Climate Action Plan

An integrated climate action plan for AP7's investments and active ownership 2025

Contents

ABOUT AP7

Mission: A good pension from generation to generation.

Vision: A global role model for responsible pension solutions.

AP7 is a public agency, with the mission to manage the pension capital within the Swedish premium pension system. More than 5.9 million Swedes place their premium pension capital in the state pre-selection option, AP7 Såfa. The capital under management amounts to approximately SEK 1,400 billion, which entails a great responsibility. AP7's asset management takes place exclusively in the interest of savers.

AP7 is a universal owner, meaning that the fund's active ownership primarily seeks to positively influence long-term returns across the entire market, rather than individual companies.

With investments in more than 2,000 companies around the world, we can act as owners on multiple fronts and with a long-term perspective, considering the interests of the entire market. In this way, AP7 safeguards the financial interests of both current and future savers.

Managed assets: About SEK 1,400 billion

Number of savers: 5.9 million

Investment portfolio: More than 2,000 companies globally

All figures at June 30, 2025

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ABOUT AP7'S CLIMATE ACTION PLAN

This is a summary of AP7's plan to encourage and support the companies AP7 invests in to adapt their operations to a low-carbon society and gradually lower their emissions to achieve global net zero by 2050 at the latest.

The climate action plan is based on the guide Net Zero Investment Framework that AP7 was involved in developing as part of the Paris Aligned Asset Owners. The work is based on scenarios from the IPCC and the International Energy Agency's Net Zero Roadmap 2050. The climate action plan is also based on the National Pension Insurance Funds Act (see below).

The plan is continously updated, and includes goals for our investments and active ownership.

The plan focuses on climate issues, but AP7 also addresses nature and biodiversity, which are closely linked to climate.

THE POLICY LANDSCAPE

Climate policy is a cornerstone of efforts to curb climate change. It sets the framework for how countries, companies, and investors act, and is a central driver of the transition toward a net-zero society. Despite some progress since the Paris Agreement was adopted ten years ago, global climate policy has in many respects fallen short of the expectations and aspirations it inspired. As a result, the risk of a disorderly transition to net zero by 2050 is increasing – a development that creates uncertainty, makes long-term investment more challenging, and risks higher costs for both society and business. This underscores the need to raise the level of ambition and accelerate action at all levels. In this context, it is more important than ever to consistently and persistently put our climate action plan into practice.

The National Pension Insurance Funds Act as of 1 January 2023

AP7's asset management must be conducted exclusively in the interests of the pension savers. The funds managed by AP7 must be invested so as to achieve a high long-term return at the chosen risk level. The fund capital must also be managed in an exemplary manner through responsible investment and responsible ownership. In its asset management, AP7 must place particular emphasis on how sustainable development can be promoted, without compromising the objective of achieving a high long-term return at the selected risk level.

Article 8

AP7 is a fund classified as an Article 8 under the EU Sustainable Finance Disclosure Regulation (SFDR). This means that the fund promotes environmental and social characteristics and is therefore required to disclose how these are integrated into the investment process. As part of this, we continuously report on our climate work, including how we seek to understand, manage, and reduce climate-related risks, and contribute to the transition toward a more sustainable society. This includes describing our goals, strategies, and monitoring methods in the area of climate change.

A long-term mission in a changing world

This year, AP7 has been managing premium pension capital for 25 years. During this time, the issue of climate change has gained increasing attention among investors, researchers, and policymakers. Since the Paris Agreement was adopted in 2015 and the countries of the world committed to limiting global warming, the understanding of the effects of climate change and the recognition of asset owners' role in the transition have both deepened.

From the outset, climate change has been a central part of AP7's sustainability work, supported by continuous development of methods over the years. Following the Paris Agreement, climate considerations have been integrated into all parts of the organisation through AP7's thematic work, which has also resulted in a new global standard for responsible climate lobbying.

A clear step forward was taken in 2023 with the launch of a transition portfolio that combines active management with active ownership. Through this approach we focus our ownership efforts on high-emitting companies with sufficient transition potential, and invest in companies whose operations help others reduce their emissions. Over the past year, we have advanced this work further by introducing an internal management mandate that gives us new and expanded opportunities to integrate investment management and active ownership. At the same time, we have raised our expectations of the companies with the greatest climate impact, by limiting investments to those with the highest transition potential and excluding a larger number of firms.

Our mission to place particular emphasis on promoting sustainable development has not become easier over the past year. Ten years after the Paris Agreement, it is clear that geopolitical tensions and economic realities are pushing the climate transition aside – while climate change continues to pose a systemic risk to the global economy, and thus to the future returns of our savers.

For AP7, which manages the default option in the Swedish premium pension system on behalf of nearly six million savers, these goal conflicts are becoming an increasingly central part of everyday work. The youngest savers will retire well into the next century, and our mandate is to manage their capital to deliver strong returns while helping create a sustainable and secure world for their retirement.

The majority of the capital is invested in the AP7 Equity Fund – a global portfolio with broad geographical and sectoral diversification across more than 2,000 companies. This portfolio forms the backbone of our management and provides the long-term risk and return profile deemed most suitable for our savers. With such a large and diversified portfolio, climate risks cannot be avoided by simply selling off parts of it. Instead, we must manage these risks through a combination of active ownership and targeted exclusions.

To safeguard the interests of our savers, we also need to act as a voice for long-term capital, which means engaging on two fronts. The first is direct dialogue with companies where we believe we can have an effective engagement and combine sustainability with long-term value creation. The second is the public arena, where we – based on established science and our own analyses – engage with policymakers on issues that are of systemic importance to the portfolio. In doing so, we generate strong returns while contributing to a more sustainable world to retire in.

During 2025, we strengthened our ability to do so by increasing flexibility in asset management and focusing our resources on the companies with the strongest transition potential. In the coming years, we will expand our engagement in the public arena, because that is where systemic risk must be addressed. Even those born today will one day need a good pension.

Stockholm, December 2025
Pål Bergström, CEO AP7

AP7's climate risks and climate scenario analysis

With large and global ownership across all industries and regions, AP7's sustainability risks are broadly aligned with those of the global economy.

AP7's global climate risks

The climate transition will favour some companies in AP7's portfolio, and will be unfavourable to others. Since the fund invests in a large number of companies in a wide variety of sectors and countries, our savers' exposure to the risks of each individual company is reduced. By excluding companies deemed to act contrary to the Paris Agreement, such as coal companies that do not transition, AP7's exposure to transition risks is lower than that of the benchmark.

Climate reporting supports decision making

Transparent reporting from companies on climate-related financial risks and opportunities forms an important basis both in AP7's investment decisions and in the dialogue with the companies. International Financial Reporting Standards (IFRS) provide guidance on how companies should identify and report climate-related risks and opportunities. Reporting in accordance with IFRS increases companies' understanding of their climate impact and how to manage it. In our assessment of companies' transition work, we use publicly available data and the analyses of CA100+ Net Zero Benchmark and the Transition Pathway Initiative.

