



Annual report 2025

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

In addition to the annual report, Första AP-fonden's report for 2025 includes a sustainability report, a Fund Governance Report and a risk management report. The sustainability report is based on common guidelines for the AP Funds for reporting on how the goal of exemplary management has been achieved.

The closing phase of a important public mandate

At the end of 2025, Första AP-fonden (AP1) ceased its operation after 25 years as a central component of buffer capital management in the Swedish income pension system. The wind-down followed a decision by the Riksdag regarding changes to the management of buffer capital in the national pension insurance funds (AP Funds). These legislative amendments entered force on 1 January 2026. This decision consolidated the three Stockholm-based buffer funds into two by transferring the assets and obligations of Första AP-fonden to Tredje AP-fonden (AP3) and Fjärde AP-fonden (AP4), while the assets of the Gothenburg-based Sjätte AP-fonden (AP6) were transferred to Andra AP-fonden (AP2).

Since its beginning, Första AP-fonden's mandate has been to manage a portion of the income pension system's capital in an exemplary manner, with the goal of achieving long-term high returns, cost-efficiency and responsible risk-taking. Through responsible management and active responsible ownership, the Fund has strengthened pension security for current and future generations. Over these 25 years, the return has been nearly SEK 454 billion, representing a significant contribution to the long-term stability of the pension system. During this same period, Första AP-fonden also paid out more than SEK 67 billion to the pension system.

The Annual Report for 2025 marks the conclusion of Första AP-fonden's mandate. By and large, the year was marked by consolidation activities, with a focus on ensuring an orderly and responsible transfer to the recipient funds. These activities have been extensive, and were

carried out in close collaboration with Tredje AP-fonden and Fjärde AP-fonden, the investigator specially appointed by the Swedish Government, and the Swedish Ministry of Finance. During the wind-down period in 2025, Första AP-fonden continued its day-to-day activities as an independent authority.

At the beginning of 2026, the assets and obligations of Första AP-fonden were transferred to Tredje AP-fonden and Fjärde AP-fonden.

The government has decided that certain assets can be managed separately during a transitional period. For the segregated management, the law that governs Första AP-fonden will remain in force for certain parts, but the tasks that otherwise would have been performed by the Board of Directors of Första AP-fonden are instead being performed by the Board of Directors of Fjärde AP-fonden. In light of this, the Board of Fjärde AP-fonden has adopted and signed Första AP-fonden's Annual Report for 2025.

Fjärde AP-fonden would like to express our appreciation for the structured and responsible efforts made by Första AP-fonden and its employees during this process.

The Board of Directors of Fjärde AP-fonden

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

The year in brief

The 2025 operating year was characterized by the Swedish Parliament's decision regarding the consolidation of the AP Funds, which meant that the assets of Första AP-fonden were distributed between Tredje AP-fonden and Fjärde AP-fonden at the turn of the year 2025/2026. Geopolitical tensions and economic turbulence continued to affect the global economy. However, Första AP-fonden achieved a good return of 5.6 per cent after expenses in 2025.

Key ratios	2025	2024	2023	2022	2021
Return before expenses, %	5.7	9.9	9.1	-8.5	20.8
Expense ratio, %*	0.08	0.05	0.06	0.06	0.07
Return after expenses, %*	5.6	9.8	9.1	-8.6	20.8
Net investment income after expenses, SEK bn*	27.9	44.6	38.0	-39.9	80.7
Net flows for pension system, SEK bn	-4.6	-2.0	-4.8	-4.7	-7.5
Closing net assets, SEK bn	520.2	496.9	454.4	421.2	465.8

* Including wind-up costs of SEK 172 million.

Excluding wind-up costs in 2025:

- the expense ratio was 0.05%;
- return less costs was 5.7%; and
- net investment income after expenses amounted to SEK 28.0 billion.

The diagram shows Första AP-fonden's contribution to the stability of the pension system since 2001 through the net flows to the pension system as well as returns.

Climate

Since 2019, the carbon intensity of the listed equity portfolio has decreased by

67%

The share of the equity portfolio's carbon emissions covered by climate targets in line with the Paris Agreement

55%

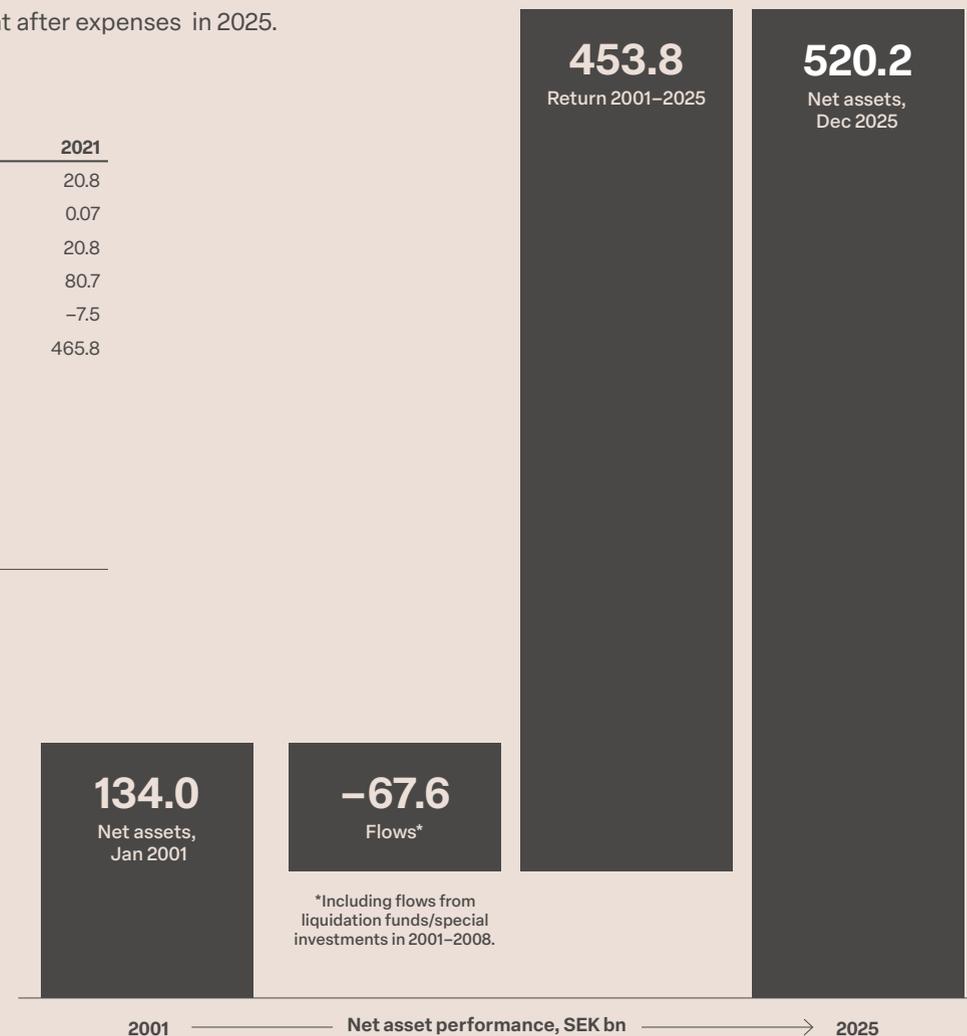
Responsible ownership



In the spring of 2025, Första AP-fonden voted as a responsible owner at 1,565 shareholders' meetings, of which 98 were in Sweden and 1,467 outside Sweden.



Ahead of the 2025 AGM season, Första AP-fonden worked on 22 nomination committees in listed and unlisted companies.



The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Första AP-fonden's portfolio

Long-term return target

The Board of Directors of Första AP-fonden determined the return target and the financial risk the Fund would take.

The Fund's medium-term real return target was 3.0 per cent per annum over the coming ten-year period.

The long-term target was 4.0 per cent average annual real return over 40 years, after expenses.

Active decision-making and focusing on capitalising on opportunities in this year's volatile market have allowed the Fund to make a positive contribution to the income pension system. Första AP-fonden exceeded both its short-term and long-term return targets.

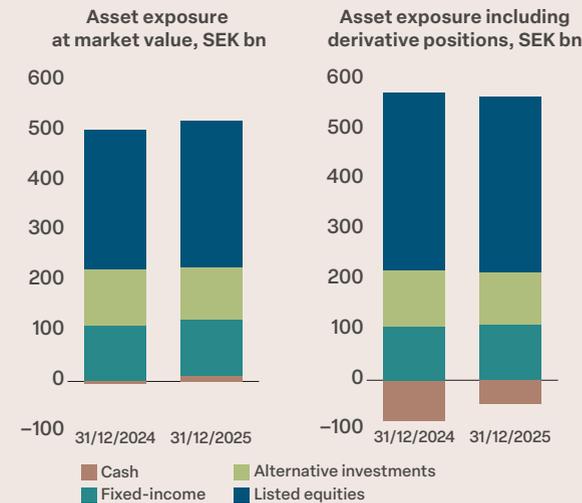
Portfolio asset classes

Första AP-fonden invested mainly in risk assets in order to create the conditions for achieving the return target over time. The Fund's main asset classes were listed equities, fixed-income investments and alternative investments. Fixed-income investments comprised bonds, other fixed-income instruments and cash. Alternative investments comprised private equity funds and real assets such as real estate and infrastructure. The Fund's absolute return mandates, which consisted partly of internal risk mandates without allocated capital and partly of investments, were categorised as "alternative strategies". Currency risk management comprised, and was managed as, a separate area and reported separately.

Portfolio exposure

Asset exposure is reported in this Annual Report in accordance with the principle applied in previous years by Första AP-fonden and the Board that was

responsible for operations in 2025. This principle meant that asset exposure was reported on the basis of the market value of individual instruments. In addition, derivatives positions created an increased exposure, primarily to listed equities, and a corresponding negative exposure to cash. The difference in reported exposure between the principle applied in relation to when derivative positions are included is illustrated in the graphs below.



Share of internal and external management

At the end of 2025, 93 per cent of assets were managed internally and 7 per cent externally. Första AP-fonden managed assets internally when an overall assessment demonstrated that the Fund was able to achieve an equally good or better return at a lower cost.

Target

Medium-term real return target

3.0%

The Fund's average real return per year over rolling ten-year periods.

Long-term real return target

4.0%

Average annual real return over 40 years, after expenses.

Outcome

Return 2025

5.6%

Return after expenses.

Medium-term real return

4.6%

The Fund's average real return per year for the last ten-year period, after expenses.

Annual real return

4.1%

Average annual real return since the company began in 2001, after expenses.

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Returns by asset class

Första AP-fonden's investments returned 5.7 (9.9) per cent before expenses. Listed equities, which recorded a return of 16.0 per cent, were the largest positive contributor. Alternative investments recovered during the year and contributed a positive net investment income of SEK 689 million, corresponding to a return of 0.6 per cent. Fixed-income securities posted a return of 0.9 per cent, corresponding to SEK 1,056 million.

Equities

The return on the equity portfolio for the year was 16.0 (17.0) per cent. At the end of the year, Första AP-fonden's exposure to listed equities amounted to 56.4 (56.3) per cent of the total portfolio, which thereby remained the dominant asset class. Global economic growth improved slightly during the year, though without gaining significant momentum. The equity markets were supported by central banks the world over, which largely continued to cut policy rates, thereby contributing to a favourable performance of risky assets. Individuals and hedge funds generally had high equity exposure, whereas institutional investors were more neutrally positioned. The equity market in 2025 was marked above all by the new US administration, as well as the extensive investments in AI among leading tech companies. President Trump announced proposals for new tariffs early on, which initially caused turbulence in the markets. Market sentiment recovered after several of these proposals were toned down. Performance in the US stock markets remained stronger than in many other markets, due primarily to the high levels of activity and the significant investments in the tech sector. Investments in AI technology increased markedly, in part as a response to the rapid progress demonstrated by Chinese tech companies.

Fixed-income investments

Fixed-income investments yielded 0.9 (–1.6) per cent and comprised 21.2 (22.4) per cent of the total exposure in the portfolio. At year-end, Första AP-fonden's total portfolio comprised 9.5 per cent government and government-guaranteed bonds, 6.4 per cent credit bonds and 5.3 per cent inflation-indexed bonds.

Levels of volatility in the global fixed-income markets remained high in 2025. Movements were particularly strong in March and April, when the Trump administration announced major tariff increases against the rest of the world. The Federal Reserve cut the federal funds rate by 25 basis points at both its September and November meetings, in light of a flagging economy and an assessment that inflation was gradually returning to more sustainable levels. These cuts were largely expected at the beginning of the year, but the assumption was that they would occur in the first half of the year rather than the second half. The market expects the Federal Reserve to continue cutting federal fund rates in 2026 by roughly 100 basis points, to approximately 3.0 per cent.

The ECB lowered the deposit rate from 3.0 per cent to 2.0 per cent during the year, and signalled a more neutral stance at the end of the year. The Riksbank cut its policy rate by a total of 100 basis points, from 2.75 per cent to 1.75 per cent, motivated by weak growth and inflation that – although above target – continued to fall. Falling interest rates internationally, combined with concern over increasing budget deficits, led to a markedly steeper yield curve in many countries. As an example, the difference between two- and thirty-year US treasury bonds rose by 70 basis points, from 40 to 110. The US ten-year yield fell 50 basis points, while the corresponding yields in Germany and Sweden rose by around 30 basis points.

Bucking this global trend, the Bank of Japan raised its policy rate during the year, driven by continued high and persistent inflation. Performance on the global credit markets was strong, in line with generally healthy risk appetite.

Alternative investments

Alternative investments comprised private equity funds and real assets such as real estate and infrastructure. The market in 2025 gradually strengthened, in pace with inflation levels normalising and interest rates stabilising. Investment activity increased, and we noted a continued recovery in both valuations and transaction volumes, particularly in the real estate and infrastructure segments. In total, alternative investments returned 0.6 per cent.

Just over half of these alternative investments comprised real estate, with an exposure corresponding to 13.1 (13.8) per cent of the total portfolio and a market value of SEK 68 billion. Overall, real estate returned 0.5 (1.2) per cent. The property portfolio consisted mainly of direct investments in the real estate companies Vasakronan and Willhem, as well as a number of smaller investments in both companies and real estate funds. Vasakronan was jointly owned by AP1, AP2, AP3 and AP4 and focuses primarily on office and retail premises in central locations in Stockholm, Gothenburg, Malmö and Uppsala. Willhem was a wholly-owned company of Första AP-fonden and focuses on rental accommodation in Swedish growth centres.

Första AP-fonden's infrastructure investments totalled SEK 8.2 billion (7.4) and comprised the jointly owned company Polhem Infra as well as a number of infrastructure and energy funds. Polhem Infra, which was owned by AP1, AP3 and AP4, invests in sustainable and

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Composition of the portfolio

	Market value, SEK bn	Return on investment, %	Return contribution, %	Return contribution, SEK bn
Equities	293.6	16.0	8.7	42.9
<i>Swedish equities</i>	98.5	10.8	2.0	10.1
<i>Non-Swedish equities</i>	195.1	18.7	6.6	32.8
Fixed-income securities	110.5	0.9	0.2	1.1
High Yield	0.0		0.0	0.0
Alternative investments	104.7	0.6	0.1	0.7
<i>Real assets</i>	76.2	-0.1	0.0	0.0
<i>Private equity funds</i>	28.5	2.5	0.1	0.7
Cash	11.6		0.0	0.0
Foreign exchange			-3.5	-17.2
Absolute return mandate			0.2	0.8
Total	520.2	5.7	5.7	28.3

Currency exposure, 31/12/2025

SEK m	USD	GBP	EUR	JPY	Other	Total
Shares and participations	182,571	6,848	21,190	18,816	14,413	243,838
Fixed-income securities	25,761	6,579	30,578	7,064	1,503	71,485
Alternative investments and other	5,940	55	1,395	56	83	7,529
Derivatives	-117,956	-10,411	-28,037	-15,069	-8,568	-180,041
Total	96,316	3,071	25,125	10,868	7,431	142,811
Currency exposure, 31/12/2024	141,751	302	-32,506	11,404	-3,926	117,024
Currency exposure, 31/12/2023	36,955	-25,974	20,857	42,372	8,234	82,445
Currency exposure, 31/12/2022	33,707	9,424	11,048	23,808	6,391	84,378
Currency exposure, 31/12/2021	99,129	-7,424	20	29,226	20,289	141,241
Currency exposure, 31/12/2020	50,480	-9,938	10,058	19,747	20,713	91,060
Currency exposure, 31/12/2019	34,063	379	1,129	26,473	31,792	93,836

long-term Swedish infrastructure. The infrastructure portfolio returned -5.2 (-19.8) per cent during the year. Infrastructure investments corresponded to an exposure of 1.6 (1.5) per cent of the total portfolio.

