

Global Reporting Initiative (GRI) Index 2015

KLP



About this report

This Global Reporting Initiative (GRI) index covers KLP's sustainability reporting for the calendar year 2015. Our previous report covered 2014 and was published in the spring 2015. We report in accordance with the GRI G4 guidelines and its *core* option. However, we are aware that we are missing some data, in order to report on certain indicators. We hope to improve this in the report of 2016.

KLP's sustainability reporting consists of the annual report, the quarterly reports, additional reporting on the website klp.no, as well as this GRI index. KLP has published sustainability reports since 2005.

The index provides links to the relevant source of reporting, either our annual report, our website or this GRI index. Each of the standard disclosure labels is hyperlinked to the relevant page in G4 Online where you can also review disclosure guidance from the G4 implementation manual.

KLP follows the Integrated Reporting Framework and the Global Reporting Initiative for continuous improvement of its own reporting.

Materiality

Stakeholder dialogue and areas of importance

Our materiality analysis is based on our stakeholder dialogue: customers, members of KLP, employees within the KLP Group, governmental authorities, NGOs and others.

KLP aims to contribute to a sustainable public sector and to integrate sustainability and responsibility into all business processes. We find that our owners and other stakeholders are more and more concerned with this. As identified by employees, management and other stakeholders, KLP's corporate responsibility work has been grouped into four areas of great importance:

1. Responsibility in investments and products
2. Environmental solutions
3. Sharing of knowledge
4. Local engagement

KLP has invested in around 3,000 companies, and aims to push them in a sustainable direction on a broad front. Along with dialogue with individual companies, KLP is promoting broad investor initiatives such as CDP (formerly known as the Carbon Disclosure Project), which are intended to persuade more companies to report on their greenhouse gas emissions and climate strategy. As well as urging exchange-listed companies to report on this, KLP also reports for itself.

Compared to 2010 emission levels, KLP aims to half its CO₂ emissions per employee by 2030. The biggest source of emissions for KLP are flights taken by employees. Furthermore, KLP affects the environment mainly through its property business. Therefore, energy consumption and waste are parameters where KLP has defined reduction targets. KLP has ambitious targets for reducing its footprint, and for contributing to development of new environmental solutions. KLP Eiendom (KLP's Real Estate subsidiary) sets strict environmental requirements for new buildings and work on existing buildings.

KLP has adopted environmental and climate targets for its own operations. These are approved and monitored each year by the Group management.

Boundaries

The whole KLP Group including all its subsidiaries, is covered in this report. KLP has operations in the following countries: Norway, Sweden, Denmark, Luxembourg and the UK.

There has not been significant changes in the group during 2015, and we have not outsourced any significant operations. Thus, the basis and the boundaries for our sustainability reporting is the same as previous years. If there are changes in any subsidiaries, in data coverage or in definitions, these are explained where relevant.

Relationship with guidelines and reporting requirements

KLP has a desire to contribute to a sustainable public sector. Integrating social responsibility and sustainability into all of its business processes, KLP aims to help its customers to promote sustainable social development through its pensions management, as well as acting responsibly in its own operations.

KLP has signed the UN Global Compact. This means that KLP undertakes to work for human rights, employee rights, the environment and anti-corruption. KLP has also signed the UN's Principles for Responsible Investment. To assure international commitments, corporate responsibility is implemented into the KLP Group's overarching strategy and business processes.

KLP includes sustainability information and indicators in the annual report (including the CEO's report) and interim reports. The GRI-index is used as a guideline for our web-based reporting.

KLP has a separate climate account, and reports emission data to the CDP. Last year, KLP received the full score for its reporting and with it a place on CDP's Nordic Disclosure Leadership Index 2015. KLP also carries an environmental certification and report on yearly progress and goals to "Miljøfyrtårn" ("Eco-Lighthouse").

A separate presentation, included in the quarterly and in the annual reports, of a non-financial account gives an overview of results in areas considered to be the most significant for KLP's stakeholders. This covers the Group's results within society, the environment, human capital and responsible investments.

To ensure implementation, corporate responsibility is included in governing documents through guidelines for ethics policy, policies for the environment and responsible investment etc. The Board of Directors and management have various matters associated with corporate responsibility on the agenda through the year and related subjects are included in assessments associated with the balanced scorecard, internal audit and risk analysis.

The reporting cycle, on reports concerning sustainability, is annual.

External assurance

Our external auditor has assured all indicators that are included in the non-financial accounts in the annual report of 2015. This index includes additional indicators that thus have not been assured. For the independent statement regarding verification of Non-financial Accounts for 2015, please see p. 140 in the annual report 2015.

Information in English

Our GRI report is mainly in Norwegian, apart from information found in the Annual Report. However, there are a simplified version of klp.no in English. Please see: <http://english.klp.no/>.