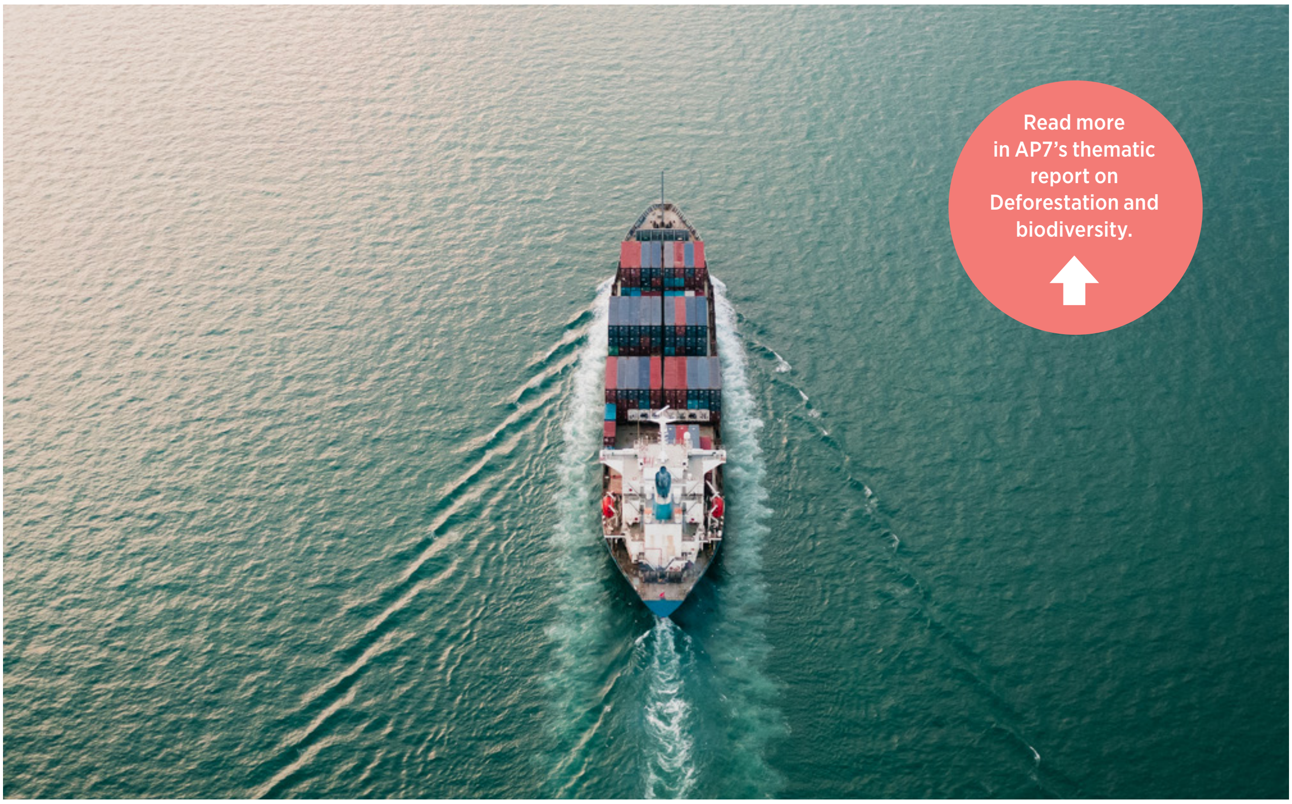
Biodiversity is also a climate issue

Biodiversity loss both amplifies and is exacerbated by the effects of climate change. According to IPBES[1)], nature loss is driven by five main factors: land-use change, exploitation of natural resources, pollution, invasive species, and climate change. In other words, biodiversity loss and climate change are interconnected problems that require coordinated action.

Biodiversity loss poses risks and costs for both companies and investors. At present, however, these factors are not reflected in corporate reporting or valuations. At the same time, investor demands are rising rapidly. With the launch of the Taskforce on Nature-related Financial Disclosures (TNFD) in 2023, in which AP7 has participated in the steering committee, there is now a global framework for managing and reporting on nature-related risks and opportunities.

AP7 has conducted an analysis of the nature-related risks and dependencies in AP7 Equity Fund. The analysis is used to set priorities for our active ownership efforts.

1) Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services



AP7's climate risks and climate scenario analysis, cont.

The risks relating to climate change are often divided into two main categories: **physical risk** and **transition risk.**

PHYSICAL RISK

Physical risks stem from rising global average temperatures. They range from property destruction caused by hurricane winds and supply chain disruptions to entire islands disappearing permanently due to rising sea levels. Such risks can have significant financial implications, affecting returns, asset values, liquidity and the long-term stability of the portfolio.

TRANSITION RISK

Transition risk arise from the transition to a low-carbon society, with shifting consumption patterns and attitudes, where new products replace old, and climate policy becomes more stringent. The transition risk is considered a financial risk, as the value of certain companies may decline when measures such as phasing out fossil fuels are implemented.

WHAT DOES NET ZERO MEAN?

The net-zero target means that global greenhouse gas emissions do not exceed the amount removed from the atmosphere annually. The world must achieve net zero by 2050 at the latest to limit the global temperature rise to well below 2°C, and ideally 1.5°C, compared with pre-industrial levels, in line with the Paris Agreement.[1)]

Researchers argue that global greenhouse gas emissions must be halved every decade to meet the temperature targets of the Paris Agreement. This rule of thumb is known as the Carbon Law[2)]. In other words, we cannot postpone action to restore the balance of greenhouse gases.

Paris Aligned Asset Owners

AP7 is a member of an international coalition of 57 asset owners, each committed to achieving net-zero emissions by 2050: Paris Aligned Asset Owners (PAAO).

The purpose of PAAO is to set a high level of ambition for asset owners in the climate transition and to establish a common standard for how asset owners can align with the net-zero target.

PAAO faciliates global collaboration and knowledge sharing among leading investors, helping to increase pressure on companies and policymakers to deliver the necessary emissions reductions.

1) The IEA's annual World Energy Outlook, published in November 2025, assumed that exceeding the 1.5-degree target is now inevitable. AP7 will evaluate the implications of this during 2026.

2) Rockström, J. et al (2017). A roadmap for rapid decarbonization. Science, 355(6331), 1269-1271.

AP7's climate risks and climate scenario analysis, cont.

AP7's climate scenario analysis

AP7 has conducted a climate scenario analysis based on three main global warming scenarios and their impact on different asset classes. One of the major threats to AP7's mission – to generate returns and provide our savers with a good pension – is the risk that the world will fail to sufficiently limit the temperature increases. The consequences for the global economy in such a scenario are likely to be severe and far-reaching.

1. An orderly transition to net-zero emissions 2050

A transition to the Paris Agreement, where the global warming is expected to stop at 1.5 degrees by year 2050, and where the transition takes place in an orderly way, without unforeseen disruptions. This scenario requires major changes driven by both technological shifts and powerful political decisions.

2. A disorderly transition to net-zero emissions 2050

In the event of a disorderly transition to the Paris Agreement, global warming will also stop at 1.5 degrees by year 2050, through technological shifts and powerful political measures. The climate goals are reached, but the disorderly transition creates turbulence on financial markets, with uncertain pricing and stranded assets as a result.

3. A failed transition to net-zero emissions 2050

In this scenario, the goals of the Paris Agreement are not achieved. Necessary political decisions are not forthcoming, and companies and economies continue with their activities more in line with today. The global warming is expected to reach 4.3 degrees and the effects of the physical risks are more likely to be realised and more powerful, with larger impact on the climate and financial markets as a result.

Scenarios provide insights into possible futures that can serve as a basis for decision-making. However, the analyses are often based on simplifications and assumptions of constant behavioural patterns in complicated long-term models. One should therefore be aware of the difficulties in analysing disruptive events, such as during the Covid-19 pandemic or financial crises, when economies proved more flexible and adaptable than expected.

The effects of scenarios with an orderly versus a disorderly transition vary across asset classes, industries, and companies, as political decisions lead to different transition effects and physical impacts in the real economy. In the third scenario, where no transition occurs, the transition effects are limited, but a failed transition would have significant negative consequences for the global economy.

