



Type of engagement	Reason for interaction	Status
Individualist/one-off engagements	<input type="checkbox"/> To support investment decisions relating to ESG issues <input type="checkbox"/> To influence corporate practice for more effective ESG outcomes <input type="checkbox"/> To encourage improved ESG practices <input type="checkbox"/> To support transition scenarios for more effective ESG outcomes <input type="checkbox"/> Other: specify	Open 123
Collaborative engagements	<input type="checkbox"/> To support investment decisions relating to ESG issues <input type="checkbox"/> To influence corporate practice for more effective ESG outcomes <input type="checkbox"/> To encourage improved ESG practices <input type="checkbox"/> To support transition scenarios for more effective ESG outcomes <input type="checkbox"/> Other: specify	Open 123
Service provider engagements	<input type="checkbox"/> To support investment decisions relating to ESG issues <input type="checkbox"/> To influence corporate practice for more effective ESG outcomes <input type="checkbox"/> To encourage improved ESG practices <input type="checkbox"/> To support transition scenarios for more effective ESG outcomes <input type="checkbox"/> Other: specify	Open 123

CLIMATE TRANSPARENCY REPORT

2019

AP4

About the Climate-related Disclosure Indicators

Climate has been identified as a top priority for PRI signatories, with over 70% of asset owners reporting this as the most important long-term trend they are acting on.

The FSB Task Force's guidance on climate-related financial disclosure aim to create a single framework for disclosure on assessment and management of climate-related risk. The recommendations, supported by investors representing US\$22 trillion, identify four main disclosures, Governance, Strategy, Risk Management, Metrics and Targets, and include specific guidance for asset owners and managers.

As a result, the PRI introduced climate-related disclosure indicators that can be used to align with the TCFD recommendations in the 2019 PRI Reporting Framework.

About this report

This report is an export of only the climate-related indicators from the 2019 Reporting Framework response. The full Public Transparency Report is available here (https://reporting.unpri.org/surveys/PRI-reporting-framework-2019/-F371B399-4784-4684-AB94-F1724ED8FC81/00000000-0000-0000-0000-000000000000/doc/2/-%7C%7C*complete*%7C*public*/Merged/). It shows the responses to all the completed climate indicators, even those you chose to keep private. It is designed for your internal review or – if you wish - to share with your stakeholders.

The PRI will not publish this report on its website if you have designated your 2019 climate reporting as “private”. Otherwise, you will be able to access the Climate Transparency Report of your organisation and that of other signatories on the [PRI website](#) and on the [Data Portal](#).

To easily locate information, there is a **Recommendation index** which summarises the indicators that signatories complete and disclose. The report presents information exactly as it was reported as per signatory preference. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory are presented in this report.

TCFD Recommendations Index

Strategy and Governance - CC			TCFD Recommendation			
Indicator	Reported	Disclosure	Governance	Strategy	Risk Management	Metrics & Targets
SG 01.1	✓	Public				
SG 01.2	✓	Public				
SG 01.3	✓	Public				
SG 01.4	✓	Public				
SG 01.5	-	Public				
SG 01.6 CC	✓	Public				
SG 01.7 CC	✓	Public				
SG 01.8 CC	✓	Public				
SG 01.9 CC	✓	Public				
SG 01.10 CC	✓	Public				
SG 01.11 CC	-	Public				
SG 01.12 CC	✓	Public				
SG 02.2	✓	Public				
SG 07.5 CC	✓	Public				
SG 07.6 CC	✓	Public				
SG 07.7 CC	✓	Public				
SG 07.8 CC	✓	Public				
SG 13.1	✓	Public				
SG 13.2	✓	Public				
SG 13.4 CC	✓	Public				
SG 13.5 CC	✓	Public				
SG 13.6 CC	✓	Public				
SG 13.7 CC	✓	Public				
SG 13.8 CC	✓	Public				
SG 14.1	✓	Public				
SG 14.2	✓	Public				
SG 14.3	✓	Public				
SG 14.4	✓	Public				
SG 14.5	-	Public				
SG 14.6 CC	✓	Public				
SG 14.7 CC	✓	Public				
SG 14.8 CC	✓	Public				
SG 14.9 CC	✓	Public				
SG 15.1	✓	Public				
SG 15.2	✓	Public				
SG 15.3	✓	Public				

Symbol	Status
✓	The signatory has completed this sub-indicator
-	The signatory did not complete this sub-indicator.
	This indicator is relevant to the named TCFD recommendation
Within the first column "Indicator", indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.	

