



FOR GOVERNMENT EMPLOYEES



KÅPAN TJÄNSTEPENSIONS FÖRENING

# Sustainability Report 2024



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 insurances 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.

# Sustainability Report

Kåpan tjänstepensionsförening manages collectively agreed occupational pensions for persons who are or have been public sector employees. The aim of operations is to provide good long-term stable pensions to members through efficient and responsible asset management.

Kåpan tjänstepensionsförening (hereafter Kåpan, or the Society) has been tasked by the parties to collective agreements in the government agreement area with managing the compulsory components of occupational pensions and functioning as the default supplier for the part of the pension where there is a choice. The assignment from the parties is to deliver stable, good pensions to the Society's more than 900,000 members.

Kåpan's operations are governed by its statutes, internal policy documents and current legislation, as well as regulations and general advice from the Swedish Financial Supervisory Authority.

## Kåpan's sustainability work

The Society aims to deliver long-term stable pensions to its members at the lowest possible cost while at the same time contributing to long-term sustainable development in society. To achieve this, Kåpan takes into account environmental, social and corporate governance aspects of operations and in asset management (also called sustainability factors or the English acronym ESG<sup>1</sup>).

Kåpan's sustainability work is based on external and internal regulations. It is primarily the Society's sustainability policy, investment guidelines and ownership policy that govern sustainability work.

The Society's sustainability initiatives are split into three areas: investment, insurance and organisation. The Society's aim is to make responsible and sustainable investments, deliver secure and traditional insurance, and safeguard internal sustainability work.

**Går det att stryka lite text här?**

<sup>1</sup> ESG (Environmental, Social, Governance) is a common term for sustainability criteria in investments and stands for criteria relating to the environment, social conditions and corporate governance.

## Kåpan's sustainability work 2024 – summary

The Society's sustainability work is presented in its entirety in this sustainability report, starting with this summary. Kåpan's website contains in-depth information about the Society's sustainability work and the documents linked to the disclosure requirements in EU legislation. See more at [kapan.se](https://kapan.se)

Focus areas of the Society's sustainability work in 2024:

- Stronger shareholder engagement; locally we have engaged the support of a voting adviser specialising in the Nordics and globally we have a portfolio monitoring service in place for the US holdings.
- During the year, the Society has examined several solutions for expanding the collection of sustainability data to include unlisted holdings. We collected data for our forestry holdings during the year, and in 2025 we expect to start collecting data principally on private equity and infrastructure investments.

The Society has over

**900,000**  
members

The Society's assets under management in 2024 were

**167,454**  
(147,661)  
SEKm



## Investment

Investments are made based on achieving a good return with reasonable risk and low costs. Sustainability is an integrated part of investment management.



## Insurance

The Society offers resource-efficient and simple insurance solutions with a good balance between promises made and the risks in obligations issued.



## Organisation

Thrifty use of resources, consideration for the environment, an equal opportunity workplace and promoting good business ethics.

## Investment

### Strategy

### Outcome 2024

Kåpan tries, as far as possible, to avoid investing in companies that breach the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

Kåpan has three companies on its watch list

Kåpan does not invest in holdings involved with controversial weapons.

No holdings

Kåpan avoids investing in government bonds issued by nations that are judged to deny their citizens basic democratic rights.

No holdings

Kåpan strives to invest in companies, bonds and funds that have a high sustainability profile and actively work to achieve a transition to sustainable operations.

- ▶ The bond portfolio consists of 19% sustainable bonds, of which 16% are green bonds\*
- ▶ The listed equities portfolio's total ESG ranking is 7.3 out of 10
- ▶ The funds in which the Society has invested in 2024 are Article 8 and 9 funds\*\*

Kåpan supports the Paris Agreement and has as a long-term goal that the greenhouse gas emissions of our measurable investments shall be net zero by 2045 at the latest.

Reduction in the Society's carbon footprint from the previous year, measured in absolute tonnes of Co<sub>2</sub>e:  
Equities -24%, Fixed income -63%

Kåpan avoids investing in companies with more than 5% of sales from coal and oil (extraction, processing and refining, as well as energy production).

One company exceeds this limit, but we consider this company to be in transition

Kåpan acts responsibly by advocating wherever possible for positive change within environment, social factors and corporate governance within the investments.

- ▶ Voted at 157 general meetings
- ▶ Participated in 124 advocacy dialogues
- ▶ Participated on five advisory boards within alternative investments

## Insurance

### Strategy

### Outcome 2024

Kåpan shall have the lowest fee within PA16.

0.04% of insurance capital

Balance between the Society's commitments, assets and risk.

Solvency ratio 265% (246%)

Kåpan measures and monitors customer satisfaction regularly. Kåpan shall achieve a customer satisfaction score above 4.5 out of 5.

4.7 out of 5

Thrifty use of resources and consideration for the environment.

Reduced paper mailshots equivalent to 191 trees

## Organisation

### Strategy

### Outcome 2024

Kåpan shall be an equal opportunity employer.

Kåpan has gender equality throughout (board, management and employees)

Thrifty use of resources and consideration for the environment.

Green leases on the Society's premises (green electricity, waste sorting, cycle garage and charging points for electric vehicles)

Promote good business ethics.

All personnel attend training in business ethics annually

\* Green and social bonds are issued through established frameworks and are audited by an independent third party. These bonds finance projects with positive environmental and social impacts. Sustainable bonds have a focus on specific purposes, such as securing water supply. These bonds are often linked to organisations such as the World Bank and other international operators.

\*\* Under the EU SFDR, Article 8 funds promote sustainability, but do not have it as an overall goal. Article 9 funds have sustainability as their objective.



# Investment

## Responsible asset management

Kåpan's primary aim is to ensure a long-term stable pension for our members. Our investments are based on a strategy that aims to deliver a good return with balanced risk, low costs and sustainability well-integrated throughout the investment process.

To spread risks and maximise opportunities for long-term stable returns, Kåpan invests in different asset classes. Sustainability is integrated into the entire investment process and the Society works with sustainability in all asset classes but in different ways since the conditions are different. On the next page, we present our asset distribution and how our integrated sustainability approach works in practice, along with the results it has delivered in 2024.

### Distribution of assets

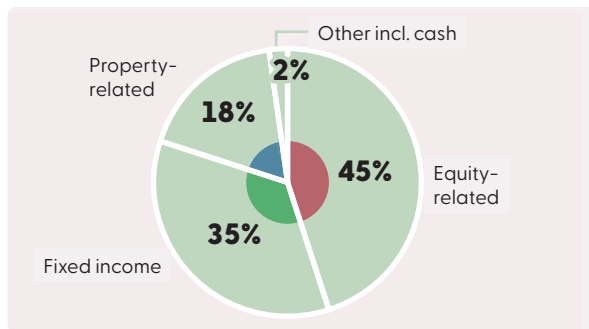
The Society's managed assets at year-end amounted to just over SEK 167 billion. Management is focused on investments in equities, fixed-income securities and property.

Investments in equities are primarily listed holdings, mainly managed in-house. A smaller part is invested in unlisted holdings in various types of venture capital funds.

Fixed-income securities are mainly Swedish bonds with a high level of security but also include a small number of foreign fixed-income instruments through various fixed-income funds.



## Distribution of Kåpan's assets at year-end



The Society's property-related investments comprise our wholly owned subsidiaries, Kåpan Fastigheter and Hemvist, as well as other unlisted holdings in commercial properties, forest and land as well as infrastructure investments through various funds. For more information about our subsidiaries, see [kapanfastigheter.se](https://kapanfastigheter.se) and [hemvistforvaltning.se](https://hemvistforvaltning.se)

According to the guidelines most recently adopted by the Board in May 2024, the classification of 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%.

## Process for sustainability work in investment operations

The Society's sustainability work is based on the sustainability policy and investment guidelines adopted by the Board of Directors, as well as on the laws and regulations with which the Society is obliged to comply. The starting point is that the Society's investments respect the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises. In addition, investment management is guided by the UN Sustainable Development Goals (Agenda 2030) and the UN principles for responsible investment (UN PRI). Sustainability is taken into account in investment management as an integral part of the investment process and, in order to achieve sustainable investment management, sustainability work is carried out based on the Society's sustainability process as described below.

## Norm-based screening

An important first step in the sustainability process is norm-based screening. This screening is designed to ensure that investments comply as far as possible with international guidelines and standards. This includes not violating the UN Global Compact or the OECD Guidelines for Multinational Enterprises in areas such as the environment, human rights, labour and anti-corruption. Checks are also made to ensure that the investments are not involved in the production or distribution of controversial weapons, in line with the Ottawa Convention.

Norm-based screening is mainly carried out for listed holdings in equities and bonds, where reliable, systematic data is available. For these holdings, screening takes place four times a year, as well as when new investments are made and if a special need arises.

It is more difficult to carry out the same type of screening for the Society's unlisted holdings, as the information on the holdings of these funds is not public. Sustainability is already included at the preliminary stage of each investment, however, and the Society strives to ensure that these investments are not in breach of norms, based on the information available.

The Society uses ISS ESG as an external supplier for norm-based screening and screening for controversial weapons, a partner in advocacy dialogues and for proxy voting.

## Action in the event of a breach of norms

If a company is found to be in breach of international norms, such as the UN Global Compact and the OECD guidelines, the Society has a clear process for addressing this (escalation mechanism).

- **Divestment of smaller holdings:** If the company represents a small part of our portfolio and its impact on overall risk is insignificant, we elect to divest the holding.
- **Advocacy dialogue for larger holdings:** Where we have larger investments and the opportunity to influence the company, we initially elect to remain as an investor and engage in active dialogue with the aim of achieving improvement.

## Kåpan's process for sustainability work in investment operations



The progress and results of these dialogues are followed up quarterly in the Society's Sustainability Committee. If the breach of norms relates to a shareholding, we attend the general meeting and exercise our voting rights. If the advocacy work does not lead to the desired improvements, the holding is divested.

This can be a long process, in some cases spanning a number of years.

In exceptional cases, the Society can retain a holding even if the advocacy work does not result in improvement. Such an exemption requires:

- A broad analysis from several independent norm-auditing suppliers showing that the company is not in breach of norms.
- The holding to be considered strategically important in the Society's portfolio.

### Outcome 2024

At the screening of the holdings at the end of December 2024, there were three companies in the listed equities portfolio which, according to the ISS ESG analysis, were assessed as breaching international norms, one of which was additional in 2024. The companies are on the Society's watch list and are regularly monitored at the Society's Sustainability Committee meetings.

- Starbucks – for labour law reasons in the USA
- Amazon – primarily due to corruption in Italy, but the company also has a number of suspected labour law cases in several countries that go back several years
- Alphabet – abuse of dominant market position.

#### You can read more about the principles and conventions here:

- ▶ OECD Guidelines for Multinational Enterprises
- ▶ UN Global Compact
- ▶ UN PRI
- ▶ Agenda 2030
- ▶ Ottawa Convention
- ▶ Paris Agreement

## Positive selection – screening

Kåpan strives to invest in companies and funds that have a high sustainability profile or which can show an ambitious aim to work towards a sustainable transition. Depending on the type of asset class concerned, the Society has different strategies and tools for achieving this. For listed companies, we use positive screening where we primarily screen our equity holdings. The Society uses the ESG Ratings (sustainability rating) method from analyst MSCI. This method aims to measure a company's resilience to long-term economically relevant sustainability risks and opportunities by ranking and assessing companies in the same sector based on a number of sustainability criteria. On the environment side, there are underlying considerations within, for example, climate change, carbon dioxide emissions, water stress, toxic emissions, and waste. In the social category, assessments are made in areas such as labour management, health and safety, product safety and quality. Within corporate governance, the board composition, remuneration, ownership structure, reporting and business ethics are analysed and assessed.

We prioritise investments in companies that actively manage sustainability risks and opportunities and thus achieve a high sustainability rating compared with other companies in the same sector. At the same time, we avoid investing in companies with the lowest sustainability ratings. The Society aims to achieve a weighted average sustainability rating for investments in listed equities in line with the selected benchmark index, the MSCI All Countries World Index ESG Universal (MSCI ACWI ESG Universal).

