

Alecta

# Annual and Sustainability Report 2025



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## About Alecta's Annual and Sustainability Report 2025

Alecta Tjänstepension Ömsesidigt's ("Alecta") Annual and Sustainability Report is presented by the Board of Directors and CEO, and is intended to provide the company's stakeholders with a good understanding of our activities and results in the past year. The Directors' Report, the financial statements and the sustainability-related disclosures (SFDR) constitute Alecta's statutory Annual Report. The Directors' Report and financial statements are audited by Alecta's external auditors, PwC. The Sustainability Report is prepared in accordance with the guidelines from the Global Reporting Initiative (GRI) Standards and describes Alecta's organisation and governance of sustainability, detailed data and boundaries. PwC produces a report on the limited assurance engagement regarding the Sustainability Report. At the end of the Annual and Sustainability Report, the standard disclosures for Alecta's financial products are presented. These disclosures have been prepared in accordance with the EU Regulation on sustainability related disclosures (SFDR) and are not covered by PwC's review.

This Annual and Sustainability Report is a translation of the Swedish original. If there are differences, the Swedish version shall prevail.

# Highlights of the year

## Magnus Hall elected Chair of the Board

At Alecta's ordinary Council meeting in May, Magnus Hall was elected Chair of the Board of Directors. At the same meeting, eight Board members were re-elected and two new members were elected: Hillevi Agranius and Jesper Andersson. Jan-Olof Jacke, former Chair of Alecta's Board of Directors, was elected Chair of Alecta's Council, and Peter Hellberg was elected Deputy Chair. The Council also appointed a Nomination Committee, approved adjustments to the model for Board fees and adopted the use of special indexation instruments.

## Alecta Day for our largest corporate customers

Alecta Day, which is held twice a year, is an important opportunity to meet our largest corporate customers. During Alecta Day in November, topics of discussion included premiums and refunds for 2026, macroeconomic trends and efforts regarding the future distribution of surplus. A new feature this year was a separate Alecta Day for external insurance brokers and pension advisors.

## Continued work on IT security in accordance with DORA

In 2025, the work has continued to implement the EU Digital Operational Resilience Act (DORA). The regulation aims to strengthen digital operational resilience in the financial sector. Throughout the year, we have focused on collaborating with our suppliers, which has had a significant impact on contract management, reporting and business continuity efforts.

## Marie Litezings new Head of the Customer Relations Department

Marie Litezings assumed the role of Head of the Customer Relations Department and joined Alecta's senior management. Marie most recently held the position of Head of Insurance at AMF, and has extensive experience in the field of collectively agreed occupational pensions.

## Growing number of working pensioners

Alecta's annual study regarding the incomes of older people showed that the trend of increasing purchasing power for each new cohort of pensioners levelled off as inflation rose sharply in 2022 and 2023. The study, which is based on income data for all Swedes over the age of 55, also showed that the proportion of working pensioners – people aged 66 or older receiving earned income – has increased since the pandemic years.

## Lower pension costs for our corporate customers

Ahead of 2026, Alecta announced premium reductions that will lower costs for our 37,000 corporate customers. The premiums for the defined benefit ITP 2 Retirement pension and Family pension were reduced by 35 per cent, and premium reductions also continued for risk insurance.

## Improvement programme completed

Since 2023, Alecta has implemented a comprehensive improvement programme aimed at strengthening governance, risk management and expertise within asset management. The programme was initiated following losses in three US banks in the spring 2023, and later that year determined that the shareholders' agreement regarding the investment in Heimstaden Bostad was imbalanced to Alecta's disadvantage and that the collaboration with the company's managers was not working satisfactorily. The measures have now been implemented and integrated into our procedures and processes. The programme has resulted in a stronger and more resilient Alecta for our customers.

## Stock exchange listing of Verisure

Alecta was one of five cornerstone investors in the initial public offering of the security company Verisure on the Stockholm Stock Exchange on 8 October. Our investment amounted to EUR 300 million, corresponding to an ownership stake of approximately 2 per cent at the time of the initial public offering.

## New website and visual identity

In the autumn of 2025, a new public website boasting improved functionality and accessibility was launched. In connection with this, a new visual identity and a simplified logo were launched to clarify when Alecta is the sender, for example in the case of customer letters, social media and marketing.

## More flexible payment of occupational pensions

As of January 2025, it became possible to pause, and as of May also to extend, the payment of occupational pensions for customers with ITP or SAF-LO collective pension insurance. Alecta was one of the first to offer this new flexibility after the Swedish Parliament approved the revised withdrawal rules in October 2024. In 2025, 1,323 of Alecta's customers chose to pause their occupational pension payouts, while 356 customers chose to extend them.

## Increased pensions for 1.5 million private customers

Ahead of 2026, ongoing pension contributions and earned pension entitlements could be indexed for inflation by 0.89 per cent, corresponding to the inflation rate measured by the Consumer Price Index (CPI) over the past year. In total, this results in the distribution of SEK 5 billion to 1.5 million customers.

## Strong returns for Alecta Optimal Pension

Despite challenging market conditions, Alecta has continued to deliver strong returns to its customers. In 2025, the return from our default product, Alecta Optimal Pension, stood at 9.6 per cent, a result that compares favourably with other alternatives within ITP.

## New managers in Internal Audit and Compliance

During the year, Johanna Bono took up the position of Head of Internal Audit and Susanne Uvång was appointed Head of Compliance. With their extensive experience from the financial sector, they are helping to further strengthen regulatory compliance, transparency and quality in our processes.

# Confidence in the future – grounded in history

The Swedish welfare state emerged from innovations in forestry, mining and ironworks. Alongside this, another crucial development was taking shape – our pension system.

In the early 20th century, officials at Uddeholm and Munkfors Bruk in Värmland wanted to secure their future. They wanted retirement pensions to be part of the remuneration, not a gift of grace. The industry could also see the value of a flexible solution that followed workers when changing employers.

This is how the idea of Sweden's first joint pension fund was born. In 1917, SPP was formed, which later became Alecta.

The model of collaboration between the labour market parties became a cornerstone of Sweden's success throughout the 20th century. And today, more than a hundred years later, Alecta is still an important part of the Swedish social contract.

## Alecta today:

- We are owned by our 2.9 million private customers and 37,000 corporate customers. All surpluses are returned to them in the form of higher pensions and lower costs.
- We offer a collective insurance solution in which private and corporate customers share responsibility for benefits and risks. This creates security and flexibility, which enables us to offer all customers lifelong pension, survivor's pension and disability insurance without complex exemptions.
- We are able to offer very low fees because we are owned by our customers, have low asset management expenses and because we focus on what we do best – collectively agreed occupational pensions.

## ABOUT ALECTA

**2.9** million private customers

**37,000** corporate customers

**520** employees in the Group

**SEK 1,400**  
million in assets under management

Alecta is one of the largest investors in the Stockholm Stock Exchange, one of Sweden's largest property owners and the fifth largest occupational pension company in Europe.

Alecta is owned by 2.9 million private customers and 37,000 corporate customers

## Confederation of Swedish Enterprise and PTK

Represents the interests of customers by appointing the Council.

## The Council

Serves as the general shareholders' meeting and is Alecta's highest decision-making body. A Nomination Committee is appointed here, which proposes the Chair, Deputy Chair and members of the Board of Directors.

## Board of Directors

Responsible for strategy and regulatory compliance and appoints the CEO. Has overall responsibility for Alecta's long-term goals.

## Alecta

The CEO is responsible for day-to-day operations and, together with the organisation, ensures that the occupational pension is managed in the best interests of our customers.

All surpluses go back to our customers

# Reliable delivery in a turbulent world

2025 has been a turbulent year around the world, marked by political and economic challenges. In this context, Alecta has provided strong pensions and excellent customer service. In addition to this, we have developed a new strategy and implemented a number of improvements that have made Alecta stronger and more resilient going forward.

Over the past year, we have taken important steps to clarify our direction. Alecta's new long-term strategy places greater focus on our core operations and on our overarching goal – to deliver the best occupational pension.

## Focus on risk management

Since 2023, we have been working to develop and implement a comprehensive improvement programme focusing on risk management, governance and expertise within our asset management operations. As a result, Alecta now has a new investment policy, a new mandate structure and a new risk management system, as well as stronger resources in respect of portfolio analysis and portfolio construction, among other measures. The aim has been to ensure that Alecta's risk management is of the highest quality.

## Active management

Alecta's equity management will continue to be based on fundamental analysis and active management. We believe this creates the best conditions for delivering strong returns and solid pensions for our customers in the long term. Alecta will continue to manage a relatively concentrated portfolio, although the number of holdings has gradually increased during 2025. By the end of the year, the equity portfolio contained around 200 holdings, which is

significantly more than before. This change has taken place as a result of an increased focus on portfolio construction and risk management, including clearer limits to reduce the concentration risk.

Fixed income management continues to involve active management and in-house analysis, both within government bonds and credits. The strategy is to maintain a presence in all major global credit segments, as well as in selected government bond markets. In certain areas, in particular alternative credits, Alecta uses selected external managers.

Within alternative assets, the main strategy is to collaborate with selected fund managers within real estate, infrastructure and private equity. This enables us to spread risks and gain access to external expertise while also generating cost efficiency and transparency.

## Returns

For the defined contribution product Alecta Optimal Pension, the return in 2025 was 9.6 per cent, compared to 6.8 per cent in 2024. All asset classes performed well in 2025. For shares, the return was 14.1 per cent. A high level of currency hedging has also protected the value of our foreign assets, as the krona strengthened last year.

The average change in value for Alecta Optimal Pension over the past five years was 7.2 per cent. This places it third among the available alternatives within ITP traditional insurance. As a result, we did not achieve our target of having the best or second-best change in value over a five-year period. Our internally calculated return target for Alecta Optimal Pension is for the return to exceed its aggregated internal benchmark index by 0.55 percentage points. The achieved result – 5.6 percentage points – was clearly above the target level.

For the defined benefit product, the return was 5.9 per cent during the year, compared with 4.9 per cent in 2024. Our target was for the return to outperform its aggregated internal benchmark index by 0.50 percentage points, which we achieved with a result of 3.4 percentage points. The collective funding ratio for our defined benefit product must exceed 125 per cent. At the end of the year, the funding ratio stood at 167 per cent, meaning that the target was achieved by a wide margin.

## Confident and satisfied customers

We measure customer satisfaction among those customers who contact customer service. The ambitious target for both private and corporate customers is 5.6 on a scale

Peder Hasslev



of 1 to 6. The target was achieved for private customers (5.6), but was just missed for our corporate customers (5.5). These results continue to represent a high score for our customer service.

In order to gauge the perceptions of a broader customer base, we also measure attitude loyalty, a weighted index derived from multiple questions in a brand survey. In 2025, this value stood at 61 out of 100. This was higher than the previous year's figure, but just below the target of 62.

### Cost-effectiveness

Alecta's operating expenses, including internal asset management expenses, totalled SEK 1,215 million in 2025, thereby meeting the target for the year. The expenses reported a slight increase compared with the previous year, mainly due to higher IT costs and a planned strengthening of resources within asset management and the insurance business.

### The Swedish Financial Supervisory Authority's investigations

In December 2025, we were notified that the Swedish Financial Supervisory Authority's investigation into Alecta's risk management – conducted in light of losses at three US banks – had been closed.

In March 2026, the Swedish Financial Supervisory Authority completed its investigation into Alecta's investments in Heimstaden Bostad. Alecta was issued with a warning and fined SEK 50 million for inadequate risk control and risk management. The investigation has focused on Alecta's identification of investment risks and its compliance with regulations regarding due diligence, governance, and risk management. Alecta shares the Swedish Financial Supervisory Authority's conclusions that there have been shortcomings in respect of risk control and risk management. We have previously noted that the shareholder agreement as a whole is imbalanced.

The comprehensive improvement programme that we launched in 2023 addresses these shortcomings. This programme has now been completed, resulting in a stronger and more resilient Alecta for our customers.

### Enhanced customer service and website

In addition to the changes in relation to asset management, we have been working to develop our retail and insurance operations as well as other parts of the business. Alecta was one of the first to offer customers with ITP or SAF-LO collective pension insurance the option of pausing or extending their occupational pension payouts, after the Swedish Parliament approved the revised withdrawal rules in October 2024. In 2025, 1,323 customers chose to pause their occupational pension payouts, while 356 customers chose to extend them.

In customer service, we are continually working to improve the cost-effectiveness and security of our handling processes by increasing our level of automation. During 2025, we have identified priority measures for automating and digitalising customer service and case handling. This is particularly relevant in light of regulatory changes implemented in recent years, such as the option to pause and extend pension payments.

In recent years, we have made a number of improvements for our corporate customers, including establishing a team of account managers specifically for our largest customers. In 2025, we organised well-attended "Alecta Days", to which we invited our 50 largest corporate customers in order to provide them with information and grant them the opportunity to ask questions and describe their future needs. In November, for the first time, we also held a much appreciated "Alecta Day" for external insurance brokers and pension advisors.

During the autumn, we launched a new public part of our website, offering improved functionality, accessibility and educational information. In connection with this, we introduced a new visual identity and a simplified logo, to clarify that Alecta is the sender in all forms of communication.

### AI development

For a number of years, we have been working to organise the large amount of data we have in our organisation, and have made it available to all employees via a portal. This will enable us to optimise the design of our products, as well as premium rates, pension calculations, self-service options and much more besides, all for the benefit of our customers. In addition, the AI tool Copilot is now available to all employees and is being used to streamline our operations.

In 2025, our efforts have included developing an AI policy and establishing an AI forum tasked with coordinating all current and future initiatives. We have also launched a skills development programme in respect of AI for all employees.

### Premium reduction and indexation

In the autumn of 2025, Alecta's Board of Directors decided to index-link the defined benefit pensions as well as reduce the premiums for defined benefit retirement and family pensions in 2026. As a result, SEK 5 billion will be distributed to 1.5 million private customers, an increase of 0.89 per cent, which corresponds to the inflation rate over the past year. In total, Alecta has distributed SEK 100 billion in pension adjustments over the past four years.

In 2026, our 37,000 corporate customers will receive a 35 per cent reduction in premiums for the defined benefit ITP 2 Retirement pension and ITP 2 Family pension plans. In addition, we will continue to offer premium reductions for risk insurance in 2026. Overall, these decisions will result in cost savings of SEK 9.4 billion for corporate customers in 2026, compared to a scenario where no decisions were made regarding refunds and premium reductions.

### The best occupational pension

With numerous improvements already implemented and a clearer strategy and set of goals, Alecta is well-equipped to navigate a continuing turbulent environment and deliver the best occupational pension. This is thanks to our skilled and dedicated employees, who are working hard to consistently improve Alecta while at the same time delivering results for our customers.

A big thank you to all our employees!

Peder Hasslev  
Chief Executive Officer,  
Alecta Tjänstepension Ömsesidigt

# 100 years of leading occupational pensions

Our first logo from 1917 included the wording "For family and old age". This remains true today.

Alecta's mission is both timeless and simple: to ensure that people can live life to the fullest by providing:

- Financial security in the event of sick leave lasting more than 90 days.
- Financial security in retirement.
- Financial security for our loved ones when we pass away.

As of today, Alecta is the occupational pension provider and fund manager for the four major collectively agreed pension plans, as well as a handful of smaller ones. Our core business is, and always has been, the ITP pension plan for private-sector employees, which we have managed since it was established in 1960. A mandate that we carry forward into the future with pride and humility.

## The social partners security solutions – and those we develop ourselves

Being the primary supplier within ITP means that we both manage the social partners insurance products and develop our own. ITP Disability pension, ITP Family pension and ITP 2 Defined benefit retirement pension are examples of insurance products designed by the social partners to the agreement. Alecta's role is to administer the insurance policies as cost-effectively as possible and ensure that the correct amounts are paid out at the right time to the right recipients. Alecta manages more than SEK 1.4 trillion in assets, of which approximately SEK 1 trillion is allocated to the defined benefit plan ITP 2. Although this plan is being phased out, it will remain a significant commitment for many decades to come.

Alecta Optimal Pension is Alecta's own traditional insurance product. It combines secure retirement savings with good returns at a low cost within a defined contribution plan.

## A pension is more than just asset management

A good pension cannot be achieved solely through good returns. Equally important is the insurance structure, which converts the capital into a monthly pension and manages risks, such as volatility and longevity.

Alecta maintains high levels of insurance expertise across the organisation. In our Product Department, actuaries are constantly refining our products, and in Customer Relations Department, experienced staff provide clear information to help customers understand pensions and insurance.

## Innovation for the sake of our customers

The classification of Alecta Optimal Pension as a traditional insurance product can be seen as something of an anomaly, given that it has been innovative rather than traditional. When launched in 2007, the fee was set at 0.10 per cent, an exceptionally low level at the time. We have worked hard to reduce the fee even further since then, and it now stands at 0.05 per cent, with a monthly cap of SEK 40. This is one way we ensure that our efficiency and economies of scale should benefit our customers and no one else.

Another innovation is the smoothing rule, which means that customers with lifelong benefits will never see their monthly pension reduced by more than three per cent at the turn of a year, even if financial markets were to fall by more than that. In the most recent ITP procurement, a dynamic projection rate was also added, enabling strong growth while making both pension projections and pension payments more predictable.

We do not know how the labour market will evolve in the future, nor how financial markets will function. However, it is safe to assume that people will continue to fall ill, retire and eventually pass away. For them, too, Alecta will be a guarantee of financial security during and after their working lives. Our 108 years as a source of security are just the beginning.



Our 108 years as a source of security are just the beginning.

# Active investor – committed owner

Alecta's goal is to provide the best occupational pension plans on the market. Achieving this requires a thorough understanding of our holdings.

We manage our customers' pensions by investing in three asset classes: shares, debt securities and alternative assets, including real estate, infrastructure, private equity and alternative credits.

Well-functioning processes are the backbone of our investment activities – enabling us to exclude, select, measure and monitor. This work is meticulous and strategic, covering the selection of individual investments and in the distribution between different asset classes. We structure our investment portfolio to ensure the best possible pension payouts, including through competitive returns, with tailored risk levels during both the accumulation and payout phases and at a low fee.

## Alecta's equity management

Alecta is an active investor with a concentrated portfolio. At the end of 2025, the portfolio comprised shares in around 200 companies, with a focus on high-quality companies in Sweden, Europe and the United States.

An asset manager of Alecta's size needs to focus on clear and consistent investment processes as well as careful monitoring. The selection of shares in our portfolio is primarily guided by three strategic decisions:

- **Management style**

We invest primarily in high-quality companies generating profitable growth across the economic cycle. Our investment process is based on the principle that well-managed companies generate better returns for their shareholders over time. The shares we analyse and choose to invest in match our profile and meet our criteria.

- **Active share selection**

The management fund's investment universe comprises almost 1,500 companies, once controversial sectors such as tobacco and oil have been excluded. Through a fundamental analysis process, we identify long-term investment opportunities, which the management team then evaluates in relation to the shares' valuation.

- **Portfolio construction and monitoring**

To ensure a good balance between return potential and risk level, the portfolio's overall risk level and each stock's risk contribution are constantly analysed. At portfolio level, we analyse the thematic and macroeconomic risks that will shape the market going forward, which influences the selection of shares in which we choose to invest. This is an ongoing process that helps us establish the framework for the fundamental analysis we conduct.

## Active investor – committed owner

We operate on the belief that good governance is the key to both sustainability and social responsibility, as well as to long-term growth and profitability. Companies that have their processes in order and understand risks will be the most resource-efficient over time. These companies will be both the most profitable and the most sustainable – and for us there is no contradiction between the two.

We exercise our ownership responsibilities on an ongoing basis through the work of the Nomination Committee, continual dialogue, as well as monitoring of the companies' governance and processes. If a company fails to meet its commitments, it is our role and our responsibility to take action. This is a key part of our risk management – because we always need to know what we own, and why.



Well-functioning processes are the backbone of our investment activities.

# Summary of 2025

## LONG-TERM OPERATIONAL OBJECTIVES

### CUSTOMER CONFIDENCE AND SATISFACTION

Alecta is committed to maintaining a strong brand and a good reputation as a responsible player in society. Our customers should feel confident and satisfied, and have trust in and engagement with Alecta and our products.

OBJECTIVE	TARGET LEVEL 2025	OUTCOME 2025
<p><b>CONFIDENT CUSTOMERS</b> It is important that our customers feel confident in their relationship with Alecta and for their trust in us to remain strong. That's why we measure customer attitude loyalty.</p>	<p>In the 2025 brand survey<sup>1</sup>, customer attitude loyalty should achieve a score above 62 out of a maximum of 100 (2024: 60)..</p>	<p>The score achieved in the 2025 survey was <b>61</b>, which means that the metric was not reached.</p>
<p><b>SATISFIED CUSTOMERS</b> It is also important that customers who contact us receive good service, and that both corporate and private customers view Alecta as a stable and reliable company.</p>	<p>During 2025, we continued to evaluate target fulfilment by monitoring the satisfaction of corporate and private customers who call our customer service:</p> <ul style="list-style-type: none"> <li>• Corporate customers should respond with an average rating of <math>\geq 5.6</math> on a scale of 1–6.</li> <li>• Private customers should respond with an average rating of <math>\geq 5.6</math> on a scale of 1–6.</li> </ul>	<p>Customer satisfaction among corporate customers averaged at <b>5.5</b>, which means the target was not met.</p> <p>Customer satisfaction among private customers averaged at <b>5.6</b>, which means the target was met.</p>

### LOW COSTS AND HIGH EFFICIENCY

OBJECTIVE	TARGET LEVEL 2025	OUTCOME 2025
<p>With our focused mandate, we can achieve the highest efficiency in the industry.</p>	<p>Costs are monitored through key performance indicators such as management expense ratio and cost per insured party. However, they are also measured in absolute terms. For 2025:</p> <ul style="list-style-type: none"> <li>• Alecta's operating expenses must not exceed SEK 1,260 million.</li> </ul>	<p>Alecta's operating expenses amounted to SEK <b>1,215</b> million, which means the target was achieved.</p>

### GOOD RETURNS AND STRONG FINANCIAL POSITION

OBJECTIVE	TARGET LEVEL 2025	OUTCOME 2025
<p>Alecta's returns should be competitive overall, at product level and across asset classes. We will work to achieve our long-term returns targets, while ensuring that we are in a sufficiently strong financial position to withstand events that could occur according to our long-term risk assessment.</p> <p>Target achievement for <b>Alecta Optimal Pension</b> is measured relative to competitors based on changes in value and evaluates returns against an aggregated internal benchmark index.</p> <p>For <b>Defined benefit insurance</b>, the most important factor is that we are able to safeguard the long-term value of our pension commitments. For this reason, we measure the funding ratio and returns against an aggregated internal benchmark index.</p>	<p><b>Alecta Optimal Pension</b></p> <ul style="list-style-type: none"> <li>• The change in value for Alecta Optimal Pension must, on average over a five-year period, be the best or second best in comparison with other eligible products within ITP, traditional insurance<sup>2</sup><sup>3</sup>.</li> <li>• The five-year return for Alecta Optimal Pension, after deducting asset management expenses, must exceed its aggregated internal benchmark index by 0.55 percentage points.</li> </ul> <p><b>Defined benefit insurance</b></p> <ul style="list-style-type: none"> <li>• The collective funding ratio for our defined benefit pensions must exceed 125 per cent.</li> <li>• The five-year return for defined benefit insurance, after deducting asset management expenses, must exceed its aggregated internal benchmark index by 0.50 percentage points.</li> </ul>	<ul style="list-style-type: none"> <li>• Alecta Optimal Pension's average five-year change in value was <b>7.2</b> per cent<sup>3</sup>. This result makes Alecta Optimal Pension the third best among eligible products within ITP traditional insurance. The metric was not achieved.</li> <li>• The five-year return for Alecta Optimal Pension exceeded its aggregated internal benchmark index by <b>5.6</b> percentage points, meaning the metric was achieved.</li> </ul> <p>The collective funding ratio for defined benefit pensions amounted to <b>167</b> per cent, which means the target was achieved.</p> <p>The five-year return for defined benefit insurance exceeded its aggregated benchmark index by <b>3.4</b> percentage points. The target was achieved.</p>

<sup>1</sup> Attitude loyalty is tracked in our brand survey conducted in collaboration with Novus. The result is an average of three questions about customers' feelings and perception of the brand.

<sup>2</sup> Companies with eligible products within ITP traditional insurance report the products' change in value to Collectum quarterly. The information service Avtalat reports the outcome.

<sup>3</sup> This metric is difficult to analyse, and the 2026 business plan aims to develop a metric that provides better support for analysis and reporting.

# Sustainability Report

Alecta's Annual and Sustainability Report is presented by the Board and CEO. The Sustainability Report has been prepared in accordance with the guidelines of the Global Reporting Initiative (GRI) Standards. Alecta's systematic sustainability work is presented here, in the form of organisation, processes, targets and indicators, as well as scope and boundaries. Regular reports for Alecta's financial products, according to the templates that follow from the EU Sustainable Finance Disclosure Regulation (SFDR), are presented at the back of the Annual and Sustainability Report. The limited assurance report on Alecta's Sustainability Report, prepared by Alecta's external auditors PwC, can be found on page 38.

## ALECTA'S OVERALL SUSTAINABILITY GOALS

Alecta has adopted long-term, overall sustainability goals for the period 2024–2028. They are sorted under our three focus areas: Pensions, Investments and People and Workplace. The outcome of Alecta's long-term sustainability goals is presented in full on page 17 and onwards.

### PENSIONS

#### LONG-TERM SUSTAINABILITY GOALS 2024–2028

**We shall provide stable pensions now and in the future.**

- We shall be and be seen as a stable pension company.
- We shall provide a good and stable pension.
- We shall increase transparency and knowledge about Alecta and our role in the pension system.
- We shall ensure high customer privacy and high protection of personal data.

#### FOLLOW-UP

- One of Alecta's overall operational goals is to achieve good returns and a strong financial position that we continuously monitor through various key performance indicators.
- We measure customers' knowledge of Alecta and their perception of Alecta as a stable company.
- We follow up customer complaints, including those relating to the handling of personal data.

Reporting of targets, indicators and outcomes, see page 20

### INVESTMENTS

#### LONG-TERM SUSTAINABILITY GOALS 2024–2028

- We shall invest in line with the climate goal of 1.5°C and the ambition of a net-zero climate footprint by 2050.
- We shall invest in companies that actively work to prevent human rights violations and promote gender equality and social responsibility in their own operations as well as in their value chains.
- We shall work to ensure that the holding companies have sound corporate governance and good business ethics.

#### FOLLOW-UP

- We have clear return targets as well as an overall and long-term climate target for the entire investment portfolio.
- We follow various indicators to measure gender equality and responsible value chains, as well as good corporate governance and business ethics at our portfolio companies.
- We monitor investments with measurable environmental or social benefits and follow a number of environmental, social and governance indicators tailored to various assets.

Reporting of targets, indicators and outcomes, see page 22

### PEOPLE AND WORKPLACE

#### LONG-TERM SUSTAINABILITY GOALS 2024–2028

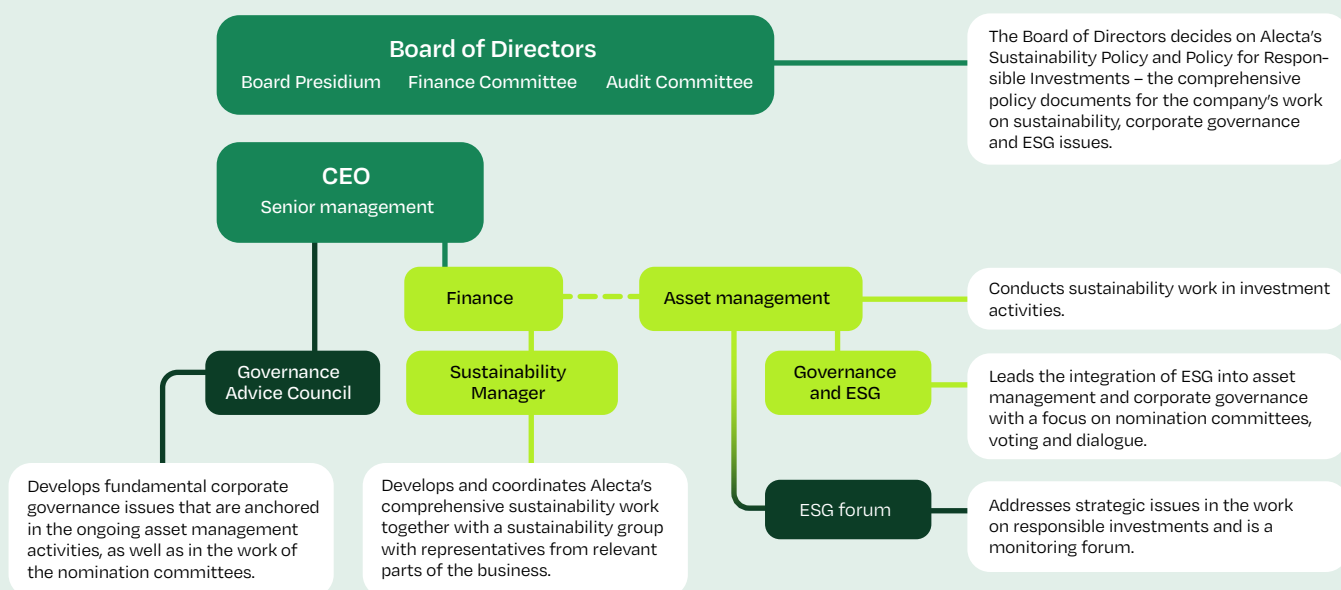
- We shall reduce our environmental and climate footprint.
- We shall be the most attractive employer in our industry.
- We shall follow rules and guidelines, have good business ethics and have good internal governance and control.
- Our suppliers shall meet our expectations in terms of sustainability and business ethics.

#### FOLLOW-UP

- We measure a number of environmental performance indicators linked to our business.
- We monitor a number of indicators related to how employees view Alecta as an employer and how we can continue to improve.
- We attach the greatest importance to ensuring compliance with laws, regulations, internal governance documents and good business ethics.
- We work to ensure that all suppliers sign our Code of Conduct and include sustainability aspects in our procurement of suppliers.

Reporting of targets, indicators and outcomes, see page 29

## Organisation for sustainability



## Organisation for sustainability

The Board of Directors decides on Alecta's Sustainability Policy and Policy for Responsible Investments, which constitute the comprehensive policy documents for the company's work on sustainability, corporate governance and ESG issues. A description of the sustainability work is included in quarterly reports submitted to the Board of Directors and senior management. An annual follow-up of Alecta's sustainability goals is presented to the Board, and ESG and ownership issues are regularly followed up at Finance Committee meetings. The Board is updated on the development of sustainability work in the industry, new regulations and other current topics or trends in the sustainability debate via regular business environment reports. Alecta's Council acts as the general meeting of shareholders, and when electing the members of Alecta's Board, sustainability is one of the areas of expertise on which the suitability assessment is based.

The Head of Finance is responsible for the overall sustainability efforts. Working under the Head of Finance is a sustainability manager who is responsible for working with the overall sustainability goals and indicators, for developing and coordinating Alecta's sustainability work, as well as for the Sustainability Report. The sustainability manager leads a cross-functional sustainability group with representatives from relevant parts of the business. The sustainability group works on initiating activities and driving Alecta's sustainability work with the sustainability goals as a starting point.

Asset management leads the sustainability work within investment activities. The Governance and ESG unit conducts the work on governance, with a particular emphasis on nomination committees, general shareholders' meetings and dialogues with boards of directors. This

work also includes contributing to the development of good governance practices. Together with analysts and managers within asset management, the group develops the work with ESG in the investment analysis and provides support in dialogue with directly owned holding companies and external managers. In addition, there are two forums involved in developing the sustainability work:

- The Head of Asset Management leads an ESG forum, which comprises the heads of the asset classes Equity, Fixed Income and Alternative Investments, the Head of External Communication and employees from Governance and ESG. Alecta's ESG forum addresses strategic matters in the work with responsible investments and is a monitoring forum, including from the screening of the investment portfolio in respect of ESG.
- The CEO chairs a Governance Advice Council consisting of the Head of Asset Management, Head of Equity, Head of Governance and ESG, a governance specialist and the Head of Legal Affairs. The purpose of this group is to coordinate and follow up work during the nomination committee season in a structured manner, support Alecta's representatives on nomination committees in their duties, and advance the work on governance.

Within Finance, there is a team that handles Alecta's purchasing. In relationships with suppliers, high standards are required in respect of the environment and working conditions. In support of this, Alecta has a Code of Conduct for suppliers based on the UN Global Compact and its ten principles for responsible business in the areas of the environment, human rights, labour rights and anti-corruption, to which all suppliers and partners have to adhere. We select operators that have collective bargaining agreements whenever possible.

## Governance documents for sustainability at Alecta

Alecta's overall Sustainability Policy and the Policy for Responsible Investment as determined by the Board are available on [alecta.se](https://alecta.se). The governance documents are supplemented with more practical digital training courses (nano-training). In addition to these overall policy documents, more detailed guidelines, decided upon by the CEO, provide guidance to employees in their day-to-day work. Where relevant, the corresponding governance documents must also be present at Alecta's subsidiary, Alecta Fastigheter AB, which is governed by Alecta's owner directive. Some of Alecta's governance documents are described here.

### Sustainability Policy

Alecta's Sustainability Policy is designed to give internal and external stakeholders a general idea of what sustainability entails in the company's operations. It expresses our support for the UN Global Compact initiative and its ten principles in respect of the environment, human rights, labour rights and anti-corruption. The Sustainability Policy is an umbrella document for other, more tangible governance documents, such as guidelines for agreements, purchasing and procurement.

## Governance and responsible investments

Alecta's Policy for Responsible Investments describes how we take sustainability into account when investing. Alecta's principles for shareholder engagement can also be found here, which describe our governance and how we exercise our active ownership in listed companies.

### Ethical regulations

Alecta's ethical framework is based on the Ethics Policy decided by the Board. This policy establishes the fundamental principles of the Board. It also contains references to other internal governance documents that deal with both business ethics and staff-related issues. Alecta's ethical framework includes requirements and rules linked, for example, to corporate hospitality, market abuse, disqualification, conflicts of interest and whistle-blowing. The Board has also decided that Alecta should comply with the currently applicable version of the Code to Prevent Corruption in Business, published by the Swedish Anti-Corruption Institute (IMM).

## Examples of other governance documents for sustainability:

### Investment guidelines

The guidelines describe the focus and framework for asset management risk-taking and the objective for asset allocation, as well as stating that Alecta is to exercise governance and take sustainability factors into account.

### Risk management

The Risk Management Policy sets out the Board's risk tolerance and describes Alecta's focus on proper risk control and appropriate risk management. It also includes environmental risks, as well as social and governance risks. Alecta's Board emphasises the importance of preventive work to reduce sustainability risks.

### Information security

The policy describes how we should systematically work to secure Alecta's information assets and safeguard Alecta's digital operational capacity. The focus is on confidentiality, accuracy and availability.

### Purchasing and procurement

In this area, there are guidelines that describe the procedures and division of responsibility for purchasing and procurement, where the emphasis is on efficiency and quality. Our expectations of suppliers, as set out in our Supplier Code of Conduct, are also outlined.

### Diversity and discrimination

The Policy on Diversity and Prevention of Discrimination describes Alecta's responsibility to provide all employees with the same opportunities for development and influence, combined with zero tolerance of abusive treatment and discrimination.

### Work environment

The Work Environment Policy describes Alecta's overall view of the work environment and the division of responsibilities in work environment issues.

### Anti-corruption and corporate hospitality

The Anti-Corruption and Corporate Hospitality Policy provides guidance on how employees should act in relation to gifts and other benefits that could involve bribes or undue influence. The policy is based on the Business Code published by IMM.

## Stakeholders and ongoing dialogues

Alecta's most important stakeholders are our customers, who are also our owners. With so many customers, and because of the nature of our mission, we are firmly established in society. In recent years, Alecta has prioritised increased openness, transparency and dialogue with stakeholders, to ensure a better exchange of experiences and understanding of stakeholder expectations.

### Customers' view of sustainability in 2025

For several years now, Alecta has conducted a comprehensive sustainability survey during the final months of the year, encompassing both client companies and a panel of selected private-sector employees. In order to ensure continuity and the potential to draw comparisons, we have decided to use the same questions in recent years.

In line with previous years' results, both corporate customers and private-sector employees continue to have high expectations regarding pension companies in general acting sustainably. As regards to Alecta's sustainability efforts, we can see – as in 2024 – an increase in the proportion of customers who consider that Alecta is succeeding. However, the vast majority of customers continue to state that they do not know whether Alecta is acting sustainably. Both corporate customers and private-sector employees believe it is important for companies to adhere to sound business ethics. In 2023, there was a decline in the proportion of customers who believed that Alecta was adhering to sound business ethics, but in 2024 we saw a marked upturn. The increase has continued in 2025, and we are now back to the levels we were achieving before 2023.

With respect to what is most important in the management of the occupational pension, the key issues for both corporate customers and private-sector employees continue to be good working conditions and the prevention of child labour. The matter of business ethics and preventing corruption has become increasingly important in recent years, and is now the second most important issue for both groups. This year, both groups ranked business ethics and prevention of corruption highest in terms of which sustainability issues can have the greatest positive impact on investment returns, followed by good business conditions and the prevention of child labour for corporate customers and climate-friendly investments for private-sector employees.

## Alecta's stakeholder groups



### Customers – private and corporate customers

**Current issues:** A secure pension, low costs, efficient asset management, ethical business behaviour and the occupational pension's climate footprint.

**Dialogue channels:** Customer service, surveys, email contacts, company visits, customer letters and newsletters, and alecta.se.

**Alecta's work:** Clear targets for cost effectiveness and returns on investment, increased transparency and membership of the UN Global Compact.

### Principals – labour market partners

**Current issues:** Responsible investment, corporate governance, fees, returns, governance and internal sustainability work.

**Dialogue channels:** The Board of Directors, committees, seminars, partner networks and procurements.

**Alecta's work:** Processes for integrating ESG into asset management, increased transparency, as well as sustainability goals and indicators.

### Employees

**Current issues:** Skills development and career progression, gender equality, work environment, environmental impact, ethical business behaviour and responsible investment.

**Dialogue channels:** Employee surveys, whistle-blowing function, intranet, internal seminars and employee days.

**Alecta's work:** Skills development plans, diversity plan, targets and indicators for sustainability, training programmes about ethics and corruption, as well as sustainability.

### Partners and suppliers

Mainly the selection centres for the collective bargaining areas, service providers in IT, real estate and asset management, PRI Pensionsgaranti, Avtalat and minPension.

**Current issues:** Procurement, responsible investments, environment and sustainability.

**Dialogue channels:** Negotiations and agreements as well as forums for cooperation.

**Alecta's work:** Review of sustainability issues in agreements and procurement processes, processes for integrating ESG in asset management, and Code of Conduct.

### Societal stakeholders

**Current issues:** Knowledge about occupational pensions, stable management of pensions, the climate issue, sustainable finance and the role of owner.

**Dialogue channels:** Lectures at universities, industry dialogue, meetings with politicians, seminars, media debate and consultations.

**Alecta's work:** Taking part in the debate on pensions, collaboration through "Gilla Din Ekonomi" ("Like Your Personal Finances") and involvement in the EU's work on sustainable finance.

## Materiality assessment

In our work to formulate new sustainability goals during 2023, we conducted a more extensive business environment and stakeholder analysis. The stakeholder analysis confirmed that our most important responsibility in terms of sustainability is to provide stable pensions to our customers, and for the emphasis to remain on investment activities. The need for strong protection of customer privacy and to be a transparent organisation were also highlighted as important issues. The issues relating to our own operations and our suppliers are not the most significant issues in terms of Alecta's sustainability impact. However, the Board, external stakeholders and employees have highlighted the importance of Alecta, as a credible, responsible investor, also working on its internal sustainability work.

Based on the business environment and stakeholder analysis, we have grouped material topics under three focus areas: Pensions, Investments, as well as People

and Workplace. In each of these areas, we have established overarching sustainability goals along with corresponding performance indicators.

Every year, the sustainability group conducts a review of the materiality assessment based on changes in our operations and the business environment. The 2025 review identified that cybersecurity and the use of AI have become increasingly important, both in the outside world and in our operations. These issues have implications in terms of customer privacy and data protection, as well as for other material areas such as pension stability and regulatory compliance. As regards the GRI indicators, this year's review has demonstrated that the indicators previously deemed material remain relevant to Alecta's operations.

## MATERIAL TOPICS

Topic	Risk	Boundary <sup>1)</sup>	Our work	Key figures/indicators	Page reference
<b>PENSIONS</b> Provide stable pensions	<ul style="list-style-type: none"> <li>Alecta's legitimacy is challenged</li> <li>Regulations that disfavour the customers</li> <li>Increased costs for society</li> </ul>	Impact in the organisation and the value chain, as the value that is created benefits the customers, society and employees.	By providing secure and stable pensions, we add value to the national social security system and to the national economy. We therefore focus heavily on our overall business goals: secure and satisfied customers, low costs and high efficiency, as well as good returns and a strong financial position.	<ul style="list-style-type: none"> <li>Economic value generated and distributed (GRI 201-1)</li> <li>Customer satisfaction</li> <li>Returns</li> <li>Indexation</li> <li>Parameters in the brand survey</li> </ul>	9, 20–21
<b>PENSIONS</b> Transparency and knowledge	<ul style="list-style-type: none"> <li>Collective agreements widely viewed as having a lower value</li> </ul>	Impact in the organisation and the value chain – customers, society and employees.	By increasing transparency and spreading knowledge about Alecta and our role in the pension system, we create better understanding of the occupational pension and its role in the economy.	<ul style="list-style-type: none"> <li>Knowledge of Alecta</li> <li>Publications and research funding</li> </ul>	21
<b>PENSIONS</b> High level of customer privacy	<ul style="list-style-type: none"> <li>Violations of the privacy of individuals</li> <li>Financial loss for Alecta</li> <li>Damage to Alecta's brand/reputation</li> </ul>	Impact within the organisation in the work with customer data, for stakeholders outside the organisation who handle customer data and our customers.	We process large amounts of sensitive personal data and other customer data. We do our utmost to protect our customers' data at all times, and conduct systematic data protection work with a data protection officer as a control function.	<ul style="list-style-type: none"> <li>Complaints concerning breaches of customer privacy (GRI 418-1)</li> <li>Personal data incidents</li> </ul>	21

<sup>1)</sup> The indicated boundaries are based on the GRI framework, where the material impact takes place within the organisation or in its value chain.

