees and managers. This was demonstrated through satisfaction surveys following management meetings, where 77 per cent of the participants at the management meetings rated their satisfaction as 5 or 6 on a scale from 1 to 6, and at the dialogue meetings, 97 per cent answered 3 or 4 on a scale from 1 to 4. At the same time, the employee satisfaction survey of the year showed that communication and involvement of the employees have contributed to an increase in the employees' understanding of PFA's goals and direction. The two goals 'the executive management in PFA communicates clearly about goals and results in connection to Strategy2020' and 'I have a good understanding of PFA's strategy and direction' increased by 0.5 and 0.3 from 2016 to 2017, respectively.

## **Workplace assessment 2017**

In 2017, PFA completed the statutory workplace assessment the purpose of which is to give insight into the special attention points related to the employees' physical and mental working environment. The workplace assessment complements the previously completed employee satisfaction survey when it comes to mental health. The workplace assessment showed that the employees are satisfied with both the physical



Number of employees (average number of full-time employees)	1,296
Employee engagement (converted into index score)	81.6
Sickness absence	3.2 %
PFA Health Estimate	73.8
Women in management	36 %

and the mental working environment. However, special attention is required when it comes to the physical work environment in the form of blinds, ventilation and toilet facilities, and these issues are passed on to the group working on the planning of PFA's new domicile in Marina Park. The greatest challenge in relation to the assessment of the mental working environment is the fact that approximately one third of PFA's employees experience that they do not have enough time to complete their work within the working hours. However, job satisfaction is still rated high. The employees feel secure at work, and possible illness is handled professionally and proactively.

#### **New health strategy in PFA**

In 2017, we prepared a new health strategy, which will be presented to the employees at the beginning of 2018. The purpose is to create a framework which can boost initiatives to support a healthy lifestyle for our employees, so that they can help create a healthy performance culture in PFA. In addition to this, PFA will be the host of a health lab of initiatives and benefits which the employees can try out. This way, PFA's employees will contribute to gathering experience in connection with the benefits. Experience which will also be of use to our customers.

The health strategy is based on data from PFA's health screening in which 73 per cent of the employees participated. The average Health Estimate of PFA's employees was 73.8. This is in the 'healthy' category and slightly above benchmark, which is 73.4. The strategy covers the following health strategic focus areas: Exercise and physical activity, diet, mental balance and recovery. In addition to the new strategy, an annual plan of health-promoting initiatives will be prepared. The plan for 2018 focuses on mental strength and well-being, just as focus will continue on the

efforts of integrating physical activity during the work-day.

#### **36 per cent women in PFA's management**

PFA's target for the share of women in management is 40 per cent. At the end of 2017, the share was 36 per cent, which is just below target. The female representation in PFA's management has varied somewhat throughout the last few years and was 41 per cent in 2014, 38 per cent in 2015 and reached 41 per cent again in 2016 and 36 per cent in 2017. As the female representation in management has been balancing around the 40 per cent, no special measures have been initiated to increase the total share of female managers.

When looking at the distribution of women at manager level, senior manager level and director/vice president level, the distribution at year-end 2017 was 41, 34 and 21 per cent, respectively. In particular, the share of managers and senior managers has declined compared to 2016 from 48 per cent and 37 per cent respectively.

# About this report

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This report describes the PFA Group's initiatives and results from the work on corporate responsibility in 2017. The framework for the work is PFA's corporate responsibility policy from 2016 which resulted in the CR strategy 'Investing in a sustainable society 2017-2020'. The report includes a status of the work on carrying out the CR strategy's 15 specific activities for 2017 which are described in the 2016 CR Report. This way, the report follows up on the initiatives and goals we set for the corporate responsibility area in 2017. The report also describes 15 specific activities which will be focal points for the CR area in 2018. The report accounts for how PFA's corporate responsibility policy is implemented in PFA, and it accounts for the targets we have set for our work on embedding the policy in the future.

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The report covers the PFA Group. PFA Holding's annual report, this CR report and the CR pages at pfa.dk all comply with the Danish Financial Statements Act regarding the reporting of the company's corporate responsibility and the recommendations of active ownership from the Danish Committee on Corporate Governance. The mentioned reports also represent PFA's Communication on Progress report (COP) to the UN regarding PFA's implementation of the Ten Principles of the UN Global Compact. Page 41 provides an overview which explains how PFA has been working during the year to comply with the various human rights, labour rights, climate, environment and anti-corruption principles. Page 42 provides an overview which explains how we comply with the recommendations of active ownership from the Danish Committee on Corporate Governance.

## Risks and assessment of materiality

During the year, PFA has evaluated the CR efforts in connection with the implementation of the CR strategy. The work on defining CR efforts for the following year was based on the evaluation and an assessment of materiality for PFA. Furthermore, we have included subjects on which PFA has entered into dialogues with a number of stakeholders. This applies in particular to responsible investments.

In 2017, we continued our risk assessment of the CR efforts. This was made as part of the evaluation of the CR efforts and to ensure that the applied processes are well-established. Also, it is to identify whether the prioritised efforts prevent the identified risks. The risk assessment is still made based on subjects identified in 2016. The subjects are listed in the table on page 33, and the risk assessment is updated in respect to our experience from 2017 and the targets for 2018.

## The structure of this report

This report begins with a review of the framework for corporate responsibility in PFA and provides a status in model form of the 15 CR strategy activities for 2017. Subsequently, the report is structured around the four core elements in PFA's corporate responsibility policy: Responsible value creation, Customers, Society and Employees. Each chapter accounts for the individual CR strategy efforts and describe the context in which they are included.

In the last part of the report we have collected data and CR key figures. We describe how we have collected and calculated the figures and how the figures represent data that help describe PFA's work on corporate responsibility. The figures in the data section are presented compared to last year in order to illustrate the development.

PFA's responsibility model is described on page 39 and helps ensure that the reader can easily navigate in the data section of the report. The responsibility model is updated so that it reflects the efforts for the year towards implementing our corporate responsibility policy. PFA's green accounts are included in the data section which states the consumption of waste, paper and CO<sub>2</sub>. The figures stated in the data section of the report are 2017 figures which are compared with figures from the two preceding years. The text part of the report primarily includes figures from 2017 which are compared to the previous year. The figures will be included wherever relevant in the report.