For unlisted investments that do not have a sustainability rating, a positive selection is made in the investment process based on other factors such as sustainability labelling, an increased mandate to invest in green and social bonds, significant investments in renewable energy, a significant holding of forest and land (primarily certified Swedish forestry).

### Outcome 2024

- The ESG rating of listed equities is 7.3, which is the same as the index.
- The share of sustainable bonds is 19% (15%) of the bond portfolio, and 16% (13%) of these are green bonds.
- All external funds (listed equities, infrastructure and private equity) in which the Society has invested in 2024 are Article 8 or 9 funds.



## Shareholder engagement

The Society invests in a wide range of businesses to ensure a diversified portfolio and thereby reduce overall risk. This spread means the Society owns shares in a large number of companies, with varying degrees of ownership and influence. In some companies, we are one of a few large shareholders with significant influence, while in most cases we are a smaller investor with limited influence and decision-making power. Regardless of the share of ownership, a central part of the Society's sustainability work is to take our responsibility as a capital owner and help steer companies in a more sustainable direction, wherever possible and reasonable.

The Society's shareholder engagement and advocacy work are adapted to the nature of the investment and our share of ownership. This work includes dialogue with companies, voting at annual general meetings, participation in nomination committees, board assignments and participation on advisory boards. We strengthened our ownership influence during the year by signing a portfolio monitoring agreement.

### Advocacy dialogues

Advocacy dialogues are carried out in different ways. They can take the form of direct dialogues which the Society initiates itself, but most of the advocacy dialogues take place in collaboration with other investors via ISS ESG. These dialogues are mostly reactive and initiated by suspicion of or verified failure to respect the international norms such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises. The aim of these dialogues is to ensure that companies remedy the defects and take action to prevent similar incidents occurring again.

### Annual meetings

In accordance with the Society's ownership policy, the Society shall vote at the general meetings of companies in which ownership exceeds 0.1% of the votes in the company or if important matters of principle are to be addressed at the general meeting. The Society generally participates in considerably more general meetings and in recent years has voted at companies in the Swedish equities portfolio and at just over 60 per cent of the market value of the listed directly owned global equities portfolio. In most cases voting is by proxy using ISS ESG's service. During the 2024 AGM season, in addition to ISS ESG, we have enlisted the help of an extended analysis from ISS Nordic Investor Services, which further deepens its analyses and voting recommendations from a Swedish corporate governance perspective. We continue to make our own judgements and to decide on how the Society elects to vote.

### Portfolio monitoring

In order to strengthen our ownership influence in our listed directly owned companies in the USA, where the opportunity to influence through advocacy dialogue and

proxy voting is limited, we signed a portfolio monitoring agreement during the year.

In the USA, there are several legal options for shareholders to act in the event of misconduct or a crime being committed by a company. In some cases, this can result in legal proceedings, such as class actions, which can end in a settlement and compensation to shareholders. Settlements may also involve, for example, changes to the company's board or governance documents.

As owners, we have a responsibility to look after the interests of our members. For this reason, the Society has engaged two law firms to monitor the behaviour of our companies and handle any legal proceedings. This service does not involve any ongoing cost for us; in the event of a settlement, the law firm responsible will receive compensation in the form of fees.

### Other

The Society is a minor owner in the majority of companies, which means that participation in boards and nomination committees is restricted to a few companies where Kåpan has a larger shareholding. In some of the Society's unlisted investments within venture capital and property, we take key owner responsibility by participating in the funds' advisory boards. We work on these boards with knowledge support and as an advisory discussion partner for issues related to the funds' operations. In the event of conflicts of interest, the advisory board is required to make a decision through a voting procedure.

### Outcome 2024

**Kåpan's advocacy dialogues.** During 2024, the Society held advocacy dialogues with 124 companies in cooperation with other investors. At some companies, dialogues were held about several norm-related incidents and 189 incidents were raised with these companies.

The response rate to the dialogues has been very high at around 71% and the quality of most of them has been acceptable or better. Moreover, 5.8% of dialogues are considered to have been of excellent quality, which is a clear improvement on last year's 1%. The dialogues held on human rights and labour law have focused mainly on the rights of indigenous peoples, living standards, forced labour and safe, sustainable working environments. The dialogues held in relation to the environment have mainly focused on companies' management of environmental impacts, emissions and climate change.

**Kåpan's voting.** The Society voted at 53 general meetings in the Swedish equities portfolio, representing just over 98% of the portfolio's market value. In the global directly owned equities portfolio, the Society voted at 93 general meetings, representing approximately 60% of the portfolio's market value. The Society chose to vote exclusively by electronic proxy using ISS ESG's platform for proxy voting. During the 2024 AGM season, the Society voted in accordance with ISS's recommendations on most agenda items.

For a more in-depth description of the Society's shareholder engagement, see the report Aktieägareengagemang 2024 (Shareholder Engagement 2024) on [kapan.se](https://www.kapan.se)

## Exclusion

To reduce the financial risk in our investments and to minimise the impact of our investments on the world around us, the Society has chosen not to invest in certain activities. The starting point is to avoid investing in companies that breach international norms (see page 5). We have also chosen to apply further exclusion criteria in asset management.

Kåpan's exclusion criteria include:

- Companies that breach international norms
- Companies involved in the manufacture or distribution of controversial weapons
- Coal and oil, companies where more than 5% of sales come from extraction, energy production, processing and refining of coal and oil<sup>2</sup>
- Tobacco, companies where more than 5% of sales come from production or distribution of tobacco
- Companies with the lowest sustainability rating in their sector (MSCI ESG – CCC rating)
- Government bonds issued by states that have not adopted basic democratic principles.

Opportunities to apply exclusion criteria vary across asset classes. We regularly screen the listed holdings in equities and bonds according to the same procedure and methodology described in the norm-based screening section. We screen the holdings four times a year, as well as when new investments are made and as otherwise necessary.

If a company breaches the exclusion criteria and there is opportunity to influence the company in a positive direction, the Society elects to retain the holding, but otherwise we elect to divest the company as soon as possible. Companies in which we continue to be invested are put on a watch list and developments are monitored quarterly at the Society's Sustainability Committee meetings. We have a process in place that specifies how we act and what steps we take to exert influence, as well as how we act if the company fails to improve. These are often lengthy processes, which in some cases can span several years.

## Outcome 2024

At the screening of the holdings at the end of December 2024, there were, as previously mentioned, three companies in the listed equities portfolio which were assessed as breaching international norms. There is also one company that exceeds the limit for sales from oil. The Society believes that the company is in transition as it is increasing its production of biofuels. Before the Society introduced tobacco exclusion criteria, we were invested in Swedish Match (now acquired by Philip Morris). We have one corporate bond remaining in the portfolio, which we will sell in 2025.

- Shareholding – Neste Oy 43% sales from oil production
- A bond holding in Swedish Match

The Society has a small number of unlisted private equity funds that we invested in before we introduced exclusion criteria. We cannot guarantee that the sustainability criteria are met in these funds.

## Sustainability process for unlisted holdings

Alongside investments in listed holdings, the Society also invests capital in unlisted equities through various types of venture capital funds and global fixed-income funds. In the property sector, the Society invests primarily in unlisted companies with commercial properties, forest and land, and infrastructure through various funds.

As the companies involved in these investments are private, access to information and sustainability data is often limited. To ensure, as far as possible, that investments comply with the Society's sustainability criteria, sustainability is already included at the preliminary stage of each investment. The aim is to identify the sustainability strategy of the funds, their ambitions, work and focus on these issues.

We would like sustainability to be a central part of the fund managers' strategy and for them to have a long-term perspective on these issues. Another important aspect of the evaluation is that fund managers are actively working to raise the companies' awareness of the importance of collecting and reporting relevant sustainability data. This helps to increase transparency and enables more comprehensive sustainability reporting.

We continuously monitor how the funds are developing their sustainability work and what responsibility they take for these issues. During the year, the Society worked to find a structured solution for collecting and monitoring sustainability data and we expect to be able to begin reporting in 2025.

<sup>2</sup> With reservation for companies that we assess to be companies in transition. The assessment of which companies are in transition can be updated based on the companies' climate work and actions.

## Kåpan's shareholder engagement 2024

### Advocacy dialogues

Number of companies

**124**

Number of incidents

**189**

### Owner governance

Number of annual meetings voted at

**157**

Board assignments (no listed companies)

**5**

Advisory boards

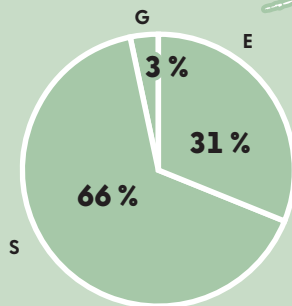
**5**

Nomination committees

**0**

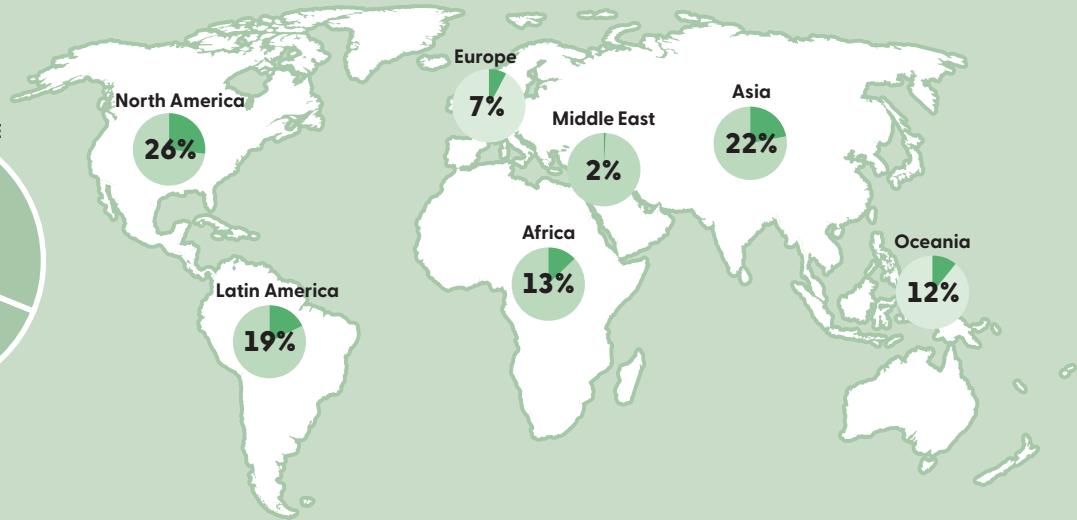
## Advocacy dialogues

Norm-based incidents, %



E – environment  
S – social issues  
G – corporate governance

### Geographic distribution



## Society's proxy voting 2024

### Summary

Number of general meetings*	157
Share of direct-owned holdings' market value	75%
Number of agenda items	3,605
Share of votes for boards' proposals	91%
Share of votes against boards' proposals	9%
Number of shareholder proposals	253
Number of votes against ISS Sustainability policy**	82

### Geographic distribution of general meetings

Country	Share
USA	47%
Sweden	31%
Europe	17%
Canada	3%
Asia	1%
Other	1%
	<b>100%</b>

\* Annual and extraordinary general meetings.

\*\* Equivalent to 3% of all votes.

## Votes against ISS Sustainability policy

### Votes against ISS Sustainability policy

Issue	Number
Remuneration	3
Dependency	16
Gender distribution	4
Over-representation	3
Different voting shares	1
Overlapping issues (of the above)	55
<b>Total*</b>	<b>82</b>

\* 52 of these votes relate to the recommendation from ISS Nordic Investor Services

## Other advocacy work, initiatives and collaborations

To promote knowledge exchange and develop our sustainability work, as well as to strengthen our influence in companies through collaboration with other investors, the Society is involved in several organisations and collaborations within sustainability.

