



FOR GOVERNMENT EMPLOYEES



KÅPAN TJÄNSTEPENSIONSFÖRENING
Annual Report 2025



We have chosen to use the leaves of Lady's Mantle as a symbol. Lady's Mantle is easily recognised from its unique fan-shaped leaf rosette. In the centre of the rosette, water drops collect in the early morning to form a shimmering pearl.

The drops are formed during the night when the leaves exude water taken up through the roots by guttation and are not dew.

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Presenting Kåpan

Kåpan tjänstepensionsförening (Government Employees Pension Fund) manages defined contribution pensions for government employees. The Society offers traditional pension insurance with a guaranteed growth in value at the lowest possible cost. The Society distributes its surplus and deficit from asset management as monthly bonus interest.

The insurance products that the Society offers are the occupational pension insurances Kåpan Tjänste, Kåpan Valbar, Kåpan Extra, Kåpan Flex

and Kåpan Aktieval. All products are part of the pension agreement PA 16 in the government agreement area and membership of the Society requires the person to be covered by this agreement.

The Society's goal is to provide members with good long-term returns on their pension capital within the framework of balanced risk. We strive to promote environmental and social characteristics in the investments and conduct responsible and sustainable asset management.

2025 at a glance

Assets under management

increased by SEK 15,353m to SEK 182,807m (167,454).

182,807
(167,454)
SEKm

Return on invested capital

was positive and amounted in total to 6.3% (9.8).

6.3%
(9.8%)

Total paid-in premiums

were SEK 10,187m (9,617).

10,187
(9,617) SEKm

Funding ratio

amounted to **100%** at year-end.

Pension payments

totalled SEK 3,808m (3,481).

3,808
(3,481) SEKm

Solvency ratio

strengthened during the year from 265% to 266%. The valuation of outstanding guaranteed pension commitments decreased and assets increased in value.

266%
(265%)

Administrative expenses

remained at a low level and amounted to 0.04% (0.04) in relation to assets under management.



0.04%
(0.04%)

Bonus interest

Bonus interest is allocated monthly in arrears in three different generation groups with different risk levels in the investments. The Society also provides a selectable product – Kåpan Aktieval. This product has the same low costs as the other products and the premiums are placed in the Society's aggregate equity-based investments including unlisted venture capital funds. In 2025, the bonus interest was:

6.9% (10.8%) for age group 54 and younger

5.9% (9.0%) for age group 55–64

5.4% (7.8%) for age group 65 and older

9.5% (16.2%) for Kåpan Aktieval

Sustainability

The focus of the Society's investments is to promote environmental and social characteristics by continuously strengthening work with investments in companies with high rankings in the areas of environmental and social responsibility as well as a good level of corporate governance. The Society classifies all its insurances as Article 8 products in accordance with the EU's Sustainable Finance Disclosure Regulation (SFDR).

A separate sustainability report that provides in-depth information on the Society's sustainability work and complements the annual report as regards, among other things, the extent to which various targets have been met is available at kapan.se.

Amendments to the statutes adopted

At the Annual General Meeting, the Council of Administration adopted a number of amendments to the Society's statutes as of 1 January 2025. The changes mean that:

- ▶ no solvency deduction is made for the compulsory premiums and instead the whole premium is guaranteed,
- ▶ repayment cover can be added following an approved medical examination,
- ▶ the validity period for repayment cover is extended from 75 years to 90 years for insurance policies that have not begun paying out.

Board of Directors' report

The Board of Directors and the President of Kåpan tjänstepensionsförening, reg. no. 816400-4114, hereby submit their report for the financial year 2025.

Operations

Kåpan tjänstepensionsförening was founded in 1992 by the parties to the government agreement area. The Society manages and pays out pension assets for employees covered by pension agreements concluded between the Swedish Agency for Government employers and the government employees' main unions OFR/S, P and O, Saco-S and Seko. Operations consist of traditional pension insurance with a guaranteed interest on paid-in premiums and distribution of any surplus from asset management as bonus interest.

The insurance products offered by the Society are the occupational pension insurances Kåpan Tjänste, Kåpan Valbar, Kåpan Extra and Kåpan Flex. All these products are part of the pension agreement PA 16 in the government agreement area and membership of the Society requires the person to be covered by this agreement. Since April 2022, the product Kåpan Aktieval has also been offered as a selectable product in the choice centre.

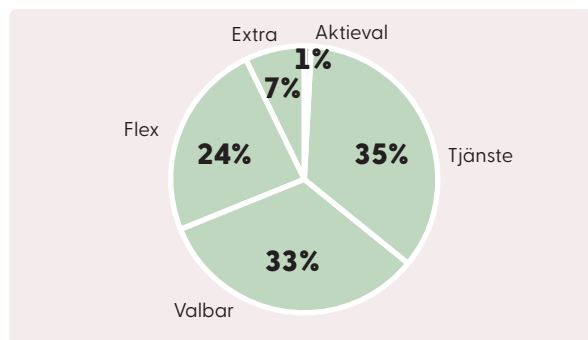
On 21 December 2020, the Society received permission from the Swedish Financial Supervisory Authority to conduct occupational pension business in accordance with the Swedish Occupational Pension Companies Act (2019:742). The decision meant, among other things, that the Society changed its name to Kåpan tjänstepensionsförening. The Society's statutes are available at kapan.se.

The report submitted is for the financial year up to 31 December 2025. Since November 2022, the Society has been a group, which means that the Society's annual report has been adapted to the regulations for consolidated financial statements.

Five-year summary paid-in premiums (SEKm)

Category	2025	2024	2023	2022	2021
Kåpan Tjänste	3,531	3,348	2,993	2,809	2,670
Kåpan Extra	760	734	654	696	674
Kåpan Valbar	3,364	3,218	2,891	2,710	2,542
Kåpan Flex	2,454	2,253	671	499	410
Kåpan Aktieval	78	64	38	16	-
Total	10,187	9,617	7,247	6,730	6,296

Distribution of premiums



Members

The Society distributes all net returns on investments after deductions for insurance administrative costs and tax on returns to the members in the form of changes in pension capital or pension payments. The total number of members is approximately 950,000.

Insurance premiums

The Society manages the premiums paid in by employers for their employees' account according to current collective agreements and the premiums that members in the years before 2016 have themselves chosen to invest in Kåpan Plus to supplement their occupational pension.

In 2024, paid-in premiums increased significantly. This is because the parties renegotiated the pension agreement PA 16. The renegotiation meant that those government employees born before 1988 will also receive payments into Kåpan Flex from January 2024.

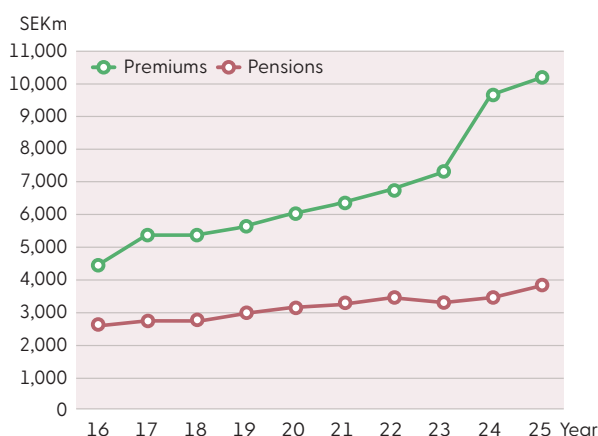
In 2025, the parties agreed to further increase the payments into Kåpan Flex in 2026.

Pension payments

A total of SEK 3,808m (3,481) was paid out during the year, of which SEK 1,811m (1,490) comprised bonus payments over and above the guaranteed interest on the capital. From December 2025, the Society will make payments directly from its internally developed insurance administration system, while also gradually taking over the account management of payment data from the paying

bank. This change will result in more efficient payment management. During the year, the insurance administration system was also adapted to allow members to pause payments to them.

Development of paid-in premiums and pension payments



Since 1 October 2020, the default payment period for all the Society's pensions is life-long. Within the framework of each insurance and the conditions of the associated pension agreement, members can choose to have a temporary payment. This change has resulted in an increased proportion of pensions being paid out for life and has meant that the Society's pension payments are not increasing at the same rate as in previous years.

Guidelines for management of invested assets

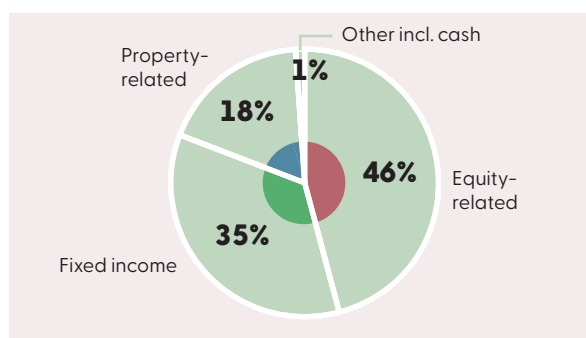
The investment guidelines set by the Board stipulate that the Society's assets, including bonus funds, must be invested so that they provide a good return within the framework of responsible and sustainable investment management and balanced risk.

According to the guidelines most recently adopted by the Board in October 2025, the allocation of the market value of assets should be within the following bands:

- Equities or equity-related asset class: minimum 30% and maximum 50%.

- Bonds and other fixed income securities: minimum 30% and maximum 55%.
- Property-related investments: minimum 15% and maximum 25%.

Investment of the Society's assets at year-end



The outstanding currency risk according to the adopted policy may not exceed 25% of total assets. At year-end, the outstanding currency risk was 19% (23) of the value of assets and therefore 47% (45) of assets in foreign currency were hedged.

The Board's decision on the distribution between asset classes is based on the Society's stable financial position and the expected value development for the various asset classes over time in relation to the risk of loss of value that investments always carry. The basis is that investment operations should be run with good diversification and a long-term focus with the aim of simultaneously promoting environmental and social aspects as well as encouraging a good level of corporate governance.

An in-depth analysis of the Society's total outstanding risks can be found in Note 2 of this annual report. The investment guidelines can be found in their entirety on kapan.se.

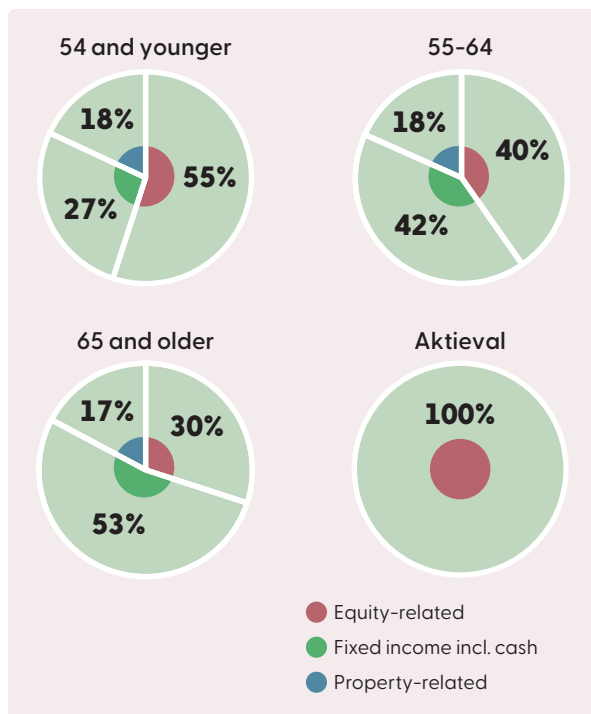
Generation-based risk allocation and bonus model

The Society's membership is split into different age groups in so-called generation savings. Those who are young and have a long time before retirement have a higher risk in their savings to provide the possibility of a higher return.

The motivation is that investments with greater risk are expected to give a higher return over time than more stable investments, but, based on historical experience, value development can also fluctuate considerably or be negative for long periods. The aim is that the risk in savings should reduce in step with approaching payment and that the higher age groups are given greater stability in their savings and a more predictable level of expected pension payments.

The allocation of the risk level between age groups is based on the contribution principle. The contribution principle is intended to ensure that an insurance company distributes surplus in a balanced manner between different groups of policyholders. The distribution of surplus should as far as possible be based on how different groups of insurance contribute risk capital to the business and what scope these provide for the possibility to create a surplus. For the Society, the premiums paid in by younger members have a longer period remaining to payment and thus provide scope for investments with a greater risk.

Distribution of investments for each age group and Aktieval



Taken together this means that the split into different generation groups allows the Society to better satisfy the contribution principle while raising the anticipated level of pension payments in the long term. The model provides increased stability in value development for the older groups with the aim that pension payments over the years to individual members should be relatively stable over time.

The different age categories receive different shares of the Society's investments within the three main investment areas of equities, bonds and property within the framework of the investment guidelines decided by the Board.

The Kåpan Aktieval product has a very limited guarantee of paid-in capital, which means that the insurances contribute a large proportion of risk capital to the business, which provides scope for a higher level of risk in investments and for the possibility of creating a larger surplus.

All members invest in the same assets and underlying securities. It is only the proportion of each asset class that varies across the different generation portfolios and Kåpan Aktieval.

Sustainability – long-term responsible management

The Society aims to deliver long-term stable pensions to its members at the lowest possible cost while at the same time promoting long-term sustainable development in society. To achieve this, the Society considers environmental, social and corporate governance aspects both directly in its operations and in its investments, but this is not an overall objective.

The Society's sustainability work is split into three areas: investment, insurance and organisation.

- Investments are made based on achieving a good return with reasonable risk and low costs. Sustainability is an integrated part of investment management.
- The Society offers resource-efficient and simple insurance solutions with a good balance between promises made and the risk in commitments made.
- The organisation shall work sparingly with resources, respect the environment, have equality in the workplace and practice good business ethics.

The Society places great importance in investment management on reducing the effect of sustainability risks on the result. The intention is, at the same time, that investments promote environmental or social characteristics while not causing overall more negative than positive outcomes in society.

In order to manage this in day-to-day operations, a fundamental principle is that the Society's investments must live up to a number of guiding international norms and principles that have a broad basis in Swedish society. In addition to this, investment management is based on the Society's sustainability process, which can be summarised as:

- Avoiding investment in companies that clearly breach global norms and companies that are directly involved in the manufacture or distribution of so-called controversial weapons.

- Striving to invest in companies and operations that have a high sustainability profile and work actively for a sustainable transition.
- Influencing positive change wherever possible. Work with influence and shareholder engagement varies depending on the investment and its size and includes advocacy, voting at general meetings, participating in nomination committees, board assignments and actively working on advisory committees.
- Excluding certain investments due to a too high long-term sustainability risk (coal, oil, tobacco and government bonds issued by states that are judged to deny their citizens basic democratic rights).

The Society supports the Paris Agreement and has set a long-term goal that the climate impact of our measurable investments shall be net zero by 2045 at the latest.

Extended reporting requirements

Since March 2021 the EU's Sustainable Finance Disclosure Regulation (SFDR) applies. This was extended during 2023 with reporting requirements at product level. The Society offers a number of insurances all of which are part of one and the same product, Kåpan traditional insurance, which the Society has chosen to classify as an Article 8 product (i.e. it promotes sustainability-related characteristics but does not have these as an overall objective). This means that the Society must provide a report according to a template decided by the EU Commission called "Periodic disclosures" as part of the Board of Directors' Report. The Society has chosen to include this report as an appendix at the end of this annual report. For other information which is provided in accordance with the requirements in SFDR, see kapan.se where there is also a separate sustainability report that provides in-depth information on the Society's sustainability work and complements the annual report as regards, among other things, the extent to which various targets have been met.

The following documents have been published regarding other parts of the Society's sustainability work:

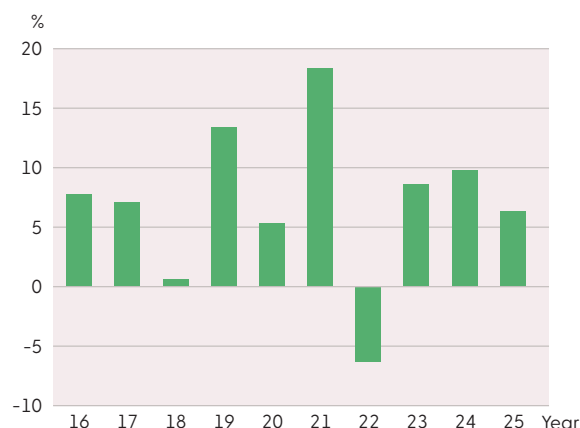
- Shareholder engagement 2025
- Voting 2025
- Disclosure regulation
- Sustainability policy
- The Society's PRI report (Principles for Responsible Investments)
- Pre-purchase information sustainability traditional insurance
- Report on investment decisions' principal adverse impacts on sustainability factors

Direction of continuing sustainability work

The aim is to continue to improve and adjust the investment model to balance more effectively the demands the Society makes for sustainability work within the framework of the overall target of long-term responsible and sustainable management with good risk-adjusted returns. In November 2025, the European Commission published a proposal for a comprehensive revision of SFDR. The aim of this is to reduce the regulatory burden and to make it easier for investors to make informed decisions. Kåpan is monitoring developments and will adapt its sustainability reporting once the changes have been approved by the European Parliament.

Investment management

The market value of the Society's investment assets, with the addition of the book value of other assets amounted to SEK 182,807m (167,454) at year-end.



Total return for the year

The return on investment assets was positive and amounted to 6.3% (9.8). As in recent years, 2025 was characterised by conflicts and insecurity. The continuing war in Ukraine and the Hamas terrorist attacks and Israel's subsequent invasion of the Gaza Strip, the related armed conflict between Iran and the US-Israel coalition, and the ongoing US intervention in the governance of Venezuela are all reasons for the global instability. At the same time, inflationary pressures have continued to ease and central banks have cut their key interest rates during the year. Uncertainty has temporarily decreased concerning the development of high levels of government debt, but with trends during the latter part of the year towards rising government borrowing rates at longer maturities as a result of the large borrowing requirements and increased uncertainty about longer-term development.

Taken as a whole, development has been seen as positive by capital markets, and stock markets have risen in almost all markets while interest levels have remained relatively stable across all maturities. The total return on the Society's investments has been positive, with all asset classes contributing a positive return. The Swedish krona has strengthened considerably during the year, particularly against the US dollar. Overall, the weak dollar made a negative contribution to returns for that part of the foreign portfolio that was not exchange rate hedged.