> **AP7's assessment is that a disorderly transition could challenge our goal of at least two percentage points higher long-term return than the income pension.**

AP7's assessment is that a disorderly transition could jeopardise our goal of achieving a long-term return at least two percentage points above the income pension. Nature-related risks may also amplify the effects of these scenarios and further affect the global economy. In the event of a failed transition, however, the risk of not achieving this target is significantly higher, without a significantly increased risk exposure. It is also important to keep in mind that a failed transition raises the risk of substantially lower returns on the income pension as a result of weaker global economic growth.

Large pension funds and asset owners with diversified holdings in global equity markets are exposed to the global economy. As a result, they cannot avoid transition risks if the world economy is strained by the physical impacts of climate change. Our most important contribution to achieving the climate goals is therefore, regardless of which scenario unfolds, to act as active owners together with other investors and influence companies across the market to transition.

AP7's climate scenario analysis, cont.

"The analysis makes us better prepared"

AP7 regularly conducts scenario analyses to understand how climate change affects the portfolio and our long-term mission. Christer Wanngård, Senior Portfolio Manager at AP7, explains how the work is carried out.

What is a climate scenario analysis?

We start from the premise that global warming has a range of consequences, through systemic transition risks and physical impacts. A scenario analysis translates these effects into financial variables to estimate their impact on, for example, inflation, GDP, and ultimately returns across different asset classes. The analysis is based on three scenarios: an orderly transition to net-zero emissions by 2050, a disorderly transition, and a failed transition.

What is the purpose of conducting the analysis?

For us, it is about gaining a better understanding of how climate change may affect both our portfolio and the world at large. The analysis helps us assess the consequences of different scenarios, translate them into financial terms, and guide our actions. In that way, we are better prepared for the changes ahead.

From the perspective of our mission, it is about understanding what could happen if the world fails to meet the climate targets, and what the consequences would be for pensions and our long-term mission.

How is a climate scenario analysis conducted?

We use a framework from Cambridge Econometrics, which is rooted in research from the World Bank. It is built on relationships between variables such as GDP, population, investment levels, resource use, and policy assumptions.

With the help of this framework, one can estimate, for example, how higher energy prices affect energy consumption and how such changes ripple through the economy. If GDP is expected to decline by a certain percentage, the model assesses the cumulative impact on equity returns, where the effect is significantly more negative if the change occurs over only a few years rather than gradually.

We also analyse countries' energy mixes and their ability to benefit from the transition through access to resources, technology, and expertise. Finally, we take into account how climate policies such as carbon taxes, regulations, and subsidies may affect sectors and countries, and how we as investors are exposed to changes in these areas.

When it comes to physical impacts, we know that certain conditions make countries particularly vulnerable, and we can draw conclusions about this based on the portfolio's exposure.

> **For us, it is about developing a deeper understanding of how climate change can affect both our portfolio and the world at large.**

How often should a new analysis be conducted?

The analysis should be carried out regularly, as technical, political, and economic changes affect the conditions. Depending on the pace of developments, the analysis and our assumptions need to be updated every few years.

We can see a general direction, but the world is constantly changing. Policies can be rolled back, and new factors, such as AI and geopolitical shifts, can alter the landscape. Increased energy consumption from AI, for example, was not even a consideration just a few years ago.

What are the challenges of conducting a climate scenario analysis?

The analysis relies on many uncertain assumptions, as well as uncertainties in how to model and interpret the results. Also, translating the scenarios into financial consequences, turning climate data into portfolio impact, is a complex but necessary task.

How does the analysis guide asset management?

The analysis provides a more nuanced understanding of the portfolio's risks. It also helps justify transition-focused mandates that consider both financial risks and actual impact.

What happens in a disorderly or failed transition?

In such a scenario, the risk of severely negative outcomes increases. Returns could fall sharply, which in turn would mean lower pensions and more unstable payouts. In an orderly transition, however, we assess that our return targets can still be achieved.

AP7's climate work and climate goals

The overall objective of AP7's Climate Action Plan is that the fund will contribute to global net-zero emissions by 2050. The climate work aims to drive the transition of the economy through active ownership, investments in entities that contribute to reduced climate risks, and actively participate in investor collaborations and public debate. Within the plan, a number of time-bound goals have been adopted.

Read about IEA's roadmap

AP7's climate work and climate goals, cont.

Transition to net-zero emissions

Maturity level of transition

AP7's climate goals are aimed at measuring the level of transition in the companies to achieve real emission reductions, rather than portfolio effects in the form of a reduced climate footprint. Over time, the climate footprint of the portfolio is expected to decrease if the underlying companies reduce their emissions, as an indicator that development is going in the right direction. In accordance with the Net Zero Investment Framework, AP7 uses five categories in assessing the maturity level of a company's climate work, representing incremental progress towards net-zero emissions.

The five categories are:

1. **Not aligning**
   Refers to companies without a commitment to reduce carbon dioxide emissions in a way consistent with achieving net zero.
2. **Committed to aligning**
   Refers to companies that have adopted a long-term goal of reduced carbon dioxide emissions in line with net zero by 2050. These companies have demonstrated that the first steps have been taken towards climate adaptation.
3. **Aligning to a net-zero pathway**
   Refers to companies that have adopted complete targets and a strategy for emission reductions and can thus demonstrate that credible transition work has begun.
4. **Aligned to a net-zero pathway**
   Refers to companies whose absolute emissions or emission intensity at least correspond to a relevant net-zero path.
5. **Achieving net zero**
   Refers to companies that meet all relevant criteria and have a net-zero emissions performance that is expected to be sustainable. Currently, it is rare for companies to reach this level.

Net Zero Investment Framework

The Net Zero Investment Framework (NZIF) is designed to help investors align their portfolios with the goal of achieving net-zero greenhouse gas emissions by 2050, in line with the Paris Agreement.

The framework provides structure and guidance for developing a climate strategy, support in identifying risks and opportunities linked to the climate transition, and tools for measuring and monitoring climate-related targets. It also enables investors to compare themselves with, and learn from, others in the transition.

The NZIF framework emphasises the importance of investors driving real emissions reductions, rather than merely lowering their portfolio footprint by divesting from high-emitting companies.

The work should rest on two pillars:

- transitioning portfolios to align with the goals of the Paris Agreement, which can include active ownership
- increasing investments in climate solutions that enable the transition to net zero.

Engaging in policy dialogue is also an important component, to influence the regulatory landscape for the entire market.

The framework has been developed within the global investor initiative Paris Aligned Investment Initiative (PAII).

AP7's work to drive an increased transition rate

Complete analysis missing	Not aligning	Committed to aligning	Aligning to net-zero pathway	Aligned to net-zero pathway	Achieving net zero

Measures for active ownership

	Complete analysis missing → Not aligning	Not aligning → Committed to aligning	Committed to aligning → Aligning / Aligned to net-zero pathway
Measures for active ownership	AP7 encourages companies to improve transparency regarding their climate impact. Dialogues mainly take place in collaboration with other investors.	AP7 encourages companies to initiate transition work. Dialogues mainly take place in collaboration with other investors.	AP7 conducts dialogue and put pressure to improve weaknesses in the companies' ongoing transition work. Examples are weak emission reduction targets, weak transition strategy, lack of climate adaptation of capital allocation. Dialogues mainly take place in cooperation with other investors.
Examples of escalation measures:	AP7 votes against companies with inadequate climate impact reporting[1].	AP7 votes against companies that have not started transition work[1].	AP7 votes against companies that have not adopted credible medium-term emission reduction targets[2].

The companies in the transition portfolio are subject to tailored dialogue based on our targets for the individual company's development.

[1] Based on TPI MQ scores
[2] Based on Net Zero Benchmark

AP7's climate work and climate goals, cont.

Climate focus across every asset class – our work and objectives

AP7 works to advance the climate transition across all invested asset classes: in the equity market, the bond market, private equity, and real estate. Since 2024, AP7 has also strengthened the capacity to support the transition within the fund's holdings by more clearly integrating active ownership into the asset management organisation.