### UN Principles for Responsible Investment, UN PRI

Since 2020, Kåpan has been a signatory to the UN Principles for Responsible Investment (UN PRI). This means that we commit to integrating the six principles into our operations and report annually the results of this work using a method and template set by UN PRI. As signatories we can also encourage our portfolio companies and fund managers to improve their own performance within responsible investments.

Read more about UN PRI at [unpri.org](https://unpri.org)



### SPRING

Kåpan supports the UN PRI stewardship initiative SPRING, which aims to contribute to the global goal of halting and reversing biodiversity loss by 2030. The aim is, through engagement with industry organisations and advocacy dialogues with influential companies and voices, to encourage these to change and adapt in order to maintain biodiversity while also operating sustainable businesses that safeguard the environment and human rights.

Read more about SPRING at [unpri.org](https://unpri.org)



### Task Force on Climate-related Financial Disclosures, TCFD

Kåpan supports the TCFD initiative. TCFD is a set of recommendations to companies and investors for how operational climate-related financial risks and opportunities should be reported.

Read more at [tcf.org](https://tcf.org)



### Sweden's Sustainable Investment Forum, SWESIF

An independent, not-for-profit network for organisations that work with sustainable investments in Sweden. Through membership of Swesif we learn more and monitor developments with sustainability work in the sector as well as becoming involved in lobbying centred on sustainability issues.

Read more at [swesif.org](https://swesif.org)



### The Occupational Pension Fund Association

Kåpan is a member of the Occupational Pension Fund Association and also participates as an expert when new regulations for the pension system are being developed, for example by participating in studies or responding to consultations. This means that members' interests are also taken into account at higher levels.

### Global Investor Statement on the Climate Crisis – The Investor Agenda

Kåpan is a signatory to the 2024 Global Investor Statement on the Climate Crisis, which aims to unite the voices of the investment and financial sectors and call on governments to increase their climate ambitions to achieve the goal of limiting the global temperature rise to 1.5°C. The Investor Statement is supported by the founding partners of The Investor Agenda – AIGCC, CDP, Ceres, IGCC, IIGCC, PRI and UNEP FI.

Read more about the Global Investor Statement at [theinvestoragenda.org](https://theinvestoragenda.org)



# The climate impact of investments

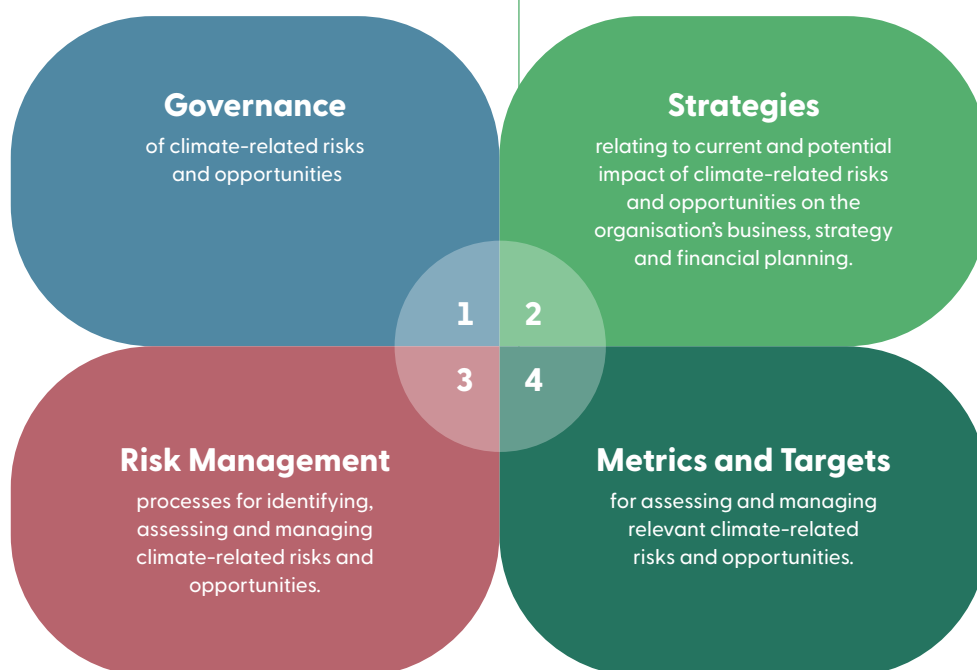
We support the climate goals of the Paris Agreement to limit global warming and the Society has set a long-term objective that the carbon footprint from our measurable investments shall be net zero by 2045 at the latest. In order to ensure that we achieve this and provide transparent reporting of development, we have set targets for our climate work. The carbon footprint shall decrease by at least 20 percentage points in each five-year period from 2016.

To achieve our climate targets, we are pursuing several strategies in our investment operations. In our directly owned companies, we seek to invest, to the greatest possible extent, in companies that are actively reducing their carbon footprint.

In recent years, we have increased the proportion of green bonds in the fixed-income portfolio. These bonds enable the financing of specific projects that have a clear environmental and climate focus, such as renewable energy, energy efficiency and sustainable infrastructure. Within alternative investments, we have long had significant holdings of forest and land, and we have gradually increased our investments within renewable energy.

## Reporting of climate-related risks and opportunities

For several years, Kåpan has integrated the work of identifying, assessing, and managing climate-related risks and opportunities in its investment management and has reported regularly on this work. Kåpan supports the Task Force on Climate-related Financial Disclosures (TCFD) framework and has adapted reporting of our work with climate-related risks and opportunities to meet the recommendations in the framework. TCFD's recommendations focus on the financial impacts that climate-related risks and opportunities can have on our investments. Kåpan's intention with this reporting is to improve our knowledge, management and reporting of climate-related risks and opportunities and therefore also offer greater transparency to our stakeholders.





## Reporting in accordance with TCFD

In accordance with TCFD's recommendations, Kåpan reports climate-related risks and opportunities in the following four categories:

- 1. Governance** of climate-related risks and opportunities.
- 2. Strategies** related to current and potential impact of climate-related risks and opportunities on the organisation's business, strategy, and financial planning.
- 3. Risk Management** – processes for identifying, assessing, and managing climate-related risks and opportunities.
- 4. Metrics and Targets** for assessing and managing relevant climate-related risks and opportunities.

### 1. Governance

Kåpan's Board has ultimate responsibility for Kåpan's operations where sustainability work forms an integrated part. The Board annually reviews and adopts Kåpan's sustainability policy, as well as investment guidelines which are the overall governance documents for Kåpan's sustainability work. The governance documents describe, among other things, the Society's strategy and objectives within sustainability, where management of climate-related risks, opportunities and goals form a key part. The President is responsible for operational implementation of the strategic plan and the targets set by the Board. The Head of Sustainability has a delegated responsibility for the development of sustainability initiatives in the Society and all employees are responsible for sustainability work being carried out in accordance with the Society's governance documents as an integrated part of day-to-day operations.

The Board reviews and evaluates the annual Own Risk and Solvency Assessment (ORSA), which contains an assessment of all significant risks in the Society's operations. The risk assessment also includes climate-related risks, analysing the impact of various climate risk scenarios on the Society's returns. In addition to this, the board receives an annual review of the Society's climate work along with an evaluation of the results in relation to the set climate targets.

### 2. Strategy

Climate-related risks may have a significant impact on the Society's investment operations, above all transition risks which involve the risk of economic losses due to an inadequate ability to adapt operations to the new conditions relating to climate change. The principal transition risk is the risk of substantially increased costs for carbon dioxide emissions. In addition, there is the risk of not meeting the extensive new sustainability requirements and the regulatory risk, reputational risk and business risk this would entail. Operations which have well-planned and targeted work for managing climate-related risks, however, are well placed to strengthen their competitiveness, profits and profitability.

The Society's strategy for managing these climate-related risks and opportunities is mainly based on the following activities:

- To reduce or refrain from investing in industries or companies where Kåpan's assessment is that the transition risk is high and where there is a low probability that the industry or companies will change their business models in a sustainable direction (Kåpan has focused primarily on coal and oil).
- All listed companies' greenhouse gas emissions are measured and reported. Kåpan has started work on monitoring and measuring the emissions of its unlisted holdings and expects to begin collecting and reporting these in 2025.
- For listed holdings, a positive selection is made on the basis of a risk-based sustainability rating. Wherever possible, we choose companies with high sustainability ratings and reject those with the lowest ratings within each sector. Kåpan uses the ESG Ratings (sustainability rating) method from analyst MSCI. The method measures a company's resilience to financial, economically relevant sustainability risks, where climate risks are included in the sustainability risks measured. The factors measured are environment and climate-related risks (E), social risks (S) and corporate governance risks (G).
- As far as possible, investments that contribute to reduced climate-related risks and a sustainable society are prioritised. This is done primarily through investments in green bonds and in the Society's alternative investments within renewable energy as well as sustainably managed properties and forests.
- Conducting advocacy where the Society judges that we, together with other investors, can contribute to a company taking necessary measures to transition their operations to reduce emissions of carbon dioxide and thereby reduce the climate-related risks.

The resilience of the Society's strategy has been followed up for a number of years with the aid of an assessment that estimates the financial impact on the portfolio of various climate-related scenarios (these assessments are described in the Society's sustainability reports from 2019 onwards). Taken overall, these assessments have shown that Kåpan's portfolio is mainly affected by transition risks through a sharp increase in costs of carbon dioxide emissions, for example in the event of a sharp increase in carbon dioxide tax. The impact on the Society's portfolio has been lower than for our benchmark index, which is a consequence of our strategy that includes lower carbon dioxide emissions and exposure to climate-related risks. Assessment of physical risks linked to climate change has over the years been assessed as having a relatively small financial impact on the portfolio, which is largely due to the geographical spread of the Society's investments.



### 3. Risk Management

Kåpan's risk management is based on the Society's risk management system, which includes risk strategy, risk framework and processes for risk management. Climate-related risks are included in sustainability-related risks and are part of Kåpan's risk framework. The purpose of the Society's risk management process is to identify, measure and control the material risks.

Kåpan's process for identifying, assessing, and managing climate-related risks is integrated with the Society's process for sustainability work in investment operations. Management of climate-related risks mainly takes place through the activities described in the strategy section.

Kåpan conducts an annual analysis of the financial impact that the climate-related risks and opportunities from investments involve on the basis of climate risk scenarios. The result from this analysis is part of the evaluation of our strategy for the management of climate-related risks and can help to further develop and improve our strategy and management.

### 4. Targets and Metrics

To assess and manage relevant climate-related risks and opportunities, the Society has set short- and long-term climate targets. The overall target is for the carbon footprint of the measurable investments to be net zero, which means that the total emissions from the investments made by the Society must be reduced or fully offset. The Society's targets are based on the calculation methods and data currently available. Our ambition and target is for all emissions from our investments to eventually be included in our calculations and targets.

#### TARGETS

##### ● Climate targets

**Short-term:** Carbon footprint for the measurable investments to decrease by at least 20 percentage points on average over every five-year period from 2016.

**Long-term:** The measurable investments' greenhouse gas emissions to be net zero by 2045 at the latest.

##### ● Scope of climate reporting

Since 2016, we have been reporting the carbon footprint of the listed equities portfolio. Starting in 2021, we complemented this reporting with the listed fixed-income portfolio's emissions and since 2022 we also report the emissions of Kåpan Fastigheter.

The Society reports greenhouse gas emissions, expressed as carbon footprint, where the gases are recalculated to carbon dioxide equivalents (CO<sub>2</sub>e). Kåpan reports the companies' direct emissions (scope 1) and indirect emissions (scope 2). To achieve a comprehensive analysis of a company's climate impact, it is also important to measure all indirect emissions that arise in the value chain (scope 3). There is not yet any comprehensive and reliable data for these emissions, so we report them separately for the time being.

The calculations are based on the Greenhouse Gas Protocol (GHG Protocol), which is a standard for measuring and reporting greenhouse gas emissions. There are some limitations with this standard, one example being that the emissions calculated and reported provide a snapshot of the companies' emissions at the time of measurement.