ORGANISATIONAL OVERVIEW

This section provides an overview of your organisation. These characteristics are used to define your peer groups.

MAIN CHARACTERISTICS	
Name	AP4
Signatory Category	Reserve - sovereign or government controlled fund
Signatory Type	Asset Owner
Size	US\$ 30 - 50 billion AUM
Main Asset Class	Multi-Asset
Signed PRI Initiative	2007
Region	Europe
Country	Sweden
Disclosure of Voluntary Indicators	100% from 38 Voluntary indicators

AP4

Reported Information

Public version

Strategy and Governance

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Investment policy

SG 01

Mandatory

Public

Core Assessed

General

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input checked="" type="checkbox"/> Fiduciary (or equivalent) duties <input checked="" type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input checked="" type="checkbox"/> Engagement policy <input checked="" type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input type="radio"/> Applicable policies cover all AUM <input checked="" type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.3

Indicate if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

SG 01.4

Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

AP4's mission is to contribute to the financial security for current and future pensioners in Sweden. We manage part of the national pension system's buffer capital with the aim to maximize long term returns and to provide liquidity to the pension system to ensure payment of pensions when there is a net deficit in the system. AP4 has three essential characteristics that distinguish it and to some degree set it apart from other investors. These characteristics are 1) the ability to invest long term, 2) a large degree of freedom to formulate strategies, portfolio structures and choose investments and 3) the right size to allow for economies of scale that enable cost efficiency without restricting investment opportunities.

Based on the three characteristics, AP4 has formulated six investment beliefs of which one relates to sustainability:

"Integrating sustainability aspects in asset management contributes over time to better management of risks and opportunities, and thereby to returns. AP4 uses active corporate governance to secure asset values."

Please see further description on pages 16-17 of Annual Report 2017:

http://www.ap4.se/globalassets/dokument/rapportarkiv/2017/ar-17/eng/ap4_annual_report_2017.pdf

No

I confirm I have read and understood the Accountability tab for SG 01

I confirm I have read and understood the Accountability tab for SG 01

SG 01 CC	Voluntary	Public	Descriptive	General
----------	-----------	--------	-------------	---------

**SG 01.6
CC**

Indicate the climate-related risks and opportunities that have been identified and factored into the investment strategies and products, within the organisation's investment time horizon.

Investing in low-carbon strategies within global equities since 2012, investing in green bonds since 2013, and since 2018 divesting companies where thermal coal or oil sand makes up 20 percent or more of turnover.

SG 01.7 CC	Indicate whether the organisation has assessed the likelihood and impact of these climate risks?
-----------------------------	--

Yes

SG 01.8 CC	Indicate the associated timescales linked to these risks and opportunities.
-----------------------------	---

Conducted climate scenario analysis and looked over a 40 year period.

No

SG 01.9 CC	Indicate whether the organisation publicly supports the TCFD?
-----------------------------	---

Yes

No

SG 01.10 CC	Indicate whether there is an organisation-wide strategy in place to identify and manage material climate-related risks and opportunities.
------------------------------	---

Yes

Describe

We measure and report carbon footprint and intensity.

We have an process in place to identify, evaluate and implement sustainability investment themes.