## Contact for the current CR report and PFA's work with corporate responsibility is:

Mette Vadstrup, CR Manager,  
Corporate Communications & External Relations,  
mev@pfa.dk



## Outline of PFA's risk assessment within corporate responsibility

Risk	PFA's options	Preventive measures
Negative impact on environment and climate	Invest in green transition.	Climate considerations are included in the policy for responsible investments.
	Explain PFA's in-house efforts of reducing the environmental impact.	Measure and communicate about PFA's green accounts.
	Reduce the carbon emissions in PFA's properties and other portfolios.	Integrate the Paris Agreement in the investment process.
That PFA's employees or customers are involved in corruption, bribery or money laundering.	Protect customers and employees against involvement in illegal or unethical practices.	In-house processes have been established to prevent that employees are involved in corruption and money laundering. PFA has a whistle-blower scheme which gives employees, customers and business partners the opportunity to report cases.
That employees are suddenly unable to work due to illness or other reasons.	PFA EarlyCare® focuses on preventive measures. PFA Active Claims Handling helps customers/employees return to work.	Both PFA Active Claims Handling and PFA EarlyCare® focus on preventive measures.
Losing credibility by PFA not living up to the expectations as a market leader that contributes to developments in society.	Cooperate with the industry and contribute with knowledge and experience to raise awareness of pension, health insurance and the work with responsible investments.	PFA is a member of relevant trade organisations and cooperates with the industry through these organisations. PFA contributes to public debate through the news media and by holding conferences, participating in the Folkemødet in Bornholm, etc.
Incorrect advice to customers or dissatisfied customers.	Increase the understanding of private finances and pension conditions as well as facilitate the customers' access through digital solutions. Train and certify PFA's advisers.	PFA has collected and published its recommendations. PFA offers online advisory tools such as Pension Check-Up and the Investment Guide. PFA's advisers all complete a certification at the Danish Insurance Academy in advisory services within pension and dissaving and compliance with the MiFID regulations. Dissatisfied customers have access to avenues of complaint and may contact PFA's customer representative.
That suppliers and business partners violate human rights.	Increase the knowledge of the UN Global Compact and the work with responsible corporate practice among business partners.	PFA's Code of Conduct is included in the process of concluding contracts.
That PFA through investments contribute to illegal activities such as violation of human rights.	Be open about PFA's investment processes and the integration of the UN conventions.	Reporting and publication of text at pfa.dk.
	Increase data integration to monitor the companies in PFA's portfolio of listed companies. Make inspections in connection with dialogue with a company.	An aim to integrate more ESG data in the investment processes.
That employees are discriminated against or are not thriving at work.	Ensure that employees are committed, healthy and thriving at work. Diversity among PFA's employees.	PFA has personnel policies and completes an annual satisfaction survey with following dialogues in the departments. In addition, PFA prepares a compulsory workplace assessment with focus on the mental and physical working environment. A health strategy has been prepared for PFA. In 2018, a diversity policy will be prepared.

Risk	PFA's options	Preventive measures
That PFA is linked to unethical tax practice.	Improve the awareness of how PFA prioritises responsible tax practice.	PFA has a tax policy on how PFA is to act in this area. PFA screens the investment portfolio of listed companies to uncover any unethical tax practice.
That transparency on the dialogue with a company about active ownership results in a company losing confidence in the dialogue.	Transparency permits the affected parties to be informed about progress of a dialogue.	It is PFA's objective to engage in more transparency in the work on active ownership, but it is also necessary to find a balance between transparency and the dialogue with the company.

**Patientforeningen Danmark**  
Selected as one of PFA Brug Livet Fonden's 2017 causes.  
[patientdanmark.dk](http://patientdanmark.dk)



# CR key figures and facts

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This part of the report comprises PFA's key figures and corporate responsibility data. The figures are presented in the same order as the chapters in the report and together with figures from the preceding two years. The purpose is to provide an overview of how PFA's corporate responsibility policy is complied with and to describe the development. The objective is to provide the reader with an opportunity to read this appendix as an independent part without having to consult the report for descriptions of specific activities. If the figures have changed considerably compared to previous years, or where a new calculation method has been introduced, we have made a short description in the individual table.

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## Behind the figures in the report

The figures in this report are based on the figures that are collected, calculated and applied to the activities in the PFA Group. The selection of data has been prioritised in order to quantify the activities and goals that have been set for PFA's CR area and thus make them measurable.

## Figures collected and registered with PFA

The figures which are collected and registered in PFA concern the total number of customers, customer enquiries and complaints as well as the application of products and satisfaction surveys in PFA. The calculation of the various categories is based on the method applied within the individual areas for calculating figures when it comes to number of consultations, e-mails, calls and processed cases. In addition to this, data regarding employees and employee conditions are also collected and calculated internally in PFA. All figures are collected after the statement of the year and apply to the year 2017.

## Carbon and resource consumption in PFA

Regarding the figures on carbon and resource consumption in PFA, a range of suppliers of electricity, heating, paper and transportation, who have all supplied figures after the statement of 2017, are involved. The calculation method used for determining carbon consumption is still the Climate Compass' Carbon Calculator, which PFA started using in 2015. This means that the figures are still comparable. The total figure is stated at the beginning of the report, whereas the other figures are only stated in the data section of PFA's green accounts.

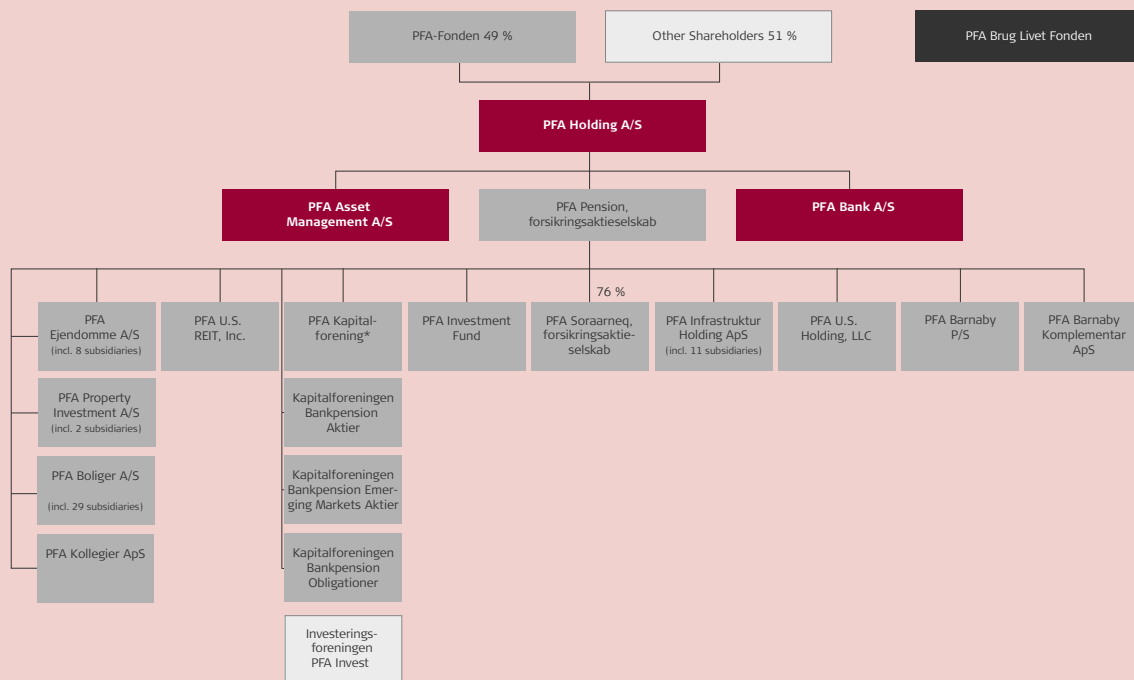
## Carbon mapping of the bond and equity portfolio

PFA has been working with mapping the carbon consumption in the bond and equity portfolio based on figures from suppliers providing an overview of the companies' carbon emissions. The figures stated by PFA on page 18 stand alone, as no comparable figures are available from previous years. In 2017, we prepared our own screening method, and it will be possible to apply more robust and comparable data in future screenings when it comes to the equity and bond investments. Work will be done in 2018 to be able to define a method for the work on integrating the Paris Agreement in the property portfolio. Until actual data is available, the investment area will not form part of PFA's overall green accounts.