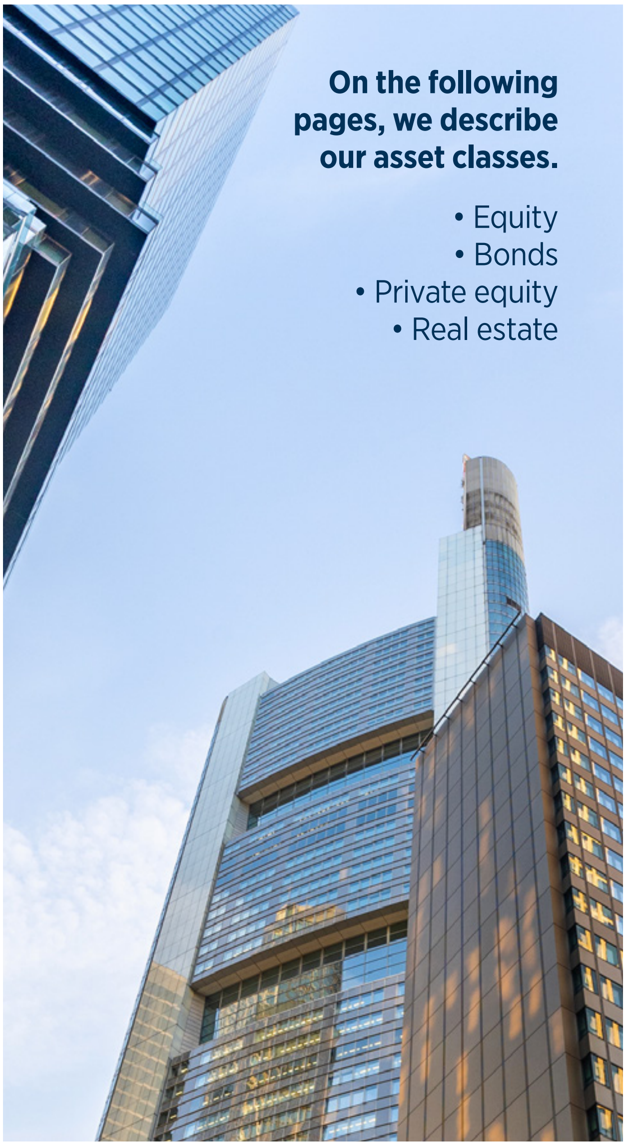
AP7 set activity-based and result-oriented goals for responsible investments and active ownership through 2025. We have now achieved these targets, some ahead of schedule, and are therefore adopting new targets for 2030. At the same time, new opportunities have emerged for our climate work as the sustainability team has been integrated into the asset management organisation. In addition, we have expanded investment mandates that allow us to invest in corporate and foreign bonds, and in 2023 we made our first real-estate investment. We now also have an internal mandate for a transition portfolio, which we see as the engine of our climate transition work and which entails an updated way of working (see pages 11–12).

Goals and follow-up 2022–2025

RESPONSIBLE INVESTMENTS	
EQUITY	BONDS
GOAL	GOAL
By 2027, the transition portfolio will account for 10 percent of the equity fund.	By 2025, green bonds will account for 50 percent of the fixed income fund.
FOLLOW-UP	FOLLOW-UP
The portfolio development continues according to plan.	The goal was achieved in 2024.

RESPONSIBLE OWNERSHIP IN THE EQUITY PORTFOLIO
ACTIVITY GOAL
In 2025, all prioritised portfolio companies[1] will be subject to intensified active ownership to support achieving net-zero emissions by 2050.
FOLLOW-UP
In 2024, 92 percent (65 percent in 2023) of the prioritised portfolio companies were subject to intensified active ownership. *The remaining companies lack the transition potential needed to justify continued, intensified active ownership. The goal is therefore considered achieved.*
RESULT-ORIENTED GOAL
In 2025, at least 50 percent of the prioritised portfolio companies will carry out credible transition efforts.
FOLLOW-UP
In 2025, 56 percent of the prioritised companies conducted credible transition efforts (34 percent in 2024).

[1] This refers to the companies that account for 70 percent of the portfolio's carbon footprint.



AP7's climate work and climate goals, cont.

> **The strategy aims to accelerate the transition in several areas with significant climate impact.**

EQUITY

The majority of AP7's managed capital is invested in the AP7 Equity Fund. The global equity portfolio is the main pillar of the fund, with broad geographical and sector distribution in just over 2,000 listed companies, along with financial instruments that increase risk and expected return.

Since 2022, we also have a transition portfolio, in which we invest in high-emission companies with sufficient transition potential, and in businesses focused on climate solutions. While contributing to the transition, it also increases our exposure to companies that may benefit from a shift to a fossil-free economy.

Active ownership through engagement is the most important tool for driving the climate transition in our holdings.

The transition portfolio

The basic idea behind the transition portfolio is to combine active management with active ownership in order to achieve greater climate transition in companies while also generating long-term value. The investments are made in large and mid-sized global companies that have the potential to transition their operations and reduce their emissions, so-called high-emission transition companies. The portfolio also includes companies that, through their products, services, and business models, enable others to reduce their emissions, so-called solution companies. AP7 believes that the long-term financial performance of these companies should generally benefit from their own transitioning or by contributing to others' transitions.

The first investment in the transition portfolio was made in 2022. In 2023, Legal & General Investment Management received a management mandate supporting AP7's transition strategy. In 2024, AP7 started developing an active, internally managed transition mandate.

The strategy aims to accelerate the transition in several areas with significant climate impact, such as power supply and energy systems, as well as the construction, food, and transport sectors.

> **We are a global asset owner, and if the climate transition fails, our entire portfolio will be affected. We believe we can have the greatest impact by acting as long-term, active owners in the areas of greatest need.**

How we assess transition potential

A core criterion for inclusion in the transition portfolio is the company's financial strength, both to meet our return requirements and to ensure that the company has the capacity to carry out the necessary transition. We also analyse the company's sector, operations, and climate strategy, including transition plans and investment patterns, in light of scientifically grounded expertise. The analysis provides a comprehensive view of the company's current climate performance, identifies potential weaknesses, and forms the basis for our active ownership activities. We also assess the conditions for effective active ownership, where factors such as ownership structure, governance framework, and institutional and cultural aspects can influence the possibilities for change.

Active ownership to accelerate the transition

AP7 uses the ownership tools at its disposal to accelerate companies' climate transition efforts, primarily through bilateral company dialogues, engagement linked to voting actions, and investor collaborations. AP7 is an active member of Climate Action 100+, including the Climate Lobbying Working Group, IIGCC's Net Zero Engagement Initiative, and participates in dialogues on methane emissions within the oil and gas industry.

Within initiatives such as Climate Action 100+, common expectations are identified in collaboration with other investors. These expectations are first communicated to companies via letters, followed by regular meetings with the company's management or board. If a company fails to demonstrate a willingness to change after these measures, escalation tools are available, such as voting against board members and filing shareholder resolutions.

See more information on active ownership on page 18.

AP7's climate work and climate goals, cont.