General standard disclosures

Indicator	General standard disclosure	Source	Additional information
Strategy and analysis			
G4-1	Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability	Website – Virksomhetsstyring og forankring av samfunnsansvar Video – CEO talks about the importance of KLP's Corporate responsibility Annual report – Group Chief Executive Officer's preface, p 5	
Organizational profile			
G4-3	Report the name of the organization	Kommunal Landspensjonskasse gjensidig forsikringsselskap (KLP)	
G4-4	Report the primary brands, products, and services	Website Annual report – What KLP offers, p 14	
G4-5	Report the location of the organization's headquarters	Website	
G4-6	Report the number of countries where the organization operates, and names of countries where either the organization has significant operations	Website GRI index, p 2	
G4-7	Report the nature of ownership and legal form	Website – Kommunal Landspensjonskasse gjensidig forsikringsselskap	
G4-8	Report the markets served	Annual report – What KLP offers, p 14 Annual report – This is KLP, p 16 Website – Fakta om KLP	
G4-9	Report the scale of the organization	Annual report – Development over the last 5 years, p 7 Annual report – Growth and profitability, p 9 Annual report – What KLP offers, p 14 Annual report – This is KLP, p 16	
G4-10	Report the total number of employees by employment contract and gender	Annual report – Personnel figures 2015, p 37 Website – See subpage; Ansattestatistikk	
G4-11	Report the percentage of total employees covered by collective bargaining agreements	Website – Arbeidstakerrettigheter og medinnflytelse	
G4-12	Describe the organization's supply chain	Website – See subpage: Innkjøp og leverandørstyring	
G4-13	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain		No significant changes in 2015
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization	Annual report – Note no 7; Risk Management	
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	Website – See subpage; Innkjøp og leverandørstyring	
G4-16	List memberships of associations (such as industry associations) and national or international advocacy organizations	Website – See subpages	
Identified material aspects and boundaries			
G4-17	List all entities included in the organization's consolidated financial statements or equivalent documents	Annual report – This is KLP, p 16 Website – Organisasjon	
G4-18	Explain the process for defining the report content and the Aspect Boundaries	Website – Samfunnsansvar og rapportering	

G4-19	List all the material Aspects identified in the process for defining report content	Website – Samfunnsansvar og rapportering. See subpage: Global Reporting (GRI): Vår rettesnor for ikke-finansiell rapportering	
G4-20	For each material Aspect, report the Aspect Boundary within the organization	Website – Samfunnsansvar og rapportering. See subpage: Global Reporting (GRI): Vår rettesnor for ikke-finansiell rapportering	
G4-21	For each material Aspect, report the Aspect Boundary outside the organization	Website – Samfunnsansvar og rapportering. See subpage: Global Reporting (GRI): Vår rettesnor for ikke-finansiell rapportering	
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements		None restatements
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries	Website – Samfunnsansvar og rapportering. See subpage: Integrert rapportering: web-, års- og kvartalsrapportering	
Stakeholder engagement			
G4-24	Provide a list of stakeholder groups engaged by the organization	Website - Nettverk	
G4-25	Report the basis for identification and selection of stakeholders with whom to engage	Website - Nettverk	
G4-26	Report the organization's approach to stakeholder engagement	Website - Nettverk	
G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns	Website - Nettverk	
Report profile			
G4-28	Reporting period for information provided	GRI index, p 2	
G4-29	Date of most recent previous report	GRI index, p 2	
G4-30	Reporting cycle	GRI index, p 2	
G4-31	Provide the contact point for questions regarding the report or its contents	samfunnsansvar@klp.no or see Website	
G4-32	Report the 'in accordance' option the organization has chosen Report the reference to the External Assurance Report	GRI index, p 2 GRI index, p 2	
G4-33	Report the organization's policy and current practice with regard to seeking external assurance for the report	GRI index, p 2 Website – Samfunnsansvar og rapportering. See subpage: Integrert rapportering: web-, års- og kvartalsrapportering	
Governance			
G4-34	Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts	Website – Nettverk	
Ethics and integrity			
G4-56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics	Website – Vision and values Website – Society and environment. Ethiske retningslinjer	

Specific standard disclosures

Material aspect	Indicator	Indicator	Source	Additional information
Economic				
Economic Performance	G4-DMA	Generic Disclosures on Management Approach	Annual report – How KLP adds value, p 22 Annual report – This is KLP, p 16 Annual report – Group Chief Executive Officer's preface, p 5 Annual report – Growth and profitability, p 9	
	G4-EC1	Direct economic value generated and distributed.	Annual report – Growth and profitability, p 9 Annual report – Development over the last five years, p 7 Annual report – Tax and income per country, pp 136 + 138 Annual report – Income Statement p 75	
	G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	Annual report – Materiality and vulnerability analysis, p 33 Website – Klima	
	G4-EC3	Coverage of the organization's defined benefit plan obligations	Annual report – Note 28 Pensions Obligations, own Employees p 128	
Environment				
Emissions	G4-DMA	Generic Disclosures on Management Approach	Website - Miljø	
	G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	Website - Klimaregnskap	
	G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Website - Klimaregnskap	
	G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	Website - Klimaregnskap	
	CRE1	Building Energy Intensity	Website - Miljø Website – KLP Eiendoms miljøarbeid	
Social				
Sub-category: Labor practices and decent work				
Employment	G4-DMA	Generic Disclosures on Management Approach	Website – Arbeidsforhold	
	G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	Website - Ansattestatistikk	
	G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation		None
Training and education	G4-DMA	Generic Disclosures on Management Approach	Website - Arbeidsforhold	
	G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Website - Kompetanseutvikling og opplæring	