At year-end, Första AP-fonden's investments in private equity funds totalled SEK 28.5 billion (35.2) and returned 2.5 (2.3) per cent. The private equity market showed signs of increased activity during the year, particularly in technology and health care, though interest rates continued to impact valuations and the transaction flows. Global private equity activity stabilised at a slightly lower but more sustainable level. In 2025, the Fund made a limited number of new alternative investments owing to the ongoing consolidation of the AP Funds.

Foreign exchange

The Fund's open currency exposure had a negative return of -3.5 per cent. At year-end, Första AP-fonden had a currency exposure of 27.4 (23.6) per cent, most of which consisted of US dollars.

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Expenses

Första AP-fonden's objective was to conduct resource-efficient asset management with the conditions necessary to generate the best long-term returns possible. Another goal was to have sufficient resources to manage commitments, as well as internal and external requirements in areas such as regulatory compliance, sustainability and internal control. Första AP-fonden conducted its operations in a cost-effective manner, and with good cost monitoring. The Fund compiled an annual budget as part of the yearly planning process. It was approved by the Board of Directors, and monitored and analysed continuously in order to ensure good cost control. Administrative expenses comprised operating expenses – which were the Fund's internal expenses – and commission expenses, which were the Fund's expenses for external management and handling of securities and collateral. Changes in expenses over the year could have been related to external factors such as exchange rates and inflation, which the Fund was unable to influence. Changes could also have resulted from the need to invest in IT, processes or personnel needed to enable the Fund to conduct effective asset management and meet the demands that were placed on its operations. The management expense ratio was the Fund's costs in relation to the size of the assets under management.

Lower expenses than comparable international funds

Första AP-fonden had participated in an annual analysis of international funds since 2005 in order to ensure that the Fund had cost-effective management from an international perspective. This analysis was performed by CEM Benchmarking in Canada. The survey involved a large number of funds from around the world. Första AP-fonden was compared to funds with a similar mission and size, as well as with other European funds. Besides expenses, there were also comparisons of

returns, staff composition, portfolio composition, management model and risk. The results showed that Första AP-fonden generated high returns at low cost, and had lower costs than the comparative group.

Operating expenses

Operating expenses totalled SEK 406 million (247) and comprised the Fund's expenses for conducting its operations. In relation to net assets, this corresponded to 0.08 (0.05) per cent. Operating expenses comprised expenses for the Fund's internal management, administration and governance and were broken down into personnel costs and other administration expenses. Personnel costs included salaries, social security contributions and occupational pension contributions for the Fund's staff, as well as other staff-related expenses such as training and recruitment of staff. Personnel costs accounted for the majority of operating expenses, totalling SEK 253 million (150), of which SEK 109 million pertained to costs in conjunction with the wind-up of the Fund. The average number of employees in 2025 was 64 (67). Other administration expenses included expenses for premises, systems and information services. More information on operating expenses can be found in Notes 8 and 9.

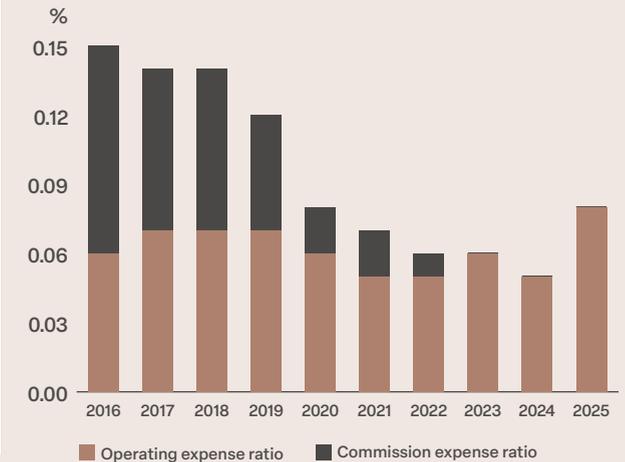
Commission expenses

Commission expenses amounted to SEK 19 million (13). Commission expenses were attributable to external management, custodian services and expenses incurred when holding collateral in connection with clearing. In relation to net assets, commission expenses amounted to 0.00 (0.00) per cent. External management was used when the Fund considered it to be more cost-effective than internal management, or when an asset or strategy was difficult to manage internally for a variety of reasons. At the end of the year, external management accounted for 7.4 (9.0) per cent of total net assets. More information on commission expenses can be found in Notes 6 and 7.

Other expenses, fees and charges

Transaction expenses are expenses incurred when buying and selling securities and comprise the difference between the purchase price and the sale price. Such expenses were recognised as part of the cost of the asset or deducted from the sale proceeds. A special fee known as a brokerage commission is also charged for trading in shares. For 2025, brokerage commission amounted to SEK 18 million (21). Transaction expenses affected the net investment income of each asset class. Performance-based fees are a type of profit-sharing paid to external managers when returns are strong and exceed certain pre-established targets. These were recognised directly in the return on investments and are therefore included in the net investment income from financial operations in the income statement. Performance-based fees totalled SEK 0 million (0). More information on these can be found in Note 7. Tax expenses that the Fund was entitled to recover under double taxation treaties were recognised as a receivable in the balance sheet and so do not affect the income statement.

Development of administrative expenses, 2016–2025



The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Costs related to the wind-up of Första AP-fonden

As a result of amendments to the National Pension Insurance Funds Act (SFS 2000:192), the operations in Första AP-fonden ceased at the beginning of 2026. The Board of Directors and CEO of Första AP-fonden therefore made efforts during the year to ensure that the organisation, operations and commitments of the Fund were carried out until the wind-up. This work included planning for skills supply, risk management and an orderly wind-up of operational functions. As part of these activities, transition support was offered to those employees who remained in employment at the end of the year. The provision for transition support amounted to SEK 107 million.

In addition to personnel costs, other administrative expenses linked to the wind-up process were also incurred. These pertained to tax consultants, costs related to the government's special investigator, and other support and advisory services. The aggregate external costs for the wind-up amounted to SEK 63 million during the year. Total wind-up costs amounted to SEK 172 million.

The expense ratio for 2025 was 0.08%. Excluding wind-up costs, the expense ratio for 2025 was 0.05%.

Expenses and expense ratio 2025

Asset classes	2025		2024	
	Expenses, SEK m	Expense ratio ¹⁾ , %	Expenses, SEK m	Expense ratio ¹⁾ , %
Personnel costs	253	0.05	150	0.03
Other administration expenses	153	0.03	97	0.02
Operating expenses²⁾	406	0.08	247	0.05
Commission expenses	19	0.00	13	0.00
Total expenses	424	0.08	260	0.05

1) The Fund's expenses in relation to average net assets.

2) Of which SEK 172 million in wind-up costs in 2025.



The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Ten-year overview

Net investment income and inflow, SEK bn	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Net assets, 31 December	520.2	496.9	454.4	421.2	465.8	392.6	365.8	323.7	332.5	310.5
Net flow pension system	-4.6	-2.0	-4.3	-4.7	-7.5	-7.9	-6.5	-6.8	-7.4	-6.6
Profit/loss for the year	27.9	44.6	38.0	-39.9	80.7	34.8	48.6	-2.1	29.3	27.0
Return, expenses and risk, %										
Return before expenses	5.7	9.9	9.1	-8.5	20.8	9.8	15.3	-0.6	9.7	9.5
Operating expenses, annualised, % of AUM	0.08	0.05	0.06	0.05	0.05	0.06	0.07	0.07	0.07	0.06
Commission expenses, annualised, % of AUM	0.00	0.00	0.00	0.01	0.02	0.02	0.05	0.07	0.07	0.09
Return after expenses	5.6	9.8	9.1	-8.6	20.8	9.7	15.1	-0.7	9.6	9.3
Market returns ¹⁾	9.7	15.1	16.5	-14.2	17.9	6.8	19.7	-3.4	9.1	8.0
Net investment income and expenses in total portfolio, SEK bn										
Net investment income before expenses	28.3	44.8	38.3	-39.6	81.0	35.1	49.0	-1.6	29.8	27.4
Operating expenses ²⁾	0.4	-0.3	-0.3	-0.3	-0.3	-0.3	-0.4	-0.5	-0.4	-0.5
Exposure, %										
Equities	56.4	56.3	61.2	47.9	61.4	49.2	36.3	34.1	37.9	34.1
Sweden	18.9	20.5	22.1	18.8	18.6	17.3	10.5	11.2	12.9	12.3
Foreign ³⁾	37.5	35.9	39.2	29.1	42.9	32.0	25.8	22.9	24.9	21.7
Fixed-income securities ⁴⁾	21.2	22.4	24.9	24.1	22.9	24.2	32.3	33.3	31.7	29.8
High Yield	0.0	-	-	0.3	1.1	1.9	3.0	2.8	4.5	4.5
Alternative investments	20.1	22.3								
Real assets	14.6	15.3	15.8	19.6	17.7	16.2	17.8	18.0	16.2	15.6
Private equity funds	5.5	7.1	6.9	7.9	6.0	4.9	5.4	5.5	4.6	4.7
Hedge funds	-	-	-	0.5	0.8	3.8	4.3	4.6	4.0	5.0
Alternative strategies	-	-	0.3	0.3	0.2	-	1.1	0.9	1.0	5.0
Systematic strategies	-	-	-	-	-	-	-	3.2	3.0	4.5
Special investments	-	-	-	-	-	-	-	-	-	0.5
Cash	2.2	-1.1	-9.2 ⁵⁾	-0.7 ⁵⁾	-10.1 ⁵⁾	-0.2	-0.3	-2.5	-2.4	-1.1
Foreign exchange	27.4	23.6	18.1	20.0	30.3	23.2	25.7	26.0	25.3	22.1
Risk										
Risk, % ⁶⁾	9.4	7.3	6.6	9.3	6.4	10.6	3.8	4.9	3.6	6.4
Sharpe ratio	0.4	0.9	0.9	neg.	3.3	0.9	4.2	-	2.9	1.5
Market volatility, % ¹⁾	9.9	7.5	7.5	12.5	7.2	15.8	6.1	7.4	4.3	8.1
External management, %										
Share of total portfolio as of 31 December ⁷⁾	7.4	9.0	8.2	10.1	15.9	22.6	31.4	33.5	32.5	31.8

1) Market returns and Market volatility refer to the returns and the volatility of the overall allocation of assets that the Board of Directors has decided on, for which each asset class is represented with a market index. In 2025, equities comprised 75 per cent and fixed income 25 per cent of the weights. The ongoing management was assessed against this allocation of assets, which is based on the investment universe that arises as a consequence of the buffer funds' statutory mandate.

2) Of which SEK 172 million in wind-up costs in 2025.

3) Starting in 2019, systematic strategies were included as a part of Equities in developed markets.

4) Investment grade bonds (fixed income incl. cash funds in accounts = 22.8% for 2025).

5) Cash exposure includes commitments related to certain equity derivative instruments

6) Standard deviation calculated on daily return in 2025.

7) In accordance with a joint decision, the AP Funds report wholly or partially owned real estate companies as being internally managed.

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Financial information



The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Directors' Report

The Board of Directors of Fjärde AP-fonden hereby submit Första AP-fonden's Directors' Report for 2025. The Board of Directors of Fjärde AP-fonden has prepared the Första AP-fonden's Annual Report for the 2025 financial year in accordance with the transitional rules of the the AP Funds Act that entered force on 1 January 2026 pertaining to its assignment of performing the tasks that under law are the business of the Board of Directors of Första AP-fonden. The Board of Fjärde AP-fonden was not responsible for the routine management of Första AP-fonden during 2025 and therefore can not comment further on errors or deficiencies in this management. The Board of Fjärde AP-fonden has taken note of the statement that was submitted by the former management of Första AP-fonden. While preparing the financial statements, the Board did not become aware of any information in Första AP-fonden's management that contradicts the information in this annual report. The Directors' Report, together with the annual accounts and notes, has been reviewed by the auditors of the Fund. The audit can be found on pages 10 to 28.

Profit for the year

Profit from management amounted to SEK 27.9 billion (44.6). This corresponds to a return of 5.7 (9.9) per cent before expenses and 5.6 (9.8) per cent after expenses.

The real return – that is, after adjustments for inflation – amounted to 5.3 (9.0) per cent. Inflation for the full year amounted to 0.3 (0.8) per cent measured as KPI. The Fund's long-term objective was to achieve a real return of 4.0 per cent per annum over 40 years. The Fund has achieved a real return of 4.6 (4.4) per cent per annum over the past ten-year period.

Nominally, the average return over the same period was 7.7 (7.5) per cent. Meanwhile, the income index, which affects the rate of increase for pension entitlements, increased by an average of 3.3 (3.0) per cent over the last ten-year period. Hence, Första AP-fonden has made a positive contribution to the pension system and exceeded the long-term real return target. Net assets at the end of the year totalled SEK 520.2 billion (496.9), an increase of SEK 23.3 billion compared with the previous year-end.

Transfer to the Swedish Pensions Agency

During the year, the Fund had a net outflow from the pension system totalling SEK 4.6 billion (2.0). Over the past 15 years, the Fund has paid out SEK 80.8 billion to the Swedish Pensions Agency in order to cover the deficit between pension contributions and pension payments, as well as the system's administration expenses.

Operating income

Income after deduction of commission expenses totalled SEK 28.3 million (44.8). This income comprised primarily realised and unrealised changes in value. These pertained to the Fund's financial assets, which were measured at fair value at the balance sheet date. Other income comprised net interest income, dividends received and foreign exchange movements. Commission expenses for the year amounted to SEK 19 million (13). These are recognised as a deduction under operating income as they are directly attributable to the acquisition of the income. These expenses relate to management fees for external mandates, fund management fees, custodian bank expenses and costs for holding collateral in connection with clearing. Commis-

sion expenses amounted to 0.00 (0.00) per cent of the average net assets.

Operating expenses

Operating expenses totalled SEK 406 million (247). Wind-up costs amounted to SEK 172 million. Of total operating expenses, SEK 253 million (150) comprised personnel costs. The Fund's operating expenses in relation to average net assets during the year amounted to 0.08 (0.05) per cent.

Significant events

On 1 January 2026, changes pertaining to the National Pension Insurance Funds (AP Funds) Act (SFS 2000:192) entered force. One of the many results of these legislative changes was that Första AP-fonden ceased operations at the end of 2025. A large portion of the assets and obligations of Första AP-fonden were transferred to Tredje AP-fonden and Fjärde AP-fonden at the beginning of 2026. These assets and obligations were divided as equally as possible between the two AP Funds.

Assets that could not be transferred at year-end remained in Första AP-fonden and will be managed separately under the administration of Fjärde AP-fonden.

A special investigator was appointed by the government to assist the AP Funds with this transfer. The investigator's mid-term report provided further guidelines for the AP Funds' transfer of assets and obligations, as well as guidelines for Fjärde AP-fonden's management of Första AP-fonden's segregated assets.

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Income statement

SEK m	Note	31/12/2025	31/12/2024
Operating income			
Net interest income	4	3,047	2,666
Income from equity shares		6,501	5,828
Net gains/losses, listed shares and participations	5	36,819	34,283
Net gains/losses, unlisted shares and participations	6	562	-393
Net gains/losses, fixed-income assets		-634	-2,056
Net gains/losses, derivative instruments		2,196	-1,516
Net gains/losses, foreign exchange movements		-20,210	6,002
Commission expenses	7	-19	-13
Total operating income		28,263	44,801
Operating expenses			
Personnel costs	8	-253	-150
Other administrative expenses	9	-153	-97
Total operating expenses		-406	-247
Net investment income		27,858	44,554

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Balance sheet

SEK m	Note	31/12/2025	31/12/2024
Assets			
Shares and participations, listed	10	293,128	279,254
Shares and participations, unlisted	11	100,975	106,766
Bonds and other fixed-income assets	12	112,809	113,924
Derivatives	13	3,969	2,460
Cash and bank balances		8,394	3,839
Other assets	14	320	723
Prepaid expenses and accrued income	15	908	873
Total assets		520,503	507,838
Liabilities			
Derivatives	13	109	3,376
Other liabilities	16	30	7,541
Deferred income and accrued expenses	17	2	4
Total liabilities		142	10,921
Provisions	2	152	–
Net assets	18		
Opening net assets		496,917	454,386
Net payments to/from the pension system		–4,565	–2,024
Profit for the year		27,858	44,554
Total net assets		520,209	496,917
Total net assets and liabilities		520,503	507,838
Memorandum items	19	35,604	54,173

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Notes

Amounts are in SEK million (SEK m), unless otherwise stated.