Voting policy

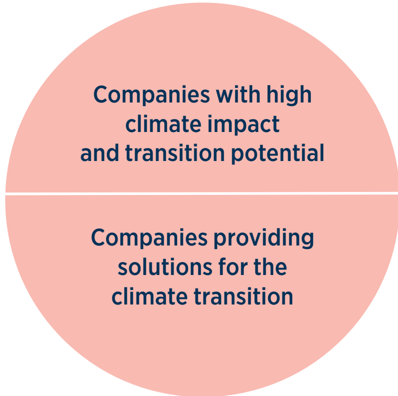
AP7 generally votes in favour of proposals aimed at improving climate strategy or climate reporting. The policy has been gradually developed and strengthened over time. Since 2022, we have voted against boards of companies that have underperformed in their transition efforts. In 2023, the requirements were further tightened, and since then we have voted against agenda items in companies with significant climate impact that have not taken the necessary steps in their climate transition. This includes companies that, despite repeated reminders, have inadequate governance for climate transition, have not adopted credible emission reduction targets, fail to manage and disclose their climate lobbying activities, or do not address high deforestation risk in their supply chains.

Climate exclusions

Since 2017, AP7 has excluded companies whose activities conflict with the Paris Agreement, and the methodology has gradually evolved. The climate exclusion process begins with a screening based on threshold values, where companies are assessed by sector, focusing on fossil fuel exploration and extraction, as well as production volumes. However, we may choose to hold such companies in the transition portfolio, provided our overall assessment shows they meet the previously mentioned inclusion criteria — meaning they have sufficient transition potential and are receptive to active ownership.

By excluding companies that lack transition potential, we can concentrate our efforts on the companies where we can drive meaningful change. This updated approach is the result of our ongoing development work, taking both research and changes in the external environment into account.

THE TRANSITION PORTFOLIO



GOALS FOR EQUITY

By 2027[1] the transition portfolio will account for 10 percent of the equity fund. The investment mandate aims to accelerate companies' climate transition by combining active management with active ownership.

By 2030, 100 percent of the companies in the transition portfolio will be conducting credible transition work.

[1] Considering a new strategic direction towards more internally managed capital, AP7's Board has decided to postpone the goal by two years (previously 2025) to enable the development of an internal transition management.

The overarching purpose of the transition portfolio is to contribute to real-economy effects through globally reduced emissions. For this reason, we seek both solution-oriented companies and companies that currently have a significant need to transition, where we, as active owners, can help accelerate the process. Ideally, these companies can eventually act as pioneers and catalysts within their respective industries.

Jessica Eskilsson Frank,
Head of Equity Management at AP7

AP7's climate work and climate goals, cont.

Maturity of the transition in prioritised companies[1] as of 1 November 2025[2]

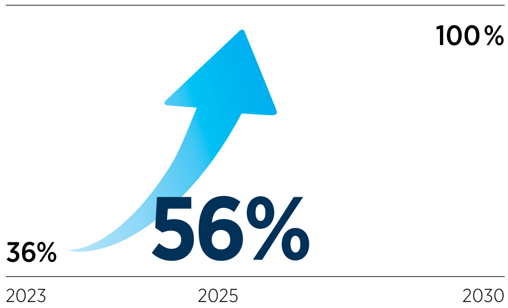
Complete analysis missing	Not aligned	Committed to aligning	Aligning to net-zero pathway	Aligned to net-zero pathway	Achieving net zero
0%	44%	49%	5%	3%	0 %

See more information about the criteria that underpin the assessment of companies' climate transition in the report NZIF 2.0 Net Zero Investment Framework.

Read more about the report

AP7's goal is that by 2025, at least 50 percent of the companies with the highest emissions in our portfolio should undertake credible transition efforts.

In 2025, **56 percent** of the prioritised portfolio companies with the highest emissions conducted a credible transition work towards net-zero emissions. **49 percentage points** of these have made a commitment and **5 percentage points** have begun transition efforts. **3 percent** are aligned to a net-zero pathway. **44 percent** of the companies have not yet started their transition. Unlike prevous years, none of the companies lack a complete analysis.



[1] This includes the companies responsible for 70 percent of the portfolio's carbon footprint. Going forward, active ownership on climate-related issues will be carried out within the transition portfolio.

[2] Due to increased data availability, the 2025 analysis covers a larger number of companies than in previous years, which is also the main reason for the change in maturity level in 2025.

AP7's climate work and climate goals, cont.

BONDS

The fixed-income market plays an important role for the green transition, as it is both larger than the stock market and financing reaches more participants, such as states, and stateowned and unlisted companies. The bond market has a more direct impact on companies, as access to loans affects their cost of capital. Bonds have maturities that must be renegotiated on a regular basis, which creates opportunities for investor dialogue – in contrast to shares, which are issued with perpetual maturity.

Stock and bond markets therefore complement each other well; shareholders can vote at the general meeting, while bondholders can place demands on companies when they provide financing.

Green bonds

In recent years, AP7 has increased the share of green bonds in its fixed-income fund – that is, bonds in which the capital is earmarked for various environmental projects. In 2020, AP7 adopted the goal that green bonds should make up 50 percent of the AP7 Fixed Income Fund by 2025 – a goal that was achieved already in 2024. During 2024, the fund also invested for the first time in green bonds with a blue theme – a type of bond issued to support projects focused on oceans and water purification.

When a development bank, such as the World Bank, issues a green bond, it has a better credit rating as several countries stand behind it. In this way, AP7 can be involved in financing environmental projects in Africa, for example, and other parts of the world, where the needs and climate benefits are greatest, but where the risks have previously been too great.

An advantage of green bonds is that the risk is lower than with, for example, project financing, as the risk is not linked to the specific project but to the company's or the state's total credit risk. Studies show that issuers of green bonds also generally reduce their emissions at company level more than other issuers.[1)]

We continue to invest in green bonds when appropriate, with the aim of steadily increasing the capital allocated to sustainable bonds. We are also expanding our investment opportunities to include more types of bonds that finance the transition, including sustainability-linked bonds. In 2025, AP7 invested in two Sustainability-Linked Loans Financing Bonds (SLLB), issued by the Nordic Investment Bank (NIB) and Nordea. The purpose of these bonds is to help limit climate change and support companies in their climate transition.

Corporate bonds

Since 2025, AP7 has also invested in corporate bonds, which provide a broader range of issuers and additional opportunities to contribute to tangible impact in the real-world economy. When we invest in bonds, we set high expectations that companies have already begun their transition – for example, that they have adopted a transition plan and analysed their climate risks. In other words, simply making a net-zero commitment is not enough. We maintain an ongoing dialogue with companies about our expectations, and our long-term goal is for the bond portfolio to be aligned with the global net-zero target. By 2030, all companies in the corporate bond portfolio must reach the maturity level "Aligning to net-zero pathway" or higher according to NZIF's transition-maturity model (see page 9).

By clearly communicating our expectations and engaging in dialogue with companies before and during the investment, we can help steer the market in the right direction. Our expectations will be published and serve as a clear starting point for our meetings with companies. They include, among other things, requirements for clear emissions targets, disclosure of climate governance and climate emissions, well-defined climate goals, and a transparent transition plan. We also prefer that companies' targets are science-based and aligned with the Paris Agreement, and that their policy engagement and lobbying support the climate goals.

GOALS FOR BONDS

By 2030, all companies in the corporate bond portfolio will reach transition level "Aligning to net-zero pathway" or higher according to the NZIF model. The amount of capital invested in green bonds will increase over time.

> **An advantage of green bonds is that the risk is lower than with, for example, project financing, as the risk is not linked to the specific project but to the company's or the state's total credit risk. Studies show that issuers of green bonds also generally reduce their emissions at company level more than other issuers.**

[1)] See for example Demski, J., et al. "Growth of the green bond market and greenhouse gas emissions." BIS Quarterly Review (2025); Reitsema, L. & Scholtens, B. "The role of corporate green bonds in managing greenhouse gas emissions." Climatic Change 178.8 (2025): 1-20; Fatica, S. "Financing a sustainable recovery with green bonds." JRC Science for Policy Brief, European Union (2020).

AP7's climate work and climate goals, cont.