## MATERIAL TOPICS

Topic	Risk	Boundary <sup>1)</sup>	Our work	Key figures/indicators	Page reference
<b>INVESTMENTS</b> Responsible investments	<ul style="list-style-type: none"> <li>Sustainability losses if our holding companies contribute to negative consequences for the environment and people</li> <li>Financial losses if our holding companies decline in value due to inadequate sustainability</li> <li>Damage to Alecta's brand/reputation in critical reviews or excessively low levels of ambition</li> </ul>	Impact outside the organisation through the investment chain – the companies, properties and other assets that Alecta invests in.	Alecta views sustainability as an important perspective when it comes to identifying long-term risks and opportunities in the management of customers' pension capital. Our communication about responsible investments must be transparent and clear. We have clear targets as regards returns, as well as an overall and long-term climate objective for the entire investment portfolio. We will also work for increased gender equality, responsible value chains and good corporate governance and business ethics. Active management means that every investment decision is an active choice, taking into account ESG factors. Dialogue is an important tool for helping companies to act responsibly. Alecta Fastigheter works actively to promote social responsibility and for a reduced environmental impact. Alecta wants to increase investments in assets that contribute to financial returns and environmental or social impact. We collaborate to exert greater influence and promote exchanges in the industry.	<ul style="list-style-type: none"> <li>Percentage of companies with ESG dialogue (GRI FS10)</li> <li>Percentage of assets subject to sustainability screening (GRI FS11)</li> <li>Investments with a measurable environmental or social benefit</li> <li>A number of indicators related to the environment, social aspects and corporate governance adapted to different assets</li> </ul>	22–28
<b>PEOPLE AND WORKPLACE</b> Attractive employer	<ul style="list-style-type: none"> <li>Less attractive workplace</li> <li>Impaired competitiveness in the labour market</li> <li>Reduced motivation and increased ill health among employees</li> </ul>	Impact in the organisation through better use of skills, increased knowledge and employee satisfaction. Outside the organisation mainly through strengthened employer brand and increased customer benefit.	Alecta will be an attractive employer that values diversity and provides the conditions for nurturing leadership, self-leadership and skills development. Every two years, we adopt a two-year diversity and inclusion plan. We run leadership training and work with self-leadership and skills development opportunities.	<ul style="list-style-type: none"> <li>Willingness to make recommendations</li> <li>Gender and age distribution (GRI 405-1)</li> <li>Training efforts (descriptive) (GRI 404-1)</li> <li>Performance and career development (GRI 404-3)</li> <li>Employee survey parameters</li> </ul>	29–32
<b>PEOPLE AND WORKPLACE</b> Good regulatory compliance and business ethics	<ul style="list-style-type: none"> <li>Reduced customer protection</li> <li>Risk of sanctions</li> <li>Reduced public confidence in the welfare system</li> <li>Damage to Alecta's brand and reputation</li> </ul>	Internal impact where regulatory compliance is the foundation of our business. If customer protection and trust are damaged, there is also an impact on customers.	Alecta operates in an industry dependent on trust and wants to promote an internal culture of ethics and responsibility through preventive efforts. We operate in a strongly regulated environment and regulations are updated continuously to promote stability and stronger customer protection. We attach the greatest importance to ensuring compliance with laws, regulations, internal governance documents and good business ethics. We monitor regulatory developments on an ongoing basis through a regulatory committee, and we also follow up on governance document processes and controls of essential processes in a special committee for internal governance.	<ul style="list-style-type: none"> <li>Fines or sanctions</li> <li>Operations assessed for risks related to corruption (GRI 205-1)</li> <li>Communication and training about anti-corruption policies and procedures (GRI 205-2)</li> <li>Confirmed incidents of corruption and actions taken (GRI 205-3)</li> <li>Knowledge of whistle-blowing process</li> </ul>	33

## AREAS WITH HIGH EXPECTATIONS OF TRANSPARENCY

<b>PEOPLE AND WORKPLACE</b> Environment and climate	<ul style="list-style-type: none"> <li>Negative consequences for the environment</li> <li>Lack of credibility</li> </ul>	Impact within the organisation in internal work regarding environment and climate.	Alecta measures a number of environmental performance indicators, and reviews actions to reduce the direct environmental impact of operations in collaboration with Alecta Fastigheter.	<ul style="list-style-type: none"> <li>Energy consumption</li> <li>Paper consumption</li> <li>Carbon footprint in relevant areas</li> </ul>	29
<b>PEOPLE AND WORKPLACE</b> Responsible purchases	<ul style="list-style-type: none"> <li>Negative consequences for humans and environment</li> <li>Damage to Alecta's brand and reputation</li> </ul>	Impact outside the organisation in our supply chain.	Alecta includes environmental and sustainability issues in procurement processes. We have a Code of Conduct that suppliers must support, a special purchasing function and system support for purchasing and monitoring suppliers.	<ul style="list-style-type: none"> <li>Code of Conduct</li> <li>Screening and follow-up indicators</li> </ul>	34

<sup>1)</sup> The indicated boundaries are based on the GRI framework, where the material impact takes place within the organisation or in its value chain.

# Partnerships and memberships

Alecta participates in the following initiatives or organisations with a connection to sustainability:

## CDP

By supporting the work of CDP, investors aim to drive the companies' transparency and environmental reporting, as well as encourage companies to work actively to reduce their environmental impact.

## UN Global Compact

International initiative designed to encourage the business sector to support the UN's key international conventions. Alecta has signed and endorses the Global Compact's ten principles in respect of the environment, human rights, working conditions and corruption.

## Fossil-free Sweden

The government initiative, Fossil-free Sweden, brings together Swedish actors that want to help Sweden become one of the world's first fossil-free welfare states. In the context of the initiative, Alecta has taken on various challenges, and over the years has participated in consultations regarding reports submitted to the government by the initiative.

## Sustainable value creation

Cooperation between the largest Swedish institutional investors in order to highlight the importance of Swedish listed companies working in a structured manner with sustainability issues. Alecta participates in this cooperation, and in 2025 the participating actors have continued to deepen their understanding of biodiversity in the forest industry in dialogue with companies and stakeholders.

## ICC

ICC is an international business organisation that promotes international business operations, trade opportunities and sound economic development, as well as the development of self-regulation in relevant areas, such as corporate responsibility for the environment and sustainability. Alecta is a member of ICC Sweden.

## Swedish Institutional Owners Association

The Association's aim is to promote the development of self-regulation in the Swedish stock market, for example by continuing to develop the Swedish Corporate Governance Code.

## Net Zero Asset Owner Alliance (NZAOA)

The Alliance is an investor collaboration led by the United Nations Environment Programme Finance Initiative (UNEP FI) and PRI (see below). As part of the initiative, the participants have declared the long-term

goal of investment portfolios with a net-zero footprint by 2050. Alecta is one of twelve co-founders of the initiative and is active in a number of working groups.

## Principles for Responsible Investment (PRI)

The UN Principles for Responsible Investment is a global initiative for institutional investors. By signing, Alecta has undertaken to integrate the initiative's six principles regarding responsible investment in its activities.

## Insurance Sweden

Alecta participates in reference groups within the industry organisation, Insurance Sweden, including those dealing with issues regarding sustainability and sustainability reporting. Alecta submits opinions on proposals for consultation and engages in dialogue with the Swedish Financial Supervisory Authority, the Ministry of Finance and other government agencies.

## Sweden Green Building Council

The Sweden Green Building Council members' organisation promotes exchanges of experiences between different operators in the field of civil engineering. The organisation provides tools and training, as well as other support for developing sustainability activities. Alecta Fastigheter participates in the work.

## Swedish Investors for Sustainable Development (SISD)

SISD has gathered together the largest Swedish owners on the stock market in a network focusing on Agenda 2030 and the 17 Sustainable Development Goals. The initiative provides opportunities for shared learning and is a platform for exchange with the global equivalent, Global Investors for Sustainable Development (GISD).

## Swedish National Advisory Board for Impact Investing (NAB)

NAB is an international organisation promoting so-called impact investments. These are investments with a clear purpose to contribute positively to sustainability. The members are from different parts of the financial and public sector, as well as civil society. Alecta is a support member.

## Swesif

Swesif is a members' association for actors in Sweden that want to spread and increase knowledge about sustainable investments through regular seminars and opportunities for exchange between members.

## Other initiatives for investors

Alecta has signed a number of initiatives or sustainability appeals with various purposes. Alecta pursues direct engagement activities under the UN PRI's Climate Action 100+ initiative, which has produced several tangible results and climate commitments from companies. Alecta is now also participating in Nature Action, which has a corresponding focus on biodiversity. The Access to Medicine Index examines how the largest pharmaceutical companies work to increase access to medicine in developing countries. The Labour Rights Investor Network is a global investor initiative aimed at sharing knowledge on labour law principles and integrating employee rights into asset management.

## Research partnerships

Alecta participates in and contributes to a variety of academic research studies by providing support in the form of financial or other resources. For example, Alecta funds research that is aimed at preventing mental ill health and strengthening employees' ability to work. Alecta also supports research at the Stockholm School of Economics and, through the Swedish Institutional Owners Association, supports a Swedish institute for corporate governance at Stockholm University.

## Gilla Din Ekonomi ("Like Your Personal Finances")

Gilla Din Ekonomi is a personal finance network among public agencies, organisations and businesses. The goal is to increase people's understanding of personal finance through various educational initiatives. Alecta's pension economist contributes actively as a lecturer.

## minPension ("My Pension")

The minPension portal is a collaboration among parties in the pension sector. It is 50 per cent operated and financed by the Swedish state and 50 per cent by the pension companies. The aim is to provide clear and simple information on pensions from an independent platform. As several parties are providing information to the same portal, users can log in and view their entire pension.

## SNS

SNS, the Centre for Business and Policy Studies, is a forum for dialogue about key social issues based on knowledge and research. The members include representatives from business, politics, public administration and research.



Alecta supports the UN Global Compact initiative, and endorses its ten principles for responsible business.

Peder Hasslev, CEO

WE SUPPORT



Signatory of:



# Reporting of goals and indicators

Alecta has defined a set of overarching, long-term sustainability goals that are monitored on an ongoing basis. These goals are based on Alectas Sustainability Policy and the issues identified as most material by external and internal stakeholders. The sustainability goals extend over the period 2024–2028 and are based on three focus areas: Pensions, Investments, and People and Workplace.

## PENSIONS

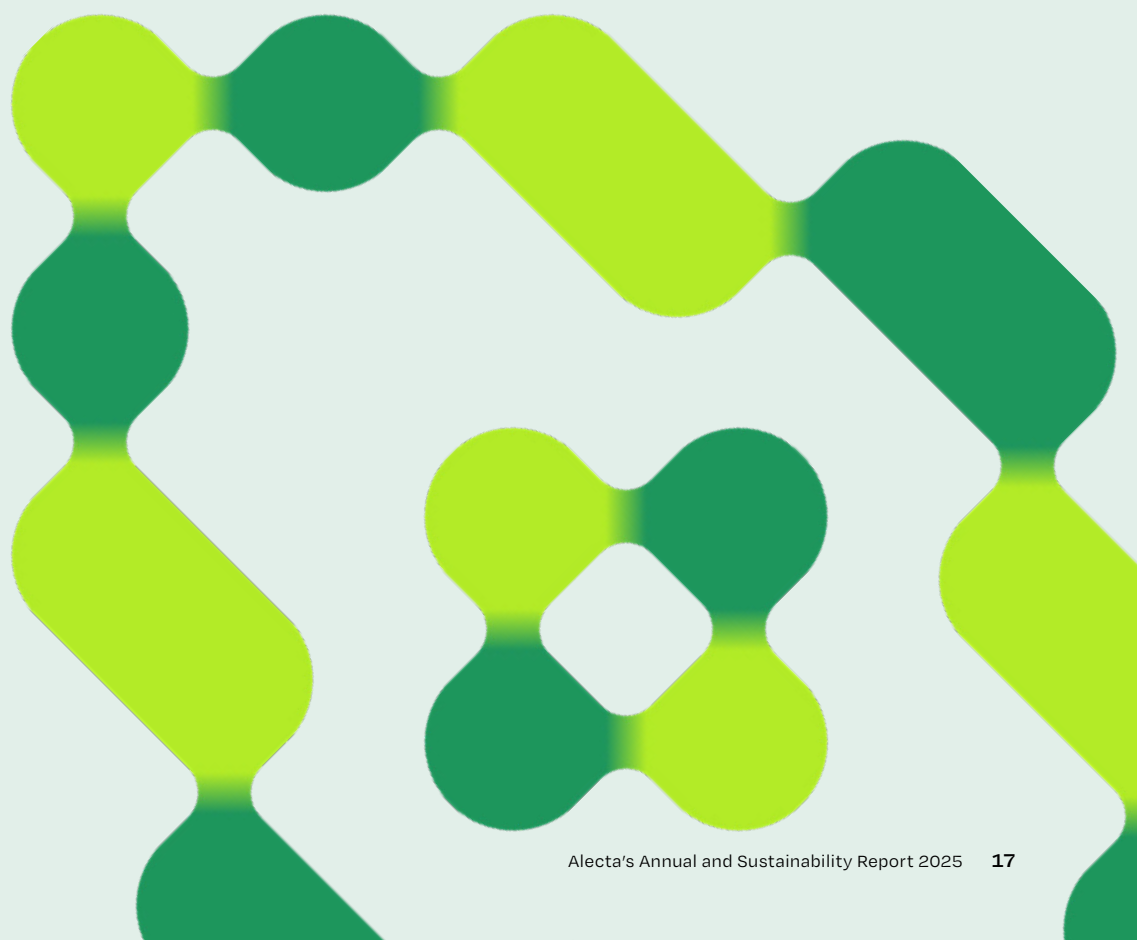
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## INVESTMENTS

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## PEOPLE AND WORKPLACE

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# The past year

## PENSIONS

- Alecta has received considerable media attention during the year, with coverage focusing primarily on our investment activities and the findings of our studies regarding the incomes of older people. Our pension economist, Staffan Ström, has also provided expert commentary on a wide range of pension-related issues.
- On two occasions, we have invited our 50 largest corporate customers to “Alecta Day”, with the aim of strengthening relationships, sharing knowledge and discussing current issues. This year, we also organised a separate Alecta Day for representatives, which was greatly appreciated.
- We meet the labour market partners through our partner networks on a quarterly basis. At these meetings, we present current figures, studies and provide information about our activities to around a hundred representatives from both employers’ and workers’ associations.
- Our pension economist, Staffan Ström, has participated in seminars, panel discussions and podcasts with the aim of raising awareness about the pension system and the importance of occupational pensions. He also serves as a convening officer for the National Network for Financial Education, as well as being a project manager and lecturer for the “Pension Knowledge” course at Swedish colleges and universities.
- We have arranged several seminars and webinars aimed at the industry and our customers. The topics discussed have included the incomes of pensioners, the possibility of pausing occupational pension payments, as well as premium reductions and pension adjustments.
- We have developed a new strategy in respect of newsletters for individual customers, where the newsletters are now tailored to the customer’s age and insurance policies.

## INVESTMENTS

- The development of our active investment strategy in 2025 has led to a continued expansion of the equity portfolio, with more large and mid-cap companies in Europe and the USA, as well as increased diversification of alternative assets, including private equity funds. From a sustainability perspective, this has involved further developing the processes and procedures associated with the investments. An example of this is the way we evaluate external managers in alternative assets, in relation to Alecta’s priority ESG issues. For direct investments in equity and corporate bonds, we have strengthened our processes regarding dialogue and impact, with clearer milestones and objectives for dialogues in situations involving a particularly high sustainability risk. In December, Alecta’s Board of Directors adopted a new policy on responsible investment that sets the framework for the company’s asset management efforts.
- During the spring, Alecta presented its new climate-related interim targets for asset management. Although the overall climate objective applies to the entire portfolio, the new interim targets cover equity holdings, corporate bonds and directly owned properties, as well as setting out our ambitions for emissions reductions until 2030. There are also goals in respect of dialogues and impact, as well as regarding investments in the transition. Alecta is one of the co-founders of the Net-Zero Asset Owner Alliance (NZAOA), and the new interim targets enabled us to reaffirm our participation in the initiative.
- All in all, 2025 has been a year of upheaval, marked by increased polarisation on ESG issues, and with issues such as climate change and gender equality being balanced against the need to strengthen defence capabilities and enhance societal resilience. Read more in our Stewardship Report at [alecta.se](https://alecta.se). The increasingly heated tone of the public debate has led several data providers to step back from conflict zones such as Palestine-Israel and Ukraine, which is making it more difficult to assess the risks associated with our holdings that are linked to these conflict zones.
- At Alecta, we have been discussing and monitoring developments in the geopolitical arena from a sustainability perspective, in particular with regard to the issue of Europe’s defence and rearmament, as well as how we can enhance our monitoring efforts to analyse and manage these risks. We remain committed to our focus areas – climate, gender equality, human rights, business ethics and sound corporate governance.

## PEOPLE AND WORKPLACE

- The 2025 Employee Day was on the theme of AI. During the course of the day, it became clear that there is a great deal of curiosity about how we can make greater use of AI to streamline our work, as well as a strong desire to continue building expertise in this area. During the spring, all Alecta employees will have the opportunity to try out AI solutions, including through tailored AI labs.
- In May, all employees within Alecta gathered for a joint “HOW Day” – a day when we transform our ambitions into concrete action. During the HOW Day, we took a closer look at how we should address the priority areas identified at the 2024 Employee Day. The task for all the teams was to develop common guidelines to facilitate collaboration, reinforce positive behaviours and promote constructive feedback.
- During the year, Alecta has organised two health-inspired weeks – one in the spring, focusing on physical strength and the joy of movement, and one in the autumn, focusing on mental recovery and well-being. The aim of these themed weeks is to spark curiosity, raise awareness about the importance of health, and inspire new, sustainable habits.
- Over the course of the year, Alecta has carried out several initiatives to gain internal buy-in for its new strategy, overarching goals and brand platform. Internal surveys show that 80 per cent of our employees believe that our brand, our strategy and our overarching goals are clear.
- Working alongside four other major real estate companies, Alecta Fastigheter has launched a collaboration to establish a circular materials hub in Uppsala and Stockholm. The initiative is designed to make it easier to submit and make use of used building materials. It represents a tangible way of taking responsibility while continuing to drive progress towards more circular and climate-smart construction.

# Sustainability goals and indicators

The overall goals and indicators we monitor are presented in a summary table below, where we also indicate if there is a desired direction. In the following section, we describe the targets at a detailed level, together with the results for the year and activities we carried out during the year.

↑↓ Indicates that we strive for increased volume, a positive trend or a decrease in impact

→ Indicates that we are transparent about our work, results or data

## PENSIONS

*We will provide stable pensions, now and in the future*

• We will be and be seen as a stable pension company

**INDICATORS:**

Trust in Alecta	↑
Perception of Alecta's sustainability work	↑

• We will provide a good and stable pension

**INDICATORS:**

Good returns and strong financial position	→
Economic value generated and distributed	→
Product design and assumptions for increased stability	→

• We will increase transparency and knowledge about Alecta and our role in the pension system

**INDICATORS:**

Knowledge of Alecta	↑
Publications and research funding	→

• We will ensure high customer privacy and high protection of personal data

**INDICATORS:**

Customer complaints and customer data	→
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## PEOPLE AND WORKPLACE

• We will reduce our environmental and climate footprint

**INDICATORS:**

Energy consumption	↓
Climate footprint	↓
Paper consumption	↓

• We will be the most attractive employer in our industry

**INDICATORS:**

Willingness to make recommendations	↑
Forms and conditions of employment	→
Work situation and sick leave	→
Performance appraisals and training	→
Employee turnover	→
Development opportunities, leadership and self-leadership	↑
Age and gender	→
Opportunity to contribute and influence	↑

## INVESTMENTS\*

• We will invest in line with the 1.5°C climate goal and the ambition of a net-zero climate footprint by 2050

**INDICATORS:**

Climate footprint	↓
Climate goal	↑
Investments with a measurable environmental or social benefit	↑
Following up the property portfolio	→

• We will invest in companies that work actively to prevent human rights violations and promote gender equality and social responsibility in their own operations as well as in their value chains

**INDICATORS:**

Gender equality in boards and management teams	↑
Gender Equality and Diversity Policy	↑
Human Rights and Working Conditions Policy	↑
DD (due diligence) processes for human rights	↑

• We will work to ensure that the holding companies have sound corporate governance and good business ethics

**INDICATORS:**

Participation in nomination committees	→
Voting at general shareholders' meetings	→
Anti-Corruption Policy	↑
Whistle-blowing function	↑
Anti-corruption and business ethics training	↑
Sound remuneration structures	→

• Following up all targets

**INDICATORS:**

Screening of investments	→
ESG engagements	→

• We will follow rules and guidelines, have good business ethics and have good internal governance and control

**INDICATORS:**

Fines, sanctions and corruption incidents	→
Compliance and increasing skills	→
Whistle-blowing	→

• Our suppliers will live up to our expectations as regards sustainability and business ethics

**INDICATORS:**

Suppliers' data	→
Code of Conduct	↑
Screening and follow-up	→

\* Alecta's sustainability goals in the area of **Investments** are monitored through a number of indicators, primarily linked to listed equity and corporate bonds, as well as to external managers of real estate and infrastructure. For other asset classes, such as sovereign and municipal bonds, as well as externally managed private equity funds or alternative credits, sustainability is integrated into the investment process but not into the indicators included in the report. Alecta works consistently to improve transparency and monitoring within its investment portfolio.

## PENSIONS

We will provide stable pensions, now and in the future

Our most important responsibility in terms of sustainability is to deliver stable pensions, now and in the future. We will be and be seen as a stable pension company and deliver a good and stable pension. Transparency and knowledge of the collectively agreed occupational pension as well as of Alecta and our role in the pension system are important dimensions. We are also committed to ensuring high levels of customer privacy and personal data protection.

### We will be and be seen as a stable pension company

Trust in Alecta	2025	2024	2023	2022	2021
Percentage of informed customers who view Alecta as a stable company	–	22 %	–	–	–
Percentage of informed customers who state that they have a high level of trust in Alecta	47 %	–	–	–	–

Alecta's communication will strengthen trust in Alecta as a stable company and a responsible societal stakeholder, with products that provide a good pension. In 2024, we opted to report the percentage of informed customers who view Alecta as a stable company. However, the question that formed the basis of the results was posed as a multiple-choice question, and the results therefore did not provide a complete picture of our customers' responses. For the 2025 survey, we have therefore chosen to report the percentage of informed customers, i.e. those who know they are customers of Alecta, who state that they have a high level of trust in Alecta. The question underlying this result was based on a grading of trust, and the reported percentage refers to customers who responded that they have either a high level of trust or a fairly high level of trust in Alecta.

Percentage who consider that Alecta operates in a sustainable way, %	2025	2024	2023	2022	2021
Private-sector employees (good knowledge) <sup>1)</sup>	16 (34)	12 (28)	7 (21)	9 (31)	8 (30)
Client companies (good knowledge) <sup>1)</sup>	23 (45)	20 (40)	16 (30)	20 (44)	20 (43)

<sup>1)</sup> The information in brackets refers to the results from the respondents who stated that they have good knowledge of Alecta.

In line with previous years' results, both corporate customers and private-sector employees continue to have high expectations regarding pension companies in general acting sustainably. As regards Alecta's sustainability efforts, we can see – as in 2024 – a continued increase in the proportion of customers who consider that Alecta is succeeding. The vast majority of respondents still choose the “don't know” option when asked how they perceive Alecta's sustainability work, which is consistent with surveys of customers' awareness of sustainability work in other industries. As in previous years, assessments are more positive among those who are very familiar with Alecta. From 2021 to 2023, the survey's target group has comprised both private-sector and public-sector employees, a finding that emerged during the 2025 survey. If we look at the results solely for private-sector employees during this period, they would have been slightly higher than the results shown in the table, although there are no significant differences between the results.

### We will provide a good and stable pension

#### Good returns and strong financial position

One of Alecta's long-term operational goals is having good returns and a strong financial position. On page 9, this goal is presented together with the 2025 target level and outcome.

Economic value generated and distributed <sup>1)</sup> (GRI 201-1), Group (SEK million)	2025	2024	2023	2022	2021
<b>Economic value, generated</b>					
Return on capital, before operating expenses <sup>2,3)</sup>	90,327	65,183	85,752	-98,494	173,691
	<b>90,327</b>	<b>65,183</b>	<b>85,752</b>	<b>-98,494</b>	<b>173,691</b>
<b>Economic value, distributed</b>					
Claims incurred <sup>4)</sup>	-32,674	-31,971	-28,158	-24,880	-23,650
Waiver of premium, corporate customers	-2,806	-2,660	-2,577	-2,759	-2,755
Refunds in the form of adjustment of paid-up values and premium reductions <sup>4)</sup>	-12,360	-34,665	-50,748	-15,283	-5,716
Salaries and remuneration for employees	-580	-516	-500	-401	-357
Suppliers and partners	-864	-828	-756	-752	-708
Yield tax and income tax in Sweden and abroad, as well as social security fees for employees	-2,730	-2,927	-1,969	-1,495	-1,181
	<b>-52,014</b>	<b>-73,567</b>	<b>-84,708</b>	<b>-45,570</b>	<b>-34,367</b>

<sup>1)</sup> GRI (Global Reporting Initiative) requests a presentation of “retained value”, but at Alecta the surplus goes to the policyholders and the insured parties.

<sup>2)</sup> Unrealised profits/losses are included in the amount of SEK -3,909 million (2024: -13,307, 2023: 15,474, 2022: -156,374, 2021: 121,672). The year's return is described in the Directors' Report on page 49.

<sup>3)</sup> In the income statement, asset management and property management expenses totalling SEK 730 million (2024: 643, 2023: 616, 2022: 518, 2021: 374) have been offset against capital returns. See also Note 8 Operating expenses.

<sup>4)</sup> Claims incurred also include refunds in the form of pension supplements and supplementary amounts, which are taken from the surplus fund; see the consolidated Equity Report. Refunds in the form of adjustment of paid-up values and premium reductions for risk insurance are also taken from the surplus fund.

A high level of trust and legitimacy are fundamental to Alecta's mission. Generated economic value reflects Alecta's capacity, and the distribution is characterised by the mutual concept of maximising the value given back to customers through cost-effective operations. Alecta creates economic value for its customers by providing them with a good and secure pension. It does this by generating a strong return over time and by keeping costs down. In Alecta's operations, the value that is generated and delivered needs to be viewed from a long-term perspective. The value that is created during the year will be distributed for many years to come, and the value that has been distributed during the current year has been accumulated over previous years. For this reason, the value that is generated and distributed in an individual year cannot be set in relation to other years.

## Pensions, cont.

### Product design and assumptions for increased stability

For our defined benefit schemes, we have a funding policy with well-balanced limits to balance financial and actuarial risks. This has enabled us to maintain the purchasing power of the pensions, even when inflation has been very high.

During 2025, we have reviewed the assumptions regarding future life expectancy that are used to value our pension commitments. As a result of this review, it was decided to make additional provisions for future increases in life expectancy, thereby further safeguarding our ability to meet our commitments to our customers. The technical provisions increased by SEK 7.5 billion as a result of this decision.

Our defined contribution product Alecta Optimal Pension is designed to enable a high pension for our customers. The average return over the past five years has been 7.3 per cent, with a 60 per cent share component. Alecta Optimal Pension is also designed to reduce fluctuations in pension forecasts and pension payments. This has reduced uncertainty in monthly pension projections by around 90 per cent.

### We will increase transparency and knowledge about Alecta and our role in the pension system

Knowledge of Alecta	2025	2024	2023	2022	2021
Proportion of private-sector employees who are aware that Alecta is the company that manages their occupational pension	25 %	28 %	-	-	-

Monitoring how many people are familiar with Alecta is important to better understand the need for communication about occupational pensions and our mission. During the year, we have carried out various initiatives aimed at the industry and our customers. For example, our pension economist has participated in various scenarios to provide training on pension issues, and has offered expert commentary on a wide range of pension-related topics. We have also organised a number of in-house seminars and webinars on topics such as pensioners' income and the option of pausing occupational pension. We are constantly working to provide clear and accessible information about occupational pensions and our work on our website, in social media channels and in our newsletters.

### Reports and publications we have published and research we have funded

Since 2019, we have examined the financial situation of pensioners on an annual basis to contribute to a better understanding of our customers' everyday lives and a fact-based discussion about pensions. The study is based on actual income data for the three million Swedes who are over 55 years old. In 2025, particular focus was placed on how pensioners' incomes were affected by the dramatic rises in inflation in 2022 and 2023. An in-depth study was also conducted on "working pensioners" – people aged 66 and older who have earned income. The results were presented at a seminar in May, as well as on other occasions.

Alecta also participates in and contributes to academic research studies by providing support in the form of financial or other resources. Alecta's Council has granted funding from Alecta's surplus fund to various initiatives for the period 2023–2028. Alecta's Board of Directors has decided to allocate funds, for example, to a three-year research programme aimed at preventing mental ill health and strengthening employees' ability to work. The research programme is being conducted in collaboration with Afa Försäkring and was initiated by the Confederation of Swedish Enterprise, PTK and LO. The programme's first annual conference was held in October. Here, researchers from the seven participating projects presented their initial findings. Alecta also supports research at the Stockholm School of Economics and, through the Swedish Institutional Owners Association (IÄF), a Swedish institute for corporate governance at Stockholm University.

### We will ensure high customer privacy and high protection of personal data

Customer complaints, including data processing (GRI 418-1)	2025	2024	2023	2022	2021
Customer complaints, total	596	823	872	429	542
Customer complaints about processing data and customer privacy	1	1	1	2	3

A key component in the continuous improvement process is to ask customers to provide information about their experiences of Alecta and to respond to and act upon complaints. Alecta registers and analyses all cases where a customer states that we have failed in relation to the service requested by the customer or expresses dissatisfaction with the insurance distribution, the terms of the insurance contract, with information or with their treatment. The increase we witnessed in 2023 was mainly linked to Alecta's investments in US banks and Heimstaden Bostad. The proportion remained high in 2024, mainly due to issues that arose in connection with customers covered by AGI (employer declaration at individual level) receiving their declaration documentation. This year's decline is largely due to the fact that we have received fewer complaints related to the investments and AGI, with the result that we are back to pre-2023 levels. The majority of complaints are handled and resolved directly through contact with the customer.

In 2025, Alecta has recorded one customer complaint regarding data handling and customer privacy. However, this was not of such a nature that a notification to the Swedish Authority for Privacy Protection (IMY) was justified. In 2025, Alecta has reported two personal data breaches to the Swedish Authority for Privacy Protection.

## INVESTMENTS

Alecta has a long-term perspective and is a committed owner that takes the environment, social responsibility and good corporate governance into account in order to protect values and create returns in our investments. This means that we support the sustainability efforts of the companies we invest in and actively consider sustainability in our investments in other asset classes. We also want to increase investments with measurable social or environmental benefits, sustainable investments.

### Climate and environment

#### We will invest in line with the 1.5°C climate goal and the ambition of a net-zero climate footprint by 2050

We are facing a fundamental climate transition that is affecting all actors in society, and where each actor can also contribute to the work. Alecta's ambition is to have an investment portfolio that develops in line with climate targets, and this is reflected in our investment process and in our engagement and dialogue with the holdings. Through well-balanced and efficient capital allocation, active management tailored to the economic cycle, active ownership involving climate dialogues, as well as a disciplined bond investment process, our focus is on delivering stable, competitive returns at the same time as reducing the portfolios' emissions over time in line with our climate ambitions.

#### We will reduce the climate footprint of our investments

In line with Alecta's overall climate goals, and as part of our commitment to the Net Zero Asset Owner Alliance (NZAOA), we set interim targets in five-year cycles. The first cycle covered the period 2019–2024 and was presented in last year's report. Alecta achieved all of the interim targets it had set for that period. In 2025, we announced Alecta's targets for the next interim period, 2025–2029. These will be monitored and reported annually, with a final report submitted in 2030.

The NZAOA's protocol for setting interim targets is based on scientific evidence and scenarios regarding the extent to which emissions must be reduced in order to achieve the goals of the Paris Agreement. According to the protocol (TSPV4), this entails a target range of 40–60 per cent reductions for the 2025–2029 target period, with 2019 as the base year. One of the reasons for Alecta being a member of the NZAOA is to help in establishing more standardised and systematic methods for measuring and monitoring the portfolio's climate footprint. The first period provided numerous insights, including in respect of the importance of continuing to improve data quality, as well as the challenges involved in identifying accurate indicators. In the new interim period, we are shifting from measuring intensity metrics to focusing on the financed emissions that are measured for the equity and bond portfolios at the end of each year. At the same time, we are refining our attribution analysis in order to determine what factors contributed to the results – whether this related to changes in the portfolio or reductions in the companies' emissions. Alecta has an active investment model. This means that we are continuing to use market-based Scope 2, as we want to reward those companies that opt to use energy types with lower emissions.

#### Interim targets, climate, 2025–2029

Reduction targets: Listed equity	Base year: 2019	2025	2026	2027	2028	2029	Target: 2029
Financed emissions, tCO <sub>2</sub> e Scopes 1 and 2 (market-based)	426,597	296,597					
Reduction in emissions compared to base year, %		-30 %					-60 %
Reduction targets: Corporate bonds	Base year: 2019	2025	2026	2027	2028	2029	Target: 2029
Financed emissions, tCO <sub>2</sub> e Scopes 1 and 2 (market-based)	418,425	179,667					
Reduction in emissions compared to base year, %		-57 %					-40 %
Reduction targets: Directly owned properties	Base year: 2021	2025	2026	2027	2028	2029	Target: 2029
Scope 1 and 2 emissions (market-based) per square metre, kgCO <sub>2</sub> e/sq.m	2.1	1.8					
Reduction in emissions compared to base year, %		-14 %					-65 %
Engagement and dialogue		2025	2026	2027	2028	2029	Target: 2029
Number of focused corporate engagement dialogues on climate and the transition <sup>1)</sup>							
Equity		3 (7) <sup>2)</sup>					20 <sup>3)</sup>
Corporate bonds		1					
External managers		-					
<b>Total</b>		<b>4</b>					
Transition financing		2025	2026	2027	2028	2029	Target: 2029
Green bonds, SEK billion		59.9					
Other green investments, SEK billion <sup>4)</sup>		44.7					
<b>Total</b>		<b>104.6</b>					<b>Increase</b>

<sup>1)</sup> In 2025, Alecta has identified 23 shareholdings and two bond holdings in its existing investment portfolio as priorities for focused climate dialogues in the coming years. Within the target period, we will also be identifying external managers for whom the climate is a priority area for focused dialogues.

<sup>2)</sup> Within the equity portfolio, Alecta has held more focused climate dialogues with three of the holdings we have selected. However, we have met a total of seven of the selected holdings for dialogue on biodiversity or social aspects, where climate has been included in the dialogue but has not been the main topic.

<sup>3)</sup> The target relates to focused dialogues with holdings representing at least 65 % of the (equity) portfolio's emissions, with the aim of increasing the proportion of holdings that have ambitious climate targets and a high level of transparency.

<sup>4)</sup> This classification is based on the NZAOA's reporting protocol and covers holdings in the infrastructure and real estate asset classes that are deemed to be contributing to the transition – both directly owned and externally managed – as well as Taxonomy-aligned equity holdings. For Alecta, this includes investments in wind power and the most energy-efficient properties.

Many companies in the equity portfolio have high ambitions, which are reflected in an ambitious goal that has been set by Alecta. Between 2024 and 2025, financed emissions increased by 64 per cent, primarily as a result of new investments and increased exposure to more carbon-intensive sectors. In this way, the increase reflects active allocation choices and investment decisions aimed at capitalising on diversification opportunities

## Investments, cont.

and strengthening the portfolio's risk-adjusted returns, with most of the companies selected having clear transitional plans. Added together, changes in individual companies' emissions and their valuations (enterprise value) have had a more limited net effect on the overall outcome. The majority of the change therefore reflects active investment decisions rather than structural increases in emissions from existing holdings.

In the case of active management, sector allocation and the choice of exposure in individual holdings vary over time, in line with changing market conditions, sector rotations and the fundamentals of individual companies.

At the same time, the equity portfolio's emissions are 30 per cent lower than in the base year, 2019, indicating a downward trend over time, even though the outcome may vary from period to period depending on market conditions and allocation decisions. Going forward, we will prioritise active engagement through climate dialogues, with clear monitoring of the companies' goals and ambitions, voting in line with Alecta's principles and transition according to defined milestones – with particular focus on emission-intensive sectors.

The corporate bond portfolio includes several high-emitting companies with long-term objectives that are in line with Alecta's, but which depend on everyone contributing to a broad societal transition. The challenges looking ahead include both political ambitions and predictability, as well as technological advances in heavy industries such as steel. In order to demonstrate our confidence in the companies' initiatives, Alecta has therefore set an ambitious target regarding corporate bonds as well. Financed emissions fell by 49 per cent between 2024 and 2025, and are consequently 57 per cent lower than in the base year, 2019. This decrease is mainly due to bonds maturing in several of the portfolio's main emitting holdings, while an overall assessment of new investments led us to invest in bonds from less carbon-intensive industries. Within active income management, we tailor our refinancing and selection decisions to the funding environment and the economic cycle, focusing on credit quality and competitive risk-adjusted returns, and giving preference to issuers with a strong sustainability profile.

Alecta's interim targets for equity and corporate bonds are set several years into the future, while in the short term emissions may either increase or decrease depending on market conditions and allocation decisions. Our long-term expectation is that investments in technology and infrastructure will enable companies to achieve their climate goals and thereby reduce the portfolios' financed emissions. Most of the companies that currently account for the greatest environmental footprint will be making significant investments to accelerate the transition. At the same time, it is crucial that societal stakeholders and policymakers establish long-term, predictable rules that ensure coordination between the capital market, the business sector and the public sector during the transition.

With regard to directly owned properties that are managed within the subsidiary Alecta Fastigheter, the goal is based on the climate and energy roadmap adopted by the company. For example, the roadmap includes continued energy efficiency improvements and greener district heating. Further on in the report, there is a more comprehensive table presenting the sustainability performance of the property portfolio (see page 28).

Dialogue and engagement are integral aspects of the climate goals, and during 2025, Alecta has assessed which companies should be included in the more focused climate dialogues. Working alongside analysts and managers in each asset class, we have evaluated which companies should be prioritised based on several factors, such as approaches to ownership, the company's emissions profile, its contribution to Alecta's climate footprint, its relevance to the energy transition, as well as Alecta's ability to exert influence. Within the equity portfolio, 23 holdings were identified as priorities for the period, while within the bond portfolio, two of the holdings have been deemed most relevant. We have been monitoring some of these holdings for several years, but the pace and frequency of our dialogues may vary depending on the circumstances. Several of the selected shareholdings are new additions to the portfolio. Alecta also monitors climate goals and ambitions of external managers, and intends to identify the highest priority managers as regards climate during 2026.

Investments in the transition are measured and reported in accordance with the NZAOA's protocol within the framework of the climate goals, and Alecta comments on these on page 24.

Climate footprint	2025	2024	2023	2022	2021
Equity: Weighted carbon intensity of shareholdings, tCO <sub>2</sub> equivalents/SEK million in revenue	2.4	1.4	1.6	2.2	2.5
Absolute footprint of shareholdings, tCO <sub>2</sub> e (based on EVIC) <sup>1)</sup>	296,597	180,594	216,153	269,283	315,212
Corporate bonds: Weighted carbon intensity of corporate loans, tCO <sub>2</sub> equivalents/SEK million in revenue	7.5	9.9	7.1	8.2	7.9
Absolute footprint of corporate loans, tCO <sub>2</sub> e (based on EVIC)	179,667	351,664	338,376	406,125	335,323
Directly owned properties <sup>2)</sup> : Climate footprint of directly owned properties, kgCO <sub>2</sub> equivalents/sq.m	1.8	1.9	2.5	2.5	2.1
Absolute footprint of directly owned properties, tCO <sub>2</sub> e	1,507	1,617	2,056	1,750	1,048

<sup>1)</sup> EVIC stands for Enterprise Value Including Cash and is used to make comparisons in a portfolio with both share and credit assets.

<sup>2)</sup> Directly owned properties refer to Standing Portfolio, see Definitions.

Measurements in the table above have been performed in accordance with the recommendation from Svensk Försäkring (Insurance Sweden) for comparability with industry colleagues and as a complement to the reporting of interim climate objectives earlier in the section. Alecta includes the emissions of the holdings in Scopes 1 and 2 in the calculations. For both shareholdings and corporate bonds, we apply market-based Scope 2, as we have an active investment model where we choose the companies we invest in, and believe that they should benefit from active choices of e.g. energy sources that generate a lower footprint. The same principle applies to the calculations of directly owned properties, where Alecta chooses electricity from renewable sources.

Share of holding companies with SBTi <sup>1)</sup>	2025	2024	2023	2022	2021
Equity: Number and percentage of companies with science-based climate targets (SBTi)	123 companies/ 60 %	83 companies/ 53 %	59 companies/ 48 %	36 companies/ 38 %	30 companies/ 28 %
Corporate bonds: Number and percentage of companies with science-based climate targets (SBTi)	20 companies/ 53 %	24 companies/ 59 %	23 companies/ 61 %	20 companies/ 45 %	13 companies/ 29 %

<sup>1)</sup> Climate targets according to the Science Based Targets initiative

Alecta considers that companies with science-based climate targets have clear interim goals on the way to net zero, and this is therefore a recurring topic in the dialogues we have with our holdings. We can see that the proportion of equity holdings with SBTi targets has increased, while the number of holdings has risen significantly in 2025. Among corporate bonds, the proportion of companies with SBTi targets has fallen over the past two years, which can be explained by the maturities of the bonds and the fact that previous holdings with SBTi targets are no longer included in the portfolio.