No

SG 1.12 CC	Indicate the documents and/or communications the organisation uses to publish TCFD disclosures.
-----------------------------	---

Public PRI Climate Transparency Report

Annual financial filings

Regular client reporting

Member communications

Other

SG 02	Mandatory	Public	Core Assessed	PRI 6
--------------	------------------	---------------	----------------------	--------------

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 02.1	Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.
----------------	--

Policy setting out your overall approach

URL/Attachment

URL

URL

{hyperlink:<http://www.ap4.se/globalassets/dokument/policyer/ap4-hallbarhetspolicy.pdf>}

Attachment (will be made public)

- Formalised guidelines on environmental factors
- Formalised guidelines on social factors
- Formalised guidelines on corporate governance factors
- Fiduciary (or equivalent) duties
- Asset class-specific RI guidelines
- Screening / exclusions policy

URL/Attachment

URL

URL

{hyperlink:<http://www.ap4.se/globalassets/dokument/policyer/ap4-hallbarhetspolicy.pdf>}

Attachment (will be made public)

- Engagement policy
- (Proxy) voting policy
- We do not publicly disclose our investment policy documents

SG 02.2 Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment

URL

URL

{hyperlink:<http://www.ap4.se/en/esg/>}

Attachment

Your investment objectives that take ESG factors/real economy influence into account

URL/Attachment

URL

URL

{[hyperlink:http://www.ap4.se/en/esg](http://www.ap4.se/en/esg)}

- Attachment
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities

URL/Attachment

- URL

URL

{[hyperlink:http://www.ap4.se/en/esg](http://www.ap4.se/en/esg)}

- Attachment
- ESG incorporation approaches

URL/Attachment

- URL

URL

{[hyperlink:http://www.ap4.se/en/esg](http://www.ap4.se/en/esg)}

- Attachment
- Active ownership approaches

URL/Attachment

- URL

URL

{[hyperlink:http://www.ap4.se/en/esg/corporate-governance---a-focus-area/](http://www.ap4.se/en/esg/corporate-governance---a-focus-area/)}

- Attachment
- Reporting
- Climate change

URL/Attachment

- URL

URL

{[hyperlink:http://www.ap4.se/en/esg/climate-and-the-environment---a-focus-area/](http://www.ap4.se/en/esg/climate-and-the-environment---a-focus-area/)}

- Attachment
- Understanding and incorporating client / beneficiary sustainability preferences
- We do not publicly disclose any investment policy components

On 1 January 2019 new rules went into effect for the AP Funds concerning sustainable asset management. The new rules convey a higher level of ambition regarding sustainability, whereby the wording of the AP Funds Act was changed to stipulate that asset management shall be conducted in an exemplary manner through responsible investments and responsible ownership.

Based on internal assessments or recommendations from the Council on Ethics of the AP Funds, AP4's CEO decides on which assets AP4 will not invest in.

AP4 does not invest in:

Nuclear weapons

Nuclear weapons are weapons of mass destruction, and their use would bear a heavy toll on civilians. Corresponding biological and chemical weapons are addressed and banned by UN conventions. Nuclear weapons are covered by the Non-Proliferation Treaty, which permits five states to have nuclear weapons. However, under the treaty these states have committed themselves to reducing and, over the long term, eliminating their own nuclear weapons. Currently, modernisations and upgrades are being made to nuclear weapons programmes. AP4 is of the opinion that these modernisations and upgrades go against the spirit of the Non-Proliferation Treaty. AP4 therefore decided in 2018 to not invest in companies involved in this area.

Tobacco and cannabis

In 2016 AP4 decided to not invest in tobacco companies, based on the determination that mounting regulations would negatively impact tobacco companies' future stock market valuations. In addition, AP4 believes that an exemplary interpretation of the WHO Framework Convention on Tobacco Control, which seeks to steadily and sharply reduce tobacco consumption, supports AP4's decision to not have ownership in tobacco companies. The Council on Ethics of the AP Funds has recommended that the AP Funds exclude companies active in cannabis as a pleasure drug or for religious purposes based on the UN's conventions on narcotic preparations. Companies that produce cannabis for medical or scientific purposes are not covered by the exclusion. This decision was made in 2018.

Thermal coal and oil sand

AP4 does not invest in companies for which thermal coal or oil sand account for more than 20% of sales. Thermal coal and oil sand are fossil energy sources with high CO2 intensity per energy unit, and AP4 believes that these must be phased out in a global transition to a low-fossil society in line with the UN's Climate Convention and the Paris Agreement. AP4 therefore divested its holdings in these companies in 2018. On top of this, AP4 applies low-carbon strategies for global equities, entailing the AP4 is reducing its exposure to the companies in each sector that have high CO2 intensity or fossil fuel reserves.