Note 1 – Accounting policies

The National Pension Insurance Funds Act (2000:192) sets out that the annual report shall be prepared in accordance with generally accepted accounting policies, whereby the assets in which the Fund invests shall be entered at market value. In light thereof, the Första AP-fonden to Fjärde AP-fonden have developed joint accounting and valuation policies which have been applied and are summarised below. The Funds' accounting and valuation policies are being gradually adapted to International Financial Reporting Standards, IFRS. Complete adaptation to IFRS would have no material impact on the reported net investment income and net assets. Första AP-fonden met the requirements to be defined as an investment entity under IFRS 10. Compared to the currently applicable IFRS, the only major difference is that a cash flow statement had not been prepared and IFRS 16 had not been applied. As a result of amendments to the National Pension Insurance Funds Act (SFS 2000:192), the operations in Första AP-fonden have ceased, whereupon the assets and obligations of the Fund were transferred free of charge to Tredje AP-fonden and Fjärde AP-fonden as of 2026. The operations that will be carried out in Första AP-fonden will be extremely limited and comprise primarily acting as the legal owner of the assets that, for various reasons, have not been transferred to Tredje AP-fonden and Fjärde AP-fonden. Refer to Note 3 for a detailed description.

However, the above changes to the operations of Första AP-fonden did not have any impact on the accounting policies applied in 2025, and it is the opinion of the management that the conditions for preparing the annual report in accordance with the going concern principle have still been met and provide a true and fair view of the results and financial position.

Within the framework of the accounting policies applied, Första AP-fonden chose not to apply IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, which is why the assets and obligations that were transferred to the recipient funds were not assessed as regards meeting the requirements for classification as "held for sale" and/or as "discontinued operations".

Trade date accounting

Transactions in securities and derivative instruments in the money and bond market, the equity market and the foreign exchange market, as well as unlisted equities, are recognised on the balance sheet as of the transaction date, meaning at the point in time when the material rights – and thereby, the risks – transfer between the parties. The receivable from or liability to the counterparty between the trade date and settlement date is recognised in "other assets" or "other liabilities". Other transactions – primarily deposits and lending – are recognised on the balance sheet on the settlement date, in line with market practice.

Netting

Financial assets and liabilities are recognised net in the balance sheet when there is a legal right to net transactions and there was an intention to pay net proceeds or realise the asset and simultaneously settle the liability.

Translation of foreign currencies

Transactions in foreign currencies were translated to SEK at the exchange rate on the transaction date. In the balance sheet, assets and liabilities in foreign currencies are translated to SEK at the exchange rates on the balance sheet date. Changes in the value of assets and liabilities denominated in foreign currency are broken down into the part attributable to the change in the value of the asset or liability in local currency and the part caused by fluctuations in the exchange rate. Foreign exchange gains/losses arising from changes in foreign exchange rates are recognised in the income statement in the line Net gains/losses, foreign exchange movements.

Shares in subsidiaries/associated companies

In accordance with the National Pension Insurance Funds Act, shares in and loans to subsidiaries/associated companies are both stated at fair value. Fair value is determined using the same methods that apply for unlisted shares and participations. There is no requirement to prepare consolidated accounts.

Loans to subsidiaries and associated companies that are intended to be held until their maturity are measured at fair value via the fair value option in IFRS 9. However, the total change in value is recognised as part of the shareholding in the line net gains/losses, unlisted shares and participations.

Valuation of financial instruments

All of the Fund's investments are measured at fair value, and both realised and unrealised changes in value are recognised in the income statement. Consequently, the lines for net gains/losses per asset class include both realised and unrealised gains/losses. Equity instruments are held for trading and therefore measured at fair value through profit or loss. Debt instruments are held for trading and therefore measured at fair value through profit or loss. Loans to subsidiaries and associated companies are intended to be held until their maturity, but the fair value option is applied here so that the National Pension Insurance Funds Act's requirement on measurement at fair value is met. The AP Funds report all of their assets based on fair value. A description of how the fair values of the Fund's various investments were determined is provided below.

Listed equities and participations

For shares and participations that are admitted to trade on a regulated market or trading venue, fair value is determined based on official quoted market prices on the balance sheet date according to the Fund's designated index supplier, most often the average price. Holdings that are not part of an index are valued at quoted prices observable in an active market. Paid brokerage commissions are recognised in net gains/losses on listed equities.

Unlisted shares and participations

For shares and participations that are not admitted to trade on a regulated market or trading venue, fair value is determined based on the valuation provided by the counterparty or other external party. This valuation is updated when a new valuation has been obtained and is adjusted for any cash flows up to the close of accounts. In cases where the Fund has reasonable grounds to consider the valuation to be incorrect, the valuation received is adjusted. Valuations of unlisted participations comply with International Private Equity and Venture (IPEV) Capital Valuation Guidelines or equivalent valuation policies and should be primarily based on arm's length transactions, although other valuation methods can be used. Unlisted real estate shares are valued based on the net worth method to the extent that the share has not been subject to transactions in a secondary market. Holdings in unlisted real estate companies are measured taking into consideration deferred tax liabilities at a value that is used in real estate transactions, which differs from the valuation performed in the annual accounts of the real estate companies.

Bonds and other fixed-income assets

For bonds and other fixed-income assets, fair value is determined based on the official quoted market prices on the balance sheet date (most often the bid price) according to the Fund's designated index supplier. Holdings that are not part of an index are valued at quoted prices observable in an active market. For an instrument that is not traded on an active market and for which no reliable market prices are available, the instrument is valued using generally accepted valuation models in which cash flows are discounted to the applicable valuation curve. Interest income is recognised as interest calculated according to the effective interest rate method based on amortised cost. Amortised cost is the discounted present value of future payments, in which the discount rate is the effective rate of interest on the acquisition date. This means that acquired premiums and discounts are apportioned to periods over the remaining maturity or until the next interest adjustment date and are included in recognised interest income.

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Note 1 – Accounting policies, continued

Changes in value resulting from interest rate movements are recognised under Net gains/losses for fixed-income assets, while changes in value resulting from foreign exchange movements are recognised under Net gains/losses on foreign exchange movements.

Derivative instruments

For derivative instruments, fair value is determined based on quoted market prices at year-end. For an instrument that is not traded on an active market and for which no reliable market prices are available, the value of the instrument is established using generally accepted valuation models in which input data consists of observable market data. Derivative contracts with a positive fair value on the balance sheet date are recognised as assets, while contracts with a negative fair value are recognised as liabilities. Changes in value resulting from foreign exchange movements are recognised in the income statement under Net gains/losses on foreign exchange movements, while other changes in value are recognised under Net gains/losses on derivative instruments.

Repurchase transactions

In a true repo (repurchase) transaction, the sold asset remains in the balance sheet and the proceeds received are recognised as a liability. The divested security is recognised in the balance sheet as pledged. The difference between proceeds in the spot and forward legs is apportioned to periods over the maturity of the security and recognised as interest.

Securities lending

Securities on loan are recognised in the balance sheet at fair value, while compensation received for securities on loan is recognised as interest income in the income statement. Collateral received for securities on loan may consist of securities and/or cash. Första AP-fonden had a right of disposal over the received cash collateral, this is recognised in the balance sheet as an asset and a corresponding liability. In cases where the Fund does not have a right of disposal over the collateral, the collateral received is not recognised in the balance sheet but is stated separately in Note 19. The value of securities on loan, as well as collateral for these, are also recognised under this heading.

Items recognised directly in net assets

Payments to and from the national pension system are recognised directly in the Fund's net assets.

Commission expenses

Commission expenses are recognised in the income statement as a deduction under operating income. These consist of external costs for management services, such as custodian bank fees and fixed fees for external managers, as well as fixed fees for listed funds. Performance-based fees, which are payable if the manager achieves a return over a predetermined level at which profit-sharing applies, are recognised as a deductible item from net investment income for the relevant asset class in the income statement. Management fees for unlisted shares and participations are recognised at cost and therefore included in unrealised gains/losses.

Operating expenses

All administrative expenses, excluding brokerage commissions, fees for external managers and custodian bank fees, are recognised in Operating expenses. Investments in equipment and software developed or acquired by the Fund are normally expensed as incurred.

Taxes

Första AP-fonden was exempt from all income tax on domestic investments in Sweden. The dividend and coupon taxes imposed in certain countries are recognised net in the income statement under the relevant income item. With effect from 2012, the Fund was registered for value added tax and is therefore liable for VAT on acquisitions from outside Sweden. The Fund did not have the right to recover paid VAT. Expensed VAT is included in the relevant expense item. Amounts are in SEK million (SEK m), unless otherwise stated.

Transfer of assets to Tredje AP-fonden and Fjärde AP-fonden

As a result of amendments to the National Pension Insurance Funds Act (SFS 2000:192), the operations in Första AP-fonden ceased at the end of the year, whereupon large portions of Första AP-fonden's assets and obligations were transferred to Tredje AP-fonden and Fjärde AP-fonden. To the extent possible, the assets were divided equally between Tredje AP-fonden and Fjärde AP-fonden.

Första AP-fonden has determined that the economic content of the asset transfers should be regarded as a contribution, which means that the transferred assets are recognised as a reduction of net assets within equity with a corresponding reduction in recognised assets. Carrying amounts are based on fair value at the date of transfer. The determining factor for establishing the date of transfer is the point in time at which the yield from the assets transferred accrue to the recipient

No profit or loss was recognised in conjunction with the transfer. This principle applies both to transfers immediately after year-end and to future transfers of segregated assets, or cash and cash equivalents from the segregated management, to Tredje AP-fonden and Fjärde AP-fonden. This means that the assets that – owing to technical and administrative constraints – were transferred to Tredje AP-fonden and Fjärde AP-fonden during the first working days of 2026 are deemed nonetheless to have been transferred at the beginning of financial year 2026.

The table in Note 3 shows the assets transferred to Tredje AP-fonden and Fjärde AP-fonden, both at the end of 2025/beginning of 2026 and for the period thereafter up to and including the date of issuance of this annual report:

Provisions

Provisions are recognised when the Fund has a current legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be estimated in a reliable manner. Provisions are recognised in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. Refer to Note 2 for information on provisions made as a result of the cessation of operations as of 31 December 2025.

Note 2 – Provisions

As a result of amendments to the National Pension Insurance Funds Act (SFS 2000:192), the operations in Första AP-fonden have ceased and were discontinued at year-end 2025. As a result, the Fund has laid off all its staff and a large number of contracts – for example, for rental premises, license agreements for various systems and the IT environment – were terminated prematurely at year-end. The staff were released from work as of year-end 2025, and the obligations that are included in the recognised provision are directly attributable to the cessation and discontinuance of operations and are unrelated to the activities that the Fund will carry out going forward.

In the year-end accounts on 31 December 2025, a provision of SEK 152 million for the restructuring of operations for the above obligations was recognised, of which SEK 152 million was recognised as current and an equivalent costs was recognised in profit and loss. Of that recognised cost, SEK 107 million comprised personnel costs and SEK 45 million comprised other administration expenses. The provision recognised has not been subject to any discount, since this effect is not considered material. The provision is expected to be settled within a period of two to three years, of which SEK 114 million is expected to be settled within one year. No provisions were recognised at the beginning of the year.

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Note 3 – Events after the balance sheet date

As a result of amendments to the National Pension Insurance Funds Act (SFS 2000:192), the operations in Första AP-fonden have ceased, whereupon the assets and obligations of the Fund have been transferred free of charge to Tredje AP-fonden and Fjärde AP-fonden as of 2026. Fjärde AP-fonden has been tasked with managing the remaining segregated assets in Första AP-fonden that could not have been, should not have been or were not transferred in time to Tredje AP-fonden and Fjärde AP-fonden at year-end. This means that Fjärde AP-fonden is responsible for management and decides, on the basis of what is deemed to be of greatest benefit to the income pension system, whether assets should be transferred to Tredje AP-fonden and Fjärde AP-fonden or whether assets should be realised, and cash and cash equivalents transferred instead. Any surplus after all assets have either been transferred to Tredje AP-fonden and Fjärde AP-fonden or divested within the framework of segregated management will, after deduction of administrative expenses, be distributed equally between Tredje AP-fonden and Fjärde AP-fonden. Fjärde AP-fonden is responsible for the costs attributable to the discontinued Fund, if the funds received from the segregated assets are not sufficient to cover these costs.

Första AP-fonden has determined that, from a reporting perspective, the economic content of the cost-free transfer of assets to Tredje AP-fonden and Fjärde AP-fonden should be regarded as a value transfer, which means that they are recognised as a dividend (i.e. a reduction in net assets) and with a corresponding reduction of recognised assets, meaning they are stricken from the balance sheet on the same day. Carrying amounts are based on fair value (market value) on the date of transfer. The determining factor for establishing the date of transfer, and thereby the fair value, is the point in time at which the yield from the assets transferred no longer accrues to Första AP-fonden. This means that no profit or loss will be recognised as a result of the transfer.

This principle applied both in the transfer of assets immediately after year-end and in future transfers of assets, or cash and cash equivalents as part of the management of segregated assets, to Tredje AP-fonden and Fjärde AP-fonden. This means that the assets that, owing to technical and administrative constraints, were transferred to Tredje AP-fonden and Fjärde AP-fonden during the first working days of 2026 are deemed nonetheless to have been transferred at the beginning of financial year 2026.

During the first working week of 2026, Första AP-fonden transferred assets totalling SEK 511,529 million free of charge to Tredje AP-fonden and Fjärde AP-fonden. Subsequently, up until the date of issuance of this annual report, assets corresponding to a value of SEK 0 million have been transferred to the recipient funds. The transfer, broken down by asset item and equity, is shown below:

Balance sheet	Closing balance 31/12/2025	Adjustments for assets transferred at year-end 2025	Adjusted closing balance 01/01/2026	Carrying amount at 31 December 2025 of assets expected to be transferred in 2026 and later
Assets				
Shares and participations, listed	293,128	293,125	3	3
Shares and participations, unlisted	100,975	94,042	6,933	6,933
Bonds and other fixed-income assets	112,809	111,659	1,149	1,149
Derivative instruments	3,969	3,969	0	0
Cash and bank balances	8,394	7,902	492	492
Other assets	320	142	178	178
Prepaid expenses and accrued income	908	799	109	109
Total assets	520,503	511,639	8,865	8,865
Liabilities				
Derivative instruments	109	109	0	0
Other liabilities	30	0	30	30
Deferred income and accrued expenses	2	0	2	2
Total liabilities	142	109	32	32
Provisions	152	0	152	152
Net assets	520,209	511,529	8,680	8,680
Total net assets	520,209	511,529	8,680	8,680
Total liabilities and net assets	520,503	511,639	8,865	8,865

The remaining assets, according to the table in this note, will gradually be transferred free of charge to Tredje AP-fonden and Fjärde AP-fonden in accordance with the established distribution principle, under which 50 per cent will accrue to each fund. The remaining assets and obligations amounted to SEK 8,680 million as of 31 December 2025, and they will remain in the legal entity known as Första AP-fonden and be subject to segregated management. The timing for realisation of segregated assets is associated with considerable

uncertainty, and depends on several different circumstances. As a result, the value of these assets may deviate from the carrying amount as at 31 December 2025. Any surplus from the segregated assets will also be transferred to Tredje AP-fonden and Fjärde AP-fonden.

Refer also to Note 2 Provisions and Note 1 for more information on how the amended legislation impacts the operations of Första AP-fonden.

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Note 4 – Net interest income

SEK m	2025	2024
Interest income		
Bonds and other fixed-income securities	2,611	2,499
Other interest income	447	178
Total interest income	3,057	2,677
Interest expenses		
Other interest expenses	-10	-10
Total interest expenses	-10	-10
Total net interest income	3,047	2,666

Note 5 – Net gains/losses, listed shares and participations

SEK m	2025	2024
Net gains/losses	36,837	34,305
Less brokerage commissions	-18	-21
Net gains/losses, listed shares and participations	36,819	34,283

Note 6 – Net gains/losses, unlisted shares and participations

SEK m	2025	2024
Capital gains/losses	2,439	1,380
Unrealised value changes	-1,877	-1,773
Net gains/losses, unlisted shares and participations	562	-393

External management fees for unlisted assets are recognised as part of the cost of the asset and therefore burden the unrealised net gains/losses for unlisted assets. Refunded management fees accordingly have a positive effect on unrealised gains/losses.