## Investments, cont.

In order for the investment portfolio to be in line with the climate objective, the holdings need to have long-term ambitions. When we examine scenarios, the aggregate long-term outcome is influenced by whether companies have long-term targets. Most companies with science-based climate targets approved according to SBTi have targets that extend to 2030. In order for Alecta's investment portfolio to be in line with the climate objective, the companies need to adopt long-term targets. In the new political landscape in the USA, SBTi and other investor-led climate initiatives are facing criticism and threats of lawsuits for allegedly constituting illegal collusion. This could affect the willingness of US investors to commit to SBTi targets going forward. Another challenge involving the SBTi is the difficulty faced by forestry companies and various other sectors in applying the methodology to their targets. Alecta needs to explore additional frameworks or methods for validating climate targets that have not been drawn up in accordance with the SBTi, even though the SBTi remains the preferred framework.

Proportion of external managers with climate targets	2025	2024	2023	2022	2021
Properties: Proportion of managers who have science-based climate targets	12 of 14	11 of 14	-	-	-
Infrastructure: Proportion of managers who have science-based climate targets	5 of 5	5 of 5	-	-	-

Prior to an investment, and under management, Alecta has a recurring dialogue with external managers about their climate targets and ambitions in their investment process. It is Alecta's ambition that managers should have or adopt such targets during the period of the relationship. By science-based climate targets, we are referring to targets that relate to the Paris Agreement's targets or established ranges for short-term and long-term footprint reductions. During 2025, portfolio managers in respect of alternative assets, in collaboration with ESG analysts, have continued to refine their monitoring of external managers. In general, the external managers that Alecta has chosen to partner with are engaged in ambitious climate and ESG initiatives.

### We will increase investments with a measurable environmental or social benefit

Investments with a measurable environmental or social benefit	2025	2024	2023	2022	2021
Green bonds, SEK billion	60	65	57	55	59
Social bonds, SEK billion <sup>1)</sup>	6	9	9	9	-
Other investments with a measurable environmental or social benefit, SEK billion	23	26	23	24	13
<b>Total, SEK billion</b>	<b>89</b>	<b>100</b>	<b>89</b>	<b>88</b>	<b>72</b>
- of which impact investments, SEK billion <sup>2)</sup>	19	24	22	22	-

<sup>1)</sup> Social bonds were previously included in the category "Other investments with a measurable environmental or social benefit", but are reported separately from 2022.

<sup>2)</sup> Impact investments (impact) refer to investments that meet Alecta's definition adopted in 2022, with criteria such as intention and additionality. These investments can be found within all three categories presented above.

Most of these investments are made in the form of fixed income investment, and each investment decision is made based on the mission to create returns and value for the occupational pension. Alecta has made a number of investments in so-called "blended finance" structures, which combine private and public capital in market-based investments, primarily in emerging markets. At the end of the year, Alecta, together with Swedish delegates, conducted a visit to Uganda and Kenya. The aim was to meet with an international fund manager with a local presence and to visit entrepreneurs who receive funding through such a fund.

By the end of 2025, the capital that Alecta had invested in more clearly profiled sustainable investments had decreased compared with the previous year. On the one hand, Alecta has had several bond holdings that have matured during the period. However, finding sustainable investments that meet Alecta's requirements, based on an overall assessment, has also been more challenging during the year. There are a number of uncertainties surrounding climate policy, as well as regarding the EU regulations that impact the way sustainable investments are defined, making it difficult to assess what the range will look like going forward. Alecta has continued its dialogue and exchange with market participants with the aim of identifying attractive opportunities for the future.

## Investments, cont.

### Social responsibility

#### We will invest in companies that actively work to prevent human rights violations and promote gender equality and social responsibility in their own operations as well as in their value chains

Alecta believes that companies that act responsibly and promote gender equality can become both more efficient and more innovative. This applies both to own operations and value chains, where the emphasis is on identifying and mitigating risks linked to human rights and working conditions.

Gender-balanced boards, equity portfolio	2025	2024	2023	2022	2021
Percentage of balanced boards, at least 40 % of each gender	46 %	44 %	–	–	–
Percentage of women on the board where Alecta is a member of the nomination committee <sup>1)</sup>	40 %	40 %	40 %	42 %	43 %

<sup>1)</sup> Refers to the 2024/2025 AGM season and elected members, not employee representatives

Alecta endeavours to achieve the best possible composition in the boards where we serve on the nomination committee, and in recent years has achieved an average of approximately 40 per cent female elected members. In Alecta's sustainability goals for the period 2024–2028, we expanded the target to include the boards of all shareholdings. We view gender equality and diversity as a way to increase the experience and skills base and to promote dynamic boards, and want to contribute to initiatives that promote a wider candidate pool. In 2025, we participated in Women in Governance, which brings together international female board members and owners for an exchange on various topics, including diversity in the board.

We are reviewing all shareholdings with regard to gender equality on boards and in management teams. The companies we identify as having the widest gap when it comes to achieving gender equality are discussed during internal meetings between managers and analysts. This may result in us engaging in a specific dialogue with the company or using other available tools, such as voting at the general shareholders' meeting or joint initiatives with other investors.

As shareholders, we can influence board compositions through ownership engagement, general shareholders' meetings and nomination committees. We therefore report board data for the holdings in the equity portfolio. At the end of 2025, 46 per cent of the holdings in our equity portfolio had gender-balanced boards, i.e. at least 40 per cent women on the board. This represents a slight improvement compared to last year, but we have also increased the number of companies in the portfolio. The corresponding figure for the holdings in which we participate in the nomination committee is 52 per cent, and there is only one board where the proportion of women is lower than 30 per cent.

Gender-balanced management groups, equity portfolio	2025	2024	2023	2022	2021
Percentage of management groups with at least 30 % of each gender	44 %	42 %	–	–	–

We reviewed the holdings in our equity portfolio in 2025 and identified a modest improvement, with 44 per cent of the holdings now having at least 30 per cent women in their management teams. This shows that pressure from owners, politicians and regulators who have been promoting gender equality on boards has not had the same impact on corporate management teams. The companies with the lowest proportion of gender-balanced management teams are discussed internally, and this may result in questions being raised with the companies regarding their ambitions in respect of succession planning and talent development.

Gender equality and diversity policy, external managers	2025	2024	2023	2022	2021
Properties: Proportion of asset managers with a gender equality and diversity policy	13 of 14	13 of 14	–	–	–
Infrastructure: Proportion of asset managers with a gender equality and diversity policy	4 of 5	5 of 5	–	–	–

Gender equality in terms of board, management and investment teams has been a recurring issue when reviewing external managers, both ahead of investments and in the dialogue under management and during follow-up. In the part of the financial sector that manages unlisted or alternative assets, there is generally considerable development potential regarding gender equality in the investment organisation, the management and the board. Although the vast majority have adopted policies, they, like the sector in general, show significant potential for improvement as regards gender equality in terms of their organisations, in particular in the administration organisation.

Human rights and working conditions policy, equity portfolio	2025	2024	2023	2022	2021
Percentage of companies in risk sectors with a human rights and working conditions policy	100 %	98 %	–	–	–

Based on an analysis using several different sources, Alecta has identified the sectors we assess as having higher risks in terms of human rights and working conditions. These include the mining sector, food and retail, as well as parts of the IT sector, among others. By the end of the year, Alecta had increased the number of holdings in its overall equity portfolio by just over 50, compared with the end of 2024. In total, the number of holdings in the identified risk sectors amounts to 56 companies, all of which have a human rights and working conditions policy. Alecta will be reviewing this indicator during 2026, including re-assessing which sectors are deemed to pose higher risks.

Due diligence (DD) processes for human rights, equity portfolio	2025	2024	2023	2022	2021
Percentage of companies in risk sectors with DD processes for human rights	79 %	62 %	–	–	–

The term "due diligence process" refers to systematic work to identify, prevent, mitigate and act responsibly in relation to the material impact of the business on human rights. Of the holdings in risk sectors, 44 companies, or 79 per cent, had a due diligence process linked to human rights. This is an improvement compared to the previous year, when the proportion stood at 62 per cent. The results from the review will form the basis for dialogue both internally and with the holdings during 2026, with a focus on improvements. Alecta plans to carry out thematic in-depth work in various areas during the period up to 2028, including human rights and working conditions. Through the Labour Rights Investors Network initiative, which is rooted in the international trade union movement, Alecta has exchanges with other investors and experts, for example, with the aim of increasing insights and the understanding of challenges linked to working conditions in different markets and sectors.

## Investments, cont.

### Corporate governance

#### We will work to ensure that the holding companies have sound corporate governance and good business ethics

Good business ethics are the basis for long-term operations and are what Alecta seeks when making investments. We will promote sound corporate governance in our holding companies, with remuneration and incentive structures in line with this, as well as preventive work to counter corruption and act on irregularities.

Nomination committees in Swedish listed companies	2025	2024	2023	2022	2021
Number of nomination committees in which Alecta participates	21	20	20	20	22

Through its substantial holdings in Swedish listed companies, Alecta participates in nomination committees that are tasked with nominating members to the boards of directors prior to general shareholders' meetings. Alecta's representatives in the nomination committees are senior employees with experience from boards, senior management or asset management. During the 2024/2025 AGM season, Alecta participated in 21 nomination committees, through seven representatives from Alecta's asset management and senior management. Two of Alecta's representatives were women.

Within the framework of the Swedish governance model, Alecta has continued to participate in the dialogue regarding board fees during the season, and believes that the fees paid within Swedish boards should reflect the level of responsibility and the amount of work involved. Each company should be evaluated based on its specific circumstances, and this approach was key in the discussions within the nomination committees in which Alecta participates.

Voting at general shareholders' meetings, equity portfolio	2025	2024	2023	2022	2021
Percentage of holding companies where Alecta voted at the general shareholders' meeting	99 %	100 %	100 %	100 %	97 %

Voting is an important tool for active ownership and our target is to vote at all holdings. During the 2024/2025 AGM season, Alecta voted at 99 per cent of the shareholders' meetings for holding companies with shares carrying voting rights. The reason we did not vote in all of the meetings was that one voting instruction was not implemented. In the case of foreign holdings, voting is performed digitally. In Sweden, however, Alecta attended all the shareholder meetings of its Swedish portfolio companies in person.

Alecta votes based on the principles of shareholder engagement included in our Policy for Responsible Investments. Every year, information is published on alecta.se detailing how Alecta voted at all the shareholders' meetings, with a cut-off point of 30 June for the 2024/2025 AGM season. Alecta's 2025 Stewardship Report describes particularly relevant votes. Most of the matters concern recurring general shareholders' meeting items, including the election of the board of directors, fees and dividends. In addition, there are proposals that concern climate or social aspects, such as gender equality or human rights. Alecta analyses each matter based on our view of the company and votes in favour of proposals that we consider will contribute to the company's development. A total of 89 such shareholder proposals were put forward in Alecta's holdings, which is more than the previous year – a trend driven primarily by the fact that we have more holdings. Alecta voted for 38 of these. Most of the proposals Alecta supported were linked to human rights and other social issues, totalling 23 proposals, environment and climate with eight proposals, and corporate governance with five. In addition, there were two proposals that addressed a number of ESG issues.

Anti-corruption policy, equity portfolio	2025	2024	2023	2022	2021
Percentage of companies with an anti-corruption policy	98 %	99 %	-	-	-

Of all the holdings in the equity portfolio, only a few do not have a clear policy against corruption. This is something Alecta will follow up in 2026.

Anti-corruption and business ethics training, equity portfolio	2025	2024	2023	2022	2021
Percentage of companies in high risk sectors that train employees in anti-corruption and business ethics	n/a	n/a	-	-	-

Alecta plans to carry out thematic in-depth work in various areas during the period up to 2028, and in 2026 we will be looking more closely at anti-corruption and business ethics. In this context, we will be analysing both which sectors are deemed to be most exposed to such risks, as well as how the holdings in these sectors work preventively and report this. Educational efforts are an important part of preventive work and in the promotion of an ethical business culture in the companies.

Whistle-blowing function, equity and external managers	2025	2024	2023	2022	2021
Equity: Proportion of companies with whistle-blowing functions available to employees and other stakeholders	n/a	n/a	-	-	-
Properties: Proportion of external managers with whistle-blowing functions available to employees (and other stakeholders)	14 of 14	14 of 14	-	-	-
Infrastructure: Proportion of external managers with whistle-blowing functions available to employees (and other stakeholders)	5 of 5	5 of 5	-	-	-

In terms of holdings in the equity portfolio, the indicator regarding the whistle-blowing function will be monitored in connection with thematic in-depth work on anti-corruption and business ethics that is planned during 2026. In the case of external managers, all external managers of properties and infrastructure that Alecta has monitored have such functions in place. As part of the in-depth work, Alecta will investigate whether these are available to stakeholders other than employees.

#### As part of sound corporate governance, we will promote the formulation of sound remuneration structures in holding companies

We will communicate with all companies where we voted against proposals linked to remuneration	2025	2024	2023	2022	2021
Percentage of companies we have communicated with after voting against proposals linked to remuneration	18 %	15 %	-	-	-

Alecta works to achieve soundly formulated remuneration programmes, which we can influence through our vote at the general meeting. Out of a total of 448 voting cases regarding remuneration, we identified shortcomings in just over 21 per cent that caused us to vote against or abstain from supporting the remuneration proposals or reports. This affected 50 companies in total, of which we have had dialogues with nine, expressing our view on shortcomings in remuneration programmes.

## Investments, cont.

Some of the companies whose remuneration programmes we did not support are companies that have been added during the season, and the vast majority of these are based in the USA. Our ambition is to communicate with more of these going forward. In some cases, this relates to companies where we have prioritised other issues in the dialogue, such as working conditions, especially if the remuneration proposals have generally received broad support. As regards the overall portfolio, we have had dialogues about remuneration with many more companies, where the companies have taken Alecta's and other owners' criticism into account and implemented changes or clarified their programmes, such that we have been able to support the proposals.

### Environment and climate, social responsibility and corporate governance

#### Transparency measures that are relevant to all target areas under Investments

Screening of holding companies (GRI G4 FSS FS11)	2025	2024	2023	2022	2021
Percentage of listed companies and corporate loans reviewed in norms-based screening	100 %	100 %	100 %	100 %	100 %
Percentage of assets of the total investment portfolio reviewed in norms-based screening	46 %	47 %	48 %	54 %	60 %
Number of holdings on the watchlist as a result of norms-based screening <sup>1)</sup>	6	4	n/a	n/a	n/a

<sup>1)</sup> Number of holdings on the watchlist is reported separately from 2024 onwards.

The first indicator in the table above shows the percentage of listed shareholdings and corporate loans that have been reviewed. The second shows the percentage of total assets that can be reviewed according to the norms-based screening process applied to shares and corporate loans. As all listed shareholdings and corporate loans are reviewed, the proportion of assets reviewed varies depending on the proportion of shares and corporate loans in the portfolio. Developments in recent years show that these assets have decreased slightly as a share of the total portfolio, mainly due to a decrease in the shareholding in the defined benefit pension product, which still accounts for the majority of the total portfolio.

Alecta reviews investments in accordance with the Policy for Responsible Investments. Before each new investment, and four times a year, all listed equity holdings and corporate bonds are reviewed based on ESG ratings, controversial activities, and the international conventions that Sweden has signed. This covers, for example, the environment – including the precautionary principle – as well as working conditions, corruption and human rights. In between, Alecta receives regular reports on incidents or suspected violations of conventions linked to the holding companies, which may lead to special dialogues with the companies in addition to the ongoing contact. Of the 204 listed shareholdings in the portfolio at the end of the year, a total of six of these were on the watchlist for such incidents, which means that they are subject to dialogue with Alecta or with a supplier who is conducting the dialogue on behalf of a number of investors. None of the credit holdings were on the watchlist.

The results of the four annual screenings are reported back to the internal ESG forum for follow-up, and are raised at the half-yearly reconciliations with analysts and managers. The results are also reported to the Board's Finance Committee twice a year.

Other assets in the investment portfolio mainly consist of various fixed income investments in states and municipalities, as well as supranational institutions such as the World Bank or the European Investment Bank. Alecta's investment portfolio also includes directly owned properties, externally managed property and infrastructure funds and other alternative assets. These are reviewed using other methods prior to investment decisions.

ESG engagements (GRI G4 FSS FS10)	2025	2024	2023	2022	2021
Number of dialogues conducted in-house	144	92	76	43	48
– Of which E/S/G	50/27/67	35/18/39	37/14/25	11/8/24	20/15/13

During the year, Alecta is in regular contact with a large proportion of its holding companies in the investment portfolio, as well as with counterparties. The vast majority of such contacts concern ongoing issues in connection with quarterly reports, analyst meetings or in follow-ups with external managers. In addition to office and virtual meetings, we also visited the various operations on-site. During the year, our analysts and managers visited Luleå and Boden, for example, in order to discuss the transition at SSAB and LKAB, as well as to gain insights from stakeholders such as the Swedish Armed Forces and the Municipality of Luleå. They also visited Falun to observe the development of energy-efficient data centres. We keep records of the contacts that take place with the intention of discussing ESG issues (environment, social issues and governance), as well as the areas that the issues primarily touched on. Environmental issues can often also have a social dimension, and corporate governance dialogues also have elements regarding the climate or other aspects. However, the dialogues have been classified based on the primary issue. The purpose of the dialogues is to highlight and address shortcomings in the companies' work or reporting with the aim of influencing change, but also to gain a deeper knowledge of issues of significance for our analysis of the investment or prior to voting at the general meeting.

At the end of 2025, we had held 144 such dialogues with holding companies, primarily in the equity portfolio, as well as meetings with issuers in the field of interest-bearing assets – mostly linked to corporate loans or bonds – and with asset managers in alternative assets – both unlisted shareholdings and external managers within properties, infrastructure, private equity or alternative interest rates. This year, most of the dialogues were related to corporate governance, such as specific issues ahead of general shareholders' meetings, board compositions and also governance of the ESG work more generally. These also included questions regarding remuneration. The second highest number of dialogues related to environmental issues, above all climate and biodiversity. The social dialogues focused on working conditions, gender equality and human rights. Of the five shareholdings that had a watchlist status in the norms-based screening, we held dialogues with Amazon, Caterpillar, LVMH and Thermo Fisher during the year. At the end of the year, an investment was made in a holding with a watchlist status, with which Alecta plans to initiate a dialogue in 2026. The purpose of a dialogue as a result of a watchlist status is for the company to address the situation and strengthen its preventive work, in line with a number of milestones. Such a process may take time, but it is important to see developments moving in the right direction.

Through various initiatives and collaborations, Alecta supports a much larger number of dialogues with various companies, for example through Climate Action 100+, as well as dialogues with global asset managers through our participation in the Net-Zero Asset Owner Alliance. In this report, we only present the dialogues we conduct ourselves or where Alecta is responsible for leading the dialogue as part of an initiative, not all dialogues that are conducted within such initiatives.

## Investments, cont.

## Alecta Fastigheter

Alecta's Swedish property portfolio is managed by our wholly owned subsidiary Alecta Fastigheter AB. The company is covered by Alecta's overall climate goal of net zero by 2050, with interim targets for 2025, and has high ambitions in terms of sustainability. The company has a sustainability strategy and its own sustainability targets, which are followed up annually through various key performance indicators. Below is a selection of the key performance indicators.

Real estate portfolio, directly owned properties, Sweden	2025	2024	2023	2022	2021
Environmentally labelled properties, number <sup>1)</sup>	59	57	54	44	31
Environmentally labelled properties, sq.m <sup>1)</sup>	1,031,450	963,627	886,282	801,154	544,493
– percentage of lettable floor area, %	92	88	88	83	63
Climate risk inventoried properties	85 %	100 %	–	–	–
Environmental performance <sup>2)</sup>					
Energy use, kWh/sq.m <sup>3)</sup>	86	99	101	100	102
– of which property electricity	28	32	35	37	36
– of which district heating, normal-year corrected	50	57	57	54	57
– of which district cooling	8	10	9	9	9
Total energy consumption, MWh	72,773	84,100	82,850	70,913	50,145
– of which property electricity	23,558	27,150	28,609	26,099	17,785
– of which district heating, normal-year corrected	42,473	48,796	47,043	38,373	28,088
– of which district cooling	6,742	8,154	7,198	6,441	4,272
Climate footprint from purchased energy <sup>4)</sup> , tCO <sub>2</sub> e	1,507	1,617	2,056	1,750	1,048
Water use, m <sup>3</sup> /sq.m <sup>3)</sup>	0,40	0,40	0,41	0,39	0,32
Solar energy produced, MWh	2,193	1,127	–	–	–

<sup>1)</sup> The number and floor area of environmentally labelled properties are based on the total portfolio of directly owned properties within Alecta Fastigheter. Square metre refers to total floor area for environmentally labelled properties in the portfolio.

<sup>2)</sup> Environmental performance (energy, climate footprint and water use) refers to the standing portfolio (properties with a history going back at least three years, with the exception of so-called project properties).

<sup>3)</sup> Square metre refers to the A-temp floor area of the properties within the standing portfolio for the respective year.

<sup>4)</sup> Heat consumption is corrected for a normal year. Other energy represents actual consumption. However, the climate footprint for purchased energy is based on actual heat consumption. Scope 2 consequently refers to what is categorised as "market-based".

As part of Alecta Fastigheter's sustainability strategy, the subsidiary's board adopted a Climate and Energy Roadmap in 2023. This sets clear and ambitious targets for reducing energy use and emissions, as well as strategies for achieving these. These include more efficient cooling systems and heat pumps, digital connectivity and technical operational optimisation, reuse of materials in construction and more efficient transport. In 2025, Alecta Fastigheter received the "Rising Star of the Year" award in respect of circular construction from Business Region Göteborg through the Handslaget initiative. The company won the award for its work on reuse at the Vi på Hörnet property in Gothenburg.

Alecta Fastigheter has continued to invest in the certification or environmental labelling of properties. The certifications referred to are BREEAM In-Use, Miljöbyggnad, Green Building and LEED. The number of environmental certifications at year-end totalled 59, an increase of two compared to 2024.

The environmental data in the table shows the performance of a so-called "standing portfolio", which includes the properties where Alecta has a history going back at least three years, and which does not include properties classified as project properties. Project properties are, for example, properties undergoing major construction or renovation, where normal operation cannot be measured. The approach of a standing portfolio makes it possible to accurately follow developments, notwithstanding new properties in the portfolio with e.g. inferior performance at acquisition. Each property has a sustainability plan for continuous improvement work. The climate footprint for electricity is counted as zero, because Alecta has electricity contracts with eco-labelled electricity from renewable sources and applies a "market-based" approach to measuring Scope 2. For district heating, the footprint is calculated from the emission levels of the district heating network in question, although with a one-year delay. In other words, the 2024 emission levels are used for 2025.

Alecta Fastigheter's investment in solar panel installations on commercial properties with suitable roof areas has led to an increase in the number of installations from eleven to fourteen compared to 2024. These sites generated a total of 2,193 (1,127) MWh in 2025. The electricity generated by the solar panel installations is mainly used in our own properties, but any surplus can be sold.

## PEOPLE AND WORKPLACE

We have grouped the sustainability issues related to our offices, employees and suppliers into a focus area known as People and Workplace. We conduct our own environmental work, which is characterised by concern for resources. We aim to be an attractive employer, with employees who feel confident in complying with rules and guidelines. We also strive to ensure that all our suppliers meet our expectations regarding sustainability and business ethics.

### Climate and environment

#### We will reduce our environmental and climate footprint

Our own environmental work is characterised by concern for resources, good environmental choices and a focus on recycling. As a service-sector company with centrally located offices, our work associated with direct environmental impact is strongly connected to our offices, our travel and our cooperation with suppliers. In normal operation, our most significant direct environmental footprint comes from customer letters and paper consumption, energy used in our property and business travel.

Energy use, offices, MWh <sup>1)</sup>	2025	2024	2023	2022	2021
Total	843	1,349	1,710	1,883	1,978
– of which electricity	562	452	683	760	703
– of which district heating, normal-year corrected	255	696	809	839	1,000
– of which district cooling <sup>2)</sup>	26	201	218	284	275

<sup>1)</sup> Starting in 2024, electricity refers solely to business electricity, whereas between 2021–2023 it referred to total consumption for the entire property. There is some uncertainty in the figures for 2024, as we did not have complete measurements. The office have been undergoing renovations during 2025, which means there is some uncertainty regarding the 2025 results as well.

<sup>2)</sup> The 2025 results do not reflect total consumption for the year, due to a meter error that was discovered during the autumn.

In recent years, much of the equipment in the office property has been upgraded to more energy-efficient alternatives that have demonstrated excellent results from the outset. This included, for example, the replacement of lighting, heat pumps and fans. We launched a major renovation of our office during the year, which means that the floor space used as a basis for our measurements is significantly smaller than in previous years. The renovation work has also led to a temporary increase in electricity consumption. The renovations will continue during 2026, which means that the results for this year will not be fully comparable with previous years.

Alecta's office property is certified in accordance with the BREEAM In-Use standard, with the rating Very Good. In connection with the renovation of the office, our ambition is to raise the rating of the property before the next certification.

#### We will be resource efficient and reduce our emissions, with the aim of achieving a net-zero climate footprint by 2050

Use of paper, kg	2025	2024	2023	2022	2021
Office operations, indicative based on volume of purchased paper <sup>1)</sup>	576	1,152	653	0	1152
Customer letters, paper mailings	5,005	5,474	11,191	5,570	6,666

<sup>1)</sup> Office paper based on volumes purchased during the period. No purchases were made in 2022, as the paper stock from the 2021 purchases was sufficient for this year as well. For 2023–2025, all purchases made during the year are included.

As part of our operations, we send a large number of letters to our customers. However, we are actively working to increase the proportion of digital mailings, which over time has led to a steady reduction in the volume of paper mailings. In 2023, the total volume of paper increased due to an extensive one-off mailing related to the ITP procurement. We are actively working to increase the proportion of digital mailings. In recent years, the proportion of digital mailings has remained steady at around 80 per cent.

Climate footprint, kg CO <sub>2</sub>	2025	2024	2023	2022	2021
Energy, property <sup>1)</sup>	11,572	32,027	45,517	45,293	38,707
Customer letters, including transport <sup>2)</sup>	110,049	120,676	232,578	115,295	140,040
Travel <sup>3)</sup>	98,723	103,450	66,674	57,273	9,391
– of which air travel	98,643	103,227	66,416	57,147	9,274
– of which rail	80	223	258	126	117

<sup>1)</sup> All property electricity is origin-labelled from renewable sources. District cooling is produced, for example, from free cooling from water and waste heat. All carbon emissions are linked to district heating. Due to the renovation of our offices, the 2025 results are based on a significantly smaller area than in previous years.

<sup>2)</sup> The carbon footprint of customer letters is calculated using a standard model that includes paper manufacturing and shipping.

<sup>3)</sup> Refers only to the Parent Company and includes air and rail travel conducted for business purposes.

The climate footprint from purchased energy consists of district heating and is affected by the energy mix at the supplier. During 2023, Alecta's district heating supplier phased out coal as an energy source, although residual waste may contain fossil elements that increase the footprint, such as plastics. We have seen a reduction in the climate footprint from purchased energy this year, principally because the ongoing renovation of our office means that we have based our calculations on a significantly smaller area than in previous years.

We measure the carbon footprint of our travel to enable us to make more informed decisions when it comes to business travel. Although travel has increased since the pandemic slowdown, levels remain well below those recorded before the pandemic, likely due to a shift towards more digital meetings. Most travel is related to the asset management business and primarily involves meetings with holding companies and other partners.

To compensate for emissions related to travel, Alecta has in recent years financed climate benefits equivalent to the emissions through Solvatten. Solvatten is a Swedish innovation with a water container that uses UV light from the sun to clean and heat water, rather than burning coal or wood. The compensation for our travel in 2024 was equivalent to 14 Solvatten devices, which contributes to climate benefits, better hygiene and health in vulnerable areas of Kenya.

## People and workplace, cont.

### Social responsibility

#### We will be the most attractive employer in our industry

The hub of our sustainability work is our employees. We have an ambitious goal of being the most attractive employer in our sector. The goal is long-term in nature, and we will be working towards gradually reaching it by 2028. We also aim to be an employer that values each other's differences and offers opportunities for nurturing leadership, self-leadership and skills development.

The sustainability goals for the period 2024–2028 have been supplemented with several new indicators, with the aim of creating better opportunities for monitoring the progress towards the goals. Several of the indicators are based on our employees' perceptions, which we follow up on an ongoing basis in mini-surveys and performance appraisals, both in connection with employment and in exit interviews.

Willingness to recommend (outcome eNPS)	2025	2024	2023	2022	2021
Alecta	33	18	–	–	–
Alecta Fastigheter	56	60	–	–	–

Alecta measures the willingness to recommend, using the Employee Net Promotor Score (eNPS) on an average of four occasions per year. All employees are asked "How likely are you to recommend Alecta as a workplace to a friend or acquaintance?". The results refer to the final measurement of the year. Alecta Fastigheter also measures willingness to recommend through eNPS. The result for the year refers to an average during the fourth quarter. At Alecta, willingness to recommend us has increased this year and we are continuing to work towards achieving the average for the financial sector, which is just over 50. Alecta Fastigheter is reporting good results this year as well, with an eNPS that is well above the average for the property sector.

#### We will offer a secure workplace and good employment conditions that enable balance in life

Employee information (GRI 2-7, GRI 2-8), forms of employment and collective bargaining (GRI 2-30)

Forms of employment	2025		2024		2023		2022		2021	
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
Number of employees at 31 December	300	222	273	214	254	197	227	167	220	146
Permanent employees	292	220	272	214	252	197	227	167	218	146
<i>of whom full-time</i>	278	211	255	206	235	189	211	161	199	142
<i>of whom part-time</i>	14	9	17	8	17	8	16	6	19	4
Temporary employees	8	2	1	–	2	–	–	–	2	–
Percentage covered by collective bargaining agreements <sup>1)</sup>	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %
Number of consultants (FTE)	11	33	14	31	18	32	16	37	3	21

<sup>1)</sup> Does not include employees in senior management.

Almost everyone at Alecta has a full-time position. Most of those reported as part-time employees are actually on temporary leave. The majority of those who have opted for temporary leave are women. Alecta employs a number of consultants on long-term contracts, primarily within its IT department. Consultants are also hired to replace employees, for example in the event of parental leave or when there are temporary resource requirements in different parts of the business, such as Finance, Legal, Customer Relations, HR and Asset Management. All employees at Alecta are covered by current collective bargaining agreements.

Sick leave	2025	2024	2023	2022	2021
<b>Group <sup>1)</sup></b>	2.6 %	2.9 %	2.8 %	–	–
– Women	3.1 %	3.4 %	2.8 %	–	–
– Men	2.1 %	2.2 %	2.9 %	–	–
<b>Parent Company</b>	3.0 %	3.1 %	3.2 %	3.3 %	3.2 %
– Women	3.5 %	3.9 %	3.1 %	3.5 %	3.6 %
– Men	2.4 %	2.1 %	3.2 %	3.1 %	2.7 %

<sup>1)</sup> Reported for the Group from 2023, excluding employees of the subsidiary World Trade Center Stockholm AB.

We offer a wide range of activities and actively work to create the best possible conditions for our employees to look after their health. We know that this fosters engaged, committed and productive employees who contribute to the business in the best possible way. We organised two greatly appreciated health weeks in 2025, featuring a health bar, exercise sessions, active breaks and mini-lectures. Every two years, Alecta offers employees a health check with a self-assessment, medical tests and fitness assessments. We employ frequent follow-ups and dialogues in the event of repeated sick leave, in order to provide the support that is needed. We know that it is important to return to work quickly after extended periods of sick leave or rehabilitation, and we want to facilitate work escalation at the pace that works for the employee.

Balance in life	2025	2024	2023	2022	2021
Percentage of employees experiencing balance in life <sup>1)</sup>	83 %	79 %	–	–	–

<sup>1)</sup> Refers to the Parent Company according to results from the mini-survey conducted in the second quarter of 2025.

As an Alecta employee, there must be good opportunities for balance in life. We are continuing to embrace hybrid working wherever possible, with the option of working from home on certain days. We have long offered flexible working hours, enabling employees to balance work with family responsibilities, such as childcare or caring for relatives. We also offer counselling for employees in need of additional support.

## People and workplace, cont.

### We aim to empower each other through nurturing leadership, self-leadership and good opportunities for development

#### Skills development and follow-up (GRI 404-3) <sup>1)</sup>

Group	2025	2024	2023	2022	2021
Hours of training, average per employee <sup>2)</sup>	n/a	n/a	n/a	n/a	19
– average, women	n/a	n/a	n/a	n/a	n/a
– average, men	n/a	n/a	n/a	n/a	n/a
Employee performance reviews <sup>3)</sup>	100 %	99 %	99 %	100 %	78 %
Employee turnover <sup>4)</sup>	6.4 %	6.5 %	6.7 %	6.8 %	11.3 %

<sup>1)</sup> Reported for the Group from 2024, excluding employees of the subsidiary World Trade Center Stockholm AB. Comparison figures have been recalculated where possible.

<sup>2)</sup> See description of changed approach for measuring training hours. No longer a target indicator. Includes the Parent Company for 2021.

<sup>3)</sup> Includes the Parent Company for the years 2021–2022.

<sup>4)</sup> The employee turnover figure for 2024 has been corrected.

All Alecta employees participate in annual performance and development reviews. Managers receive support from the HR organisation to plan and conduct the reviews within a structured process. These reviews result in individual development plans and objectives for development and follow-up during the year.

We offer all employees training regarding, for example, Alecta as a company, the customer offerings and areas covered by governance documents, such as information security, ethics, diversity and inclusion. We also offer in-depth training opportunities regarding self-leadership, collective intelligence and agile working techniques. During 2025, we have continued our journey by working towards modern working methods and by using AI technology, which is making rapid progress. Training in nurturing leadership is offered to all newly appointed managers upon appointment. We have continued to provide modern AI tools. We launched Microsoft Copilot during the year, and explored agents tailored to Alecta's operations in order to streamline the work.

In connection with business planning, we carry out extensive work on skills planning in which all employees participate. The results of this work then form the basis for recruitment and the planning of skills development initiatives. In 2025, we completed 40 recruitments. Most of the external recruitments were within Asset Management, IT and Customer Relations, partly due to a large number of upcoming retirements and partly due to new positions or functions requiring new expertise.

Development opportunities	2025	2024	2023	2022	2021
Percentage of employees who feel that there are development opportunities	–	72 %	–	–	–
Percentage of employees who feel they have opportunities for skills development <sup>1)</sup>	77 %	–	–	–	–

<sup>1)</sup> Refers to the Parent Company according to results from the mini-survey conducted in the third quarter of 2025.

Skilled employees who thrive and develop are crucial to us adhering to our mandate and achieving our goals. The pace of developments today is high, and the need for skills is changing at more or less the same rate. We involve all employees in the annual skills plans, with the aim of capturing as many perspectives as possible and making it easier for staff to steer their own skills development towards identified needs. In 2025, we focused the survey on skills development, therefore the results are not entirely comparable with those of previous years. When asked what is important in order for employees to feel that they have good opportunities for professional growth, most responded that it is the opportunity to take on new work duties, as well as the potential to access training and other skills development.

Possibility to practice strong self-leadership	2025	2024	2023	2022	2021
Percentage of employees who feel that they have the possibility to exercise strong self-leadership <sup>1)</sup>	80 %	75 %	–	–	–

<sup>1)</sup> Refers to the Parent Company according to results from the mini-survey conducted in the second quarter of 2025. Based on the question "I have all I need to be able to carry out my work in a good way".

We have a strong belief in each employee's ability and willingness to develop their work and make wise decisions. We believe that decisions should be made by those who are most familiar with the issue, delegating both responsibility and mandate as far as possible. In order to strengthen self-leadership, i.e. the ability to lead yourself, be led by others and also lead others, we have developed guiding principles including behaviours that strengthen or prevent self-leadership. The guiding principles are continuously evolving to focus on the behaviours we need to strengthen to meet our mandate, reach our business goals and also achieve the goal of being the most attractive employer in the sector.

Leadership	2025	2024	2023	2022	2021
Leadership score <sup>1)</sup>	83 %	81 %	–	–	–

<sup>1)</sup> Refers to the Parent Company according to results from the mini-survey conducted in the first quarter of 2025.

Alecta measures the leadership score by combining employees' responses to a number of statements about their individual leaders. The responses are converted to an index value, where levels above 70 per cent indicate leadership that is on the right track. Based on the "Nurturing Leadership" model (sv: Utvecklande Ledarskap), we are working to achieve a leadership that both supports development of employees and operations, as well as supports strong self-leadership. By "leaders" we are referring both to managers with personnel responsibility as well as leaders in our agile teams (Scrum Masters and Product Owners). We now have around 70 leaders who meet on a number of occasions at leadership forums for training, workshops and inspiration in the field of leadership. All leaders have completed the Nurturing Leadership training programme, and we offer new managers in the organisation the opportunity to take the course, including a 360-degree evaluation with the option of subsequent coaching sessions.

## People and workplace, cont.

### We will include each other and see our differences as strengths

#### Diversity (GRI 405-1)

Group	2025	2024	2023	2022	2021
Average age, all employees	46	47	47	47	48
Age distribution, employees <sup>1) 2)</sup>					
– 20–39 years, (W/M)	80/56	71/42	64/38	47/35	37/31
– 40–49 years, (W/M)	68/58	59/61	57/59	64/46	59/38
– 50+ years, (W/M)	133/98	130/103	118/91	104/79	106/73
Percentage of female employees	57 %	56 %	56 %	58 %	60 %
Percentage of female managers	55 %	57 %	58 %	57 %	57 %
Percentage of women in senior management <sup>3)</sup>	44 %	44 %	50 %	33 %	33 %
Percentage of women on the Board <sup>4)</sup>	36 %	30 %	22 %	36 %	36 %
<b>Parent Company</b>					
Percentage of female employees	58 %	56 %	57 %	58 %	59 %
Percentage of female managers	53 %	51 %	56 %	55 %	54 %

<sup>1)</sup> Does not include temporary employees.

<sup>2)</sup> Employees of the subsidiary World Trade Center Stockholm AB are not included.

<sup>3)</sup> Refers to the senior management of Alecta Tjänstepension Ömsesidigt. In the subsidiaries, the proportion of women in senior leadership is 56 per cent at Alecta Fastigheter AB and 0 per cent in the subsidiary World Trade Center Stockholm AB.

<sup>4)</sup> Refers to the board of Alecta Tjänstepension Ömsesidigt.

Our view is that diverse groups are more efficient, dynamic and also more fun to be a part of. By welcoming different skills and personal strengths, and using them in the best way, we make sure that we are building our collective intelligence. When recruiting, we strive to be as open-minded as possible. We have replaced the cover letter with a motivation text, in which candidates can briefly describe what attracts them to the position and how they think they can contribute to our business. We have a range of tools to choose from to make selection easier, such as screening tests, large test packs and case/work samples. Every two years, we develop a diversity plan that establishes the framework for our efforts over the next two years. In addition, we have joined Diversity Charter, the world's largest diversity and inclusion network. Through our involvement in Diversity Charter, we gain knowledge and inspiration to support preventive work related to the various grounds of discrimination

Opportunity to contribute and influence	2025	2024	2023	2022	2021
Percentage of employees who feel they have the opportunity to contribute and influence <sup>1)</sup>	79 %	73 %	–	–	–

<sup>1)</sup> Refers to the Parent Company according to results from the mini-survey conducted in the second quarter of 2025.

We know that the ability to contribute and influence, and having one's skills recognised, is important for workplace motivation. Utilising each other's skills and allowing the person most familiar with an issue to make decisions also helps strengthen our collective intelligence.

#### Alecta Fastigheter

Alecta Fastigheter uses a different tool from the Parent Company to measure employees' perceptions of factors such as commitment, leadership and development. At Alecta Fastigheter, employees and resource consultants answer questions every week on a ten-point scale. The results are compiled into insights in 14 research-based areas, such as personal development, autonomy and leadership. Presented below is the selection of the insights that are closest to the monitoring of Alecta's overall sustainability goals. The results relate to an average over three months, measured at the end of November 2025.

Balance in life	2025	2024	2023	2022	2021
Job satisfaction	8.3	8.5	–	–	–
Work situation	7.9	7.8	–	–	–
<b>Nurturing leadership, self-leadership and opportunities for development</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Leadership	8.8	8.9	–	–	–
Autonomy	8.3	8.3	–	–	–
Personal development	8.1	8.2	–	–	–
<b>Inclusion</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Participation	8.5	8.7	–	–	–
Commitment	8.7	8.8	–	–	–

## People and workplace, cont.

### Corporate governance

#### We will follow rules and guidelines, uphold good business ethics, and ensure good internal governance and control

The foundation of being a sound company with strong judgement is respecting and complying with the rules and regulations that govern our operations. We want all our employees to be familiar with and be confident in following the rules and guidelines that apply to their work. We work to prevent corruption and to promote a culture characterised by a high awareness of corruption risks. We have a whistle-blower function where employees can anonymously raise concerns about deviations, and we train our employees on when and how to use the whistle-blowing function.

#### All employees should be familiar with and be confident in following the rules and guidelines that apply to their work

Fines or sanctions, as well as incidents of corruption (GRI 205-3)	2025	2024	2023	2022	2021
Fines or sanctions following shortcomings in regulatory compliance, number and amount	0	0	0	0	0

During 2023, the Swedish Financial Supervisory Authority launched two investigations into Alecta. One of these, which related to Alecta's investments in US banks, was completed in December 2025. The Swedish Financial Supervisory Authority concluded that the investigation had not revealed any regulatory violations, and the case was therefore closed. The second investigation, regarding the investments in Heimstaden Bostad, had not been completed by the end of the year.

#### Ethics and integrity – training initiatives (GRI 205-2)

Training programmes and workshops regarding conflicts of interest have been held during the year, with the aim of explaining Alecta's new process for identifying, analysing and managing conflicts of interest. These training programmes and workshops have been held for all departments, senior management and the Board of Directors. All employees have also attended mandatory training on maintaining a workplace that is free from alcohol, drugs and gambling.

Alecta offers a number of training courses via the intranet to complement governance documents in areas such as corporate governance, handling of personal data, whistle-blowing, information security, handling complaints, corporate hospitality and risk management. We have revised our Anti-Corruption and Corporate Hospitality Policy during the year. We have also developed new guidelines that supplement the policy with more specific examples and monetary limits, with the aim of providing clarity, primarily for managers. The policy and the guidelines have been presented to all managers at Alecta. Work is also underway regarding a new training programme designed to help all employees understand the rules regarding benefits, for example.