Investment return

The total return on assets is broken down as follows:

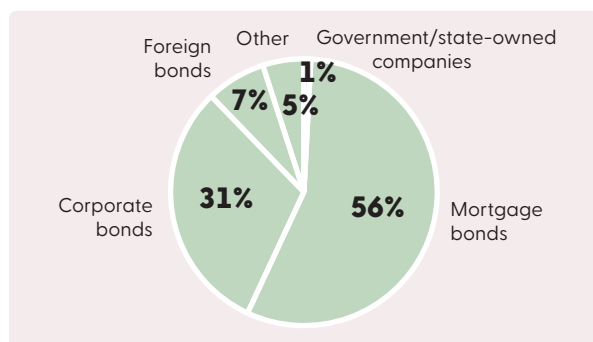
Portfolio	Market value, SEKm	Share, %	Total return ¹⁾ %, 2025
Fixed income	64,565	35	3.7
Equity-related	83,667	46	9.5
Property-related	32,376	18	3.8
Other assets, cash	2,199	1	-
Total assets	182,807	100	6.3

¹⁾ When calculating the return, daily weighting is used to take into account the change in the capital base during the year.

Fixed income assets

The fixed income investments amounted to SEK 64,565m (58,786) at year-end. The investments consisted 56% (49) of mortgage bonds and other AAA-rated issuers and 1% (2) of bonds issued by wholly state-owned companies. Investment in corporate bonds amounted to 31% (33). The remaining 12% (16) of investments consisted of other fixed income holdings and cash, of which 7 percentage points (7) was invested in foreign currency.

Allocation of fixed income



The dominant part of fixed income assets in foreign currency are hedged in Swedish kronor. At year-end, total fixed income assets comprised solely nominal fixed income securities with no real-interest bonds. The

short-term interest level fell during the year while the interest level on bonds with longer maturities rose.

The fixed income investments are concentrated in the Swedish banking and residential mortgage segment and the largest overall investments are made with the following issuers:

Issuer	Assessed value, SEKm
Swedbank	6,539
Handelsbanken	5,730
Kommuninvest	5,110
SBAB	4,709
SEB	4,626
Länsförsäkringar	3,216
Nordea	3,010
Danske Bank	1,093
DNB Bank	771
Specialfastigheter	712

The largest investments in the Other fixed income category are made in the following funds and companies:

Holding	Assessed value, SEKm
Nordstjärnan Kredit	2,024
Napier Park Global Capital (4 funds)	1,268
M&G Investments (4 funds)	631
Intermediate Capital Group	578
Developed World Markets	485

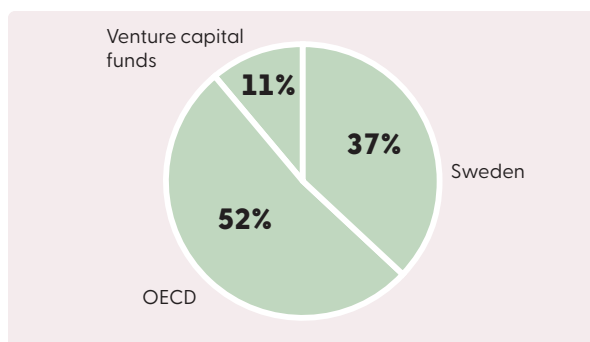
In addition to investments in fixed income securities, the Society has taken the strategic direction of signing contracts for various forms of interest rate hedges in order to reduce the outstanding interest rate risk in pension obligations. During the year, the volume of holdings in interest rate hedges increased slightly and the overall earnings impact of these hedges was insignificant during the year.

The total return on fixed income investments amounted to 3.7% (4.2).

Equity-related assets

The stock market showed positive development during 2025 with rising values. Both the Swedish and US stock markets performed strongly. During the year, global share prices rose overall by a total of 19.7% (20.2) in local currencies. The Swedish krona appreciated strongly during the year, which meant that the corresponding index in Swedish kronor showed a rise of 1.9% (29.6).

Allocation of equities



The Society's return on equities listed outside Sweden was 18.0% (19.6) in local currency. The holding of equities listed on the Nasdaq Stockholm Exchange showed a positive return of 18.3% (7.8).

The Society currency hedges most of its foreign equity-related investments in the OECD. Since the Swedish krona strengthened during the year, currency hedging made a positive contribution to returns.

Investments in various types of unlisted equities, primarily venture capital funds, amounted to SEK 9,390m (9,945). Return for the year amounted to 7.8% (6.5) in local currency.

The overall return on equities during the year including currency effects was positive and amounted to 9.5% (16.4) and equity-related assets at year-end amounted to SEK 83,667m (76,069).

Bonus interest on the Kåpan Aktieval insurance is based solely on the Society's equity-related investments. Bonus interest for the year amounted to 9.5% (16.2).

Management of equities listed on the Nasdaq Stockholm Exchange is conducted by the Society itself. SIX 60 is used as the benchmark index.

The largest investments are in the following companies:

Issuer	Assessed value, SEKm
Investor	3,274
Atlas Copco	2,619
Volvo	1,952
EQT	1,484
SEB	1,265
Assa Abloy	1,231
Sandvik	1,209
Swedbank	1,179
ABB	1,045
Hexagon	931

Equity-related placements outside Sweden are mainly invested directly in individual shares managed in-house. MSCI World is used as the benchmark index. The largest investments are in the following companies:

Issuer	Assessed value, SEKm
Nvidia	2,323
Apple	2,059
Microsoft	1,803
Alphabet	1,776
Amazon	1,174
Broadcom	849
Meta	729
JP Morgan	458
Eli Lilly	454
Berkshire Hathaway	365

Other investments in the stock market are made in funds with various regional or strategic aims in order to, on aggregate, balance the overall benchmark for equities management, MSCI ACWI. At year-end, the four investments were made in the following funds:

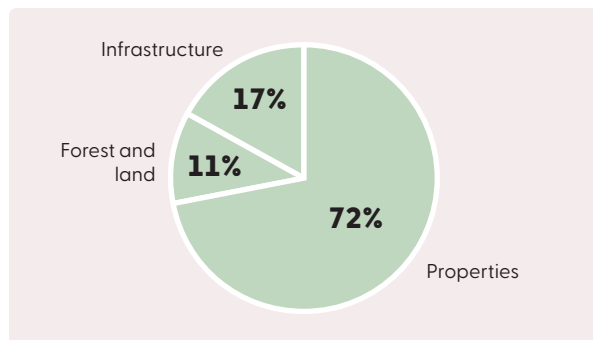
Holding	Assessed value, SEKm
SHB Global Småbolag Index Criteria	667
JPMorgan Europe Small Cap	667
NCG US Small Cap Growth	232
M&G Japan Smaller Companies	175

The largest investments in various types of venture capital funds at year-end were in the following funds:

Holding	Assessed value, SEKm
Alpinvest PE (2 funds)	1,442
Warburg Pincus (5 funds)	1,098
Advent International (7 funds)	1,080
Welsh, Carson, Anderson & Stowe (3 funds)	853
EQT (2 funds)	809
Cinven (3 funds)	702
Newbury Equity Partners (3 funds)	693

Property-related investments

Investments in property-related assets are split into three areas: property, forest and land, and infrastructure.



The infrastructure area involves investments in essential community facilities or properties with stable cash flows and a long-term investment horizon. Forest and land is mainly land with standing forest and farms owned by funds or companies. The property area is indirect investment in various types of land and buildings. Kåpan Fastigheter AB and Hemvist are wholly owned subsidiaries of the Society.

The largest investments grouped by managers or companies (exposure) comprised:

Holding	Assessed value, SEKm
Kåpan Fastigheter	8,615
Svenska Handelsfastigheter	5,302
Hemvist Bostäder	2,955
Gysinge Skog	2,157
CMH II (Midstar Hotels)	1,810
Antin Infrastructure Partners (7 funds)	1,638
J.P. Morgan Infrastructure Investments Fund	1,449
Bridge Investment Group (5 funds)	1,394
Harrison Street (4 funds)	1,196
Aermont (4 funds)	914

Property-related assets showed a positive value appreciation during the year. This trend follows weak returns in recent years, with downward pressure on external property valuations in a number of areas, primarily in the USA, due to weak demand and uncertain financing. Invested capital totalled SEK 32,376m (29,990) and the return for property-related investments amounted to 3.8% (4.5).

Risk and sensitivity analysis

Investment management is affected by external circumstances that give rise to various types of risk. These risks can be divided at the overall level into market, credit and operational risks. In addition there is a further industry-specific risk, namely insurance risk. A more in-depth analysis of outstanding risks in operations is provided in Note 2.

The uncertainty that exists in the market means that losses on investment assets are likely. For investment assets where market prices are not published, there are sources of uncertainty, see the section on Key assessments and sources of uncertainty in Note 1, as well as Note 18.

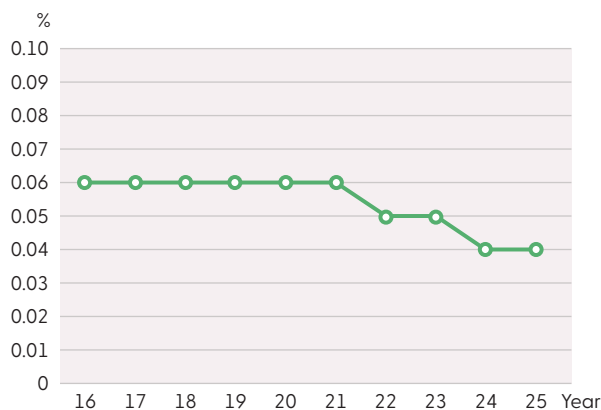
Actuarial report

A report has been prepared by the Society's actuary. The report shows that the Society's technical provisions are estimated at SEK 68,408m (62,426). The Society's obligations consist predominantly of fixed guaranteed interest on paid-in premiums. These obligations have been valued in the actuarial report, supported by the Swedish Financial Supervisory Authority's regulations and general advice, on the basis, among other things, of current market interest rates for matching maturities. Reservations have been made for the options in the insurance terms and conditions both regarding expected changes in payment periods and for those insurances that have transfer rights.

Costs

Costs in the insurance business amounted to SEK 73m (68). One measure of cost efficiency is the management expense ratio, i.e. the relationship between operating expenses and the average market value of the assets, which amounted to 0.04% (0.04).

Management cost trend



Costs for 2025 were covered by making a deduction from the insurance capital of 0.05%. Overall, the charges and deductions over time should correspond to the actual costs of operations. Costs as a proportion of managed capital are expected to remain unchanged during 2026.

The aim is to continue to maintain a low level of costs over time even though continuous and extensive changes in regulations in different parts of operations place an increasing burden on the administrative and organisational resources in the Society, not least related to different forms of reporting to the EU of consolidated mandatory sustainability indicators, as well as ICT reporting under the new DORA regulations.

The direct costs of investment management amounted to SEK 78m (66). One measure of the efficiency in investment operations is the management expense ratio, i.e. the relationship between the Society's direct costs for investment management and the average market value of the assets, which amounted to 0.04% (0.04).

Report on bonus in 2025

The bonus is added to members' pension capital monthly in arrears. Since 1 January 2017, the Society has had a generation-based risk-sharing and bonus model. The bonus is allocated monthly in arrears split across three different generation groups with different levels of risk in investments, as well as Kåpan Aktieval. The bonus allocated during 2025 before tax on returns and costs amounted to:

6.9% (10.8%) for age group 54 and younger

5.9% (9.0%) for age group 55–64

5.4% (7.8%) for age group 65 and older

9.5% (16.2%) for Kåpan Aktieval

The difference in returns between the groups is attributable to the returns of the equities asset class which showed overall somewhat higher returns during the year and meant that the younger age groups with a greater proportion of equities in their investments received a better return.

Collective funding

Collective funding is the relationship between the market value of the Society's assets and the Society's financial liabilities in the form of allocated pension capital to members' total insurances. This relationship is expressed as a ratio of allocatable asset values (assets minus financial liabilities) and allocated asset values (total pension capital) multiplied by 100. A funding ratio of 100% means that there is a balance between the Society's net assets and the insurances' total pension capital.

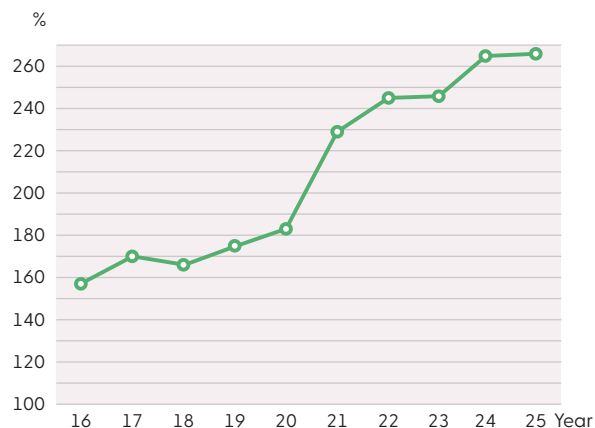
The Board has stated in the guidelines for technical provisions that the collective funding ratio should be in

the band 95–105% with a target level of 100%. The funding ratio at year-end after the bonus decided for December 2025 was 100%.

Development of solvency

Solvency expresses the proportion of technical liabilities that is covered by assets. The return on investments during the year was positive. Outstanding obligations are valued at year-end based on a discount rate curve which is based on market interest rates for the first upcoming ten years and then a gradual adjustment to a fixed ultimate forward rate (UFR) of 3.66% (3.66). The rates used have together a slightly higher level than the previous year, which means that the value of outstanding obligations fell by 3.9% (-3.7). Returns on investments were higher than the average guaranteed interest and contributed to a strengthening of equity. During the year, the assumption of the remaining life expectancy of current and former government employees has been adjusted upwards. This change is based on current statistics and new projections. Overall, the effects of the various changes and outcomes have cancelled each other out and solvency strengthened marginally during the year by one percentage point from 265% to 266%. Solvency therefore remains at a reassuring level.

Solvency ratio past 10 years



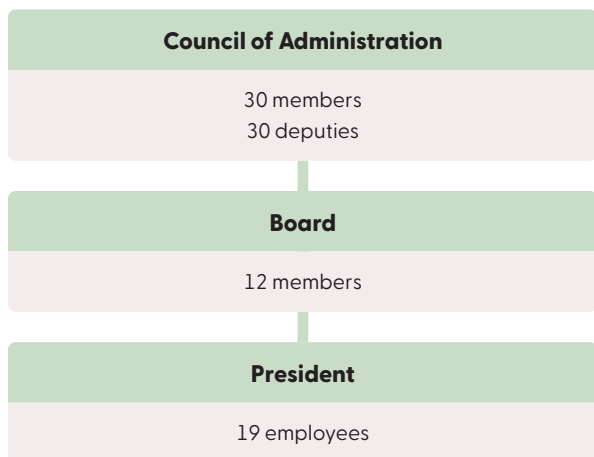
Tax on returns

The Society pays tax on returns on behalf of its members. The basis for tax assessment is the members' pension capital expressed as the market value of the Society's assets after deduction for financial liabilities on 1 January in the assessment year. The return on these funds is calculated by a standardised method using an interest rate that is the same as the average government lending rate in the year prior to the assessment year, with a floor of 0.5%. The standard income thus calculated is then taxed at 15%. For the Society this meant that the tax on returns paid for the year 2025 amounted to SEK 534m (542).

Management functions and audits

The Society's highest decision-making body is the Council of Administration. The members of the Council of Administration are appointed by the parties within the government agreement area. Half of the members are appointed by the Swedish Agency for Government Employers and the other half by the trade unions. The total number of ordinary members amounts to 30 with an equal number of personal deputies. During the year, the Council of Administration held one ordinary general meeting.

Council of Administration, Board and management



During the financial year, the Society's operational activities have been managed by a Board consisting of twelve members. The Board, like the Council of Administration, is composed on a parity basis following nominations from the employer side and the employee side. The Board decides the Society's strategic direction and appoints the Society's President. The Board held nine meetings during the year, one in the form of a two-day seminar.

The Board has ultimate responsibility for operations being conducted in accordance with applicable legislation and regulations. The Board must ensure that there are suitable internal guidelines for risk management and internal control. The Board continually monitors the company's operations and its financial results and also receives regular separate risk and regulatory reports. The independent internal audit reports directly to the Board in accordance with a review plan decided by the Board.

During the year, the Board updated and decided on all the policies and instructions issued by the Board. Key issues addressed, in addition to proposals to the ordinary annual meeting of the Council of Administration, were analysis and decisions on the future long-term investment focus, handling of ethics and operational risks in investment management, as well as sustainability targets. The Society's good solvency and solvency risks are analysed on an ongoing basis.

The Board has also decided during the year to complement the insurance system with integrated payment and account management functionality in order to make insurance administration more efficient and reduce the number of risks in the payment process. The Board approved a revised agreement with the National Government Employee Pensions Board (SPV) during the year, governing the transition and the new processes.

The Board carried out an evaluation of its work in 2025 and notes that potential conflicts of interest have been continuously identified and managed.

The Board appointed two committees consisting of Board members. The Audit Committee monitors overall the company's work to prepare legally required financial reports as well as systems for internal control. The company's external auditor and President also participate in the committee's meetings. The Remuneration Committee reviews the salary of the President prior to this being decided by the Board. Remuneration to other senior executives in the Society is decided by the President in accordance with the remuneration policy adopted by the Board.

On 1 February 2025, President Gunnar Balsvik left this position and retired after 22 years of service to the Society. Vice President Marie Giertz took up the position of the new President of the Society on the same date. In July 2025, Marie Giertz resigned and Gunnar Balsvik was reinstated as President. In December 2025, the Board of Directors appointed Lars-Åke Vikberg as the new President of the Society, taking up the position by 1 July 2026 at the latest.

At the ordinary meeting of the Council of Administration on 14 May 2025, Ann Follin, Director General of the Swedish Agency for Government Employers, was elected to the Board and was appointed Chair at the subsequent inaugural meeting of the Board. She succeeded Dan Sjöblom, who resigned as Chair and returned to his role as a Board member.

The general meeting adopted an amendment to the statutes whereby the general meeting will appoint a Nomination Committee which, in addition to nominating new Board members on the basis of proposals from the parties, will assess the suitability and skills of the Board members and evaluate the Board's overall skills. The general meeting elected County Governor Ulrica Messing as Chair of the Nomination Committee.

Administration

The average number of employees during the year was 20 (19), with the key task of conducting investment management, insurance administration, accounting and risk control. Business is conducted at the head office in Stockholm and with a management and procurement organisation with an office in Sundsvall. The Society has two employed actuaries and an employed risk manager. The regulatory and internal audit functions are outsourced.