## The work with responsible investments

The figures on company screenings and dialogues with companies are based on cooperation with an external supplier and log of the companies that PFA entered into dialogue with during the year. The voting data is based on PFA's own log and the number of companies for which PFA's business partners have provided analyses and evaluations.

## The PFA Group



\*PFA Pension is not the sole investor in PFA Kapitalforening

PFA's history dates back to 1917. The share capital of the parent company PFA Holding amounts to DKK 1 million, and the dividend distributable by the company is a maximum of 5 per cent of the share capital, corresponding to DKK 50,000. This way, the ownership structure supports PFA's objective to create the greatest possible value for its customers.

The shareholders of PFA Holding are PFA-Fonden and other shareholders, which primarily comprise the founding organisations from 1917, whose members and employees for the most part are customers in PFA. In 2017, the PFA Group was adjusted as follows: The PFA Group's property companies were reorganised as at 1 January 2017. Hereafter, the property companies are organised under three parent property companies: PFA Ejendomme A/S, PFA Boliger A/S and PFA Property Investment A/S.

In 2017, the number of property companies in the PFA Group increased by 10 companies. This means that the PFA Group comprises 43 companies at the end of the year, including 4 general partner companies. The increase in the number of property companies is a result of a continued increase in the number of property investments including corporate transactions.

Ejendomsaktieselskabet BP, which PFA Pension assumed ownership of in connection with the merger with Bankpension on 30 September 2016, was transferred to PFA Ejendomme A/S as at 1 January 2017. The company has changed its name to Dirch Passers Allé 27 A/S, which is the address of the property of the previous headquarters of Bankpension which is owned by the company.

In 2017, PFA Pension founded an American subsidiary, PFA U.S. REIT, Inc., as part of the investment strategy for 2017 with the purpose of optimising property and infrastructure investments and similar alternative investments in the USA.

Also, PFA Pension established a number of subsidiaries for handling the company's alternative investments:

- PFA U.S. Holding, LLC, with the purpose of owning infrastructure investments in the USA
- PFA Infra Neptune Holding ApS including subsidiaries, whose purpose is to invest (directly or indirectly) in infrastructure assets located in England
- The companies High Leas PV Ltd, Alcor LSPV Ltd, West End Farm PV Ltd, Pobail CIC, Woodhouse Farm Solar PV, West End Farm PV CIC, all with the purpose of building and operating solar farms
- PFA Barneby P/S and associated general partner companies with the purpose of investing, owning, managing and selling loans and loan portfolios, including undertaking of discounted assets and assets connected to these.

Finally, PFA Pension founded the company PFA Kollegier ApS which will contain the student housing that PFA is going to build as an offshoot of the 100<sup>th</sup> anniversary.



**This CR Report concerns the PFA Group and comprises the following companies/legal entities:**

- PFA Holding A/S (parent company)
- PFA Pension, forsikringsaktieselskab
- PFA Asset Management A/S
- PFA Bank A/S
- PFA Boliger A/S (properties) and subsidiaries
- PFA Ejendomme A/S (properties) and subsidiaries
- PFA Property Investment A/S and subsidiaries
- PFA Kapitalforening
- PFA Investment Fund
- PFA Soraarnek, forsikringsaktieselskab
- PFA Infrastruktur Holding ApS and subsidiaries
- PFA U.S. REIT, Inc.
- PFA U.S. Holding, LLC
- PFA Barneby P/S
- PFA Barneby Komplementar ApS
- PFA Kollegier ApS
- Kapitalforeningen Bankpension Aktier
- Kapitalforeningen Bankpension Emerging Markets Aktier
- Kapitalforeningen Bankpension Obligationer

#### **PFA and its business model**

100 years ago, PFA was formed by a number of Danish employer organisations and founded as an independent company. The purpose back then was to ensure employees and their families financial security in the future. Over the years, we have grown steadily and now have approximately 1.2 million individual customers. Our purpose remains the same. It is a matter of creating as much value for our customers as possible.

PFA's business model is built on four cornerstones that form the basis of PFA's value creation and ensure maximum profit for our customers. The four cornerstones are:

#### **PFA CustomerCapital**

PFA Pension has a unique model for sharing profit and risk, which makes it possible to return profit to the customers through PFA CustomerCapital. Customers who link 5 per cent of their payments to CustomerCapital will thus have the opportunity to obtain high returns on that part of their savings. CustomerCapital is meant to cover if PFA suffers a loss, and may therefore decrease and, in the worst case, be exhausted. Customers may deselect CustomerCapital, but already accumulated CustomerCapital cannot be converted into regular savings.

#### **Independence**

PFA is an independent pension company, and therefore, we are able to prioritise the customers' interests. This is both when we share the profit through CustomerCapital and when we advise the customers about the possibilities in their pension plan. Finally, independence also means investment freedom for PFA, so that we are able to create a positive investment return.

#### **Economies of scale**

With more than DKK 500 billion under management and more than 1.2 million individual customers, PFA is the largest commercial pension company in Denmark. The size implies that we are able to offer low costs because the total expenses are shared by our many customers. PFA's size also gives us access to attractive investments and not least the possibility of attracting some of the best investment experts in Denmark.

#### **Market-oriented**

PFA's business model has been developed with the purpose of performing well in a competitive market characterised by a strong focus on the ability to deliver the best investment returns, products and services for the customers. Through a constant market-oriented approach and an ongoing dialogue with our customers, PFA continues to offer the best pension and service solutions on the market.