#### All employees should know when and how to use our whistle-blower function

Whistle-blower function, reported cases	2025	2024	2023	2022	2021
0		x	x		x
1–5	x			x	

In order to uphold the integrity of the process and protect whistle-blowers, Alecta has chosen to present the number of reported cases in intervals. Employees at Alecta and Alecta Fastigheter can report whistle-blowing cases through an external service at WhistleB. At Alecta Fastigheter, external stakeholders can also report cases via the subsidiary's website. Cases that are reported must be investigated and handled in accordance with the Board's Whistle-blowing Policy.

Knowledge of the whistle-blowing procedure	2025	2024	2023	2022	2021
Percentage of employees who know how the whistle-blowing procedure works <sup>1)</sup>	86 %	86 %	–	–	–

<sup>1)</sup> Refers to employees at the Parent Company, based on results from nano-training conducted during the fourth quarter of 2025.

Every year, we conduct a nano-training programme for all employees, with information and support on how the whistle-blowing procedure works. The training is divided into two parts. The first part gives a description of the whistle-blowing procedure, while the second part consists of a knowledge test. The reported percentage refers to those employees who have completed both the training and the knowledge test. In addition to this, information about the whistle-blowing procedure is available on our intranet and information is provided to all new employees.

#### Risk analysis and preventive anti-corruption efforts

In 2025, Alecta made significant changes to its internal regulations regarding the prevention of corruption, including the Board of Directors' adoption of a new Anti-Corruption and Corporate Hospitality Policy and the CEO's approval of entirely new anti-corruption and corporate hospitality guidelines. These new governance documents are based on Alecta's previous rules, but have been revised to clarify Alecta's principles and rules regarding anti-corruption as well as internal and external hospitality. In addition, guidelines have been developed to assist managers and employees.

We conduct an annual analysis of corruption risks across the entire organisation. The analysis covers key risk areas such as Alecta's products, customers, distribution channels, investment activities and outsourced operations, as well as significant suppliers and geographic areas. The risk analysis and the anti-corruption work are intended to identify areas in Alecta's operations that may be more vulnerable to corruption and to limit the risks through internal governance. At the same time, the work equips employees to react to different situations and to identify the need for clearer procedures where ambiguity exists. The risk analysis forms the basis for the Board's Anti-Corruption and Corporate Hospitality Policy and the CEO's anti-corruption and corporate hospitality guidelines. These provide concrete guidance on what constitutes appropriate conduct and what constitutes undue influence. The policy and guidelines are reviewed annually and cover Alecta's employees, members of the Board, contractors and others who represent Alecta.

The overall assessment in 2025 is that the risk of undue influence within Alecta is low. The risk of undue influence in investment activities is slightly higher than in other parts of Alecta. The risk in this area is assessed as moderate, primarily because gifts and hospitality are more common in this sector. However, the risk analysis indicates a high level of awareness of this issue among Alecta's staff.

## People and workplace, cont.

### Suppliers

#### Our suppliers meet our requirements for sustainability and business ethics

Our supplier work is part of our basic responsibilities. We are convinced that cooperation with suppliers who maintain high quality as regards environmental, social and ethical aspects creates greater value. We therefore expect all our suppliers to endorse our Code of Conduct, which is based on the ten core principles of the UN Global Compact in the areas of human rights, labour law, the environment and anti-corruption. We also include sustainability aspects in our procurement of suppliers.

#### All suppliers must support the UN Global Compact's ten core principles in respect of human rights, labour law, the environment and anti-corruption

Number of suppliers and Code of Conduct	2025	2024	2023	2022	2021
Total number of suppliers <sup>1)</sup>	543	585	528	559	531
– of which in Sweden	472	514	463	450	469
– of which in other EU countries	20	19	19	19	23
– of which outside the EU	51	52	46	44	39
Number of suppliers with contracts	396	–	–	–	–
– for which the Code of Conduct has been deemed applicable	261	–	–	–	–
– for which the Code of Conduct has not been deemed applicable	135	–	–	–	–
Number of suppliers with a signed Code of Conduct	261	240	208	22	7

<sup>1)</sup> Refers to the Parent Company's suppliers. This includes all suppliers, including those with which we do not enter into agreements.

Alecta has a Code of Conduct that must be attached to agreements with suppliers. In recent years, we have been working to increase the number of suppliers that sign up to our Code of Conduct, or that have their own code of conduct that is either equivalent to or more comprehensive than Alecta's. Of the 396 suppliers with whom we had contracts at the end of the year, the Code of Conduct has been deemed to be applicable to 261. All of these suppliers, i.e. 100 per cent, have now signed our Code of Conduct or have their own equivalent code. Suppliers not assessed as relevant relate to cooperation agreements, licence agreements and minor purchases.

During the year, Alecta Fastigheter has introduced a procedure whereby its Code of Conduct for Suppliers must be attached to all new supplier agreements. Of the 155 contracts entered into in 2025, 140, i.e. 90 per cent, were signed with the code of conduct.

#### All suppliers procured by the purchasing department will be screened for sustainability criteria before an agreement is entered into

Sustainability screening of suppliers	2025	2024	2023	2022	2021
Number of suppliers screened for sustainability criteria	9	5	–	–	–

Before Alecta's purchasing department procures new suppliers, the various candidates are asked a number of questions, including questions regarding their sustainability work. The sustainability questions refer, for example, to whether the supplier has a channel for whistle-blowing or certifications within sustainability, as well as how the company works with sustainability issues. The purchasing department participated in nine procurements during 2025, seven of which are related to the renovation of our offices. The other two refer to a waste management provider and equipment for our newly refurbished gym. As described below, significant efforts are underway to review the monitoring of suppliers, including a review of the criteria used for procurement.

#### We will conduct annual monitoring of all suppliers involved in outsourced operations

Monitoring suppliers involved in outsourced operations	2025	2024	2023	2022	2021
Number of suppliers involved in outsourced operations and which we have monitored	n/a	n/a	–	–	–

Within the framework of our contract management system, we have previously monitored a number of sustainability criteria with our suppliers involved in outsourced operations. As part of the implementation of DORA (the Digital Operational Resilience Act), efforts were initiated to conduct a wide-ranging review of the monitoring of suppliers, including those involved in outsourced operations and ICT suppliers. Efforts are also underway to encourage greater self-assessment among suppliers, which also includes how we can effectively monitor sustainability criteria. We will also be reviewing the formulation of sustainability goals and the monitoring process in this area. During this work, we have not systematically followed up sustainability criteria and therefore cannot report any figures for 2025.

# GRI Content Index

## About the Sustainability Report

Alecta's Sustainability Report has the same scope as the financial statements, covers the 2025 financial year and has been prepared in accordance with the guidelines of the Global Reporting Initiative (GRI), GRI Standards. The scope of the Sustainability Report in Alecta's Annual and Sustainability Report is described on pages 36–37. It is an annual report, and the previous Annual and Sustainability Report was published on 25 March 2025.

The Sustainability Report has undergone a limited assurance engagement by Alecta's auditors, PwC. The assurance engagement does not cover the sustainability disclosures regarding Alecta's products in accordance with the EU Sustainable Finance Disclosure Regulation (SFDR).

## Scope and boundaries

Alecta is a mutual occupational pension company that is owned by our customers. We manage collectively agreed occupational pensions and operate in Sweden. Alecta's asset management activities comprise international investments in equity, debt securities and real assets. Alecta only has directly owned real estate holdings in Sweden, and the Swedish properties are managed through the wholly owned subsidiary, Alecta Fastigheter AB. There have been no significant changes in the organisation's size, structure, ownership or suppliers during the reporting period.

The Sustainability Report mainly covers the Parent Company, Alecta Tjänstepension Ömsesidigt, and the subsidiary, Alecta Fastigheter AB. The real estate companies that are joint-owned by Alecta are defined as joint ventures and are handled as financial instruments. Employee data is reported for the Group. The description of Alecta's direct environmental impact and suppliers refers to the parent company, and environmental indicators for the directly owned properties managed by Alecta Fastigheter are reported according to the standing portfolio approach, which is described below. The reporting of information connected with governance is presented in accordance with the split financial year to reflect the work cycle of the Nomination Committee and the AGM season. Other exceptions or boundaries are indicated in the report.

## Calculation methods and definitions

**Climate footprint:** The calculations of the climate footprint for equity and corporate loans have been performed in accordance with the recommendations from Insurance Sweden. The weighted average carbon intensity shows the portfolio's exposure to carbon-intensive companies, where the carbon intensity of the holding company is measured as the company's greenhouse gas emissions in relation to its revenues. This metric is calculated by balancing each company's carbon intensity based on their importance in Alecta's portfolio.

The absolute footprint shows the total carbon emissions of the portfolio in Scopes 1 and 2. This metric is a total of Alecta's share of the holding companies' footprint, calculated as the value of the shareholding in relation to each holding company's debt-free market value (enterprise value) multiplied by the holding company's carbon emissions. A company's emissions are allocated to both shareholders and lenders, using the debt-free market value as a base. Previously, the footprint was measured relative to the stock market value, which meant that the entire footprint was allocated to the shareholder. For both shareholdings and corporate bonds, we apply market-based Scope 2, as we have an active investment model where we choose the companies we invest in, and believe that they should benefit from active choices of, for example, energy sources that generate a lower footprint. The same principle applies to the calculations of directly owned properties, where Alecta chooses electricity from renewable sources.

**Employees and consultants:** Employees refer to the number of permanent employees, with the exception of employees on long-term leave (e.g. employees on parental leave, long-term sick leave or unpaid leave). Consultants are recalculated to full-time equivalents (FTEs) for a more accurate picture of operations.

**Standing portfolio:** To be able to compare the environmental performance of directly owned properties over time, we report key performance indicators each year for a portfolio of properties that have been part of the portfolio with a history of three years. Properties that were project properties are excluded for the duration of the project.

If you have any questions about Alecta's Sustainability Report, please contact [hallbarhet@alecta.se](mailto:hallbarhet@alecta.se)

<b>Application</b>	Alecta Tjänstepension Ömsesidigt has reported in accordance with GRI Standards for the 2025 calendar year.
<b>GRI 1 applied</b>	GRI 1: Foundation 2021
<b>Relevant GRI Sector Standard(s)</b>	GRI G4 Financial Services Sector Disclosures 2014

GRI STANDARD/ other source	Disclosure	Page	Deviation/not reported			
			Omitted information	Reason	Comment	
<b>General information</b>						
GRI 2: General information 2023	2-1	Business information	35, 48			
	2-2	Entities included in the organisation's sustainability report	35			
	2-3	Reporting period, frequency and contact point	35			
	2-4	Corrections to previously reported information	31			See page 31
	2-5	External assurance	35, 38, 40-41			
	2-6	Business, value chain and other business relationships	34, 45-47			
	2-7	Employees	30-32	Employees by region	Not applicable	Alecta only operates in Sweden
	2-8	Other workforce	30			
	2-9	Structure of corporate governance and board composition	11-12, 19-41, 45-46	Independent	Not applicable	Alecta is a mutual company
	2-10	Nomination and appointment of Board of Directors	11-13, 39-40	Shareholder info	Not applicable	Alecta is a mutual company that applies the Swedish Corporate Governance Code, according to which the Nomination Committee shall strive for gender balance in proposals to the Board.
	2-11	Board Chair	40-41, 46			
	2-12	The role of the Board Chair when following up sustainability work	11-13, 40-44			
	2-13	Work delegation, sustainability work	11-13			
	2-14	The Board's role in the sustainability report	12			
	2-15	Conflicts of Interest	13, 103-104	Shareholder info	Not applicable	Alecta is a mutual company
	2-16	Whistle-blowing or other reporting of criticism	33	Other channels to the Board	Not applicable	Whistle-blowing is the Board's formal channel
	2-17	The Board's sustainability competence	11			
	2-18	Board evaluation	11, 41			
	2-19	Remuneration policies	41, 43, 102	Sustainability	Incomplete information	Reported on alecta.se (for the business). The Board receives fixed fees.
	2-20	Remuneration process	40-41, 43			
	2-21	Relative remuneration	99-100	Median remuneration	Incomplete information	
	2-22	Sustainability strategy commitment	10-12			
	2-23	Policy commitments	10-13	Particularly vulnerable groups	Not applicable	Alecta does not identify specific groups, see in more detail in the SFDR section at the back of the publication.
	2-24	Establishment of policy commitments	11-15			
	2-25	Negative impact management processes	22, 27, 33	Stakeholders (external)	Not applicable	The whistle-blowing function is for internal stakeholders
	2-26	Communication channels and whistle-blowing functions	13	Stakeholders (external)	Not applicable	The whistle-blowing function is for internal stakeholders
	2-27	Regulatory compliance	21, 33			
	2-28	Membership	16			
	2-29	Stakeholder relations	13			
	2-30	Collective agreements	30			

GRI STANDARD/ other source	Disclosure	Page	Deviation/not reported			
			Omitted information	Reason	Comment	
<b>Material topics</b>						
GRI 3: Material Topics 2021	3-1	Process for defining material topics	13–15			
	3-2	Material topics	14–15			
<b>Economic performance</b>						
GRI 3: Material Topics 2021	3-3	Governance of material topics	9–10, 13–15, 33, 40–43, 56			
	GRI 201: Economic Performance 2016	201-1	Economic value generated and distributed	20–21		
	201-2	Financial consequences and other risks and opportunities related to climate change	(22–23)	Description and quantification of financial consequences	Incomplete information	Every year, Alecta publishes a separate climate report for the investment portfolio in accordance with TCFD, which describes financial consequences.
<b>Corruption</b>						
GRI 3: Material Topics 2021	3-3	Governance of material topics	11–13, 16, 33			
	GRI 205: Anti-corruption 2016	205-1	Activities assessed for corruption risks	33		
	205-2	Information and training regarding corruption policy and procedures	33			
	205-3	Confirmed corruption incidents and actions taken	33			
<b>Training and education</b>						
GRI 3: Material Topics 2021	3-3	Governance of material topics	11–14, 16, 31			
	GRI 404: Training and Education 2016	404-1	Average number of training hours per employee and year	(31)	Number of hours per employee	Information not available
	404-3	Percentage of employees receiving regular evaluation and performance appraisals	31			
<b>Diversity and gender equality</b>						
GRI 3: Material Topics 2021	3-3	Governance of material topics	11–14, 16, 32			
	GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity in governance body and among employees	32	Age groups and other relevant diversity parameters	Incomplete information
<b>Customer privacy</b>						
GRI 3: Material Topics 2021	3-3	Governance of material topics	11–13, 15, 21			
	GRI 418: Customer Privacy 2016	418-1	Complaints related to violation of customer privacy or loss of customer data	21		
<b>Financial Services Sector Disclosure – Sector standard for financial actors</b>						
GRI 3: Material Topics 2021	3-3	Governance of material topics	11–13, 15, 19			
	GRI 4: FSS	FS10	Percentage and number of companies in the company's portfolio with which the company has had a dialogue on environmental or social issues	27		
GRI 4: FSS	FS11	Percentage of assets under management subject to environmental or social screening	24, 27			

<b>Issues in the sector standard for financial actors not considered essential</b>	
Topic	Explanation
<b>FS6-8 Product indicators</b>	Not applicable to an occupational pension provider such as Alecta, adapted information with some similarity is provided within the framework of the SFDR regulation.
<b>FS 13-14 Indicators for local communities and vulnerable groups</b>	Not applicable to an occupational pension provider that only provides occupational pensions through collectively agreed and collectively procured arrangements.

# Auditor's limited assurance report on Alecta Tjänstepension Ömsesidigts sustainability report

To the Council of Alecta Tjänstepension Ömsesidigt, corporate identity number 502014-6865

## Conclusion

We have been appointed by the Board of Directors and the Managing Director to conduct a limited assurance engagement of the sustainability report of Alecta Tjänstepension Ömsesidigt for the financial year 2025. The sustainability report is included on page 10-37 in this document.

Based on our limited assurance engagement as described in the section Auditor's responsibility, nothing has come to our attention that causes us to believe that the sustainability report is not, in all material respects, prepared in accordance with the the sustainability reporting framework issued by GRI (Global Reporting Initiative), as well as the company's own accounting and calculation principles.

## Basis for conclusion

We have conducted the limited assurance engagement in accordance with ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information. Our responsibility under this standard is further described in the section Auditor's responsibility.

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

## Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the sustainability report in accordance with the applicable criteria, as described on page 35-37 of the sustainability report. The applicable criteria consist of the sustainability reporting framework issued by GRI (Global Reporting Initiative) which are relevant for the sustainability report, as well as the company's own accounting and calculation principles. This responsibility also includes such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of a sustainability report that is free from material misstatements, whether due to fraud or error.

## Auditor's responsibility

Our responsibility is to express a conclusion on the sustainability report based on our review. The limited assurance engagement has been conducted in accordance with ISAE 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information. This standard requires that we plan and perform our procedures to obtain limited assurance that the sustainability report is prepared in accordance with the criteria described in the section Responsibilities of the Board of Directors and the Managing Director.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. This means that it is not possible for us to obtain such assurance that we become aware of all significant matters that could have been identified if a reasonable assurance engagement had been performed.

Our firm applies ISQM 1 (International Standard on Quality Management), which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We are independent of Alecta Tjänstepension Ömsesidigt in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The limited assurance engagement involves performing procedures to obtain evidence to support the sustainability report. The auditor selects the procedures to be performed, including assessing the risks of material misstatements in the sustainability report, whether due to fraud or error. In this risk assessment, the auditor considers the parts of the internal control that are relevant to how the Board of Directors and the Managing Director prepares the sustainability report, in order to design procedures that are appropriate under the circumstances, but not for the purpose of providing a conclusion on the effectiveness of the company's internal control. The review consists of making inquiries, primarily of persons responsible for the preparation of the sustainability report, performing analytical review, and conducting other review procedures.

The review procedures primarily include:

- Perform inquiries to understand the sources of the information used by management (e.g. stakeholder dialogues, business plans and strategy documents) in the preparation of the sustainability report.
- Through inquiries, obtain a general understanding of the internal control environment, reporting processes and information systems relevant to the preparation of the sustainability report.
- Conduct inquiries of relevant personnel and perform analytical review procedures relating to selected disclosures in the sustainability report.
- Perform sample-based substantive testing on selected disclosures in the sustainability report.

Stockholm, on the date stated in our electronic signature.  
Öhrlings PricewaterhouseCoopers AB

Morgan Sandström, Authorised Public Accountant

# Corporate Governance Report

**Good corporate governance ensures that the company is managed responsibly, sustainably and as efficiently as possible, with good risk management and internal control.**

## **Corporate governance at Alecta**

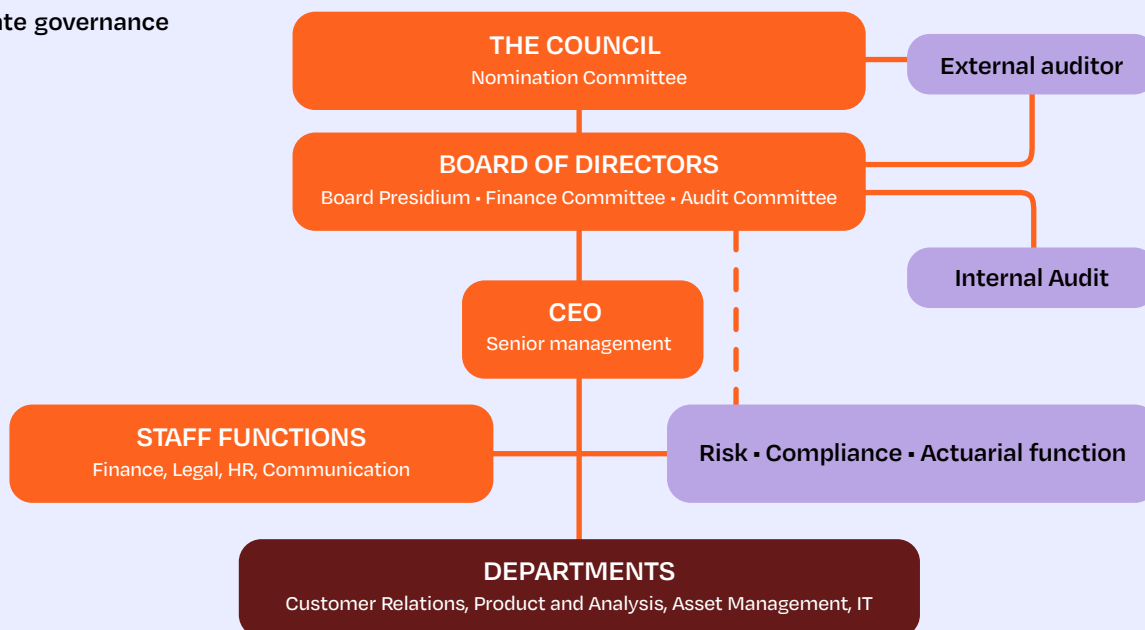
Alecta is a mutual occupational pension company that is owned by the employers who are Alecta policyholders and by the parties insured at Alecta.

Alecta is not required to prepare a corporate governance report according to the Annual Accounts Act for Insurance Companies. On the other hand, Alecta does apply the Swedish Corporate Governance Code (the Code), even though it has no formal obligation to do so. However, rules in the Code that are not adapted to the fact that the company is a mutual occupational pension company are not applied. Another deviation from the Code is that the interim report is not reviewed annually by the company's auditor.

Corporate governance involves the decision-making systems and processes through which a company is governed and controlled.



## Corporate governance model



### The Council and Nomination Committee

Alecta's highest decision-making body is the Council, (previously called the Council of Administration), which corresponds to the general shareholders' meeting in the Occupational Pension Companies Act. The Council's duties include electing the Board of Directors and external auditors, annually addressing the issue of discharge from liability for the Board of Directors and CEO in respect of their management during the past financial year, adopting the Board of Directors' fees, adopting income statements and balance sheets for the Parent Company and the Group, and deciding on the appropriation of the profit or loss for the year.

The Council consists of 28 members. Proposals for members of the Council and the Nomination Committee are prepared by the Preparatory Council, half of which comprises representatives from the Confederation of Swedish Enterprise and half representatives from Unionen, the Swedish Organisation for Managers (Ledarna), Engineers of Sweden (Sveriges Ingenjörer) and the Council for Negotiation and Cooperation (PTK). At the regular Council meeting in May 2025, Jan-Olof Jacke was elected Chair of the Council and Peter Hellberg was elected Deputy Chair.

The Council elects members of the Board and the Chair of the Board at the regular Council meeting for a period of one year, and external auditors for a period of one to four years.

Elections of the Board, Chair of the Board, Deputy Chair of the Board and external auditors are prepared by a Nomination Committee (formerly known as the Preparatory Committee), appointed by the Council.

When determining the composition of the Board of Directors, the Nomination Committee must take into account the fact that the composition must be characterised by diversity and breadth as regards the members' skills, experience and background, and strive for a gender balance. The Nomination Committee also submits proposals regarding Board fees, including remuneration for committee work and fees for Alecta's auditors.

Since the regular Council meeting in May 2025, the Nomination Committee has had the following ordinary members: Jan-Olof Jacke, Peter Hellberg, Elisabeth Arbin, Cecilia Lager, Andreas Miller and Suzanne Sandler.

The Chair and Deputy Chair of the Council are also the Chair and Deputy Chair of the Nomination Committee. The other members are appointed by the Council. For the period, a fee of SEK 60,000 has been paid to the Chair of the Council, who is also the Chair of the Nomination Committee. At the regular Council meeting in May 2025, it was decided that no remuneration would be paid to the Chair of the Council for the upcoming term of office. No remuneration has been paid by Alecta to other members for their work on the Nomination Committee or the Council.

### External auditors

External auditors are elected by the Council for a term of one to four years. The duty of the external auditors is to audit Alecta's Annual Report and accounting as well as the management performed by the Board of Directors and Chief Executive Officer.

The current external auditors, Öhrlings PricewaterhouseCoopers AB (PwC), with the authorised public accountant Morgan Sandström as auditor in charge, were elected for the first time at the ordinary meeting of the Council of Administration in 2023 for one year and have subsequently been re-elected for one year at a time, most recently at the ordinary meeting of the Council in 2025. For each financial year, the external auditors issue an auditor's report, which is included in Alecta's Annual and Sustainability Report. The external auditors also issue a report from the limited assurance engagement regarding the Sustainability Report.

During the 2025 financial year, PwC, in addition to its external audit assignment, has performed other assignments for Alecta, such as tax consultations and inquiry assignments. For more information on the external auditors' fees, refer to Note 45 Disclosures of auditors' fees.

## Board of Directors

The Board of Directors is responsible for the organisation and administration of Alecta. The Board decides on Alecta's strategies and long-term targets and is responsible for ensuring that Alecta has adequate internal control. The Board is thereby responsible for ensuring that the necessary governance documents for Alecta's operations are in place, and takes decisions on matters such as the Investment Policy, Actuarial Guidelines, Corporate Governance Policy and Risk Management Policy.

### Members of the Board

According to the Articles of Association, the Board must consist of nine to thirteen members, who must be elected by the Council. The Chair of the Board must be independent of Alecta and the relevant organisations: the Confederation of Swedish Enterprise, Unionen, the Swedish Organisation for Managers, Engineers of Sweden and the Council for Negotiation and Cooperation (PTK). The Board must have two Deputy Chairs, one of whom is from the Confederation of Swedish Enterprise and one from Unionen, the Swedish Organisation for Managers, Engineers of Sweden or the Council for Negotiation and Cooperation (PTK).

The Board appoints Alecta's CEO and, through the Audit Committee, the Head of Internal Audit, as well as defining the framework for the CEO's and Internal Audit's work.

### The Board of Directors' rules of procedure etc.

As part of its governance responsibilities, the Board of Directors adopts rules of procedure for its work and instructions for the CEO, adapted in accordance with the Code.

Alecta's Board of Directors continually evaluates the CEO's work. A formal evaluation is conducted once a year. Similarly, the work within the Board is also evaluated annually. The results of the Board's evaluation are presented to the Council's Nomination Committee.

Alongside the activities of the Board itself, work is carried out in three committees: the Board Presidium, which also functions as a Remuneration Committee, the Finance Committee and the Audit Committee. The duties of the committees are defined in the rules of procedure for the Board.

### Board Presidium

The main duties of the Board Presidium are to administer and make decisions on those matters that the Board delegates to the Board Presidium, to advise the CEO in the day-to-day management of the company and, prior to Board meetings, to prepare the agenda and major decisions to be presented at the meetings. The Board Presidium also acts as a Remuneration Committee and convenes at the initiative of the Chair of the Board. The Board Presidium held six meetings in 2025.

### Finance Committee

The Finance Committee's main duties are to monitor the day-to-day investment operations, to prepare investment guidelines, investment policy and responsible investment policy prior to Board decisions, and to prepare the asset management matters to be addressed by Alecta's Board. The Finance Committee held six meetings in 2025.

### Audit Committee

The Audit Committee's main task is to continually evaluate and communicate to the Board its view of Alecta's

risk exposure and the Management's risk management. When it comes to financial risks, this involves ensuring that financial risk reporting is working well. The Audit Committee also supports the Board when it comes to monitoring and evaluating the internal and external audits, as well as preparing matters related to the Board's work on assuring the quality of, and overseeing, Alecta's financial reporting. In addition, the Audit Committee monitors the effectiveness of Alecta's internal control. The Committee held five meetings in 2025.

### Work of the Board of Directors in 2025

The Board of Directors held eight meetings in 2025, not including decisions made by written ballot. In addition, the Board usually meets up once a year for a Board seminar for a couple of days to discuss matters of strategic importance to Alecta.

The major matters addressed by the Board and its committees during the year included:

- work on improvement programmes related to Alecta's asset management,
- proposal to the Council regarding a reduction in the fund for special indexation funds,
- decisions regarding the use of special party funds,
- evaluation of and decision regarding Alecta's Own Risk and Solvency Assessment (ORSA),
- Alecta's investments in Heimstaden Bostad,
- review of Alecta's Policy for Responsible Investments,
- refunds and premium setting for 2026, and
- risk framework and strategy.

### CEO and senior management

The CEO is responsible for the day-to-day management of the company in accordance with the directions of the Board and for ensuring that the operations are organised so that the company complies with applicable laws and regulations. The CEO must also ensure that the Board receives reports on the performance, results and financial position of Alecta on an ongoing basis, and that it is kept up to date on significant events in the business. The CEO's overall decisions within the day-to-day management of the company are normally prepared by senior management, which is an advisory body to the CEO and which, in addition to the CEO, consists of heads of Alecta's departments and staff functions. The duties and mandate of the departmental heads and chiefs of staff functions have been clarified in job descriptions adopted by the CEO.

The CEO has established committees that serve as preparatory, cross-functional working groups for the CEO within a specific area. Committees will have a chair who is a departmental head or holds another position reporting directly to the CEO. The chair of the committee is responsible for establishing rules of procedure for the committee that describe the committee's mandate, composition and reporting to the CEO.

### Risk management and internal control

At Alecta, the duties of all managers and employees include working for well-balanced internal control and appropriate risk management, although the Board of Directors and the CEO have ultimate responsibility. The CEO and senior management are responsible for managing the business and addressing the risks that arise in the course of its operations.

A prerequisite for effective governance is that the results are regularly followed up and reported back. In this way, the governance is adapted to new needs or conditions. The managers are responsible for ensuring appropriate monitoring and for controls being in place in their respective areas of responsibility.

The framework for Alecta's internal control is prepared and discussed by the Internal Control Committee. The Head of Finance chairs the Internal Control Committee, which consists of representatives from all of Alecta's departments, as well as central functions that attend the committee's meetings as required.

Alecta has identified key processes, including the company's business processes and the most critical support and management processes. Key processes have been documented in process descriptions. For the key processes, significant operational risks have been identified, and the controls designed to address these risks have been identified and documented in risk and control matrices. There are two categories of controls: key controls and controls. The key controls, which are the most important controls within the processes, are subject to stricter requirements regarding formalisation and management. The purpose of these controls is to effectively reduce operational risks. The controls are monitored and evaluated by the business and the central functions. The key controls are reported annually to the management and the Audit Committee.

The central functions have different mandates and carry them out in various ways. Under the Occupational Pension Companies Act, the internal audit function must perform its duties impartially and be independent of the operation being evaluated. The Risk Management function (Risk), the Regulatory Compliance function (Compliance) and the Actuarial function operate independently in accordance with their respective functional descriptions. The central functions are responsible for reviewing, evaluating and providing advice regarding Alecta's operations, as well as for reporting the results to the management and the Board of Directors in accordance with each function's mandate.

More information on risks and risk management within Alecta is provided in the Directors' Report on pages 56–57 and in Note 3 Risks and risk management.

### Operational risk management

Alecta's departments and staff functions are responsible for the risks that arise in their respective activities. This responsibility entails continually identifying, evaluating, controlling and internally reporting risks. The CEO must seek to ensure that clear processes and procedures have been established which, together with internal governance documents, govern Alecta's actions in various respects.

### Central functions

The responsibilities of the central functions are described in greater detail below. The Risk Management function, the Actuarial function and the Regulatory Compliance function report directly to the CEO. Internal Audit reports to the Board of Directors.

### Risk Management function (Risk)

Risk's mandate is to make it easier for Alecta's Board of Directors, CEO and managers to address, control and make decisions on risks. Risk submits a written report to the Board and the CEO at least once a quarter. Risk's mandate is to:

- work for increased awareness and better knowledge of risks, as well as to support the business in its risk management work,
- improve processes, methods and documentation for risk management, and
- check and assess the quality of the business's risk management, make independent assessments and compile these in reports for the Board and the CEO.

The Board of Directors and the CEO bear ultimate responsibility for Alecta's risks. The business has operational responsibility for managing and controlling risks. Risk has an advisory, normative and oversight role. The advisory role involves promoting greater risk awareness and supporting the business by providing recommendations. The normative role involves further developing company-wide processes, methods, etc., for risk management. The oversight role involves monitoring, i.e. checking and evaluating, Alecta's risk management, as well as reporting the overall assessment to the Board of Directors and the CEO.

### Regulatory Compliance function (Compliance)

Compliance's mandate involves regulatory compliance risks in the operations subject to licences and other regulations that govern Alecta's operations. Compliance submits a written report to the Board and the CEO at least once a quarter.

Compliance's mission is to:

- report to the Board of Directors and the CEO regarding regulatory compliance,
- advise the CEO and the Board on how to prevent non-compliance,
- assess the impact of regulatory changes,
- identify and assess the risk of non-compliance, and
- assess whether Alecta's measures to prevent regulatory non-compliance are appropriate.

Compliance has a supporting and oversight role with regard to regulatory compliance risks. The supporting role involves promoting greater risk awareness through advisory and support activities. Advisory and support activities may include, for example, independent analyses, training regarding regulatory issues, as well as responding to questions raised on an ongoing basis by the business. The oversight role involves checking and evaluating Alecta's management and control of regulatory compliance risks, reporting the overall assessment to the Board of Directors and the CEO, as well as following up previously submitted recommendations.

### Actuarial function

The person in charge of the Actuarial function is responsible for the tasks incumbent on the Actuarial function under the Occupational Pension Companies Act and regulations, and reports to the Board and the CEO. The Actuarial function has a specific responsibility for Alecta's insurance risks and its duties include:

- coordinating and assuring the quality of the actuarial calculations and inquiries,
- assisting the Board and the CEO and, on its own initiative, submitting reports to them on matters relating to actuarial methods, calculations and assessments, and
- submitting the annual actuarial report.

### Internal Audit

Internal Audit is an independent and autonomous function that reports directly to Alecta's Board of Directors. Its mission is to evaluate the internal control system and other components of the corporate governance system, as well as to add value and contribute to improvements in the business. Internal Audit strengthens the organisation's ability to create, protect and maintain value by providing the Board and the management with independent, risk-based and objective assurance, advice, insight and proactive support. Internal Audit must support the company in achieving its objectives by systematically and methodically evaluating the effectiveness of risk management, governance and control, as well as management processes.

### Governance documents and monitoring

Alecta has the following types of governance documents

- policies, which are adopted by the Board,
- guidelines and role descriptions, which are normally adopted by the CEO, but are adopted by the Board of Directors when required by law,
- operational governance documents, which are adopted by departmental heads and group heads, as well as
- supporting documents, which are subordinate to governance documents, are available to assist employees in carrying out their duties.

Everyone who works at Alecta has a responsibility to help ensure good internal control and to follow Alecta's governance documents. Each governance document has a governance document owner who is responsible for its content and whose duties include ensuring that it is updated at least once a year, or more frequently as needed, and that it is implemented. All employees have an independent responsibility to keep themselves informed about those governance documents that affect them via Alecta's intranet. The managers also have a responsibility to inform their employees about changes in the governance documents. As part of their mandatory introduction programme, new employees receive information about Alecta's ethical rules. Mandatory training regarding governance documents is conducted annually for all employees, with different themes each year. Governance document owners have also arranged targeted training sessions for relevant parties as required.

### Business follow-up

The Business Controller function, within the Finance department, continuously monitors operational performance regarding planned activities as well as cost outcomes and

target achievement in relation to business and operational plans. The Business Controller function also prepares an internal report for the Board of Directors and senior management on a quarterly basis.

### Internal control over financial reporting

The Board assures the quality of the financial reporting, for example through the work of the Audit Committee. In this context, the Committee addresses, where necessary, the critical accounting matters and reviews the financial reporting that Alecta intends to submit.

When compiling data for financial reporting, Alecta's Finance Department conducts checks to ensure the quality of the data provided and that the financial reporting complies with laws and other regulations.

The external auditors have attended five of the Audit Committee's meetings in 2025, whereby different matters related to the audit have been subject to discussion between the auditors and members of the Committee. During the year, the Audit Committee has also examined and evaluated the work of the external auditors.

The entire Board reviews interim reports before they are published and reviews and approves the Annual and Sustainability Report before it is published.

The external auditors have submitted written reports to the Board concerning the year's examination, comprising an audit plan, a status report and the year-end report. They have also participated in a Board meeting to verbally report on the 2025 audit and their review of the Board's and the CEO's management.

### Guidelines for remuneration of senior management

The Council established the following guidelines for remuneration and other terms of employment for Alecta's senior management at its ordinary meeting on 8 May 2025:

Remuneration for the CEO and other senior executives in the senior management consists of basic salary, pension provisions, severance pay and other benefits. Other senior executives are defined as the eight individuals who, during the year, have comprised Alecta's senior management along with the CEO.

#### Salary

Salary is set taking into account skills, area of responsibility, authority and performance, and must be based on market conditions and principles. Variable remuneration is not payable, either to the CEO or to any other senior executives.

#### Provision for pensions

All members of the senior management are covered by the FTP plan. The usual retirement age is 65. For the CEO, a provision of 35 per cent of salary is set aside for pension, including contributions to the FTP plan.

**Severance pay and other benefits**

The CEO and other senior executives are subject to a period of notice from Alecta of six months in combination with severance pay equivalent to 12 months' salary, which is fully deductible against income from new employment.

All members of the senior management are entitled to sickness compensation corresponding to 90 per cent of cash gross salary during the first 12 months of any illness. Otherwise, the same benefits as for other employees apply, such as health insurance and a fitness allowance.

**Preparation and decision-making**

Matters relating to salary and other terms of employment for the CEO and other senior executives, as well as regarding any variable remuneration programmes for other employees, are prepared by the Board Presidium, in its capacity as the Remuneration Committee, for adoption by Alecta's Board.

For information on remuneration for the senior management and regarding remuneration and incentive programmes for other employees for 2025, see Note 44.



# The Council and auditors

## Members

The Council's 14 members elected by the Confederation of Swedish Enterprise for the period 2025–2027 (as of 31 December 2025).

Member, Confederation of Swedish Enterprise	City
Jonas Andé	Järfälla
Björn Alvingrip	Helsingborg
Mats Backman	Stockholm
Eva Dunér	Gothenburg
Lena Eliasson	Stockholm
Malin Frenning	Stockholm
Peter Hansson	Skellefteå
Jan-Olof Jacke (Chair) <sup>1)</sup>	Kullavik
Björn Lindblad	Bankeryd
Carina Malmgren Heander	Stockholm
Yvonne Pernodd	Enskede
Peter Seger	Stockholm
Lina Stolpe	Västra Frölunda
Per Wallentin	Västra Frölunda

The Council's 14 members elected by Unionen, the Swedish Organisation for Managers, Engineers of Sweden and the Council for Negotiation and Cooperation (PTK) for the period 2025–2027 (as of 31 December 2025).