The National Government Employee Pensions Board (SPV) in Sundsvall is engaged to administer part of the insurance administration operations. This assignment includes maintenance of the Society's insurance administration system, processing and customer service.

Administrative investments

Administrative investments for the year amounted to SEK 5m (3). The investments relate to the insurance systems, as well as office redevelopment and equipment. Investments in the insurance administration system are depreciated over 10 years, other investments over 3–5 years.

Looking to the future

The Society started its operations in 1992 and since 2003 has been the default alternative for the choice component of defined contribution occupational pensions for government employees. The Society has been entrusted with also insuring the compulsory components and functioning as the default supplier for the part of the pension where there is a choice for the current pension agreement, PA 16.

In recent years, the parties have renegotiated parts of the pension agreement on several occasions. These renegotiations have meant, amongst other things, that the Society will have an increased premium flow. At the same time, the premium flow is expected to rise to SEK 11 bn during 2026. In the coming years, the premium flow is expected to continue to increase as a consequence of more government employees only receiving provisions for the defined contribution pension.

This development requires ongoing adaptation of the organisation and system solutions to the task but also provides economies of scale and opportunities to improve efficiency.

The long-term value development of the Society's assets over the years has been good but developments in the past decade have created increased uncertainty regarding the value development of the Society's assets in the short term. The Society's solvency is strong and the ability to absorb major value changes is good. On the other hand, members' pension capital can vary in value from year to year in a way that can create uncertainty which the Society tries to counter with a well-balanced investment strategy.

The aim is over time to continue to develop and adapt operations to a changing environment and be able to offer long-term, responsible and sustainable management of members' paid-in premiums and total pension capital.

Significant events after the end of the reporting period

In early March, the USA and Israel began launching air strikes against Iran with an as yet unclear spread, target and timeline. The long-term impact on global capital markets is currently hard to assess. There has been a clear short-term impact, however, with falling share prices and rising interest rates, as well as higher energy prices. At the date of these financial statements, the overall impact of the war on the value of the Society's assets is marginally negative compared with year-end.

Disposition of profit for the year

The Parent Society's profit for the year, SEK 12,146,696,582 (18,119,439,354) is transferred to other reserves. Paid-out bonus interest for the year amounted to SEK 1,810,393,701 (1,490,909,458). The Parent Society's equity thus amounted to SEK 113,501,300,451 (103,164,997,570) on 31 December 2025.

Financial statements

Five-year summary

Parent Society

Results, SEKm	2025	2024	2023	2022	2021
Premiums written	10,187	9,617	7,247	6,730	6,296
Investment income, net	10,547	14,415	11,427	-8,569	20,544
Claims paid	-1,997	-1,991	-1,919	-1,912	-1,963
Bonus paid ¹⁾	-1,811	-1,490	-1,357	-1,556	-1,284
Balance on the technical account, life insurance business	12,681	18,661	10,935	2,139	27,043
Profit for the year	12,147	18,119	10,649	2,037	26,959

¹⁾ Payments are recognised as a deduction under Equity, Statement of changes in equity.

Financial position, SEKm	2025	2024	2023	2022	2021
Total assets ¹⁾	182,807	167,454	147,661	132,438	136,690
Investment assets ¹⁾	179,639	161,157	143,103	128,801	129,638
Technical provisions	68,408	62,426	59,114	53,359	59,311
Funding capital	113,501	103,165	86,536	77,244	76,763
Capital base	113,490	103,155	86,527	77,238	76,756
Minimum capital requirement ²⁾	2,736	2,497	2,365	2,134	2,372
Risk-sensitive capital requirement (RWVA) ³⁾	42,188	39,746	32,233	28,493	27,651
RWA quotient ⁴⁾	2.69	2.60	2.68	2.71	2.78

¹⁾ Investment assets at fair value and other assets at book value.

²⁾ Previously called Required solvency margin.

³⁾ Risk-sensitive capital requirement according to FFFS 2019:21.

⁴⁾ Capital base divided by RWA.

Key ratios, %	2025	2024	2023	2022	2021
Insurance administrative costs ¹⁾	0.04	0.04	0.05	0.05	0.06
Investment charges ¹⁾	0.04	0.04	0.04	0.04	0.04
Total return	6.3	9.8	8.6	-6.3	18.4
Funding ratio	100	100	100	100	100
Solvency ratio	266	265	246	245	229

¹⁾ In relation to total assets.

Total return by asset class ¹⁾	Market value 31 Dec 2025		Market value 31 Dec 2024		Total return ²⁾ 2025
	SEKm	%	SEKm	%	%
Equity-related	83,667	46	76,069	45	9.5
Fixed income-related ³⁾	64,565	35	58,786	35	3.7
Property-related	32,376	18	29,990	18	3.8
Other assets	2,199	1	2,609	2	-
Total assets	182,807	100	167,454	100	6.3

¹⁾ Defined in relation to the underlying asset class that generates the return.

²⁾ Daily aggregate of investments in relation to changes in value, interest income and dividends.

³⁾ Return on derivative instruments taken out to reduce interest rate risk in outstanding insurance obligations. Is included in the return for fixed income investments.

Income statement

SEKm	Note	Group		Parent Society	
		2025	2024	2025	2024
Technical account, life insurance business					
Premiums written	3	10,187	9,617	10,187	9,617
Investment income	4	10,657	7,629	9,437	8,377
Unrealised gains on investment assets	5	2,885	11,154	2,547	9,768
Claims paid	6	-1,997	-1,991	-1,997	-1,991
Change in other technical provisions		-5,982	-3,312	-5,982	-3,312
Operating expenses	7	-162	-159	-73	-68
Investment charges	8	-1,242	-1,607	-632	-998
Unrealised losses on investment assets	9	-1,607	-2,841	-806	-2,732
Balance on the technical account, life insurance business		12,739	18,490	12,681	18,661
Non-technical account					
Balance on the technical account, life insurance business		12,739	18,490	12,681	18,661
Tax on profit for the year	10	-691	-575	-534	-542
Profit and comprehensive income for the year		12,048	17,915	12,147	18,119

Statement of comprehensive income

SEKm	Group		Parent Society	
	2025	2024	2025	2024
Profit for the year	12,048	17,915	12,147	18,119
Other comprehensive income	-	-	-	-
Total comprehensive income	12,048	17,915	12,147	18,119

Balance sheet

SEKm	Note	Group		Parent Society	
		31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Assets					
Intangible assets					
Other intangible assets	11	11	10	11	10
Investment assets					
Land and buildings					
Investment properties	12	19,221	17,222	-	-
Investments in group companies					
Shares and participations in group companies	13	-	-	11,570	10,057
Investments in associates					
Shares and participations in associates	14	9,278	8,006	9,277	8,003
Other financial investments					
Shares and participations	15	100,430	94,786	100,430	94,786
Bonds and other fixed income securities	16	57,342	48,079	57,342	48,079
Derivatives	17	1,020	232	1,020	231
	18	187,291	168,325	179,639	161,156
Receivables					
Other receivables	19	373	230	215	157
Other assets					
Property, plant and equipment	20	13	7	2	1
Cash and bank balances		3,182	5,927	2,628	5,470
Other assets	21	487	183	304	-
		3,682	6,117	2,934	5,471
Prepayments and accrued income					
Accrued interest income		-	652	-	652
Other prepayments and accrued income		32	25	8	8
		32	677	8	660
Total assets		191,389	175,359	182,807	167,454
Equity, provisions and liabilities					
Equity					
Collective reserve	22	101,669	85,565	101,354	85,046
Profit and comprehensive income for the year		12,048	17,915	12,147	18,119
		113,717	103,480	113,501	103,165
Technical provisions					
Life insurance provisions	23	68,408	62,426	68,408	62,426
		68,408	62,426	68,408	62,426
Provisions for other risks and costs					
Tax		391	319	36	48
Liabilities					
Derivatives	17	422	1,698	411	1,693
Liabilities to credit institutions	24	7,299	6,683	-	-
Other liabilities	25	801	477	446	119
		8,522	8,858	857	1,812
Accrued expenses and deferred income					
		351	276	5	3
Total equity, provisions and liabilities		191,389	175,359	182,807	167,454

Statement of changes in equity

Group

2025

SEKm	Collective reserve	Comprehensive income for the year	Equity
Opening equity, 1 Jan 2025	103,480		103,480
Bonus paid during the financial year	-1,811		-1,811
Profit and comprehensive income for 2025		12,048	12,048
Closing equity, 31 Dec 2025	101,669	12,048	113,717

Statement of changes in equity

Group

2024

SEKm	Collective reserve	Comprehensive income for the year	Equity
Opening equity, 1 Jan 2024	87,055		87,055
Bonus paid during the financial year	-1,490		-1,490
Profit and comprehensive income for 2024		17,915	17,915
Closing equity, 31 Dec 2024	85,565	17,915	103,480

Statement of changes in equity

Parent Society

2025

SEKm	Collective reserve	Comprehensive income for the year	Equity
Opening equity, 1 Jan 2025	85,046	18,119	103,165
Disposition of earnings 2024	18,119	-18,119	0
Bonus paid during the financial year	-1,811		-1,811
Profit and comprehensive income for 2025		12,147	12,147
Closing equity, 31 Dec 2025	101,354	12,147	113,501

Statement of changes in equity

Parent Society

2024

SEKm	Collective reserve	Comprehensive income for the year	Equity
Opening equity, 1 Jan 2024	75,887	10,649	86,536
Disposition of earnings 2023	10,649	-10,649	0
Bonus paid during the financial year	-1,490		-1,490
Profit and comprehensive income for 2024		18,119	18,119
Closing equity, 31 Dec 2024	85,046	18,119	103,165

Notes

All amounts in the following notes are expressed in SEK million unless otherwise specified.

Note 1 Accounting principles

General information

The annual financial statements relate to the year ended 31 December 2025 and pertain to the financial year 2025 for Kåpan tjänstepensionsförening with registered number 816400-4114 and its registered office in Stockholm. The address of the head office is Smålandsgatan 12, Stockholm.

The annual financial statements were approved for publication by the Board of Directors on 14 April 2026. The income statement and balance sheet will be presented for adoption at the annual general meeting on 6 May 2026.

Basis of preparation of annual financial statements

The consolidated financial statements are prepared in accordance with the Swedish Annual Accounts Act for Insurance Companies (ÅRFL) as well as the Swedish Financial Supervisory Authority's instructions and general advice on Annual Accounts in Insurance Companies and occupational pension companies FFFS 2019:23 and the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups and RFR 2 Accounting for Legal Entities.

The significance of the Swedish Financial Supervisory Authority's regulation FFFS 2019:23 is that International Financial Reporting Standards (IFRS) are applied in the preparation of the financial statements with the restrictions and additions that follow from Swedish law.

Accounting principles relate to the Group unless otherwise specified. The Parent Company applies the same accounting principles as the Group with the exception of deviations specified in the section "Parent Society's accounting principles". In the following notes, the same figures are reported for the Parent Company and the Group unless otherwise specified.

The five-year summary relates solely to the Parent Society as the information relates to the insurance business which is conducted solely in the Parent Society.

New or revised accounting standards

Only those standards that are deemed to have a material impact on the Society are described.

There are no new or revised accounting standards effective from 2025 or later that are expected to have a material impact on the Society's financial statements.

Consolidated financial statements

The consolidated financial statements comprise the Parent Society Kåpan tjänstepensionsförening, the wholly owned subsidiary Kåpan Fastigheter AB and with effect from 1 July 2024 the wholly owned subsidiary Hemvist Förvaltning AB, which was previously partly owned and reported as an associate.

For 2024, the results from the operations of the subsidiary acquired during the year are recognised in the consolidated financial statements from the date of acquisition. All intra-group transactions, balance sheet items, income and expenses are eliminated in their entirety at consolidation. Any untaxed reserves in a legal entity are eliminated in the consolidated financial statements and divided between equity and deferred tax.

Prerequisites for preparation of the financial statements

The Society's functional currency is Swedish kronor and the financial statements are presented in Swedish kronor. Financial assets and liabilities are measured at fair value. Other assets and liabilities are recognised at cost.

Estimations and assessments in the financial statements

Preparing financial statements in accordance with legally limited IFRS requires the occupational pension society's management to make estimations and assessments as well as assumptions that affect application of the accounting principles and the carrying amounts of assets, liabilities, income and expenses. Assessments and assumptions are based on

historical experience and a number of other factors that appear reasonable under the prevailing conditions. The result of these assessments and assumptions is then used to assess the carrying amounts of assets and liabilities that would not otherwise be clear from other sources. Actual results can deviate from these assessments and estimations.

One source for estimations and uncertainties is the value of the obligations inherent in the insurance contracts taken out by the Society. Another source of estimations and uncertainty is the valuation of financial assets for which there is no observable market price. Objective external valuations are used for these instruments or a value based on an assessment of anticipated future cash flows. When required, these valuations are complemented with additional estimations depending on the uncertainty in the market situation.

Assessments and assumptions are reviewed on a regular basis. Changes in assessments are reported in the period in which the change is made if the change only affected that period, or in the period the change is made and future periods if the change affects both the current period and future periods.

Foreign currency

Assets and liabilities in foreign currency are translated into Swedish kronor at the closing exchange rate.

Exchange rate differences are reported in the income statement net within the line Investment income or Investment charges. Forward contracts in foreign currency are mainly used to eliminate the exchange rate risk in foreign equities and participations.

Performance analysis

According to Chapter 6, paragraph 3 of the Swedish Annual Accounts Act for Insurance Companies, a performance analysis must be prepared showing a breakdown of a company's operating segments. The Society only has one product, Defined contribution traditional insurance, and therefore does not prepare a performance analysis.

Recognition of insurance contracts

Insurance contracts are recognised and measured in the income statement and balance sheet in accordance with their economic substance. All contracts are recognised as insurance contracts. Classification is based on the Society guaranteeing a specific interest on paid-in premiums and a number of other commitments, which means that the Society assumes a significant insurance risk in relation to the policyholder.

Premiums written

Premiums written for the year consist of premiums received.

Premiums written relate to paid-in premiums during the year in accordance with the pension agreement for government employees.

Life insurance provisions

All life insurance provisions relate to occupational pensions and are measured in accordance with the Swedish Occupational Pension Companies Act (2019:742). This means that life insurance provisions for the Society's obligations are measured according to the so-called prudent person rule. Life insurance provisions are calculated according to the Swedish Financial Supervisory Authority's instructions and general advice on insurance companies' choice of interest rate for calculating technical provisions (FFFS 2019:21). This means that provisions are market valued on the basis of current liquid market interest rates for corresponding maturities complemented with interest converged to a long-term forward rate determined according to the interim method in Chapter 4, paragraphs 25–26 in FFFS 2019:2. Life insurance provisions determined as set out above correspond to the estimated capital value of the Society's obligations. The assumptions on future mortality, interest, operating expenses and tax are taken into account. All mortality assumptions are gender differentiated. Pensions in payment, however, are calculated on the basis of gender-neutral assumptions. The operating expense assumption made is expected to correspond to actual future costs for administration.

Note 1 cont.

Reporting return on capital

Investment income

This income pertains to return on investment assets in the form of dividends on shares and participations, interest income, exchange gains (net), reversed impairment losses and capital gains (net) as well as rental income from land and buildings.

Investment charges

Charges for investment assets relate to investment management costs, interest expenses, exchange losses (net), depreciation and impairment as well as capital losses (net) and operating expenses for land and buildings.

Realised and unrealised changes in value

All investment assets are measured at fair value. The difference between the value and cost is an unrealised gain or loss which is recognised net per asset class. Such changes that are explained by exchange rate fluctuations are recognised as an exchange gain or loss.

A realised gain or loss is the difference between selling price and cost. For fixed income securities the cost is amortised cost and for other investment assets the historical cost. In the event of the sale of investment assets, the former unrealised changes in value are entered as an adjustment item under Unrealised gains on investment assets or Unrealised losses on investment assets respectively. Capital gains on assets other than investment assets are recognised as Other income.

Tax on returns

Tax on returns is not a tax on the Society's profit, it is paid by the Society on behalf of policyholders. The value of the net assets managed on behalf of policyholders is charged with tax on returns, which is calculated and paid each year. The cost is recognised as a tax expense.

Tax

Tax for the period consists of current tax and deferred tax. Current tax is the tax calculated on the taxable profit for the period. Deferred tax is recognised as the difference between the recognised and taxation values of assets and liabilities.

Intangible assets

Intangible assets acquired by the Society are recognised at cost minus accumulated amortisation (see below) and any impairment. Intangible assets are amortised over three to five years from the date they are available for use. The insurance administration system is amortised over a ten-year period.

Property, plant and equipment

Property, plant and equipment is recognised as an asset on the balance sheet if it is probable that future economic benefits will accrue to the Society and the cost of the asset can be calculated in a reliable manner.

Property, plant and equipment is recognised at cost less accumulated depreciation and any impairment with the addition of any revaluations. Depreciation is straight-line over the estimated useful life of the asset.

Personal computer equipment is expensed at acquisition. Art used for decorative purposes is measured at cost.

Group as lessee

As a lessee, the Group has leases in the form of site leasehold contracts. These are recognised as right-of-use assets and lease liabilities in accordance with IFRS 16. Site leasehold contracts are regarded as perpetual so no impairment of right-of-use assets is recognised and no amortisation of lease liabilities takes place.

Lease liabilities are recognised initially based on the site leasehold fee (i.e. the charge that the owner of a building on municipally owned land pays to the municipality annually) determined on the starting date discounted by the implicit interest in the contracts. The value of a right-of-use asset is equal to the lease liability adjusted for any prepaid site leasehold fees.

Financial instruments

Financial instruments are every form of contract that results in a financial asset, liability or equity instrument.

Investment assets

Investment assets recognised on the balance sheet are shares and other equity capital instruments, fixed income securities, subordinated loans and various types of derivative.

Acquisition and divestment of financial instruments is reported on the transaction date which is the day the Society undertakes to acquire or divest the instrument.

The Society's principle is to measure all investment assets at fair value through profit or loss (fair value option) partly because the Society continuously evaluates its investment management operations on the basis of fair values, and partly because for fixed income assets this reduces some of the accounting inconsistency and volatility that otherwise arises when technical provisions are continuously remeasured by discounting with current interest.