	G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category		All
Diversity and equal opportunity	G4-DMA	Generic Disclosures on Management Approach	Website - Arbeidsforhold	
	G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Website – Mangfold og likestilling Website – Ansattestatistikk	
Equal remuneration for women and men	G4-DMA	Generic Disclosures on Management Approach	Website – Mangfold og likestilling Website – Ansattestatistikk	
	G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	Website – Mangfold og likestilling Website – Ansattestatistikk	
Sub-category: Human rights				
Investment	G4-DMA	Generic Disclosures on Management Approach	Website – Ansvarlig forretningsdrift	
	G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Did not enter into any new agreements where human rights was included as a stand-alone factor. ESG aspects in general are, however, an integral part of our contracts and expectations to suppliers. How human rights are included in our responsible investment processes: Website - Ekskluderte selskaper Website - Ansvarlig eierskap	
Supplier human rights assessment	G4-DMA	Generic Disclosures on Management Approach	Website – Ansvarlig forretningsdrift	
	G4-HR10	Percentage of new suppliers that were screened using human rights criteria	Website - Menneskerettigheter	
Sub-category: Society				
Local communities	G4-DMA	Generic Disclosures on Management Approach	Website – Samfunnsansvar og rapportering	
	G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	Website – Ansvarlig forretningsdrift	
Anti-corruption	G4-DMA	Generic Disclosures on Management Approach	Website – Ansvarlig forretningsdrift see subpage Etikk, integritet og anti-korrupsjon	
	G4-SO4	Communication and training on anti-corruption policies and procedures	Annual report p 8 Blogg – Nulltoleranse til korrupsjon	
	G4-SO5	Confirmed incidents of corruption and actions taken	None confirmed incidents of corruption in KLP. Actions taken concerning SRI	
Public policy	G4-DMA	Generic Disclosures on Management Approach	Website - Nettverk	
	G4-SO6	Total value of political contributions by country and recipient/beneficiary	None	

Anti-competitive behavior	G4-DMA	Generic Disclosures on Management Approach	Website - Ansvarlig forretningsdrift. See subpage: Rettferdig konkurranse og offentlig tjenestepensjon	
	G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	Website – Ansvarlig forretningsdrift. See subpage: Rettferdig konkurranse og offentlig tjenestepensjon	
Compliance	G4-DMA	Generic Disclosures on Management Approach	Annual report p 11	
	G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Annual report p 38	
Social - Sub-category: Product responsibility				
Product and service labeling	G4-DMA	Generic Disclosures on Management Approach	Website – Kunder og produkter	
	G4-PR5	Results of surveys measuring customer satisfaction	Annual report p 19 Website – Kunder og produkter	
	CRE8	Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation, and redevelopment	Website KLP Eiendom Website KLP Eiendom	
Marketing communications	G4-DMA	Generic Disclosures on Management Approach	Website – Kunder og produkter	
	G4-PR6	Sale of banned or disputed products	None	
	G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	None	
Customer privacy	G4-DMA	Generic Disclosures on Management Approach	Website – Ansvarlig forretningsdrift	
	G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	None	
Compliance	G4-DMA	Generic Disclosures on Management Approach	Website – Ansvarlig forretningsdrift	
	G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	Pensions and life insurance: Total number of trials for Trygderetten (National Insurance Court) 95. Of these, KLP lost five. Non-life insurance: Total number of complaints from Forsikringsklagenemda (The Norwegian Financial Services Complaints Board): 38. Of the complaints, KLP Skadeforsikring won 15, and lost 11. The last 12 have not yet reached a solution. Requirements for ethics and corporate responsibility in procurement agreements.	

Financial Services Sector Disclosures				
Product portfolio	G4-DMA	Policies with specific environmental and social components applied to business lines.	Policy : Retningslinjer for ansvarlige investeringer Website – Ansvarlig eierskap Website – Ansvarlig forretningsdrift Website - Miljø	
	FS6	Percentage of the portfolio for business lines by specific region, size and by sector	Website – Finansiell informasjon. See subpage; Beholdning Fund information at Morningstar	
Audit	G4-DMA	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	Annual report p 29: The external auditor submits an audit report in connection with the annual accounts, and a statement on simplified audit checks on the quarterly accounts where these have been subjected to such a control. The external auditor also gives an independent opinion of non-financial accounts drawn up by KLP and included in KLP's annual report. The whole group is Miljøfyrtårn-certified (Eco lighthouse) and audited every third year. Except for KLP Eiendom, which is ISO 14001-certified (audited bi-annual).	
Active ownership	G4-DMA	Voting policy(ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting	Annual report p 44-45 Website - Ansvarlig eierskap	
	FS10	Percentage and number of companies held in the institutions portfolio with which the reporting organization has interacted on environmental or social issues	Website Quarterly reports p 30 for the total number.	
	FS11	Percentage of assets subject to positive and negative environmental or social screening.	100 %	