Green bonds with a blue theme – earmarking capital to protect oceans and coasts

Green bonds with a blue theme (or "blue" bonds) are an increasingly important instrument for financing projects that strengthen marine and coastal environments. The proceeds are used for initiatives that protect marine ecosystems, preserve biodiversity, promote sustainable fishing, and increase resilience to the effects of climate change. They are based on the same principles as green bonds, but focus on projects that contribute to the UN Sustainable Development Goals for clean water and the conservation of oceans and marine resources (SDG 6 and 14).

A clear example is efforts to restore and conserve mangrove forests – coastal ecosystems that function both as carbon sinks and natural protective barriers. By storing large amounts of carbon in soil and sediment, they help reduce emissions while also protecting against erosion and rising water levels. These forests are also vital habitats for fish and other species. In countries such as Indonesia and the Seychelles, the restoration and protection of mangroves are financed as part of broader marine projects. The impact can be measured by restored areas, carbon storage, emission reductions, and improved resilience against erosion.

The main challenges are ensuring that projects deliver long-term environmental benefits, avoiding the risk of "bluewashing", and ensuring that local communities share in the benefits. When properly designed, blue bonds can contribute to both ecological recovery and economic development in coastal regions worldwide.

In 2025, AP7 had nearly SEK 3 billion invested in green bonds with a blue theme, issued by institutions including the Asian Development Bank (ADB) and the International Finance Corporation (IFC).

AP7's climate work and climate goals, cont.

PRIVATE EQUITY

Private Equity (PE) involves long-term investments in unlisted companies. As in our other asset classes, we aim to combine sustainable returns with actively supporting the climate transition and ensuring that investments are resilient to climate risks over time. Climate risk constitutes a real financial risk and must therefore be fully integrated into the investment strategy.

We view private equity as a key lever for driving change in the real economy, not only through capital allocation but by raising the ambitions of our General Partners' (GP) active ownership. As Limited Partners (LP), we do this by promoting industry standards, engaging in active ownership, and maintaining close dialogue with our GPs. To influence this work in a structured way, we always seek representation in the Limited Partner Advisory Committee (LPAC).

Our main tools for advancing climate efforts in the PE portfolio are setting requirements and conducting sustainability assessments before investments, as well as systematic evaluation, dialogue, and engagement during the ownership period. Reliable data is essential for this work, while data availability and comparability in private equity remain a challenge. Unlisted companies often lack standardised reporting, so we actively work with industry initiatives such as the Institutional Limited Partners Association (ILPA) and NZIF to strengthen standards and improve reporting.

In line with NZIF's maturity levels (page 9), we expect portfolio companies to gradually move from "Committed to aligning" to "Aligned to net-zero pathway" and ultimately toward net-zero emissions. Our ambition is for sustainability and climate considerations to drive both value creation and risk management across the portfolio, while GPs also consider our exclusion criteria.

Separately Managed Accounts

Our investments are primarily made through tailored mandates, Separately Managed Accounts (SMA). These funds often build portfolios through a global large buyout strategy. Through long-term collaborations, we have gradually refined our model for integrating the climate perspective, and several of our SMA partners are now leaders in setting climate targets and driving sustainable transformation, that is, concrete actions to measure and reduce emissions, transition portfolio companies' business models, and strengthen long-term resilience.

We expect all SMA partners to set targets in line with the Paris Agreement and systematically integrate sustainability aspects into the investment process, including selection, evaluation, and decision-making. All SMA partners are followed up annually through dialogue and surveys inspired by ILPA. Our methodology is based on clear criteria that allow us to track development over time and drive annual improvements. This includes assessments of governance and strategy, pre-acquisition investment processes, work during the ownership period, reporting and transparency, as well as climate efforts.

In this way, we can influence SMA partners to develop and refine their targets and gradually raise the ambition across the entire portfolio. AP7 is also exploring the possibility of quantifying the goal based on the share of net asset value (NAV) covered by science-based climate targets.

Primary funds

In recent years, we have also invested outside our tailored mandates in primary funds. These provide greater opportunities to influence than our tailored mandates. This work will continue to develop over the coming years, following the same approach as for our tailored mandates, with close dialogue and annual follow-up.

For new investments, we carry out a systematic climate assessment as part of due diligence. This includes climate targets, climate-related risks, and opportunities for improvement, aiming to ensure that investments align with a long-term roadmap in line with the Paris Agreement. The work follows established guidelines, such as ILPA and the Principles for Responsible Investment (PRI), and is complemented by sector-specific frameworks.

GOALS FOR PRIVATE EQUITY

Separately managed accounts:

– SMA partners' climate work must show clear annual improvements in our evaluation system and should increasingly be guided by science-based climate targets.

Primary funds:

– General Partners must have science-based climate targets in line with the Paris Agreement and a clear strategy to achieve them by 2030. If targets are absent at the initial commitment, they must be established within a set timeframe.

– Portfolio companies should gradually improve their climate work and report annually against established ESG KPIs.[1)]

[1)] Funds subject to reporting requirements under SFDR must report in accordance with these requirements.

> **We view private equity as a key lever for driving change in the real economy, not only through asset allocation but also by raising the ambitions of our managers' active ownership.**

AP7's climate work and climate goals, cont.

REAL ESTATE

The real-estate sector accounts for around 20 percent of global greenhouse gas emissions and is crucial for achieving the Paris Agreement's 1.5-degree target. Our strategy aims to accelerate the energy transition in the sector. We do not invest to avoid emissions, but to take responsibility for reducing them, both by improving existing buildings and enabling sustainable new construction.

As a long-term owner, we gradually build our real-estate portfolio and work to ensure that all our investments have ambitious and credible climate targets, science-based climate roadmaps, and conducted climate risk assessments.

We use NZIF's transition level model to assess the stage of our holdings and actively drive progress toward Achieving Net Zero Emissions. The framework provides a structure for evaluating, monitoring, and managing the emissions profile and transition level of investments over time.

Active ownership

We conduct active and responsible ownership, with sustainability integrated throughout the investment process. We aim to influence at a strategic level through board representation, and engage in dialogue when necessary.

We invest together with partners who share our ambition to accelerate the climate transition. Through ownership directives, we ensure that climate and sustainability targets are integrated into operational management.

All holdings must undergo climate risk assessments, and where necessary, have action plans for climate adaptation. We have a structured process for sustainability follow-up, including annual meetings with companies to collect data on climate targets, energy efficiency, climate risks, and continuous improvements. Climate targets and transition plans should be based on recognised emission pathways for operations and the construction phase (e.g., CRREM, SBTi, or the equivalent).

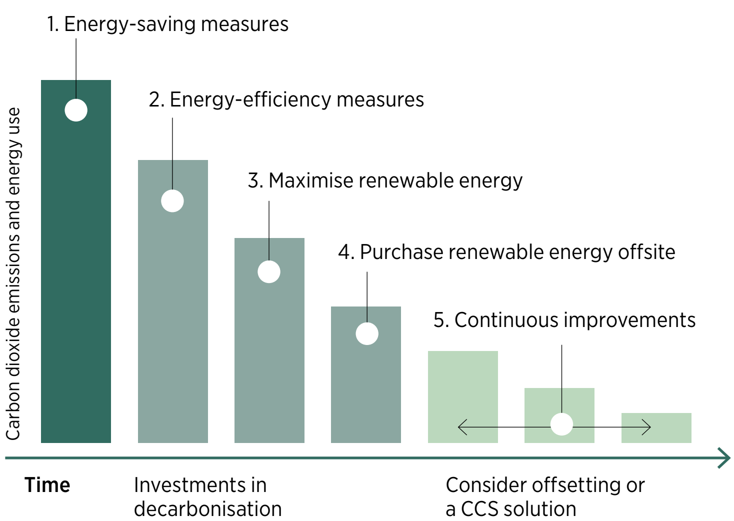
GOALS FOR REAL ESTATE

By 2030, the entire portfolio will have science-based climate targets and a credible roadmap in line with the 1.5°C target.