Shares in associates

The Society recognises its shares in associates in the consolidated financial statements at fair value through profit or loss.

Financial instruments quoted in an active market

For financial instruments quoted in an active market, fair value is determined on the basis of the asset's listed purchase price on the balance sheet date. A financial instrument is regarded as quoted in an active market if listed prices are easily available on a stock exchange, at a stockbroker's, dealer, industry organisation, company that provides current price information or supervisory authority, and such prices represent actual and regularly occurring market transactions on commercial terms. Any future transaction costs in the event of a sale are not taken into account. Most of the Society's financial instruments have a fair value based on prices quoted in an active market.

Financial instruments not quoted in an active market

If the market for a financial instrument is not active, an estimation of fair value is obtained by applying a model-based measurement technique set out below:

For unlisted equities, the external portfolio manager produces a valuation based on available price information. There is normally a time lag in the valuation of 1–3 months. This means that the valuations at 31 December 2025 are typically based on a value statement from the managers produced during the period 30 September 2025–30 November 2025.

For some financial instruments, information on fair value is obtained through an assessment of value. Measurement is then usually made based on an estimate of expected future cash flow. The Society evaluates these measurements at regular intervals and tests their validity by assessing their reasonableness and using parameters and forecasts that reflect actual development.

For some fixed income investments, a model-based cash flow evaluation of the underlying corporate loan portfolio in the investment provides a basis for measurement.

Investment properties – in the Group

Investment properties, i.e. properties held to earn rentals and for capital appreciation, are initially recognised at cost, including directly attributable transaction costs. Subsequent to initial recognition, investment properties are recognised at fair value. Fair value is based in the first instance on prices in an active market and is the amount at which an asset could be transferred between knowledgeable parties who are independent of each other and who have an interest in the transaction being carried out. To determine the fair value of the properties on each individual closing date, a market valuation of all properties is performed.

Additional costs are recognised as an asset when it is probable that the future economic benefits associated with the asset will be received by the Group and the cost can be reliably measured.

Note 1 cont.

Derivative instruments

Derivative instruments are recognised at fair value on the basis of the value received from a counterparty, where fair value is calculated according to a valuation model that is established in the market for valuations of the type of derivative instrument concerned.

Key assessments and sources of uncertainty

As stated in the above section, Financial instruments not quoted in an active market, the measurement of fair value is based on valuation models. Such a valuation is based partly on observable market data and partly, when no such data is available, on assumptions about future conditions. Valuations not based on published price quotations are inherently uncertain.

The level of uncertainty varies and is greatest when assumptions about the future must be made that are not based on observable market conditions. For some of these assumptions, minor adjustments can have a significant impact on the estimated value. When the time comes to sell the investments in the future, the actual selling price achieved may deviate from earlier estimations, which can have a significantly positive or negative impact on earnings.

As also stated in the section above, there is a time lag for unlisted equities with regard to valuation dates. In a market with falling prices, this means that the estimated fair values are overestimated and vice versa.

Financial liabilities

Borrowing and other financial liabilities, such as trade payables, are measured at amortised cost.

Pensions

The Society is a member of the Insurance Industry Employers' Organisation (FAO) and applies the insurance industry's occupational pension plan, FTP, or has individual-based pension plans for occupational pension based on the pension agreement. Pension costs are recognised as an operating expense in the income statement. Individual agreements on salary exchange are in place, where the employee sacrifices part of gross salary for a pension provision. This procedure is cost-neutral for the Society.

Parent Society's accounting principles

Shares in associates

Associates are measured in the Parent Society at fair value, which means the value that would be obtained from sale in the event of an orderly transaction between market players. The holdings are remeasured at fair value on the basis of the company's valuation model, which is based on the fair values in underlying assets.

Shares in subsidiaries

Subsidiaries are measured in the Parent Society at fair value, which means the value that would be obtained from sale in the event of an orderly transaction between market players. The holdings are remeasured at fair value on the basis of the company's valuation model, which is based on the fair values in underlying assets.

Note 2 Disclosures about significant risks and uncertainties

Risk and risk management are a central part of the business and include insurance risks, financial risks and operational risks. The purpose of the Society's risk management organisation is to identify, measure and control the material risks in the business and to ensure that risk management and risk levels are compliant with the Society's internal governance documents and external regulatory frameworks.

The Society's risk management system is based on the Board having primary responsibility for the appropriate management of the risks to which the Society is exposed. The Board decides on governance documents that establish guidelines applicable to internal governance and control, risk management and risk reporting. In specific governance documents, the Board has delegated responsibility for implementation and follow-up of the risk management system to the President and central functions in the form of a risk management function, an actuarial function and a regulatory compliance function, all of which report independently to the Board regarding the Society's compliance with internal and external regulations. In addition, the risk management system is based on every employee being responsible for the daily management of the risks that arise in their area of responsibility.

Implementation and follow-up of governance documents and procedures in the business are an ongoing activity, where these are revised regularly in order to ensure that they accurately reflect current conditions. Clear processes and regular training activities ensure that risk management functions properly throughout the organisation and that each employee understands their role and responsibilities. The internal audit function is mandated by the Board of Directors to perform annual independent reviews to ensure that this is achieved within all parts of the business, including the central functions.

Risks in the insurance business

The Society's obligations comprise defined contribution pension insurance with an agreed guaranteed return. The main risk that exists in the

insurance business is that the Society cannot meet its guarantee commitments and the level of the agreed guarantee therefore has a decisive impact on the overall insurance risk. This risk is managed and limited primarily through prudent assumptions, which provide the basis for the calculation of technical provisions, i.e. a prudent assessment of the Society's guarantee commitments. Technical provisions are based on the Society's actual portfolio on the balance sheet date.

Longevity risk is the predominant insurance risk and refers to the risk of loss due to the actual length of life of the Society's members being longer than the assumed length, which in turn means that retirement pensions are paid for a longer period and are therefore not fully covered by the technical provisions made. For the Society which has a proportion of its insurances with a payment period of 5 years, normally when members are aged 65–70, the longevity risk is relatively small compared with insurances that are paid out for life. The Society has gradually acquired an increasing proportion of lifelong pension obligations. The applicable pension agreement PA 16 means that all the Society's insurances have lifelong payment as the default alternative. Over time, the longevity risk in the business will therefore increase.

Cost risk, option risk and cancellation risk are three other types of risk in the Society's business. Cost risk relates to loss due to actual costs exceeding assumed costs over time. Option risk relates to loss that can arise if an insured person exercises their right to change payment date and/or payment period for their pension payments. Cancellation risk relates to loss that can arise if an insured person repurchases or transfers the insurance to another insurance provider.

Sensitivity analysis

The table below shows the sensitivity in technical provisions for changes in the most significant assumptions and risk factors. The sensitivity analysis is based on current regulations for the calculation of technical provisions in FFFS 2019:21.

Note 2 cont.

2025

Assumption/risk factor	Change in assumption	Change in provision, SEKm
Life expectancy increase	+15%	1,778
Cost inflation	+8%	153
Market interest rate	-1% point	6,003 ¹⁾

2024

Assumption/risk factor	Change in assumption	Change in provision, SEKm
Life expectancy increase	+15%	1,722
Cost inflation	+8%	156
Discount rate	-1% point	5,400 ¹⁾

¹⁾ The interest rate sensitivity calculation has previously considered a scenario where the discount rate is stressed by 100 bp for all maturities. The current calculation (since 2024) considers a scenario where the market interest rate is stressed by 100 bp, similar to the calculation of the risk-sensitive capital requirement for interest rate risk.

Management of interest rate risks in outstanding insurance obligations

The Society's obligations consist predominantly of fixed guaranteed interest on paid-in premiums. These commitments are valued in the technical provisions, supported by regulations and general advice from the Swedish Financial Supervisory Authority (FFFS 2019:21) on determination of discount rates. According to these instructions, discount rates for shorter maturities are based on applicable market quotations for interest rate swaps considered to have sufficient liquidity in the Swedish fixed income market, and for longer maturities it is assumed that the discount rate converges to a long-term forward interest rate as specified in the regulations. The Society applies the temporary method for a long-term forward interest rate as specified in Chapter 4, paragraphs 25–26 in FFFS 2019:21. This long-term forward interest rate was 3.48% at year-end. For the 2024 financial year the corresponding rate was 3.66%.

Changes in discount rates due to rising market interest rates decreased the value of insurance obligations by SEK 1,452m. For the financial year 2024, the corresponding effect was a decrease in the value of insurance obligations of SEK 1,607m.

To reduce the outstanding interest rate risk in obligations made, agreements are signed on various forms of interest rate hedges which mean that the fixed interest rate is exchanged for a variable rate. Outstanding interest rate hedge agreements at year-end totalled SEK 7,000m (6,500). Interest rate hedges contributed -0.02 (-0.16) percentage points to the total return during the year.

Targets, principles and methods for managing financial risks

The Society's business activities give rise to various types of financial risk such as market risks, credit risks and liquidity risks. Market risks include interest rate risk, share price risk, property price risk, currency risk and credit spread risk. In addition, there are also operational risks, legal risks and strategic risks. In order to limit and control risk in operations, the Society's Board has adopted investment guidelines and a risk policy with guidelines and limits, as well as instructions for financial activities and for the control functions.

General objectives for risk management

The Society's assets must be invested in the manner that best serves the interests of its members and an exaggerated risk concentration must be avoided through suitable diversification between and within different classes of assets. The assets shall, taking into account the assets' risk profile and the Society's insurance obligations, be invested so that the Society's payment capacity is satisfactory and a sufficient expected return is achieved within the framework of prudent asset management in applicable regulations.

General principles for risk management

The taking of risks in the Society must be reasonable in relation to obligations undertaken. This is complied with through limited risk taking within the requirements made on matching, diversification and risk taking. The taking of risks must also at all times be in reasonable proportion to the Society's risk capital, long-term targets for returns expressed as the level of the guaranteed obligations, and anticipated bonus rate.

Risk management methods

A fall in value on the assets side can be limited using in principle three different methods. The first method is to spread the risks between and within different asset classes, e.g. equities, fixed income investments, properties, as well as between different geographic areas, sectors and counterparties within each class of asset. The second method involves selling risky assets in the event of an anticipated or realised negative market development in order to protect capital, which might be difficult to achieve. The third method is to use capital-protected investments, such as bonds or financial derivatives which provide a positive return even in the event of a negative market development.

Operational risks, on the other hand, are limited through a regular review of the Society's operational risks and an overview of the routines and working methods that limit operational risks in a desired manner. In addition, the Board regularly commissions an independent review of operations including operational risks.

Management of interest rate risk

Interest rate risk is the risk of loss due to a change in the market values of fixed income instruments that arises in the event of fluctuations in general interest rates. The size of the change in value, and therefore of the risk, is linked to the maturity and duration of the instrument. Duration is an elasticity metric related to interest rate risk which shows the change in value for a fixed income instrument when market interest rates for all maturities change by the same amount (parallel shift).

The Society's assets increase by SEK 1,391m (1,315) in the event of a -1% decrease in market interest rates for all maturities. Liabilities increase by SEK 6,003m (5,400) in the same scenario. The total outstanding interest rate risk in the form of a negative effect on equity and solvency capital in the event of a -1 percentage point decrease in the market interest rates for all maturities therefore amounts to SEK 4,612m (4,085).

Management of share price risk

Share price risk is the risk of loss due to changes in prices on the stock market. In order to reduce the equity risk in the equities portfolio, a good diversification of holdings, relative to the size of the portfolio, should be sought.

For equity-related instruments, risk is measured by analysing how much the market value is affected by falling or rising share prices. In the sensitivity analysis section below, an account is provided of outstanding share price risk. The total outstanding share price risk in the event of a price change of 10 percentage points amounts to SEK 8,367m (7,607).

Management of property price risk

Property price risk is the risk of loss due to a fall in the market values of property investments. Property price risk is measured as a reduction in the market value of property investments. The total outstanding property price risk in the event of a change in value of 10 percentage points amounted to SEK 3,238m (2,999).

Management of currency risk

Currency risk is the risk of loss due to a change in the value of assets and liabilities as a result of changes in exchange rates. Currency risk is measured as a percentage of foreign assets that are not currency hedged through a hedging agreement (forward contracts or currency swaps). All assets in foreign currency that are not hedged represent a currency risk. All of the Society's insurance obligations are in Swedish kronor. Exposure to outstanding currency risk, in accordance with a Board decision, may not exceed 25% of the total value of assets.

Currency exposure after currency hedging amounts to 18.7% (23.2) of the value of the investment assets. Gross exposure, i.e. currency

Note 2 cont.

exposure without currency hedges, amounts to SEK 70,230m (69,046). The total outstanding currency risk is estimated in the event of a change in exchange rates of 10 percentage points to amount to SEK 3,409m (3,831). The breakdown of outstanding currency risk in different currencies (SEKm) is shown in the table below:

	2025	2024
USD	2,115	2,730
EUR	439	189
JPY	138	116
GBP	88	105
AUD	82	94
CHF	25	6
CAD	126	127
NOK	94	122
NZD	20	22
DKK	119	106
Other	163	214 ¹⁾
	3,409	3,831

¹⁾ Currencies relating to emerging markets were previously included in the item Other currencies, but no longer form part of Kåpan's portfolio.

Management of credit risk and concentration risk

Credit risk is the risk of loss due to a counterparty suspending payments and not meeting obligations in accordance with agreements. Concentration risk relates to the risk of loss due to an exaggerated concentration of assets with a specific counterparty, sector or industry. Credit risk and concentration risk are managed mainly through exposure to individual counterparties, sectors and industries being limited in accordance with the limits decided by the Board in the risk policy. Limitations for counterparties cover entire groups, or groups of companies, and all types of securities. A group relates to two or more physical or legal entities that comprise a whole from a risk perspective through interconnection such that one member of the group may have payment difficulties if one of the other members in the group suffers financial problems.

	Five largest exposures, property companies		Five largest exposures, not credit institutions	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
1.	4.74%	2.63%	1.	1.80%
2.	2.91%	1.21%	2.	1.28%
3.	1.62%	1.20%	3.	1.13%
4.	1.19%	1.1%	4.	1.11%
5.	0.99%	0.99%	5.	1.07%
Ratio ¹⁾	11.45%	7.13%	Ratio ¹⁾	6.39%

	Five largest exposures, credit institutions		Five largest exposures, covered bonds	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
1.	3.28%	3.47%	1.	3.28%
2.	3.21%	3.39%	2.	3.21%
3.	2.84%	3.36%	3.	2.84%
4.	1.66%	2.83%	4.	2.24%
5.	1.33%	2.44%	5.	1.61%
Ratio ¹⁾	12.32%	15.49%	Ratio ¹⁾	13.18%

All percentages expressed as a share of the present value of the Society's total assets on the closing date.

¹⁾ Concentration ratio is calculated as the sum of concentrations as percentages in the 5 largest holdings.

Management of credit spread risk

Credit spread risk, or interest rate difference risk, relates to the risk of loss due to changes in interest rate difference (the credit spread) between fixed income assets with credit risk and risk-free fixed income assets with similar terms and the same duration and currency. Risk-free fixed income securities are bonds issued by a government. The credit spread is a metric related to the credit rating and risk that the issuer cannot meet its payment commitments in accordance with the terms for the fixed income security.

Credit spread risk is measured by calculating how the market value of assets with credit risk is changed if the credit spread is changed by a certain percentage depending on the credit rating and duration of the asset in accordance with current regulations for calculating the capital requirement of credit spread risk. The total outstanding credit spread risk amounts to SEK 2,857m (2,591).

Credit spread risk is mainly managed through the restrictions on holdings in fixed income assets with credit risk in the Society's investment policy, above all those with low credit worthiness.

Overview of current restrictions and outstanding risks

The table below shows current restrictions in the form of proportion of total assets in the risk policy relating to holdings with different levels of assessed creditworthiness in the form of ratings. The assessed creditworthiness is mainly based on ratings from official rating agencies and in some individual cases on the Society's own assessment of creditworthiness.

2025

Credit-worthiness	Max of total assets	Maximum/counter-party	Of total assets	Largest counterparty exposure
Very high ⁴⁾	50%	5.0% ¹⁾	19.5%	2.3%
High	25%	2.5% ²⁾	2.5%	0.4%
Average	20%	1.0%	2.8%	0.5%
Low	15%	0.5%	6.1%	0.3% ³⁾

2024

Creditworthiness	Max of total assets	Maximum/counter-party	Of total assets	Largest counterparty exposure
Very high ⁴⁾	50%	5.0% ¹⁾	17.4%	1.2%
High	25%	2.5% ²⁾	1.9%	0.5%
Average	20%	1.0%	3.7%	0.4%
Low	15%	0.5%	6.1%	0.3% ³⁾

¹⁾ Swedish mortgage institutes, covered bonds, max 10%.

²⁾ Companies wholly owned by the Swedish state (e.g. Vasakronan), max 5%.

³⁾ Excluding exemptions decided by the Board, where applicable.

⁴⁾ Very high: S&P AAA, High: S&P AA+ to AA-, Average: S&P A+ to A-, Low: S&P BBB+ to BB

For bonds and other debt securities issued or guaranteed by the Swedish state, the limit is set at 55% (55).

Management of cash flow risk

The Society manages cash flow risk by ensuring, on each occasion, that the easily convertible (liquid) assets cover pension commitments for at least three years ahead. The Society has a considerably larger inflow of premiums than outflow of pension payments which means that the cash flow risk is limited. Cash flow risk is measured as the ratio between the present value of future 1 year pension payments divided by the market value of fixed income securities with a AAA rating that are easily convertible. For 2025, the ratio amounts to 1,879% (1,602). The calculated metric may not be less than 300% in accordance with the Society's risk policy.

Note 2 cont.

Management of transaction risk (settlement risk)

Transaction risk is the risk of loss due to an intermediary being unable to meet its commitments in connection with a financial instrument transaction. The risk is managed by trading in securities only being permitted with securities companies approved by the Swedish supervisory authority, or a corresponding foreign authority where a foreign securities company is involved. In securities trading that is not subject to clearing through a clearing house approved by a Swedish supervisory authority or a foreign equivalent, a counterparty may only comprise a securities company that is part of a banking group with very high short-term creditworthiness. The Society's assets must be held in the custody of a securities institution approved by the Swedish supervisory authority, or corresponding foreign authority where a foreign securities institution is involved.