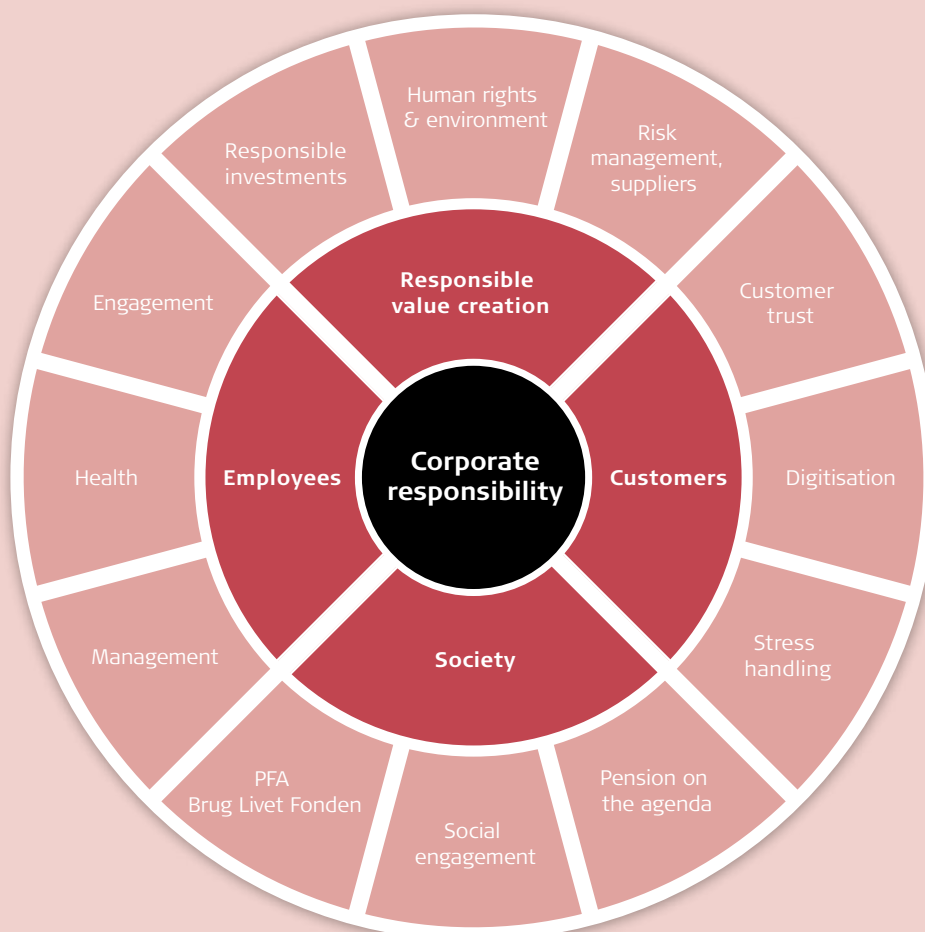
### Embedding CR efforts in PFA

The framework of PFA's work with responsibility is our corporate responsibility policy and the CR strategy 'Investing in a sustainable society 2017-2020' which both define the priorities of PFA's contribution to society and indicate its direction. Add to this, the compliance with PFA's other policies and guidelines on CR. The strategy, policies and guidelines can be found at [pfa.dk](http://pfa.dk).

PFA's overall responsibility for CR lies with the Executive Management. The CR department performs the daily work with CR as well as the coordination of activities and efforts in collaboration with other departments and companies within the PFA Group. The CR department is a part of Corporate Communications & External Relations. Responsibility for complying with the policy for responsible investments and the work with active ownership lies with PFA's Responsible Investment Board (RI Board). As a minimum, the RI Board meets 10 times a year, and its members are PFA's CFO, management and employees of PFA Asset Management, the Vice President of Corporate Communications & External Relations and the CR Manager. PFA's CFO is Chairman of the RI Board. The terms of reference for the RI Board can be found at [pfa.dk](http://pfa.dk).

### PFA's responsibility model

PFA's responsibility model is based on the four key elements that constitute PFA's policy for corporate responsibility: Responsible value creation, Society, Customers and Employees. The themes stated in the outer part of the wheel in the figure are the themes of 2017 and this report. The model can also be used to navigate throughout the entire report.





**WutomiAgri**  
Selected as one of PFA Brug Livet Fonden's 2017 causes.  
[wutomiagri.wordpress.com](http://wutomiagri.wordpress.com)

# Implementation of the Ten Principles of the UN Global Compact – an overview

PFA's framework for the work on corporate responsibility is based on the Ten Principles of the UN Global Compact, including the UN Guiding Principles on Business and Human Rights. Consequently, the activities and results described in the report also include the ten principles. The table below describes on which pages in the report the various principles are dealt with and to which extent PFA has been engaged in the subjects under each principle.

Global Compact principles	PFA activity	Page number in CR report
1-10	- Corporate responsibility policy, Policy for responsible investments and CR strategy 2017-2020	8-11, 14
	- Screening of PFA's equity and bond portfolio	15
	- Engagement dialogue with companies that violate PFA's policy for responsible investments	15-16
	- RI Board meetings, assessments and decisions	14
	- Code of Conduct and risk assessment of suppliers	19
Principles 1-2 Human rights	- PFA has given priority to concentrating its efforts with translating the methods of the UNGPs on the investment area and the contract formation process. Hereafter follows other business areas in PFA.	19
	- UNGPs are integrated in PFA's Code of Conduct.	19
	- Method and guidelines used for embedding the UNGPs in the investment process.	18-19
Principles 3-6 Labour rights	- Employee satisfaction, health initiatives and competence development	30-31
Principles 7-9 Climate and environment	- PFA has focused on mapping the carbon consumption in the equity and bond portfolio.	18
	- PFA has prepared guidelines and a method for the integration of the Paris Agreement in the investment process	16-17
	- PFA accounts for the company's own environment and energy impact resulting from the company's office premises.	49-51
Principle 10 Anti-corruption	- An area on which PFA focuses when screening and in dialogue with companies.	15-16
	- PFA has channelled great efforts into integrating processes and training its employees with a view to preventing money laundering and financing of terrorism.	45
	- PFA has entered into dialogues with a view to planning efforts for 2018 to ensure that PFA will comply with the standards to prevent and protect employees against corruption and bribery.	12, 45