The measurement date for the calculations in this report is 31 December 2024 and the analysis covers 74% of the Society's total assets.

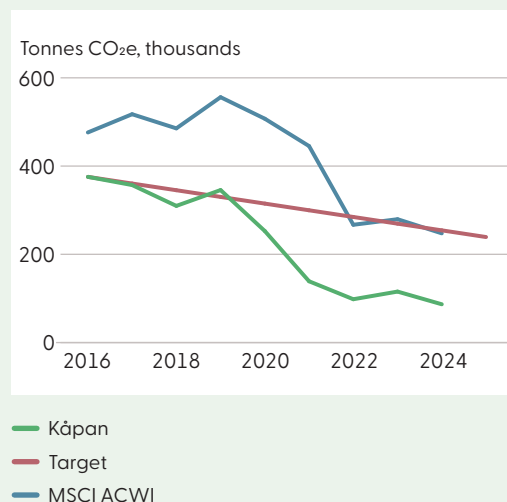
#### OUTCOME

During the year, the Society continued to develop the management model in order to reduce the investments' carbon dioxide emissions. Within the directly owned companies, we invest where possible in companies that work to reduce their carbon footprint. It is also important to invest in companies that work with solutions and technologies to reduce the global carbon footprint over time. During the year, the Society sold its funds in emerging markets, which has helped to lower the carbon footprint of the equities portfolio.

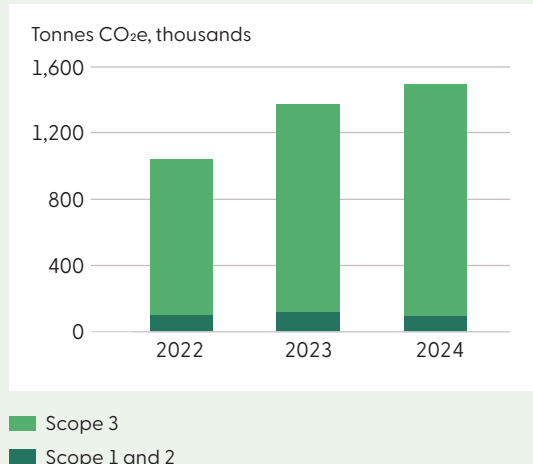
During the year, the market value of the **listed equities portfolio** increased by just over 10%, while the absolute carbon footprint, measured in tonnes of CO<sub>2</sub>e, decreased by 24% compared with the previous year. The carbon footprint is 60% lower than the portfolio's benchmark index (MSCI ACWI). The companies in the portfolio have become more carbon efficient, in line with the Society's objective. The portfolio-weighted average carbon dioxide intensity has decreased by 20% over the year and is now 66% lower than the index.

In the listed **fixed-income portfolio**, a small number of bonds account for most of the total carbon footprint. During the year, we sold a bond in SSAB, which was the portfolio's most carbon-intensive holding, accounting for over 50% of emissions. The absolute carbon footprint of

Carbon emissions of equities portfolio



### Estimated indirect emissions of equities portfolio



the portfolio, measured in tonnes of CO<sub>2</sub>e, has decreased by 63% compared with the previous year. At the same time, the portfolio-weighted average carbon dioxide intensity has fallen by 33%.

The carbon footprint of the fixed-income portfolio is considerably lower than its benchmark index, mainly because SSAB is included in the index but no longer in the portfolio.

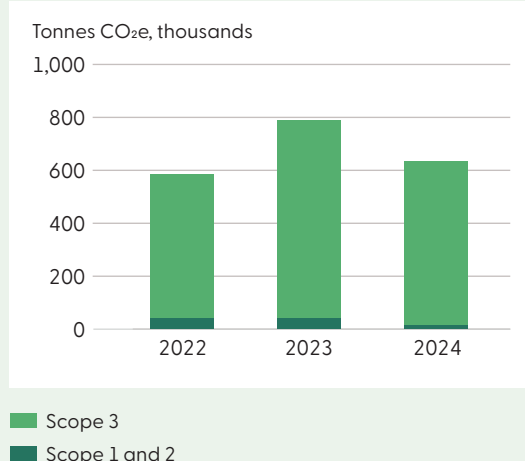
We have chosen not to report the carbon footprint of the index in the fixed-income portfolio. The reason for this is that the coverage ratio for climate data in our index is relatively low, below 65%, and we follow Insurance Sweden's recommendation not to publish emissions data when the coverage ratio is below this level.

The summary of the electricity consumption and emissions of **Kåpan Fastigheter** includes 59 out of 61 properties. Only properties that have been held for the entire year are included and new production is not included. The calculations are based on those areas where Kåpan Fastigheter is responsible for purchasing and therefore the area included in the calculation varies across years and items. At the end of 2024, we acquired the property company Hemvist, which is now a wholly owned subsidiary of Kåpan. We will report emissions data for Hemvist from 2025 onwards.

#### ● Estimation of listed holdings' indirect emissions

To obtain a comprehensive picture of a company's climate impact, it is vital to include all indirect emissions in the value chain (scope 3). There is currently no comprehensive and reliable data for these emissions, but in order to provide an indication of how scope 3 relates to the emissions we measure and report today, we report these based on estimated data for the time being.

### Estimated indirect emissions of fixed-income portfolio



### Outcome climate risk analysis

Asset class	Return climate scenario
Bonds	-7.6%
Credits	-5.8%
Equities	-13.3%
Properties	1.2%
Other (forest, infrastructure and private equity)	-14.3%
<b>Portfolio return total</b>	<b>-9.1%</b>

#### ● Outcome climate risk analysis

The table above shows the result from an analysis that estimates the economic impact on Kåpan's portfolio of a climate risk scenario which is compiled by the European Insurance and Occupational Pensions Authority (EIOPA) and based on the climate transition scenario NGFS<sup>3</sup> "delayed transition scenario". In this climate risk scenario, it is assumed that no reduction in carbon dioxide emissions takes place until 2030 but that strong political measures are then implemented which then lead to lower carbon dioxide emissions and that global warming is limited to 1.8° Celsius within the century. This means that substantial transition risks are realised at the beginning of the 2030s, primarily through a sharp increase in the price of carbon dioxide globally which in turn affects valuations of companies depending on type of business or sector, while physical climate risks are assessed as relatively low. The analysis takes into account the impact on all types of investments and

3 NGFS = Network for Greening the Financial System.

TCFD divides climate-related risks and opportunities into the following categories:

**Transition risks:** Negative financial impact on a company or operations due to the transition of society towards lower carbon dioxide emissions. This can, for example, lead to stricter environmental legislation, new technology that replaces products, or consumers changing their preferences and making more environmentally aware choices.

**Physical risks:** Negative financial impact due to direct damage. This might relate to an acute physical risk such as forest fires or extreme weather, or to chronic physical risks such as higher sea levels or increased temperatures.

**Climate-related opportunities:** When society transitions to counteract climate change, climate-related opportunities also arise, which can have a positive financial impact on companies and operations.

**Climate-related non-financial risks:** The negative impact and consequences for the outside world that can be caused by an investment.

the assumed increase in the price of carbon dioxide is derived from climate scenarios from the UN climate panel (IPCC). Investments in equities and credits are exposed in the scenario to a sector-based decline in value due to dependence on fossil fuels at the same time as energy prices increase sharply and market interest rates rise due to increased inflationary pressure from the investment requirement that follows the climate transition. Valuations of properties are only marginally affected in the scenario since this is a tangible asset where increased rental income can compensate for rising market interest rates.

The result for the year is calculated on the portfolio on 31 December 2024. The financial impact on Kåpan's portfolio is relatively limited and indicates that the Society's strategy has good resilience in relation to different climate-related scenarios. The calculated loss on the total portfolio return in this climate-risk scenario amounts to 9.1% which is marginally higher than the previous year's calculation (8.8%).

**The GHG Protocol** (Greenhouse Gas Protocol Corporate Standard) is the most common reporting standard for calculating greenhouse gas emissions. The GHG Protocol covers seven greenhouse gases: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>).

**Carbon dioxide equivalents** (CO<sub>2</sub>e) is a metric that enables the measurement of different greenhouse gases in the same way. Expressing the emission of a given greenhouse gas in CO<sub>2</sub>e states the quantity of carbon dioxide that would be needed to have the same climate impact.

Data includes:

- ▶ **Scope 1:** a company's direct emissions.
- ▶ **Scope 2:** a company's indirect emissions from use of electricity, heating or steam.
- ▶ **Scope 3:** other indirect emissions that occur upstream and downstream in the value chain at the reporting company.

## Kåpan's carbon footprint 2024

Listed equities, scope 1 and 2	2024	2023	2022	2021	2020
<b>1. Total carbon dioxide emissions</b> (tonnes CO <sub>2</sub> e) (based on EVIC)*	90,800	119,800	102,300	143,300	258,000
<b>2. Relative carbon dioxide emissions</b> (tonnes CO <sub>2</sub> e/market value in SEKm) (based on EVIC)	1.4	2.1	2.1	2.7	6.1
<b>3. Weighted average carbon dioxide intensity</b> (tonnes CO <sub>2</sub> e/SEKm in sales)	3.5	4.4	5.4	5.8	10.1
Reported CO <sub>2</sub> e data, share of market value (%)	99%	99%	89%	91%	85%

\* EVIC stands for Enterprise Value Including Cash and is used to make comparisons within a portfolio containing both equity and fixed income assets.

Source: MSCI Carbon Footprint Report.

Kåpan's listed fixed-income portfolio, scope 1 and 2	2024	2023	2022	2021
<b>1. Total carbon dioxide emissions</b> (tonnes CO <sub>2</sub> e) (based on EVIC)*	15,800	41,900	42,700	45,900
<b>2. Relative carbon dioxide emissions</b> (tonnes CO <sub>2</sub> e/market value in SEKm) (based on EVIC)	0.2	0.9	1.0	0.9
<b>3. Weighted average carbon dioxide intensity</b> (tonnes CO <sub>2</sub> e/SEKm in sales)	0.6	0.9	1.5	2.0
Reported CO <sub>2</sub> e data, share of market value (%)	84%			

Source: MSCI Carbon Footprint Report. The Society has changed the supplier for calculating the carbon footprint of the fixed-income portfolio. In this year's report, the emissions for previous years have been recalculated using climate data from MSCI.

Kåpan Fastigheter	2024	2023	2022
Consumption purchased district heating (MWh)	48,594	49,028	51,059
Consumption purchased electricity (MWh)	46,103	45,577	46,459
Emissions from district heating (tonnes CO <sub>2</sub> e)	2,665	3,166	3,307
Emissions from purchased electricity (tonnes CO <sub>2</sub> e)	0	0	0
<b>Per m<sup>2</sup> heated space</b>			
Consumption purchased district heating (KWh/m <sup>2</sup> )	80	82	76
Consumption purchased electricity (KWh/m <sup>2</sup> )	72	71	69
Emissions from district heating (kg CO <sub>2</sub> e/m <sup>2</sup> )	4.0	4.8	4.9
Emissions from purchased electricity kg CO <sub>2</sub> e/m <sup>2</sup> )	0	0	0

Source: Kåpan Fastigheter

1. Total carbon dioxide emissions show our investments' emissions in tonnes CO<sub>2</sub>e based on our owned share of the companies' emissions.
2. Total carbon dioxide emissions in relation to the portfolio's market value.
3. Portfolio-weighted average carbon dioxide intensity, shows the portfolio's exposure to carbon-dioxide intensive companies, expressed as the company's carbon dioxide emissions in relation to its sales, weighted based on the company's share of the portfolio.



# Examples of our sustainability initiatives

Kåpan works continuously to improve our sustainability initiatives. We want our members and other stakeholders to be able to follow and keep up to date about the work we are doing within sustainability. In this section, we provide examples of some sustainability aspects within our investments.