Assessment of the level of all risks in operations

In financial operations, the most important risks are the market risks of equity price risk, property price risk, share price risk, interest rate risk and currency risk. The risk of changes in value is different for different asset classes, where equities generally have the greatest variation in price levels (volatility) while fixed income investments generally have the lowest price variation. In the case of equities, it is then primarily the share price risk that is taken into account. For foreign investments within various assets classes, currency risk is added.

The total market risk and the respective market risk are managed and limited mainly through the strategic allocation and the limits that apply to exposure to each asset class in accordance with the Board's adopted investment policy. The strategic allocation is decided taking into account the risks in the Society's insurance commitments and the solvency situation so that external regulations and the Board's risk tolerances are complied with in accordance with the Society's risk policy. In addition, the total market risk is limited by the portfolio within all asset classes being well diversified in terms of geographic area, sector, industry and counterparty.

Sensitivity analysis

The table below shows a sensitivity analysis that indicates the effect on investment assets, life insurance provisions and equity in the event of a change in a number of significant risk factors. When calculating the effect on the life insurance provision above, tax and costs have been taken into account. The sensitivity analysis is based on the premise that the Society's assets are measured at fair value through profit or loss.

2025

Risk factor	Effect on investment assets	Effect on life insurance assets	Effect on equity
Price fall on shares, 10%	-8,367	-	-8,367
Fall in value, property-related, 10%	-3,238	-	-3,238
Doubled credit spread	-2,857	-	-2,857
Exchange rate fall, 10%	-3,409	-	-3,409
Interest rate fall, 1% point	1,391	6,003	-4,612

2024

Risk factor	Effect on investment assets	Effect on life insurance assets	Effect on equity
Price fall on shares, 10%	-7,607	-	-7,607
Fall in value, property-related, 10%	-2,999	-	-2,999
Doubled credit spread	-2,591	-	-2,591
Exchange rate fall, 10%	-3,831	-	-3,831
Interest rate fall, 1% point	1,315	5,400	-4,085

Management of operational risk

Operational risk refers to risk of loss due to processes that are not fit for purpose or unsuccessful processes, human error, faulty systems or external events. Legal risk and the risk of internal or external irregularities (including intrusions into IT systems) are included among operational risks. Operational risks can involve both immediate financial losses and long-term losses by the damage to the Society's public trust and reputation. Management of operational risks mainly consists of good internal control with the support of competent staff and appropriate systems support. Maintaining good internal control is an ongoing process and includes appropriate routines and instructions, clear division of responsibilities and work, IT systems with built-in reconciliations and controls as well as authorisation systems for premises and internal information and reporting systems. One key part of the management of operational risks is also continuity planning for the business with backup solutions and appropriate routines in the event of fire, system outages and sick leave, for example.

Overall guidelines relating to operational risks have been adopted by the Board. The risk function is responsible for independent control and follow-up of all risks, including operational risks, and reports back monthly (or more often if required) to the Board on incidents and status relating to operational risks in the business. An overview with an inventory and assessment of all significant operational risks is performed annually and reported back to the Board. Since only 20 (19) full-time employees are responsible for the Society's management and asset management, the Board has, in accordance with the Swedish Financial Supervisory Authority's regulations and good practice, decided to engage external internal auditors, among other things to perform an independent review of the Society's activities. It is always the Board that is the internal auditor's client because it is the management's internal governance and control that is to be audited. The Board decides annually on an internal audit plan for the current year. The Society has signed an agreement with the National Government Employee Pensions Board (SPV) for the administration of Kåpan's insurance business. This agreement is an outsourcing agreement. The Society is also responsible for operational risks in the outsourced business in the same way as in its own business. The Society's internal audit also has responsibility, within the framework of the Board's mandate, for evaluating the services purchased from SPV.

Note 2 cont.

Outstanding maturities on fixed income assets and liabilities

2025

	max. 1 year	1–3 years	3–5 years	5–10 years	10+ years	without interest	nominal	market value
Assets								
Bonds and other fixed income securities	1,271	13,378	37,039	4,270	303	0	56,261	57,342
Interest rate derivatives, positive	5	30	14	141	4	0	194	357
Liabilities								
Life insurance provisions	-2,022	-3,728	-3,452	-9,118	-118,287	0	-136,606	-68,408
Interest rate derivatives, negative	-2	-9	-22	-187	-195	0	-415	-404
Cumulative exposure	-749	9,672	33,579	-4,894	-118,175	0	-80,567	-11,113

2024

	max. 1 year	1–3 years	3–5 years	5–10 years	10+ years	without interest	nominal	market value
Assets								
Bonds and other fixed income securities	444	9,899	34,495	2,700	377	0	47,915	48,079
Interest rate derivatives, positive	0	34	24	161	0	0	219	219
Liabilities								
Life insurance provisions	-1,936	-3,488	-3,112	-8,248	-104,857	0	-121,641	-62,426
Interest rate derivatives, negative	0	-14	-51	-218	-170	0	-453	-453
Cumulative exposure	-1,492	6,432	31,355	-5,606	-104,649	0	-73,960	-14,581

Note 3 Premiums written

	Group		Parent Society	
	2025	2024	2025	2024
Premiums written Kåpan Tjänste	3,531	3,348	3,531	3,348
Premiums written Kåpan Extra	760	734	760	734
Premiums written Kåpan Valbar	3,364	3,218	3,364	3,218
Premiums written Kåpan Flex	2,454	2,253	2,454	2,253
Premiums written Kåpan Aktieval	78	64	78	64
	10,187	9,617	10,187	9,617

All premiums written relate to contracts signed in Sweden. All contracts carry bonus entitlement and Kåpan insurance contracts are collectively agreed individual insurance contracts.

Note 4 Investment income

	Group		Parent Society	
	2025	2024	2025	2024
Rental income	1,210	1,061	-	-
Other income	3	1	-	-
Dividends received	3,804	1,875	3,804	3,695
Interest income				
Bonds and other fixed income securities including bank balances and similar	968	1,810	961	1,800
Exchange gains, net	-	15	-	15
Capital gains, net				
Equities	2,512	2,187	2,512	2,187
Bonds and other fixed income securities	361	-	361	-
Derivatives	1,799	680	1,799	680
	10,657	7,629	9,437	8,377

All results are attributable to financial assets with change in value recognised in profit or loss.

Note 4 cont.

Contracted future rental income	2025		2024	
	2025	2024	2025	2024
Contracted rental income within 1 year	1,152	1,091		
Contracted rental income between 1 and 2 years	800	799		
Contracted rental income between 2 and 3 years	499	613		
Contracted rental income between 3 and 4 years	384	351		
Contracted rental income between 4 and 5 years	296	256		
Contracted rental income later than 5 years	664	530		
Total	3,796	3,640		

All leases are classified as operating leases. The maturity structure for leases that relate to non-cancellable operating leases is shown in the table above.

Note 5 Unrealised gains on investment assets

	Group		Parent Society	
	2025	2024	2025	2024
Investment properties	344	43	-	-
Shares and participations	-	10,650	-	9,307
Bonds and other fixed income securities	476	461	476	461
Derivatives	2,065	-	2,071	-
	2,885	11,154	2,547	9,768

Note 6 Claims paid

	Group		Parent Society	
	2025	2024	2025	2024
Pension payments Kåpan Tjänste	-1,047	-1,092	-1,047	-1,092
Pension payments Kåpan Extra	-259	-269	-259	-269
Pension payments Kåpan Plus	-76	-85	-76	-85
Pension payments Kåpan Valbar	-605	-542	-605	-542
Pension payments Kåpan Flex	-9	-2	-9	-2
Pension payments Kåpan Aktieval	-1	-1	-1	-1
	-1,997	-1,991	-1,997	-1,991
Bonus paid in addition to the guaranteed rate	-1,811	-1,490	-1,811	-1,490

Note 7 Operating expenses

	Group		Parent Society	
	2025	2024	2025	2024
Administrative expenses	-231	-218	-142	-127
Reversed costs relating to asset management	69	59	69	59
	-162	-159	-73	-68

All operating expenses by cost type

	2025	2024	2025	2024
Staff costs	-94	-80	-57	-49
Premises	-7	-6	-4	-4
Depreciation	-4	-3	-2	-2
Other operating expenses	-126	-129	-79	-72
	-231	-218	-142	-127

Fees to auditors

	2025	2024	2025	2024
KPMG				
Audit assignment	-3	-4	-1	-2
Other services	-1	-	-	-
EY				
Audit assignment	-2	-1	-	-
Other services	-	-	-	-
	-6	-5	-1	-2

Average number of employees and gender distribution

	Group		Parent Society	
	2025	2024	2025	2024
Average number of employees	60	65	20	19
Women	32	35	11	9
Men	28	30	9	10

Salaries and other remuneration (SEKt)

	Group		Parent Society	
	2025	2024	2025	2024
Council of Administration	228	173	228	173
Board and President	8,818	7,421	5,631 ¹⁾²⁾	4,521
Other employees	60,368	45,750	25,639	22,718
of which variable remuneration	1,254	1,035	1,254	1,035
Pensions and other social security contributions	37,621	34,472	21,968	19,061
of which pension costs	14,529	12,127	9,964	8,548
of which President's pension costs	1,277	1,631	738 ³⁾	1,106

¹⁾ Salary of SEK 308,352 paid to President Gunnar Balsvik. Salary of SEK 4,231,480 paid to President Marie Giertz, including severance pay at the discretion of the Society.

²⁾ In addition to salary, consultancy fees totalling SEK 2,587,500 have been paid to Interim President Gunnar Balsvik, Gembis AB, which are included in other operating expenses.

³⁾ Refers to the period January–July.

Note 7 cont.

Fees were paid to the Board of the Parent Society as follows (SEK)

	Ordinary members	
	2025	2024
Ann Follin, Chair, from 14 May 2025	135,000	-
Dan Sjöblom, Acting Chair, to 14 May 2025	102,000	77,959
Christina Gellerbrandt Hagberg, Chair to 15 Sep 2024 ¹⁾	-	124,833
Erland Ekheden	80,750	63,000
Anna Falck	80,750	63,000
Anita Johansson	80,750	59,000
Roger Vilhelmsson	80,750	63,000
Lars Fresker, Vice Chair ¹⁾	157,000	128,000
Fredrik Bäckström	80,750	63,000
Eva Fagerberg	80,750	59,000
Anna Steen	80,750	63,000
Helen Thornberg	80,750	63,000
Ossian Wennström	80,750	37,875
Total Board of Directors	1,120,750	864,667

¹⁾ Includes fee for Audit Committee.

Variable remuneration

The Board has decided on an remuneration policy. According to the policy, no variable remuneration is paid to senior executives, who are the President, Vice President, investment manager, actuary, head of legal/compliance and risk manager.

According to the policy, other employees may receive a maximum variable remuneration of two monthly salaries based on a three-year evaluation period. Remuneration is paid as cash salary following a decision by the President, who subsequently reports their decision to the Board.

The complete remuneration policy is available on the Society's website.

Other remuneration

No variable performance-based remuneration is paid to the Board. The Board has no pension benefits or special severance pay. Board fees are proposed by the President and decided by the Council of Administration.

On 1 February 2025, President Gunnar Balsvik left the Society and retired. Marie Giertz took up the position of the new President of the Society on the same date but resigned on 31 July 2025. Gunnar Balsvik returned as Interim President from 1 August with remuneration via his own consulting company (Gembis AB).

For the period January to July, a salary of SEK 2,127,832 (SEK 3,690,880) was paid to the President. In addition, a defined contribution pension benefit was paid in accordance with an individual insurance contract, amounting to 30% of annual income, while a company car benefit was also provided.

From August onwards, a consultancy fee of SEK 2,587,500 has been paid to the Interim President.

The terminated contract for the President is subject to a mutual notice period of 12 months and includes the deduction of remuneration paid if remuneration is received from other employment.

Salary and other remuneration to the President is reviewed by the Board's Remuneration Committee. The Remuneration Committee consists of Ann Follin, chair, Lars Fresker, Helen Thornberg and Anna Steen. The Board decides on salary and remuneration to the President.

Salary and remuneration to other employees are decided by the President.

The Society's occupational pension plans are secured through the FTP Plan and individual insurance contracts.

Note 8 Investment charges

	Group		Parent Society	
	2025	2024	2025	2024
Property management costs	-359	-370	-	-
Operating expenses attributable to asset management	-69	-59	-69	-59
Other investment charges	-428	-275	-418	-264
Interest expenses	-278	-710	-37	-482
Exchange losses, net	-108	-	-108	-
Capital losses, net				
Bonds and other fixed income securities	-	-193	-	-193
	-1,242	-1,607	-632	-998

Costs are attributable to financial assets held for trading.

Note 9 Unrealised losses on investment assets

	Group		Parent Society	
	2025	2024	2025	2024
Equities	-1,607	-	-806	-
Bonds and other fixed income securities	-	-	-	-
Derivatives	-	-2,841	-	-2,732
	-1,607	-2,841	-806	-2,732

Note 10 Tax on profit for the year

	Group		Parent Society	
	2025	2024	2025	2024
Capital gains tax ¹⁾	-534	-542	-534	-542
Income tax	-157	-33	-	-
	-691	-575	-534	-542

¹⁾ The value of net assets under management is charged with a tax on returns, which is calculated and paid by the Society each year on behalf of the policyholders.

Note 11 Intangible assets

Other intangible assets	Group		Parent Society	
	2025	2024	2025	2024
Opening cost	54	51	54	51
Investments for the year	4	3	4	3
Disposals for the year	-	-	-	-
Accumulated amortisation	-47	-44	-47	-44
	11	10	11	10

Note 12 Land and buildings

Group

Property valuation

The value of the real estate portfolio has been assessed through an external valuation performed by Novier Property Advisors AB as per 31 December 2025. The yield requirements used in the valuation are in the band 3.9% to 9.4%. The fair value of investment properties has been calculated through an analysis of future cash flows (cash flow method) for each property, where consideration is given to applicable rental contract terms, market situation, rental levels, operating, maintenance and administration costs as well as investment needs. Each property is assessed on the basis of property-specific events that affect value such as newly signed and renegotiated leases, relocations and investments. Market value refers to the price that would probably be obtained if the property were offered

for sale on a free and open market without party relations and coercion. In the valuations, the best use of the properties is taken into account. Fair value has thus been assessed according to level 3 in the fair value hierarchy in IFRS 13.

Fair value	31 Dec 2025	31 Dec 2024
Opening carrying amount¹⁾	17,222	20,172¹⁾
Acquisitions	1,369	
Investments	286	361
Divestments	0	-3,299
Unrealised changes in value	344	-12
Closing carrying amount	19,221	17,222

¹⁾ Includes Hemvist, SEK 6,613m.

Sensitivity analysis	Change	31 Dec 2025	31 Dec 2024
		Effect on value	Effect on value
Rental value	+/-5%	1,302.5/ -1,313.5	1,111.9/ -1,111.9
Discount rate	+/-0.25%	-448.5/589.5	-439/530
Yield requirement	+/-0.25%	-925.5/ 1,022.5	-829/923.5

Property valuations are carried out according to accepted principles based on certain assumptions and pertain to an estimation of the probable price an investor would be prepared to pay. The table below shows how the value is affected in the event of a change in certain parameters assumed in the valuation. The table provides a simplified picture, since an individual parameter probably would not change in isolation.

Categories 2025	Property value, SEKm	No. of properties	Rental value, SEKm	Operating net, SEKm	Occupancy rate, average, %	Lettable area, thousand sqm	Long-term yield requirement, %	Long-term yield requirement, average, %
Judiciary	7,787	35	533	377	97%	283	3.9–8.0%	5.1%
Public tenants	2,917	12	245	144	92%	162	3.9–7.8%	5.6%
Government authorities	3,077	9	243	169	95%	136	5.0–8.8%	5.6%
Other office, etc.	439	6	52	9	64%	38	5.6–9.4%	6.2%
Residential	4,804	16	242	190	93%	93	4.1%	4.1%
Subtotal	19,024	78	1,315	889	94%	712	3.9–9.4%	5.4%
Work in progress, Kåpan Fastigheter	140	1	-	-	-	-	-	-
Work in progress, Hemvist Förvaltning	57	5	-	-	-	-	-	-
Total	19,221	84	1,315	889	94%	712	3.9–9.4%	5.4%

Categories 2024	Property value, SEKm	No. of properties	Rental value, SEKm	Operating net, SEKm	Occupancy rate, average, %	Lettable area, thousand sqm	Long-term yield requirement, %	Long-term yield requirement, average, %
Judiciary	7,350	34	502	348	96%	282	3.9–8.4%	5.1%
Public tenants	2,938	12	240	130	94%	163	3.9–7.8%	5.6%
Government authorities	2,914	9	238	160	96%	136	5.0–8.6%	5.6%
Other office, etc.	274	4	29	9	59%	28	5.9–9.0%	6.4%
Residential	3,459	13	183	129	93%	76	3.7%	3.9%
Subtotal	16,935	72	1,192	777	94%	685	3.7–9.0%	5.4%
Work in progress, Kåpan Fastigheter	266	2	-	-	-	-	-	-
Work in progress, Hemvist Förvaltning	21	1	-	-	-	-	-	-
Total	17,222	75	1,192	777	94%	685	3.7–9.0%	5.4%

Note 13 Investments in group companies

Shares and participations in group companies	Parent Society					
	2025			2024		
	Cost	Fair value	Share of equity, %	Cost	Fair value	Share of equity, %
Hemvist Förvaltning AB, 559305-4934, domicile Stockholm	4,505	2,955	100	3,885	2,015	100
Kåpan Fastigheter AB, 559343-3443, domicile Stockholm	8,963	8,615	100	8,963	8,042	100
	13,468	11,570		12,848	10,057	

Note 14 Investments in associates

Shares and participations in associates	Group					
	2025			2024		
	Cost	Fair value	Share of equity, %	Cost	Fair value	Share of equity, %
CMH II Coinvestment AB, 559509-5182, domicile Stockholm	1,579	1,810	35	-	-	-
Gysinge Skog AB, 559164-0817, domicile Stockholm	143	2,157	50	143	2,000	50
LSTH Svenska Handelsfastigheter, 559009-2325, domicile Stockholm	2,557	5,302	50	2,557	4,364	50
Midstar Hotels AB, 559007-7979, domicile Stockholm	1,118	8	30	1,093	1,639	29
Sekelporten AB, 559326-3808, domicile Stockholm	1	1	30	2	3	30
	5,398	9,278		3,795	8,006	

Shares and participations in associates	Parent Society					
	2025			2024		
	Cost	Fair value	Share of equity, %	Cost	Fair value	Share of equity, %
CMH II Coinvestment AB, 559509-5182, domicile Stockholm	1,579	1,810	35	-	-	-
Gysinge Skog AB, 559164-0817, domicile Stockholm	143	2,157	50	143	2,000	50
LSTH Svenska Handelsfastigheter, 559009-2325, domicile Stockholm	2,557	5,302	50	2,557	4,364	50
Midstar Hotels AB, 559007-7979, domicile Stockholm	1,118	8	30	1,093	1,639	29
	5,397	9,277		3,793	8,003	

Note 15 Shares and participations

	Group and Parent Society		Group and Parent Society	
	2025		2024	
	Cost	Fair value	Cost	Fair value
Swedish equities	17,789	31,473	16,123	27,193
Foreign shares and participations	49,414	68,957	44,067	67,593
	67,203	100,430	60,190	94,786

Classified as financial assets, measured at fair value with change in value recognised in profit or loss.