Cluster munitions and mines

The Mine Ban Treaty and the Convention on Cluster Munitions stipulate that states that have signed and ratified these treaties shall cease to produce, conduct trade in and use anti-personnel mines and cluster bombs. The Council on Ethics of the AP Funds has recommended that the four AP Funds divest companies that manufacture anti-personnel mines or cluster bombs, and AP4 therefore has not had ownership in any such companies since 2008.

Company-specific exclusions

AP4 has been collaborating with AP1-AP3 through the Council on Ethics of the AP Funds since 2007. In the event of confirmed violations of international conventions, the Council on Ethics may choose to engage individual companies in a dialogue to bring about a change. If such a dialogue proves to be unfruitful, the Council on Ethics recommends that the AP Funds exclude such companies from their investment portfolios. AP4 has chosen to exclude companies based on recommendations from the Council on Ethics due to violations of conventions on health and safety, negative environmental impact, labour law, corruption and operations in occupied areas.

Governance and human resources

SG 07 CC	Voluntary	Public	Descriptive	General
SG 07.5 CC	Indicate the roles in the organisation that have oversight, accountability and/or management responsibilities for climate-related issues.			

	Board members or trustees
	<input checked="" type="checkbox"/> Oversight/accountability for climate-related issues <input checked="" type="checkbox"/> Assessment and management of climate-related issues <input type="checkbox"/> No responsibility for climate-related issues
	Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Risk Officer (CRO), Investment Committee
	<input checked="" type="checkbox"/> Oversight/accountability for climate-related issues <input checked="" type="checkbox"/> Assessment and management of climate-related issues <input type="checkbox"/> No responsibility for climate-related issues
	Other Chief-level staff or head of department
	<input checked="" type="checkbox"/> Oversight/accountability for climate-related issues <input checked="" type="checkbox"/> Assessment and management of climate-related issues <input type="checkbox"/> No responsibility for climate-related issues
	Portfolio managers
	<input checked="" type="checkbox"/> Oversight/accountability for climate-related issues <input checked="" type="checkbox"/> Assessment and management of climate-related issues <input type="checkbox"/> No responsibility for climate-related issues
	Dedicated responsible investment staff
	<input checked="" type="checkbox"/> Oversight/accountability for climate-related issues <input checked="" type="checkbox"/> Assessment and management of climate-related issues <input type="checkbox"/> No responsibility for climate-related issues
	External managers or service providers
	<input type="checkbox"/> Oversight/accountability for climate-related issues <input checked="" type="checkbox"/> Assessment and management of climate-related issues <input type="checkbox"/> No responsibility for climate-related issues
SG 07.6 CC	For board level roles for which have climate-related issues oversight/accountability or implementation responsibilities, indicate how these responsibilities are executed.

AP4's operations are governed by the AP Funds Act. In this act and its drafting work it is stipulated that asset management shall be conducted in an exemplary manner through responsible investments and responsible ownership, and that particular emphasis shall be given to how sustainable development can be promoted without compromising on the overarching risk and return targets. AP4's board of directors has adopted a Sustainability Policy that describes the work on integrating sustainability in asset management, where Climate & Environment is one of AP4's two focus areas. Sustainability is a so-called key investment belief in AP4's investment philosophy. During 2018 the Board addressed sustainability and the climate issue at five of the year's six board meetings. The sixth meeting was focused exclusively on adopting AP4's half-year report. T

SG 07.7 CC	For the management-level roles that assess and manage climate-related issues, provide further information on the structure and process involved.
-----------------------	--

The Board has assigned the CEO with the task of continuously assessing and addressing climate-related issues in the asset management. The CEO, the heads of the respective asset management units and the head of Strategy & Sustainability are responsible for ensuring that sustainability is integrated in all of AP4's investment processes.