For each new real-estate acquisition, this must be established no later than 12 months after the acquisition.

Since 2023, AP7 has an expanded mandate to invest in real estate with the aim of diversifying the portfolio, improving risk-adjusted returns, and promoting sustainable development. So far, we have made an initial investment as a co-owner of the Urban Escape block in central Stockholm, together with AMF.

Key steps to reaching net zero



> **We do not invest to avoid emissions, but to take responsibility for reducing them, both by improving existing buildings and by enabling sustainable new construction.**

AP7's climate work and climate goals, cont.

Active ownership at different levels

With AP7's long-term mission to generate pensions, climate change poses a systemic risk that threatens the possibility of future returns. The only way for AP7 to manage this risk is to actively work to contribute to real reductions of greenhouse gas emissions.

Company dialogue: Impact on individual portfolio companies	Acting at systemic level: Impact in a sector, region or value chain	Norms development: Drives change across the entire capital market

MANAGE PORTFOLIO RISKS ← → MANAGE SYSTEMIC RISKS

To achieve the net-zero target, AP7 practices active ownership in both listed and unlisted companies to encourage intensified climate adaptation in their operations. We do this in collaboration with other investors. For AP7, active ownership means purposeful, target-oriented communication with a company about critical issues, with the goal of encouraging meaningful real change at the individual company level and/or addressing a market-wide or systemic risk, such as climate change.

For investors, there are several strategies and methods for exercising active ownership, and the influence can take place at different levels. As part of AP7's thematic work *Sustainable impact measurement* we examined which active ownership strategies proved most effective. Conclusions included:

- Credibility and legitimacy are more important than ownership share for a successful dialogue.
- A strong business case increases the likelihood that companies will be responsive to the owner's arguments.
- Cooperation between investors increases the likelihood that the companies will be responsive.

Norms development

As a long-term universal owner, AP7's ambition is to bring about an overall change and promote a long-term sustainable capital market. AP7 does this by driving the development of norms and standards that affect the majority of companies. Examples of climate standards include the Global Standard on Responsible Climate Lobbying and the Oil & Gas Methane Partnership for oil companies to manage methane emissions. The development of a framework for how companies and investors should work systematically with climate change is ongoing and there is currently no uniform global standard.

Systemic level

When several investors share the same expectations for a company's climate work and make joint demands, this creates greater pressure. AP7 participates in collaborations such as the Climate Action 100+, the Net Zero Engagement Initiative, the Climate Lobbying Working Group, and participates in dialogue on methane emissions in the oil and gas industry. Within the framework of these, AP7, together with hundreds of other investors, conducts focused advocacy work against the world's largest emission companies, which together account for nearly 80 percent of the global business community's greenhouse gas emissions. So far, the circa 600 investors behind Climate Action 100+ have secured net-zero commitments from 80 percent of the companies. There has been progress in reporting, and in setting long-term and medium-term emission reduction targets. Substantial progress is still required in terms of short-term goals, capital allocation, policy impact and greenhouse gas emission reductions. Efforts to impact development in the right direction continue.

Individual companies

AP7's transition portfolio includes companies that offer solutions to significant climate impact but which we believe can be positively influenced. In the dialogue, we focus on driving specific measures that create value at the same time as they lead to emission reductions for the individual companies, and in the long run have the potential to contribute to a broader climate transition in the market.

When companies do not show a willingness to change, owners may need to adjust their methods to achieve impact. AP7 has found that in such cases, dialogue with individual companies is most effective when conducted in collaboration with other owners, and when there is a readiness to combine the dialogue with other methods, such as voting or shareholder proposals at general meetings.

> **As a universal and active owner, AP7 views active ownership as a key way to contribute to society's transition to net-zero emissions by 2050.**

AP7's climate work and climate goals, cont.

Transparency and policy dialogue

With long-term, global ownership in more than 2,000 companies, AP7 can work through organisations, alliances, and coalitions to collaborate with like-minded stakeholders and influence decision-makers on climate change and other issues.

AP7 has a long history of engagaging in policy dialogue and publicly advocating from an investor perspective.

We openly support the climate transition, for example by proposing improvements to policy and regulatory frameworks aimed at achieving net-zero emissions by 2050. Examples include phasing out fossil fuel subsidies and introducing taxing and pricing on emissions.

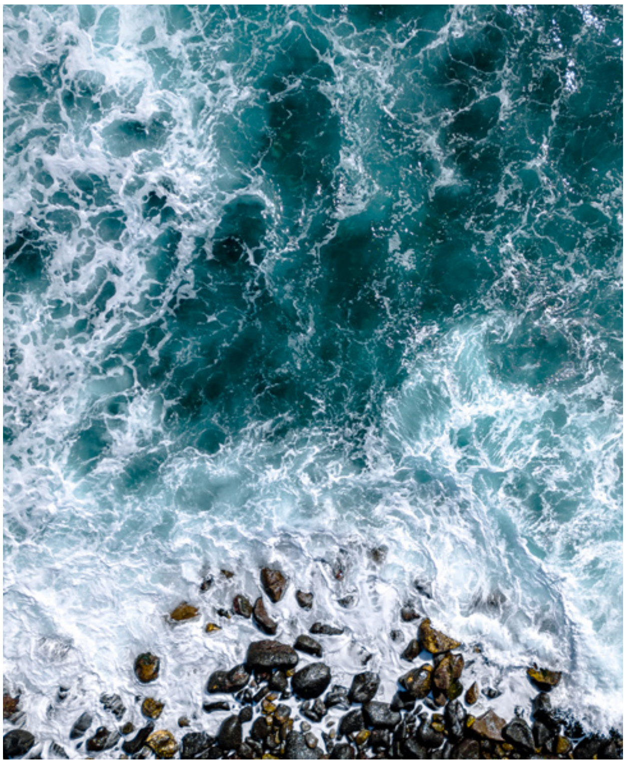
AP7 actively participates in investor collaborations to develop methods, tools and frameworks for investors such as the Net Zero Investment Framework. In 2025, AP7 was also an active member of Climate Action 100+, Ceres, FAIRR, ICGN, Nature Action 100, PRI, Swesif and TPI.

AP7 has also been part of the TNFD taskforce. The TNFD framework aims to improve companies' reporting of nature-related risks and opportunities. The overall goal is to provide information to investors, among others, to steer financial flows away from businesses that have a negative impact on the biosphere to those with a positive impact.

Knowledge sharing

AP7 works to bridge the gap between research and practice in the field of sustainable investments. We work to contribute with new knowledge, share existing knowledge, and bring together different societal actors in public debate on matters such as climate lobbying, working conditions, and on measuring the effect of sustainability initiatives. The purpose is to share knowledge and raise awareness about the role of investors in promoting sustainable development.

Between 2025 and 2027, we carry out in-depth thematic work on Sustainable Construction. The construction and real-estate sector has a significant climate impact, and there is an opportunity to create concrete and positive change in the real economy. The theme focuses on investment influence, active ownership, and knowledge sharing.



Global standard for responsible climate lobbying

AP7 has been a driving force in the development of the Global Standard on Responsible Corporate Climate Lobbying – a standard for analysis and reporting of companies' climate lobbying. The standard was launched in March 2022, by AP7 together with BNP Paribas Asset Management and The Church of England Pensions Board. It comprises a basis for consistent investor expectations of companies, to ensure that their lobbying work is conducted in line with the Paris Agreement. The standard is based on 14 criteria for evaluating work with policy influence and should make it easier for companies to report, and for investors to evaluate, companies' climate lobbying. The standard also encourages companies to make formal commitments and to take measures if their own lobbying activities, or those of their business organisations, conflict with the goals of the Paris Agreement. In total, over 3,800 organisations and investors have endorsed the new standard.