**WE SUPPORT**



# Implementation of the recommendations of the Committee on Corporate Governance for active ownership

Recommendation	Follows	Reason for partly/not following recommendation:
<b>1. Policy for active ownership</b> THE COMMITTEE RECOMMENDS that institutional investors publish a policy on active ownership in connection with equity investments in Danish listed companies.	Yes	PFA's policy for responsible investments is publicly available at pfa.dk.
<b>2. Monitoring and dialogue</b> THE COMMITTEE RECOMMENDS that institutional investors monitor and enter into dialogue with the companies in which they invest, with due regard to the investment strategy and principle of proportionality.	Yes	PFA is in a continuous dialogue with the companies in which it invests, and PFA uses its right to vote at the general meetings. The procedure depends on the size of investments, equity interest and the possibility of contacting the company directly. PFA's dialogue with companies may, among other things, concern value creation, corporate governance, strategy and corporate responsibility.
<b>3. Escalation</b> THE COMMITTEE RECOMMENDS that institutional investors, as part of the policy on active ownership, define how they can escalate their active ownership beyond the regular monitoring and dialogue.	Yes	PFA's policy allows PFA to: <ul style="list-style-type: none"> <li>• express its views at a general meeting</li> <li>• hold meetings with the management</li> <li>• cooperate with other investors</li> <li>• vote for or against proposed resolutions at general meetings</li> <li>• divest its position.</li> </ul>
<b>4. Cooperation with other investors</b> THE COMMITTEE RECOMMENDS that institutional investors, as part of the policy on active ownership, consider how they cooperate with other investors with the purpose of achieving increased reach and impact.	Yes	PFA cooperates both nationally and internationally with other investors on active ownership and dialogue with companies.
<b>5. Voting policy</b> THE COMMITTEE RECOMMENDS that institutional investors, as part of the policy on active ownership, adopt a voting policy and are willing to inform whether and how they have voted.	Yes	PFA's approach to voting at companies' general meetings is described in the Policy for responsible investments.
<b>6. Conflicts of interest</b> THE COMMITTEE RECOMMENDS that the policy on active ownership includes a description of how to identify and handle conflicting interests related to active ownership.	Yes	It is the Responsible Investment Board which has the responsibility for assessing progress in dialogue with companies. Any conflicting interests among the employees are covered by PFA's guidelines for handling conflicts of interest.
<b>7. Reporting</b> THE COMMITTEE RECOMMENDS that institutional investors report on their active ownership activities, including any voting activity, at least once a year.	Yes	PFA reports annually on active ownership activities and results. The reporting is made in PFA's annual corporate responsibility report. Furthermore, PFA regularly updates its log of active ownership dialogue at pfa.dk.





**MusikBeRiget**

Selected as one of PFA Brug Livet Fonden's 2017 causes.

# Responsible value creation

– Data for active ownership



## Company screenings

On behalf of PFA, Global Engagement Services (GES) is screening PFA's equity and bond investments and assesses the engagement dialogue with the companies. We also enter into our own engagement dialogues with a number of companies and are involved in ongoing dialogues with external managers on PFA's policy for responsible investments.

In 2017, 209 cases from PFA's portfolio were evaluated by GES against 135 cases in 2016. Dialogue has been engaged with 89 companies on 109 cases which included companies that had either violated international conventions or which showed indications that they had violated international conventions. This is 18 cases more than in 2016.

## GES engagement dialogues distributed on cases

	2017	2016	2015
Engagement dialogue cases of established violation of PFA's policy for responsible investments	34	31	21
Engagement dialogue cases with indications of violation of PFA's policy for responsible investments	75	60	35
<b>Total GES engagement dialogues distributed on cases</b>	<b>109</b>	<b>91</b>	<b>56</b>

GES has closed 10 engagement dialogue cases with companies that fulfilled the audit criteria. However, in some cases, GES is still in dialogue with the company on another case.

## GES engagement dialogues distributed on subjects

Area	Total	Per cent of total
Environment	19	17
Human rights	37	34
Labour rights	32	29
Corruption	21	19
Controversial weapons	0	0
<b>Total</b>	<b>109</b>	<b>100</b>

## Overview of PFA's direct dialogues with companies

	2017	2016
Engagement dialogue cases of established violation of PFA's policy for responsible investments	7	5
Engagement dialogue cases with indications of violation of PFA's policy for responsible investments	6	8
<b>Total number of PFA's direct engagement dialogues with companies</b>	<b>13</b>	<b>13</b>

PFA has been engaged in dialogue with Mærsk, Danske Bank, Nordea, Nestle, Wal-Mart, Enbridge, Phillips 66, Royal Dutch Shell, JBS SA, Mondelez, Barry Callebaut, Volkswagen and Energy Transfer Partners. PFA has closed its dialogue with the company Syngenta. The status of the dialogue with companies is accessible at PFA's log under active ownership at [pfa.dk](http://pfa.dk)

## Country screenings

PFA makes its own screenings and analyses of investments in foreign government bonds. PFA's country screening model is the basis of this work, and the assessment of countries is discussed in the RI Board. At the end of 2017, we invested in government bonds in 95 countries. The list of countries in which PFA has invested as well as a list of excluded countries are available at [english.pfa.dk/responsible-investments](http://english.pfa.dk/responsible-investments).

## Voting at companies' general meetings

In compliance with our guidelines for voting at companies' general meetings, PFA gives priority to voting at Danish companies' general meetings. As for general meetings of foreign companies, PFA cooperates with an external supplier, Manifest, which provides analyses and voting recommendations. It is always PFA's decision what to vote for at a foreign company's general meeting. This should primarily be seen as a part of the active ownership dialogue which we are engaged in with the company and in particular concerning the cases that violate PFA's policy for responsible investments.

During 2017, PFA cast its vote at 34 general meetings of Danish companies. Foreign companies' general meetings are analysed based on an observation list of companies with particular ESG-related issues that we already monitor. In 2017, invitations to 56 companies' general meetings were analysed in order to assess whether any items on the agenda overlapped PFA's focus on the company. We voted at five general meetings. The votes concerned reporting on climate, remuneration and auditing.

## Exclusion

In 2017, PFA excluded the US-based company Energy Transfer Equity (ETE) and its subsidiary Energy Transfer Partners (ETP). This was due to the criticism of ETP's consultancy with the Native Americans in connection with the Dakota Access pipeline project in the USA. PFA removed L3 Technologies Inc. from the exclusion list, after the company had confirmed that it was no longer associated with the production of cluster munitions.

At [pfa.dk](http://pfa.dk) we publish a list of the companies and countries in which we invest. A total exclusion list is also available there.

## Dialogue and transparency on the work with responsible investments

The priority of entering into a constructive dialogue on the work with responsible investments continued in 2017 at the same high level with various stakeholders. This contributed considerably to ensuring input regarding the improvement of our processes and focus areas of responsible investments.

**PFA participated in dialogue and as speaker in connection with the following activities in 2017**

- 8 bilateral meetings with the WWF and Mellemfolkeligt Samvirke (MS) - ActionAid
- 1 meeting with Danwatch
- 1 meeting with Tobacco Free Portfolio and the Danish Cancer Society
- 2 meetings in Tax Dialogue
- 4 debates on responsible investments at the Folkemødet
- The Danish Parliament's Foreign Affairs Committee's hearing about investments in companies active in the Israeli settlements
- UN High Level Political Forum
- 3 contributions to debates on the Paris Agreement, transparency and responsible investments
- The Ministry of Business and Industry's task force on, for instance, draft preparation of guidelines regarding responsible investments.

**Responsible corporate practice****Whistle-blower scheme in PFA**

The PFA Group has an overall whistle-blower scheme, which is managed by Got Ethics A/S. Employees, customers and business partners have access to report any illegal or irresponsible actions using the whistle-blower system at PFA's website. Reportings on violations or potential violations of the current rules in force can either be made anonymously or by stating name or contact information. Two reports were filed and processed through the scheme in 2017.