SG 07.8 CC	Explain how the organisation engages external investment managers on the TCFD recommendations and its implementation.
-----------------------	---

- Incorporation of TCFD in Annual Report
- Incorporation of TCFD in regular client reporting
- Request that investment managers complete PRI Climate indicators
- Request responses to TCFD Fund Manager questions in the PRI Asset Owner guide

ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1
--------------	------------------	---------------	--------------------	--------------

SG 13.1	Indicate whether the organisation undertakes scenario analysis and/or modelling and provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).
----------------	--

- Yes, to assess future ESG factors

	Describe
--	----------

Please see annual report 2018 pages 28-29.

- Yes, to assess future climate-related risks and opportunities

	Describe
--	----------

Please see annual report 2018 pages 28-29.

- No, not to assess future ESG/climate-related issues

SG 13.2	Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.
----------------	---

	We do the following
--	---------------------

- Allocation between asset classes
- Determining fixed income duration
- Allocation of assets between geographic markets
- Sector weightings
- Other, specify

Allocation to low-carbon strategies and thematic sustainability investments and allocation to sustainable alternative investments.

We do not consider ESG issues in strategic asset allocation

SG 13 CC	Voluntary	Public	Descriptive	General
----------	-----------	--------	-------------	---------

SG 13.4 CC	Describe how the organisation is using scenario analysis to manage climate-related risks and opportunities, including how the analysis has been interpreted, the results and any future plans.
-----------------------	--

Initial assessment

	Describe
--	----------

Please see annual report 2018 pages 28-29.

Incorporation into investment analysis

	Describe
--	----------

Please see annual report 2018 pages 28-29.

Inform active ownership

Other

SG 13.5 CC	Indicate who uses this analysis.
-----------------------	----------------------------------

Board members, trustees, C-level roles, Investment Committee

Portfolio managers

Dedicated responsible investment staff

External managers

Investment consultants/actuaries

Other

SG 13.6 CC	Indicate whether the organisation has evaluated the impacts of climate-related risk, beyond the investment time-horizon, on the organisations investment strategy.
-----------------------	--

Yes

No

	Please explain the rationale
--	------------------------------

Investment horizon is long, up to 40 yeras. It is not possible to make predictions beyond that time horizon.

**SG 13.7
CC**

Indicate whether a range of climate scenarios is used.

- Yes, including analysis based on a 2°C or lower scenario
- Yes, not including analysis based on a 2°C or lower scenario
- No, a range is not used

**SG 13.8
CC**

Indicate the climate scenarios the organisation uses.

Provider	Scenario used
IEA	<input type="checkbox"/> Beyond 2 Degrees Scenario (B2DS)
IEA	<input type="checkbox"/> Energy Technology Perspectives (ETP) 2 Degrees scenario
IEA	<input checked="" type="checkbox"/> Sustainable Development Scenario (SDS)
IEA	<input type="checkbox"/> New Policy Scenario (NPS)
IEA	<input type="checkbox"/> Current Policy Scenario (CPS)
IRENA	<input type="checkbox"/> RE Map
Greenpeace	<input type="checkbox"/> Advanced Energy [R]evolution
Institute for Sustainable Development	<input type="checkbox"/> Deep Decarbonisation Pathway Project (DDPP)
Bloomberg	<input type="checkbox"/> BNEF reference scenario
IPCC	<input type="checkbox"/> Representative Concentration Pathway (RCP) 8.5
IPCC	<input type="checkbox"/> RPC 6
IPCC	<input type="checkbox"/> RPC 4.5
IPCC	<input checked="" type="checkbox"/> RPC 2.6
Other	<input type="checkbox"/> Other (1)
Other	<input type="checkbox"/> Other (2)
Other	<input type="checkbox"/> Other (3)

SG 14.1	Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following are considered.
----------------	--

- Changing demographics
- Climate change
- Resource scarcity
- Technological developments
- Other, specify(1)
- Other, specify(2)
- None of the above

SG 14.2	Indicate which of the following activities you have undertaken to respond to climate change risk and opportunity
----------------	--

- Established a climate change sensitive or climate change integrated asset allocation strategy
- Targeted low carbon or climate resilient investments