## Copenhagen Infrastructure Partners

In 2024, Kåpan has increased its investments within infrastructure, with a focus on contributing to the transition from fossil fuels to renewable energy, which is vital for achieving the climate goals of the Paris Agreement. One example of this is the Society's investment in Copenhagen Infrastructure Partners (CIP), a world leader in the development and construction of renewable energy such as solar and wind power. The Copenhagen Infrastructure Partners V (CI V) fund fulfils the requirements of Article 9 of the SFDR, which means that the fund is managed with clearly stated sustainability objectives alongside financial return objectives.

One of the projects in CI V is Panther Grove, which involves the development of a wind farm in the State of Illinois (USA). Once completed, the wind farm will be one of the largest in North America, producing 3,100 GWh, equivalent to 2–3% of the electricity consumption of Illinois. The wind farm will be completed in 2026 and supply electricity to around 125,000 households and will reduce carbon emissions by 395 billion tonnes (scope 1 and 2).

As well as reducing carbon emissions, the project will create over 300 jobs during construction and then more than 35 full-time jobs for ongoing operations. The Panther Grove project also helps provide the conditions for a large domestic supply chain and labour market that can support the expansion of renewable energy throughout the USA. Reducing the need to import wind farm components also has positive environmental effects.

CIP's focus on reducing carbon emissions not only includes the renewable energy that replaces fossil energy, but also reducing emissions throughout the value chain. Between 50% and 90% of all emissions from a wind farm come from the steel and concrete required for its construction, and CIP actively works to use materials with the lowest possible carbon footprint by setting high standards for all suppliers. Electric vehicles and boats, as well as fossil-free steel, are examples of possible measures used to make wind farms as climate-friendly as possible.

Source: Copenhagen Infrastructure Partners.



Photo: CIP, one of Panther Grove's wind turbine foundations.



# Insurance

## Sustainable traditional insurance

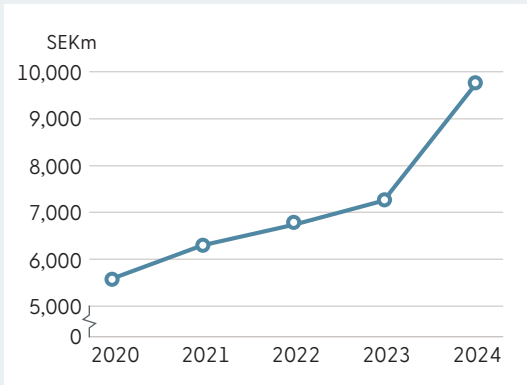
Kåpan is a default alternative and we are therefore particularly careful to guarantee confidence and security for our members who did not make an active choice themselves. In our work to provide sustainable insurance, prioritised areas include low charges, satisfied members and low environmental impact when contacting our members.

Kåpan works solely in the government agreement area and does not offer insurances in other agreement areas. Nor does the Society offer any unit-linked insurance. Our strategic focus means that we do not put resources into marketing. We do this to keep costs down and reduce our environmental impact. We also minimise our resource requirements by refraining from collaboration with various types of insurance brokers in the distribution of insurances. The Society does not, therefore, pay any commission or other form of sales incentives to external operators.

The Society engages the National Government Employee Pensions Board (SPV) in Sundsvall to administer parts of the insurance administration operations. This assignment includes maintenance of the Society's insurance administration system, processing and customer service. To satisfy the regulatory requirements that the Society must follow as an occupational pension society, we have created our own management and procurement organisation in relation to SPV.



### Paid-in premiums



The sharp rise in premiums in 2024 is due to the parties having renegotiated the PA 16 pension agreement. The renegotiation meant that those government employees born before 1988 will also receive payments into Kåpan Flex from January 2024.

### Secure insurance

The Society's principal business is the compulsory and default components of occupational pensions in the government collective agreement area. Members who do not make an active choice of pension manager within the agreement area have their premiums paid into Kåpan. During the year, paid-in premiums totalled SEK 9,617m. Kåpan's traditional insurance is designed to suit those who do not want to make an active choice or put time and effort into their pension savings. The aim of the design of the insurances is to give members a return that reflects the risk assessed as reasonable in relation to the long-term stability that is expected from a traditional pension insurance. Kåpan has a high proportion of members who have not made an active choice of occupational pension manager and who probably also have limited interest in pension management. For the component of pension premiums where there is a choice, the Society receives the bulk of premiums and the proportion has risen in recent years. Kåpan therefore has a responsibility for the design of the guarantees and obligations found in the insurance terms and conditions. Saving in traditional insurance is a trade-off between the security provided by the commitments made by the Society in every insurance and the possibility of taking a risk in investments that can provide a higher anticipated return.

### Guaranteed interest and protection of paid-in capital

Each insurance premium has a premium guarantee in the form of interest on the paid-in premium until it is paid out as a pension. The interest applies unchanged for each individual premium paid in. Since 1992, the Society has received premiums on which it has paid guaranteed interest. The return on the Society's investments must over time exceed the guaranteed level in order to be sustainable in the long term.

In recent years, investment management has achieved a significant surplus which provides a buffer for the future. This buffer can be calculated in different ways but the method currently used in Sweden, and by the Society, is based on guidelines decided by the Swedish Financial Supervisory Authority. The value of the Society's outstanding obligations at year-end 2024 amounted to SEK 62 billion, which can be compared with the Society's total assets of just over SEK 167 billion. The Society's solvency ratio at year-end was 265%, which exceeds the statutory level of 104% by a wide margin.

### Low charges

We work actively to make our operations more efficient. Our costs as a percentage of assets under management have fallen over time. These amounted to 0.04% of the insurance capital in 2024. The Society continues to try to reduce costs and thus provide a higher paid-out pension. The variable administrative charge in 2024 was 0.05% of the pension capital. The Society does not make any fixed charge. The cost of investment management was 0.04% of the pension capital. Taken overall, the costs that the Society charges to members' insurances are at a lower level than other players in the government agreement area.

The Society has a very good solvency ratio

**265%**

## Good return

Kåpan's main objective is to ensure a long-term stable pension for our members, which requires a good return. In 2024, our total return was 9.8% (8.6% in the previous year) and the average total return over the last five years was 6.9%. Our returns have compared favourably with other players in the government agreement area.

## Fair distribution of capital and costs

Kåpan operates on the basis of two overall principles for the insurance business. The first is the precautionary principle, which means finding a reasonable balance between an assessment of the expected outcome for different assumptions and the risk level of these assumptions. The second is the contribution principle, which means that each insurance should bear the returns, risks and costs which the insurance is assessed to contribute to or cost the business.

In order to ensure fairness between members, Kåpan uses monthly bonus interest with ongoing distribution of the Society's surplus or deficit to all insurances. This means no surplus or deficit is retained undistributed at a collective level. The bonus interest can therefore be positive or negative.

## Generation savings for fair distribution

Fairness between members is further improved by the Society's use of so-called generation savings. This means that we split the membership into different generation groups, where the youngest group has a greater proportion of high-risk assets in their asset portfolio. The proportion of equities is gradually reduced with age. The separate groups thus have different amounts of high-risk assets and therefore different bonus interest rates. All members invest in the same assets and underlying securities. It is only the proportion of each asset class that varies between the different bonus groups.

The group distribution is as follows:

- Age group 54 and younger.
- Age group 55–64.
- Age group 65 and older and those receiving pensions.

## Kåpan Aktieval

### – A product with a higher risk level

For the selectable component of the government occupational pension, the Society offers a further product – Kåpan Aktieval. This is intended for members who want a higher level of risk in their savings than our other products offer, but the guarantee we provide for Kåpan Aktieval is very limited. Kåpan Aktieval has the same low charges as our other insurances, and the premiums are invested in the Society's total equities exposure, including unlisted venture capital funds.

## Pension – for life

For all the Society's insurances, lifelong payment is the default option. Within the framework of each insurance and current pension agreement, members can choose a temporary payment.

The life expectancy assumptions used by the Society determine the size of the monthly pension payment. A lifelong pension is paid out for life and members' different life spans are balanced within the framework of the insurance operations as a whole. The Society uses gender-neutral life expectancy assumptions. This means that when the pension is calculated based on available pension capital, the amount of the pension payment will be the same regardless of gender. The Society's actuary continually follows up the sustainability of the assumptions used to calculate outstanding insurance commitments and life expectancy.

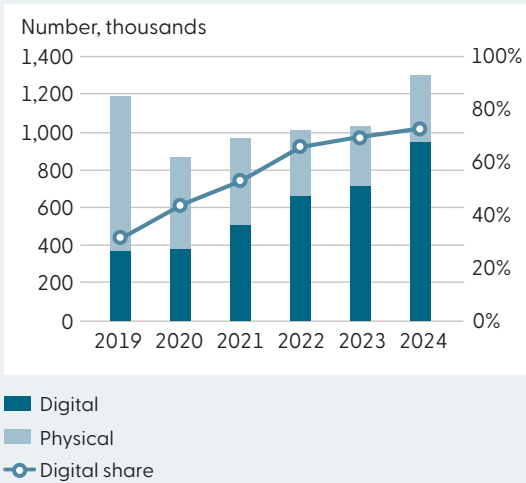
## Repayment cover means a lower pension

Members can choose whether or not to have repayment cover for all their premiums and can change this for their entire pension capital in the event of a change in family circumstances. Repayment cover means lower expected pension payments (3%–10%) in exchange for the existing pension capital being paid out to designated survivors. The parties in the government agreement area have chosen in the PA 16 pension agreement to assume insurance without repayment cover for all premium payments.

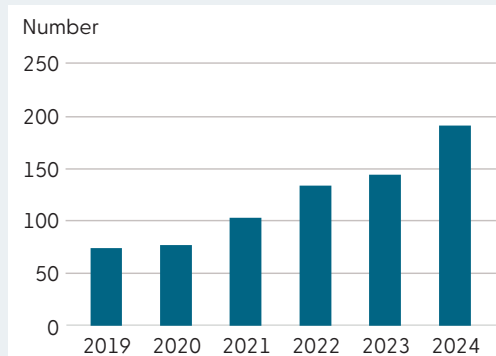
In 2024, the Council of Administration decided on improved insurance terms for repayment cover. These changes apply from 1 January 2025 and mean that:

- repayment cover can also be added for the entire pension capital following an approved medical examination
- the validity period for repayment cover is extended from 75 years to 90 years for insurance policies with lifelong payment (does not apply to policies that began paying out in January 2025)
- the option to remove repayment cover after the policy has begun paying out.

### Mailshots



### Trees saved through digital mailshots



## Members' privacy

Kåpan is responsible for sensitive personal data and other member information. It is therefore essential that this personal data is protected by the greatest possible security. We work, among other things, with training employees to ensure competence in the General Data Protection Regulation<sup>4</sup> (GDPR) covering protection of privacy, data security, data storage and confidentiality. Kåpan has a data protection officer who is the contact with the authorities and is responsible, among other things, for helping the business to interpret and apply current regulations on personal data processing.

## Information to and contact with members

Kåpan has over 900,000 members and therefore has a major responsibility to communicate and provide information about the pensions and pension savings that members have in the Society. To make it easier for members to gain an overview of their entire pension savings, Kåpan cooperates with the organisation Min Pension (my pension), where an individual's total pension savings are reported regardless of whether they are state pension, occupational pension or private pension savings.

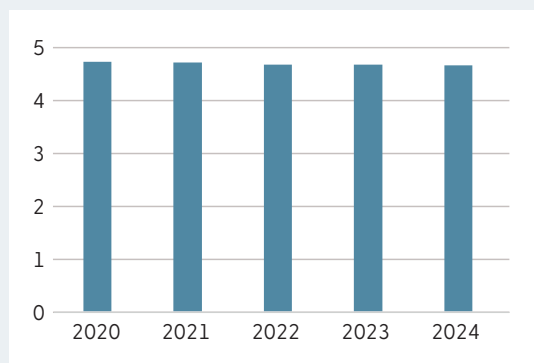
Pension savings in the Society is a compulsory component of the pension agreement in the government agreement area. Experience shows that many members have little interest in their pension savings until it is time to retire, which places particular demands on information and objectivity. This means that the Society cannot rely solely on members actively seeking information. The focus is therefore to provide complete information via the website, customer service, and targeted mailshots once a year to members who have not actively chosen a digital alternative for information.