During the year, a total of SEK 148 million (150) was paid in management fees for unlisted assets, of which SEK 121 million (126) permit refunds. Furthermore, SEK 10 million (15) has been repaid during the year and the unrealised net gains/losses for unlisted shares and participations were therefore negatively affected by SEK 138 (135) million net.

Note 7 – Commission expenses

SEK m	2025	2024
External management fees, listed assets	-	-
Other commission expenses, including custodian bank expenses	-19	-13
Commission expenses	-19	-13

Commission expenses do not include performance-based fees. During the year, performance-based fees amounted to SEK 0 million (0), in addition to which repayment was made for the prior year's fees of SEK 0 million (0). The fees affect the net investment income for each asset class.

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Note 8 – Employees

Number of employees	2025			2024		
	Total	Men	Women	Total	Men	Women
Average no. of employees	64.2	35.3	28.9	67.1	34.9	32.2
Closing no. of employees	58	35	23	67	35	32
No. of executive management members at year-end	4	2	2	4	2	2

Personnel costs, 2025, SEK thousands	Salaries and remuneration	Pension costs	of which salary exchange	Social security costs ¹⁾	Total	of which transition support
Chair of the Board	214			67	281	
Other Members of the Board (8 people)	942			296	1,238	
CEO	12,458	4,153	635	4,929	21,539	12,659
<i>Executive management team, excl. CEO</i>						
Head of Communications	2,657	802	116	1,042	4,500	1,500
Head of Operations	5,890	2,840	0	2,549	11,279	6,714
Head of Business Support and Development	5,274	1,346	0	1,993	8,613	5,199
Other employees	112,990	40,524	3,890	45,886	199,399	80,692
Total	140,424	49,665	4,641	56,761	246,850	106,764
Other personnel costs					5,761	2,000
Total personnel costs					252,611	108,764

Personnel costs, 2024, SEK thousands	Salaries and remuneration	Pension costs	of which salary exchange	Social security costs ¹⁾	Total
Chair of the Board	200	–	–	63	263
Other Members of the Board (8 people)	850	–	–	267	1,117
CEO	4,425	1,978	635	1,877	8,280
<i>Executive management team, excl. CEO</i>					
Head of Communications	1,649	564	127	666	2,879
Head of Operations	2,263	1,091	–	986	4,339
Head of Business Support and Development	2,019	518	–	768	3,305
Other employees	71,708	23,757	3,289	28,899	124,363
Total	83,114	27,907	4,051	33,525	144,547
Other personnel costs	–	–	–	–	5,404
Total personnel costs	–	–	–	–	149,951

¹⁾ Payroll overheads also include the cost of payroll tax.

From 2023, the effect of salary exchange is reported under pension costs.

Första AP-fonden's remuneration policy for senior executives was based on the Government's guidelines for remuneration to senior executives and other employees.

Salaries and other benefits

Board fees were determined by the Government. The Fund Governance Report provides information about fees and attendance for each Member of the Board. The Board of Directors determined the terms of employment for the CEO, following preparation in the Remuneration Committee. All employees had individual employment contracts. Since 1 January 2010, Första AP-fonden had no variable remuneration. As a result of the cessation of operations on 1 January 2026, Första AP-fonden decided on transition support for its employees. In part, this was to ensure that Första AP-fonden had sufficient personnel resources in 2025 to conduct operations, and in part because Första AP-fonden's employees received no support from the Swedish Job Security Foundation. The transition support, which went into effect on 1 January 2026, meant that there were some deviations from governmental guidelines for terms and conditions of employment in conjunction with the wind-up. These deviations concern the length of the notice period, when salary and pension benefits are paid, and, in some cases, the rules for deducting any new income. This transition support amounts to SEK 109 million, of which the provision for future commitments amounts to SEK 107 million.

Pensions and similar benefits

The employment contract of the CEO included an obligation for the Fund to pay pension premiums equal to 30 per cent of salary. For the portion of salary granting entitlement under the national pension, the pension premium is reduced to 11.5 per cent. As of 1 February 2013, Första AP-fonden has switched to a defined contribution pension plan, BTP1, for newly hired employees. The pension agreement has been signed and agreed on between the parties. This means that the Fund had two occupational pension plans – BTP1, which is a defined contribution plan, and BTP2, which is a defined benefit plan. All employees had the option of participating in a salary exchange scheme in which gross salary was exchanged for pension premiums. The pension premium was then increased by 5.8 per cent, which corresponds to the difference between payroll tax and social security fees. The salary exchange was therefore cost-neutral for the Fund. Other benefits were taxable and totalled smaller amounts.

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Note 9 – Other administrative expenses

SEK m	2025	2024
Cost for premises	-41	-15
Purchased services	-15	-15
Information and data expenses	-94	-63
Other administration expenses	-3	-4
Other administrative expenses	-153	-97

The amount for purchased services includes remuneration for the Fund's auditors, broken down into the following assignments, SEK thousands:

PWC		
Audit services	-809	-705
Other assignments, primarily tax related	-77	-75
	-886	-780

Note 10 – Listed equities and participations

Fair value, SEK m	31/12/2025	31/12/2024
Swedish equities	88,538	92,551
Non-Swedish equities	204,590	186,703
Participations in Swedish funds	-	-
Participations in non-Swedish funds	-	-
Total fair value	293,128	279,254

Five largest Swedish equity holdings

Name	Number of shares	Fair value
Investor	22,883,930	7,561
Atlas Copco	45,169,599	7,232
Volvo	17,888,825	5,293
Assa Abloy	9,993,570	3,587
Sandvik	9,838,640	2,957
Total		26,630

Five largest non-Swedish equity holdings

Name	Number of shares	Fair value
Nvidia	6,718,300	11,551
Apple	4,030,000	10,100
Microsoft	1,910,900	8,520
Alphabet	2,922,300	8,442
Spotify	1,474,412	7,893
Total		46,506

A complete list of all listed holdings at year-end 2025 can be found at the Fjärde AP-fonden website, www.ap4.se.

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Note 11 – Unlisted shares and participations

Fair value, SEK m	31/12/2025	31/12/2024
<i>Swedish unlisted shares and participations: Subsidiaries and associated companies</i>	60,773	58,275
<i>Non-Swedish unlisted shares and participations: Subsidiaries and associated companies</i>	2,457	2,668
Other unlisted shares and participations	37,745	45,823
Total	100,975	106,766

Subsidiaries and associated companies	Domicile	Corp. ID No.	Number of	Holding, %	Net investment income	Equity	Fair value
Swedish equities and participations, subsidiaries and associated companies							
4 to 1 Investment AB	Stockholm	559313-2490	6,250	25.0	-2	1	-
4 to 1 Investment KB	Stockholm	969795-3033		25.0	-2	-	-
Aros Bostad IV AB	Stockholm	559032-9503	14,747	29.5	-16 ¹⁾	726 ¹⁾	196
Polhem Infra AB	Stockholm	559183-3917	20,000	33.3	-	1	-
Polhem Infra KB	Stockholm	969789-2413		33.3	-128	12,179	4,059
Urbanea Fastigheter AB	Stockholm	559201-2008	93,575	98.5	161 ¹⁾	996 ¹⁾	1,010
Vasakronan Holding AB	Stockholm	556650-4196	1,000,000	25.0	2,991	83,692	25,613
Willhem AB	Gothenburg	556797-1295	770,381,717	100.0	932	26,200	29,893
							60,773

Non-Swedish equities and participations, subsidiaries and associated companies							
Anglo Scandinavian Estates III Limited	United Kingdom	B 207618		36	-390 ²⁾	956 ²⁾	333
ASE Holdings S.à.r.l	Luxembourg	B 169327		38	-229 ²⁾	325 ²⁾	98
Chapone S.à.r.l	Luxembourg	B 200297		100	-328 ²⁾	1520 ²⁾	1,518
First Australian Farmland Pty Ltd	Australia	155,718,013		100	-32 ²⁾	620 ²⁾	462
Jutas Invest Finland OY	Finland	2793175-3		100	-18 ¹⁾	94 ²⁾	47
OMERS Farmoor 3 Holdings B.V.	Netherlands	699,691,750,000		100	-927 ²⁾	1 ²⁾	0
							2,457

1) Pertains to figures released 31/12/2024

2) Refers to 31/12/2024 translated at the exchange rate on 31/12/2024

Five largest holdings, other unlisted shares and participations

Name	Domicile	Holding, %	Cost
Fifth Stockholm Global Private Equity L.P., Hamilton Lane	USA	100	6,975
Fourth Stockholm Global Private Equity L.P., Hamilton Lane	USA	100	6,674
Sixth Stockholm Global Private Equity L.P., Hamilton Lane	USA	100	4,902
Blackstone Strategic Capital Holdings L.P.	Cayman	5	1,412
HSEPP II Co-Investment, L.P.	Jersey	50	992

A complete list of all unlisted shares and participations is available on Fjärde AP-fonden's website, www.ap4.se.

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Note 12 – Bonds and other fixed-income assets

Fair value, SEK m	31/12/2025	31/12/2024
Breakdown by type of issuer		
Swedish state	23,441	20,739
Swedish municipalities	–	–
Swedish mortgage institutions	16,019	10,584
Other Swedish companies:		
Financial companies	2,583	451
Non-financial companies	483	632
Foreign states	50,329	64,337
Other foreign issuers	19,953	17,181
Total	112,809	113,924
Breakdown by type of instrument		
Inflation-indexed bonds	27,641	29,299
Other bonds	81,822	80,778
Treasury bills	–	–
Certificates	3,346	3,847
Other instruments	–	–
Total	112,809	113,924

Note 13 – Derivatives

Fair value, SEK m	31/12/2025		31/12/2024	
	Positive fair value	Negative fair value	Positive fair value	Negative fair value
Equity-linked instruments				
Options				
Held			–	–
Issued			–	–10
Swaps			–	–
Futures			–	–
Total			–	–10
Interest-linked instruments				
Swaps			554	–344
Futures			–	–
Total			554	–344
Currency-linked instruments				
Swaps	3,969	–109	1,906	–3,022
Futures			–	–
Options				
Held			–	–
Issued			–	–
Total	3,969	–109	1,906	–3,022
Total derivative instruments	3,969	–109	2,460	–3,376

Derivative positions with a negative value amounting to SEK –0 million (–48) have a maturity exceeding 12 months. For maturity analysis thereof, see Note 21.

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Note 14 – Other assets

SEK m	31/12/2025	31/12/2024
Incoming payments, unsettled transactions	23	172
Receivables from foreign tax authorities	139	608
Reinvested cash collateral for derivative positions	–	–
Other assets	158	–57
Total other assets	320	723

Note 15 – Prepaid expenses and accrued income

SEK m	31/12/2025	31/12/2024
Accrued interest income	799	764
Accrued dividends	109	115
Other prepayments and accrued income	–	–7
Prepaid expenses and accrued income	908	873

Note 16 – Other liabilities

SEK m	31/12/2025	31/12/2024
Outgoing payments, unsettled transactions	–	2
Received cash collateral for derivative positions	–	–
Other	29	7,539
Other liabilities	29	7,541

Note 17 – Deferred income and accrued expenses

SEK m	31/12/2025	31/12/2024
Accrued management fees	–	–
Other accrued expenses	2	4
Deferred income and accrued expenses	2	4

Note 18 – Net assets

SEK m	2025	2024
Opening net assets	496,917	454,386
Net flow to/from the pension system:		
Incoming pension contributions	91,695	89,186
Outgoing pension disbursements	–95,959	–90,923
Transfer of pension rights to the EC	–	–1
Settlement of pension rights	1	–2
Outgoing administrative contribution to the Swedish Pensions Agency	–301	–284
Total net outflow to the pension system	–4,565	–2,024
Net investment income after expenses for the year	27,858	44,554
Closing net assets	520,209	496,917

Note 19 – Memorandum items

SEK m	31/12/2025	31/12/2024
Collateral provided for repurchase agreements ¹⁾	–	7,458
Securities on loan against other collateral ²⁾	–	–
Collateral provided for cleared derivatives ³⁾	4,843	8,636
Collateral provided for OTC derivatives ⁴⁾		2,143
Other pledged assets and equivalent collateral	4,843	18,237
Investment commitments, unlisted holdings	30,761	35,936
Undertakings	30,761	35,936
Total memorandum items	35,604	54,173

1) Collateral received for repurchase agreements

2) Collateral received for securities on loan

3) Collateral received for cleared derivatives

4) Collateral received for OTC transactions

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Note 20 – Financial instruments, price and valuation hierarchy

This note provides disclosures about how fair value is determined for the financial instruments used by the AP Funds. The Funds' accounting and valuation policies are in accordance with international reporting standards. The objective is to present information about the fair values of financial assets and liabilities and to ensure transparency and comparability between different companies. This means that the disclosures about valuation of assets and liabilities in the balance sheet take account of whether trade occurs on an active or inactive market and whether quoted prices are available at the time of valuation.

Valuation of the Fund's net assets – market-listed assets

The majority of the Fund's assets were market listed, which means that they were traded on an active market at prices that represented actual and regularly occurring market transactions. The majority of the Fund's market listed assets were valued daily at their quoted market prices and consisted of equities, bonds, derivatives, funds and foreign exchange.

For so-called OTC derivatives, the valuation is based on theoretical modelling, whereby future cash flow is estimated with the help of representative underlying market data. The future cash flows are eventually discounted back to a present value using discounting curves. The theoretic modelling has different levels of subjectivity based on the type of derivative, and the choice of yield curve, volatility curve, inflation curve and interpolation method.

In periods when the market lacks liquidity for market listed securities, a higher degree of subjectivity is required in the valuation process. In these conditions, the market features sharply increased spreads between bid and ask prices, which can also differ substantially between market participants. At such times, funds have used a conservative approach to valuation.

Valuation of net assets – alternative investments

For assets that are not valued in an active market, different valuation methodologies are applied when determining fair value. Fair value equals the price that would have been received or paid in an orderly transaction between two independent parties. Första AP-fonden's

unlisted investments comprised mainly investments in real estate and infrastructure companies, real estate and infrastructure funds, and private equity funds.

Investments in real estate companies are valued in accordance with IFRS and industry practice. The valuation of underlying real estate assets is based on discounting of future rental income, operating expenses and sales prices by market-based return requirements. With regard to valuation of deferred tax in a real estate company, this is measured at fair value, i.e. a discounting of future tax effects by an interest rate that is relevant for the individual company. Investments in real estate funds are valued according to recommendations from industry organisations such as the European Association for Investors in Non-Listed Real Estate (INREV).

Investments in private equity funds are valued according to the International Private Equity and Venture Capital Guidelines (IPEV) or similar principles. According to IPEV, the valuation can be based on completed transactions, market multiples in valuation, the net asset value or discounting of future cash flows.

Investments in infrastructure assets that are considered to be more mature and have a positive cash flow are valued through discounting of future cash flows by market-based return requirements. Investments in assets where the cash flows are further into the future are usually valued at acquisition cost until stabilisation.

Valuation of investments in funds is based on the most recent available reporting. Since reporting from funds is received with a lag, the Fund's annual accounts are generally based on reports at 30 September adjusted for cash flows for the subsequent period and up to the annual accounts closing date. In a situation with rising returns in the equity markets, this means that Första AP-fonden has a lower valuation in the annual accounts than that which is later reported by private equity fund managers and vice versa.

Fair value

The fair value of a financial instrument is defined as the amount for which an asset could be transferred or a liability settled between knowledgeable and willing parties in an arm's length transaction.

Depending on which market data is available for valuation of the financial instruments, these are broken down into three levels:

Level 1: Financial instruments traded in an active market. The market is deemed active if there are quoted prices that are regularly updated with a greater frequency than once a week and if the prices are used unaltered to settle trades in the market.

Level 2: Financial instruments¹⁾ traded on a market that is not considered active but for which there are quoted prices that are used unaltered to settle trades, or observable input data that is regularly updated for indirect valuation using generally accepted models.

Level 3: Instruments belong to Level 3 if they cannot be included in level 1 or level 2. In such cases, no observable market data can be used for valuation. Valuations are based on information with consideration to the circumstances, and may require a significant element of estimation from the Fund's management.

Active market

An active market is one in which quoted prices are readily and regularly available from an exchange, a trader or similar and where transactions are priced on commercial terms. It is virtually only equities for listed companies, currencies and fixed-income securities issued by governments, municipalities, banks or major corporations that are traded on an active market and can thus be included in level 1. For example, currency derivatives are traded on very active markets, but are classified at level 2 since the value must be derived from prices of other instruments.