**Money laundering, personal data and statutory requirements**

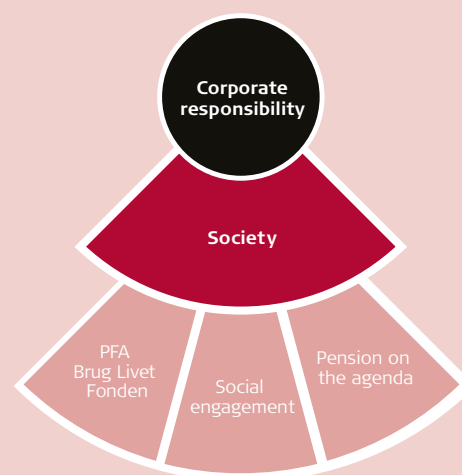
During 2017, PFA has also concentrated on implementing the changes to the Danish Act on Measures to Prevent Money Laundering and Financing of Terrorism, MiFID II, Insurance Distribution Directive (IDD), the Danish Act on Processing of Personal Data and first stage of the pension reform. Compliance with these statutory requirements presents a comprehensive process which implies considerable pressure on resources in PFA, as it affects all employees in the Group and requires changes of business and working procedures and of IT systems.

In connection with the implementation of the new statutory requirements, PFA decided to streamline its processes and improve the customer experience.

**Prevention of corruption**

PFA has been working throughout the year with preventive measures against PFA being associated with corruption. This is an area on which we have been focusing, in particular regarding the companies in which investments are made; please read more about this subject on page 44. This year, we also decided that in 2018, we will complete an overall audit of internal guidelines to ensure that we comply with the standards of preventing and protecting employees against corruption and bribery.

# Society



## Councils and networks to promote corporate responsibility

PFA gives priority to participating in councils and networks for the purpose of exchanging knowledge and stepping up the work on corporate responsibility. Besides informal dialogues with a number of different players and stakeholders, PFA has participated in the following ways in 2017:

- Member of the UN Global Compact
- Member of Dansif and Dansif's task force for events
- Member of the UN Global Compact Nordic Network
- Member of the Danish Global Compact Network
- Member of the organisation PRI
- Member of the SRI task force under Insurance & Pension Denmark (IPD) (Forsikring & Pension)
- Member of the CSR network under the Danish Chamber of Commerce (Dansk Erhverv)
- Member of BlackRock Retirement Institute Advisory Council
- Initiator of the Think Tank – The New 3<sup>rd</sup> Age
- Member of Nordic Engagement Cooperation
- Member of Institutional Investors Group on Climate Change
- Participates in the project 'Consider Copenhagen'
- Member of 'Velkommen Hjem'
- Board member in Stockholm Environment Institute.

## Tax accounts for the PFA Group

PFA contributes to increased transparency in the tax area and has developed a total statement of the taxes that we pay and collect each year. The statement forms part of the compliance with the PFA Group's tax policy and describes a part of PFA's contribution to society.

Paid by PFA	2017	2016	2015
Corporation tax	9	**45	0**
Payroll tax	139	126	110
Property tax	21	27	89
Non-life insurance tax	6	10	9
Other	4	9	8
<b>Total</b>	<b>179</b>	<b>217**</b>	<b>216**</b>



<b>PFA has collected</b>	<b>2017*</b>	<b>2016</b>	<b>2015</b>
Pension yield tax	3,861	3,379**	2,444**
Taxes according to the Danish Pension Tax Act	618	607	2,045
A-tax and labour market contribution (pensions)	4,319	4,052	3,898
A-tax and labour market contribution (employees)	378	360	352
VAT	33	30	68
<b>Total</b>	<b>9,209</b>	<b>8,428**</b>	<b>8,807**</b>

\* The figures are calculated as at 31 December 2017. Changes to the figures will occur in connection with the final statement prior to the final report.

\*\* Adjusted compared to previous announcement.

### **Support for associations and voluntary work**

Throughout the year, PFA has cooperated with PFA Brug Livet Fonden's causes to promote awareness of the causes and their activities. Furthermore, PFA has engaged the employees who contributed by raising money to the foundation and increasing the foundation's visibility.

### **Mentoring war veterans**

In 2017, PFA initiated four mentorships under the mentor scheme 'Velkommen Hjem' (Welcome Home). As a company that was founded for the customers, PFA participates in order to return our generated value to the customers. This means that we convert our knowledge and experience into the right solution for the customers. We wish to do the same through the 'Velkommen Hjem' scheme, where the expertise of four PFA mentors helps pave the way for the veterans' return to the civilian business world. PFA's support consists in providing selected veterans with access to mentors. Besides supporting the individual veteran with identification of competences and networking options, this opportunity will also provide the mentors with the possibility of self-development as managers by meeting someone with a different work profile than the traditional PFA employee. At the same time, the cooperation with 'Velkommen Hjem' may attract some competences to PFA which we would not have found elsewhere, and thus lead to a corporate skills upgrade in PFA.

### **Partnerships regarding PFA Critical Illness**

PFA cooperates with the Danish Cancer Society, the Danish Heart Foundation (Hjerteforeningen), the Danish Stroke Association (Hjernesagen), and the Danish Multiple Sclerosis Society. The partnerships consist in PFA offering a one-year membership with one of the four organisations to customers who receive payouts from their critical illness insurance within one of the areas covered by the organisations. The purpose is to ensure that the customers are offered support and guidance from experts and patients' associations. In 2017, 1,456 customers were offered a membership with one of the four organisations, and almost 8 per cent accepted. This is a drop compared to the previous year, when about 20 per cent accepted. The decline may be due to PFA's new procedure which implies that letters regarding rulings and settlements are now forwarded to e-Boks rather than by ordinary mail as was the previous custom.

### **Gold sponsor at the Folkemødet**

Again this year, PFA participated in the Folkemødet in Bornholm – The People's Political Festival – which provides a platform for open debates involving politicians, citizens, NGOs and the corporate sector to meet under informal circumstances. With our 100<sup>th</sup> anniversary as an underlying basis, we presented an ambitious programme in PFA's own festival tent. PFA's tent hosted as many as 30 events, and also hosted an event at Politiken's grand stage. The purpose was, among other things, to put the thoughts from the PFA-initiated Think Tank – The New 3<sup>rd</sup> Age up for debate. PFA hosted 10 debates with focus on, for instance, the good life in the third age, health as well as responsible investments and climate. In addition to the debates, PFA was behind seven events on counselling in connection physical and mental health, pitching of entrepreneurship in Løvens Hule (Dragons' Den) in a PFA version, Mads and the Dilemmas (based on a popular Danish radio programme) and finally a workshop based on the Think Tank and targeted at people in Denmark. PFA decided to be gold sponsor in order to contribute to the unique event, at which politicians meet informally with the people and other participants who have an influence on the development in society.

PFA's press coverage from the Folkemødet reached 2,319,000 readers, received a total PR score of 51+ and achieved a press penetration of 87 per cent. In connection with the Folkemødet, we achieved a total social media reach of 326,493.