## We are increasing the proportion of digital mailshots

Our long-term goal is to reduce the number of paper mailshots and increase the use of digital channels for information and services. In 2024, all government employees born before 1988 received a new component in the occupational pension agreement. We sent insurance policies to those affected and this increased the total number of mailings to around 1,305,000 (1,032,000). This led to an increase in the number of physical mailings, although the proportion of mailshots sent digitally in 2024 increased to 73% (69%).

<sup>4</sup> The General Data Protection Regulation (GDPR) contains rules on how personal data may be processed. GDPR applies throughout the EU and aims to establish a uniform and consistent level of protection of personal data.

## Customer satisfaction



## We work for satisfied members

To monitor members' experience, during the year we carried out surveys among those who contact our customer service by telephone or email. We ask, among other things, how satisfied they are with each channel as a whole using a scale of 1–5, where 5 is very satisfied. We obtain more answers by continuously measuring satisfaction and this provides a good basis for our assessment of our members' experiences when contacting our customer service. It also provides an opportunity to make continuous efforts during the year to rectify any deficiencies.

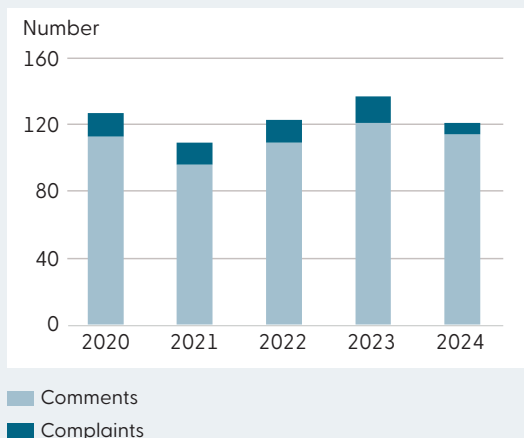
Those who contacted us in 2024 were satisfied on the whole and the satisfaction score remains at 4.7. Of the free-text responses we receive, the overwhelming number are positive. What we can see from the free-text responses is that those who call us are given a friendly and knowledgeable reception. They also appreciate our short response times.

In addition to the customer surveys, our members provide feedback to our customer service.

**“Received a quick answer and useful information from a nice, calm, knowledgeable person.”**

Example of a free-text response

## Comments and complaints



We take all comments seriously. This helps us to improve and to have more satisfied members. We therefore work in a structured manner with the comments and complaints we receive.

When we receive a comment, we see if we can take immediate action or if we need to consider a solution. Every month, we then review the comments from the previous month and compile a report that is shared with management. To see if there are more strategic actions we can take to improve member satisfaction, we perform a more systematic review of all comments and complaints twice a year.

As well as being able to submit comments directly to our customer service, our members who wish to influence our operations can make their views known to their local trade union representative, the trade union main office or one of the members of the Council of Administration.

*Definition of a complaint: A complaint is the expression of a member's specific dissatisfaction with the handling of a financial service or product in an individual case. The dissatisfaction should also not be of only minor importance to the member.*

**“Fast, clear and friendly response. Thank you!”**

Example of a free-text response









# Organisation

## Sustainability initiatives in ongoing operations

In our own operations, we work to be an equal opportunity workplace, nurturing good business ethics and reducing our environmental impact. Our organisation is small and its overall impact on the whole of our sustainability work is limited.

### We work for an equal opportunity organisation

The Society has few employees. This means that committed and skilled staff are vital for us to be able to run our business. Equal opportunity is an obvious and basic requirement. At the same time, it is important that all assessments are made on objective grounds and in the first instance within a framework of skills and suitability. Recruitment and skills development are conducted based on prioritising equal opportunity and equal treatment as fundamental values. The Society has an even gender distribution in the

Board and in the organisation. The gender distribution is also even within the different areas of competence in the organisation. The strategy is that Kåpan should be a society entirely without discrimination and which strives to give all employees equal rights and development opportunities.

### Training

Kåpan's personnel attend annual training in business ethics as well as participating in risk assessment, which covers training and development in managing the Society's





risks. In addition, there are various regular group training sessions to improve awareness and skills in different areas.

### Employee survey

During the year, we conducted an employee survey which had a high level of participation, demonstrating the strong commitment of our employees. The results were generally favourable and in line with previous surveys, with only minor changes. This indicates a stable and sustainable working environment where employees feel happy and safe. We continue to work actively with the insights we gain in order to ensure continued positive development.

### The Society's emissions

The Society's own organisation is small which means a limited direct impact from a sustainability perspective. The largest climate-related emissions occur with business travel. Choice of route and means of transport are based on a trade-off between cost efficiency and the environmental impact of the journey. Domestic travel is by rail wherever possible. The Society's company cars must be zero emission or meet the requirements for super ultralow emission vehicles with greenhouse gas emissions below 50 grammes of carbon dioxide per kilometre. Company cars that do not meet these requirements may only be chosen in exceptional cases.

#### Kåpan's energy consumption office premises

Annual consumption (kWh)	Stockholm	Sundsvall
Operations electricity	15,040	4,014
Property electricity	19,590	2,763
District heating	16,746	7,246
District cooling	166	661
<b>Total kWh</b>	<b>51,542</b>	<b>14,684</b>
<b>Total kWh/m<sup>2</sup></b>	<b>143</b>	<b>171</b>
Change on 2023	-15%	-1%

Premises climate impact (kg)	Stockholm	Sundsvall
Carbon dioxide emissions, electricity	0	0
Carbon dioxide emissions, district heating	770	0
Carbon dioxide emissions, district cooling	0	0
Water consumption (m <sup>3</sup> )	107	14

### We choose green leases for our own premises

The Society rents office premises in Stockholm and Sundsvall. The landlords' sustainability work is to take long-term environmental and social responsibility as well as for economic development by providing flexible and sustainable working environments, improving existing climate systems, changing to low-energy lighting, choosing green electricity, providing space for waste sorting, a bicycle garage, and in Stockholm offering tenants chargers for electric cars in the garage. The Society has chosen green leases and participates in the landlords' sustainability initiatives by monitoring and taking part in sustainability activities offered as well as working with its own plans and targets for improvements.

### Suppliers

The Society's main supplier, SPV, is an authority which is responsible to the Swedish parliament and government. Kåpan strives to have the authority make optimal use of its resources within the limits of current regulations.

Suppliers of IT services to the business are responsible for ensuring that operations and maintenance are resource efficient and that redundant hardware is recycled in accordance with current regulations and contracts.

# Regulations and governance – the basis of the business’s sustainability work

Kåpan’s operations are based on the Society’s statutes and the strategic direction decided by the Board. The Society’s sustainability work is governed by the Society’s sustainability policy, investment guidelines and a number of policy documents decided by the Board. The President has operational responsibility for sustainability work being conducted in practice and covering the entire business.

## Sustainability work is an integrated part of the organisation

Kåpan’s most important contribution to a sustainable society is the provision of a secure pension at the lowest possible cost. The Society belongs to its members and all surplus is returned to them in the form of a higher pension. Kåpan’s Board has ultimate responsibility for the Society’s activities where sustainability initiatives form an integrated part.

The President is responsible for operational implementation of the strategic plan and the targets set by the Board. Sustainability work is governed by the Board’s adopted strategies and goals as well as the rules and laws that apply to the business. All employees are responsible for ensuring that sustainability is an integrated part of day-to-day operations and is present in all decisions made. It is of utmost importance that the business is run in such a manner that members’ confidence in Kåpan is maintained and the operations are regarded as healthy and responsible.

## Council of Administration

According to the statutes, the Society’s highest decision-making body is the Council of Administration. The Council has thirty members and the same number of personal deputies. The members are appointed by the parties in the government sector of the labour market, with half being appointed by the Swedish Agency for Government Employers and half by the trade unions.

This means that the Council of Administration represents employers and trade union members equally. Members must be members of the Society and they are appointed for a mandate period of one year by their respective organisations.

## Board

The Council of Administration appoints the Society’s Board, which manages operations. The Board consists of twelve members, of which half are appointed by the employee side and half by the Swedish Agency for Government Employers. A member of the Board cannot be a member of the Council of Administration. The mandate period for members is one year, with the possibility of re-election.

## Laws and regulations

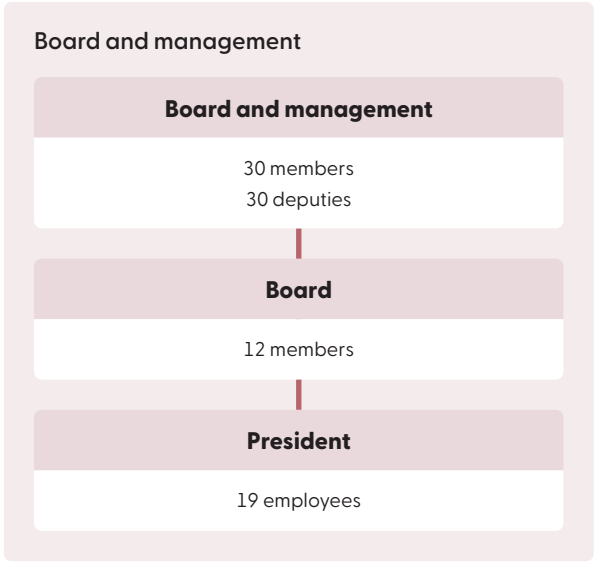
Kåpan is an independent legal entity in the form of an occupational pension society. The business is regulated by a number of laws enacted by parliament, primarily the Swedish Occupational Pension Companies Act (2019:742), as well as a large number of regulations issued by the Swedish Financial Supervisory Authority.

The regulations are based on the occupational pension directive decided at EU level. Conversion to an occupational pension society was completed on 1 January 2021.

There are also continual other changes in external regulations which affect the Society’s operations and require updates to and changes in working processes and policies.

Kåpan has a responsibility towards its members, authorities and employees, as well as other stakeholders, of compliance with current regulations. Deviations or breaches of current regulations must be reported as incidents and an assessment of risks and regulatory compliance is reported regularly to the Board.

The Society’s business is governed by statutes decided by the Society’s Council of Administration. The statutes provide the basic conditions for the business and the limitations that apply.



Insurance terms and conditions are determined by the current collective agreement and the statutes. The statutes are available on [kapan.se](http://kapan.se) and information about applicable pension agreements can be found on [arbetsgivarverket.se](http://arbetsgivarverket.se) or on one of the trade unions' websites.

To ensure that we get all the calculations right and that the terms and conditions of all our insurances are followed correctly, the Society has an actuary. The actuary is independently responsible to the Board and the Financial Supervisory Authority and is responsible, among other things, for calculating the value of the pension capital and the pension paid out. The actuary's work is based on the Society's actuarial guidelines adopted by the Board.

The Society's operations are continuously reviewed through internal controls which make risk assessments and specific analyses that are presented to the Board. Additionally, the Council of Administration appoints at least one ordinary authorised public accountant and at

least one deputy authorised public accountant to review operations on behalf of the Council of Administration. The auditors present the results of their review to the Council of Administration each year. The Financial Supervisory Authority exercises oversight of the business.