Inactive market

An inactive market features a low trading volume and a much lower level of trading activity than on an active market. Available prices vary sharply over time or between market participants. In most cases, the prices are not current.

¹⁾ In classification to an appropriate level in the valuation hierarchy, financial instruments shall be assessed without screening.

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Note 20 – Financial instruments, price and valuation hierarchy, cont.

Financial assets and liabilities, closing balance 31/12/2025, SEK m	Level 1	Level 2	Level 3	Total
Financial assets				
Shares and participations, listed	293,125		3	293,128
Shares and participations, unlisted			100,975	100,975
Bonds and other fixed-income assets	109,463		3,346	112,809
Derivatives		3,969		3,969
Total assets valued at	402,588	3,969	104,324	510,881
Financial liabilities				
Derivatives		-109		-109
Total liabilities valued at	-	-109	-	-109
Financial assets and liabilities	402,588	3,860	104,324	510,772
Financial assets and liabilities, closing balance 31/12/2024, SEK m				
Financial assets				
Shares and participations, listed	279,251	-	3	279,254
Shares and participations, unlisted	-	-	106,766	106,766
Bonds and other fixed-income assets	110,077	-	3,847	113,924
Derivatives	-	2,460	-	2,460
Total assets valued at	389,328	2,460	110,616	502,404
Financial liabilities				
Derivatives	-	-3,376	-	-3,376
Total liabilities valued at	-	-3,376	-	-3,376
Financial assets and liabilities	389,328	-916	110,616	499,028
Change, level 3				
Value reported, opening balance	3	106,766	3,847	110,616
Invested	0	5,065	676	5,741
Sold/repaid during the year	0	-2,369	-893	-3,262
Realised change in value	0	1,040	-44	996
Unrealised change in value	0	-9,527	-240	-9,767
Transfer from level 1 or 2	0	-	-	-
Transfer to level 1 or 2	0	-	-	-
Value reported, at year-end	3	100,975	3,346	104,324

Of the change in value reported above, SEK 40,619 million (50,386) was unrealised on the balance sheet date. The Fund has the majority of its investments at level 1 where the valuations are obtained from independent and reputable valuation sources.

Note 21 – Financial risks

Sensitivity analysis: Reporting of market risk

Realised risk

Realised risk is calculated based on a joint standard that has been agreed on by the Första AP-fonden, Andra AP-fonden, Tredje AP-fonden and Fjärde AP-fonden. The table below shows the realised volatility of the total portfolio expressed at an annual rate calculated based on quarterly valuations realised over the past ten years, and on the daily valuations realised over the past year. The latter metric is also presented for the part of the portfolio for which a market value is obtained daily, this is called Liquid portfolio in the table, which amounted to 80 per cent of the total portfolio at the end of 2025.

Realised market risk, at 31 December	Volatility annualised, %	
	2025	2024
Total portfolio, 10 years	7.5	7.7
Total portfolio, 1 year	9.4	7.3
Liquid portfolio, 1 year	12.0	9.5

Forecast risk

The assets' expected market risk is presented in the sensitivity analysis in the Financial risks table. The calculation is made by simulating the return outcomes based on the composition of the Fund's portfolio at 31 December 2025, combined with historical market returns. The simulation uses a one-year data history and risk is calculated for a horizon of a one-day change in value, but is also reported as an annual rate.

Forecast volatility (12.0%) generally differs from realised volatility (9.4%). In part, the composition of the Fund's portfolio as at year-end can be more or less representative of how the composition has been during the year as a whole, and in part the portfolio's unlisted assets are represented in the simulation of listed market index, which typically demonstrates higher volatility.

The simulation is based on a joint standard that has been agreed on by the Första AP-fonden, Andra AP-fonden, Tredje AP-fonden and Fjärde AP-fonden. The simulation is shown with two different but related risk measures. The first is Value at risk which shows the outcome expected to be exceeded by the Fund with a 95 per cent probability. Expected shortfall, however, shows the expected loss given that the loss is greater than the Value at Risk measure. The table also shows the Fund's risk measured as forecast volatility, which amounted to 12.0 per cent annualised for the Fund's total portfolio at 31 December. The foreign exchange asset class shows the Fund's total currency risk, while the other assets in the table are hedged for currency risk. The table shows the diversification gain achieved through the Fund's investment in different assets, which together generate a lower total risk of loss compared to the sum total of the assets' individual risks.

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Note 21 – Financial risks, cont.

Financial risks

	Volatility annualised %		Value at Risk annualised, SEK m		Expected shortfall annualised, SEK m		Value at Risk one day, SEK m		Expected shortfall one day, SEK m		
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	
Forecast market risk at 31 December											
Equities	15.1	12.4	-73,149	-57,435	-120,004	-95,929	-4,537	-3,562	-7,442	-5,949	
Fixed income	2.3	3.6	-4,160	-6,580	-6,088	-7,960	-258	-408	-378	-494	
Alternative investments	12.2	12.3	-21,017	-22,499	-34,779	-30,516	-1,303	-1,395	-2,157	-1,893	
Foreign exchange	8.6	9.2	-20,054	-16,966	-29,886	-22,288	-1,244	-1,052	-1,853	-1,382	
Contribution from diversification	-1.8	-5.7	15,287	31,091	37,193	41,712	948	1,928	2,307	2,587	
Liquid portfolio	12.4	8.7	-85,361	-55,280	-120,617	-94,874	-5,294	-3,428	-7,480	-5,884	
Total portfolio	12.0	8.8	-103,094	-72,390	-153,564	-114,981	-6,394	-4,489	-9,524	-7,131	

Liquidity risk, at 31 December

Maturity structure, maturity in years, SEK m	<1		1<3		3<5		5<10		>10		Total balance, SEK m	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Nominal, government	992	234	10,623	5,805	9,779	11,106	16,103	18,022	11,902	21,043	49,399	56,210
Nominal, credit	334	804	10,571	4,941	14,387	11,556	5,693	5,287	2,192	2,695	33,176	25,283
Inflation-indexed	5,592	-	6,291	9,819	4,510	5,035	5,858	9,676	5,435	4,817	27,687	29,348
Total portfolio	6,918	1,038	27,485	20,565	28,676	27,697	27,654	32,986	19,529	28,555	110,262	110,841

Derivative positions with a negative fair value, maturity exceeding 12 months, at 31 December

Maturity structure, maturity in years, SEK m	1<3		3<5		5<10		>10		Total balance, SEK m	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Equity-linked instruments	-	-	-	-	-	-	-	-	-	-
Interest-linked instruments	-	-30	-	-18	-	-	-	-	-	-48
Currency-linked instruments	-	-	-	-	-	-	-	-	-	-
Total	-	-30	-	-18	-	-	-	-	-	-48

Credit risk, at 31 December

Rating, SEK m ¹⁾	AAA		AA		A		BBB		<BBB		Total balance, SEK m	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Nominal, government	18,902	18,160	17,793	24,873	8,361	9,189	4,343	3,989	-	-	49,399	56,210
Nominal, credit	8,236	2,723	10,655	3,840	6,397	7,962	7,888	6,787	-	3,971	33,176	25,283
Inflation-indexed	16,302	14,088	8,393	12,202	1,787	1,818	1,205	1,240	-	-	27,687	29,348
Total	43,440	34,971	36,841	40,914	16,545	18,970	13,436	12,015	-	3,971	110,262	110,841

¹⁾ Reporting of credit risk for fixed-income securities based on ratings issued by reputable rating agencies.

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Note 22 – Financial assets and liabilities that are netted or governed by netting agreements

31/12/2025, SEK m	Gross amount	Netted amount in balance sheet	Net amount in the balance sheet	Related amounts that cannot be netted			Other ¹⁾	Total in the balance sheet
				Framework agreement on netting	Collateral	Net amount		
Assets								
Derivatives	3,969	–	3,969	109	4,619	–	–	3,969
Total assets	3,969	–	3,969	109	4,619	–	–	3,969

31/12/2025, SEK m	Gross amount	Netted amount in balance sheet	Net amount in the balance sheet	Related amounts that cannot be netted			Other ¹⁾	Total in the balance sheet
				Framework agreement on netting	Collateral	Net amount		
Liabilities								
Derivatives	109	–	109	109	–	–	–	109
Repurchase transactions	–	–	–	–	–	–	–	–
Total liabilities	109	–	109	109	–	–	–	109

31/12/2024, SEK m	Gross amount	Netted amount in balance sheet	Net amount in the balance sheet	Related amounts that cannot be netted			Other ¹⁾	Total in the balance sheet
				Framework agreement on netting	Collateral	Net amount		
Assets								
Derivatives	2,460	–	2,460	1,657	754	49	–	2,460
Total assets	2,460	–	2,460	1,657	754	49	–	2,460

31/12/2024, SEK m	Gross amount	Netted amount in balance sheet	Net amount in the balance sheet	Related amounts that cannot be netted			Other ¹⁾	Total in the balance sheet
				Framework agreement on netting	Collateral	Net amount		
Liabilities								
Derivatives	3,376	–	3,376	741	2,736	–	–	3,376
Repurchase transactions	7,487	–	7,487	–	7,458	29	–	7,487
Total liabilities	10,863	–	10,863	741	10,194	29	–	10,863

¹⁾ Other instruments in the balance sheet that are not governed by netting agreements

The table above shows the financial assets and liabilities that are presented net in the balance sheet, or that carry rights associated with legally binding framework agreements regarding netting or similar agreements. Financial assets and liabilities are recognised net in the balance sheet when the Fund has a legal right to perform netting in normal business conditions, in the event of insolvency, and if there is an intention to pay net proceeds or realise the asset and simultane-

ously settle the liability. Financial assets and liabilities that are governed by legally binding framework agreements regarding netting or similar agreements that are not presented net in the balance sheet are arrangements that commonly come into legal effect in the event of insolvency, but not in normal business conditions or arrangements in which the Fund does not intend to settle the positions simultaneously.

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Note 23 – Related parties

The table shows Första AP-fonden's transactions, outstanding dealings and obligations with related parties in accordance with definitions in IAS 24. Related parties to Första AP-fonden are considered to be subsidiaries and associated companies in which the Fund's ownership is a minimum of 20 per cent, as well as the Fund's Board members and executive management team.

See Note 8 for information regarding salaries and remuneration for Board members and the executive management team.

Counterparty	31/12/2025	31/12/2024
AROS Bostad IV AB		
Shareholder contributions during the year	–	19
Investment commitments	17	17
Chapone S.à.r.l		
Interest income	83	–
Proprietary loans	2,196	2,675
Shareholder contribution/repaid during the year	125	20
Investment commitments	–	151
Vasakronan Holding AB		
Rent for premises ¹⁾	11.9	11.8
Interest income	9	9
Shareholder contributions during the year	–	–
Undertaking, on the request of Vasakronan, to purchase commercial papers in the company, up to the highest total settlement amount at any time of:	4,500	4,500
Willhem AB		
Interest income	28	28
Shareholder contributions during the year	1,090	1,600
Undertaking, on the request of Willhem, to purchase commercial papers in the company, up to the highest total settlement amount at any time of:	8,000	8,000

¹⁾ Första AP-fonden rents office premises from Vasakronan on market terms.

Counterparty	31/12/2025	31/12/2024
ASE Holdings S.à.r.l		
Interest income	0	–
Proprietary loans	0	–
Shareholder contributions during the year	17	33
Anglo Scandinavian Estates III Limited		
Interest income	1	1
Proprietary loans	9	10
Shareholder contributions during the year	0	68
Investment commitments	41	46
Jutas Invest Finland OY		
Interest income	37	37
Proprietary loans	530	521
Shareholder contributions during the year	0	–
Investment commitments	526	556
First Australian Farmland Pty Ltd		
Interest income	34	37
Proprietary loans	610	641
Shareholder contributions during the year	0	–
OMER Farmoor 3 Holdings B.V.		
Proprietary loans	0	–
Shareholder contributions during the year	0	1

Counterparty	31/12/2025	31/12/2024
Polhem AB		
Shareholder contributions during the year	–	–
Polhem KB		
Shareholder contributions during the year	1,233	255
Investment commitments	1,985	3,218
Urbanea Fastigheter AB		
Shareholder contributions during the year	0	196
Investment commitments	313	313
4 to 1 Investment AB		
Shareholder contributions during the year	0.3	0.3
4 to 1 Investment KB		
Shareholder contributions during the year	0.4	4

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

The Board of Directors of Fjärde AP-fonden has prepared the Första AP-fonden's Annual Report for the 2025 financial year in accordance with the transitional rules of the the AP Funds Act that entered force on 1 January 2026 pertaining to its assignment of performing the tasks that under law are the business of the Board of Directors of Första AP-fonden. The Board of Fjärde AP-fonden was not responsible for the routine management of Första AP-fonden during 2025 and therefore can not comment further on errors or deficiencies in this management. The Board of Fjärde AP-fonden has taken note of the statement that was submitted by the former management of Första AP-fonden. While preparing the financial statements, the Board did not become aware of any information in Första AP-fonden's management that contradicts the information in this annual report.

The Board of Directors of Fjärde AP-fonden

Stockholm, 19 February 2026

Johan Gyllenhoff
Chair

Henrik Rättzén
Vice-Chair

Monika Elling
Member of the Board

Helén Eliasson
Member of the Board

Lars Fresker
Member of the Board

Per Strömberg
Member of the Board

Roine Vestman
Member of the Board

Ingrid Werner
Member of the Board

Aleksandar Zuza
Member of the Board

Our auditor's report has been submitted on 19 February 2026

Peter Nilsson
Authorised Public Accountant
Appointed by the Swedish Government

Helena Kaiser de Carolis
Authorised Public Accountant
Appointed by the Swedish Government

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Auditor's report

For Första AP-fonden, Corp. ID No. 802005-7538

Report on the annual accounts

Opinion

We have audited the annual accounts of Första AP-fonden for 2025. The Annual Report of the Fund is included on pages 10–28 of this document.

In our opinion the annual accounts have been prepared in accordance with the National Pension Insurance Funds Act (2000:192) and present fairly, in all material aspects, the financial position of the Första AP-fonden as of 31 December 2025 and its financial performance for the year then ended in accordance with the National Pension Insurance Funds Act. The statutory Directors' Report is consistent with the other parts of the annual accounts. We therefore recommend that the income statement and balance sheet be adopted.

Basis for our opinion

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of Första AP-fonden in accordance with generally accepted auditing standards in Sweden and we have otherwise fulfilled our professional ethical responsibility in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Disclosure of particular significance

We would like to call attention to the information in the Directors' Report, Note 1 Accounting policies and Note 3 Events after the balance sheet date, which states that operations will be very limited as a result of the legislative amendment to the National Pension Insurance Funds Act(2000:192), which means that a

large part of Första AP-fonden's assets and obligations at the beginning of 2026 were transferred to Tredje AP-fonden and Fjärde AP-fonden. We have not modified our statement in this respect.

Information other than the annual accounts

This document also contains information other than the Annual Report, which can be found on pages 1–9 and 31–45. The Board of Directors and the CEO are responsible for this other information.

Our opinion regarding the annual accounts does not extend to this information, and we do not provide any opinion with assurance regarding this other information.

In connection with our audit of the annual accounts, it is our responsibility to read the information identified above and to consider whether or not the information is, to a material extent, inconsistent with the annual accounts. During this review, we also take into consideration the knowledge we have otherwise gained during the audit and assess whether the information otherwise seems to contain material misstatement.

If, based on the work carried out regarding this information, we conclude that the other information contains a material misstatement, we are required to report it. We have nothing to report in this respect.

Responsibility of the Board of Directors and the Chief Executive Officer

The Board of Directors and the CEO are responsible for the preparation of the annual accounts and for ensuring that they provide a true and fair presentation in accordance with the National Pension Insurance Funds Act. The Board of Directors and CEO are also responsible for such internal control as the Board of Directors and the CEO deem necessary for the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

While preparing the annual accounts, the Board of Directors and the CEO are responsible for assessing the Fund's ability to continue its operation. They disclose, where applicable, conditions that could affect the company's ability to continue its operation and to apply the going concern assumption.

The going concern assumption, however, is not applied if the Board of Directors and the CEO intend to liquidate the Fund, close down the operation or do not have a realistic alternative to one of these options.

Responsibility of the auditor

Our goals are to express an opinion with reasonable assurance on whether the annual accounts as a whole contain any material misstatements, whether due to fraud or error, and to provide an auditor's report containing our opinions.