Meetings with	Total
Customers	43
Politicians	33
Public servants	31
Journalists	24
Top executives	11
Scientists	8
<b>Total</b>	<b>150</b>

## Reputation

According to Infomedia ratings, PFA holds the best reputation among the Danish commercial pension companies which progressed further in 2017. As Denmark's leading pension company, PFA clearly had the for most press coverage in 2017. Considering the press coverage for the four largest Danish commercial pension companies alone, PFA was behind 48 per cent. The press coverage has been mostly positive with a very limited number of negative mentions, which led to PFA's position in the top among the pension companies that have had the most positive media coverage.

	2017	2016	2015
Mentions in the press	4,173	3,885	5,100

When it comes to corporate responsibility, media coverage mainly concerned subjects regarding the responsibility in PFA's investment of the customers' savings. The subjects included tobacco, environment and tax havens. PFA has taken an open and transparent approach, which means that we are contacted by many journalists. PFA Brug Livet Fonden was mentioned several times - particularly in connection with the announcement of the 2017 causes in December. When the Think Tank – The New 3<sup>rd</sup> Age was established in January, PFA made an important contribution to public debate about the future of Denmark, and also challenged the notion about what it means get older and having to retire from the labour market. This led to much media coverage and helped change the way in which we will define life as a senior and life in retirement in the future. We were also very engaged in the interplay issues which exist between public benefits and private pension plans. The problems imply that for many people in Denmark it will not be worthwhile to save up for retirement. PFA played a prominent part in the media in the efforts to make politicians create a more sustainable pension system.

## Prizes and awards

### Denmark's best telephone customer service

PFA was awarded the "Kundeservice Award" of the year for best telephone customer service by DI Service (under the Confederation of Danish Industry) and the opinion-research institute Wilke.

### Denmark's best digital pension company

PFA was named the best digital pension company of the year by the news media FinansWatch and the opinion-research institute Wilke.

### PFA in 'Hall of Fame'

PFA was acknowledged by the Dutch peace organisation PAX. The organisation has evaluated PFA's policy and practice for exclusion of companies that produce cluster munitions.

### Berlingske Guld Image – best commercial pension company

PFA was named by the Danish newspaper Berlingske Business as the commercial pension company with the best image, and thus PFA advanced nine positions. This was a result of the study 'Berlingske Guld Image' under the institute for opinion analysis IFO (Institutet for Opinionsanalyse).

## PFA's green accounts for PFA's office premises in Denmark

### CO<sub>2</sub> emissions in PFA

	2017	2016	2015
Total CO <sub>2</sub> emissions (t)	1,894	1,604	2,004
CO <sub>2</sub> emissions (t) per employee	1.46	1.26	1.54

### CO<sub>2</sub> emissions from electricity

	2017	2016	2015
Electricity consumption kWh	1,979,658	2,040,301	1,939,603
CO <sub>2</sub> consumption from electricity (t)	475	386*	552

\*The carbon emissions decline in spite of a minor increase in the electricity consumption. This is due to a positive development in the fuel combination for one produced kWh of average electricity in Denmark. The figure is published by Energinet and is included in the Carbon Calculator which can be accessed on [climatecompass.dk](http://climatecompass.dk).

### CO<sub>2</sub> emissions from district heating

	2017	2016	2015
District heating consumption kWh	3,201,730	2,756,570	2,556,990
CO <sub>2</sub> consumption from district heating	425	374	339

### CO<sub>2</sub> emissions from cars

	Number of cars	Consumption in litres
<b>Petrol-driven cars</b>		
2017	1	5,127
2016	1	4,452
2015	4	7,687
<b>Diesel-driven cars</b>		
2017	124	196,730
2016	130	179,803
2015	138	260,506
<b>Cars in total</b>		
	Number of cars	CO <sub>2</sub> (t)
2017	125	544
2016	131	487
2015	142	710

### CO<sub>2</sub> emissions derived from air travels

Year	Air travels	Kilometres flown
2017	427	706,422
2016	993	567,293
2015	833	637,637

### Paper consumption

Year	Paper (t)
2017	62
2016	64
2015	85

## CO<sub>2</sub> consumption (t)<sup>1</sup>

	2017	2016	2015
Electricity	475	386	552
District heating	425	374	339
Air travel	147	62	70
Petrol-driven cars	12	10	18
Diesel-driven cars	522	477	692
Paper and derivative effects	313	295	330
<b>Total</b>	<b>1,894</b>	<b>1,604</b>	<b>2,004</b>

1) The figures have been calculated using the Climate Compass' Carbon Calculator. Taxi driving is not included as a total figure for kilometres of taxi driving is not available.

## CO<sub>2</sub> increase in scope overview (t)

	2017
Scope 1	47
Scope 2	140
Scope 3	102
<b>Total</b>	<b>289</b>

PFA leans against Greenhouse Gass Protocol's method in which carbon reductions are calculated in scopes. Scope 1 = petrol and diesel consumption, Scope 2 = electricity and district heating consumption, Scope 3 = air travels, waste disposal and values deriving from Scope 1 and 2.

## Digitisation of documents

	2017 In kilograms of paper	2016 In kilograms of paper	2015 In kilograms of paper
Reduction of letters sent through e-Boks	14,461	8,810	10,257
Reduction of letters available at the portal	683,783	403,980	425,764
Total reduction in kilograms of paper	698,244	412,790	436,021

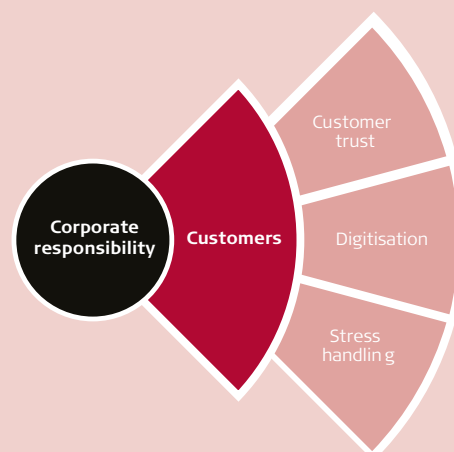
## Waste (t)

	2017	2016	2015
Total waste <sup>1</sup>	232	281 <sup>2</sup>	224

1) Waste includes the following types of waste: Waste deemed suitable for incineration, cardboard, paper, confidential paper, plastic film, iron and metal, food waste, glass, electronic waste and mixed waste to be sorted.

2) The increase is primarily due to an increase in the amount of building waste from major renovations in 2016. The amount in 2017 is back to the 2015 level.

# Customers



PFA's employees engage in daily dialogue with many different customers within a large variety of subjects. The listing below is based on the dialogue and contact on specific subjects that are recorded by PFA.

## Customer enquiries and contact

	Advisory services <sup>1</sup>	Phone calls to PFA's Advisory Services Centre	E-mails to PFA's Advisory Services Centre	Phone calls to PFA's Advisory Services Centre <sup>2</sup>	Total
2017	70,016	229,112	89,311	256,229	644,668
2016	69,737 <sup>3</sup>	208,618	68,121	271,140	617,616
2015	74,817	210,469	68,209	251,995	605,490

1) The figures include customers who have received advisory services at a seminar, by phone, online and face-to-face consultations.