Note 16 Bonds and other fixed income securities

	Group and Parent Society		Group and Parent Society	
	2025		2024	
	Cost	Fair value ¹⁾	Cost	Fair value
Swedish state	50	45	49	44
Swedish mortgage institutes	27,004	27,369	24,746	24,890
Other Swedish issuers	22,452	22,741	18,905	19,030
Other foreign issuers	7,145	7,187	4,165	4,115
	56,651	57,342	47,865	48,079
of which subordinated				
Subordinated loan fixed-term	231	231	314	313

Classified as financial assets, measured at fair value with change in value recognised in profit or loss.

¹⁾ From 2025 onwards, bonds and other fixed income assets are recognised including accrued interest.

Note 17 Derivatives

Derivative instruments with positive values	Group				Parent Society			
	2025		2024		2025		2024	
	Nominal amount	Fair value	Nominal amount	Fair value	Nominal amount	Fair value	Nominal amount	Fair value
Fixed income-related, swaps	14,519	357 ¹⁾	11,006	220	14,519	357 ¹⁾	9,606	219
Currency-related, forward contracts	34,401	663	1,396	12	34,401	663	1,396	12
	48,920	1,020	12,402	232	48,920	1,020	11,002	231
of which cleared	14,519	357	9,606	219	14,519	357	9,606	219

Derivative instruments with negative values	Group				Parent Society			
	2025		2024		2025		2024	
	Nominal amount	Fair value	Nominal amount	Fair value	Nominal amount	Fair value	Nominal amount	Fair value
Fixed income-related, swaps	8,850	-415 ¹⁾	11,403	-458	6,250	-404 ¹⁾	10,303	-453
Currency-related, forward contracts	2,515	-7	28,222	-1,240	2,515	-7	28,222	-1,240
	11,365	-422	39,625	-1,698	8,765	-411	38,525	-1,693
of which cleared	6,100	-402	10,153	-448	6,100	-402	10,153	-448

Derivative instruments are used in management of the Society's investment assets and are an alternative to a direct purchase or sale of securities or currency. The main principle for trading with derivatives is that trading must take place in order to make management more efficient or reduce price and currency risks.

¹⁾ From 2025 onwards, fixed income-related derivatives are recognised in the Parent Society including accrued interest.

Note 18 Supplementary information on financial instruments recognised at fair value

Investment assets broken down by type of financial instrument measured at fair value at 31 December.

Group 2025				
Finansiella instruments	Level 1	Level 2	Level 3	Total
Investment assets				
Shares and participations (associates)	-	-	9,278	9,278
Shares and participations (Other)	75,580	3,827	21,023	100,430
Bonds and other fixed income securities	57,342	-	-	57,342
Derivatives – positive value	-	1,020	-	1,020
Derivatives – negative value	-	-422	-	-422
Total	132,922	4,425	30,301	167,648

Group 2024				
Finansiella instruments	Level 1	Level 2	Level 3	Total
Investment assets				
Shares and participations (associates)	-	-	8,006	8,006
Shares and participations (Other)	68,538	4,347	21,901	94,786
Bonds and other fixed income securities	48,079	-	-	48,079
Derivatives – positive value	-	232	-	232
Derivatives – negative value	-	-1,698	-	-1,698
Total	116,617	2,881	29,907	149,405

Parent Society 2025				
Finansiella instruments	Level 1	Level 2	Level 3	Total
Investment assets				
Shares and participations (group companies)	-	-	11,570	11,570
Shares and participations (associates)	-	-	9,277	9,277
Shares and participations (Other)	75,580	3,827	21,023	100,430
Bonds and other fixed income securities	57,342	-	-	57,342
Derivatives – positive value	-	1,020	-	1,020
Derivatives – negative value	-	-411	-	-411
Total	132,922	4,436	41,870	179,228

Parent Society 2024				
Finansiella instruments	Level 1	Level 2	Level 3	Total
Investment assets				
Shares and participations (group companies)	-	-	10,057	10,057
Shares and participations (associates)	-	-	8,003	8,003
Shares and participations (Other)	68,538	4,347	21,901	94,786
Bonds and other fixed income securities	48,079	-	-	48,079
Derivatives – positive value	-	231	-	231
Derivatives – negative value	-	-1,693	-	-1,693
Total	116,618	2,805	39,961	159,464

Note 18 cont.**Measurement at fair value**

Financial assets and liabilities measured at fair value are classified according to a hierarchy based on the degree of observable market data used in the valuation. Fair value is defined as the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between independent market players at the measurement date.

The hierarchy includes the following levels:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 Directly or indirectly observable inputs, other than quoted prices under Level 1, such as quoted prices for similar instruments or market-based interest rates and credit spreads.

Level 3 Inputs that to a significant extent are not observable in the market.

Level 1

Instruments that are traded in an active and liquid market are classified as level 1. The fair value is determined based on the quoted purchase price at the balance sheet date. A market is considered active if pricing information is readily available and represents regularly occurring transactions on commercial terms.

Level 2

Instruments that are not traded in an active market but whose fair value can be determined on the basis of observable market data are classified as level 2. The valuation is based on quoted prices for similar instruments or on recognised valuation models where all significant inputs are observable.

Most of the Society's financial assets are classified as level 1 or level 2.

Level 3

Assets that do not meet the criteria for level 1 or level 2 are classified as level 3. The valuation is based on recognised valuation methods where significant inputs are unobservable market assumptions.

Investments in level 3 consist mainly of property-related shares and associated shareholder loans as well as other unlisted shareholdings.

The valuation is usually based on future cash flows, yield requirements and other relevant market parameters. The Society generally obtains valuation data from independent external parties such as banks, brokers or authorised property valuers.

The Society is always responsible for the final valuation however. An internal analysis and a reasonableness assessment are performed on external valuations, including a review of the assumptions used, discount rates, cash flow projections and transaction data. Where necessary, adjustments are made to the value obtained to ensure that the valuation is consistent with the market data available at the balance sheet date.

For investments where transactions have occurred after the external valuation date, these are taken into account when determining the fair value.

The Society applies consistent valuation methods over time and documents the assessments and controls performed.

Monitoring and reclassification

The classification according to the fair value hierarchy is reviewed at least annually in conjunction with the closing accounts. Changes are documented on an ongoing basis during the year.

There were no transfers between the levels during the year.

Reconciliation of fair value and earnings impact from investments included in level 3 (Parent Society)**2025****Change in level 3 during the year**

Investment assets	Shares and participations	Bonds and fixed income securities	Derivatives and options	Total
Opening balance	39,961	0	0	39,961
Purchases for the period	2,239	380	0	2,619
Sales for the period	-87	-380	0	-467
Securities and foreign exchange gains and losses during the period	164	0	0	164
Changes in unrealised result due to changes in:				
Market value	-407	0	0	-407
Transfers from level 3 to level 1 or level 2	0	0	0	0
Transfers from level 1 or level 2 to level 3	0	0	0	0
Closing balance	41,870	0	0	41,870
Coupons and dividends for the period	1,620	0	0	1,620
Included in profit for the period				
– as part of carrying amount	1,376	0	0	1,376
– as part of other comprehensive income	0	0	0	0

Note 18 cont.

2024

Change in level 3 during the year

Investment assets	Shares and participations	Bonds and fixed income securities	Derivatives and options	Total
Opening balance	34,628	9	0	34,637
Purchases for the period	3,698	1,821	0	5,519
Sales for the period	-58	-1,830	0	-1,888
Securities and foreign exchange gains and losses during the period	223	2	0	225
Changes in unrealised result due to changes in:				
Market value	1,470	-2	0	1,468
Transfers from level 3 to level 1 or level 2	0	0	0	0
Transfers from level 1 or level 2 to level 3	0	0	0	0
Closing balance	39,961	0	0	39,961
Coupons and dividends for the period	1,850	47	0	1,897
Included in profit for the period				
– as part of carrying amount	3,543	47	0	3,590
– as part of other comprehensive income	0	0	0	0

Outstanding risks measured as the risk-sensitive capital requirement for level 3 assets and other assets (Parent Society)

2025

Outstanding risks, level 3

Investment assets	Share in level 3		Share in level 1 or 2	
	SEKm	Share	SEKm	Share
Interest rate risk	-2	0%	-3,135	100%
Share price risk	3,154	10%	27,347	90%
Property risk	11,478	99%	120	1%
Credit risk	0	0%	2,857	100%
Currency risk	2,177	64%	1,227	36%
Correlation effect	-4,707	39%	-7,434	61%
Total net risk	12,101	37%¹⁾	20,981	63%¹⁾
Basis for stress test				
Fair value level 3	41,870	100%		

2024

Outstanding risks, level 3

Investment assets	Share in level 3		Share in level 1 or 2	
	SEKm	Share	SEKm	Share
Interest rate risk	-3	0%	-2,813	100%
Share price risk	3,363	12%	24,493	88%
Property risk	10,574	99%	143	1%
Credit risk	0	0%	2,591	100%
Currency risk	2,205	58%	1,620	42%
Correlation effect	-4,826	41%	-7,014	59%
Total net risk	11,313	37%¹⁾	19,021	63%¹⁾
Basis for stress test				
Fair value level 3	39,961	100%		

¹⁾ The total risk is allocated in proportion to each risk area, divided on the one side into level 1 and level 2, and on the other side level 3.

Risk measurement and stress tests

The risk level of different asset classes is measured using stress tests based on empirical studies of historical market development. The calculations take into account individual risk factors as well as correlations and diversification effects in weighing up total net risk.

The stress tests are based on assumptions about market movements, such as:

- a 30% relative change in market interest rates with different maturities
- a 40% fall in share prices
- a 35% fall in property valuations
- a 10% fall in foreign currencies against the Swedish krona

This method provides an overall assessment of the outstanding risk level in instruments classified in level 3 and their contribution to total net risk.

Currency risk

Currency risk in instruments classified in level 3 is hedged using instruments in level 2 in the fair value hierarchy.

The calculation of outstanding currency risk takes into account currency hedges in the form of forward contracts, currency options and, where applicable, basis swaps. This note reports the remaining currency risk attributable to level 3, i.e. the part of the market value in foreign currency which had not been hedged at the balance sheet date.

Unobservable inputs in level 3

For level 3 valuations for which an external party is engaged, the Society does not itself determine the inputs used in the valuation model, but uses the price information received without adjustment.

The valuation models used by external parties are usually proprietary models with protected ownership, which means that the Society does not have full insight into the underlying assumptions and parameters of the models.

For investments in companies under liquidation where an external party makes the assessment that recovery may be possible to a degree, but where the amount and likelihood cannot be quantified, the Society has deemed the likelihood of recovery to be 0% and has therefore valued these holdings at SEK 0.

Note 19 Other receivables

	Group		Parent Society	
	2025	2024	2025	2024
Cash receivables from the sale of investment assets	49	30	49	30
Rental receivables	63	4	-	-
Tax receivable	146	127	146	127
Other receivables	115	69	20	-
	373	230	215	157

Note 20 Property, plant and equipment

	Group		Parent Society	
	2025	2024	2025	2024
Opening cost	13	10	5	5
Investments for the year	9	3	2	-
Disposals for the year	-2	-	-2	-
Accumulated depreciation	-7	-6	-3	-4
	13	7	2	1

Note 21 Other assets

	Group		Parent Society	
	2025	2024	2025	2024
Collateral received ¹⁾	304	-	304	-
Right of use, leasehold	183	183	-	-
	487	183	304	-

¹⁾ Deposited cash collateral received from counterparties; see also Note 26.

Note 22 Equity

Disclosures of changes in equity are provided in the Statement of changes in equity on page 17.

Note 23 Life insurance provisions

	Group		Parent Society	
	2025	2024	2025	2024
Opening balance	62,426	59,114	62,426	59,114
Paid-in premium for new business	466	1,931	466	1,931
Paid-in premium for contracts signed in previous periods	9,721	7,687	9,721	7,687
Paid from/transferred to Provision for claims outstanding or liabilities	-1,997	-1,991	-1,997	-1,991
Risk result	32	65	32	65
Indexation with discount rate	1,777	1,630	1,777	1,630
Effect of changed discount rate	-1,452	-1,607	-1,452	-1,607
Allocated bonus	0	0	0	0
Charges	-74	-93	-74	-93
Tax on returns	-189	-202	-189	-202
Portfolio taken over/transferred	0	0	0	0
Effect of (other) changed actuarial assumptions	2,935	1,704	2,935	1,704
Other changes	-5,237	-5,812	-5,237	-5,812
Closing balance	68,408	62,426	68,408	62,426

Note 24 Liabilities to credit institutions

2025

Maturity analysis	<1 year	1-3 years	3-5 years	>5 years	Total
Liabilities to credit institutions	817	6,482			7,299
Total	817	6,482	0	0	7,299

Interest maturity structure	Interest due	Share
Variable	3,884	53%
1-2 years	1,415	19%
2-3 years	500	7%
3-5 years	1,500	21%
Total	7,299	100%

2024

Maturity analysis	<1 year	1-3 years	3-5 years	>5 years	Total
Liabilities to credit institutions	1,951	2,706	2,026		6,683
Total	1,951	2,706	2,026	0	6,683

Interest maturity structure	Interest due	Share
Variable	3,885	58%
1-2 years	717	11%
2-3 years	1,081	16%
3-5 years	1,000	15%
Total	6,683	100%

Note 25 Other liabilities

	Group		Parent Society	
	2025	2024	2025	2024
Lease liabilities	189	187	-	-
Cash liabilities arising from the purchase of investment assets	33	20	33	20
Collateral received for derivatives ¹⁾	304	-	304	-
Other	275	270	109	99
	801	477	446	119

¹⁾ Cash collateral received.

See Note 26 for collateral received in securities.

Note 26 Contingent liabilities, Parent Society

Pledged financial instruments

Equity loans for pledged equities amount to SEK 1,219,619,953 (2,038,477,340) on the balance sheet date.

Collateral received, equities

For pledged equities, collateral in the form of Swedish equities has been received amounting to SEK 1,282,544,274 (2,142,988,706).

Collateral received, fixed income securities

Collateral received, in the form of fixed income securities: SEK 470,420,808 (16,474,107).

Collateral provided, fixed income securities

Collateral provided, in the form of fixed income securities: SEK 442,629,265 (1,673,916,338).

Commitments

The nominal value of currency and interest rate derivatives is recognised in accordance with the Swedish Financial Supervisory Authority's regulations as commitments (memorandum items) at each balance sheet date, and at 31 December 2025 amount to SEK 57,686m (49,527); see also Note 17.

In addition, the Society has outstanding commitments to invest in unlisted equities and funds which amount to SEK 11,513m (10,634) in accordance with current agreements.

Total commitments thus amount to SEK 69,166m (60,161).

Note 27 Anticipated recovery dates

Group 2025

	Max 1 year	Longer than 1 year	Total
Assets			
Other intangible assets	0	11	11
Land and buildings	0	19,221	19,221
Investments in associates	0	9,278	9,278
Shares and participations	0	100,430	100,430
Bonds and other fixed income securities	1,271	56,071	57,342
Derivatives	668	352	1,020
Other receivables	269	104	373
Property, plant and equipment	0	13	13
Cash and bank balances	3,182	0	3,182
Other assets	304	183	487
Accrued interest income	0	0	0
Other prepaid expenses and accrued income	32	0	32
	5,726	185,663	191,389
Liabilities			
Life insurance provisions	2,022	66,386	68,408
Provision for other risks and expenses	36	355	391
Derivatives	9	413	422
Liabilities to credit institutions	817	6,482	7,299
Other liabilities	604	197	801
Accrued expenses and deferred income	351	0	351
	3,839	73,833	77,672

Group 2024

	Max 1 year	Longer than 1 year	Total
Assets			
Other intangible assets	0	10	10
Land and buildings	0	17,222	17,222
Investments in associates	0	8,006	8,006
Shares and participations	0	94,786	94,786
Bonds and other fixed income securities	444	47,635	48,079
Derivatives	13	219	232
Other receivables	162	68	230
Property, plant and equipment	0	7	7
Cash and bank balances	5,927	0	5,927
Other assets	131	52	183
Accrued interest income	652	0	652
Other prepaid expenses and accrued income	13	12	25
	7,342	168,017	175,359
Liabilities			
Life insurance provisions	1,936	60,490	62,426
Provision for other risks and expenses	48	271	319
Derivatives	1,240	458	1,698
Liabilities to credit institutions	1,950	4,733	6,683
Other liabilities	228	249	477
Accrued expenses and deferred income	276	0	276
	5,678	66,201	71,879

Note 27 cont.