	Specify the AUM invested in low carbon and climate resilient portfolios, funds, strategies or asset classes.
--	--

	trillions	billions	millions	thousands	hundreds
Total AUM		43	000	000	000
Currency	SEK				
Assets in USD		4	787	776	850

	Specify the framework or taxonomy used.
--	---

Internal models

- Phase out your investments in your fossil fuel holdings
- Reduced portfolio exposure to emissions intensive or fossil fuel holdings
- Used emissions data or analysis to inform investment decision making
- Sought climate change integration by companies
- Sought climate supportive policy from governments
- Other, specify
- None of the above

SG 14.3 Indicate which of the following tools the organisation uses to manage climate-related risks and opportunities.

- Scenario analysis
- Disclosures on emissions risks to clients/trustees/management/beneficiaries
- Climate-related targets
- Encouraging internal and/or external portfolio managers to monitor emissions risks
- Emissions-risk monitoring and reporting are formalised into contracts when appointing managers
- Weighted average carbon intensity
- Carbon footprint (scope 1 and 2)
- Portfolio carbon footprint
- Total carbon emissions
- Carbon intensity
- Exposure to carbon-related assets
- Other emissions metrics
- Other, specify
- None of the above

SG 14.4 If you selected disclosure on emissions risks, list any specific climate related disclosure tools or frameworks that you used.

Common reporting framework agreed between the AP Funds

TCFD

SG 14 CC	Voluntary	Public	General
-----------------	------------------	---------------	----------------

SG 14.6 CC	Please provide further details on these key metric(s) used to assess climate related risks and opportunities.
-------------------	---

Metric Type	Coverage	Purpose	Metric Unit	Metric Methodology
Climate-related targets	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets		Percentage of portfolio	
Weighted average carbon intensity	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets		Million ton CO2e/MSEK	
Carbon footprint (scope 1 and 2)	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets		Million ton CO2e	
Portfolio carbon footprint	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets		Million ton CO2e	
Total carbon emissions	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets		Million ton CO2e	
Carbon intensity	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets		Million ton CO2e/MSEK	
Exposure to carbon-related assets	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets			

SG 14.7
CC

Describe in further detail the key targets.

Targettype	Time Frame	Description	Attachments
<input checked="" type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target	Continuously	Increase share of investments that lower climate risk in the asset portfolio	
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target			
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target			
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target			
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target			

SG 14.8
CC Indicate whether climate-related risks are integrated into overall risk management and explain the risks management processes for identifying, assessing, and managing climate-related risks.

- Process for climate-related risks is integrated into overall risk management
- Process for climate-related risks is not integrated into our overall risk management

Please describe

Part of asset class decisions

SG 14.9
CC Indicate whether the organisation undertakes active ownership activities to encourage TCFD adoption.

- Yes

Please describe

In cooperation with for example Climate Action 100+.

- No, we do not engage

SG 15	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1
--------------	--	---------------	--------------------	--------------

SG 15.1 | Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.

Yes

SG 15.2 | Indicate the percentage of your total AUM invested in environmental and social themed areas.

%

27

SG 15.3 | Specify which thematic area(s) you invest in, indicate the percentage of your AUM in the particular asset class and provide a brief description.

Area

- Energy efficiency / Clean technology
- Renewable energy
- Green buildings
- Sustainable forestry
- Sustainable agriculture
- Microfinance
- SME financing
- Social enterprise / community investing
- Affordable housing
- Education
- Global health
- Water
- Other area, specify

Specific mandates to reduce the carbon footprint. Specific green bond investments. Specialized ESG managers.

Asset class invested

- Listed equity

% of AUM

26

- Fixed income - SSA
- Fixed income - Corporate (financial)

% of AUM

1

- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private equity
- Property
- Cash

Brief description and measures of investment

AP4 invests in low-carbon equity strategies and in green bonds if there is a real strategy for the use of the funding, and if the bonds are competitively priced. Please see climate reporting as part of annual report, pages 24-29.

http://www.ap4.se/globalassets/dokument/rapportarkiv/2018/arsredovisning-2018/ap4-annual-report-2018_final.pdf

No