In 2023, AP7 applied the standard to our own operations and published the results in the report *Public policy dialogue and climate lobbying*, see page 20. In addition to a mapping of the organisations AP7 is a member of, proposals were compiled for how the organisations should be handled based on our influence and their respective positions on the climate issue.

OVERALL OBJECTIVES

– To continue as active participant in investor collaborations, for example within IIGCC, which identifies new needs in policy dialogue.

– To conduct new activities every year to spread knowledge and increase understanding about investors' roles in sustainable development.

Read more at www.climate-lobbying.com

AP7's climate work and climate goals, cont.

Reporting

Reporting AP7's objectives, strategies, voting, activities, and progress is itself a way to achieve the goal of net-zero emissions.

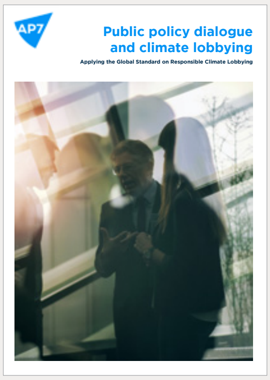
AP7's reporting explains to savers how we work and helps companies, suppliers, and other stakeholders understand the standards we set as an owner and investor.

Voting at general meetings is AP7's main tool for influencing most companies in the portfolio and promoting our sustainability positions. We therefore publish on our website, in full transparency, how AP7 votes on all agenda items at every general meeting.

AP7 is not directly subject to EU Taxonomy requirements. However, as a pension product provider, AP7 complies with the SFDR disclosure regulation. Since 1 January 2024, AP7 has published sustainability-related disclosures on its website in line with SFDR requirements.

> **AP7 has a long history of engagaging in policy dialogue and publicly advocating from an investor perspective.**

AP7's public policy dialogue and climate lobbying



In the report *Public policy dialogue and climate lobbying*, AP7 has applied the standard to our own operations and summarised our work within the area. This has been done through an assessment of how AP7's membership in organisations affects countries' climate policies. Because AP7 is a government agency, while the standard was designed for multinational companies, some criteria are difficult to apply. Nevertheless, we published the report to lead by example by increasing our own transparency and identifying areas for improvement and in-depth work.

→ Read the full report at ap7.se

AP7's climate work and climate goals, cont.

AP7 measures the carbon footprint

AP7 measures and reports the carbon footprint of the listed shares in the AP7 Equity Fund as part of our climate work. The footprint provides an estimate of direct emissions from the portfolio companies. It serves as one of several bases for identifying companies for intensified active ownership. Aligning company operations with the Paris Agreement is a prerequisite for achieving the 1.5-degree target. The goal of AP7's climate work is for the companies we own to reduce their emissions. The portfolio's footprint indicates changes in emissions, but it is also affected by changes in holdings, which do not impact actual emissions. We therefore report the total change in the portfolio's footprint, broken down into changes in emissions and changes in holdings.

The table shows that total emissions from AP7's portfolio companies decreased in 2024. Emission changes in companies reduced the footprint by 5.9 percentage points, while changes in holdings had a smaller negative effect of 0.3 percentage points.

The analysis of AP7's listed equity footprint is conducted by S&P, covering scope 1, 2 and 3 emissions in line with the GHG Protocol.

AP7's carbon footprint for listed equity	2024	2023
Total emissions of equity portfolio (Scope 1 and 2) (million tonnes CO_2e) [1]	4	4,3
AP7 compared with MSCI ACWI (%)	–8,3%	–3,1%
Change in portfolio's total carbon emissions (Scope 1 and 2) in relation to previous year (%)	–6,2%	–2,6%
– of which change caused by changes in portfolio holdings (%-points)	–0,3%	–0,2%
– of which change caused by changes in companies' emissions (%-points)	–5,9%	–2,4%
Carbon emissions (Scope 3) (million tonnes tCO_2e)	34,2	27,8
Relative carbon emissions (Scope 1 and 2) (tonnes CO_2e/SEK million) [2]	3,3	4,7
Portfolio-weighted carbon intensity (Scope 1 and 2) (TFCD) (tonnes CO_2e/SEK million) [3]	10	12,2
Market value of the fund's directly owned listed equity portfolio included in the analysis (SEK billion)	1 204	912
Proportion of market value for which reported CO_2e data is available (Scope 1 and 2) (%)	84%	82%

[1] Total carbon emissions: Sum of the owned proportion of each portfolio company's carbon emissions.

[2] Relative carbon emissions: Sum of the owned proportion of each portfolio company's carbon emissions in relation to the portfolio's market value.

[3] Portfolio-weighted carbon intensity: Sum of each portfolio company's carbon intensity, i.e. a company's carbon emissions in relation to its revenues, weighted according to each company's proportion of the portfolio.

Collaborations and memberships

AP7 is a member of the following organisations and supports or have signed the listed voluntary guidelines. In the report *Public policy dialogue and climate lobbying*, we publish an assessment of how our memberships in various organisations affect our climate policy.

Ceres	A non-profit organisation that works with the capital market to solve the main global sustainability challenges.
Climate Action 100+	Project for investors working to drive climate action in the world's largest emitting companies. In 2023, the second phase was launched, which runs until 2030 and focuses on the implementation of the companies' climate transition plans.
Farm Animal Investment Risk & Return (FAIRR)	Global investor network with a focus on sustainability in the animal agriculture sector.
Institutional Limited Partners Association (ILPA)	Global industry organisation representing investors in private equity.
Institutional Investors Group on Climate Change (IIGCC)	Europe's largest membership organisation for institutional investors for collaboration on the climate issue.
International Corporate Governance Network (ICGN)	A global network for active ownership issues. ICGN works for increased voting rights for shareholders at general meetings and a stronger position in relation to company management.
Paris Aligned Investment Initiative (PAII)	PAII is a collaborative forum led by investors (coordinated by the regional investor networks AIGCC, Ceres, IGCC, and IIGCC) to support investors in aligning their portfolios and investment activities with the goals of the Paris Agreement.
Paris Aligned Asset Owners (PAAO)	An international association of asset owners who have made individual commitments to work towards reaching net-zero emissions by 2050. PAAO evolved from the Paris Aligned Investment Initiative (PAII), which was established in May 2019.
Sweden's Sustainable Investment Forum (Swesif)	Swedish sustainability network for investors.
Transition Pathway Initiative (TPI)	Global initiative and research institute that provides information on companies' carbon dioxide emissions, and helps investors evaluate how companies with large emissions are working to become fossil-free, and whether their work is in line with the Paris Agreement.
Taskforce on Climate-related Financial Disclosures (TCFD)	International initiative that has developed a framework for identifying and reporting companies' climate-related financial risks and opportunities.
Taskforce on Nature-related Financial Disclosures (TNFD)	International initiative that develops a framework for companies' reporting and identification of nature-related risks and opportunities, as well as for their impact on nature.
The Net Zero Investment Framework (NZIF)	Guide developed to be used by investors to set goals and develop net-zero strategies and transition plans. An updated version of the guide, NZIF 2.0, was published in June 2024.
UN Principles for Responsible Investments (UNPRI)	A global initiative for institutional investors working to integrate sustainability aspects in their investments. AP7 has signed PRI's principles for responsible investment.

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"This is a summary of AP7's plan to contribute to the companies AP7 invests in adapting their operations and gradually lower their emissions to reach net-zero emissions globally by 2050 at the latest.