Member	City
Christina Balder	Unionen Trollhättan
Magnus Hedberg	PTK Enebyberg
Peter Hellberg, Deputy Chair <sup>1)</sup>	Unionen Bandhagen
Ulrika Hyllert	PTK Bagarmossen
Jens Jacobsson	Engineers of Sweden Stockholm
Ulrika Johansson <sup>2)</sup>	Unionen Luleå
Hans Lindau	Unionen Sandared
Kenneth Lund	Unionen Uddevalla
Andreas Miller <sup>1)</sup>	Swedish Organisation for Managers Uppsala
Robin Olofsson	Unionen Sollentuna
Annika Salomonsson	Unionen Stenhamra
Theres Sysimetsä	Unionen Stockholm
Arezou Taghizadeh	Engineers of Sweden Rönninge
Henrik Vahldiek	Unionen Växjö

<sup>1)</sup> Member of the Nomination Committee

<sup>2)</sup> Deputy member of the Nomination Committee

## Auditors

Öhrlings PricewaterhouseCoopers AB,  
auditor in charge Morgan Sandström

# Board of Directors

<p><b>Magnus Hall</b>  <b>Position:</b> Chair <sup>1)</sup>  <b>Born:</b> 1959  <b>Elected:</b> 2025  <b>Committee:</b> Board Presidium  <b>Other board appointments:</b> The Erik and Asta Sundin Foundation (Chair), Againty AB, Södra Skogsägarna Economic Association (Chair), Höganäs AB (Chair), AB Göta Kanalbolag (Chair), ByggPartnerGruppen AB (publ), The Royal Swedish Academy of Engineering Sciences (IVA)  <b>Other appointments:</b> –  <b>Other:</b> –  <b>Attendance Board Meetings:</b> 6/6 <sup>1) 2)</sup>  <b>Committee attendance:</b> 3/3</p>	<p><b>Marcus Dahlsten</b>  <b>Position:</b> Deputy Chair <sup>3)</sup>  <b>Born:</b> 1974  <b>Elected:</b> 2020  <b>Committee:</b> Board Presidium <sup>3)</sup>, Audit Committee  <b>Other board appointments:</b> CEEMET (Council of European Employers of the Metal, Engineering &amp; Technology-Based Industries), the Trygghetsrådet collective agreement foundation (TRR), the Trygghetsfonden TSL collective agreement foundation  <b>Other appointments:</b> –  <b>Other:</b> Chief Negotiator, Technology Industries of Sweden  <b>Attendance Board Meetings:</b> 8/8 <sup>2)</sup>  <b>Committee attendance:</b> 6/8</p>	<p><b>Elisabeth Sasse</b>  <b>Position:</b> Deputy Chair  <b>Born:</b> 1966  <b>Elected:</b> 2023  <b>Committee:</b> Board Presidium, Finance Committee  <b>Other board appointments:</b> Aktiebolaget Akademikerförsäkring i Stockholm  <b>Other appointments:</b> –  <b>Other:</b> CEO, Löf regionernas ömsesidiga försäkringsbolag  <b>Attendance Board Meetings:</b> 8/8 <sup>2)</sup>  <b>Committee attendance:</b> 10/10</p>
<p><b>Hillevi Agranius</b>  <b>Position:</b> Member of the Board <sup>4)</sup>  <b>Born:</b> 1971  <b>Elected:</b> 2025  <b>Committee:</b> –  <b>Other board appointments:</b> JCE Group AB, Securitas Intelligent Services AB  <b>Other appointments:</b> –  <b>Other:</b> CIO, Securitas AB  <b>Attendance Board Meetings:</b> 5/6 <sup>2) 4)</sup></p>	<p><b>Jesper Andersson</b>  <b>Position:</b> Member of the Board <sup>5)</sup>  <b>Born:</b> 1977  <b>Elected:</b> 2025  <b>Committee:</b> Audit Committee <sup>5)</sup>  <b>Other board appointments:</b> MedMera Bank AB  <b>Other appointments:</b> –  <b>Other:</b> CEO, City of Stockholm Fire Insurance Office  <b>Attendance Board Meetings:</b> 5/6 <sup>2) 5)</sup>  <b>Committee attendance:</b> 2/3 <sup>5)</sup></p>	<p><b>Hans Fahlin</b>  <b>Position:</b> Member of the Board  <b>Born:</b> 1957  <b>Elected:</b> 2024  <b>Committee:</b> Finance Committee  <b>Other board appointments:</b> Foundation for Financial Research (Chair), Jacob Palmstierna Foundation for Financial Research (Chair), Hans Dalborg Foundation for Financial Research (Chair), Sven Stenbäck Foundation, Artis Projects and Development AB  <b>Other appointments:</b> Finansiell Modellering H.F.A. Handelsbolag  <b>Other:</b> –  <b>Attendance Board Meetings:</b> 7/8 <sup>2)</sup>  <b>Committee attendance:</b> 5/5</p>
<p><b>Markus Granlund</b>  <b>Position:</b> Member of the Board  <b>Born:</b> 1975  <b>Elected:</b> 2019  <b>Committee:</b> Audit Committee  <b>Other board appointments:</b> –  <b>Other appointments:</b> The Swedish Exhibition &amp; Congress Centre Foundation  <b>Other:</b> CEO of TFS Trial Form Support International AB  <b>Attendance Board Meetings:</b> 7/8 <sup>2)</sup>  <b>Committee attendance:</b> 4/5</p>	<p><b>Bo Kratz</b>  <b>Position:</b> Member of the Board  <b>Born:</b> 1962  <b>Elected:</b> 2024  <b>Committee:</b> Finance Committee (Chair)  <b>Other board appointments:</b> –  <b>Other appointments:</b> –  <b>Other:</b> –  <b>Attendance Board Meetings:</b> 8/8 <sup>2)</sup>  <b>Committee attendance:</b> 5/5</p>	<p><b>Björn Oxhammar</b>  <b>Position:</b> Member of the Board  <b>Born:</b> 1958  <b>Elected:</b> 2023  <b>Committee:</b> Finance Committee  <b>Other board appointments:</b> Intervalor AB  <b>Other appointments:</b> –  <b>Other:</b> –  <b>Attendance Board Meetings:</b> 7/8 <sup>2)</sup>  <b>Committee attendance:</b> 5/5</p>
<p><b>Heléne Robson</b>  <b>Position:</b> Member of the Board  <b>Born:</b> 1971  <b>Elected:</b> 2024  <b>Committee:</b> –  <b>Other board appointments:</b>            Akademikernas A-kassa, Aktiebolaget Akademikerförsäkring i Stockholm, Skiljenämnden TGL-KL, PTK, Government Disciplinary Board for Higher Officials (Statens ansvars nämnd)  <b>Other appointments:</b> –  <b>Other:</b> General Counsel at Engineers of Sweden  <b>Attendance Board Meetings:</b> 8/8 <sup>2)</sup></p>	<p><b>Viveka Strangert</b>  <b>Position:</b> Member of the Board  <b>Born:</b> 1967  <b>Elected:</b> 2024  <b>Committee:</b> Audit Committee (Chair)  <b>Other board appointments:</b>            Loomis Sverige AB (Chair), Loomis Digital Solutions AB (Chair), Fidelio Capital AB, Ikano Bank AB (publ), Freedom Topco AB  <b>Other appointments:</b> –  <b>Other:</b> –  <b>Attendance Board Meetings:</b> 7/8 <sup>2)</sup>  <b>Committee attendance:</b> 5/5</p>	<p><b>Hannes Hultcrantz</b>  <b>Position:</b> Employee representative SACO <sup>6)</sup>  <b>Born:</b> 1982  <b>Elected:</b> 2025  <b>Other board appointments:</b> –  <b>Attendance Board Meetings:</b> 8/8 <sup>2)</sup></p> <hr/> <p><b>Birgitta Pernkrans</b>  <b>Position:</b> Employee representative Forena  <b>Born:</b> 1969  <b>Elected:</b> 2015  <b>Other board appointments:</b> Forena  <b>Attendance Board Meetings:</b> 8/8 <sup>2)</sup></p>

<sup>1)</sup> Chair of the Board and committee member as of 8 May 2025.

<sup>2)</sup> Decisions made by written ballot excluded.

<sup>3)</sup> Deputy Chair of the Board and Member of the Presidium as of 8 May 2025.

<sup>4)</sup> Member of the Board as of 8 May 2025.

<sup>5)</sup> Board and Committee member as of 8 May 2025.

<sup>6)</sup> Elected as employee representative for SACO on 13 March 2025.

# Senior Management

<p><b>Peder Hasslev</b>  <b>Position:</b> Chief Executive Officer  <b>Born:</b> 1963  <b>Employed since:</b> 2023  <b>Education:</b> Master of Business Administration, Bachelor of Political Science  <b>Previous experience:</b> CEO Saminvest, Chair PFA Pension, Deputy CEO and Head of Asset Management AMF  <b>Board appointments:</b> Insurance Sweden, Employer Organisation of the Insurance Industry (FAO)</p>	<p><b>Pablo Bernengo</b>  <b>Position:</b> Head of Asset Management  <b>Born:</b> 1974  <b>Employed since:</b> 2023  <b>Education:</b> Degree in Economics  <b>Previous experience:</b> Head of Asset Management at AP3 (3rd AP Fund), CEO and Head of Asset Management at Öhman Fonder</p>	<p><b>Karin Cederbaum</b>  <b>Position:</b> Head of Legal Affairs  <b>Born:</b> 1973  <b>Employed since:</b> 2024  <b>Education:</b> Law degree  <b>Previous experience:</b> Head of Corporate and Insurance Law at Livförsäkringsbolaget Skandia, managerial roles within the Compliance function at Swedbank AB, CEO of the securities company Säkra Spar AB</p>
<p><b>Martin Hedensiö</b>  <b>Position:</b> Head of Communications <sup>1)</sup>  <b>Born:</b> 1964  <b>Employed since:</b> 2016  <b>Education:</b> M.Sc. in Accounting and Auditing  <b>Previous experience:</b> Director of Communications at Svenska Spel, Vice President Corporate Communications Europe, Middle East &amp; Africa, Nasdaq, Executive Partner, Head of Corporate and Financial Communications at Hallvarsson &amp; Halvarsson, Deputy CEO of Springtime, Investor Relations Director at Electrolux</p>	<p><b>Ulf Larsson</b>  <b>Position:</b> Head of IT  <b>Born:</b> 1968  <b>Employed since:</b> 1998  <b>Education:</b> Bachelor of Arts in Business Administration  <b>Previous experience:</b> Head of IT Architecture and Group Head of Infrastructure at Alecta. Consultant at WMM-data</p>	<p><b>Marie Litezings</b>  <b>Position:</b> Head of Customer Relations <sup>2)</sup>  <b>Born:</b> 1977  <b>Employed since:</b> 2025  <b>Education:</b> M.Sc. in Business and Economics  <b>Previous experience:</b> Head of Insurance at AMF, other leading roles in AMF, including Head of Product and Offer. Various roles within E*TRADE and Stadshypotek Bank  <b>Board appointments:</b> Board Member Min Pension</p>
<p><b>Fredrik Palm</b>  <b>Position:</b> Head of Product and Analysis  <b>Born:</b> 1976  <b>Employed since:</b> 2013  <b>Education:</b> M.Sc. in Mathematical Statistics  <b>Previous experience:</b> Chief Actuary at Alecta, Self-employed actuarial consultant, Consultant and partner of consulting firm</p>	<p><b>Maria Wahl Burvall</b>  <b>Position:</b> Head of Human Resources  <b>Born:</b> 1964  <b>Employed since:</b> 2014  <b>Education:</b> M.Sc. in Business and Economics, majoring in Economics and Statistics  <b>Previous experience:</b> Economist, HR specialist and Head of HR at the Riksbank</p>	<p><b>Camilla Wirth</b>  <b>Position:</b> Head of Finance  <b>Born:</b> 1970  <b>Employed since:</b> 2017  <b>Education:</b> M.Sc. in Business and Economics  <b>Previous experience:</b> CFO Nordax Bank AB (publ), CFO Aberdeen Property Investors IIM AB, Auditor and Consultant at KPMG Financial Services  <b>Board appointments:</b> Board Member Alecta Fastigheter AB</p>

<sup>1)</sup> On 1 January 2026, the Communications Department changed its name to Communications and Marketing.

<sup>2)</sup> Head of the Customer Relations Department as of 19 March 2025. On 1 January 2026, the Customer Relations Department changed its name to Customer Relations and Insurance.

# Directors' Report

The Board of Directors and the Chief Executive Officer (CEO) of Alecta Tjänstepension Ömsesidigt hereby present the Annual Report for 2025.

Corporate identity number: 502014-6865

Registered office: Stockholm, Sweden

## Ownership and structure

Alecta is a mutual occupational pension company. This means that the company is owned by the policyholders and the insured parties, and that any surplus generated is returned to the policyholders and the insured parties.

Alecta Tjänstepension Ömsesidigt is the Parent Company of the Alecta Group. During the year, operations have been conducted in-house within the Group with a few exceptions: parts of the IT operations that are carried out by external parties under contractual agreements, and parts of property management that have been outsourced to external suppliers. In addition, some of the tasks performed by Collectum and other selection centres outside the framework of the ITP and other pension plans are also considered to be performed on behalf of Alecta and other participating insurance companies and occupational pension companies.

## Operations and products

Alecta offers occupational pensions insurance through selection centres under collectively agreed occupational pension plans, i.e. insurance schemes based on collective bargaining agreements that are tied to the employment relationship and for which the premiums are paid by the employer.

Alecta's primary task is to manage the different parts of the ITP occupational pension plan on behalf of the Confederation of Swedish Enterprise and the Council for Negotiation and Cooperation (PTK), which are parties to collective bargaining agreements. Alecta thereby manages both defined benefit and defined contribution pensions, as well as risk insurance in the form of disability pension, survivors' cover and waiver of premium. Defined contribution retirement pensions are offered through the Alecta Optimal Pension product, which for ITP is both the default option and a selectable option.

Under the ITP agreement, there is the option of funding the employees' retirement pensions through recognising liabilities on the balance sheet under the so-called "PRI model". Obligations secured under the PRI model are administered by Alecta on behalf of PRI Pensionsgaranti with the same service and quality as if insurance had been taken out for the employees' retirement pension.

Alecta Optimal Pension is also a selectable option in other collective bargaining areas: FTP for employees in the insurance industry (where Alecta is also the default option), SAF-LO collective pension insurance for private sector employees, government employees in the PA 16 collective bargaining area, KAP-KL/AKAP-KR for municipal and local authority employees and PA-KFS for employees of municipally-owned enterprises.

Alecta also offers occupational group life insurance (TGL) within the ITP and FTP agreement area.

## Employees

In 2025, the average number of employees in the Alecta Group totalled 507 people (471), which corresponds to 488 on a full-time equivalent basis (462).

At year-end 2025, the total number of employees in the Group totalled 522 people (487), of whom 386 were in the Parent Company (365). The proportion of female employees amounted to 57 per cent (56) and the average age of all employees was 46 years of age (47).

Disclosures on the average number of employees, salaries and benefits are provided in Note 44. The Note also describes the principles for determining the remuneration and benefits for senior executives, as well as the applicable drafting and decision-making processes.

### Profit for the year and financial position

The Group reported a profit for the year after tax of SEK 94.4 billion (89.7). Comments on the profit/loss and financial position are presented in the following report.

#### Premiums written

Premiums written in 2025 totalled SEK 62.9 billion (87.4), see Note 4. Premiums written can be divided into invoiced premiums and guaranteed refunds.

Invoiced premiums amounted to SEK 47.2 billion (48.7), with the decrease compared with the previous year mainly attributable to changes in the ITP plan's advance payment model for defined contribution insurance, see Note 4.

Guaranteed refunds totalled SEK 15.7 billion (38.7) and consist of premium reductions on employers' premiums for defined benefit savings insurance, disability and waiver of premium insurance, family cover and occupational group life insurance (TGL), as well as an increase in earned pension entitlements (adjustment of paid-up policy values). The reduction in guaranteed refunds is largely due to the adjustment of paid-up policy values that was implemented in January at 1.60 per cent (6.48), which was based on the change in the Consumer Price Index between September 2023 and September 2024 being significantly lower than what had been implemented in the previous year.

#### Capital return

##### The financial markets

The 2025 market year was largely characterised by political and economic uncertainty resulting from the Trump administration's extensive and, at times, unpredictable trade and security policy initiatives. During the year, this contributed to increased volatility and weakened confidence in the stability of US institutions. In addition, several geopolitical conflicts and tensions continued to have an adverse impact on the global investment climate.

Despite a turbulent environment, global economic growth developed better than many analysts had initially feared. The more resilient economy, combined with rising corporate profits, contributed to a continued strong

risk appetite in the financial markets. This was particularly evident in sectors linked to defence, energy, data centres, artificial intelligence and infrastructure, where extensive investments drove both growth expectations and profitability.

The markets received additional support in the form of monetary policy. Several of the world's leading central banks cut interest rates during the year, which contributed to improved financial conditions for households and businesses, and also strengthened confidence in the future among investors.

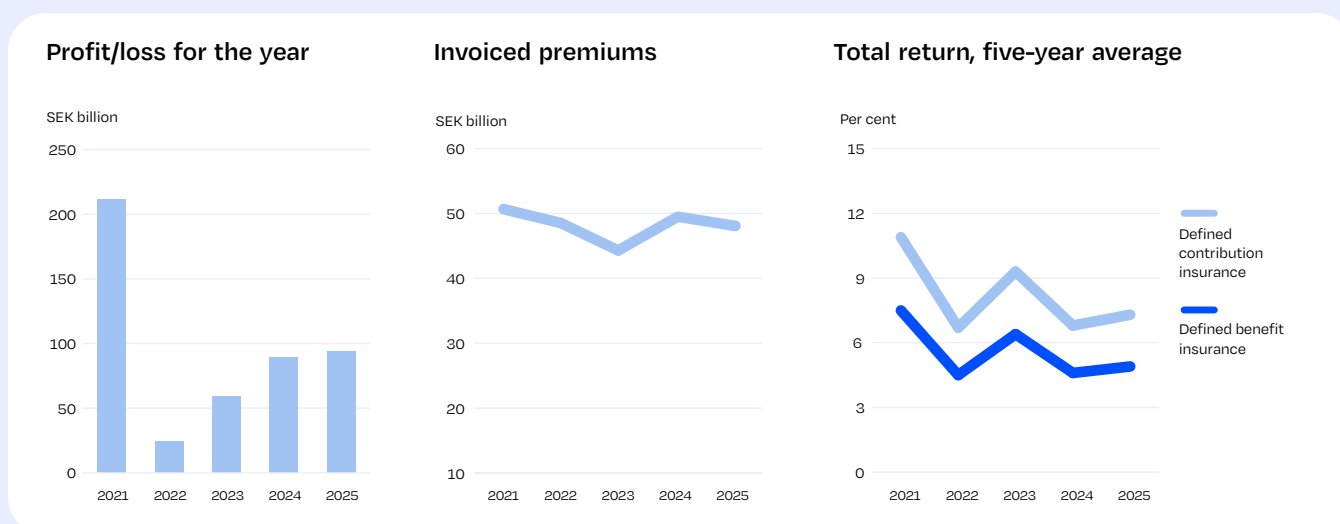
As in previous years, the upturn in the global stock markets was largely driven by the technology-heavy stock exchanges. The US technology sector and developments within artificial intelligence contributed in particular to strong returns, with the Nasdaq acting as a clear driving force.

The Swedish stock market, measured by the MSCI Sweden index, rose by 17.7 per cent during the year, which was in line with the performance of the MSCI USA index. European stock markets performed even more strongly, with MSCI Europe rising by 21.3 per cent. All these figures refer to returns in local currencies.

However, the sharp rise in stock markets has meant that valuations in certain sectors, particularly technology, have reached levels that can be considered stretched, resulting in increased sensitivity to negative surprises.

The rapid changes in US trade policy, which have damaged confidence in the country's economic and political stability, have primarily affected the currency markets. The US dollar weakened significantly during the year, losing more than 16 per cent against the Swedish krona. The euro also strengthened against the US dollar, although it weakened against the Swedish krona, falling by 5.3 per cent. Due to a high degree of currency hedging, the weakening of the US dollar had only a limited impact on Alecta.

The interest rate market in Sweden and Europe was characterised by high levels of volatility during the year. However, long-term interest rates rose by just under



half a percentage point over the year, mainly as a result of decisions on extensive economic stimulus measures. As inflation has stabilised close to the target level of 2 per cent, both the Riksbank and the European Central Bank are expected to pause interest rate cuts for an extended period.

In the USA, developments followed a different trajectory. Despite a continued resilient economy and high public debt, US market interest rates fell significantly during the year. The US central bank, the Federal Reserve, implemented fewer interest rate cuts than the market had initially expected, but it is considered to have scope for further easing in the future.

Sentiment towards alternative assets gradually improved during the year. There was increased optimism regarding a gradual recovery in the real estate market, which was also reflected in an increase in the number of transactions after several years of very low activity. For Alecta, this meant improved conditions within the portfolio's alternative assets.

### Returns

The total return on Alecta's investments in 2025 was 6.8 per cent (5.3). This positive return is mainly attributable to rising share prices, although interest-bearing assets and alternative assets, including real estate, infrastructure and alternative credits, also contributed positively to the result.

Over the past five years, Alecta's average annual return has been 5.3 per cent (5.0). The return on shareholdings

during the year was 14.1 per cent (9.6), while debt securities achieved a return of 2.4 per cent (1.3). Alternative assets generated a return of 4.5 per cent (5.1). At the end of the year, the alternative assets consisted of 61 per cent (62) real estate. The remainder consisted mainly of alternative credits, i.e. debt securities instruments with higher credit and market risk, as well as infrastructure investments.

The return on Alecta's defined contribution savings product, Alecta Optimal Pension, was 9.6 per cent (6.8). For the last five-year period, the average annual return was 7.3 per cent (6.8).

The return on Alecta's defined benefit insurance product was 5.9 per cent (4.9). The average annual return over the past five years was 4.9 per cent (4.6).

In the income statement, return on capital for the Group, including unrealised value changes, was SEK 89.6 billion (64.5). At year-end 2025, the market value of total investment assets amounted to SEK 1,405.0 billion (1,314.6) (see the total return table). Of these, Alecta Optimal Pension accounted for SEK 314.1 billion (274.3).

### Changes in the portfolio

At year-end, the proportion of shares of the portfolio was 36.2 per cent (35.2). The proportion of shares varied during the year as a result of market developments, but also due to active decisions to reduce equity exposure.

At year-end, the proportion of alternative assets was 17.9 per cent (19.4). Foreign alternative investments

Total return table for investments, total	Market value 31/12/2025		Market value 31/12/2024		Total return, per cent		
	SEK million	%	SEK million	%	2025	2024	Average 2021–2025
Shares	508,192	36.2	463,051	35.2	14.1	9.6	11.5
Debt securities	645,894	46.0	596,203	45.4	2.4	1.3	0.3
Alternative assets <sup>1)</sup>	250,897	17.9	255,360	19.4	4.5	5.1	5.0
<b>Total investments</b>	<b>1,404,983</b>	<b>100.0</b>	<b>1,314,614</b>	<b>100.0</b>	<b>6.8</b>	<b>5.3</b>	<b>5.3</b>

Total return for each year and asset class for the period 2021–2025, which are included in the average total return, are presented in the five-year summary on page 58.

The total return table has been prepared in accordance with the recommendations of Insurance Sweden. The reporting and valuation of the investments are not consistent with the accounting policies applied in the financial statements. Total assets on the balance sheet amount to SEK 1,422,816 million (1,352,374). The difference from market value according to the total return table above is, essentially, assets that are not classified as investment assets and items from the liabilities side that are deducted in the total return table. Total return according to Insurance Sweden's recommendation amounts to SEK 89,195 million (65,431). Capital return, net according to the income statement, amounts to SEK 89,597 million (64,540). The largest differences arise from currency effects in foreign subsidiaries booked against equity in the accounts, as well as tax included in the total return table, which has been classified as tax in the income statement.

Total return table for investments, defined contribution insurance (Alecta Optimal Pension)	Market value 31/12/2025		Market value 31/12/2024		Total return, per cent		
	SEK million	%	SEK million	%	2025	2024	Average 2021–2025
Shares	189,510	60.3	154,066	56.2	14.1	9.6	11.5
Debt securities	68,109	21.7	66,575	24.3	3.2	1.4	-0.4
Alternative assets <sup>1)</sup>	56,469	18.0	53,709	19.6	4.5	5.1	5.0
<b>Total investments</b>	<b>314,088</b>	<b>100.0</b>	<b>274,351</b>	<b>100.0</b>	<b>9.6</b>	<b>6.8</b>	<b>7.3</b>

The proportion of shares in Alecta Optimal Pension is higher than in other Alecta products. The table above refers to the portfolio that constitutes Alecta's default option, which has a 60 per cent share component. The market value of the total Alecta Optimal Pension portfolio, i.e. including all asset classes, is SEK 346.8 billion (300.5).

Total return table for investments, defined benefit insurance	Market value 31/12/2025		Market value 31/12/2024		Total return, per cent		
	SEK million	%	SEK million	%	2025	2024	Average 2021–2025
Shares	304,187	28.7	298,461	29.4	14.1	9.6	11.5
Debt securities	565,466	53.4	519,121	51.2	2.3	1.3	0.4
Alternative assets <sup>1)</sup>	188,550	17.8	196,532	19.4	4.5	5.1	5.0
<b>Total investments</b>	<b>1,058,204</b>	<b>100.0</b>	<b>1,014,114</b>	<b>100.0</b>	<b>5.9</b>	<b>4.9</b>	<b>4.9</b>

The total return tables refer to the Group. Due to rounding, the sum of the figures shown in the tables above may differ from the totals.

<sup>1)</sup> Alternative assets include real estate, infrastructure investments, private equity and so-called alternative credits that are subject to higher market risk than traditional debt securities.

# Asset allocation in Alecta's total portfolio

As of 31 December 2025

Alecta's composition of asset classes and geographic distribution is based on a strategy that combines effective risk diversification with long-term returns.

## Alecta's portfolio composition



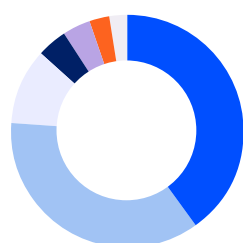
- Debt securities 46.0 %
- Shares 36.2 %
- Alternative assets 17.8 %

## Alecta's five largest shareholdings

Shares	Sector	Market value, SEK million
Investor	Finance	19,960
Atlas Copco	Industry	19,799
Microsoft	IT	19,170
Alphabet	IT	18,164
SEB	Finance	15,488

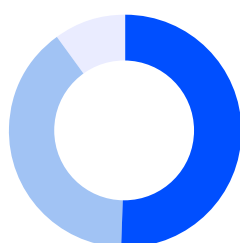
Market value according to total return table and refers to listed shareholdings. A list of Alecta's shareholdings, interests and real estate is published on alecta.se and disclosed in Note 17 Investments in associated companies and jointly controlled entities.

## Shares Geographic distribution



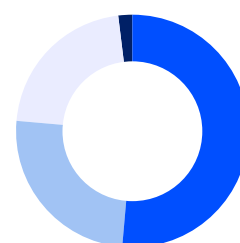
- USA 40.2 %
- Sweden 36.0 %
- Other 10.7 %
- Switzerland 4.0 %
- United Kingdom 4.0 %
- Finland 2.6 %
- France 2.5 %

## Debt securities Geographic distribution



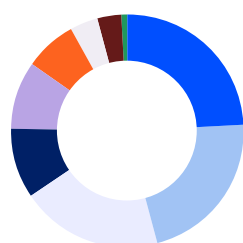
- Sweden 50.7 %
- Europe 39.3 %
- USA and Canada 10.0 %

## Alternative assets Geographic distribution



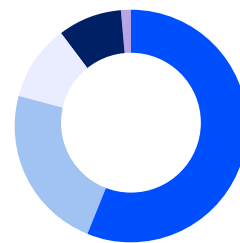
- Rest of Europe 51.5 %
- Sweden 25.1 %
- USA 21.6 %
- United Kingdom 1.8 %

## Shares Sector distribution



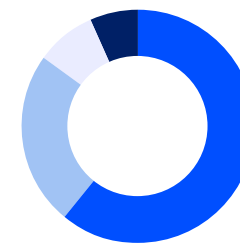
- Industry 24.3 %
- IT 21.7 %
- Finance 19.6 %
- Healthcare 9.7 %
- Durables 9.5 %
- Telecommunications 7.2 %
- Daily goods 3.9 %
- Material 3.3 %
- Real estate 0.8 %

## Debt securities Sector distribution



- State-owned/State-guaranteed 56.4 %
- Credit holdings 23.0 %
- Swedish mortgage institutions 10.7 %
- Municipalities 8.9 %
- Other 1.1 %

## Alternative assets Sector distribution



- Real estate 61.1 %
- Alternative credits 23.9 %
- Infrastructure 8.6 %
- Private equity 6.4 %

were fully currency hedged during the year. The value in SEK therefore remained unchanged, yet the proportion decreased in line with the strengthening of the krona. There has been no change in the underlying investment strategy.

The composition of the portfolio is presented on page 51.

### Insurance claims incurred

Claims incurred consist partly of insurance claims paid and partly of changes in provisions for claims outstanding.

Insurance claims paid, consisting primarily of benefits in retirement pensions, disability and life insurance, increased to SEK 28.3 billion (27.7) during 2025. The increase is largely attributable to a greater number of new retirees and a higher average pension amount than for retirees whose payments ended due to death or because the beneficiary reached the final payment age. Operating expenses incurred in connection with claims management are also included in insurance claims paid, and in 2025 these totalled SEK 169 million (174), see Notes 7 and 8.

The change in the provision for claims outstanding was SEK -0.9 billion (1.7).

### Technical provisions

Technical provisions consist of the net present value of Alecta's guaranteed obligations for insurance contracts that are in effect and are divided into provisions for life insurance and provisions for claims outstanding. Technical provisions totalled SEK 669 billion on 31 December 2025. The increase of SEK 21.5 billion (25.5) for 2025 is due to the following reasons:

- Premiums and payments resulted in an increase in technical provisions of SEK 34.7 billion (59.8), of which SEK 15.7 billion (38.7) refers to guaranteed refunds in the form of earned pension entitlements and premium reductions.
- The difference between underlying premiums and assumptions in the calculation of technical provisions reduced the provisions by SEK 22.5 billion (31.5) for savings insurance.
- The results from disability and waiver of premium reduced the provisions by SEK 2.9 billion (2.0).
- Higher market interest rates in 2025 meant that the interest rate curve used in the valuation increased, which reduced provisions by SEK 13.1 billion (18.1). The average cash flow-weighted interest rate increased from 2.95 to 3.10 per cent in 2025.
- The return after deduction for released tax and operating expenses meant that the technical provisions increased by SEK 17.0 billion (16.2).
- New mortality assumptions increased provisions by SEK 7.5 billion (-).
- Other changes and results led to an overall increase of SEK 0.8 billion (1.0) in technical provisions.

For further information, see Notes 34 and 35.

### Operating expenses

Operating expenses for the insurance business, which are referred to as operating expenses in the income statement, totalled SEK 716 million (678). The increase in operating expenses is mainly attributable to higher staff costs resulting from increased staffing, primarily in IT and central staff functions. Ongoing IT costs have also increased during the year, mainly due to increased costs for licences – an effect of price and volume increases. In addition, costs increased for the Collectum selection centre.

### Management expense ratio

The management expense ratio for the Group totalled 0.07 per cent, which was unchanged compared to the previous year (0.07). For defined contribution insurance and defined benefit insurance, the key ratios have also remained unchanged, amounting to 0.05 per cent (0.05) and 0.07 per cent (0.07) respectively.

### Tax

In 2025, the yield tax net of foreign tax credits was SEK 2,156 million (2,132). Yield tax is payable on pension products and family cover.

The income tax expense, which comprises current and deferred tax, was SEK 2,056 million (2,178). The deferred tax expense is net of income and expenses. In addition to Swedish income tax, the item also includes withholding tax and foreign income tax. In the parent company, the business segments disability pension, waiver of premium and occupational group life insurance (TGL) are subject to income tax.

### Distribution of surplus

A surplus arises when the return on Alecta's assets exceeds the financial cost of its guaranteed obligations, but can also arise when the discount rate used to value the guaranteed obligations is higher than the agreed premium rate. A surplus can also arise in other situations, for example when Alecta's actual outcomes for mortality, morbidity and operating expenses are positive. A more detailed presentation of how the surplus arises is provided in the alternative income statement on page 59. Alecta is a mutual company, which means that any surplus generated is returned to our customers, i.e. the policyholders and the insured parties. This takes place in the form of refunds. Over the past 15-year period (2011–2025), Alecta has distributed SEK 193 billion in refunds. The refunds have been distributed to policyholders and insured parties in the form of pension supplements, increases in earned pension entitlements and premium reductions.

For Alecta's defined contribution insurance product, Alecta Optimal Pension, any surplus or deficit is allocated directly to the insured parties on a monthly basis. The funding range is 98–102 per cent, with a target funding of 100 per cent. Any surplus is distributed in connection with the payment of a supplement to the guaranteed pension in accordance with the actuarial guidelines adopted by Alecta's Board of Directors.

For defined benefit insurance products, Alecta's Board of Directors decides on an annual basis whether and in what form refunds are to be distributed. For 2025, the Board approved an upward adjustment of defined benefit pensions by 1.60 per cent. The decision covers both pensions in payment as well as earned pension entitlements, known as paid-up policies, and is based on the change in CPI between September 2023 and September 2024. The Board also resolved to adopt a premium reduction for defined benefit retirement and family pensions of 25 per cent in relation to the unreduced premium level. The Board also resolved to retain the premium reduction for disability insurance at 90 per cent and to increase the premium reduction for waiver of premium insurance from 50 per cent to 60 per cent. For family cover, it was decided not to give any premium reduction. For occupational group life insurance (TGL), the premium reduction was SEK 10 per insured party per month.

Of the premium for waiver of premium insurance and collective final payment, SEK 174 million has been financed by special indexation funds. Alecta has also funded research projects with SEK 5 million in 2025 within the framework for the joint research programme on mental illness, which is jointly financed by Afa Försäkring and Alecta.

For more information on surplus distribution, see Changes in equity and Note 32.

**Collective funding and solvency**

The defined contribution insurance plans had a collective funding ratio of 100 per cent (100), which is within the funding range of 98–102 per cent.

Alecta's funding policy for its defined benefit insurance products specifies the maintenance of a collective funding ratio of 125 to 170 per cent under normal conditions and to apply the following limits for the allocation of refunds:

- 125 per cent – lower limit for indexation of pensions (pension supplement)
- 135 per cent – lower limit for increase in earned pension entitlement (adjustment of paid-up policy values)
- 150 per cent – lower limit for premium reduction
- 170 per cent – lower limit for other refunds to policy-holders

At year-end 2025, the collective funding ratio for the Group's defined benefit insurance products was 167 per cent (162). The collective funding capital totalled SEK 417.5 billion (382.8).

The solvency ratio at year-end 2025 was 208 per cent (202).

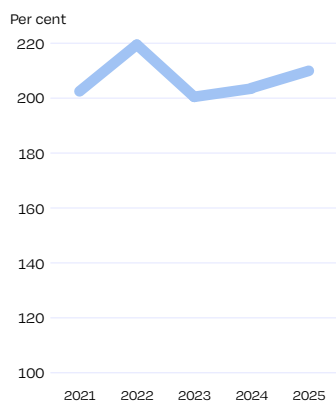
Performance in 2025	Solvency ratio	Funding ratio, defined benefit insurance
<b>Opening balance</b>	<b>201.6</b>	<b>161.8</b>
Returns	13.3	9.6
Return, TP	-6.2	-5.0
Changed discount rate	3.8	3.0
Premiums	-1.5	-1.0
Pension paid	2.1	3.2
Distributed refunds	-3.6	-3.9
Mortality result	0.1	0.0
Disability result	1.1	0.7
Change in assumption	-2.3	-2.2
Other	0.1	0.3
<b>Closing balance</b>	<b>208.5</b>	<b>166.5</b>

**Proposed appropriation of profits**

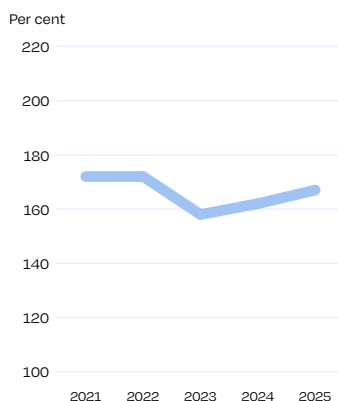
The Board of Directors and CEO propose to the Council that the parent company profit for 2025 of SEK 93,347,612,134 be transferred to the surplus fund.

The Board and CEO also propose that the Council approve the resolutions of the Board regarding refunds as set out in the section Distribution of surplus in the Directors' Report on pages 52–53, and in the section Index-linked pension and premium reductions, page 54.

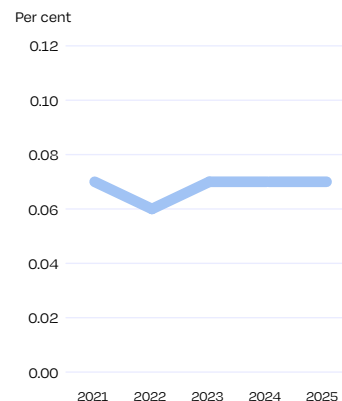
**Solvency ratio**



**Collective funding ratio, defined benefit insurance**



**Management expense ratio, total**



## Significant events during the year

### The improvement programme and the Swedish Financial Supervisory Authority's investigations

Since 2023, we have been working to implement a comprehensive improvement programme to make Alecta more resilient and stronger. The measures have been attributable to governance, risk management as well as competence and culture, with a focus on asset management.

The measures in the improvement programme have now been implemented and we are working in line with new procedures and processes. A few measures are of a more comprehensive nature and have been transitioned to the operating activities. Our assessment is that the measures in the programme have addressed the shortcomings identified by management and the Board.

In December 2025, the Swedish Financial Supervisory Authority announced its decision to close the investigation into Alecta's investments in three US banks. The Authority's assessment is that no regulatory violations have occurred. The Swedish Financial Supervisory Authority's investigation into Alecta's investments in Heimstaden Bostad was still ongoing at the turn of the year. In March 2026, the Swedish Financial Supervisory Authority decided to issue Alecta with a warning and to impose a penalty of SEK 50 million (for further details, see page 55 under "Significant events after the balance sheet date").

### Heimstaden Bostad AB

Heimstaden Bostad AB, Alecta's single largest holding, had a value of SEK 42.2 billion at the end of the year. The value developed positively during the period, by 3.8 per cent.

The arbitration proceedings that Alecta initiated in December 2024 against Heimstaden Investment AB were concluded on 3 December 2025, with the arbitration tribunal ruling against Alecta. Furthermore, work continues to address the shortcomings previously identified by Alecta regarding the collaboration with Heimstaden. As part of this, at the time of writing, Alecta has the ambition of reducing its holding in Heimstaden Bostad by at least SEK 6 billion when possible.

### Significant changes in the portfolio

In 2024, a comprehensive Asset Liability Management (ALM) study was conducted for defined benefit pension insurance, in which the balance sheet was simulated in a number of forward-looking scenarios. One of the conclusions was that enhanced solvency, taking into account the age of the portfolio and an upcoming payout phase, provides an opportunity to reduce risk exposure and lower the proportion of equities. In 2025, the proportion of equities has therefore been reduced by 5 percentage points for the defined benefit product, which is expected to increase the likelihood of future indexation, combined with a faster repayment of any surplus.

### Index-linked pension and premium reductions

In autumn 2025, Alecta's Board of Directors resolved to index-link defined benefit pensions by 0.89 per cent for 2026, matching the inflation rate over the past year.

As a result of Alecta's strong financial position and in accordance with Alecta's consolidation policy, the Board also decided on a premium reduction for 2026 for defined benefit retirement and family pensions of 35 per cent in relation to the unreduced premium level. The increase affects the more than 1.5 million customers at Alecta who are covered by the ITP 2 occupational pension. The decision applies to pensions in payment and earned pension that has not yet begun to be paid.

In addition to the premium reduction for retirement and family pensions, the Board has also decided to continue to provide premium reductions for risk insurance in 2026. The Board decided on a premium reduction for disability insurance of 90 per cent as well as 50 per cent for waiver of premium in the event of illness and parental leave.

### Alecta Fastigheter AB

Since 2021, Group management of all directly and indirectly owned Swedish properties has taken place through Alecta Fastigheter AB, where the purpose of the operations is to create a future-oriented and effective company.

Several real estate transactions have been carried out during the year, the most significant of which are mentioned below.

The site-hold rights to the property Blekholmen 1, also known as Klara Strand, were acquired in March in an exchange transaction with M&G Real Estate, in which Alecta Fastigheter simultaneously divested Skravelberget Större 19 in Stockholm. The rentable area of the acquired building is 34,000 m<sup>2</sup> and will be an important addition to the existing portfolio in the Västra City Stockholm area. In June, the hotel property Banken 14 in Solna was acquired, which constitutes an important piece of the puzzle in the continued development of Solna Centrum.

In addition, agreements were signed at the end of the year regarding the acquisition of the Handelsboden 1 property in Kungälv, known as Kongahälla Center, and the Hasseln 1 property in Stockholm, formerly known as Casino Cosmopol, with occupancy during the first quarter of 2026.

During the year, participations in the indirect holding in Ancore were also divested, although one property in the Ancore portfolio continues to be jointly owned by Alecta and ICA Fastigheter. In the indirect holding in Midstar Hotel, the assets have been sold and the company is in liquidation.

### New Chair of the Alecta Board

At the ordinary meeting of the Council held on 8 May, Magnus Hall was elected as new Chair of Alecta's Board of Directors. Magnus Hall was previously CEO of Vattenfall and AB Holmen. He is the Chair of the Board of Södra Skogsägarna and Höganäs AB. He has previously had a mandate as a Board member of AMF and Chair of the Association for Generally Accepted Principles in the Securities Market. Jan-Olof Jacke resigned from the chairmanship of the Board of Directors and was elected

as Chair of the Council for Alecta at the ordinary Council meeting.

### Organisational changes

After a total of approximately 35 years in various roles at Alecta, most recently as Head of Customer Relations and Deputy CEO, Katarina Thorslund has retired during the year. Marie Litezings has been recruited as the new Head of Customer Relations. Marie joins us from AMF, where she has held a variety of positions for 17 years, most recently as Head of Insurance. She took over the position in March 2025 and is part of Alecta's senior management team.

Alecta has also recruited Johanna Bono as the new head of Internal Audit. Johanna, who joined in April 2025, has a background as an internal audit manager and internal auditor, including at AMF, FOI and Swedbank.

Furthermore, Alecta has recruited Susanne Uväng as its new Head of Compliance. Susanne took up her position in October 2025 after joining us from Avanza, where she held a similar role.

The person in charge of the actuarial function's employment ended during the year and recruitment of a replacement was initiated. David Bergstrand was recruited in January 2026, and will take up his position in April 2026.

### Significant events after the balance sheet date

The geopolitical conflict in the Middle East escalated in February 2026, when the USA and Israel launched massive military attacks against Iran. These developments have led to significant volatility in the global financial markets. The conflict has had a particular impact on the energy markets, with rising oil prices. The stock markets have also been adversely affected. Alecta is closely monitoring developments and continuously analysing the potential consequences of these events as regards the markets and the management of Alecta's assets.

The Swedish Financial Supervisory Authority's investigation into Alecta's investments in Heimstaden Bostad resulted in Alecta being issued with a warning in March 2026, along with a penalty of SEK 50 million, for inadequate risk control and for failing to invest the assets in a manner that best serves the interests of the beneficiaries. The investigation has focused on Alecta's identification of investment risks and its compliance with regulations regarding the prudent person rule, governance, and risk management. Alecta shares the Swedish Financial Supervisory Authority's conclusions that there have been shortcomings in respect of risk control and risk management.

### Expected future outlook

#### Capital market

In many respects, the capital markets in 2025 have been driven by the anticipated consequences of the numerous different announcements regarding the tariffs that President Trump intends to impose on other countries. Up to now, the economic impact of the tariffs that have actually been introduced appears to be some

upward pressure on US goods prices, while growth has slowed in a controlled manner in line with expectations. The effects of the tariffs are likely to continue affecting US goods prices, while the lower growth will probably contribute to slightly higher unemployment and lower wage increases in 2026.

One unexpected development in 2025 was Germany's announcement of a clear ambition to invest in infrastructure, energy, energy transition and defence. The EU launched similar initiatives, where defence spending is exempt from budget rules, and it intends to jointly borrow capital for defence investments. These initiatives drove up European interest rates, and the expansionary fiscal policy is likely to shape the financial markets and have a positive impact on European growth in 2026. However, there are no signs of generally higher growth expectations so far. In other words, there is room for a positive surprise if the assessments are correct. In Sweden, the election and fiscal policy, as well as the promises made during the election campaign, will shape economic development with higher growth compared to 2025.

On the interest rate market, both the Riksbank and the European Central Bank (ECB) have probably finished making interest rate cuts for now, and the next movement is likely to be an increase. The US central bank, the Federal Reserve, is expected to lower its key interest rate a little further. Despite large and, in some cases, growing budget deficits, developments are likely to be controlled, with some pressure for higher long-term interest rates and steeper yield curves globally.

On the stock market, risk appetite, exposure and valuations are high following a positive trend with rising share prices. The economic environment, with good growth and strong earnings, is certainly favourable for shares, but high valuations and high exposure increase the risk of greater volatility than would otherwise be the case if conditions change.

The krona has strengthened significantly in 2025, particularly against a generally weaker US dollar. In the main scenario, the krona is continuing to strengthen in 2026, albeit at a slower pace and more evenly among currencies.

When assessing the risk picture, the high valuation of the stock market is a risk. Significantly higher interest rates via higher inflation or the higher bond supply represent another risk. If global growth fails, security policy developments clearly deteriorate, or possibly a poor combination of the above, it could also threaten the healthy environment for continued rising share prices.