### Stakeholders

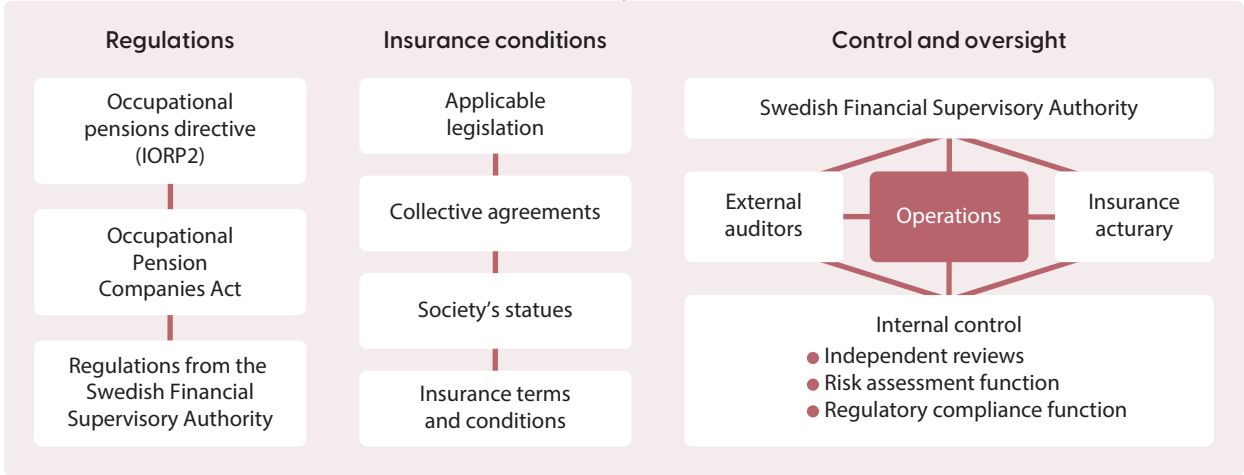
Kåpan's most important stakeholders are the Society's members and the parties to the collective agreements in the government sector, primarily Kåpan's founders the Swedish Agency for Government Employers (Arbetsgivarverket), the Public Employees' Negotiation Council (OFR/S, P, O), the Swedish Confederation of Professional Associations (Saco-S) and the Service and Communication Union (Seko).

The Society's statutes govern operations and the composition of the Board. Individual members who wish to influence the society's operations and direction can make their views known to a local trade union representative, the trade union main office or one of the members of the Council of Administration. Employers in the government agreement area can also influence operations by contacting their representatives on the Council of Administration.

Employees are another stakeholder group which together with suppliers contributes to the development of operations. Continuous improvement is a precondition for a positive development of the business over time.

Kåpan is under the oversight of the Financial Supervisory Authority and, among other things, pays tax on returns to the Swedish Tax Agency. This makes these authorities and agencies that decide on regulations significant stakeholders.

Taken as a whole, the stakeholder dialogue provides a good basis for the Board's work with making strategic decisions.





## The Society's overall long-term value creation

The value creation contributed by the Society is a long-term positive return on the Society's investments combined with a falling level of costs due to high operational efficiency. The biggest actual costs that affect pension payments are the tax on returns and costs of investment and insurance management. Unlike many other players in the pensions sector, the Society has marginal costs for marketing.

The business has no other purpose than to create value for its members. Costs that do not make a positive contribution to that goal are to be avoided, even if they may contribute to job creation and welfare in other parts of society, but this lies outside the remit, which is to carry out the assignment as well as possible in relation to the members.

## About the sustainability report

This sustainability report covers all operations within the Society.

This sustainability report summarises the Society's sustainability work. The Society's operations are limited and relate to a restricted group of members and only one insurance product. The development of rules, guidelines, instructions and other governance documents is often designed for the regulation of operations in extensive global and commercial businesses and the proportionality principle is often difficult to apply to the Society's stakeholders.

This sustainability report has been approved by Kåpan's Board.

## Regulations

### Occupational Pension Companies Act

On 1 January 2021, the Society converted to an occupational pension society in accordance with the Occupational Pension Companies Act (2019: 742). The Society continues to work towards improving operational efficiency within the framework of the regulation.

### EU legislation

Regulation (EU) 2019/2088, the Sustainable Finance Disclosure Regulation (SFDR), came into effect and has been applied since March 2021, stipulating how financial undertakings are to report on sustainability. In 2023, SFDR was extended to include disclosure 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. This means that it promotes sustainability-related characteristics but does not have these as an overall goal. This means that the Society must provide a report according to templates decided by the EU Commission. The Society publishes these on its website and as an appendix to the Society's annual report called "Periodic disclosures".

The following documents can be found on the Society's website:

- ▶ Sustainability-related disclosures traditional insurance
- ▶ Pre-purchase information sustainability traditional insurance
- ▶ Report on investment decisions' principal adverse impacts on sustainability factors
- ▶ Disclosure regulation
- ▶ Sustainability policy

In addition to these documents related to reporting requirements, there is further in-depth information on the Society's sustainability work, which complements the sustainability report on [kapan.se](https://www.kapan.se).

## Insurance distribution

Sweden and other EU member states have common rules for insurance distribution. The background to this is the EU's Insurance Distribution Directive (IDD) which took effect on 1 July 2018.

EU member states have converged on the new legislation in order to harmonise insurance distribution.

The law gives members increased protection, among other things through rules on increased transparency and clearer information about insurance products. Starting in the first quarter of 2021, financial advisers must understand and take into account a customer's sustainability preferences in their advice. Kåpan complies with the rules on insurance distribution but providing advice to its members is not included in Kåpan's assignment.

# List of holdings

at 31 December 2024

## Bonds and other fixed-income securities

### Sustainable bonds

	Assessed value, SEKm
Göteborg Stad	534
Ellevio	433
Kommunalbanken	394
Region Stockholm	316
Atrium Ljungberg	312
Loomis	304
Hemsö	294
DNB Boligkredit	292
Fabege	276
Vasakronan	269
Region Skåne	264
Akademiska Hus	262
European Investment Bank	261
Svensk Exportkredit	232
Humlegården Fastigheter	223
DNB Bank	214
International Bank for Reconstruction and Development	210
Volvofinans	207
Intea Fastigheter	201
African Development Bank	194
Ica Gruppen	193
Uppsala kommun	185
Länsförsäkringar Bank	176
Hufvudstaden	173
Kommuninvest i Sverige	162
Jernhusen	157
Nordic Investment Bank	144
Epiroc	140
Nacka kommun	134
Rikshem	126

	Assessed value, SEKm
Dios Fastigheter	119
Lantmännen	116
European Bank	106
Willhem	105
Nordea	102
Stora Enso	102
Husqvarna	100
KFW	99
Lunds kommun	93
Sveaskog	92
World Bank	91
Jyske Bank	85
Nordea Hypotek	84
Sparbanken Skåne	78
LSTH Svenska handelsfastigheter	74
Gränges	74
Scania	74
Linköpings kommun	67
Castellum	63
Kungsleden	61
Stockholm Exergi	61
Platzer Fastigheter Holding	50
Sydvatten	47
Kingdom of Sweden	44
Sparbanken Alingsås	40
Norrköpings kommun	36
Vellinge Stad	34

Holdings reported at issuer level.  
Holdings below an assessed value of SEK 10m and  
holdings marked for sale or liquidation are excluded.



## Bonds and other fixed-income securities

	Assessed value, SEKm
Swedbank Hypotek	5,321
Stadshypotek	5,098
SEB	5,038
Nordea Hypotek	4,521
SCBC	2,177
Länsförsäkringar Hypotek	1,909
Kommuninvest i Sverige	1,228
Danske Hypotek	923
Specialfastigheter Sverige	817
Swedbank	635
Länsförsäkringar Bank	553
SBAB	540
Willhem	453
Heimstaden	450
Traton Finance	425
Saab	412
Vasakronan	396
Sparbanken Skåne	384
Nibe	380
Swedavia	370
Husqvarna	367
Volvo	367
Hexagon	362
Danske Bank	351
DNB Bank	341
Tvo Power Co	308
Landshypotek Bank	295
Indutrade	288
Volvofinans	234
Swedish Orphan Biovitrum	227
Ica Gruppen	222
Arla Foods Amba	220
Svensk Exportkredit	206
Hemsö	202
Västerås Stad	198
Investment Latour	175
Castellum	169
Lifco	169
Hufvudstaden	159

Holdings reported at issuer level.  
Holdings below an assessed value of SEK 10m and  
holdings marked for sale or liquidation are excluded.

	Assessed value, SEKm
Rikshem	154
Holmen	151
Sparbanken Syd	149
Elekta	128
Sparbanken Sjuhärad	124
Sörmlands Sparbank	121
Swedish Match	119
Sveaskog	115
Nordea	101
Skandiabanken	101
Fabege	100
Intea Fastigheter	100
Fastpartner	97
Uppsala Kommun	94
Billerud	85
Borgo	80
Stockholms Kooperativa Bostadsförening	74
Electrolux	64
Getinge	64
Jyske Bank	62
Heimstaden Bostad	54
Platzer Fastigheter Holding	54
Sparbanken Rekarne	51
Tele2	30
Industrivarden	30
Sparbanken Västra Mälardalen	24

## Fixed-income funds

	Assessed value, SEKm
Nordstjernan Kredit KB	2,420
ICG Asset Management	592
Napier ECOF	442
Developing World Markets	405
M&G Regulatory Capital Investments	402
M&G European Sustainable Credit Fund	389
Napier Park Europe Loan Management Designated Activity Company	341
M&G Loan Investments	316
Neuberger Berman Investment Funds Plc	244
M&G HY Investments	214
Napier Park Europe Loan Management Designated Activity Company	192
RiverRock Senior Loan Fund II	176
Bridge Debt Strategies III	166
Guggenheim Partners LLC	156
ESOF III LP	151
Bridge Debt Strategies II	109
Tetragon Credit Income III	87
Cheyne Real Estate Credit holdings Fund Inc	65
Tetragon Credit Income II	57
Cheyne Real Estate Credit holdings Fund III Inc	30
ESOF II LP	14

## Listed equities

### Swedish equities

	Assessed value, SEKm
Investor	2,790
Atlas Copco	2,489
Volvo	1,372
EQT	1,192
Assa Abloy	1,103
SEB	1,008
Hexagon	885
ABB	817
Ericsson LM	813
Sandvik	804
Swedbank	796
Svenska Handelsbanken	724
AstraZeneca	703
Epiroc	669
Hennes & Mauritz	651
Alfa Laval	590
Essity Aktiebolag	584
Evolution	569
SAAB	386
Nordea Bank	368
Swedish Orphan Biovitrum	349
Skanska	328
Telia Co	323
Fastighets AB Balder	305
Securitas	282
SCA	275
SKF	271
Boliden	262
Tele2	256
Castellum	252
Addtech	243
Beijer Ref	243
Nibe Industrier	238
Trelleborg	225
Industrivärden	166
Axfood	154
Holmen	146
Millicom International Cellular	132
Avanza Bank	130

Holdings reported at issuer level.  
Holdings below an assessed value of SEK 10m and  
holdings marked for sale or liquidation are excluded.

	Assessed value, SEKm
Getinge	121
SSAB	119
Embracer Group	119
Electrolux	102
Autoliv	87
Husqvarna	86
Fabege	84
Billerud	76
Elekta	67
Kinnevik	55
Sinch	53
Electrolux Professional	45
JM	34
Volvo Car	26
Hexatronic Group	22

## Global equities – base portfolio

	Assessed value, SEKm
Apple	2,185
Nvidia	1,930
Microsoft	1,783
Alphabet	1,288
Amazon.com	1,216
Meta Platforms	768
Broadcom	559
JPMorgan Chase	423
Eli Lilly	405
Visa	311
Berkshire Hathaway	310
Home Depot	282
Mastercard	278
Unitedhealth Group	278
Salesforce	267
American Express	252
Costco Wholesale	245
Oneok	240
Netflix	239
ASML Holding	235

Holdings reported at issuer level.  
Holdings below an assessed value of SEK 10m and  
holdings marked for sale or liquidation are excluded.