Reasonable assurance is a high degree of certainty, but it is no guarantee that an audit performed in accordance with ISA and generally accepted auditing standards in Sweden will always discover a material misstatement should one exist. Misstatements can occur due to fraud or error, and are deemed to be material if individually or jointly they can reasonably be expected to affect the financial decisions made by users based on the annual accounts.

As part of an audit performed in accordance with ISA, we use professional judgement and we take a professionally sceptical approach during the entire audit. Furthermore:

- we identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, we design and perform audit procedures, partly based on these risks, and we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. There is a higher risk of not discovering a material misstatement due to fraud than one

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

due to error as fraud may entail acting in collusion, falsification, intentional omissions, incorrect information or disregarding internal control.

- we acquire an understanding of the part of the Fund's internal control that is important to our audit in order to design audit procedures that are appropriate taking into account the circumstances, but not in order to express an opinion on the efficacy of the internal control.
- we evaluate the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and pertaining disclosures made by the Board of Directors and the CEO.
- we conclude on the appropriateness of the Board of Directors' and the CEO's use of the going concern assumption in preparing the annual accounts. Based on the audit evidence obtained, we conclude on whether there are any material uncertainties relating to any events or conditions that could result in significant doubt about the Fund's ability to continue the operation. If we conclude that there is a material uncertainty, we must draw attention in the auditor's report to the disclosures in the annual accounts about the material uncertainty, or, if such disclosures are insufficient, we must modify our opinion of the annual accounts. Our conclusions are based on the audit evidence obtained up until the date of the auditor's report. Future events or conditions may, however, mean that the Fund is no longer able to continue its operations.
- we evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts render the underlying transactions and events in a way that provides a true and fair presentation.

We must inform the Board of Directors of the planned scope and direction of the audit, as well as the timing of the audit, for example. We must also provide information about significant observations during the audit, including any significant shortcomings we identify in the internal control.

Report on other legal and regulatory requirements

Opinion

In addition to our audit of the annual accounts, we have examined the inventory of the assets managed by Första AP-fonden. We have also examined whether there are any comments in general concerning the Board of Directors' and the CEO's administration of Första AP-fonden for 2025. Our audit has not resulted in any comments concerning the inventory of assets or in general regarding the administration of the Fund.

Basis for our opinion

We conducted our audit in accordance with generally accepted auditing standards in Sweden. Our responsibility as set out in these standards is described in more detail in the section on "The auditor's responsibility". We are independent of Första AP-fonden in accordance with generally accepted auditing standards in Sweden and we have otherwise fulfilled our professional ethical responsibility in accordance with these requirements.

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

Responsibility of the Board of Directors and the Chief Executive Officer

The Board of Directors and the CEO are responsible for the preparation of the accounting documents and for the management of the Fund's assets in accordance with the National Pension Insurance Funds Act.

The Board of Directors is responsible for the Första AP-fonden's organisation and for the management of Första AP-fonden's affairs. This includes, for example, continuously assessing the Första AP-fonden's financial situation and ensuring that the Första AP-fonden's organisation is designed so that accounting, asset management and the Första AP-fonden's financial affairs are otherwise controlled in an adequate manner. The CEO shall manage the ongoing administration in accordance with the Board of Directors' guidelines and instructions

and, for example, take the necessary measures to ensure that the Första AP-fonden's accounting is fulfilled in conformity with legislation and to ensure that asset management is handled in an adequate manner.

Responsibility of the auditor

Our goal regarding the audit of the administration, and thereby our opinion on the administration, is to obtain audit evidence in order to assess with reasonable assurance whether or not there is any comment concerning the Board of Directors' and the CEO's administration of the Första AP-fonden for the 2025 financial year.

Reasonable assurance is a high degree of certainty, but it is no guarantee that an audit performed in accordance with generally accepted auditing standards in Sweden will always discover measures or omissions that can result in comments.

As part of an audit performed in accordance with generally accepted auditing standards in Sweden we use professional judgement and we take a professionally sceptical approach during the entire audit. The review of the administration is primarily based on the audit of the annual accounts.

Any additional audit measures that are performed are based on our professional assessment, starting from risk and materiality. This means that we focus the review on such procedures, areas and conditions that are material to the operation and where deviations and non-compliance would have particular significance for Första AP-fonden's situation. We review and test the decisions made, bases for decisions, measures taken and other conditions that are relevant to our opinion of the administration.

Stockholm, 19 February 2026

Peter Nilsson

Authorised Public

Accountant

Appointed by

the Swedish Government

Helena Kaiser de Carolis

Authorised Public

Accountant

Appointed by

the Swedish Government

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Board of Directors' annual risk management report

The Board of Directors' annual risk management report pertains to the risk management activities conducted in Första AP-fonden during the 2025 financial year by the Board of Directors that was responsible for the operation in 2025.

According to the National Pension Insurance Funds Act (2000:192), the Board of Directors of Första AP-fonden was responsible for the Fund's organisation and management of its assets, including ensuring good internal control. The Board appointed a Risk and Audit Committee from among its members to prepare matters pertaining to internal control.

The Board submitted this report on risk management annually. However, the report is not part of the formal annual report and was therefore not examined by the Fund's auditors. The Swedish Government commissioned external auditors to review the Fund's financial statements and risk control. An internal audit was conducted annually, as commissioned by the Board.

Första AP-fonden, which was tasked with generating a return on pension capital, was naturally exposed to various risks, both internal and external, which affected its ability to achieve the return target.

Risk appetite framework

The Board of Directors annually adopted a risk management plan that included a risk appetite framework. This framework was based on the overall business strategy, investment strategy and responsible investment policy. The framework defined and identified key risks, described the Fund's strategies for managing them, listed principles for what good risk management entails, and clarified the Fund's risk appetite for each key risk. The key risks managed by the Fund were

Three lines of defence for risk management and internal control

1st

LINE OF DEFENCE

All employees

Responsibilities and work duties

All employees are fully responsible for ensuring that the day-to-day operation reaches the goals within the framework of relevant rules, instructions and policies.

Reporting

Report relevant risk situation to the Risk Committee and to the second line of defence.

2nd

LINE OF DEFENCE

Risk control and other internal control functions

Responsibilities and work duties

The risk control function ensures that risks are identified, quantified, monitored and reported at both detailed and aggregate levels. The level of risk is continuously monitored by means of limits and stress tests. The Compliance function identifies, monitors and reports on risks related to regulatory compliance, financial market behaviour and regulatory requirements. The Data Protection Officer ensures compliance with the General Data Protection Regulation (GDPR) by performing checks and implementing activities to raise awareness. The Chief Information Security Officer (CISO) supports and monitors information security work, is responsible for methodological support and drawing up governing documents to ensure confidentiality, accuracy and availability.

Reporting

The functions are independent and report independently of each other, to the executive management team and the Board, on the operation's aggregate risk exposure.

3rd

LINE OF DEFENCE

Internal audit

Responsibilities and work duties

Internal audit assures the quality of risk management through an independent regular review. It evaluates processes and compliance with rules, frameworks and models from an internal control perspective to ensure that they are effective and appropriate. Like the Fund's Compliance and Risk Control functions, the Fund's Internal audit function is evaluated by the external auditor.

Reporting

Internal audit identifies observations and reports them to the Board, along with proposed improvement measures.

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

financial risk, management risk, strategic risk, operational risk, political risk and reputational risk.

The Fund's financial risks were optimised within the risk mandate delegated to the CEO by the Board, and the risk mandate further delegated by the CEO within the management organisation. Deliberate financial risks were taken in order to generate returns for the income pension system. This framework was an important tool for the Board and management to make trade-offs on how much risk can be accepted in order to create the desired value.

Good control and fund management

The risk management plan set out guidelines and limitations for the risk mandate delegated to the CEO by the Board. This document provided a basis for the internal control and monitoring of the Fund's investment activities, setting out limits for financial risk-taking for the Fund and stipulating well-defined decision-making structures for operating activities as a foundation for good internal risk control.

More detailed instructions for managing and monitoring risks could be found in the instructions from the CEO. Frameworks for risk-taking were specified for individual management mandates in an investment instruction, with accompanying risk mandates.

Although Första AP-fonden was not formally subject to the Swedish Financial Supervisory Authority's regulations, the Fund's risk management was based on the Swedish Financial Supervisory Authority's regulations and general guidelines on governance, risk management and control at credit institutions (FFFS 2014:1) on the three lines of defence:

- 1 Responsibility for risk management and control in business operations.
2. Internal control and regulatory compliance.
3. Independent review.

For the third line of defence, independent review via

internal audit, the Board decided draw on the support of an external consultant to conduct independent reviews.

Managing financial risks was fundamental to the ability of the Fund to deliver on its mandate in the pension system. Risk management in the Fund was thus proactive, with financial risk forecast for each asset individually and for the portfolio as a whole. For this reason, there was a well-established risk culture at the Fund. Important elements of this culture included transparent reporting of the Fund's investments and a principle of duality for executing business transactions. This meant that everyone in the organisation could monitor investing activities via an enterprise-wide system. Moreover, each business transaction required the approval of at least two people. Operations functions and the independent Risk Control function were responsible for different aspects of financial risks and counterparty and delivery risks. The second line of defence comprised the internal risk control function, the Data Protection Officer and CISO, and the Compliance function.

Risk assessment

To ensure effective financial reporting and identification of operational risks, a yearly review of the Fund's processes and documentation thereof was conducted on behalf of the Board. The results of this review were reported to the Board's Risk and Audit Committee and to the Board. A key component of this review was the year-end procedure, which served as a basis for the external financial reporting. The year-end procedure encompassed valuation, reconciliation and controls of securities in connection with the closing of accounts. Aside from a general review of the processes, every year the Board established the areas to be prioritised and subjected to special review.

The units within the organisation that were affected by the review participated actively in the analysis, which was based on a self-assessment method. This work resulted in an evaluation of identified risks and a prioritisation of

measures. The Fund's Chief Risk Officer oversaw the analysis process and ensured that the prioritised measures were implemented. The Board also discussed non-financial risks in more depth once per year.

Control structure and activities

The financial information was analysed and verified by the Fund's Finance function. Different systems produced source materials for various risk analyses that were used as support for control activities.

Första AP-fonden's accounting and valuation policies were gradually adapted to International Financial Reporting Standards, IFRS. Complete adaptation to IFRS would have had no material impact on the reported net investment income and net assets. See Note 1, Accounting policies, for more information. The portfolio was managed according to forecast financial risk control within the given mandates. Forecast risk was analysed retrospectively in relation to the actual risk outcome. In this way, the model for portfolio management could be evaluated and developed.

Communication and reporting

All guidelines and instructions with relevance for internal control were communicated clearly and were available to all employees. The Board was regularly informed about the Fund's financial position, earnings and other risk areas. Each month, the Board was provided with an income, return and risk report, along with a quarterly report on the income statement and balance sheet. The Fund's financial position and risk-taking were reported at each ordinary Board meeting, and risk reporting is a standing item on the agenda. These procedures were deemed to secure external financial reporting, which took place in connection with the annual and semi-annual accounts. The risk and control function reported to the Risk and Audit Committee at the meetings of the committee, and the auditors reported regularly to both the committee and the Board in connection with the annual closing of accounts.

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Annual Fund Governance Report of the Board of Directors

The Board of Directors' annual fund governance report pertained to the fund governance activities that were conducted in Första AP-fonden during the 2025 financial year by the Board of Directors that was responsible for the operation in 2025.

Första AP-fonden's Board published an annual Fund Governance Report. The report described the most significant aspects of the work of the Board and the organisation during the year. The Fund Governance Report complied, as appropriate, with the Swedish Annual Accounts Act and the Swedish Corporate Governance Code (hereinafter referred to as the Code), which is good practice guidance for listed Swedish companies. However, Första AP-fonden was a Government authority, and there are vast differences between public law and company law. The Fund Governance Report has therefore been limited to the sections that can be deemed relevant to the Fund.

The Fund Governance Report, including the Board of Directors' risk management report, has not been reviewed by the auditors. Första AP-fonden was a Government authority commissioned to manage assets in the Swedish income pension system. The AP Funds are more independent than most other Swedish authorities because their operations are regulated only in the National Pension Insurance Funds Act (the AP Funds Act) and not by regulations or appropriation directions. As a Government authority, Första AP-fonden was also impacted by other laws. In accordance with the AP Funds Act, the Swedish Government is to evaluate the management of the fund assets every year and report the evaluation in a written communication to the Swedish Parliament no later than 1 June of the year following the financial year.

Board of Directors

The Board of Directors of Första AP-fonden bore full responsibility for the Fund's operations, organisation and management of Fund assets. The work of the Board was regulated in the AP Funds Act. Första AP-fonden's Board of Directors comprised nine members. All members are appointed by the Swedish Government. Two of the members were appointed by the proposal of organisations representing employee interests, and two were appointed by the proposal of organisations representing employer interests. The Government also appointed the Chairman and Deputy Chairman from among the members not proposed by labour market parties. The Fund's CEO was not a member of the Board. The Government also appointed the Fund's external auditors. The members' term of office was normally one year, meaning that it ran until the Fund's income statement and balance sheet for the current year had been adopted. Fees and other remuneration for members of the Board were determined by the Government. Remuneration for the full year amounted to SEK 200,000 for the Chair, SEK 150,000 for the Vice Chair and SEK 100,000 for the other Board members. In addition, there was scope to pay total fees of SEK 100,000 for work on the Board's committees.

The Board of Directors determined the fees for the members of the Board's committees, which amounted to SEK 13,200 per year for the Risk and Audit Committee, SEK 6,600 per year for the Remuneration Committee, SEK 13,200 per year for the Investment Committee and SEK 10,800 per year for the Transition Committee. For the period from 28 April to 31 December 2025, the fees were adjusted to SEK 8,100 for the Risk and Audit Committee, SEK 2,700 for the Remuneration Committee and SEK 8,100 for the Investment Committee. The annual fee was reduced to correspond only to that part of the year during which each member had worked on their respective committees. For more information about fees for Board members, refer to Note 8.

Work of the Board

Each year, in compliance with the requirements imposed by the National Pension Insurance Funds (AP Funds) Act, the Board of Directors established targets and guidelines for the investing activities, the Fund's risk management plan, responsible investment policy, operational plan and budget. In addition, the Board resolved to operationalise the Fund's mandate in its strategy and a number of governance documents, such as the core values and ethics policy, policy for gifts, hospitality and other benefits, remuneration policy for senior executives and rules governing employees' trade in financial instruments. The Board also appointed the Fund's CEO, to whom it delegated responsibility for the Fund's day-to-day management. The Board of Directors resolved on rules of procedure for its own work, and on a work instruction for the CEO. In 2025, the Board met on nine occasions. During the year, the Board addressed the governance model, the consolidation of the AP Funds, risk and compliance matters, the outcome of management, expenses, ESG matters, the operational plan and the budget. The Board also held one in-depth seminar in addition to its regular meetings. There was 94 per cent attendance at Board meetings (see the table on page 35). Reporting of earnings development and risk reporting are standing items on the agenda. In addition to Board members, the CEO and the secretary to the Board of Directors attended the Board meetings, with the exception of when the Board met alone. The secretary to the Board was the Fund's General Counsel. Other employees of the Fund also participated on a regular basis as experts or reporting persons. External speakers were also invited to Board meetings when needed. The Fund's external auditors reported to the Board at least once a year. On these occasions, there was time for discussions between the Board and auditors without the presence of employees of the Fund. From among its own members, the Board had appointed four committees: a Risk and Audit Committee, an Investment

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Committee a Remuneration Committee and a Transition Committee. All of the committees were preparatory organisations, and the Board retained the right to make decisions in all matters addressed in the committees.

Work of the committees

The Risk and Audit Committee assisted the Board in matters related to internal control, operational risks, financial reporting and auditing. Annika Andersson was Chair of the Risk and Audit Committee in 2025. Lars Fresker and Erica Sjölander were members. The committee convened four times. Attendance at meetings of the Risk and Audit Committee was 83 per cent. The Fund's auditors took part in the meetings of the Risk and Audit Committee on three occasions. The CEO, CFO and the Heads of Risk control and Compliance are co-opted into the Risk and Audit Committee meetings.