#### The labour market and pensions market

During the autumn of 2025, there were signs that the economy is finally beginning to rebound. The tax cuts announced by the Government could provide further impetus to a consumption-driven economic upturn. A recovery will affect the labour market, albeit with a delay, with unemployment expected to remain at a relatively high level for most of 2026. However, the major uncer-

tainty factor is the tense international situation, which both politicians and the business community need to take into account.

There have long been skills shortages in the labour market, which means that companies' demand is not being met by jobseekers with the right skills. Unemployment, in combination with skills shortages, is simultaneously a sign of an ongoing structural change in both industry and the public sector, which is investing to meet and benefit from the very rapid technological developments in generative AI. New skills are required, but competition for top-level expertise is stiff. For this reason, a reasonable strategy is to try to strengthen the AI skills of existing staff. Re-skilling is as much the focus of the employee as of the employer.

The jobs that appear most exposed to developments in generative AI relate to highly educated and well-paid workers in industries such as finance and insurance, information technology and media, public administration, economics, law, as well as science and education. However, it is not clear how generative AI will affect jobs among highly educated people. Developments are progressing at an incredible pace, and AI can both replace and complement people, providing them with tools to perform better. The technological developments may prove beneficial for some professions. For the individual, in any case, there is an increasing need for skills renewal.

Despite everything, the Swedish labour market is relatively well equipped to cope with rapid change. The parties on the labour market have a long history of constructive collaboration in times of structural change. However, the Government is facing criticism for its lack of initiative in terms of labour market training, as well as for the lack of a national AI strategy.

From 2026, the age limits in the social security systems will be linked to life expectancy trends, by means of the so-called reference age. The most noticeable effect is that people who are unemployed or on sick leave can continue to receive social security benefits and thereby wait before claiming their retirement pension.

However, age limits also have a clear signalling value, which has been shown to influence when people choose to retire from work. Tax incentives to encourage older people to continue working have been strengthened for both employees and employers. All major occupational pension plans have been adjusted to make it possible to pause pension payments that have already begun, as well as to extend the payment period for those who have previously opted for a fixed payment period.

It can also be seen that more older people are choosing to work longer. This usually takes the form of combining earned income with pension. It is not unreasonable to think that the development of AI might drive this trend further, as jobs change and if companies seek to take greater advantage of the experience of senior employees.

In the occupational pension sector, it is becoming increasingly clear that pension companies are not only

competing for their customers' premiums, but increasingly for their movable capital. The scale of capital transfers within both collectively agreed and non-collectively agreed occupational pensions has increased significantly since 2024. A contributing factor is the development in fintech and open insurance, where players with access to customer data are helping pension companies to reach customers with tailored offers.

For pension companies, this development means that the average customer cannot be expected to stay as long as before, either because customers change jobs, lose their employment or transfer their pension capital. This may make it more difficult for companies to further reduce charges. Increasing transfers may also force companies to keep more of the capital readily available, which impairs the ability to invest at good returns.

## Product reporting

Alecta is a mutual company, and it is important for income and expenses to be allocated equitably among the different Alecta products. Our ability to take advantage of economies of scale, as well as distribute shared expenses across all products, enables us to add value for our customers. The Alecta product areas are:

### Savings insurance

- Defined benefit pensions (mainly ITP)
- Defined contribution pensions (mainly ITP but also in other collective bargaining areas)

### Risk insurance

- Disability pension (mainly ITP)
- Survivors' cover (mainly ITP)
- Waiver of premium (mainly ITP)

Alecta monitors the financial performance of its different products very closely. The allocation of operating expenses between the different products is based on specific allocation principles and allocation keys. The allocation keys are reviewed regularly to ensure the most equitable allocation possible.

In addition to the equitable allocation of income and expenses among its different products, Alecta also endeavours to bear the risks in an equitable manner. Alecta's monitoring of solvency and risk is intended to ensure that each product has adequate capital cover for these risks.

## Risk management and risk organisation

To protect the interests of Alecta's customers and other stakeholders, we need to ensure that we maintain strict control of the risks and how the risks are managed. Insurance risks must be managed in a way that ensures that Alecta is able to meet its insurance obligations. The investment risks taken must generate the highest possible return without jeopardising Alecta's obligations to insured parties. Other risks such as compliance, sustainability and information security risks must be managed in a way that does not prevent Alecta from fulfilling its mandate. Operational risks in the business must be managed in a way that contributes to good internal control.

It is the responsibility of the Board of Directors to ensure that Alecta's risk exposure is well-balanced and that the internal control is good. The Board has delegated the task of monitoring Alecta's ongoing investment activities to its Finance Committee and the task of monitoring Alecta's risks and how management handles these to its Audit Committee.

The CEO is responsible for the day-to-day management of operations, which includes ensuring a high level of internal control.

#### Insurance risks

The Board of Directors defines actuarial guidelines describing the methods and principles to be used for actuarial assumptions. The CEO determines the basis for actuarial calculations, which contains more detailed calculation models, as well as the assumptions to be applied in the actuarial calculations. The person in charge of the actuarial function is responsible for the management and monitoring of Alecta's insurance risks, which involves a responsibility to continuously adapt actuarial guidelines and actuarial calculations by submitting proposals for changes.

#### Investment risks

The Board of Directors decides on Alecta's Investment Guidelines, which set out the direction and framework for the investment activities. The Board also decides on the Investment Policy governance document, which complements the Investment Guidelines and the Risk Management Policy governance documents. Investment Policy regulates in more detail how investment activities may and should be conducted. The Board is responsible for ensuring that the policy is followed. The Board's Finance Committee prepares and provides recommendations in the matters of asset management that are to be considered or decided by the Board. The CEO is responsible for the investment activities under the mandate set out in the Investment Policy and other resolutions of the Board. Subject to certain restrictions, this mandate has been sub-delegated to the Head of Asset Management, who is responsible for the management and monitoring of Alecta's financial risks.

#### Other risks

All managers and employees are responsible for ensuring good internal control in their respective business areas, which includes responsibility for managing and controlling risks and their potential consequences. Alecta's management of the above risk categories is described in greater detail in Note 3.

Risk management support functions:

- The independent central functions Compliance, Risk and Actuarial function make independent assessments of Alecta's risks and risk management. They also perform a supporting role in relation to management and other business functions. The Risk and Compliance Managers are also recipients of whistleblowing cases.
- The Data Protection Officer assists in ensuring that Alecta complies with the General Data Protection Regulation, GDPR.
- The Complaints Officer is tasked with assisting in the management of customer complaints.
- Portfolio analysis and valuation, an independent function within Asset Management, is responsible for the day-to-day control of financial risks.
- The Chief Information Security Officer (CISO) leads the work of the Information Security function and coordinates the work on information security, as well as supporting the activities in the area.
- The IGC function – Internal Governance and Controls – supports operations by coordinating the development of processes and procedures within internal control.
- The internal audit function conducts independent audits and evaluations of the company's internal control on behalf of the Board.

#### Corporate governance

Alecta applies the Swedish Corporate Governance Code (the Code), although it has no formal obligation to do so. However, one minor deviation is that the interim report is not reviewed annually by the company auditor. The Corporate Governance Report prepared in accordance with the Code is available on pages 39–47.

#### Sustainability reporting

As a result of changes to the provisions of the Annual Accounts Act for Insurance Companies (ÅRFL) regarding sustainability reporting, Alecta is no longer required to prepare a statutory sustainability report. Alecta's Sustainability Report is therefore prepared on a voluntary basis. The Board of Directors is responsible for the Sustainability Report. It covers the whole Group and describes Alecta's standpoint on key sustainability issues, including sustainability risks and governance of the work. The Sustainability Report has been submitted to the auditors along with the Annual Report and encompasses pages 10–34. The auditor's limited assurance report on Alecta's Sustainability Report, the scope of which is defined by the the Global Reporting Initiative (GRI) content index on pages 35–37, is presented on page 38. Reporting on Alecta's pension products in accordance with the EU Sustainable Finance Disclosure Regulation (SFDR) is available on pages 111–126.

# Five-year summary

Group, SEK million	2025	2024	2023	2022	2021
<b>Profit/loss</b>					
Premiums written	62,898	87,364	99,527	66,200	55,759
<i>Invoiced premiums</i>	47,245	48,666	43,678	47,897	50,043
<i>Guaranteed refunds</i>	15,653	38,698	55,849	18,303	5,716
Insurance claims incurred	-27,479	-29,432	-25,863	-23,037	-24,633
Net return on capital	89,597	64,540	85,137	-99,012	173,292
Profit/loss before tax	98,634	93,980	61,750	23,598	212,646
Profit/loss for the year	94,423	89,669	59,472	24,126	211,410
<b>Financial position</b>					
Assets under management <sup>1)</sup>	1,403,070	1,314,331	1,247,395	1,155,313	1,233,221
<i>– of which is defined contribution insurance</i>	348,377	301,807	266,559	225,980	227,532
Technical provisions	668,516	646,998	621,507	529,531	613,809
Collective funding capital	417,492	382,835	354,712	385,615	418,346
Capital base <sup>2)</sup>	725,087	657,127	615,880	625,762	619,312
Risk-based capital requirement <sup>3)</sup>	253,384	248,223	242,702	241,210	–
Minimum capital requirement <sup>2) 4)</sup>	28,289	27,702	26,486	22,187	25,612
<b>Key performance indicators</b>					
Total return for the Group, per cent <sup>5)</sup>	6.8	5.3	7.4	-7.9	16.6
<i>– of which shares</i>	14.1	9.6	15.8	-15.3	40.6
<i>– of which debt securities</i>	2.4	1.3	6.7	-7.7	-0.8
<i>– of which alternative assets</i>	4.5	5.1	-5.9	8.9	13.2
Total return, defined contribution insurance, per cent <sup>6)</sup>	9.6	6.8	8.7	-9.8	24.1
Total return, defined benefit insurance, per cent <sup>6)</sup>	5.9	4.9	7.1	-7.4	15.2
Direct return for the Group, per cent	2.4	2.6	2.4	2.9	1.9
Management expense ratio, Group <sup>7)</sup>	0.07	0.07	0.07	0.06	0.07
Management expense ratio, defined contribution insurance <sup>7)</sup>	0.05	0.05	0.05	0.04	0.05
Management expense ratio, defined benefit insurance <sup>7)</sup>	0.07	0.07	0.07	0.07	0.08
Total asset management expense ratio <sup>8)</sup>	0.14	0.13	0.14	0.12	–
Asset management expense ratio <sup>9)</sup>	0.027	0.025	0.028	0.023	0.019
Collective funding ratio, defined contribution insurance, per cent <sup>10)</sup>	100	100	99	100	100
Collective funding ratio, defined benefit insurance, per cent	167	162	158	172	172
Solvency ratio, per cent	208	202	199	218	201

<sup>1)</sup> Defined as equity, provisions for life insurance and claims outstanding.

<sup>2)</sup> Information refers to Parent Company and Group. As of 2023, special indexation funds are deducted when calculating the capital base.

<sup>3)</sup> The key performance indicator is a new requirement from 2022 (according to FFFS 2019:23) as Alecta is a mutual occupational pension company as of 1 January 2022 according to the Swedish Occupational Pension Undertakings Act (2019:742).

<sup>4)</sup> Called required solvency margin up to and including 2021. The minimum capital requirement for 2024 has been adjusted slightly due to an error discovered in the calculation.

<sup>5)</sup> The information refers to the Group, defined benefit and defined contribution retirement pensions and risk insurance. Calculated for all years in accordance with the recommendations of Insurance Sweden.

<sup>6)</sup> Calculated for all years in accordance with the recommendations of Insurance Sweden. Total return for defined contribution insurance refers to the portfolio that constitutes Alecta's default option, which has a 60 per cent share component.

<sup>7)</sup> Calculated as operating expenses and claims settlement expenses relative to average assets under management.

<sup>8)</sup> A new key performance indicator from 2023, calculation has not been performed for years earlier than 2022. Calculated as total asset management expenses relative to average assets under management. Note 8 Operating expenses contains a summary of total asset management expenses.

<sup>9)</sup> Calculated as internal asset management expenses relative to average assets under management. Note 8 Operating expenses contains a summary of asset management expenses.

<sup>10)</sup> Surplus/deficit is allocated to the insured parties on a monthly basis, which is why the collective funding ratio is normally 100 per cent. The 2023 outcome of 99 per cent did not achieve the target funding of 100 per cent, but is within the funding range of 98–102 per cent (see also page 53).

Alecta has conducted a review of which items and key performance indicators are deemed relevant to report in the five-year summary. All indicators and most of the items specified in the general recommendations of the Swedish Financial Supervisory Authority (FFFS 2019:23) are presented. In addition, some additional items and indicators not included in the general recommendations are presented.

# Alternative income statement

## GROUP

It can be difficult to obtain an understanding from the income statement of how the profit of an occupational pension company was achieved. The main reason for this is that the changes made to the technical provisions during the year are recognised on a net basis in the income statement items Change in provision for life insurance and Change in provision for claims outstanding. As these figures are presented on a net basis, it is not possible to deduce, solely on the basis of the income statement, the mortality results for the company or its total financial results for assets and liabilities.

The alternative income statement is intended to give readers a better understanding of the factors behind the reported results, and is prepared through allocation of the change in TPs and other items from the income statement among the four sub-results of administration result, risk result, financial result and tax result. For each sub-result, income and expenses are matched.

Consolidated profit was SEK 94.4 billion (89.7).

Alternative income statement (SEK million)	2025	2024
Administration result	-3	80
Risk result	-4,312	2,542
Financial result <sup>1)</sup>	100,261	88,979
Tax result <sup>1)</sup>	-1,523	-1,931
<b>Profit/loss for the year</b>	<b>94,423</b>	<b>89,669</b>

## Administration result

The administration result was SEK -3 million (80) and represents the difference between Alecta's income and operating expenses (excluding asset management expenses, which are presented in the financial results). TPs include a provision for future operating expenses for the company's current insurance portfolio. The provision for operating expenses is reversed on an ongoing basis and, along with operating expenses charged to premiums written, constitutes Alecta's income (released operating expenses).

Other income, which consists primarily of administrative fees from PRI Pensionsgaranti, is presented separately in the alternative income statement. In Note 8 Operating expenses, other income has instead been deducted from operating expenses.

Administration result (SEK million)	2025	2024
Income	929	974
<i>of which is released operating expenses</i>	<i>882</i>	<i>932</i>
<i>of which is other income</i>	<i>47</i>	<i>41</i>
Expenses	-932	-894
<b>Total administration result</b>	<b>-3</b>	<b>80</b>

## Risk result

The risk result was SEK -4.3 billion (2.5) and shows how closely Alecta's assumptions on mortality, morbidity and use of insurance options are consistent with actual outcomes. Insurance options refer to the potential right of the insured party to transfer the value of their insurance, decide when payments should begin or end, and the right to discontinue regular premium payments.

Risk result (SEK million)	2025	2024
Annual mortality result	-118	-120
Annual morbidity result	2,902	1,973
Insurance options	453	689
Change in mortality assumption	-7,549	-
<b>Total risk result</b>	<b>-4,312</b>	<b>2,542</b>

## Financial result

The financial result was SEK 100.3 billion (89.0). The financial result is largely dependent on the performance of financial markets and normally accounts for most of the profit for the year. A longer description of Alecta's return on capital is provided in the Capital return section of the Directors' Report.

The financial result is also affected by the return on TPs, changes to the discount rate and operating expenses for asset management. Finally, the financial result is affected by the profit that arises when the discount rate used to value the insurance obligation exceeds the contractual premium interest rate. This profit is recognised in the item Other profit sources and is essential to Alecta's ability to distribute substantial refunds to the insured parties and the policyholders in the long term. The item primarily relates to the profit effect of the difference between the premium bases and the assumptions we use when calculating TPs (see the Technical provisions section in the Directors' Report).

Financial result (SEK million)	2025	2024
Capital return, result	89,597	64,540
<i>of which asset management expenses</i>	<i>-364</i>	<i>-325</i>
Released operating expenses for asset management	81	79
Return on TPs	-20,659	-19,599
Other profit sources <sup>1)</sup>	21,419	29,867
Premium reduction defined benefit savings	-3,294	-4,033
Changes in TPs as a result of changed market interest rates	13,117	18,125
<b>Total financial result <sup>1)</sup></b>	<b>100,261</b>	<b>88,979</b>

## Tax result

The tax result totalled SEK -1.5 billion (-1.9). TPs include a provision for future yield tax for guaranteed benefits. The result for yield tax is thus the income that arises on an ongoing basis as provisions for tax are reversed, less yield tax before tax credits for the year. Income tax is described in the Tax section of the Directors' Report.

Tax result (SEK million)	2025	2024
Result, yield tax <sup>1)</sup>	533	247
Income tax	-2,056	-2,178
<b>Total tax result <sup>1)</sup></b>	<b>-1,523</b>	<b>-1,931</b>

<sup>1)</sup> The comparative figure for 2024 has been updated due to errors in last year's annual report.

# Financial Statements

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## Income Statement

SEK million	Note	Group		Parent Company	
		2025	2024	2025	2024
<b>TECHNICAL ACCOUNTS, LIFE INSURANCE BUSINESS</b>					
Premiums written	4	62,898	87,364	62,898	87,364
<i>Invoiced premiums</i>		47,245	48,666	47,245	48,666
<i>Guaranteed refunds</i>		15,653	38,698	15,653	38,698
Capital return, income	5	98,905	91,063	97,150	90,158
Unrealised gains on investment assets	6	2,074	84	2,136	116
Insurance claims incurred		-27,479	-29,432	-27,479	-29,432
<i>Insurance claims paid</i>	7	-28,333	-27,722	-28,333	-27,722
<i>Change in provision for claims outstanding</i>		854	-1,710	854	-1,710
Change in other technical provisions		-22,372	-23,781	-22,372	-23,781
<i>Provision for life insurance</i>		-22,372	-23,781	-22,372	-23,781
Refunds and discounts		-3,294	-4,033	-3,294	-4,033
Operating expenses	8	-716	-678	-716	-678
Capital return, expenses	9	-5,399	-13,216	-4,629	-12,647
Unrealised losses on investment assets	10	-5,983	-13,391	-6,244	-12,663
<b>Life insurance, total balance on technical accounts</b>		<b>98,634</b>	<b>93,980</b>	<b>97,450</b>	<b>94,405</b>
<b>NON-TECHNICAL ACCOUNTS</b>					
Life insurance, balance on technical accounts		98,634	93,980	97,450	94,405
<b>Profit/loss before tax</b>		<b>98,634</b>	<b>93,980</b>	<b>97,450</b>	<b>94,405</b>
Tax on profit for the year	11	-4,212	-4,311	-4,102	-4,158
<b>PROFIT/LOSS FOR THE YEAR</b>		<b>94,423</b>	<b>89,669</b>	<b>93,348</b>	<b>90,247</b>

## Statement of Comprehensive Income

SEK million	Group		Parent Company	
	2025	2024	2025	2024
<b>Profit/loss for the year</b>	<b>94,423</b>	<b>89,669</b>	<b>93,348</b>	<b>90,247</b>
<b>Items that can be subsequently reclassified to the income statement</b>				
Translation difference that can later be reclassified as profit/loss	-1,075	589	-	-
<b>Other comprehensive income</b>	<b>-1,075</b>	<b>589</b>	<b>-</b>	<b>-</b>
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>93,348</b>	<b>90,258</b>	<b>93,348</b>	<b>90,247</b>

Comprehensive income for the year is wholly attributable to the owners of the parent company.

## Performance analysis, Parent Company

2025	SEK million	Direct insurance of Swedish risks					Other life insurance
		Total	Occupational pension insurance			Premium waiver insurance	
			Defined benefit insurance	Defined contribution traditional insurance	Occupational disability insurance		
						Group life and occupational group life insurance	
<b>Life insurance, balance on technical accounts</b>							
	Premiums written	62,898	27,756	28,620	2,555	3,692	274
	Capital return, income	97,150	62,650	32,045	1,596	824	34
	Unrealised gains on investment assets	2,136	1,377	704	35	18	1
	Insurance claims incurred	-27,479	-20,410	-3,664	-621	-2,568	-215
	<i>Insurance claims paid</i>	-28,333	-20,408	-3,664	-1,244	-2,806	-211
	<i>Change in provision for claims outstanding</i>	854	-2	-	622	238	-5
	Changes in other technical provisions	-22,372	-11,056	-11,316	-	-	-
	<i>Provision for life insurance</i>	-22,372	-11,056	-11,316	-	-	-
	Refunds and discounts	-3,294	-3,294	-	-	-	-
	Operating expenses	-716	-330	-138	-155	-70	-23
	Capital return, expenses	-4,629	-3,015	-1,496	-77	-40	-2
	Unrealised losses on investment assets	-6,244	-4,027	-2,060	-103	-53	-2
	<b>Life insurance, total balance on technical accounts</b>	<b>97,450</b>	<b>49,653</b>	<b>42,695</b>	<b>3,231</b>	<b>1,804</b>	<b>66</b>
<b>Technical provisions</b>							
	Provision for life insurance	654,004	533,195	120,809	-	-	-
	Claims outstanding	14,512	29	-	9,038	5,391	54
	<b>Total technical provisions</b>	<b>668,516</b>	<b>533,224</b>	<b>120,809</b>	<b>9,038</b>	<b>5,391</b>	<b>54</b>
	Surplus fund	630,045	429,442	183,153	12,152	4,980	319
<b>Total operating expenses, excluding property management expenses</b>							
	Operating expenses (administrative expenses in the insurance business)	-716	-330	-138	-155	-70	-23
	Claims settlement expenses (included in Insurance claims paid)	-169	-78	-43	-39	-6	-3
	Asset management expenses (included in Capital return, expenses)	-352	-257	-85	-6	-3	0
	<b>Total operating expenses, excluding property management expenses</b>	<b>-1,237</b>	<b>-664</b>	<b>-267</b>	<b>-201</b>	<b>-79</b>	<b>-26</b>

## Balance Sheet

SEK million	Note	Group		Parent Company	
		31/12/2025	31/12/2024	31/12/2025	31/12/2024
<b>ASSETS</b>					
<i>Intangible assets</i>					
Intangible assets	12	-	-	-	-
		-	-	-	-
<i>Investment assets</i>					
Land and buildings	14	49,723	45,533	12,511	11,667
Investment in Group companies, associated companies and joint ventures					
Shares and participations in Group companies	15	-	-	12,351	11,971
Debt securities issued by and loans to Group companies	16, 18	-	-	27,257	24,785
Shares and participations in associated companies and joint ventures	17, 18, 21, 22, 40	64,910	69,361	56,514	59,377
Debt securities issued by and loans to associated companies and joint ventures	17, 18, 21, 22, 40	2	743	2	743
Other financial investment assets					
Shares and participations	18, 21, 22, 23	630,424	618,433	629,690	617,587
Bonds and other debt securities	18, 21, 22, 24, 40, 41	618,306	573,370	618,306	573,370
Loans secured by real estate	18, 21, 25	7,502	6,986	2,640	2,880
Other loans	18, 21, 22, 26	23,800	16,587	23,800	16,587
Derivatives	18, 21, 27, 28	13,434	4,998	13,434	4,998
		<b>1,408,101</b>	<b>1,336,010</b>	<b>1,396,506</b>	<b>1,323,966</b>
<i>Receivables</i>					
Receivables related to direct insurance operations	18, 29	1,582	1,591	1,582	1,591
Other receivables	11, 18, 30	2,933	5,102	2,670	4,735
		<b>4,515</b>	<b>6,693</b>	<b>4,252</b>	<b>6,326</b>
<i>Other assets</i>					
Tangible assets and inventories	13	288	26	4	2
Cash and bank balances	18, 41	3,317	3,589	3,087	3,475
		<b>3,605</b>	<b>3,615</b>	<b>3,091</b>	<b>3,477</b>
<i>Prepaid expenses and accrued income</i>					
Accrued interest and rental income	18, 31	6,476	5,922	6,503	5,947
Other prepaid expenses and accrued income		118	133	56	73
		<b>6,595</b>	<b>6,055</b>	<b>6,560</b>	<b>6,019</b>
<b>TOTAL ASSETS</b>		<b>1,422,816</b>	<b>1,352,374</b>	<b>1,410,408</b>	<b>1,339,788</b>

## Balance Sheet, cont.

SEK million	Note	Group		Parent Company	
		31/12/2025	31/12/2024	31/12/2025	31/12/2024
<b>EQUITY, PROVISIONS AND LIABILITIES</b>					
<i>Equity</i>					
Surplus fund	32	630,045	565,924	630,045	565,924
Translation difference	32	632	1,707	-	-
Retained earnings		9,454	10,032	-	-
Profit/loss for the year		94,423	89,669	93,348	90,247
		<b>734,554</b>	<b>667,332</b>	<b>723,393</b>	<b>656,171</b>
<i>Technical provisions</i>					
Provision for life insurance	34	654,004	631,632	654,004	631,632
Claims outstanding	35	14,512	15,366	14,512	15,366
		<b>668,516</b>	<b>646,998</b>	<b>668,516</b>	<b>646,998</b>
<i>Other provisions</i>					
Provision for taxes	11	2,634	2,339	598	185
Other provisions	36	1	4	0	2
		<b>2,635</b>	<b>2,342</b>	<b>599</b>	<b>187</b>
<i>Liabilities</i>					
Liabilities related to direct insurance operations	18, 37	794	766	794	766
Derivatives	18, 21, 27, 28	5,625	29,609	5,625	29,609
Other liabilities	18, 38	8,760	2,685	10,034	3,932
		<b>15,180</b>	<b>33,060</b>	<b>16,453</b>	<b>34,307</b>
<i>Accrued expenses and prepaid income</i>					
Other accrued expenses and prepaid income	18, 39	1,931	2,640	1,447	2,125
		<b>1,931</b>	<b>2,640</b>	<b>1,447</b>	<b>2,125</b>
<b>TOTAL EQUITY, PROVISIONS AND LIABILITIES</b>		<b>1,422,816</b>	<b>1,352,374</b>	<b>1,410,408</b>	<b>1,339,788</b>

## Statement of Changes in Equity, Group

SEK million	Surplus fund <sup>1)</sup>						Total	
	Collective funding	Discretionary elements		Other reserves		Retained earnings		Profit/loss for the year
		Allocated refunds to insured parties and policyholders <sup>2)</sup>	Special indexation funds <sup>3)</sup>	Translation reserve <sup>1)</sup>				
<b>OPENING EQUITY AS OF 01/01/2025</b>	<b>282,133</b>	<b>273,586</b>	<b>10,206</b>	<b>1,707</b>	<b>10,032</b>	<b>89,669</b>	<b>667,332</b>	
Appropriation of profits from previous years	90,247				-577	-89,669	-	
Allocated refunds								
Defined benefit plan	-12,530	12,530	-	-	-	-	-	
Defined contribution plan	-42,019	42,019	-	-	-	-	-	
Guaranteed refunds								
Pension supplements, defined benefit plan	-	-6,670	-	-	-	-	-6,670	
Supplementary amounts, defined contribution plan	-	-646	-	-	-	-	-646	
Adjustment of paid-up policy values, defined benefit plan	-2,977	-5,158	-	-	-	-	-8,135	
Premium reduction risk	-	-4,225	-	-	-	-	-4,225	
Collective risk premium <sup>4)</sup>	-	-	-174	-	-	-	-174	
Other changes	-	-	0	-	-	-	0	
Fees	0	-	0	-	-	-	-	
Interest	-1,543	1,336	207	-	-	-	-	
Effect of changes in market interest rates	3	-3	-	-	-	-	-	
Effect of change in assumption, mortality	-946	946	-	-	-	-	-	
Payment for pension promotion purposes <sup>5)</sup>	-	-	-300	-	-	-	-300	
Pension promotion purposes, raised age limits <sup>6)</sup>	469	-	-469	-	-	-	-	
Research grants <sup>7)</sup>	-5	-	-	-	-	-	-5	
Other <sup>8)</sup>	741	-6,711	-	-	-1	-	-5,971	
Profit/loss for the year	-	-	-	-	-	94,423	94,423	
Other comprehensive income								
The period's translation difference	-	-	-	-1,075	-	-	-1,075	
<b>Comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-1,075</b>	<b>-</b>	<b>94,423</b>	<b>93,348</b>	
<b>CLOSING EQUITY AS OF 31/12/2025</b>	<b>313,573</b>	<b>307,003</b>	<b>9,470</b>	<b>632</b>	<b>9,454</b>	<b>94,423</b>	<b>734,554</b>	

<sup>1)</sup> See accounting policies in Note 32.

<sup>2)</sup> Funds that have been allocated to Alecta's insured parties and policyholders under different discretionary resolutions. These funds constitute part of Alecta's risk capital and are not guaranteed until assigned. Formally, Alecta can recall the funds. Of SEK 307,003 million (273,586), SEK 868 million (1,179) are funds intended for cost coverage of measures within the ITP plan, where the collective agreement parties have been given the right to designate use. The decision on the final use is made by Alecta's Board of Directors, provided that the Board agrees unanimously that the designated use is consistent with Alecta's interests as an insurance company. See accounting policies in Note 32.

<sup>3)</sup> Funds contributed to Alecta for indexation of pensions in payment or for other pension promotion purposes or alternatively, to be transferred to a foundation designed for indexation of pensions. The Council decides on the use of the funds. See accounting policies in Note 32. When calculating the company's capital base, special indexation funds are deducted.

<sup>4)</sup> Premiums for waiver of premium insurance and collective final payments have been reduced as a result of the increased employers' expenses arising from the rules for coordination and calculation of pensionable salaries introduced by the parties to ITP 2 in 2008.

<sup>5)</sup> Following a decision by the Council, SEK 300 million of special indexation funds has been used for advance payment of defined contribution pension premiums within the ITP plan, which is managed by Collectum. The financing is valid for an unlimited period, which is why the value of a future repayment has been discounted to SEK 0.

<sup>6)</sup> Following a decision by the Council, SEK 469 million has been used to finance part of the cost of raising the age limits for ITP disability pension.

<sup>7)</sup> Research grants to the Karolinska Institute.

<sup>8)</sup> The item consists of cumulative return, inheritance gains and portfolio changes. Most of the change for 2025 consists of paid refunds in connection with the transfer of defined contribution insurance.

## Statement of changes in equity, Group, cont.

SEK million	Surplus fund <sup>1)</sup>				Retained earnings	Profit/loss for the year	Total
	Collective funding	Discretionary elements		Translation reserve <sup>1)</sup>			
		Allocated refunds to insured parties and policyholders <sup>2)</sup>	Special indexation funds <sup>3)</sup>				
<b>OPENING EQUITY AS OF 01/01/2024</b>	279,988	262,842	10,008	1,118	12,459	59,472	625,888
Appropriation of profits from previous years	61,900	-	-	-	-2,427	-59,472	-
Allocated refunds							
Defined benefit plan	-14,983	14,983	-	-	-	-	-
Defined contribution plan	-30,123	30,123	-	-	-	-	-
Guaranteed refunds							
Pension supplements, defined benefit plan	-	-6,587	-	-	-	-	-6,587
Supplementary amounts, defined contribution plan	-	-497	-	-	-	-	-497
Adjustment of paid-up policy values, defined benefit plan	-13,038	-17,782	-	-	-	-	-30,820
Premium reduction risk	-	-3,845	-	-	-	-	-3,845
Collective risk premium <sup>4)</sup>	-	-	-155	-	-	-	-155
Other changes							
Fees	-6	-	6	-	-	-	-
Interest	-1,635	1,289	346	-	-	-	-
Effect of changes in market interest rates	824	-824	-	-	-	-	-
Effect of change in assumption, morbidity	-280	280	-	-	-	-	-
Research grants <sup>5)</sup>	-5	-	-	-	-	-	-5
Other <sup>6)</sup>	-509	-6,396	-	-	-	-	-6,905
Profit/loss for the year	-	-	-	-	-	89,669	89,669
Other comprehensive income							
The period's translation difference	-	-	-	589	-	-	589
<b>Comprehensive income for the year</b>	-	-	-	<b>589</b>	-	<b>89,669</b>	<b>90,258</b>
<b>CLOSING EQUITY AS OF 31/12/2024</b>	<b>282,133</b>	<b>273,586</b>	<b>10,206</b>	<b>1,707</b>	<b>10,032</b>	<b>89,669</b>	<b>667,332</b>

<sup>1)</sup> See accounting policies in Note 32.

<sup>2)</sup> Funds that have been allocated to Alecta's insured parties and policyholders under different discretionary resolutions. These funds constitute part of Alecta's risk capital and are not guaranteed until assigned. Formally, Alecta can recall the funds. Of SEK 273,586 million (262,842), SEK 1,179 million (1,268) are funds intended for cost coverage of measures within the ITP plan, where the collective agreement parties have been given the right to designate use. The decision on the final use is made by Alecta's Board of Directors, provided that the Board agrees unanimously that the designated use is consistent with Alecta's interests as an insurance company. See accounting policies in Note 32.

<sup>3)</sup> Funds contributed to Alecta for indexation of pensions in payment or for other pension promotion purposes or alternatively, to be transferred to a foundation designed for indexation of pensions. The Council decides on the use of the funds. See accounting policies in Note 32. When calculating the company's capital base, special indexation funds are deducted. Alecta investigated whether special indexation funds should be separately reported outside the surplus fund and discussed the issue with the Swedish Financial Supervisory Authority in 2024. Alecta has continued to report special indexation funds as part of the surplus fund for 2024.

<sup>4)</sup> Premiums for waiver of premium insurance and collective final payments have been reduced as a result of the increased employers' expenses arising from the rules for coordination and calculation of pensionable salaries introduced by the parties to ITP 2 in 2008.

<sup>5)</sup> Research grants to the Karolinska Institute and Swedish House of Finance.

<sup>6)</sup> The item consists of cumulative return, inheritance gains and portfolio changes. Most of the change for 2024 consists of paid refunds in connection with the transfer of defined contribution insurance.

## Statement of Changes in Equity, Parent Company

SEK million	Surplus fund <sup>1)</sup>				Profit/loss for the year	Total
	Collective funding	Discretionary elements		Other reserves		
		Allocated refunds to insured parties and policyholders <sup>2)</sup>		Special indexation funds <sup>3)</sup>		
<b>OPENING EQUITY AS OF 01/01/2025</b>	<b>282,133</b>		<b>273,586</b>	<b>10,206</b>	<b>90,247</b>	<b>656,171</b>
Appropriation of profits from previous years	90,247		-	-	-90,247	-
Allocated refunds						
Defined benefit plan	-12,530		12,530	-	-	-
Defined contribution plan	-42,019		42,019	-	-	-
Guaranteed refunds						
Pension supplements, defined benefit plan	-		-6,670	-	-	-6,670
Supplementary amounts, defined contribution plan	-		-646	-	-	-646
Adjustment of paid-up policy values, defined benefit plan	-2,977		-5,158	-	-	-8,135
Premium reduction risk	-		-4,225	-	-	-4,225
Collective risk premium <sup>4)</sup>	-		-	-174	-	-174
Other changes	-		-	0	-	0
Fees	0		-	0	-	-
Interest	-1,543		1,336	207	-	-
Effect of changes in market interest rates	3		-3	-	-	-
Effect of change in assumption, mortality	-946		946	-	-	-
Payment for pension promotion purposes <sup>5)</sup>	-		-	-300	-	-300
Pension promotion purposes, disability pension, raised age limits <sup>6)</sup>	469		-	-469	-	-
Research grants <sup>7)</sup>	-5		-	-	-	-5
Other <sup>8)</sup>	741		-6,711	-	-	-5,971
Profit/loss for the year	-		-	-	93,348	93,348
Other comprehensive income	-		-	-	-	-
<b>Comprehensive income for the year</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>93,348</b>	<b>93,348</b>
<b>CLOSING EQUITY AS OF 31/12/2025</b>	<b>313,573</b>		<b>307,003</b>	<b>9,470</b>	<b>93,348</b>	<b>723,393</b>

<sup>1)</sup> See accounting policies in Note 32.

<sup>2)</sup> Funds that have been allocated to Alecta's insured parties and policyholders under different discretionary resolutions. These funds constitute part of Alecta's risk capital and are not guaranteed until assigned. Formally, Alecta can recall the funds. Of SEK 307,003 million (273,586), SEK 868 million (1,179) are funds intended for cost coverage of measures within the ITP plan, where the collective agreement parties have been given the right to designate use. The decision on the final use is made by Alecta's Board of Directors, provided that the Board agrees unanimously that the designated use is consistent with Alecta's interests as an insurance company. See accounting policies in Note 32.

<sup>3)</sup> Funds contributed to Alecta for indexation of pensions in payment or for other pension promotion purposes or alternatively, to be transferred to a foundation designed for indexation of pensions. The Council decides on the use of the funds. See accounting policies in Note 32. When calculating the company's capital base, special indexation funds are deducted.

<sup>4)</sup> Premiums for waiver of premium insurance and collective final payments have been reduced as a result of the increased employers' expenses arising from the rules for coordination and calculation of pensionable salaries introduced by the parties to ITP 2 in 2008.

<sup>5)</sup> Following a decision by the Council, SEK 300 million of special indexation funds has been used for advance payment of defined contribution pension premiums within the ITP plan, which is managed by Collectum. The financing is valid for an unlimited period, which is why the value of a future repayment has been discounted to SEK 0.

<sup>6)</sup> Following a decision by the Council, SEK 469 million has been used to finance part of the cost of raising the age limits for ITP disability pension.

<sup>7)</sup> Research grants to the Karolinska Institute.

<sup>8)</sup> The item consists of cumulative return, inheritance gains and portfolio changes. Most of the change for 2025 consists of paid refunds in connection with the transfer of defined contribution insurance.

## Statement of Changes in Equity, Parent Company, cont.

SEK million	Surplus fund <sup>1)</sup>			Profit/loss for the year	Total
	Collective funding	Discretionary elements			
		Allocated refunds to insured parties and policyholders <sup>2)</sup>	Other reserves		
		Special indexation funds <sup>3)</sup>			
<b>OPENING EQUITY AS OF 01/01/2024</b>	279,988	262,842	10,008	61,900	614,738
Appropriation of profits from previous years	61,900	-	-	-61,900	-
Allocated refunds					
Defined benefit plan	-14,983	14,983	-	-	-
Defined contribution plan	-30,123	30,123	-	-	-
Guaranteed refunds					
Pension supplements, defined benefit plan	-	-6,587	-	-	-6,587
Supplementary amounts, defined contribution plan	-	-497	-	-	-497
Adjustment of paid-up policy values, defined benefit plan	-13,038	-17,782	-	-	-30,820
Premium reduction risk	-	-3,845	-	-	-3,845
Collective risk premium <sup>4)</sup>	-	-	-155	-	-155
Other changes					
Fees	-6	-	6	-	-
Interest	-1,635	1,289	346	-	-
Effect of changes in market interest rates	824	-824	-	-	-
Effect of change in assumption, morbidity	-280	280	-	-	-
Research grants <sup>5)</sup>	-5	-	-	-	-5
Other <sup>6)</sup>	-509	-6,396	-	-	-6,905
Profit/loss for the year	-	-	-	90,247	90,247
Other comprehensive income	-	-	-	-	-
<b>Comprehensive income for the year</b>	-	-	-	<b>90,247</b>	<b>90,247</b>
<b>CLOSING EQUITY AS OF 31/12/2024</b>	<b>282,133</b>	<b>273,586</b>	<b>10,206</b>	<b>90,247</b>	<b>656,171</b>

<sup>1)</sup> See accounting policies in Note 32.

<sup>2)</sup> Funds that have been allocated to Alecta's insured parties and policyholders under different discretionary resolutions. These funds constitute part of Alecta's risk capital and are not guaranteed until assigned. Formally, Alecta can recall the funds. Of SEK 273,586 million (262,842), SEK 1,179 million (1,268) are funds intended for cost coverage of measures within the ITP plan, where the collective agreement parties have been given the right to designate use. The decision on the final use is made by Alecta's Board of Directors, provided that the Board agrees unanimously that the designated use is consistent with Alecta's interests as an insurance company. See accounting policies in Note 32.

<sup>3)</sup> Funds contributed to Alecta for indexation of pensions in payment or for other pension promotion purposes or alternatively, to be transferred to a foundation designed for indexation of pensions. The Council decides on the use of the funds. See accounting policies in Note 32. When calculating the company's capital base, special indexation funds are deducted. Alecta investigated whether special indexation funds should be separately reported outside the surplus fund and discussed the issue with the Swedish Financial Supervisory Authority in 2024. Alecta has continued to report special indexation funds as part of the surplus fund for 2024.

<sup>4)</sup> Premiums for waiver of premium insurance and collective final payments have been reduced as a result of the increased employers' expenses arising from the rules for coordination and calculation of pensionable salaries introduced by the parties to ITP 2 in 2008.

<sup>5)</sup> Research grants to the Karolinska Institute and Swedish House of Finance.

<sup>6)</sup> The item consists of cumulative return, inheritance gains and portfolio changes. Most of the change for 2024 consists of paid refunds in connection with the transfer of defined contribution insurance.

# Notes

## NOTE 1 Group and Parent Company accounting policies

This annual and sustainability report refers to the financial year 2025 for Alecta Tjänstepension Ömsesidigt with its registered office in Stockholm and corporate identity number 502014-6865. Postal address is SE-103 73 Stockholm, Sweden. The street address for the head office is Regeringsgatan 107.

This annual and sustainability report was approved for publication by the Board of Directors on 26 March 2026 and will be presented to the Council for adoption on 7 May 2026.

The amounts specified in the notes refer to SEK millions unless otherwise stated. Due to rounding, the sum of the figures shown in the tables may differ from the totals. Figures in brackets refer to the previous year.

### Presentation

General accounting policies and new accounting rules are described in Note 1 below. Other accounting policies are described in the relevant Note in order to enhance the reader's understanding of each area of accounting.

### Basis of Preparation of Financial Statements

The Group and the parent company annual report has been prepared in accordance with the Swedish Act on Annual Accounts in Insurance Companies (ÅRFL) and the Swedish Financial Supervisory Authority regulations and general guidelines regarding annual accounts at insurance undertakings and institutions for occupational retirement provision (FFFS 2019:23) with its amendment regulations. Furthermore, the Swedish Financial Reporting Board Recommendation RFR 2 Accounting for legal entities has been applied.