Parent Society
2025

	Max 1 year	Longer than 1 year	Total
Assets			
Other intangible assets	0	11	11
Investments in group companies	0	11,570	11,570
Investments in associates	0	9,277	9,277
Shares and participations	0	100,430	100,430
Bonds and other fixed income securities	1,271	56,071	57,342
Derivatives	668	352	1,020
Other receivables	133	82	215
Property, plant and equipment	0	2	2
Cash and bank balances	2,628	0	2,628
Other assets	304	0	304
Accrued interest income	0	0	0
Other prepaid expenses and accrued income	8	0	8
	5,012	177,795	182,807
Liabilities			
Life insurance provisions	2,022	66,386	68,408
Provision for other risks and expenses	36	0	36
Derivatives	9	402	411
Other liabilities	446	0	446
Accrued expenses and deferred income	5	0	5
	2,518	66,788	69,306

Parent Society
2024

	Max 1 year	Longer than 1 year	Total
Assets			
Other intangible assets	0	10	10
Investments in group companies	0	10,057	10,057
Investments in associates	0	8,003	8,003
Shares and participations	0	94,786	94,786
Bonds and other fixed income securities	444	47,635	48,079
Derivatives	12	219	231
Other receivables	89	68	157
Property, plant and equipment	0	1	1
Cash and bank balances	5,470	0	5,470
Other assets	-	-	-
Accrued interest income	652	0	652
Other prepaid expenses and accrued income	8	0	8
	6,675	160,779	167,454
Liabilities			
Life insurance provisions	1,936	60,490	62,426
Provision for other risks and expenses	48	0	48
Derivatives	1,240	453	1,693
Other liabilities	119	0	119
Accrued expenses and deferred income	3	0	3
	3,346	60,943	64,289

Note 28 Financial assets and liabilities by category

Group 2025

	Financial assets			Total carrying amount	Fair value
	measured at fair value through profit or loss	measured at fair value through trading	measured at amortised cost		
Financial assets					
Shares and participations in associates	9,278	-	-	9,278	9,278
Shares and participations	100,430	-	-	100,430	100,430
Bonds and other fixed income securities	57,342	-	-	57,342	57,342
Derivatives	-	1,020	-	1,020	1,020
Other receivables	-	-	373	373	373
Cash and bank balances	-	-	3,182	3,182	3,182
Accrued interest income	-	-	-	-	-
	167,050	1,020	3,555	171,625	171,625

	Financial liabilities			Total carrying amount	Fair value
	measured at fair value through profit or loss	measured at fair value through trading	measured at amortised cost		
Financial liabilities					
Derivatives	-	422	-	422	422
Other liabilities	-	-	801	801	801
Accrued expenses and deferred income	-	-	351	351	351
	-	422	1,152	1,574	1,574

Group 2024

	Financial assets			Total carrying amount	Fair value
	measured at fair value through profit or loss	measured at fair value through trading	measured at amortised cost		
Financial assets					
Shares and participations in associates	8,006	-	-	8,006	8,006
Shares and participations	94,786	-	-	94,786	94,786
Bonds and other fixed income securities	48,079	-	-	48,079	48,079
Derivatives	-	232	-	232	232
Other receivables	-	-	230	230	230
Cash and bank balances	-	-	5,927	5,927	5,927
Accrued interest income	652	-	-	652	652
	151,523	232	6,157	157,912	157,912

	Financial liabilities			Total carrying amount	Fair value
	measured at fair value through profit or loss	measured at fair value through trading	measured at amortised cost		
Financial liabilities					
Derivatives	-	1,698	-	1,698	1,698
Other liabilities	-	-	477	477	477
Accrued expenses and deferred income	-	-	276	276	276
	-	1,698	753	2,451	2,451

Note 28 cont.

Parent Society 2025

	Financial assets			Total carrying amount	Fair value
	measured at fair value through profit or loss	measured at fair value through trading	measured at amortised cost		
Financial assets					
Shares and participations in group companies	11,570	-	-	11,570	11,570
Shares and participations in associates	9,277	-	-	9,277	9,277
Shares and participations	100,430	-	-	100,430	100,430
Bonds and other fixed income securities	57,342	-	-	57,342	57,342
Derivatives	-	1,020	-	1,020	1,020
Other receivables	-	-	215	215	215
Cash and bank balances	-	-	2,628	2,628	2,628
Accrued interest income	0	-	0	0	0
	178,619	1,020	2,843	182,482	182,482

	Financial liabilities			Total carrying amount	Fair value
	measured at fair value through profit or loss	measured at fair value through trading	measured at amortised cost		
Financial liabilities					
Derivatives	-	411	-	411	411
Other liabilities	-	-	446	446	446
Accrued expenses and deferred income	-	-	5	5	5
	-	411	451	862	862

Parent Society 2024

	Financial assets			Total carrying amount	Fair value
	measured at fair value through profit or loss	measured at fair value through trading	measured at amortised cost		
Financial assets					
Shares and participations in group companies	10,057	-	-	10,057	10,057
Shares and participations in associates	8,003	-	-	8,003	8,003
Shares and participations	94,786	-	-	94,786	94,786
Bonds and other fixed income securities	48,079	-	-	48,079	48,079
Derivatives	-	231	-	231	231
Other receivables	-	-	157	157	157
Cash and bank balances	-	-	5,470	5,470	5,470
Accrued interest income	652	-	-	652	652
	161,577	231	5,627	167,435	167,435

	Financial liabilities			Total carrying amount	Fair value
	measured at fair value through profit or loss	measured at fair value through trading	measured at amortised cost		
Financial liabilities					
Derivatives	-	1,693	-	1,693	1,693
Other liabilities	-	-	119	119	119
Accrued expenses and deferred income	-	-	3	3	3
	-	1,693	122	1,815	1,815

Note 29 Pledged assets

	Group		Parent Society	
	2025	2024	2025	2024
Assets registered on behalf of policyholders	68,408	62,426	68,408	62,426
	68,408	62,426	68,408	62,426

Note 30 Related party disclosures

Kåpan tjänstepensionsförening is an occupational pension society where all the surplus is returned to the Society's members. The main purpose of the Society is to manage and pay out pension assets for employees covered by an agreement concluded between the Swedish Agency for Government Employers and the government employees' main unions, or between other parties who have concluded pension agreements linked to such agreements.

The highest decision-making body is the Council of Administration. The members of the Council of Administration are appointed by the parties within the government agreement area. Operating activities are managed by a Board which appoints the President of the Society.

Related parties are defined as the Board of Directors and management personnel within the Society and the wholly owned subsidiaries Kåpan Fastigheter AB and Hemvist Förvaltning AB and members of their immediate families.

Remuneration to the Board and President is set out in Note 7. No remuneration is paid to members of related parties' immediate families.

The annual report was adopted on 14 April 2026

Stockholm, on the date indicated by our electronic signature

Ann Follin
CHAIR

Lars Fresker
VICE CHAIR

Fredrik Bäckström

Erland Ekheden

Eva Fagerberg

Anna Falck

Anita Johansson

Dan Sjöblom

Anna Steen

Helen Thornberg

Roger Vilhelmsson

Ossian Wennström

Gunnar Balsvik
PRESIDENT

Our audit report was submitted on the date indicated by our electronic signature

KPMG AB

William Jeirud
AUTHORISED PUBLIC ACCOUNTANT

Auditor's report

To the Council of Administration of Kåpan tjänstepensionsförening reg. no. 816400-4114

Report on the annual accounts and consolidated financial statements

Opinions

We have audited the annual accounts and consolidated financial statements of Kåpan tjänstepensionsförening for the year 2025. The annual accounts and consolidated financial statements of the Society are included on pages 4–37 in this document.

In our opinion, the annual accounts and consolidated financial statements have been prepared in accordance with the Annual Accounts Act for Insurance Companies and present fairly, in all material respects, the financial position of the Parent Society and the Group as of 31 December 2025 and its financial performance for the year then ended in accordance with the Annual Accounts Act for Insurance Companies. The statutory administration report is consistent with the other parts of the annual accounts and consolidated financial statements.

We therefore recommend that the Council of Administration adopts the income statement and balance sheet for the Parent Society and for the Group.

Our opinions in this report on the annual accounts and consolidated financial statements are consistent with the content of the complementary report that has been submitted to the Parent Society's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the Parent Society and the Group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited Society or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key audit matters

Key audit matters of the audit are those matters that, in our professional judgement were of most significance in our audit of the annual accounts and consolidated financial statements for the current period. These matters were addressed in the context of our audit of, and in forming our opinion on, the annual accounts and consolidated financial statements as a whole, but we do not provide a separate opinion on these matters.

Life insurance provisions

See accounting principles in Note 1 and other related disclosures on Life insurance provisions in Note 2 as well as Note 23 for detailed disclosures and descriptions of this matter.

Description of the matter

At 31 December 2025, the Group's and the Parent Society's life insurance provisions amounted to SEK 68,408m.

This is a matter that includes significant assessments.

Life insurance provisions correspond to the capital value of the guaranteed commitments according to current insurance contracts after deduction for the capital value of future agreed premium payments.

The provisions are calculated according to accepted actuarial methods. Calculations are based on assumptions on interest rates, mortality, tax and operating expenses, among other things.

How our audit addressed this matter

We have evaluated the assumptions applied in the actuarial methods used when calculating life insurance provisions.

We have compared valuation assumptions with the Society's own reviews, regulatory requirements and industry figures.

We have engaged our internal specialists in actuarial matters to challenge the methods and assumptions used in calculations of cash flows and valuation of provisions. We have also, via calculations, assessed that the provisions are reasonable compared with anticipated contractual obligations.

We have randomly tested controls in the management's process for control of input data, actuarial calculations and that entries are made correctly in the general ledger.

We have also checked the completeness of the underlying facts and circumstances presented in the disclosures in the annual accounts and assessed whether this information is sufficiently comprehensive to understand management's assessments.

Measurement of investment assets without quoted prices (level 3)

See accounting principles in Note 1 and other related disclosures on financial instruments in Note 2 as well as Note 12 and Note 18 for detailed disclosures and descriptions of this matter.

Description of the matter

The Group and the Parent Society have investment assets that are measured at fair value and classified in level 3 according to the IFRS valuation hierarchy. The investment assets measured at fair value amount to SEK 49,522m in the Group and SEK 41,870m in the Parent Society at 31 December 2025. In the Group, the assets in level 3 are divided between financial investment assets and land and buildings. In the Parent Society, all level 3 assets are financial investment assets.

The risk related to investment assets measured at fair value is mainly related to the assets not traded on an active market and which therefore require an estimate of fair value. The investment assets classified as level 3 according to IFRS 13 are measured using models such as discounted future cash flows which are based on non-observable market data to a considerable extent. The assumptions and models used when determining fair value for these assets are the subject of significant estimations and assessments. Since these by their nature carry significant inherent uncertainty, we have therefore assessed that this area is of particular importance in our audit.

How our audit addressed this matter

For investment assets in level 3, we have, among other things, evaluated key controls in the valuation process.

For financial investment assets, we have carried out an independent control measurement where this has been possible and we have made an audit-related random selection of the remaining holdings and compared the price information used with external counterparty information.

For property holdings, we have tested the property valuations provided on a random basis. Here we have used market data from external sources, in particular assumptions on yield requirement, discount rates, rental levels and vacancies. We have also assessed the competence and independence of the external valuers.

We have checked the accuracy of disclosures on land and buildings provided by the Group, especially with regard to assessments and the key assumptions applied.

We have also evaluated whether supplementary disclosures linked to investment assets provide a true and fair picture and essentially correspond to the disclosures to be provided under current regulations.

Other information than the annual accounts and consolidated financial statements

This document also contains other information than the annual accounts and the consolidated financial statements, which is found on pages 1–3 and 42–53. The Board of Directors and the President are responsible for this other information.

Our opinion on the annual accounts and consolidated financial statements does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated financial statements, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated financial statements. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If, based on the work performed concerning this information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the President

The Board of Directors and the President are responsible for the preparation of the annual accounts and consolidated financial statements and that they give a fair presentation in accordance with the Annual Accounts Act for Insurance Companies. The Board of Directors and the President are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated financial statements, the Board of Directors and the President are responsible for the assessment of the Society's and the Group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is not applied, however, if the Board of Directors and the President intend to liquidate the Society, to cease operations, or have no realistic alternative but to do so.

The Society's audit committee shall, without prejudice to the Board of Directors' responsibilities and tasks in general, among other things oversee the Society's financial reporting process.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated financial statements.

As part of an audit in accordance with ISA, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the Society's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the President.
- Conclude on the appropriateness of the Board of Directors' and the President's use of the going concern basis of accounting in preparing the annual accounts and consolidated financial statements. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the Society's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

However, future events or conditions may cause the Society and the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated financial statements, including the disclosures, and whether the annual accounts and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence relating to financial information from the units or business activities within the Group to express an opinion regarding the consolidated financial statements. We are responsible for governance, monitoring and carrying out a consolidated audit. We have sole responsibility for our opinion.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during the audit, including any significant deficiencies in internal control that we have identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or related safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated financial statements, including the most important assessed risks for material misstatement, and which are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated financial statements, we have also audited the administration of the Board of Directors and the President of Kåpan tjänstepensionsförening for the year 2025 and the proposed appropriations of the Society's profit or loss.

We recommend to the Council of Administration that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the President be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's responsibilities section. We are independent of the Parent Society and the Group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the President

The Board of Directors is responsible for the proposal for appropriations of the Society's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the Society's and the Group's operations, size and risks place on the size of the Society's and the Group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the Society's organisation and the administration of the Society's affairs. This includes, among other things, continuous assessment of the Society's and the Group's financial situation and ensuring that the Society's organisation is designed so that the accounting, management of assets and the Society's financial affairs otherwise are controlled in a reassuring manner.

The President shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and, among other matters, take measures that are necessary to fulfil the Society's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibilities

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the President in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the Society, or
- in any other way has acted in contravention of the Occupational Pension Companies Act, the Annual Accounts Act for Insurance Companies or the Statutes.

Our objective concerning the audit of the proposed appropriations of the Society's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Swedish Occupational Pension Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the Society, or that the proposed appropriations of the Society's profit or loss are not in accordance with the Swedish Occupational Pension Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgement and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the Society's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgement with a starting point in risk and materiality. This means that we focus the examination on such actions, areas and conditions that are material for the operations and where deviations and violations would have particular importance for the Society's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the Society's profit or loss we examined whether the proposal is in accordance with the Swedish Occupational Pension Companies Act.

KPMG AB, Box 382, 101 27, Stockholm,
was appointed as the auditor of Kåpan tjänstepensionsförening by
the Council of Administration on 14 May 2025. KPMG AB or auditors working at KPMG AB
have been the Society's auditors since 1992.

Stockholm, on the date indicated by our electronic signature

KPMG AB

William Jeirud
AUTHORISED PUBLIC ACCOUNTANT

Board of Directors and Auditors

At 31 December 2025

Council of Administration

Appointed by the Swedish Agency for Government Employers

Ordinary members

Ulrica Messing, Blekinge County Administrative Board, Chair

Tomas Hedlund, National Board of Health and Welfare

Olav Augrell, Swedish Work Environment Authority

Helen Björkman, Legal, Financial and Administrative Services Agency

Ylva Navér, Swedish Defence Materiel Administration FMV

Magnus Lundström, Swedish Social Insurance Agency

Fredrik Henning, Swedish Civil Aviation Administration

Henrik Orrje, Public Art Agency Sweden

Tatjana Mineur, Swedish Fortifications Agency

Anna Ekholm, Swedish Estate Agents Inspectorate

Karolina Wikmyr,
Swedish Board for Accreditation and Conformity Assessment

Karin Leth, Formas

Pernilla Rosengren Johansson, Swedish Public Employment Service

Erik Ekblad, Swedish Tax Agency

Hanna Schmidt, Swedish Agency for Employers

Personal Deputies

Jonas Bjelfvenstam, Swedish Transport Agency

Josefin Lindberg, Södermanland Country Administrative Board

Daniel Persson, Swedish Companies Registration Office

Rebecca Wadell, Swedish Agency for Health and Care Services Analysis

Lars Nordlander, Umeå University

Ann Stadberg, Swedish Schools Inspectorate

Therése Kjellgren, Swedish Pensions Agency

Karin Rystedt, Swedish National Board of Institutional Care

Ulrika Kärrvall, Swedish Energy Markets Inspectorate

Therese Östling Waller, Swedish Financial Supervisory Authority

Owe Jordan,
Swedish Defence Conscription and Assessment Agency

Karin Lien Aspeqvist, SMHI

Maria Berge, Swedish National Board for Consumer Disputes

Maria Johansson, Swedish Enforcement Authority

Joanna Kielska, National Library of Sweden

Appointed by trade unions

Ordinary members

Peter Lennartsson, OFR

Mikael Sandberg, OFR

Britta Lejon, OFR

Caroline Nilsson, OFR

Malin Thor, OFR

Linda Söderman, OFR

Svante Uhlin, OFR

Charlotte Olsson, Seko

Ingrid Lagerborg, Seko

Christer Hallkvist, Seko

Ib Bergström, Seko

Jörgen Sthen, Seko

Lars Geschwind, Saco-S

Carolina Gomez Lagerlöf, Saco-S

Elisabeth Perntz, Saco-S

Personal Deputies

Alejandra Pizzaro Carrasco, OFR

Thord Jansson, OFR

Marita Cedergren, OFR

Axel Lindersson, OFR

Johan Lindgren, OFR

Cecilia Curtelius Larsson, OFR

Susanne Hultgren, OFR

Karna Tillhede, Seko

Johanna Grundström, Seko

Frida Cattasdotter Landin, Seko

Ulf Törnkvist, Seko

Tommy Eriksson, Seko

Robert Andersson, Saco-S

Christer Gustafsson, Saco-S

Hans Franklin, Saco-S

Board of Directors

Employer representatives

Ann Follin, Swedish Agency for Government Employers, Chair From 14 May 2025

Dan Sjöblom, Swedish Post and Telecom Authority Acting Chair until 14 May 2025

Erland Ekheden, Swedish Pensions Agency

Anna Falck

Anita Johansson

Roger Vilhelmsson, Swedish Agency for Government Employers

Trade union representatives

Lars Fresker, OFR, Vice Chair

Fredrik Bäckström, Seko

Eva Fagerberg, OFR

Anna Steen, Saco-S

Helen Thornberg, Seko

Ossian Wennström, Saco-S

Auditors

Auditor

William Jeirud, Authorised Public Accountant

Personal Deputy

Mårten Asplund, Authorised Public Accountant

Periodic disclosures 2025 for Kåpan traditional insurance

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Kåpan traditional insurance

Legal entity identifier: 549300KXK2BI4PYWQ807

Environmental and/or social characteristics

Sustainable investment

means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

Yes

It made **sustainable investments with an environmental objective:** ____%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:** ____%

No

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 12% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



To what extent were the environmental and/or social characteristics promoted by this financial product met?

Kåpan's goal is to provide a long-term stable pension to its members who have pension savings in Kåpan traditional insurance. The Society's investments are made based on achieving a good return at reasonable risk and low cost, where sustainability is an integrated part of investment management.

