

Decision to exclude companies involved in the production of pornography

January 2022

1 Introduction

According to *Guidelines for KLP as a responsible investor*¹ KLP should exclude from its investments any companies that are associated with gross and/or systematic violations of generally accepted standards of business conduct.

KLP and the KLP funds have decided to exclude PLBY Group Inc. from their investments due to income from the production of pornography. The current decision is based on KLP's product criteria for pornography².

2 KLP's Guidelines and practice

As of May 2019, the board of KLP decided to introduce a product criterion for the exclusion of companies that receive more than 5 percent of their income from the production of pornography. The reason for the decision is that:

- KLP does not want to make money on investments in pornography
- Pension funds and savings can contribute to sustainable development and positive societal effects by being invested in other companies
- The negative effects of widespread use of pornography affect young people and vulnerable groups of the population, and the consequences have negative societal effects

3 Information about the company

KLP receives data and analyzes from our data provider MSCI Inc.

PLBY Group Inc is a lifestyle company and owns, among other things, the Playboy brand. The company receives 14 percent of its revenue from the production of pornography.

4 KLP's analysis

According to KLP's assessment, the above information indicates that the company's activities are not in line with KLP's guidelines as a responsible investor as the company's income from the production of pornography exceeds the limit of 5 percent.

¹ <https://www.klp.no/en/english-pdf/Guidelines%20for%20KLP%20as%20a%20responsible%20investor.pdf>

² <https://www.klp.no/media/samfunnsansvar/Pornografi.kriterie.pdf>

5 Decision

KLP and the KLP funds exclude PLBY Group Inc. from their investments from January 2022 due to income from the production of pornography that exceeds the limit of 5 percent.