The Remuneration Committee assisted the Board in matters related to remuneration. Throughout 2025, the Committee consisted of Eva Lindström, Chair of the Board, and members Linda Jonsson and Gunilla Hellqvist. The Committee convened twice during the year; attendance at meetings of the Remuneration Committee was 100 per cent. The CEO of the Fund was co-opted into the Remuneration Committee's meetings, apart from when the CEO's remuneration was discussed. The CFO and the Head of Human Resources were co-opted into Remuneration Committee meetings, apart from when the remuneration of senior executives was discussed.

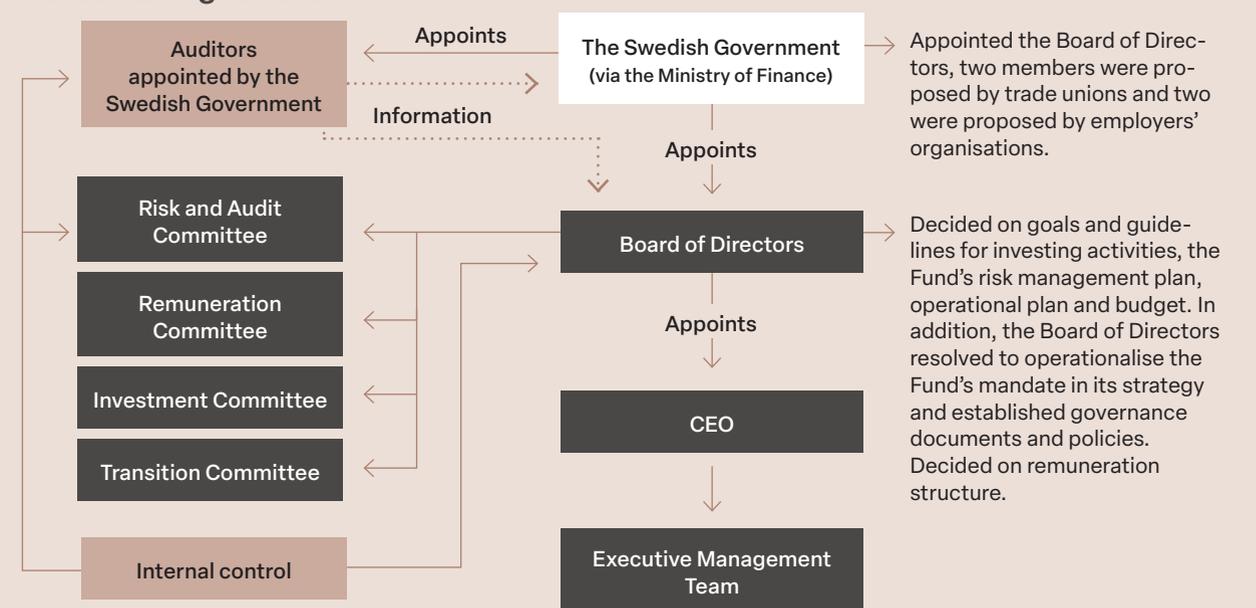
The Investment Committee assisted the Board in matters related to investment activities. In 2025, Peter Hansson chaired the committee, and Anna Nilsson and Erik Rosenberg Sjöström were members. The committee convened four times. Attendance at Investment Committee meetings was 100 per cent. The CEO of the Fund and the heads of management, including the Head of Sustainability, the Macroeconomics Strategist, and the Head of Valuations, Returns and Risk Analysis were co-opted to meetings of the Investment Committee.

The Transition Committee was a preparatory body within the Board of Directors that prepared the transfer of operations and assets during the consolidation of the Stockholm Funds and served as a forum for dialogue between operations and the Board. The Transition Committee was inaugurated in April 2025 and comprised Eva Lindström, Chair of the Board, and Annika Andersson, Erik Rosenberg Sjöström and Lars Fresker as members. The Committee met once during the year. Attendance at Transition Committee meetings was 100 per cent. The CEO of the Fund, as well as its CFO, Head of Operations, Head of Communication, HR Director, Project Director, Chief Legal Officer and Head of Exposure Management were co-opted into the meetings of the Transition Committee.

Management of the Fund

Första AP-fonden's Board of Directors had delegated responsibility for operating activities to the CEO of the Fund. The Board of Directors decided on the long-term risk preference of the Fund, which was manifested in overarching asset allocation. In order to implement the Fund's investment philosophy, the CEO was given a mandate to diverge from the overarching asset allocation within specified boundaries. In support of the CEO in decisions that pertained to operating activities, the CEO appointed different committees and an Executive Management Team that includes representatives from different departments. The Heads of Risk Control and Compliance reported to the Board and the CEO. As independent control functions, they were not part of

Overview of governance



Key external governance instruments

- The AP Funds Act.
- The Swedish Code of Corporate Governance, with some exceptions.
- Accounting policies and valuation principles shared with the Andra AP-fonden to Fjärde AP-fonden, which are gradually being adapted to IFRS.

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Remuneration

Första AP-fonden's Board of Directors annually adopted a policy for remuneration to senior executives. The Fund's policy was based on the guidelines resolved by the Government. The policy set out that the total amount of remuneration for each person should be fair and reasonable, balanced and characterised by moderation. Furthermore, remuneration should be market-based and competitive with respect to the labour market in which the executive works, but without being higher than the norm for comparable positions. No variable remuneration was available to the Fund's employees. AP1, together with AP2, AP3, AP4, AP5, AP6 and AP7, has a joint policy for remuneration,

employee benefits, hospitality and business travel. Remuneration of the CEO was determined by the Board of Directors and consisted of fixed salary and payment of defined-contribution pension premiums equal to 30 per cent of basic salary. For the portion of remuneration that granted rights under the national pension scheme, the pension premium was reduced to 11.5 per cent. Remuneration to senior executives and heads of independent control functions in Första AP-fonden was determined according to a well-defined process that involved the Board of Directors, its Remuneration Committee and the CEO. See Note 8 for further information regarding remuneration for the executive management team paid in 2025. Every year,

the Fund commissioned a comparison of remuneration levels with relevant parts of the labour market as a basis for monitoring remuneration for the Fund's employees, and this was also done in 2025. In the Board's opinion, salary levels are market-based, competitive, reasonable and appropriate without being higher than the norm with regard to the CEO, senior executives and other employees.

Conflicts of interest

Första AP-fonden worked actively to continuously identify, monitor and manage any conflicts of interest arising in its operations and to prevent potential conflicts of interest from arising. The aim was to prevent conflicts of interest wherever possible. If this was not possible, they had to be handled in a responsible and ethical manner.

Första AP-fonden also had to provide information about the conflicts of interest and minimise the risk of them arising again. The CEO decided on the Fund's actions in each individual case. For conflicts of interest of particular importance, the Chair of the Board was consulted. These were also reported to the Board.

Attendance at Board meetings and meetings of the Remuneration Committee, Risk and Audit Committee, Investment Committee and Transition Committee 2025

Name	Nomination/ appointment/ proposed by	Board meetings (attendance) nine meetings	Remuneration Committee (attendance) two meetings	Risk and Audit Committee (attendance) four meetings	Investment Committee (attendance) four meetings	Transition Committee (attendance) one meeting
Eva Lindström		Chair 9/9	Chair 2/2			Chair 1/1
Peter Hansson		Member 8/9	Member 2/2		Chair 4/4	
Anna Nilsson		Vice Chair 4/9 Member 4/9			Member 4/4	
Erik Rosenberg Sjöström	Nominated by Confederation of Swedish Enterprise	Member 9/9			Member 4/4	Member 1/1
Erica Sjölander	Nominated by Swedish Trade Union Confederation	Member 9/9		Member 4/4		
Annika Andersson		Member 4/9 Vice Chair 5/9		Chair 4/4		Member 1/1
Lars Fresker	Nominated by SACO	Member 9/9		Member 2/4		Member 1/1
Linda Jonsson	Nominated by SALAR	Member 6/9	Member 2/2			
Gunilla Hellqvist		Member 9/9	Member 2/2			

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Internal control

The Board of Directors was responsible for the governance and risk management of the Fund. In the Fund's risk management plan, the Board adopted guidelines and frameworks for the Fund's overarching allocation of responsibilities, risks, risk limits and procedures for monitoring and control of compliance with rules and guidelines. The Board of Directors' risk management report is provided on pages 31–32.

Independent review

Internal audit assignments have been carried out in 2025.

External audit

Första AP-fonden's auditors were appointed by the Swedish Government. A decision by the Swedish Government, via the Ministry of Finance, in May 2025 renewed the appointment of Peter Nilsson and Helena Kaiser de Carolis as designated auditors from PwC. The term ran until the Fund's income statement and balance sheet for 2025 were adopted. The auditors have also been appointed as auditors of the AP2, AP3, AP4 and AP7 Funds. The auditors reported directly to the Board in the form of a written audit report and a verbal presentation. The auditors participated in at least one Board meeting per year. In addition, regular meetings were held with the Risk and Audit Committee. The auditors present an auditor's report of their findings. The auditors also submitted a yearly verbal report to the Swedish Ministry of Finance. The auditors' duties included examining the Fund's operating activities, the administration of the Fund and the year-end accounts.



The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Sustainability report

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

The Board of Directors' annual sustainability report pertains to the activities conducted in Första AP-fonden during the 2025 financial year by the Board of Directors that was responsible for the operation in 2025. Första AP-fonden's sustainability work was based on the mandate the Fund was given: to manage part of the buffer capital of the national pension system in an exemplary way. The Fund aimed to achieve high long-term returns at low risk through responsible investment and responsible ownership. Particular emphasis was placed on promoting sustainable development without compromising on the overall return target, in accordance with the AP Funds Act. The Swedish Government annually evaluated how the fund fulfilled its statutory mandate. Första AP-fonden shared its mandate with the other AP Funds, which created opportunities for various forms of collaboration.

Sustainability work at the Fund

Första AP-fonden attached great importance to reporting on its business operations and sustainability work openly and transparently. This sustainability report presents the outcome of the Fund's sustainability and stewardship efforts in 2025.

As a government agency and manager of state pension funds, the Fund worked actively to integrate different elements of sustainability into its operations. This was of great importance for retaining public trust in the AP Funds and the pension system.

Taking into account environmental, social and governance aspects (ESG issues) is a vital part of any modern asset management strategy with a view to achieving high long-term returns and sound risk management. Första AP-fonden believed that efficient use of resources, such as natural, human and financial capital, and responsible conduct are often core characteristics of long-term sustainable returns. By being a committed and responsible owner, the Fund worked to influence the companies in which it invested toward sustainable management of the relevant risks.

The role of the Board in sustainability

The Board of Directors was responsible for defining the direction of the overarching sustainability programme. The policy on responsible investment defined the overarching principles and framework for the Fund's sustainability and stewardship efforts. The CEO of the Fund was responsible for putting the policy into practice. The following pages reported on the performance of the Fund under this policy.

Investments in line with core values

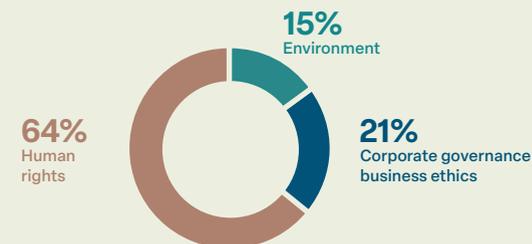
Första AP-fonden expected the businesses it invested in to respect human rights and other areas covered by the international conventions and agreements backed by Sweden. As a long-term and responsible investor with a global and diversified portfolio, the Fund put a priority on engaging with companies to take responsible actions, including through the Council on Ethics of the AP Funds. If the company's actions did not develop in the proper direction, the Fund could choose to exclude the company from its investments.

OUTCOME FOR 2025

During the year, severe incidents – assessed as potential or confirmed violation of an international convention – were identified in 55 out of more than 3,000 companies. Through the Council on Ethics of the AP Funds, Första AP-fonden engaged in dialogue with the companies identified in order to address the problem. In 2025, the Council on Ethics initiated new dialogues with six companies and was able to conclude the dialogue with seven companies that achieved the objectives. At year-end, active dialogues were ongoing with 35 companies.

Company dialogues to address severe incidents

Company dialogues by issue



Find out more about discussions with foreign companies and about assets in which the Fund did not invest.

[READ MORE ON THE COUNCIL ON ETHICS WEBSITE](#)

Besides individual companies that seriously violate international conventions, and where improvements are not made, Första AP-fonden chose not to invest in:

- Companies that manufacture tobacco.
- Companies that manufacture cannabis for non-medicinal use.
- Companies that manufacture or market controversial weapons.

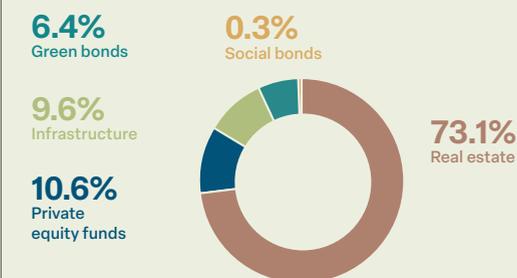
Investments for sustainable development

Besides supporting companies to improve sustainability through its stewardship efforts, the Fund identified sustainable investments that meet its return requirements and were also deemed to contribute positively to an environmental or social objective, in line with the EU's definition of sustainable investment. The Fund considered these investments to be particularly relevant in respect of unlisted assets, where the Fund's contribution in terms of financing or active ownership was particularly evident.

OUTCOME FOR 2025

Assets that fulfilled the Fund's criteria for sustainable investments amounted to SEK 85,367 million (82,079).

Breakdown by asset class



Screening of the holdings of the AP Funds	2025	2024	2023	2022	2021
Number of companies in the AP Funds' portfolios	3,007	3,307	3,510	3,202	3,168
– of which, confirmed violations	6	12	18	28	23
– of which, risk of violations	49	77	66	83	89
– of which, no remarks were made during the screening	2,952	3,218	3,426	3,091	3,056

The end of a key social mandate

- The year in brief
- Första AP-fonden's portfolio
- Returns by asset class
- Expenses
- Ten-year overview

Financial information

- Directors' Report
- Financial statements
- Notes
- Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

- Events and outcomes of the year
- Employees
- Auditor's statement

Focus on climate

Första AP-fonden gradually phased out its exposure to companies with fossil fuel operations as part of its efforts to manage the portfolio's climate risk exposure. In 2025, the Fund had no investments in the energy sector (coal, oil and gas companies) or companies that extract coal, own large coal reserves or are major coal power producers.

The Fund also encouraged the companies that it invested in to adopt relevant climate targets with credible transition plans. Companies that accounted for 55 per cent of the portfolio's carbon emissions have relevant climate targets to reduce their carbon emissions, according to the Science Based Targets initiative (SBTi).

Additionally, the Fund worked through the Council on Ethics of the AP Funds for climate transition in emission-intensive industries. The fund also partnered with other investors through initiatives such as Climate Action 100+ and the Net Zero Engagement Initiative.

Between 2019 and 2025, the equity portfolio's carbon footprint¹⁾ decreased by 67 per cent²⁾, which is well in line with the Fund's first interim target of halving the level by 2030. This development is explained by both changes in the portfolio's holdings and changes in the carbon intensity of the companies. The latter is also influenced by other factors such as changes in the exchange rate, better data quality and the cumulative development of inflation over time. A stronger Swedish krona in 2025 impacted the outcome.

Carbon emissions (Scope 1 and 2) of the portfolio's equity holdings increased to 0.6 million tCO₂e (0.5). Changes in the portfolio's holdings contributed to this increase, while the Fund noted a continued decrease in emissions from the companies that it had invested in. The portfolio companies' indirect carbon emissions (Scope 3) totalled 15.9 tCO₂e (12.8). This outcome was impacted by the increased availability and quality of reported Scope 3 data as companies increasingly report their emissions.

For other asset classes, the carbon footprint¹⁾ in 2025 amounted to 6.0 (8.1) tCO₂e/SEKm for real assets and 6.7 (5.4) tCO₂e/SEKm for credits. The carbon footprint of government bonds³⁾ amounted to 16.5 tCO₂e/SEKm (15.3). A stronger Swedish krona impacted the outcome for these asset classes in 2025 as well, while inflation development over time had a cumulative effect.

The carbon footprint provides a historic snapshot of the emissions from the companies in the Fund's portfolio. The numbers varied not only as the companies' emissions changed, but also as the composition of the portfolio changed. Changes in data quality and fluctuations in exchange rates also affected this metric in individual years.

1) Measured as portfolio-weighted carbon intensity (tCO₂e/SEKm) for Scope 1 and 2.