2) The figures include all calls from PFA's customers to the PFA Health Centre and Claims Centre and through Falck HealthCare. The figures are calculated according to a new method in 2017. Consequently, the figures for the other years have been adjusted.

3) The number of advisory activities is somewhat below the budgeted level, which is primarily due to a staff shortage of 6 FTE compared to the prescribed staffing.

## Settled complaints in the Complaints & Customer Satisfaction Department broken down by outcome

Outcome	Partially in favour (%)	Rejected (%)	Accommodated (%)	Found in favour (%)	Lapsed
2017	4	46	27	14	3*
2016	3	60	12	25	NA
2015	10	43	28	19	NA

\*Registration of the category 'Lapsed' was commenced in 2017 and refers to cases where the complainant drops the case.

## Enquiries and proactive Customer Representative issues

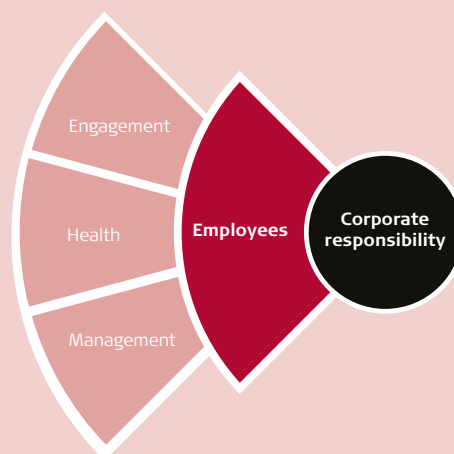
Complaints	Total	Accommodated	Found in favour	Partially in favour	Rejected	Pending	Referred to Complaints Dept.	Lapsed
2017	138	81	9	2	31	1	8	6
2016	118	62	14	1	27	4	3	7
2015	113	57	4	2	30	11	2	7

In 2014, PFA's customer representative took up proactive case management. To provide an overview of the total number of cases, these have been included in the specification. The category 'Lapsed' comprises cases where the problem is solved during the normal process and the customer therefore says that no further action should be taken.



# Employees

– and working conditions



## Number of employees

	2017	2016	2015
Number of employees (average number of full-time employees)	1,296	1,276	1,299
Staff turnover in per cent	16.0	14.6	11.6

## Seniority and age 2017

	Seniority	Age
Men	7.4	43.4
Women	8.8	43.5
Employees (m/f)	8.1	43.4

## Employees in flex jobs

	2017	2016	2015
Number of employees in flex jobs	9	9	10

## Sickness absence

	2017	2016	2015
Sickness absence (in per cent)	3.2	3.0	3.0

## Occupational injuries

	2017	2016	2015
Number of occupational injuries	7	6	3

PFA has a working environment organisation, whose purpose is to create a safe and healthy working environment at PFA. The figures are based on PFA's reports to the Danish Working Environment Authority.

## PFA satisfaction survey

	PFA satisfaction survey 2017 <sup>1</sup>	PFA satisfaction survey 2016	PFA satisfaction survey 2015
Employee engagement	82	80	76
PFA compared to the financial and insurance sector <sup>2</sup>	82 / 77	80 / 73	NA
Would recommend others to apply for a job with PFA	83	NA	75

1. PFA's total score for the 2017 employee satisfaction survey exclusive of the question regarding job recommendation was 5.9 on a scale of 1 to 7. The index scores, which are applied for 2016 and 2017 in the table above, have been adjusted in accordance with the following formula: Index score = ("seven-stage score"-1)\*(100/(7-1)). The 2017 employee satisfaction survey shows that the engagement in PFA is very high and generally significantly above benchmark in the sector. The high-scoring parameters in the survey are the work engagement and the good relationship among colleagues. Here, all results are 6.4 out of maximum score of 7.

2. In 2017 and 2016, PFA's employee satisfaction survey could be compared against Enalyzer's sectoral benchmark of the Danish financial and insurance industry. In 2017, 23 out of the 29 questions in PFA's employee satisfaction survey could be benchmarked against the industry, which is why only the total score for these questions has been applied in the cross-sectional comparison.

## Number of women in management and on PFA's Customer Board

	2017			2016			2015		
	Men	Women	Percentage of women	Men	Women	Percentage of women	Men	Women	Percentage of women
Level 1									
Directors/vice presidents	15	4	<b>34</b>	14	4	<b>22</b>	13	2	<b>13</b>
Level 2									
Senior managers	37	19	<b>21</b>	31	18	<b>37</b>	24	14	<b>38</b>
Level 3									
Other managers	45	31	<b>41</b>	37	34	<b>48</b>	40	31	<b>44</b>
<b>Total</b>	<b>97</b>	<b>54</b>	<b>36</b>	<b>82</b>	<b>56</b>	<b>41</b>	<b>77</b>	<b>47</b>	<b>38</b>

### PFA's Executive Board

- By the end of 2017, PFA's Executive Management consists of four men.

### PFA's Customer Board

- PFA's Customer Board comprises 72 members, of which 6 seats were vacant at the end of 2017 and 23 were occupied by women. This corresponds to a percentage of women of 32.

### PFA's Senior Customer Board

- PFA's Senior Customer Board comprises 9 members, 4 of which are women. This corresponds to a percentage of women of 44.

### **PFA's target figures and policy for gender distribution in boards of directors**

PFA's latest update of target figures for the Board of Directors and the policy regarding the gender distribution in management was made in June 2017. The overall target for gender distribution within boards of directors with three members is 33.33/66.67 per cent; for boards of directors with four members the target is 25/75 per cent; and for boards of directors with more than four members it is an objective to increase the share of the under-represented gender gradually from 30 to minimum 40 per cent. The targeted gender distribution in PFA Holding and PFA Pension's Board of Directors is 25/75 per cent. All targets were to be realised in 2017.

The figure for boards of directors with three members was on target at the end of 2017 the gender distribution for the Group property companies reached 33.33/66.67 per cent in these companies, whereas the target figure was not met for PFA Soraarnek, in which the gender distribution was 0/100 per cent.

For boards with four members, which applies to the Board of Directors of PFA Bank, the target was met at the end of 2017 as the gender distribution is 25/75 per cent. For boards with more than four members, which applies to the Board of Directors of PFA Asset Management, the target was not met at the end of 2017 as the gender distribution is 0/100 per cent. For the boards of directors of PFA Holding and PFA Pension, the target was met, as 25 per cent of each board including board members elected by the employees represent female board members.

Learn more about PFA's key figures and initiatives to increase the proportion of the under-represented gender in boards and in PFA's managerial positions at [pfa.dk](http://pfa.dk).





Gigtramte Børns forældreforening  
Selected as one of PFA Brug Livet Fonden's  
2017 causes.  
[gbf.dk](http://gbf.dk)





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