Both the Group and the parent company apply so-called legally restricted IFRS, which means that international standards adopted are applied as far as possible, i.e. with the limitations that follow from ÅRFL, RFR 2 and FFFS 2019:23. Alecta has transitioned from full IFRS to legally restricted IFRS in the consolidated financial statements from 2022.

Alecta does not apply IFRS 17 Insurance Contracts, which entered into force on 1 January 2023, as this is not a requirement for legally restricted IFRS.

### Consolidated Financial Statements

The consolidated financial statements consist of the parent company, Alecta Tjänstepension Ömsesidigt and those subsidiaries in which the parent company directly or indirectly owns more than half of the voting rights for all shares and participations or otherwise has a controlling influence. Controlling influence means that Alecta directly or indirectly has a right to design a company's financial and operational strategies for the purpose of obtaining financial returns. Disclosures on shares and participations in Group companies are provided in Note 15. Profits or losses from subsidiary operations that were acquired or sold during the year are included in the consolidated financial statements from the acquisition date until the date when the parent company ceases to have a controlling influence. All intra-Group transactions, balance sheet items, income and expenses are eliminated in their entirety at consolidation. Untaxed reserves in legal entities are eliminated in the consolidated financial statements and allocated to equity and deferred tax.

### Basis of measurement

The basis for measurement applied in preparing the consolidated financial statements is the historical acquisition cost with the exception of derivatives and assets and liabilities categorised as financial assets and financial liabilities measured at fair value through profit or loss. The breakdown by category is described in Note 18.

The technical provisions are calculated at present value and these calculations are based on prudent actuarial assumptions including on interest rates, mortality, morbidity, operating expenses and other variables.

The preparation of financial statements in compliance with ÅRFL (Lagen om årsredovisning i försäkringsföretag [Annual Accounts Act for Insurance Companies, AAIC]) and legally restricted IFRS requires the

use of some critical accounting estimates. Management is also required to make certain judgements in applying the Group's accounting policies. Areas that involve a high degree of judgement, areas that are complex or areas in which assumptions and estimates have a material impact on the consolidated financial statements are described in Note 2.

### Asset acquisitions and business combinations

In preparing the financial statements, the acquisition method has been applied to both the acquisition of participations in entities as well as to the direct acquisition of assets and liabilities in entities. If the acquisition concerns participations in a company, this method means that the acquisition is regarded as a transaction in which the Group indirectly acquires the assets and contingent assets of the subsidiary and assumes its liabilities and contingent liabilities. The consolidated cost is determined through an acquisition analysis in association with the acquisition. In the analysis, the cost of the participations or assets and liabilities and the fair value of acquired identifiable assets and assumed liabilities and contingent liabilities are determined.

When an entity is acquired, an assessment is made of whether the acquisition should be classified as a business or an asset. For the acquisition of property through a business transaction, the acquisition is treated as if the property was purchased directly. This type of acquired company normally has no employees and no organisation, nor any operations other than those directly attributable to the holding of the property. The cost constitutes the fair value of the assets and any associated loans. Deferred tax is not recognised as a liability on surplus values attributable to the acquisition. When acquiring real estate companies where deferred tax deductions are obtained, this is taken into account in the initial consolidated financial statements. The property is then measured at market value corresponding to the agreed price, with the exception of the received tax deduction. This results in an unrealised gain and deferred tax attributable to the surplus value being recognised at the acquisition date.

If the acquired assets and assumed liabilities belong to an entity that is also engaged in business activities through employees, Alecta defines the acquisition as a business combination. Business combinations are reported in accordance with IFRS 3 which means, for example, that acquisition costs are expensed directly and that deferred tax is recognised as the difference between the market value of the acquired assets and their residual tax value.

Alecta determines whether each acquisition should be classified as a business or an asset for each individual acquisition. As at 31 December 2025, all acquisitions made by Alecta have been classified as asset acquisitions.

### Translation of foreign currency

The functional currency of the parent company is the Swedish krona and the financial statements are presented in Swedish kronor.

Translation of subsidiaries' balance sheets in foreign currency is carried out at the closing rates at the balance sheet date. Translation of subsidiaries' income statements in foreign currency is carried out at the average rate for the year. Translation differences arising at translation are recognised in Other comprehensive income and are transferred to the Group translation reserve.

Monetary assets and liabilities in foreign currency have been translated to Swedish kronor at the closing rates on the balance sheet date. Realised and unrealised changes in value resulting from changes in exchange rates are recognised on a net basis in the income statement in Capital return, income or Capital return, expenses.

### Insurance contracts

As an insurer, Alecta provides a range of insurance products. Alecta distinguishes between pension products and disability and life insurance products. Disability and life insurance products consist of risk insurance policies for which the premium is determined for periods of one year at a time. These insurance policies do not include a savings component. For pension products, the pension entitlement is earned during the premium payment period. For accounting purposes, all Alecta products are classified as insurance contracts. The defining feature of an insurance contract is the inclusion of a significant insurance risk of some kind.

## NOTE 1 Group and Parent Company accounting policies, cont.

### Allocation of surplus and deficit funds

With regard to Alecta Optimal Pension, which is a defined contribution product, surpluses and deficits are allocated to the insured parties on a monthly basis. An allocated surplus is disbursed in the form of a supplement to the guaranteed pension – a so-called “supplementary amount”. The surplus is not guaranteed but is part of the Alecta risk capital. The size of the surplus or deficit depends on changes in the pension capital, which in turn reflect the actual outcomes for the returns, tax, mortality and operating expenses for the relevant defined contribution insurance collective. The Company allocates surpluses and deficits by calculating the bonus rate on a monthly basis in arrears, which means that the collective funding ratio is normally close to 100 per cent. The surplus is recognised as equity on the balance sheet.

A surplus or deficit arising in other products is transferred to the Alecta surplus fund. The primary function of the surplus fund is to safeguard Alecta's ability to meet its insurance commitments, and secondly it is used for distribution of surpluses to policy holders and insured parties. A surplus that is distributed to policyholders and insured parties can take the form of disbursement of pension supplements, an increase in earned pension entitlements, a reduction in insurance premiums, cash payments and allocations to policyholders in the form of business-related funds. Pension supplements, premium reductions and business-related funds will be guaranteed in association with disbursement, deposit and use and, in association with this, capital is transferred from the surplus fund. An increase in earned pension entitlements will be guaranteed in association with its allocation to the insurance policies and results in a technical provision.

### Changes in accounting policies

#### New and amended IASB accounting standards applied from 2025:

There are no new accounting standards from IASB nor any amended accounting standards, applied from 2025, that have materially affected Alecta's financial statements.

#### New and amended IASB accounting standards to be applied from 1 January 2026 or later.

There are no new or amended accounting standards from IASB with application from 2026 or later that are expected to materially affect Alecta's financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements, which is replacing IAS 1 Presentation of Financial Statements, will come into effect on 1 January 2027, to be applied retrospectively for comparative periods. IFRS 18 contains new requirements for the presentation of the income statement and general requirements regarding the presentation of accounts and notes to the accounts. Furthermore, new requirements are being introduced regarding disclosures about operating costs and certain key performance indicators, known as management-defined performance measures (MPMs). Since Alecta applies legally restricted IFRS and the presentation formats in the Annual Accounts Act for Insurance Companies will continue to be followed, the new standard does not materially affect the presentation of Alecta's accounts. However, the principles in IFRS 18 regarding how items are aggregated and disaggregated in the accounts and notes may be affected, and additional disclosures may be required in the financial statements for certain performance measures (MPMs).

### Capital return

Capital return includes net operating income from investment properties, interest income, interest expenses, dividends on shares and participations, foreign exchange gains and losses, capital gains and losses, and unrealised changes in value on investment assets less operating expenses for asset management. Capital gains and losses are recognised on a net basis for each asset class in Capital return, income and Capital return, expenses. Unrealised gains and losses are also recognised on a net basis for each asset class. Unrealised gains and losses consist of the change in the difference between cost and fair value for the year. When an asset is sold, the accumulated unrealised changes in value are reversed as unrealised profit or loss and an equivalent realised profit or loss is reported. Both realised and unrealised changes in value for the year are recognised through the income statement in the period in which they arise. Capital return is presented in Notes 5, 6, 9 and 10.

### Investment assets

#### General information

Investment assets consist of the balance sheet items Land and Buildings, Investment in Group companies, associated companies and joint ventures, as well as Other financial investment assets.

#### Reporting of business events

Financial assets measured at fair value are recognised at fair value after the acquisition date. The cost of investment assets excludes transaction costs related to financial instruments. Purchases and sales of financial assets are recognised on the balance sheet on the transaction date. Transactions that are not liquid-regulated as of the balance sheet date are reported as receivables or liabilities to the counterparty under other receivables and other liabilities. Purchases and sales of land and buildings are recognised on the balance sheet on the completion date.

#### Transaction costs

Transaction costs that are directly attributable to purchases and sales of financial investment assets are recognised through the income statement and included in net capital gain or loss in the items Capital return, income or Capital return, expenses. Transaction costs attributable to purchases and sales of land and buildings and assets measured at amortised cost are reported as an increase in cost or a decrease in capital gain or loss.

For acquisitions of companies classified as a business combination, the transaction costs are recognised through the income statement and included in the item Capital return, expenses.

#### Other financial investment assets

Alecta identifies and classifies its financial investment assets in the category of financial assets measured at fair value via the income statement. For shares held for trading and derivatives, the category of financial assets measured at fair value via the income statement is mandatory, while others are classified into the category at initial recognition based on the business model. This classification is based on the fact that Alecta manages and measures all investment assets at fair value. The valuation of financial assets traded on an active market is based on observable market data. The fair values of financial assets that are not traded on an active market are determined using established valuation techniques. In the event of acquisitions at below cost price, the so-called day-1 gain is recognised for bonds accrued over the life of the instrument and for shares only at the time of sale or when a market price exists. During the year, Alecta has established a valuation committee and developed a valuation policy to clarify the responsibility, process and principles for valuing investment assets, primarily for those that are not traded on an active market. Note 21 provides fair value disclosures for each class of financial instrument in a table format, based on a hierarchy with three levels of fair value.

#### Cash and cash equivalents

Cash and cash equivalents constitute a financial asset and are classified in the amortised cost valuation category. Cash and cash equivalents are termed cash and bank balances in the Group, as well as the parent company.

#### Technical provisions

Technical provisions consist of the net present value of the company's guaranteed commitments for insurance contracts in effect, as well as the provision for life insurance and the provision for claims outstanding. These provisions are calculated according to generally accepted actuarial principles. This means that the provisions are measured at present value and that the calculations are based on prudent actuarial assumptions on interest rates, mortality, morbidity, operating expenses and other variables. Technical provisions also include pension commitments to Alecta's employees in accordance with the FTP plan.

#### Pensions in the Alecta Group

With the exception of a few pension plans in subsidiaries, pension plans within the Alecta Group are reported as defined contribution plans. This means that contributions are recognised as an expense in the period in which the benefits are earned, which in most cases is the same as when the contribution is paid.

## NOTE 1 Group and Parent Company accounting policies, cont.

### Parent Company accounting policies

The parent company applies the so-called legally restricted IFRS, which means that international accounting standards are applied to the extent possible under Swedish accounting and taxation legislation. From 2022, legally restricted IFRS is also applied in the Group, which means that the consolidated financial statements have become more similar to the financial statements in the parent company. However, some differences remain. The most significant differences are described below.

### Shares and participations in Group companies

Shares and participations in Group companies are recognised at cost in the parent company, but are eliminated in the consolidated financial statements.

### Debt securities issued by and loans to Group companies

Intra-Group loans and receivables are recognised at amortised cost in the parent company, but are eliminated in the consolidated financial statements.

### Appropriations, untaxed reserves

Swedish tax legislation allows companies to reduce their taxable income for the year through provisions for transferring funds to untaxed reserves on the balance sheet through the income statement item, Appropriations.

Due to the relationship between accounting and taxation, the deferred tax liability attributable to untaxed reserves is not reported separately in the parent company.

## NOTE 2 Significant estimates and judgements

The preparation of financial statements and application of different accounting standards are often based on estimates and judgements made by management and the Board of Directors. In most cases, these estimates and judgements are based on historical experience, but may also be based on other factors, including expectations of future events. Management evaluates these estimates and judgements on an ongoing basis. Actual outcomes may differ from the estimates and judgements applied.

Those areas in which Alecta deems estimates and judgements to have the biggest impact on earnings and/or on assets and liabilities are listed in the table below, and presented in more detail in the respective notes indicated in the table references.

Significant estimates and judgements	Note	
Technical provisions <sup>1)</sup>	3, 34, 35	Provision for life insurance, Provision for claims outstanding
Financial Instruments <sup>2)</sup>	3, 21	Valuation categories for financial instruments measured at fair value
Investment properties	14	Land and buildings
Income tax	11	Tax

<sup>1)</sup> Notes 34 and 35 describe the valuation of technical provisions, current assumptions and changes introduced during the year. Note 3 describes the sensitivity of the assumptions.

<sup>2)</sup> The measurement of financial instruments is described in the accounting policies in the respective notes. Note 3 presents a sensitivity analysis that shows the impact on solvency ratio and profit/loss for the year. Note 21 describes valuation techniques by valuation category. Estimates and judgements affect instruments in the valuation categories Level 2 and Level 3. The note also contains a sensitivity analysis that illustrates estimated effects on fair value for Level 3 instruments as well as specific information about the valuation of Heimstaden Bostad.

## NOTE 3 Risks and risk management

A general description of Alecta's risk management and risk organisation is provided on pages 56–57 of the Directors' Report. Alecta's different risk categories are described in greater detail in this Note.

### Risk of loss

This risk category refers to the risk of consequences, for example in the form of loss of reputation or financial loss. Such consequences may result from a failure by Alecta to manage risks in the risk categories described below.

## NOTE 3 Risks and risk management, cont.

### Insurance risks

Insurance risks are risks associated with Alecta's insurance products and insurance portfolio and concern factors such as pricing, the calculation of technical provisions and the calculation and allocation of surplus funds. These calculations are based on actuarial assumptions, primarily assumptions on mortality, morbidity, operating expenses and interest rates, each of which constitutes a risk.

To determine the reliability of the actuarial assumptions used, Alecta's reported earnings are analysed from an actuarial perspective each year. This is done by comparing actual outcomes for mortality, morbidity, operating expenses and capital return to the assumptions used. The assumptions are revised when the analysis shows this to be necessary. Changes to assumptions can lead to a change in technical provisions and/or the determination of premiums. As Alecta's insurance collectives are large and diversified, the concentration risks are negligible.

### Mortality risk

Mortality risk is the risk that the average life expectancy of the insured parties will differ from what has been assumed. The risk varies depending on whether the insurance is a death benefit or life benefit. In a death benefit insurance policy, the insurance amount is paid out when the insured party dies. Alecta's family pension, family cover and occupational group life insurance (TGL) products are death benefit policies. In a life benefit insurance policy, the insurance amount is paid out when the insured party reaches the age specified in the contract. Retirement pension is a life benefit insurance policy. Retirement pension with repayment cover is an example of a combined death benefit and life benefit insurance policy.

A reduction in mortality means that the insured party lives longer than what had been assumed. A life benefit insurance policy is negatively affected by reduced mortality, as the costs for the policy increase because the pensions have to be paid out over a longer period than originally assumed. The opposite applies to death benefit insurance.

Under the applicable mortality assumptions, a man or a woman born in the 1950s is expected to live for a further 23.0 (22.8) and 24.9 (23.9) years, respectively after their 65th birthday. The increase in life expectancy for individuals born thereafter is assumed to be approximately 0.6 (0.7) years for each subsequent birth decade.

A 15 per cent decrease in assumed mortality means that the life expectancy of people aged 65 today will increase by 1 (1) year and the Alecta life insurance provision will increase by approximately 3 per cent (3).

### Morbidity risk

Morbidity risk is the risk that the insured party will remain ill for a longer period or at a higher level of compensation than originally assumed. Alecta's morbidity risk is included in its disability and waiver of premium insurance products. When an insured party falls ill, a technical provision is made based on specific assumptions on the future degree of incapacity to work and the duration of the illness.

If the probability that illness ends decreases by 15 per cent, which means that the expected duration of cases of illness increases, while the level of working capacity increases by 15 per cent, the technical provisions for disability pension and premium waiver would increase by approximately 28.5 per cent (30.9).

### Operating expenses risk

The operating expenses risk consists of the possibility that Alecta's operating expenses will be higher than has been assumed. Alecta monitors operating expenses on an ongoing basis to ensure they are in line with the levels assumed in the calculations.

### Interest rate risk

Interest rate risk arises from the assumptions about future returns used as a basis for calculating premiums and benefits and calculation of technical provisions. Technical provisions are valued primarily on the basis of the yield curve defined in the regulations of the Swedish Financial Supervisory Authority. In the annual and sustainability report, the yield curve is expressed as a cash flow-weighted average interest rate. The impact of the interest rate on Alecta's profit/equity and solvency ratio is described in the sensitivity analysis on page 73. A further description of management of the total interest rate risk for assets and liabilities is provided under Matching risk.

## NOTE 3 Risks and risk management, cont.

### Financial risks

Financial risks arise in the investment activities and consist of market, credit and liquidity risks, matching risk and solvency risk. The goal for the investment activities is to generate a sustainable, real return, i.e. a positive, inflation-adjusted return that consistently exceeds both inflation and the growth of Alecta's insurance commitments. In 2025, the central function, Risk, carried out audits of risk management in Asset Management.

### Market risk

Market risk is the risk that the value of Alecta's investments will be negatively affected by changes in interest rates, exchange rates or the prices of shares, bonds or alternative assets. To limit market risk and avoid concentrations in the portfolio, Alecta spreads its investments across different asset classes and markets:

Asset class	Exposure		Share of portfolio	
	2025	2024	2025	2024
Shares	508,192	463,051	36.2 %	35.2 %
Debt securities	645,894	596,203	46.0 %	45.4 %
Alternative assets <sup>1)</sup>	250,897	255,360	17.9 %	19.4 %
<b>Total</b>	<b>1,404,983</b>	<b>1,314,614</b>	<b>100.0 %</b>	<b>100.0 %</b>

<sup>1)</sup> Alternative assets include real estate, infrastructure investments, private equity and so-called alternative credits that are subject to higher market risk than traditional debt securities.

The table shows Alecta's asset allocation based on the classification in the total return table, see page 50. A detailed breakdown by asset class is presented in the diagrams on page 51.

To ensure that Alecta is able to meet its solvency requirements by a comfortable margin even in adverse market conditions, the investment policy establishes limits for risk levels. Different derivative instruments, such as interest rate futures, equity futures, forward exchange contracts and interest rate and currency swaps, are used to reduce the risks in the event of major price fluctuations and to increase the cost-effectiveness of Alecta's asset management activities.

### Currency risk

In investment activities, currency risk arises from investments in foreign assets. By using FX swaps and FX futures, the entire holding of foreign bonds as well as parts of foreign shares and alternative assets is currency hedged. The total currency exposure after currency hedging was equal to 6.6 per cent (5.2) of the investments at year-end. Without currency hedging, 51.2 per cent (53.8) of the assets would have been exposed to exchange rate fluctuations.

Currency exposure after currency hedging	Exposure		Share of investment portfolio	
	2025	2024	2025	2024
CHF	4,478	4,800	0.3 %	0.4 %
DKK	5,789	9,753	0.4 %	0.7 %
EUR	18,025	-1,293	1.3 %	-0.1 %
GBP	4,523	4,486	0.3 %	0.3 %
USD	54,490	43,868	3.9 %	3.3 %
Other	4,977	6,195	0.4 %	0.5 %
<b>Net exposure</b>	<b>92,279</b>	<b>67,809</b>	<b>6.6 %</b>	<b>5.2 %</b>

The figures are presented in absolute terms, which means that a negative position in one currency cannot cancel a positive exposure in another currency.

### Credit risk

Credit risk is the risk of financial losses due to the insolvency of an issuer or counterparty. Alecta analyses the credit risks associated with different types of investment and establishes credit limits for issuers and counterparties. Limits have also been established for single exposures, i.e. limits for Alecta's total equity and debt securities exposure to the same corporate group. Portfolio Analysis and Valuation daily checks to ensure that limits are not exceeded. Debt securities consist primarily of investments in securities issued by borrowers with very high credit ratings. Investments are made primarily in bonds assigned a rating of BBB- or higher by the Standard & Poor's, Moody's and Fitch rating agencies. In addition to external ratings, all issuers are assessed for credit risk using internal credit rating models.

Credit exposure	Bonds and other debt securities			
	Market value including forward exposure		Share	
	2025	2024	2025	2024
Rating Aaa/AAA	412,298	327,535	54.1 %	45.4 %
Rating Aa/AA	124,520	265,965	16.4 %	36.8 %
Rating A/A	143,552	37,054	18.8 %	5.1 %
Rating Baa/BBB	25,901	26,037	3.4 %	3.6 %
Rating Ba/BB	5,155	6,710	0.7 %	0.9 %
Rating lower than BB	1,331	645	0.2 %	0.1 %
Unrated	48,809	57,877	6.4 %	8.0 %
<i>of which securities issued by state-owned issuers</i>	<i>3,058</i>	<i>4,571</i>	<i>0.4 %</i>	<i>0.6 %</i>
<b>Total</b>	<b>761,565</b>	<b>721,823</b>	<b>100.0 %</b>	<b>100.0 %</b>

### Liquidity risk

Liquidity risk is the risk of loss on financial instruments arising from the inability to immediately sell an instrument without a reduction in the price or the risk that Alecta will be unable to meet its payment obligations at maturity without an increase in the cost of obtaining the necessary funds. Alecta's payment obligations consist of insurance obligations and financial liabilities – of Alecta's total obligations, approximately 94 per cent have a maturity in excess of five years, see Notes 34 and 35. Alecta's financial liabilities are limited to the derivative contracts used for indexation of foreign currency risk and interest rate risk and usually have a maturity of less than one year. Information on the nominal values of Alecta's derivative contracts is presented in Note 27. A maturity analysis of financial liabilities is also presented in Note 20. Liquidity risk is monitored through detailed cash flow forecasts and is limited by the fact that a large portion of Alecta's investments are made in highly liquid assets such as government bonds and treasury bills. Note 21 shows that SEK 514.0 billion of Alecta's investments consist of shares in listed companies that can normally be converted into cash within one week. In the event that major items of the Swedish shareholding are to be sold, this is done through a sales programme over a longer period of time. The remaining investments are deemed convertible into cash within one year and the liquidity risk is therefore regarded as negligible.

### Matching risk

Matching risk is the risk of a deterioration in the Company's financial position due to differing characteristics between assets and technical provisions. The value of Alecta's insurance commitments and debt securities depends on the level of interest rates. When interest rates fall, Alecta's commitments increase as does the value of its debt securities. Given that the commitments are larger and have a longer average maturity than the debt securities, a decrease in interest rates has a negative impact. Information on the maturities of the commitments, as well as fixed-rate terms for the asset portfolio is available in Notes 34 and 35 and 24 respectively.

To calculate the matching risk, Alecta uses an Asset Liability Management (ALM) analysis intended to identify the optimal composition of investment assets with regard to Alecta's insurance commitments. The analysis takes into account how both the investment assets and the market-valued liabilities and, therefore, Alecta's risk capital are affected by price fluctuations in the financial markets. Decisions on the composition of investments are based on Alecta's long-term assessments of market conditions in relation to its obligations, targets and financial position. Decisions are reported on an ongoing basis in the Board's finance committee.

### Solvency risk

Solvency risk is the risk that Alecta will be considered to have insufficient risk capital to ensure that it is able to meet its guaranteed commitments. Alecta measures the solvency risk daily in accordance with the risk-sensitive capital requirement model in the Swedish Occupational Pension Companies Act. In addition, Alecta performs its own stress test on a daily basis that identifies significant financial risks and is based on slightly more adverse market scenarios than those prescribed in the model for risk-sensitive capital requirement. The stress test measures risk exposure, and in the event that a limit is reached, action is taken to safeguard Alecta's solvency.

**NOTE 3 Risks and risk management, cont.**

Sensitivity analysis Group	Impact on			
	Solvency ratio (% points)		Profit for the year/Equity	
	2025	2024	2025	2024
Interest rate decrease 1 percentage point	-13.8 %	-13.3 %	-30,266	-30,461
Share price decrease 10 %	-7.6 %	-7.3 %	-50,468	-47,017
Share price decrease 10 % alternative assets	-5.4 %	-5.9 %	-36,181	-38,052
Exchange rate decrease 10 %	-1.4 %	-1.1 %	-9,228	-6,781

The table shows how the solvency ratio and profit/equity for the year would be affected by a decrease in the value of shares, alternative assets and currencies, as well as by a decrease in market interest rates irrespective of maturity and market. The sensitivity analysis shows that the Group's financial position, measured as solvency, is most sensitive to interest rate changes, as these affect both assets and liabilities. A general decrease in the interest rate of 1 percentage point increases the value of the commitments by SEK 64.2 billion (62.1) and the value of the debt securities by SEK 33.9 billion (31.7). Overall, the interest rate change has a negative impact on equity and profit for the year, but also causes the solvency ratio to fall by 13.8 percentage points. This is mainly due to the fact that the duration of the debt is longer than the duration of the interest rate investments.

Share price decreases and declines in the value of alternative assets have a slightly smaller effect on the solvency ratio, but a larger negative effect on equity. The calculation of a decrease in the price of alternative assets for 2025 has also taken into account the underlying exposure of indirect property holdings. The relatively low sensitivity to exchange rate fluctuations reflects the high degree of currency hedging in the management. All in all, the sensitivity pattern has been relatively stable between 2024 and 2025, with a slightly greater negative impact on the solvency ratio in 2025.

**Sustainability risk**

Sustainability risk attributable to investment activities refers to an environmental, social or governance event or circumstance that, should it occur, would have an actual or potential significant adverse effect on the value of an investment. Alecta strives to minimise sustainability risks by integrating sustainability analyses into the investment process. Sustainability risks are identified by investment activities prior to an investment, and are then monitored continuously during management.

**Other risks**

In addition to the risks referred to above, Alecta needs to manage other risks such as compliance risks, information security risks and geopolitical risks. An important method for mitigating these risks, as well as the above risk categories, is to control operational risks, see below. More information on Alecta's management of these risks is presented in the Corporate Governance Report on page 42.

**Operational risks**

Alecta defines operational risk as the risk of operational inadequacies or failures related to staff, organisation and processes, ICT assets or security. Such inadequacies or failures can cause risks in other risk categories. For example, inadequate expertise on the part of Alecta's staff could result in the Company unknowingly being exposed to financial risks. Operational risks are counteracted by good internal control. Good internal control is achieved through a clear division of responsibilities, documented processes and procedures, effective controls and by other means.

**Risk self-assessment**

Using a central self-assessment method, all departments at Alecta identify and assess their risks and controls in different risk categories on an annual basis. Areas for improvement are identified and decisions are made about what risk-reducing and economically justified measures, or measures justified for other reasons, are to be taken. Work on continuous improvement in the day-to-day operations also helps to reduce the risks.

**NOTE 3 Risks and risk management, cont.****Incident management**

Despite the preventive actions taken to identify and reduce risks, incidents may still occur. Such incidents must of course be addressed immediately to limit any possible damage and loss. It is equally important to learn from what has occurred and to take measures to try to avoid the recurrence of similar incidents. Incidents are therefore discussed and reported at all levels of Alecta on a regular basis.

**NOTE 4 Premiums written**

Group and Parent Company	2025	2024
Current premiums <sup>1)</sup>	46,373	47,404
One-off premiums	988	1,400
Premium tax <sup>2)</sup>	-117	-138
<b>Invoiced premiums</b>	<b>47,245</b>	<b>48,666</b>
Adjustment of paid-up policy values	8,135	30,820
Premium reduction risk	4,225	3,845
Premium reduction defined benefit savings	3,294	4,033
<b>Guaranteed refunds</b>	<b>15,653</b>	<b>38,698</b>
<b>Total premiums written</b>	<b>62,898</b>	<b>87,364</b>

<sup>1)</sup> Alecta usually receives defined contribution premiums from the Collectum selection centre every month. During the year, the parties within the ITP area made changes to the advance payment model, i.e. the model used to distribute defined contribution premiums to the eligible insurers. This change came into effect in December 2025, meaning that from December 2025 onwards, premium distribution will take place one month later than previously. This meant that no premiums were distributed in December 2025.

<sup>2)</sup> The tax base is 95 per cent (95) of premiums received for occupational group life insurance (TGL) products. The tax is 45 per cent (45) of the tax base.

**Accounting policy**

Premiums written can comprise paid-in and credited premiums, as well as refunds in the form of adjustments of paid-up policy values and premium reductions. Premiums recognised under the item Guaranteed refunds can either be financed through the surplus fund (refers to an adjustment of paid-up policy values and premium reduction for risk insurance) or expensed under the profit and loss item Refunds and Discounts (refers to premium reduction for defined benefit savings insurance).

The accounting treatment of premiums written differs depending on whether the premiums relate to defined contribution or defined benefit insurance. For the defined contribution insurances, the cash principle is applied and for the defined benefit insurances, the debiting principle is applied when reporting premiums written. Reductions are made for special premium tax (refers to occupational group life insurance (TGL)).

Premiums are recognised as income and impact different balance sheet items depending on whether the premium relates to savings insurance or risk insurance.

For savings insurance, an increase is made in technical provisions on the debt side of the balance sheet. On the other hand, risk insurance applies to allocation of premiums to equity through profit or loss.

**Calculation of premiums**

The premiums are intended to cover Alecta's commitments to its policy holders and are based on actuarial assumptions about interest, mortality, morbidity and operating expenses. These assumptions are based on experience and observations and are broken down by insurance portfolio. Pension insurance can either be defined benefit or defined contribution. For defined benefit insurance, the benefits are specified in the insurance contract and premiums are determined on the basis of actuarial assumptions. Premiums are determined individually for each insured party. For defined contribution insurance, the premium is specified in the insurance contract and the benefits are determined on the basis of actuarial assumptions.

The premium for risk insurance is either calculated individually for each insured party or distributed collectively over a group of insured parties and applies for one calendar year at a time.

## NOTE 5 Capital return, income

	Group		Parent Company	
	2025	2024	2025	2024
Rental income from land and buildings	2,860	2,583	724	723
Dividends received	18,010	16,448	17,806	16,497
<i>of which are Group companies</i>	-	-	378	651
<i>of which are associated companies and joint ventures</i>	3,889	1,231	3,307	628
Interest income etc.	13,453	15,658	14,372	16,609
<i>bonds and other debt securities</i>	12,953	14,981	12,953	14,981
<i>loans secured by real estate</i>	289	380	136	254
<i>other interest income</i>	210	298	205	288
<i>other interest income, Group companies</i>	-	-	1,078	1,087
Reversal of impairment	-	-	-	9
<i>shares in Group companies</i>	-	-	-	9
Net foreign exchange gains <sup>1)</sup>	4,365	-	4,365	-
Net capital gains	60,154	56,335	59,883	56,320
<i>land and buildings</i>	271	-	-	-
<i>shares and participations</i>	59,883	56,335	59,883	56,320
Other income	63	37	-	-
<b>Total capital return, income</b>	<b>98,905</b>	<b>91,063</b>	<b>97,150</b>	<b>90,158</b>

<sup>1)</sup> Foreign exchange gains amount to SEK 142,468 million (74,783) and foreign exchange losses to SEK -138,104 million (-77,963).

## NOTE 6 Unrealised gains on investment assets

	Group		Parent Company	
	2025	2024	2025	2024
Land and buildings	143	-	205	32
Bonds and other debt securities	1,800	-	1,800	-
Loans secured by real estate	-	84	-	84
Other loans	131	-	131	-
<b>Total unrealised gains on investment assets</b>	<b>2,074</b>	<b>84</b>	<b>2,136</b>	<b>116</b>

## NOTE 7 Insurance claims paid

Group and Parent Company	2025	2024
Base amount paid before indexation	-22,734	-21,860
Waiver of premium paid	-2,806	-2,660
Cancellations and repurchases <sup>1)</sup>	-2,624	-3,027
Operating expenses for claims management	-169	-174
<b>Total insurance claims paid</b>	<b>-28,333</b>	<b>-27,722</b>

<sup>1)</sup> The item includes transferred capital of SEK 2,616 million (3,024).

### Accounting policies

Benefits can either be guaranteed under the concluded contract or contingent, for example in the form of a pension supplement. A guaranteed benefit is recognised in the income statement as an expense and reduces the technical provision on the balance sheet by the same amount. A contingent benefit does not affect profit or loss but is recognised directly in equity.

## NOTE 8 Operating expenses

	Group		Parent Company	
	2025	2024	2025	2024
Administrative expenses	-716	-678	-716	-678
<b>Total operating expenses in insurance business</b>	<b>-716</b>	<b>-678</b>	<b>-716</b>	<b>-678</b>
Claims management <sup>1)</sup>	-169	-174	-169	-174
Asset management <sup>2)</sup>	-364	-326	-352	-316
Property management <sup>3)</sup>	-366	-317	-91	-87
<b>Total operating expenses</b>	<b>-1,615</b>	<b>-1,496</b>	<b>-1,327</b>	<b>-1,256</b>
<b>Specification of total operating expenses</b>				
Staff costs	-568	-523	-568	-523
Premises costs	-23	-21	-23	-21
IT costs	-342	-315	-342	-314
Property management costs	-366	-317	-91	-87
Selection centre costs	-192	-182	-192	-182
Other costs <sup>4)</sup>	-170	-183	-157	-173
Administration fees	46	45	46	45
<b>Total operating expenses</b>	<b>-1,615</b>	<b>-1,496</b>	<b>-1,327</b>	<b>-1,256</b>

<sup>1)</sup> Recognised in Insurance claims paid in the income statement, see Note 7.

<sup>2)</sup> Recognised in Capital return, expenses in the income statement, see Note 9.

<sup>3)</sup> Recognised in Capital return, expenses in the income statement (included in the item Operating expenses for land and buildings in Note 9).

<sup>4)</sup> Other expenses primarily consist of costs for consultants and fees paid to the Swedish Financial Supervisory Authority.

	Group	
	2025	2024
<b>Total asset management expenses <sup>1)</sup></b>		
Internal asset management expenses <sup>2)</sup>	-364	-326
External management fees (for funds) <sup>3)</sup>	-840	-754
Property Management Sweden <sup>4)</sup>	-366	-317
External transaction costs <sup>5)</sup>	-279	-253
Custodian fees <sup>2)</sup>	-34	-33
<b>Total</b>	<b>-1,883</b>	<b>-1,684</b>

<sup>1)</sup> The costs of managing joint ventures and associated companies are not included in total asset management expenses.

<sup>2)</sup> Reported on a separate line in the table for the item Capital return, expenses under Note 9. In addition to custodian fees, other bank fees are also included.

<sup>3)</sup> These fees were recognised on a net basis for each holding offset against Capital return, income under Note 5 or against Unrealised losses on investment assets under Note 10.

<sup>4)</sup> Included in the line Operating expenses for land and buildings in the table for the item Capital return, expenses under Note 9.

<sup>5)</sup> For financial investment assets, transaction costs are reported as capital gains, net in the item Capital return, income under Note 5, or Capital return, expenses under Note 9. Transaction costs attributable to purchases and sales of land and buildings are reported as an increase in cost or a decrease in capital gain or loss. In 2025, transaction costs that increased the cost amounted to SEK 20 million (8) (not reported in the table).

### Accounting policies

Operating expenses are expenses for employees or temporary staff, costs for premises, IT costs, scheduled depreciation of tangible assets and intangible assets, costs for the agency agreement with Collectum related to defined benefit retirement pension and disability insurance and other business-related costs. These expenses are recognised as they are incurred. Operating expenses are divided into the following functions: acquisition, administration, claims management, asset management and property management. Acquisition expenses and administrative expenses are recognised in the item Operating expenses in the income statement.

### Acquisition expenses

Acquisition expenses refer to expenses incurred by the company in acquiring new insurance contracts. Alecta has not had any acquisition expenses since 2008.

**NOTE 8 Operating expenses, cont.****Administrative expenses**

Administrative expenses consist of operating expenses incurred by Alecta for the day-to-day administration of its insurance contracts, as well as costs for central Group functions, such as Finance and Legal.

**Claims management**

Expenses for claims management consist of expenses for managing contracts that are under payment. They also include a portion of the IT costs incurred in supporting the claims management process and expenses allocated to cover a portion of costs for the central Group functions. Claims management expenses are recognised in the income statement in the item Insurance claims paid.

**Asset management**

Asset management expenses are recognised in the item Capital return, expenses in the income statement. These expenses consist of direct costs, primarily staff, information and IT costs, as well as indirect costs such as the share of costs for premises and costs allocated for central Group functions.

**Property management**

Like asset management expenses, property management expenses are recognised in Capital return, expenses in the income statement. An expense item related to property management is external costs, as a part of the management of Alecta's real estate has been outsourced to external service providers.

**NOTE 9 Capital return, expenses**

	Group		Parent Company	
	2025	2024	2025	2024
Operating expenses for land and buildings	-1,235	-1,105	-358	-351
Internal asset management expenses	-364	-326	-352	-316
Interest expenses etc.	-1,657	-2,582	-1,705	-2,652
<i>bonds and other debt securities</i>	-1,600	-2,555	-1,600	-2,555
<i>other interest expenses</i>	-57	-27	-57	-27
<i>other interest expenses, Group companies</i>	-	-	-49	-70
Custodian fees	-33	-32	-33	-32
Depreciation/amortisation and impairment	-	-	-70	-125
<i>shares in Group companies</i>	-	-	-70	-125
Net foreign exchange losses <sup>1)</sup>	-	-3,180	-	-3,180
Net capital losses	-2,109	-5,991	-2,109	-5,991
<i>bonds and other debt securities</i>	-2,061	-5,990	-2,061	-5,990
<i>other loans</i>	-48	-1	-48	-1
Other	0	0	-	-
<b>Total capital return, expenses</b>	<b>-5,399</b>	<b>-13,216</b>	<b>-4,629</b>	<b>-12,647</b>

<sup>1)</sup> Foreign exchange gains amount to SEK 142,468 million (74,783) and foreign exchange losses to SEK -138,104 million (-77,963).

**NOTE 10 Unrealised losses on investment assets**

	Group		Parent Company	
	2025	2024	2025	2024
Land and buildings	-	-224	-	-
Shares and participations	-5,824	-10,598	-6,085	-10,093
Bonds and other debt securities	-	-2,310	-	-2,310
Loans secured by real estate	-159	-	-159	-
Other loans	-	-259	-	-259
<b>Total unrealised losses on investment assets</b>	<b>-5,983</b>	<b>-13,391</b>	<b>-6,244</b>	<b>-12,663</b>

**NOTE 11 Tax**

	Group		Parent Company	
	2025	2024	2025	2024
<b>Current tax</b>				
Swedish tax on profit for the year <sup>1)</sup>	-142	-61	-99	-
Foreign tax on directly and indirectly owned properties	97	-64	98	-61
Withholding tax	-359	-518	-359	-518
<b>Total current tax</b>	<b>-404</b>	<b>-643</b>	<b>-360</b>	<b>-579</b>
<b>Deferred tax</b>				
Change in deferred tax assets/liabilities	-1,652	-1,535	-1,586	-1,446
<b>Total deferred tax</b>	<b>-1,652</b>	<b>-1,535</b>	<b>-1,586</b>	<b>-1,446</b>
<b>Income tax</b>	<b>-2,056</b>	<b>-2,178</b>	<b>-1,946</b>	<b>-2,025</b>
<b>Yield tax</b>				
Yield tax	-2,156	-2,132	-2,156	-2,132
Adjustment attributable to previous years	-	-1	-	-1
<b>Total yield tax</b>	<b>-2,156</b>	<b>-2,133</b>	<b>-2,156</b>	<b>-2,133</b>
<b>Tax on profit for the year</b>	<b>-4,212</b>	<b>-4,311</b>	<b>-4,102</b>	<b>-4,158</b>

<sup>1)</sup> In the parent company, the portion subject to income tax consists of disability pension, waiver of premium and occupational group life insurance (TGL).

## NOTE 11 Tax, cont.

## Reconciliation of effective tax rate for income tax

	Group		Parent Company	
	2025	2024	2025	2024
Reconciliation of theoretical tax expense and reported tax				
Profit before yield tax and income tax according to the income statement	98,634	93,980	97,450	94,405
Less: Profit/loss from operations subject to yield tax, including consolidation adjustments	-92,314	-92,043	-92,348	-92,117
<b>Profit from operations subject to income tax</b>	<b>6,320</b>	<b>1,937</b>	<b>5,102</b>	<b>2,288</b>
<b>Tax at applicable tax rate, 20.6 %</b>	<b>-1,302</b>	<b>-399</b>	<b>-1,051</b>	<b>-471</b>
Difference in tax rate <sup>1)</sup>	-3	0	-	-
Non-deductible expenses	-11	-176	-21	-1
Non-taxable income	138	26	28	24
Taxable income not included in profit	-1	-1	-1	-1
Guaranteed premium reduction	870	791	870	791
Effect of initial recognition of properties in previous years	6	-46	-	-
Tax attributable to previous years <sup>2)</sup>	-1,975	-2,580	-1,975	-2,580
Creditable foreign tax <sup>3)</sup>	481	780	462	786
Foreign income tax	97	-61	98	-61
Deduction for foreign income tax during the year	2	5	2	5
Withholding tax	-359	-518	-359	-518
<b>Reported income tax</b>	<b>-2,056</b>	<b>-2,178</b>	<b>-1,946</b>	<b>-2,025</b>
<b>Effective tax</b>	<b>-33 %</b>	<b>-112 %</b>	<b>-38 %</b>	<b>-89 %</b>

<sup>1)</sup> Refers to the USA.

<sup>2)</sup> Of which SEK 1,964 million (2,373) relates to the utilisation of a previously recognised tax asset for foreign tax against yield tax.

<sup>3)</sup> Consists of foreign tax paid during the year and for the Group, the corresponding deferred tax on the difference between the book and tax values of foreign properties.