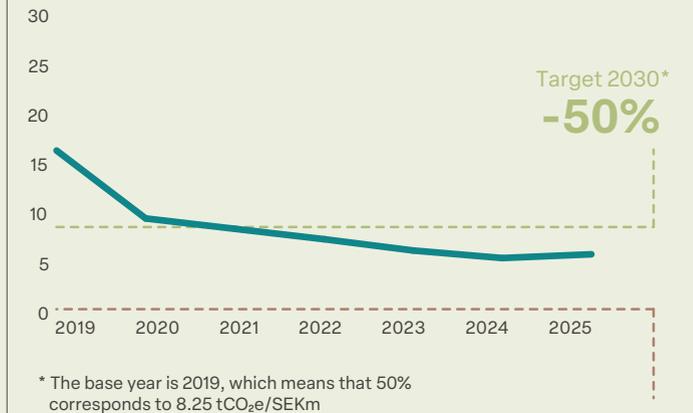
2) Which, adjusted for inflation over the same period, corresponds to a decrease of 57 per cent.

3) Measured as territorial production-based emissions (tCO₂e/SEKm) relative to GDP.

Refer to the AP Funds' joint guidelines at www.ap4.se for more information on calculating and reporting carbon footprints.

AP4.SE 

Weighted average carbon intensity (tCO₂e/SEKm)



Companies that accounted for 55 per cent of carbon emissions have validated climate targets under SBTi.

Carbon footprint of the listed equity portfolio

	2025	2024	2023	2022	Base year 2019
Carbon emissions, Scope 1 & 2 (million tCO ₂ e) ¹⁾	0.60	0.50	0.61	0.40	0.80
Change in the portfolio's carbon emissions, Scope 1 & 2 in relation to preceding year, % ¹⁾	20	-18	51	-35	
– of which change due to changes in portfolio holdings, percentage points	21	-11	56	-34	
– of which change due to changes in the companies' emissions, percentage points	-1	-7	-5	-1	
Carbon emissions, Scope 3 (million tCO ₂ e) ¹⁾	15.9	12.8	11.9	-	
Relative carbon emissions, Scope 1 & 2 (tCO ₂ e/SEKm) ²⁾	2.1	1.9	2.6	2.1	6.5
Portfolio-weighted carbon intensity, Scope 1 & 2 (tCO ₂ e/SEKm) ³⁾	5.5	5.1	5.9	7.1	16.5
Change in the portfolio's carbon intensity in relation to preceding year, % ¹⁾	8	-13	-17	-14	
– of which change due to changes in portfolio holdings, percentage points	-8	6	-8	-4	
– of which change due to changes in the companies' carbon intensity, percentage points	16	-19	-9	-10	
Mapped market value as a percentage of total net assets, %	56	56	51	46	34

1) Total of the owned share of portfolio companies' individual carbon emissions based on the companies' EVIC. Scope 3 is recognised from 2023 onwards.

2) Total of the owned share of portfolio companies' individual carbon emissions in relation to the equity portfolio's market value based on the companies' EVIC.

3) Total of the portfolio companies' respective carbon intensity, i.e. a company's carbon emissions in relation to its turnover, weighted according to each company's share in the portfolio.

Carbon footprint of the credit portfolio

	2025	2024	2023	2022	2021
Carbon emissions, Scope 1 & 2 (million tCO ₂ e) ¹⁾	0.04	0.03	-	-	-
Carbon emissions, Scope 3 (million tCO ₂ e) ¹⁾	0.6	0.5	-	-	-
Relative carbon emissions, Scope 1 & 2 (tCO ₂ e/SEKm) ²⁾	2.7	2.2	-	-	-
Portfolio-weighted carbon intensity, Scope 1 & 2 (tCO ₂ e/SEKm) ³⁾	6.7	5.4	6.3	7.7	13.0
Mapped market value as a percentage of total net assets, %	3	3	-	-	-

1) Total of the owned share of portfolio companies' individual carbon emissions based on the companies' EVIC. To be recognised from 2024 onwards.

2) Total of the owned share of portfolio companies' individual carbon emissions in relation to the credit portfolio's market value based on the companies' EVIC. To be recognised from 2024 onwards.

3) Total of the portfolio companies' respective carbon intensity, i.e. a company's carbon emissions in relation to its turnover, weighted according to each company's share in the portfolio.

Första AP-fonden's direct environmental impact

	2025	2024	2023	2022 ¹⁾	2021 ¹⁾
Power consumption in own offices, MWh	53.6	63.8	67.0	114.3	141.7
District cooling consumption in own offices, MWh	12.4	17.5	19.6	77.9	96.4
Heating consumption in own offices, MWh	41.9	47.1	62.9	51.4	45.8
Water consumption, m ³	427.0	412.0	495.0	404.8	488.2
Paper consumption, tonnes	0.1	0.3	0.3	0.1	0.3
Percentage of eco-labelled paper out of total paper consumption, %	100	100	100	100	100
Business travel by air, tens of thousands of km	11.6	25.4	19.5	12.9	0.1
Business travel by air, emissions in CO ₂ tonnes	17.3	22.5	24.3	16.5	0.1

1) The pandemic affected the results.

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Responsible ownership

By being a long-term, committed and transparent owner with a high level of integrity, Första AP-fonden contributed to a high return, which strengthened trust in the Fund. A high level of trust from companies, other owners and stakeholders provided the Fund with greater opportunities to influence companies in a positive direction. Första AP-fonden's Responsible Investment Policy set out the framework and principles for its work as a responsible owner.

► Swedish companies Important work in nomination committees

One of the most important tasks the Fund had in its capacity as an owner was to appoint competent, experienced and effective boards. Ahead of the 2025 AGMs, Första AP-fonden actively participated in 19 nomination committees of listed companies and three nomination committees in unlisted holdings. The Fund chaired the nomination committees of two companies.

The Fund's work in these nomination committees involved finding the best possible board composition in each company. It also promoted professional nomination work through board evaluations, needs analyses, clear requirements profiles, ongoing succession planning and broad recruitment bases that took diversity and gender equality into account.

The proportion of women on the Fund's listed nomination committee companies increased to 42 per cent and the proportion of women in unlisted nomination committee companies increased to 45 per cent, while the proportion of board members on the Swedish stock exchange increased slightly to 36.5 per cent.

After the year's AGMs for 2025, the discussion on the level of directors' fees continued, with many owners

believing that for reasons of competitiveness a structural step upwards needed to be taken, beyond the ordinary adjustments, in order for directors' remuneration in Swedish companies to approach the levels in comparable international companies. Over the years, Första AP-fonden had good and constructive dialogues on the nomination committees where it worked. The starting point, with a basis in the Fund's responsible investment policy, was that fees should be market-based and reasonable. It is crucial that the nomination committees have the right conditions for attracting, recruiting and retaining the skills and experience that are required to face the company's strategic challenges.

Committed owner at AGMs

Första AP-fonden's ambition was to vote at all Swedish AGMs – primarily through attendance in person. During the year, the Fund voted at 98 of a possible 99 AGMs and attended 76 per cent of them in person.

Gender equality and diversity for better decision-making

During the year, Första AP-fonden voted in all markets against proposals for board compositions consisting solely of members of the same gender. The Fund's objective was for every board, regardless of market, to comprise at least 40 per cent of the under-represented gender. During the 2025 AGM season, in some cases the Fund chose to vote for proposals that did not fully correspond to its expectations. However, in those cases the Fund clearly communicated that, in the event of a necessary renewal of the board, it was of greatest importance for the nomination committee to actively work for a more equitable gender distribution.

In addition, ahead of the upcoming AGM season, the Fund engaged with a number of nomination committees to specifically highlight the importance of increased gender equality in the composition of boards.

Voting on shareholder climate issue proposals

During the year, Första AP-fonden voted on several shareholder proposals submitted by smaller shareholders at Swedish AGMs, including SEB and H&M. The proposals concerned climate-related issues, including demands for changed strategies and circular business models. The Fund shared their commitment to the climate but considered the proposals inappropriate and therefore voted against them. At the same time, the Fund continued to engage with these companies on their climate activities and long-term transition.

► Foreign companies

Första AP-fonden had considerably more foreign companies than Swedish companies in its listed equity portfolio. The Fund normally had a lower share of the votes in foreign companies, which reduced its possibilities for influencing individual companies cost-effectively.

The right to vote was key

Första AP-fonden aimed to exercise its voting rights in all of its holdings abroad. In spring 2025 (Jan–June), the Fund voted at 1,467 (1,278) AGMs, corresponding to almost 100 per cent of its holdings in foreign companies.

When voting, the Fund aimed for global application of its ownership principles, although local regulations and legislation had to be taken into account on many governance issues.

Fair and market-based remuneration

Boards' proposals for remuneration programmes in foreign companies remained the issue that institutional owners, including Första AP-fonden, largely voted against. The most common reason why Första AP-fonden voted against a proposal was that the remuneration programmes lacked performance requirements. As far as the Fund was concerned, such requirements had to be in place.

1) Source: AP2, Kvinnoindex-2025.pdf

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

In an effort to balance the view on fair remuneration – in the US market in particular – the Fund decided this year to vote in favour of incentive programmes in the US and Canada that were more than 90 per cent performance-based, to abstain from voting if the proposed programme lacked performance conditions for 11 to 50 per cent of the programme and to vote against programmes that lacked performance conditions for more than 50 per cent of the programmes. This new approach meant that the Fund decreased the number of 'no' votes by 5 per cent compared to if the Fund had not introduced the 'abstain' option.

Right to submit proposals, and shareholder proposals linked to sustainability

The right of shareholders to influence the performance of their companies is a cornerstone of a well-functioning capital market. However, this right is being challenged, particularly in the US, where new regulations and policy initiatives are limiting the ability to submit shareholder proposals – especially on climate and social issues. For example, the US Securities and Exchange Commission (SEC) has tightened requirements on how many shares a shareholder must own and for how long, and introduced higher thresholds for resubmitting proposals that were previously voted down. Court decisions allowing for damages against shareholders have also contributed to increased caution among investors.

Första AP-fonden believed that shareholder influence through dialogue, proposals and voting is crucial for long-term value creation and for companies to develop in alignment with their environment. Shareholder engagement should therefore be safeguarded, not limited.

Despite these new conditions, shareholder proposals are still common at general meetings outside Sweden, although their number has decreased slightly. Many concerned the climate, gender equality and other

sustainability issues with a growing polarisation around ESG themes. Essentially, Första AP-fonden stood in favour of proposals that strengthened transparency and follow-up, but voted against initiatives that were operational, too far-reaching or lacking in added value in relation to the company's existing activities.

Working together for positive change

In the Fund's foreign portfolio companies, where Första AP-fonden had a relatively large number of holdings and a lower ownership share, the Fund chose to collaborate with other investors in order to influence these companies to make positive changes. The aim was to make progress on priority issues such as climate and nature-related risks, corruption and corporate governance. The table below shows Första AP-fonden's key partners in the field of sustainability.

When deemed relevant, the Fund also chose to highlight the importance of addressing prioritised systemic issues and clarified its expectations as a long-term and responsible investor toward global decision-makers.



The AP Funds Council on Ethics

Since 2007, the AP1, AP2, AP3 and AP4 Funds have been working together to influence foreign portfolio companies to behave responsibly in respect of environmental, social and governance matters. Collaboration through the Council on Ethics of the AP Funds made it possible to manage sustainability risks more efficiently and with greater emphasis.

The mission of the Council on Ethics is to influence companies through dialogue to achieve positive development in sustainability, and to support the AP Funds in complex sustainability issues. Through the Council on Ethics, the Funds work within priority focus areas and when identifying portfolio companies with severe incidents related to human rights, labour law, the environment and corruption.

[READ MORE ON THE COUNCIL ON ETHICS WEBSITE](#)

Första AP-fonden's key partnerships

Responsible investments	Stewardship	Climate and the environment	Human rights/ anti-corruption
Principles for Responsible Investment (PRI)	Institutional Owners' Association (IÄF)	Institutional Investors Group on Climate Change (IIGCC)	PRI Advance
Sweden Sustainable Investment Forum (SWESIF)	International Corporate Governance Network (ICGN)	Climate Action 100+	
		Nature Action 100	
		Net Zero Engagement Initiative	
		Transition Pathway Initiative	
		Investor Initiative on Hazardous Chemicals	

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Employees

Första AP-fonden's employees were guided by the Fund's core values – forward-thinking, open, responsible and considerate. The Fund aimed for a stimulating, inclusive work environment where everyone was given the opportunity to develop, take responsibility and feel involved. The Fund continued to develop its leadership during the year, with emphasis on providing managers with the right tools to lead in line with the Fund's strategy and values, including through theories and practice concerning psychological safety, learning and trust. Regular pulse surveys enabled tracking and enhancing employee satisfaction and motivation.

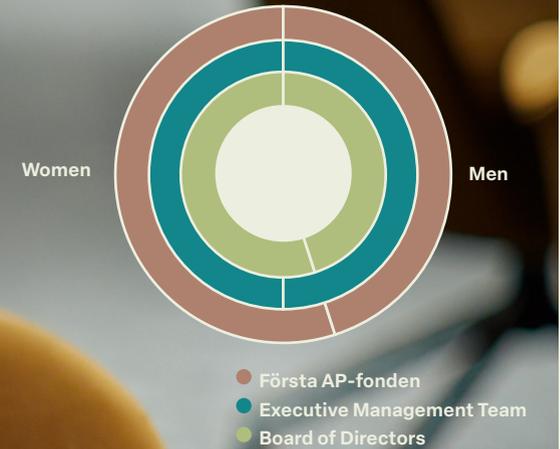
In connection with the ongoing consolidation of the AP Funds, particular emphasis was placed on creating security, clarity and participation. The aim was to ensure a good working environment, and that each employee was properly supported during the change. In addition to routine communication and dialogue, employees have been offered extra support alongside the Fund's ordinary initiatives, including wellness activities, health checks and work environment surveys. Through these efforts, the Fund continued to promote a sustainable, healthy and professional workforce, both during the Fund's former operations and during consolidation.

Key ratios for employees	2025	2024	2023	2022	2021
No. of employees, average	65	67	67	67	66
of whom women, %	45	48	48	45	45
No. of executive management members	4	4	4	4	5
of whom women, %	50	50	50	50	40
Average age, years	46	45	46	45	45
Employee turnover, %*	19	5	9	11	13
Sick leave, %**	2.2	2.3	2.2	0.9	1.7

* Includes effects of the consolidation of the AP Funds.

** Applies up through 31 July 2025.

Distribution, men and women



See Note 8 on page 18 for more employee statistics.

The end of a key social mandate

The year in brief

Första AP-fonden's portfolio

Returns by asset class

Expenses

Ten-year overview

Financial information

Directors' Report

Financial statements

Notes

Auditor's report

Board of Directors' risk management report

Annual Fund Governance Report of the Board of Directors

Sustainability report

Events and outcomes of the year

Employees

Auditor's statement

Första AP-fonden's sustainability report for 2025

Första AP-fonden has prepared a sustainability report for the 2025 financial year. This report has been compiled in accordance with common guidelines for the AP Funds for *Reporting on how the goal of exemplary management has been achieved*. The sustainability report can be found on pages 37–44 in this report.

The Board of Directors of Fjärde AP-fonden has submitted the Första AP-fonden's sustainability report for the 2025 financial year in accordance with the transitional rules of the the AP Funds Act that entered force on 1 January 2026 pertaining to its assignment of performing the tasks that under law are the business of the Board of Directors of Första AP-fonden.

The Board of Directors of Fjärde AP-fonden

Stockholm, 19 February 2026

Johan Gyllenhoff
Chair

Henrik Rättzén
Vice Chair

Helén Eliasson
Member of the Board

Monika Elling
Member of the Board

Lars Fresker
Member of the Board

Per Strömberg
Member of the Board

Roine Vestman
Member of the Board

Ingrid Werner
Member of the Board

Aleksandar Zuza
Member of the Board

The auditors' statement regarding

Första AP-fonden's Sustainability Report
Corp. ID No. 802005-7538

Engagement and responsibility

The Board of Directors has been responsible for the sustainability report for 2025 and for ensuring that it has been drawn up in accordance with Första AP-fonden's principles for sustainability reporting, which correspond to those set out in the Swedish Annual Accounts Act.

Focus and scope of the audit

Our audit was conducted in accordance with FAR recommendation RevR12 *Auditor's report on the statutory sustainability statement*. This means that our examination of the statutory sustainability reporting is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinions

A sustainability report has been prepared.

Peter Nilsson

Authorised Public Accountant
Appointed by the Swedish Government

Helena Kaiser de Carolis

Authorised Public Accountant
Appointed by the Swedish Government



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