	Assessed value, SEKm
Nextera Energy	220
The Coca-Cola Company	218
Trane Technologies	211
Goldman Sachs Group	210
Bank Of America	207
Oracle	207
Servicenow	201
Morgan Stanley	201
International Business Machines	195
Johnson & Johnson	195
Transdigm Group	195
Abbvie	194
Baker Hughes	192
Applied Materials	192
Schlumberger	190
PNC Financial Services Group	188
Intuit	186
Bank Of New York Mellon	184
Allianz SE	178
Johnson Controls	176
Eaton Corp	174
Royal Bank Of Canada	170
Lowe's	170
Booking Holdings	169
Cisco Systems	169
Caterpillar	168
Citigroup	168
Manulife Financial	168
Pepsico	168
Schneider Electric	166
Procter & Gamble	165
Accenture	163
Merck & Co.	160
Toyota Motor	157
SAP	156
Adobe	153
Linde	153
Constellation Energy	147
Metlife	147

## Global equities – base portfolio cont.

	Assessed value, SEKm
The Walt Disney Company	147
TJX Companies	146
HSBC Holdings	146
S&P Global	143
Texas Instruments	143
Hitachi	143
Deere & Co	141
Novo Nordisk	141
Marsh & McLennan	141
RELX	139
Advanced Micro Devices	139
McKesson	139
Welltower	137
AXA	136
Parker Hannifin	135
Halliburton	134
Progressive	133
Sumitomo Mitsui Financial Group	133
McDonald's	133
Colgate-Palmolive	132
Siemens	131
Chubb	130
Qualcomm	128
Lam Research	125
Verizon Communications	125
Mitsubishi Ufj Financial Group	124
Fiserv	122
Thermo Fisher Scientific	122
Bank Of Nova Scotia	121
Autodesk	120
Palo Alto Networks	120
Agilent Technologies	120
AT&T	119
Amgen	118
Chipotle Mexican Grill	116
Gilead Sciences	116
LVMH Moët Hennessy Louis Vuitton	111
Starbucks	111
Toronto-Dominion Bank	111

	Assessed value, SEKm
Uber Technologies	110
Target	110
3M	110
State Street	110
Marvell Technology	109
Intesa Sanpaolo	109
General Mills	108
DBS Group Holdings	108
PPG Industries	108
Bristol-Myers Squibb	108
Comcast	107
Regency Centers	107
Sony Group	107
Equinix	105
National Australia Bank	103
HCA Healthcare	103
Pfizer	103
Amphenol	102
National Grid	101
Mizuho Financial Group	101
Zurich Insurance Group	100
Itochu	100
Nestle	99
Rio Tinto	99
AstraZeneca	97
Compagnie De Saint Gobain	97
Charles Schwab	96
The Sherwin-Williams	96
Vertex Pharmaceuticals	95
BXP	94
Camden Property Trust	93
Kimberly-Clark	93
The Cigna Group	93
Honda Motor	93
Westpac Banking	93
Newmont	92
Micron Technology	92
Illinois Tool Works	92
Norsk Hydro	91

Holdings reported at issuer level.  
Holdings below an assessed value of SEK 10m and  
holdings marked for sale or liquidation are excluded.

## Global equities – base portfolio cont.

	Assessed value, SEKm
Nike	91
Analog Devices	90
CAE	90
Ing Groep	89
Keysight Technologies	88
Danaher	86
Weyerhaeuser	85
Bnp Paribas	85
Ferguson	84
Emerson Electric	84
American Tower	83
Air Liquide	83
Unilever	82
Eversource Energy	82
Aviva	82
United Overseas Bank	81
HP	81
Exelon	81
Aptiv	80
Prysmian	80
Dupont De Nemours	80
CGI	79
Ford Motor	79
Wesfarmers	79
American International Group	78
Abbott Laboratories	77
Molson Coors Beverage	76
Fortinet	76
ANZ Banking Group	76
Ross Stores	75
Secom	74
Novartis	74
Transurban Group	74
Sanofi	73
NXP Semiconductors	73
Intel	73
Shin-Etsu Chemical Co	72
Workday	71
Cencora	71

	Assessed value, SEKm
Autozone	71
Fujitsu Limited	71
Roche Holding-Genusschein	71
Roper Technologies	70
Diageo	70
Mercadolibre	70
Lonza Group	70
Union Pacific	69
Veralto	69
Rockwell Automation	68
Sysco	67
Cyberark Software	67
Zoetis	65
Centene	65
Canadian National Railway	64
Block	63
Paypal Holdings	63
Church & Dwight	62
United Parcel Service	62
Elevance Health	62
Edwards Lifesciences	61
Shopify	61
Electronic Arts	61
Tokio Marine Holdings	61
Toray Industries	60
TE Connectivity	60
CSL	58
Aia Group	58
CME Group	57
Idexx Laboratories	57
Sika	57
Owens Corning	55
Fedex	55
Kingfisher	55
Legrand	54
Verisk Analytics	54
Industria De Diseno Textil	53
Covestro	52
GSK	52

Holdings reported at issuer level.  
Holdings below an assessed value of SEK 10m and  
holdings marked for sale or liquidation are excluded.



## Global equities – base portfolio cont.

	Assessed value, SEKm
Nintendo	52
Sumitomo Electric Industries	52
Canadian Pacific Kansas City	51
Dsm-Firmenich	51
Mercedes-Benz Group	51
L'Oreal	50
Alcon	50
Expedia Group	50
J.B. Hunt Transport Services	50
Ebay	50
Labcorp Holdings	50
Infineon Technologies	50
First Quantum Minerals	49
Bridgestone	49
Woolworths Group	49
Cognizant Tech Solutions	48
Wix.com	48
Las Vegas Sands	48
Hoya	48
Daikin Industries	48
Becton Dickinson	46
Tesco	46
Unibail-Rodamco-Westfield	45
Daiwa House Industry	44
Vodafone Group	43
Heineken	43
Panasonic Holdings	43
Adidas	42
Regeneron Pharmaceuticals	41
Seek	41
Zscaler	41
Mitsubishi Electric	41
DSV	40
DHL Group	40
Reckitt Benckiser Group	40
Prosus	40
Cvs Health	39
Warner Bros Discovery	38
Nutrien	37

	Assessed value, SEKm
First Solar	37
Entegris	37
KAO	37
Humana	37
Twilio	35
IMCD	35
Geberit	35
VAT Group	35
CSX	34
Resmed	34
Sysmex	34
Hong Kong Exchanges & Clear	33
Enphase Energy	33
Constellation Brands	33
EDP Renovaveis	33
Kingspan Group	32
Illumina	32
Taylor Wimpey	32
Experian	32
Norfolk Southern	32
MTU Aero Engines	32
Neste	31
Anheuser-Busch InBev	31
Omron	31
Pernod Ricard	30
Takeda Pharmaceutical	30
Siemens Energy	30
Medtronic	30
BASF	29
Okta	29
Dexcom	29
BAE Systems	29
Bath & Body Works	28
Global Payments	27
UPM-Kymmene	26
Vinci	26
Keyence	26
Adyen	26
Realty income	24

Holdings reported at issuer level.  
Holdings below an assessed value of SEK 10m and  
holdings marked for sale or liquidation are excluded.

# Equity funds

## Global equities – base portfolio cont.

	Assessed value, SEKm
Denso	24
Vestas Wind Systems	22
Biogen	21
Ulta Beauty	21
Charter Communications	20
Carlsberg	20
Halma	19
Orsted	18
Crowdstrike Holdings	18
Daimler Truck Holding	17
Henkel & Co	17
Prudential	16
Bayerische Motoren Werke	15
Carrefour	14
Airbnb	13
The Trade Desk	12

	Assessed value, SEKm
SHB Global Småbolag Index Criteria	1,023
Montanaro European Smaller Companies Fund	465
JPMorgan Europe Small Cap Fund	426
BL American Small & Mid Caps	383
NCG US Small Cap Growth	257
M&G Japan Smaller Companies	173

Holdings reported at issuer level.  
Holdings below an assessed value of SEK 10m and  
holdings marked for sale or liquidation are excluded.

# Unlisted holdings and alternative funds

	Assessed value, SEKm
Kåpan Fastigheter	8,042
Svenska Handelsfastigheter	4,364
Hemvist i Mälardalen	2,015
Gysinge Skog	2,000
Midstar Hotels	1,639
JP Morgan Infrastructure Investments Fund	1,606
AlpInvest PE I	1,291
Infra Investors II LP (GIP IV)	589
Antin Infrastructure Partners Fund III	566
Antin Infrastructure Partners Fund IV	561
The Seventh Cinven Fund	525
Warburg Pincus Global Growth	520
EQT IX	515
Harrison Street RE US VIII	503
EQT VIII	458
Bridge Workforce Affordable Housing Fund II	445
Advent GPE IX	440
Newbury Equity Partners IV	435
Welsh, Carson, Anderson & Stowe XIII	426
BlackRock GEPIF III	422
FSN VI	416
Bridge SFR IV	412
Molpus Woodlands Fund IV	405
Harrison Street European Property III	392
DIC ISquare III	387
AlpInvest PE II	386
Bridge SFR IV Co-invest	384
Aermont Capital Fund IV	383
ACM Permanent Crops	374
Apollo Investment Fund IX	368
Newbury Equity Partners V	364
Warburg Pincus Private Equity XII	347
White Peak Real Estate IV	343
Molpus Woodlands Fund III	334
Harrison Street RE US IX	320
Advent GPE X	318
Revelop IV	310
Bridge Office Fund II	301
Bridge Multifamily Fund V	287
ARA Europe RE Fund IV	268
Warburg Pincus Private Equity XIV	266
Clearlake Capital Partners VII	248
Fengate Infrastructure IV	230
Welsh, Carson, Anderson & Stowe XII	216

	Assessed value, SEKm
Southern Pastures LP	215
Welsh, Carson, Anderson & Stowe XIV	214
Actis Energy V	206
EMG Fund III	189
Advent Global Technology	189
Cubera VIII	177
PWP Real Estate Fund III	176
Antin V (NIC ANT V)	170
The Sixth Cinven Fund	168
Newbury Equity Partners III	165
Sprints Capital IV	163
PW Growth Equity Fund II	158
GMO Horizon Forestry Fund	141
Antin Infrastructure Partners Fund III B - Annex	140
BlackRock GEPIF II	137
Advent Global Technology II	133
Sponsor Fund V	133
Intera IV	114
Warburg Pincus Duravant	113
ACMII Investor LP	111
Ardian Infrastructure Fund VI	94
CAPVEST V	90
PWP Real Estate Fund II	87
Procuritas VII	76
Altor VI	75
Antin Connect Co-invest	73
Copenhagen Infrastructure Fund V	68
Landmark Real Estate Partners VII	64
White Peak Real Estate III	60
Antin V CO (NIC ANT CO V)	47
Ardian Expansion VI	46
Klarna	40
Portfolio Advisors PE Fund V	37
Aermont Capital Fund V	36
Portfolio Advisors Secondary Fund II	35
Ardian Infrastructure Fund VI Co-investment	32
Forest Fund Brazil	29
TA Associates XI	22
Advent GPE VI	22
Copenhagen Infrastructure Fund V US	20
The Eight Cinven Fund	19
ARA Europe RE Fund III	15
Harrison Street RE US VIII Co-invest 5	12

Holdings reported at issuer level.  
Holdings below an assessed value of SEK 10m and  
holdings marked for sale or liquidation are excluded.



## Auditor's opinion regarding the statutory Sustainability Report

To the Council of Administration of Kåpan tjänstepensionsförening, (Government Employees Pension Fund) reg. no. 816400-4114

### Engagement and responsibility

The Board of Directors is responsible for the Sustainability Report for 2024 and for ensuring that it is prepared in accordance with the Annual Accounts Act and for the sustainability information on pages 46–55 of the Annual Report and that this is prepared in accordance with the EU's disclosure directive.

### Focus and scope of the audit

Our examination has been conducted in accordance with FAR's recommendation RevR 12 *The Auditor's opinion regarding the statutory sustainability report*. This means that our examination of the sustainability report and 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 the examination has provided us with sufficient basis for our opinion.

### Opinion

A sustainability report has been prepared and sustainability information has been provided.

Stockholm, 8 April 2025

KPMG AB

William Jeirud  
Authorised Public Accountant









Kåpan tjänstepensionsförening  
(Government employees pension Fund)  
Smålandsgatan 12 · Box 7515 · SE-103 92 Stockholm  
Tel +46 8 411 49 45 · [kapan.se](http://kapan.se)  
Reg. no 816400-4114