1. The product Kåpan traditional insurance (all Kåpan's insurances) promotes environmental and social characteristics through Kåpan's investments complying with the UN Global Compact and the OECD's basic principles for sustainable business which

Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained.

means companies must respect human rights, labour law, environment and anti-corruption. The UN Sustainable Development Goals, Agenda 2030, also guide investment management, along with the UN-supported principles for responsible investment (UN PRI). The Society conducts regular norm-based screening of all listed holdings in order to ensure to the greatest possible extent that they do not contravene these principles.

2. Furthermore, Kåpan traditional insurance promotes environmental characteristics by the Society continuously working to reduce the negative climate impact of the investments. This is achieved by investing to the greatest possible extent in companies with climate objectives and by investing in companies that work with solutions and technologies to reduce negative climate impact over time. The Society also has exclusion criteria for investments in oil and coal.
3. The Society's aim that investments should have a high sustainability profile has also contributed to the promotion of environmental and social characteristics. For the Society's listed holdings, this involves a positive selection based on sustainability ratings for environment, social responsibility, and corporate governance. For other investments, a positive selection is made based on other factors such as sustainability labelling, green and social bonds, as well as thematic investments.
4. Furthermore, Kåpan traditional insurance has promoted environmental and social characteristics during the reference period through its other exclusion criteria. The Society does not invest in companies that manufacture or distribute controversial weapons*, companies engaged in production and distribution of tobacco, as well as government bonds issues by certain states which do not adhere to democratic principles.

● How did the sustainability indicators perform?

In order to measure how environmental and social characteristics are promoted, the Society uses a number of indicators:

1. Compliance with the UN principles for human rights, labour laws, the environment and anti-corruption: measured regularly using ISS ESG's service for norm-based screening. No companies are considered to cause critical negative impacts. Just over 1.6% of the total portfolio is considered to cause significant negative harm according to ISS analysis.
2. Climate impact: the investments' relative climate impact has increased in 2025. Sectors such as industry and materials have gained more weight in the index, which has affected development. Kåpan meets the short-term climate target by a margin, with emissions reduced by 59% since measurements began in 2016.
3. Sustainability rating, sustainability labelling and proportion of green and social bonds: the measured sustainability rating of listed equities is 7 out of 10 for the reference period, which is the same as the sustainability-adjusted index against which the Society is evaluated. The share of sustainable bonds has increased and these account for 25% of the listed fixed income portfolio.
4. Exclusion criteria: the Society has no holdings in companies involved in the manufacture and distribution of controversial weapons. The Society has no holdings in companies with production or distribution of tobacco. At the end of the reference period, the Society was invested in one company involved in oil production, with the Society's assessment that this company is in transition.

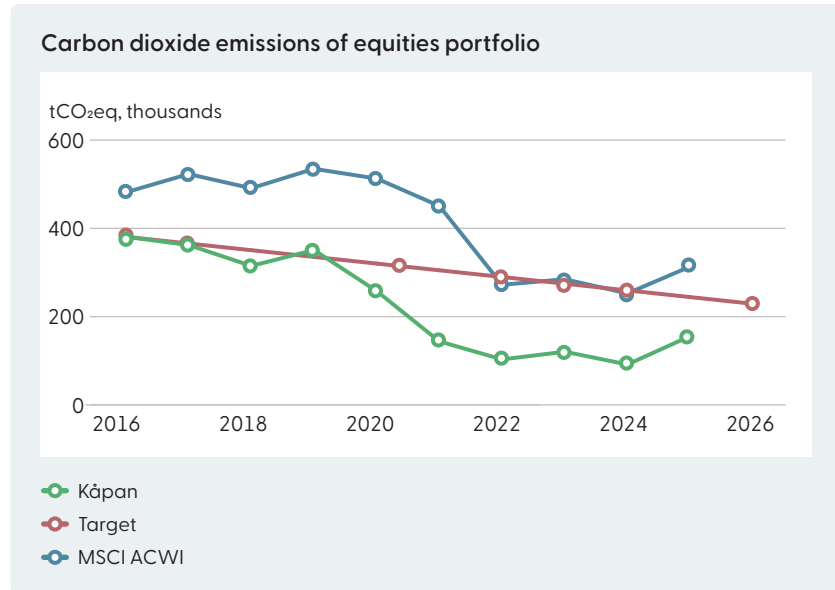
A more detailed description of how Kåpan worked with these sustainability indicators during the year is provided in Kåpan's Sustainability Report at [kapan.se](https://www.kapan.se).

* Anti-personnel mines, cluster munitions, chemical weapons, biological weapons and nuclear weapons outside the Non-Proliferation Treaty.

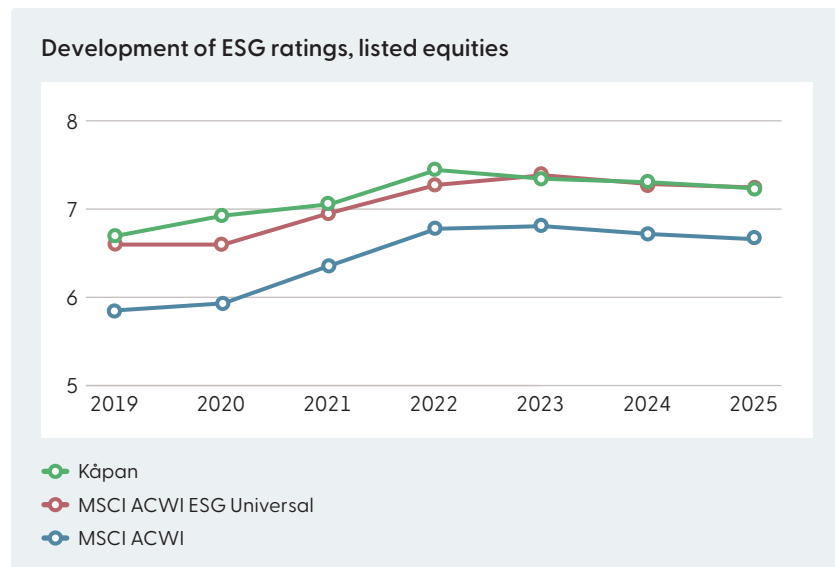
● **...and compared to previous periods?**

Kåpan has reported the development of sustainability indicators for several years.

1. Since the Society changed the focus of equities management from index management via funds to internal management, the number of companies in breach of international norms and principles has decreased from 40 companies in 2017 to three companies for the reference period.
2. The carbon dioxide emissions of investments are well in line with Kåpan's target, although 2025 saw an increase compared with 2024.



3. The sustainability rating for the listed equities portfolio has been in line with the Society's objective in recent years. The proportion of sustainable bonds has increased in recent years.



4. The Society's exclusion criteria are followed up on a regular basis and investments have been in line with these in recent years.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The overall objective of the sustainable investments is that they should provide a long-term positive return at low risk and at the same time contribute to sustainable development in society. The basic premise is that these investments comply with good governance practice and do not cause significant harm to any other environmental or social objective.

The Society makes sustainable investments within all asset classes, such as investments in renewable energy, certified forestry and environmentally certified properties. The Society has not specified the objectives, they can include both environmental objectives and social objectives, but taken overall they are included in the UN Sustainable Development Goals.

The Society has chosen a conservative selection and reporting of the proportion of sustainable investment. This is mainly due to the fact that we lack data and methods to ensure how large a proportion of some unlisted holdings' sales are in line with global sustainability goals as well as data on negative impacts. During the year the Society has begun collecting sustainability data on unlisted holdings and we will gradually start to report this data.

The investments that the Society assesses as sustainable investments are:

- Funds classified as Article 9 funds, i.e. which have sustainable investments as an objective.
- Sustainable bonds (green and social bonds as well as bonds issued by development banks), since these are specifically intended for projects with a positive environmental or social impact. Provided the issuer meets the requirements for good governance and the investment does not cause significant harm to other environmental or social objectives.
- The Society's directly invested equities which contribute to environmental objectives or social objectives in line with the UN Sustainable Development Goals, Agenda 2030. The Society has decided that at least 50% of sales from the companies must be derived from operations linked to the SDGs. Furthermore, the companies must meet the requirements for good governance and not cause significant harm to other environmental or social objectives. The Society has used methods and tools from Clarity AI for these calculations.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

How were the indicators for adverse impacts on sustainability factors taken into account?

The Society's investment guidelines include a stipulation that all investments are screened against the Society's sustainability criteria so as to avoid adverse impacts on sustainability factors to the greatest possible extent.

Review of the proportion of sustainable investments in 2025:

- The sustainable bonds are issued by Swedish and European issuers as well as Swedish municipalities. These bonds have a specific purpose for environmental and social factors. The issuers of the bonds are screened to ensure they are in line with the Society's sustainability criteria.
- The Society's Article 9 funds have provided sustainability-related disclosures in accordance with the requirements for these funds. They take into account adverse impacts on sustainability factors and report which environmental or social objective the funds intend to achieve as well as the proportion of sustainable investment.
- The proportion of sustainable investment in the Society's directly owned equities has been reviewed and they meet the Society's sustainability criteria.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The listed holdings are followed up on a quarterly basis and they are aligned with these guidelines and principles. For unlisted holdings, we are reliant on the information available. The Society has seen no indication that they are not aligned with these guidelines and principles.

The EU Taxonomy sets out a “do no significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.

The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

The Society’s investment guidelines include a stipulation that all investments are screened against a number of the Society’s sustainability criteria so as to avoid adverse impacts on sustainability factors to the greatest possible extent. Screening is performed proactively before an investment and then regularly on a quarterly basis. The methods vary depending on the class of asset but the basic principle is that the Society opts out of certain investments that do not meet the Society’s sustainability criteria and chooses investments with a high sustainability profile. This means that we select companies that conduct targeted sustainability work and thus work proactively to reduce the negative impacts on sustainability factors which they have on their environment. In addition, the Society exerts various kinds of influence in order, to the greatest possible extent, to persuade companies to realign their operations in order to reduce adverse impacts on sustainability factors.

The companies in which the Society invests must respect human rights, labour law, the environment and anti-corruption, based on the principles in the UN Global Compact and the OECD Guidelines for Multinational Enterprises. Kåpan refrains from investing in companies that manufacture or distribute controversial weapons, companies that have more than 5% of sales from coal and oil, companies that have more than 5% of sales from production and distribution of tobacco, as well as government bonds issued by certain states that do not adhere to democratic principles.

Since the Society takes into account the adverse impacts of investments on sustainability factors, we must, in accordance with the EU’s Sustainable Finance Disclosure Regulation, measure and report the impact these have as well as provide a general description of how we work to reduce adverse impacts. This information is published on our website and updated annually by 30 June at the latest.

[kapan.se/hallbarhetsrelaterade upplysningar](https://kapan.se/hallbarhetsrelaterade-upplysningar)



The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31 December 2025

What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
Kåpan Fastigheter	Property	4.7%	Sweden
Stadshypotek	Financials	3.1%	Sweden
Svenska Handelsfastigheter	Property	2.9%	Sweden
Swedbank Hypotek	Financials	2.8%	Sweden
Kommuninvest i Sverige	Financials	2.8%	Sweden
SEB	Financials	2.5%	Sweden
SCBC	Financials	2.1%	Sweden
Investor	Financials	1.8%	Sweden
Hemvist	Property	1.6%	Sweden
Nordea Hypotek	Financials	1.5%	Sweden
Atlas Copco	Industrials	1.4%	Sweden
Länsförsäkringar Hypotek	Financials	1.3%	Sweden
Nvidia	Information technology	1.3%	USA
Gysinge Skog	Forestry	1.2%	Sweden
Nordstjernen Kredit	Financials	1.1%	Sweden

The shares in the table are calculated at issuer level.



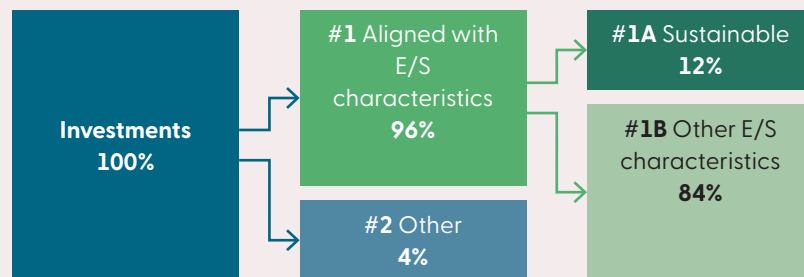
What was the proportion of sustainability-related investments?

The Society's investments promote environmental and social characteristics. The proportion of investments in Kåpan traditional insurance aligned to environmental or social characteristics comprises 96% of the investments. Of these, the proportion of sustainable investments is 12%.

The remaining proportion of investments, 4%, which are not aligned to environmental or social characteristics mainly comprise derivatives used to reduce market risk, cash, one credit fund as well as some older unlisted undertakings.

Asset allocation describes the share of investments in specific assets.

● What was the asset allocation?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- ▶ The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- ▶ The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

● In which economic sectors were the investments made?

Sector	Share of holdings
Financials	31%
Property	18%
Industrials	14%
Information technology	10%
Healthcare	4%
Consumer discretionary	4%
Communication services	3%
Utilities	3%
Consumer staples	2%
Raw materials	2%
Energy	1%
State, municipal and supranational fixed income investments	6%
Other	2%



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

The EU Taxonomy is under development and not all companies in the Society's investments are eligible for the EU Taxonomy. The Society has therefore chosen in the present situation to not use alignment with the EU Taxonomy as a factor when calculating the proportion of sustainable investments. The Society states, however, that the proportion is >0% for the reference period. We have, on the other hand, collected and reported alignment at an overall level in the portfolio where we have data for this; see below.

To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management rules.

● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?¹

Yes:
 In fossil gas In nuclear energy

No

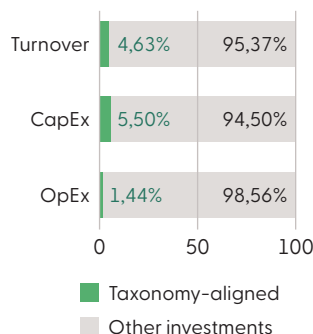
The graph below shows the outcome for the listed holdings (equities and bonds). At present, the Society does not have data for other investments. Listed holdings comprise approximately 72% of total investments. As we answered no to the question above on fossil gas and/or nuclear energy related activities complying with the EU Taxonomy, we only show the proportion of Taxonomy-eligible and other investments in the graph below.

Taxonomy-aligned activities are expressed as a share of:

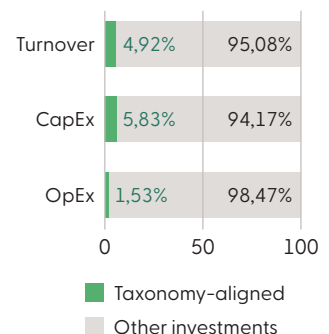
- ▶ **turnover** reflecting the share of revenue from green activities of investee companies.
- ▶ **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- ▶ **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

1. Taxonomy-alignment of investments including sovereign bonds*



1. Taxonomy-alignment of investments excluding sovereign bonds*



* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

● **What was the share of investments made in transitional and enabling activities?**

In accordance with the EU Taxonomy, 0.13% of the listed holdings have reported transitional activities and 0.4% have reported enabling activities.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

Compared with the previous period 31 December 2024:

- The percentage has **increased** for turnover from 3.28% to 4.63%
- The percentage has **increased** for capital expenditure from 3.94% to 5.50%
- The percentage has **increased** for operational expenditure from 1.08% to 1.44%.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investment is not broken down into investments with environmental objectives or social objectives. Alignment with the EU Taxonomy is not included as a factor when calculating the share of sustainable investment. The investments we consider to be sustainable investments are all linked to the UN's Sustainable Development Goals, Agenda 2030.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of socially sustainable investments?

See answer above.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The investments that are not aligned to environmental or social characteristics are included under "other" and mainly comprise:

- Derivatives used to reduce market risk.
- Cash (operating cash) which is not invested for practical reasons.
- A few older private equity funds intended to create a good risk-adjusted return. Investments made before the Society adopted the sustainability criteria for management. No new capital is added to these funds, all of which are under liquidation.
- One credit fund, the purpose of which is to create a good risk-adjusted return. The fund is an Article 6 fund, i.e. it takes sustainability risk into account but does not promote environmental or social characteristics.

Minimum safeguards consist of the Society screening the counterparties for these holdings to ensure that they respect international standards and guidelines for corporate governance, human rights and the environment.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

- Quarterly screening of all listed holdings to ensure that they respect human rights, labour law, the environment and anti-corruption, based on the principles in the UN Global Compact and the OECD Guidelines for Multinational Enterprises.
- Quarterly screening of all listed holdings to ensure that they comply with the Society's other exclusion criteria.
- Active work with positive selection within all asset classes.
- Shareholder engagement through reactive advocacy dialogues with 101 companies and by voting at 160 general meetings.
- The Society takes into account negative impacts for sustainability factors in management, both those that are part of the Society's exclusion criteria but now also additional factors which are measured and monitored within the framework of the EU SFDR rules.

More detailed information about this is provided in the document *Accounting for the main negative consequences for sustainability factors of investment decisions* at [kapan.se/hallbarhet](https://www.kapan.se/hallbarhet).

Where can I find more product-specific information online?

More product-specific information can be found on the website: [kapan.se](https://www.kapan.se)

Auditor's opinion regarding the sustainability information in accordance with the Sustainable Finance Disclosure Regulation

To the Council of Administration of Kåpan tjänstepensionsförening reg. no. 816400-4114

Engagement and responsibility

The Board of Directors is responsible for the sustainability information on pages 44–53 of the Annual Report and for ensuring that this is prepared in accordance with the EU's Sustainable Finance Disclosure Regulation.

Focus and scope of the review

Our review has been conducted in accordance with FAR's recommendation RevR 12 *The Auditor's opinion regarding the statutory sustainability report*. This means that our

review of the sustainability information has a different focus and significantly smaller scope than an audit conducted in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. We believe that this review has provided us with sufficient basis for our opinion.

Opinion

Sustainability information has been provided.

Stockholm, on the date indicated by our electronic signature

KPMG AB

William Jeirud

AUTHORISED PUBLIC ACCOUNTANT



Kåpan tjänstepensionsförening
Smålandsgatan 12 · Box 7515 · SE-103 92 Stockholm
Tel +46 8 411 49 45 · kapan.se
Reg. no 816400-4114