## Calculation of yield tax

Group and Parent Company	2025	2024
Capital base <sup>1)</sup>	1,277,319	1,210,675
Tax base <sup>2)</sup>	27,462	30,025
Yield tax before tax credit <sup>3)</sup>	-4,119	-4,504
Deduction of withholding tax and foreign income tax paid	1,963	2,372
<b>Yield tax after tax credits</b>	<b>-2,156</b>	<b>-2,132</b>
Sensitivity analysis	Effect on yield tax before tax credit	
Group	2025	2024
Capital base +/- 10 %	-/+ 412	-/+ 450
Allocation percentage +/- 1 % point	-/+ 42	-/+ 46
Average government borrowing rates +/- 1 % point	-/+ 1,916	-/+ 1,816

<sup>1)</sup> Calculation of the capital base for yield tax is based on the value of all assets at the beginning of 2025 less financial liabilities on the same date. The capital base is adjusted for surplus values on indirectly owned foreign and Swedish properties. Of the capital base, SEK 11,216 million (11,231) refers to such surplus values. The capital base for yield tax, which includes Alecta's pension products and family cover, represents 97.18 per cent (97.05) of the total base. This portion is calculated on the basis of equity and technical provisions attributable to these products.

<sup>2)</sup> The tax base is calculated as the capital base multiplied by the average government borrowing rate for the calendar year immediately preceding the beginning of the tax year, which results in a form of standardised yield. The average government borrowing rate used for calculating the tax base was 2.15 per cent (2.48).

<sup>3)</sup> Tax rate: 15 per cent (15).

## Deferred tax specification

	Group				Parent Company			
	2025		2024		2025		2024	
	Tax asset	Tax liability	Tax asset	Tax liability	Tax asset	Tax liability	Tax asset	Tax liability
<i>Deferred tax related to:</i>								
Temporary differences								
Land and buildings in Sweden	-	-1,981	-	-1,916	-	-18	-	-18
Land and buildings abroad	-	-162	-	-172	-	-	-	-
Other financial investment assets	-	-810	-	-987	-	-809	-	-987
Excess depreciation	-	-37	-	-28	-	-	-	-
Accrual funds	-	-	-	-4	-	-	-	-
Loss carry-forwards <sup>1)</sup>	15	-	176	-	-	-	159	-
Creditable foreign tax <sup>2)</sup>	621	-	2,236	-	463	-	2,068	-
<b>Deferred tax assets and liabilities</b>	<b>636</b>	<b>-2,990</b>	<b>2,412</b>	<b>-3,107</b>	<b>463</b>	<b>-827</b>	<b>2,227</b>	<b>-1,005</b>
Offsetting of assets and liabilities	-636	636	-1,027	1,027	-463	463	-1,005	1,005
<b>Net deferred tax assets and liabilities</b>	<b>0</b>	<b>-2,354</b>	<b>1,385</b>	<b>-2,080</b>	<b>0</b>	<b>-364</b>	<b>1,222</b>	<b>0</b>
<i>of which are expected to be settled after more than 12 months, amount before offsetting</i>	0	-2,990	-2,172	-3,107	0	-827	-2,172	-1,005

<sup>1)</sup> Recognised as deferred tax asset as this is expected to be utilised against deferred tax liability attributable to temporary differences.

<sup>2)</sup> Consists of creditable foreign tax exceeding the maximum limit, creditable foreign tax paid during the year and for the Group, the corresponding deferred tax on the difference between the book and tax values of foreign properties.

## NOTE 11 Tax, cont.

Changes in net deferred tax assets and liabilities	Group		Parent Company	
	2025	2024	2025	2024
Opening balance	-695	890	1,222	2,668
Recognised in profit or loss for the year	-1,652	-1,535	-1,586	-1,446
Foreign exchange differences	0	-	-	-
Change through business combinations/disposal	-7	-50	-	-
<b>Closing balance</b>	<b>-2,354</b>	<b>-695</b>	<b>-364</b>	<b>1,222</b>

**Accounting policy**

Yield tax is payable on Alecta's pension products and on family cover. In the income statement, yield tax is recognised along with income tax in the item Tax on profit for the year.

Tax is calculated individually for each company based on the applicable tax rules. Income tax refers to current tax and deferred tax. Current tax includes tax on profit for the period and withholding tax on dividends received.

Deferred tax is calculated using the balance sheet calculation method for temporary differences between the carrying amounts and tax bases of assets and liabilities, as well as tax loss carry-forwards and other unused tax deductions. In an asset acquisition, the temporary difference arising on the initial recognition of assets and liabilities is not taken into account. Deferred tax assets are recognised to the extent that it is probable that they can be used.

Alecta is entitled to deduct foreign tax credits when calculating future yield tax and income tax. Alecta's tax expense (yield tax and income tax) will thus be reduced, resulting in future economic benefits. Alecta's assessment is that a tax asset should be recognised if the future tax credit can be reliably estimated. The offset of future tax credits against yield tax is not specifically regulated in IFRS. Alecta's assessment is that the right to future tax credits has a similar nature to future income tax credits under IAS 12. An asset related to future tax credits will therefore be recognised as a deferred tax asset, even though it will mainly be offset against yield tax.

Deferred tax assets and deferred tax liabilities are recognised on a net basis when there is a legal right of offset, and the assets and liabilities refer to taxes levied by the same tax authority.

The business segments in the parent company on which income tax is levied are disability pension, waiver of premium and occupational group life insurance (TGL).

Alecta is not subject to the Act on Supplementary Tax for companies in large groups (which entered into force on 1 January 2024), as Alecta meets the requirements for being a pension fund, which is an exempt entity under this Act.

**Significant estimates and judgements****Income tax**

When calculating the basis for income tax in the parent company, an assessment needs to be performed of the allocation of income and expenses between operations subject to income tax and operations subject to yield tax. The division takes place by distributing capital returns and operating expenses through allocation keys. Capital returns are distributed on the basis of assets under management per segment. Premiums, insurance claims paid and changes in technical provisions are attributable directly to each segment. The principles applied have a direct impact on the estimated income tax.

**Deferred tax**

Deferred tax assets and liabilities are recognised for temporary differences, unused tax loss carry-forwards and other unused tax deductions. The reported deferred tax is affected by assumptions and judgements used in determining the carrying amounts of different assets and liabilities and in estimating future taxable profits.

Alecta is entitled to deduct foreign tax credits when calculating future yield tax and income tax. The resulting future economic benefits are recognised as a deferred tax asset, even though the asset will largely be offset against yield tax. An asset is recognised when the future tax credit can be reliably measured.

Every year, Alecta assesses whether there is a possibility for new deferred tax assets to be capitalised, and whether there is a need for impairment for previous years' tax loss carry-forwards or unused tax deductions.

## NOTE 12 Intangible assets

Intangible assets consist of internally generated expenditure for IT development. Of the total cost of SEK 683 million, IT development of the insurance system accounts for SEK 680 million. The insurance system came into use in 2008. All parts have been fully amortised as of 2023.

### Accounting Policy

Intangible assets consist of direct expenditure for internally generated proprietary software and are measured at cost in the Group. They are expected to generate future economic benefits. Internally generated intangible assets related to proprietary software are recognised only if all of the following criteria are met: an identifiable asset exists, it is probable that the asset created will generate future economic benefits, the Company has control over the asset and the cost of the asset can be reliably measured.

Capitalised development costs are amortised on a straight-line basis from the date on which the asset goes into production. Amortisation schedules are prepared based on the estimated useful lives. Amortisation is recognised as an operating expense. Alecta's intangible assets have been fully amortised as of 2023.

## NOTE 13 Tangible assets and inventories

	Group		Parent Company	
	2025	2024	2025	2024
<b>Cost</b>				
Opening balance, cost	94	76	42	42
Purchases during the year <sup>1)</sup>	272	18	2	-
Disposals for the year	-8	-	-5	-
<b>Closing balance, cost</b>	<b>357</b>	<b>94</b>	<b>40</b>	<b>42</b>
<b>Accumulated depreciation</b>				
Opening balance, depreciation	-67	-60	-41	-40
Depreciation for the year	-8	-3	-1	-1
Disposals and depreciation for the year	7	-	5	-
<b>Closing balance, depreciation</b>	<b>-69</b>	<b>-67</b>	<b>-36</b>	<b>-41</b>
<b>Carrying amount of tangible fixed assets</b>	<b>288</b>	<b>26</b>	<b>4</b>	<b>2</b>

<sup>1)</sup> Purchases during the year include a project property under construction intended for sale in 2026.

### Accounting Policy

Tangible assets and inventories consist of computer equipment, machinery and equipment, works of art and project properties. Project properties, where the intention is to divest the property when it is completed, are valued in accordance with IAS 2 Inventories at the lower of cost and net realisable value and are reported under tangible assets and inventories in accordance with the ÅRFL and FFFS 2019:23. Other tangible assets are valued at cost less accumulated depreciation. Assets are depreciated on a straight-line basis based on their estimated useful lives. The depreciation period is three years for IT equipment and between three and five years for machinery and equipment. Artwork is not depreciated. Depreciation methods and useful lives are reviewed at each closing date. At each closing date, an assessment is made of whether there are any indications that a fixed asset may be subject to impairment. If so, the recoverable amount of the asset is calculated. If this amount is assessed as being less than the carrying amount, the asset is written down to the lower amount.

## NOTE 14 Land and buildings

### Investment and owner-occupied properties

Specification of change in fair value

Group	2025	2024
Opening balance	45,533	39,984
New builds, extensions and conversions	1,435	1,200
Acquisitions	2,998	4,536
Sales <sup>1)</sup>	-707	-
Change in value	464	-188
<b>Closing balance</b>	<b>49,723</b>	<b>45,533</b>
<b>Parent Company</b>	<b>2025</b>	<b>2024</b>
Opening balance	11,667	11,049
New builds, extensions and conversions	710	578
Sales	-99	-
Change in value	233	40
<b>Closing balance</b>	<b>12,511</b>	<b>11,667</b>

<sup>1)</sup> Of which SEK 99 million relates to reclassification from investment property to project property for sale, which is reported in Note 13 Tangible assets and inventories.

Fair value by property type	Group		Parent Company	
	2025	2024	2025	2024
Investment properties	47,429	43,369	10,217	9,503
Owner-occupied properties	2,294	2,164	2,294	2,164
<b>Total</b>	<b>49,723</b>	<b>45,533</b>	<b>12,511</b>	<b>11,667</b>

Fair value by sector	Group		Parent Company	
	2025	2024	2025	2024
Office	35,064	31,489	9,195	8,474
Residential	220	222	-	-
Retail	8,451	8,026	2,689	2,556
Other	5,988	5,796	627	637
<b>Total</b>	<b>49,723</b>	<b>45,533</b>	<b>12,511</b>	<b>11,667</b>

Cost per property type	Group		Parent Company	
	2025	2024	2025	2024
Investment properties	41,393	37,535	9,668	9,195
Owner-occupied properties	717	579	717	579
<b>Total</b>	<b>42,110</b>	<b>38,114</b>	<b>10,385</b>	<b>9,774</b>

Lettable floor area by sector, m <sup>2</sup>	Group	
	2025	2024
Office	642,636	610,262
Residential	8,013	8,013
Retail	367,419	367,513
Other	117,752	105,737
<b>Total</b>	<b>1,135,820</b>	<b>1,091,525</b>

Future rental income by maturity	Group	
	2025	2024
Within one year	2,681	2,482
Later than one year but within five years	6,017	5,856
Later than five years	3,582	3,464
<b>Total</b>	<b>12,280</b>	<b>11,802</b>

## NOTE 14 Land and buildings, cont.

### Accounting Policy

#### Investment properties

Properties held in the Group for rental income, capital appreciation or a combination of both are classified and recognised as investment properties in accordance with IAS 40. All investment properties are located in Sweden.

Investment properties are measured at fair value, which is the price that would be received when selling an asset in a transaction settled between market participants on the measurement date. In accordance with IFRS 13, Alecta's investment properties are classified at Level 3 of the fair value hierarchy, which means that non-observable inputs have been used. No properties were transferred to a different level of the hierarchy during the year. Alecta's current use of the investment properties is deemed to be the best use, which means that the valuation of the properties should reflect the maximum value of the assets. Gains and losses that have arisen from changes in the fair values of the investment properties are recognised in the income statement in the period in which the gain or loss occurs. Purchases and sales of investment properties are recognised on the balance sheet on the occupancy date and vacation date.

All rental agreements for the Group's investment properties are classified in their entirety as operating leases. Rental income is recognised as income on a straight-line basis so that only the proportion of the rent that is attributable to each period is recognised as income in the period.

#### Owner-occupied properties

Alecta measures the owner-occupied properties in the Group at fair value in line with the Parent Company, according to FFFS 2019:23 and the ÅRFL. Actual operating and maintenance expenses for Alecta's owner-occupied properties are recognised in operating expenses in the income statement.

### Significant estimates and judgements

#### Valuation method

Alecta engages an external valuation firm to assess the market value of all properties every full year and half year. The external valuer bases its estimates on information about the specific characteristics of each property, such as current tenancies, operating expenses and estimated market rents. The information is quality assured by Alecta in connection with the external valuation.

The total value of Alecta's property portfolio is based on the estimated market value of each individual property. The market value consists of the future benefits that could be obtained by an acquirer of the property. The key factors are what the property may be used for and the extent to which and way in which an acquirer can use the property.

Market values of properties are normally determined through cash flow statements based on estimates of the earning potential for each property. The method involves an analysis of expected future payment flows over a calculation period normally lasting ten years. In the calculation, a present value calculation for these payment flows is performed at an estimated discount rate. The components of the nominal discount rate are estimated inflation rate, the risk-free real interest rate and a risk premium. In determining the risk premium, consideration is given to the nature of the investment, the property, contractual relationships and financial risks. The valuations have been designed to meet the requirements of the MSCI Swedish Real Estate Index.

#### Significant valuation assumptions

The valuation method used is based on several assumptions, such as estimates of market rents, future trends in costs, long-term vacancies, inflation, discount rates and required rates of return in the residual value assessment. A change in any of these assumptions will affect the valuation. Some of the key valuation assumptions are presented below.

Valuation assumptions, weighted	2025	2024
Market rent per square metre, SEK	3,086	2,920
Long-term vacancy rate, %	6.34	6.07
Required rate of return, initial, %	4.10	4.42
Required rate of return, exit %	4.97	5.15

#### Sensitivity analysis

The parameters affecting value that are used in the valuation should reflect the reasoning of a prospective buyer in the market. To illustrate the uncertainty in the valuation, a number of assumptions have been singled out that show the impact on the valuation in SEK million in the event of a change.

Sensitivity analysis	Change	2025	2024
Market rent	+/- 10 %	+/- 5,217	+/- 4,460
Property costs	+/- SEK 50/m <sup>2</sup>	+/- 1,009	-/+ 904
Long-term vacancy rate	+/- 2 %	+/- 1,108	-/+ 870
Required rate of return, exit	+/- 0,5 %	+/- 4,334	+/- 3,619

NOTE 15 Shares and participations in Group companies <sup>1)</sup>

Swedish companies, Parent Company	Corporate ID no.	Registered office	Number of shares	Share of equity	Carrying amount, 2025	Carrying amount, 2024
Alecta AB	556597-9266	Stockholm	1,000	100 %	0	0
Alecta BRF Komplementär AB	559187-3210	Stockholm	50,000	100 %	0	0
Alecta Fastigheter AB	559103-4086	Stockholm	500	100 %	3,546	3,191
Alecta Bredden Holding AB	556922-4198	Stockholm	1,000,000	100 %	-	-
Alecta Bredden Holding 2 AB	556918-4806	Stockholm	50,000	100 %	-	-
– Alfab Brick Studios AB	559080-0370	Stockholm	500	100 %	-	-
– Alfab Göteborg Våghuset AB	559080-0388	Stockholm	500	100 %	-	-
– Bredden 1 Fastighets AB	556684-3784	Stockholm	100,000	100 %	-	-
Alecta Fridhemsplan Holding 1 AB	559504-6185	Stockholm	25,000	100 %	-	-
Alecta Fridhemsplan Holding 2 AB	559104-8888	Stockholm	50,000	100 %	-	-
Alecta Fridhemsplan Holding 3 AB	559104-8912	Stockholm	50,000	100 %	-	-
Alecta Fridhemsplan Holding 4 AB	559104-8904	Stockholm	50,000	100 %	-	-
– Bostadsrättsföreningen Gårdslunden <sup>2)</sup>	769642-8627	Stockholm	-	100 %	-	-
– Alfab Fridhemsplan 1 AB	559504-6193	Stockholm	25,000	100 %	-	-
Alecta Köpcentrum AB	556943-7071	Stockholm	500	100 %	-	-
Alfab Eken 6 AB	556948-7555	Stockholm	50,000	100 %	-	-
Alfab Eken 14 AB	556602-0649	Stockholm	100,000	100 %	-	-
Alfab Hönsfodret AB	559158-4080	Stockholm	50,000	100 %	-	-
Alfab Klara Strand AB <sup>2)</sup>	556912-1709	Stockholm	500	100 %	-	-
Alfab Mimer 7 AB	559122-1477	Stockholm	500	100 %	-	-
Alfab Nacka 4 AB	559006-0892	Stockholm	1,000	100 %	-	-
Alfab Nacka 12 AB <sup>2)</sup>	559006-1015	Stockholm	1,000	100 %	-	-
Alfab Solna 14 AB <sup>2)</sup>	556966-2066	Stockholm	50,000	100 %	-	-
Alfab Solna 18 AB	556803-0422	Stockholm	1,000	100 %	-	-
Alfab Solna 19 AB	556880-3844	Stockholm	500	100 %	-	-
Alfab Solna Centrum AB	556051-3268	Stockholm	5,000	100 %	-	-
– Alfab Solna Parkering AB	556482-7797	Stockholm	1,000	100 %	-	-
Alfab Solna Garage AB	556340-1941	Stockholm	1,000	100 %	-	-
Alfab Värmdö 1 AB	556687-7071	Stockholm	1,000	100 %	-	-
Alfab Värmdö 2 AB	556743-0102	Stockholm	100,000	100 %	-	-
Lidingö Hotellfastighets AB	556701-7099	Stockholm	1,000	100 %	-	-
Solna Kasernen 8 Fastighets AB	556162-0393	Stockholm	10,000	100 %	-	-
Alecta Retail Holding AB	556660-2594	Stockholm	1,000	100 %	-	-
Alfab Järfälla 1 AB	556664-7599	Stockholm	1,000	100 %	-	-
Alfab Jönköping 1 AB	556692-9385	Stockholm	1,000	100 %	-	-
Alfab Jönköping 4 AB	556188-6127	Stockholm	1,000	100 %	-	-
Alfab Jönköping 5 AB	556658-9783	Stockholm	1,000	100 %	-	-
Alfab Valutan 13 AB	556708-2713	Stockholm	100,000	100 %	-	-
Fastighetsaktiebolaget Åkersberga Österåker Runö	556785-6389	Stockholm	1,000	100 %	-	-
Fyrfast AB	556604-5513	Stockholm	1,000	100 %	-	-
Kabelverket Holding AB	556587-1075	Stockholm	1,000	100 %	-	-
Alfab Flexiwork AB	556913-5717	Stockholm	500	100 %	-	-
Alfab Göteborg 4 AB	556718-6654	Stockholm	1,000	100 %	-	-
Alfab Göteborg 5 AB	556690-0386	Stockholm	1,000	100 %	-	-
Alfab Stockholm 1 AB <sup>2)</sup>	556660-5530	Stockholm	1,000	100 %	-	-
Alfab Vällingby 1 AB	556892-7858	Stockholm	500	100 %	-	-
Alfab Vällingby 2 AB	556892-7882	Stockholm	500	100 %	-	-
Alfab Västerport 1 AB	556690-0378	Stockholm	1,000	100 %	-	-
Alfab Västerport 2 AB	556946-8944	Stockholm	500	100 %	-	-
Fastighets AB Kablaget	556577-4642	Stockholm	1,000	100 %	-	-
– Alecta Fastighetsutveckling AB	556577-4618	Stockholm	1,000	100 %	-	-
– Fastighets AB Kabelverket	556577-4568	Stockholm	1,000	100 %	-	-
Vasaterminalen AB	556118-8722	Stockholm	2,022,000	100 %	-	-
– World Trade Center Stockholm AB	556273-0803	Stockholm	1,000	100 %	-	-
– WTC Parkering AB	556424-3920	Stockholm	1,000	100 %	-	-
Sollentuna Stinsen JV AB	559085-9954	Stockholm	500,000	100 %	-	-
Sollentuna Stinsen Holding 1 AB	559085-9947	Stockholm	100,000	100 %	-	-
– Sollentuna Stinsen Property 1 AB	556706-9678	Stockholm	1,000	100 %	-	-

NOTE 15 Shares and participations in Group companies <sup>1)</sup>, cont.

Swedish companies, Parent Company	Corporate ID no.	Registered office	Number of shares	Share of equity	Carrying amount, 2025	Carrying amount, 2024
Alecta Tjänstepensioner AB	556713-7160	Stockholm	1,000	100 %	0	0
Fastighetsbolaget Augustendal KB	916635-9084	Stockholm	-	99.9 %	1,137	1,105
Fastighetsbolaget Båthamnen KB	916626-5711	Stockholm	-	99.9 %	55	53
Fastighetsbolaget Ellensvik KB	916625-6991	Stockholm	-	99.9 %	289	257
Fastighetsbolaget Grönkulla KB	969782-1115	Stockholm	-	99.9 %	16	6
Fastighetsbolaget Gustafshög KB	916625-6983	Stockholm	-	99.9 %	0	0
Fastighetsbolaget Klaraberg KB	916625-6975	Stockholm	-	99.9 %	612	586
Fastighetsbolaget Mässan KB	916626-5653	Stockholm	-	99.9 %	54	61
Fastighetsbolaget Oljekällaren KB	916626-5638	Stockholm	-	99.9 %	373	367
Fastighetsbolaget Philipin KB	916626-5679	Stockholm	-	99.9 %	513	516
Fastighetsbolaget Saluhallen KB	916626-5695	Stockholm	-	99.9 %	86	77
Nacka Strand Event & Möten KB	969646-7225	Stockholm	-	99.9 %	15	11
Morgonen 1 i Lund KB	969784-9975	Stockholm	-	99.9 %	306	311
Naraden Göteborg 1 KB	969697-7892	Stockholm	-	99.9 %	333	341
SolIFast Finansiering KB	969787-1292	Stockholm	-	99.9 %	-19	-10
2 Kilo i Halmstad KB	969784-9967	Stockholm	-	99.9 %	358	366
<b>Total, Sweden</b>					<b>7,676</b>	<b>7,239</b>
Foreign Group companies, USA, Parent Company						
Alecta Real Estate USA, LLC	-	Delaware	-	100 %	699	754
Alecta Value Add Investments, LLC <sup>3)</sup>	-	Delaware	-	100 %	-	-
PMAK MOB ALECTA REIT FEEDER, LLC	-	Delaware	-	100 %	3,977	3,977
<b>Total, USA</b>					<b>4,676</b>	<b>4,732</b>
<b>Total shares and participations in Group companies <sup>4)</sup></b>					<b>12,351</b>	<b>11,971</b>

<sup>1)</sup> As all shares and participations are unlisted, market values are not indicated. Carrying amounts are not indicated for subsidiaries of subgroups.

<sup>2)</sup> The company was acquired in 2025.

<sup>3)</sup> The company was divested or liquidated in 2025.

<sup>4)</sup> Surplus values for shares and participations in Swedish Group companies are estimated at SEK 10,255 million (9,551) and for foreign Group companies at SEK 909 million (1,614). The surplus values represent the difference between the carrying amount of shares and participations in Group companies and their fair value. The capital base includes surplus values from shares and participations in Group companies.

Parent Company	Carrying amount, 2025	Carrying amount, 2024
<b>Cost</b>		
Opening balance, cost	21,811	21,483
Shareholder contributions during the year	355	354
Share of profit for the year	96	109
Deposits for the year, limited partnership	101	31
Withdrawals for the year, limited partnership	-101	-165
<b>Closing balance, cost</b>	<b>22,262</b>	<b>21,811</b>
<b>Accumulated impairment</b>		
Opening balance, impairment	-9,840	-9,723
Impairment for the year	-71	-123
Reversal of impairment for the year	-	6
<b>Closing balance, impairment</b>	<b>-9,910</b>	<b>-9,840</b>
<b>Total shares and participations in Group companies</b>	<b>12,351</b>	<b>11,971</b>

**Accounting Policy**

Shares and participations in Group companies are recognised at cost, including acquisition costs, less necessary impairment in the Parent Company.

## NOTE 16 Debt securities issued by and loans to Group companies

Parent Company	Carrying amount, 2025	Carrying amount, 2024
<b>Cost</b>		
Opening balance, cost	24,785	18,630
Change for the year	2,472	6,155
<b>Total debt securities issued by and loans to Group companies</b>	<b>27,257</b>	<b>24,785</b>

**Accounting Policy**

Intracompany loans and receivables are financial assets that are not listed in an active market. The assets are classified as financial assets valued at amortised cost.

## NOTE 17 Investments in associated companies and joint ventures

31/12/2025 Parent Company – Joint ventures	Country	Corporate ID no.	Share of equity	Fair value, shares	Fair value, debt securities issued by, and loans to	Interest income
Alfa SSMJV AB	Sweden	556840-4262	50.00 %	0	–	–
KB Alfa SSM	Sweden	969715-3998	49.00 %	10	–	–
Ancore Fastigheter AB <sup>1)</sup>	Sweden	556817-8858	–	–	–	–
Ankhiale Topco AB (Stockholm Exergi)	Sweden	559317-8741	15.00 %	3,765	–	–
Convea AB	Sweden	556912-4505	50.00 %	7	–	–
Global Business Gate JV AB	Sweden	559109-9030	50.00 %	0	–	–
Global Business Gate JV KB	Sweden	969781-4847	49.50 %	466	–	–
Kongahälla Holding AB	Sweden	559126-1903	50.00 %	303	–	–
Midstar Hotels AB	Sweden	559007-7979	49.70 %	0	–	–
SoliFast Holding AB JV	Sweden	559149-7770	20.00 %	20	2	0
Stadsrum Fastigheter AB	Sweden	559028-9624	49.40 %	3,374	–	–
Swedish Airport Infrastructure Holding AB	Sweden	559012-5182	50.00 %	0	–	–
Swedish Airport Infrastructure Holding KB	Sweden	969775-2609	49.90 %	1,918	–	–
Fastighetsaktiebolaget Sollentuna Städet 1 <sup>2)</sup>	Sweden	559531-1050	50.00 %	294	–	–
<b>Parent Company – Associated companies</b>						
Heimstaden Bostad AB	Sweden	556864-0873	38.60 %	42,228	–	3
Bain Capital Credit CLO Management Ltd	Jersey	–	24.35 %	685	–	–
Bain Capital Credit CLO Management II Ltd	Jersey	–	20.63 %	1,111	–	–
SR Energy AB	Sweden	556711-9549	20.00 %	1,905	–	–
CMH II Coinvestment AB (CIV) <sup>2)</sup>	Sweden	559509-5182	10.13 %	428	–	–
<b>Total Parent Company <sup>3)</sup></b>				<b>56,514</b>	<b>2</b>	<b>3</b>
<b>Group companies – Joint ventures</b>						
ARE-LEI Venture, LLC <sup>1)</sup>	USA	–	–	–	–	–
KACORE JV, LLC	USA	–	39.09 %	2,710	–	–
KAGR Master JV LLC	USA	–	47.50 %	1,476	–	–
KAGR2 Master JV LLC	USA	–	47.50 %	2,042	–	–
PMAK MOB JV REOC, LLC	USA	–	48.13 %	2,168	–	–
<b>Total Group <sup>3)</sup></b>				<b>64,910</b>	<b>2</b>	<b>3</b>

<sup>1)</sup> The company was divested or liquidated in 2025.

<sup>2)</sup> The company was acquired in 2025.

<sup>3)</sup> The cost of assets in the Parent Company is SEK 62,871 million (62,554) and in the Group SEK 70,610 million (72,049).

For the comparison table for 31 December 2024, as well as accounting policies, see the next page.

**NOTE 17 Investments in associated companies and joint ventures, cont.**

31/12/2024 Parent Company – Joint ventures	Country	Corporate ID no.	Share of equity	Fair value, shares	Fair value, debt securities issued by, and loans to	Interest income
Alfa SSMJV AB	Sweden	556840-4262	50.00 %	0	–	–
KB Alfa SSM	Sweden	969715-3998	49.00 %	11	–	–
Ancore Fastigheter AB	Sweden	556817-8858	50.00 %	1,947	–	–
Ankhiale Topco AB (Stockholm Exergi)	Sweden	559317-8741	15.00 %	3,657	–	–
Convea AB	Sweden	556912-4505	50.00 %	7	–	–
Global Business Gate JV AB	Sweden	559109-9030	50.00 %	0	–	–
Global Business Gate JV KB	Sweden	969781-4847	49.50 %	311	–	–
Kongahälla Holding AB	Sweden	559126-1903	50.00 %	376	–	–
Midstar Hotels AB	Sweden	559007-7979	49.70 %	3,086	–	–
SoliFast Holding AB JV	Sweden	559149-7770	20.00 %	20	2	0
Stadsrum Fastigheter AB	Sweden	559028-9624	49.40 %	3,119	–	–
Swedish Airport Infrastructure Holding AB	Sweden	559012-5182	50.00 %	0	–	–
Swedish Airport Infrastructure Holding KB	Sweden	969775-2609	49.90 %	1,799	–	–
<b>Parent Company – Associated companies</b>						
Heimstaden Bostad AB	Sweden	556864-0873	38.60 %	40,698	741	24
Bain Capital Credit CLO Management Ltd	Jersey	–	24.35 %	1,090	–	–
Bain Capital Credit CLO Management II Ltd	Jersey	–	20.63 %	993	–	–
SR Energy AB	Sweden	556711-9549	20.00 %	2,264	–	–
<b>Total Parent Company <sup>1)</sup></b>				<b>59,377</b>	<b>743</b>	<b>24</b>
<b>Group companies – Joint ventures</b>						
ARE-LEI Venture, LLC	USA	–	95.00 %	2	–	–
KACORE JV, LLC	USA	–	39.09 %	3,332	–	–
KAGR Master JV LLC	USA	–	47.50 %	1,694	–	–
KAGR2 Master JV LLC	USA	–	47.50 %	2,379	–	–
PMAK MOB JV REOC, LLC	USA	–	48.13 %	2,577	–	–
<b>Total Group <sup>1)</sup></b>				<b>69,361</b>	<b>743</b>	<b>24</b>

<sup>1)</sup> The cost of assets in the Parent Company is SEK 62,554 million (61,636) and in the Group SEK 72,049 million (70,342).

**Accounting Policy**

Alecta owns shares and participations in companies that are categorised as either jointly controlled entities or associated companies. Investments in jointly controlled entities are through joint ventures.

**Shares and participations in associated companies and joint ventures**

are mandatorily recognised at fair value through the income statement. On the balance sheet, shares and participations are recognised in the investment assets category. Changes in value are accounted for in the income statement as unrealised gains or losses. Dividends are reported as dividends received in the item Capital return, income Note 5.

**Debt securities issued by, and loans to** are measured at fair value through the income statement at initial recognition. The balance sheet shows the assets in the investment assets category. Changes in value are recognised in the income statement as unrealised gains or losses. Interest income is recognised as interest income in the item Capital return, income Note 5. Valuation techniques for shares and participations as well as debt securities issued by, and loans to, are described in Note 21. Information on transactions between Alecta and the above joint ventures as well as associated companies is provided in Note 47, Related party disclosures.

## NOTE 18 Classification of financial assets and liabilities

Group, 31/12/2025	Financial assets/liabilities measured at fair value through the income statement at initial recognition	Financial assets/liabilities measured at fair value through the income statement; mandatory	Financial assets and liabilities measured at amortised cost	Total carrying amount	Fair value
<b>Financial assets</b>					
Shares and participations in associated companies and joint ventures	-	64,910	-	64,910	64,910
Debt securities issued by and loans to associated companies and joint ventures	2	-	-	2	2
Shares and participations	-	630,424	-	630,424	630,424
Bonds and other debt securities	618,306	-	-	618,306	618,306
Loans secured by real estate	7,502	-	-	7,502	7,502
Other loans	23,800	-	-	23,800	23,800
Derivatives	-	13,434	-	13,434	13,434
Receivables related to direct insurance operations	-	-	1,582	1,582	1,582
Other receivables	-	-	1,015	1,015	1,015
Cash and bank balances	-	-	3,317	3,317	3,317
Accrued interest and rental income	-	-	6,476	6,476	6,476
<b>Total</b>	<b>649,610</b>	<b>708,768</b>	<b>12,390</b>	<b>1,370,768</b>	<b>1,370,768</b>
<b>Financial liabilities</b>					
Liabilities related to direct insurance operations	-	-	12	12	12
Derivatives	-	5,625	-	5,625	5,625
Other liabilities	-	-	8,669	8,669	8,669
Other accrued expenses	-	-	1,200	1,200	1,200
<b>Total</b>	<b>-</b>	<b>5,625</b>	<b>9,881</b>	<b>15,506</b>	<b>15,506</b>
<b>Group, 31/12/2024</b>					
<b>Financial assets</b>					
Shares and participations in associated companies and joint ventures	-	69,361	-	69,361	69,361
Debt securities issued by and loans to associated companies and joint ventures	743	-	-	743	743
Shares and participations	-	618,433	-	618,433	618,433
Bonds and other debt securities	573,370	-	-	573,370	573,370
Loans secured by real estate	6,986	-	-	6,986	6,986
Other loans	16,587	-	-	16,587	16,587
Derivatives	-	4,998	-	4,998	4,998
Receivables related to direct insurance operations	-	-	1,591	1,591	1,591
Other receivables	-	-	904	904	904
Cash and bank balances	-	-	3,589	3,589	3,589
Accrued interest and rental income	-	-	5,922	5,922	5,922
<b>Total</b>	<b>597,686</b>	<b>692,792</b>	<b>12,006</b>	<b>1,302,484</b>	<b>1,302,484</b>
<b>Financial liabilities</b>					
Liabilities related to direct insurance operations	-	-	12	12	12
Derivatives	-	29,609	-	29,609	29,609
Other liabilities	-	-	2,604	2,604	2,604
Other accrued expenses	-	-	1,884	1,884	1,884
<b>Total</b>	<b>-</b>	<b>29,609</b>	<b>4,500</b>	<b>34,109</b>	<b>34,109</b>

## NOTE 18 Classification of financial assets and liabilities, cont.

Parent Company, 31/12/2025	Financial assets/liabilities measured at fair value through the income statement at initial recognition	Financial assets/liabilities measured at fair value through the income statement; mandatory	Financial assets and liabilities measured at amortised cost	Total carrying amount	Fair value
<b>Financial assets</b>					
Debt securities issued by and loans to Group companies	-	-	27,257	27,257	27,257
Shares and participations in associated companies and joint ventures	-	56,514	-	56,514	56,514
Debt securities issued by and loans to associated companies and joint ventures	2	-	-	2	2
Shares and participations	-	629,690	-	629,690	629,690
Bonds and other debt securities	618,306	-	-	618,306	618,306
Loans secured by real estate	2,640	-	-	2,640	2,640
Other loans	23,800	-	-	23,800	23,800
Derivatives	-	13,434	-	13,434	13,434
Receivables related to direct insurance operations	-	-	1,582	1,582	1,582
Other receivables	-	-	867	867	867
Cash and bank balances	-	-	3,087	3,087	3,087
Accrued interest and rental income	-	-	6,503	6,503	6,503
<b>Total</b>	<b>644,748</b>	<b>699,638</b>	<b>39,296</b>	<b>1,383,682</b>	<b>1,383,682</b>
<b>Financial liabilities</b>					
Liabilities related to direct insurance operations	-	-	12	12	12
Derivatives	-	5,625	-	5,625	5,625
Other liabilities	-	-	9,972	9,972	9,972
Other accrued expenses	-	-	1,188	1,188	1,188
<b>Total</b>	<b>-</b>	<b>5,625</b>	<b>11,172</b>	<b>16,797</b>	<b>16,797</b>
<b>Parent Company, 31/12/2024</b>					
<b>Financial assets</b>					
Debt securities issued by and loans to Group companies	-	-	24,785	24,785	24,785
Shares and participations in associated companies and joint ventures	-	59,377	-	59,377	59,377
Debt securities issued by and loans to associated companies and joint ventures	743	-	-	743	743
Shares and participations	-	617,587	-	617,587	617,587
Bonds and other debt securities	573,370	-	-	573,370	573,370
Loans secured by real estate	2,880	-	-	2,880	2,880
Other loans	16,587	-	-	16,587	16,587
Derivatives	-	4,998	-	4,998	4,998
Receivables related to direct insurance operations	-	-	1,591	1,591	1,591
Other receivables	-	-	770	770	770
Cash and bank balances	-	-	3,475	3,475	3,475
Accrued interest and rental income	-	-	5,947	5,947	5,947
<b>Total</b>	<b>593,580</b>	<b>681,962</b>	<b>36,568</b>	<b>1,312,110</b>	<b>1,312,110</b>
<b>Financial liabilities</b>					
Liabilities related to direct insurance operations	-	-	12	12	12
Derivatives	-	29,609	-	29,609	29,609
Other liabilities	-	-	3,874	3,874	3,874
Other accrued expenses	-	-	1,875	1,875	1,875
<b>Total</b>	<b>-</b>	<b>29,609</b>	<b>5,761</b>	<b>35,370</b>	<b>35,370</b>

## NOTE 19 Net profit by class of financial assets and liabilities

SEK million	Group		Parent Company	
	2025	2024	2025	2024
Financial assets measured at fair value through the income statement				
shares and participations	26,926	83,303	28,157	82,749
debt securities	-11,503	28,461	-11,658	28,334
loans secured by real estate	-84	368	-84	368
other loans	-540	2,034	-540	2,034
Financial assets and liabilities held for trade				
derivatives	71,927	-50,150	71,927	-50,150
Financial assets and liabilities measured at amortised cost				
loans and receivables	50	156	1,128	1,174
other liabilities	-23	-55	-71	-55
<b>Total net profit <sup>1)</sup></b>	<b>86,753</b>	<b>64,117</b>	<b>88,859</b>	<b>64,454</b>
Land and buildings, net	3,274	2,360	623	416
Asset management and custodian expenses	-398	-359	-385	-349
Other, net	-32	-1,576	-684	443
<b>Total return on capital as reported in income statement</b>	<b>89,597</b>	<b>64,542</b>	<b>88,413</b>	<b>64,964</b>

<sup>1)</sup> Net profit includes realised and unrealised changes in value as well as interest, dividends and foreign exchange gains and losses.

## NOTE 20 Maturity analysis of financial liabilities

Time to maturity					
Group, 31/12/2025	< 3 months	3 months < 1 year	1-5 years	> 5 years	Total
Non-liquidated securities transactions	-277	-	-	-	-277
Liability for cash collateral received for derivatives	-7,898	-	-	-	-7,898
Derivatives gross – outflow	-526,559	-112,337	-38,605	-4,816	-682,317
Derivatives gross – inflow	533,137	111,257	40,714	9,157	694,264
Other liabilities	-506	-	-	-	-506
Other accrued expenses	-1,200	-	-	-	-1,200
<b>Total cash flow</b>	<b>-3,303</b>	<b>-1,081</b>	<b>2,109</b>	<b>4,341</b>	<b>2,066</b>
Time to maturity					
Group, 31/12/2024	< 3 months	3 months < 1 year	1-5 years	> 5 years	Total
Non-liquidated securities transactions	-22	-	-	-	-22
Liability for cash collateral received for derivatives	-2,176	-	-	-	-2,176
Derivatives gross – outflow	-601,974	-94,535	-51,230	-14,394	-762,133
Derivatives gross – inflow	580,978	93,902	42,877	16,632	734,389
Other liabilities	-418	-	-	-	-418
Other accrued expenses	-1,884	-	-	-	-1,884
<b>Total cash flow</b>	<b>-25,496</b>	<b>-633</b>	<b>-8,353</b>	<b>2,237</b>	<b>-32,245</b>

The purpose of this note is to illustrate when the financial liabilities fall due for payment. The table shows actual future cash flows in each period, based on remaining contractual times to maturity. The amounts presented for each time to maturity refer to undiscounted cash flows. For derivatives, cash flows are reported on a gross basis, i.e. both outflows and inflows, to create a better understanding of these flows. For variable interest rate derivatives, the last known interest rate has been applied to approximate future cash flows. For a description of liquidity risk, see Note 3 Risks and risk management.

## NOTE 21 Valuation categories for financial instruments measured at fair value

Under the disclosure requirements in IFRS 13, financial assets and liabilities that are measured at fair value must be classified into three levels based on the valuation technique used. Assets and liabilities must be measured using the valuation technique that is appropriate in the circumstances, maximising the use of relevant observable inputs as far as possible. The purpose is to identify the valuation technique that best estimates the price at which the financial assets or financial liabilities can be sold or transferred between market participants under current market conditions.

The three levels of valuation categories are:

### Level 1: Measurement using prices quoted in an active market

Fair value measurement based on prices quoted in an active market is used if quoted prices are easily and regularly available and under the condition that these prices represent actual and regularly occurring market transactions. Examples of financial assets that are classified at this level include listed shares, government bonds and Swedish mortgage bonds.

Prices for these financial assets are obtained daily through index price providers retrieved from each exchange, which where applicable are converted at exchange rates quoted on a daily basis from the price provider, WM Company.

### Level 2: Measurement based on observable inputs

Financial assets and liabilities for which there are no quoted prices in an active market are measured at fair value based on as many available market inputs as possible. Examples of market inputs used in the measurement include:

- Quoted interest rates, credit spreads and exchange rates
- Market inputs on prices for similar financial instruments
- Market inputs on prices in recently completed transactions in the same or similar financial instruments

Examples of financial assets and liabilities classified at this level include debt securities instruments in the form of Swedish and foreign corporate bonds, structured bonds, cleared derivatives and all OTC derivatives in the form of interest rate swaps, currency derivatives and credit derivatives.

For debt securities instruments, daily prices from external price providers, Refinitiv and Bloomberg are used. Under the agreements, Alecta has the ability to inspect the price provider's valuation data to assure the quality of the provided price inputs.

For OTC derivatives, fair value is determined on a daily basis in Alecta's financial system in accordance with market practice by estimating the present value of the future cash flows of each derivative based on quoted market prices with respect to interest rates, credit spreads and exchange rates.

### Level 3: Measurement based on unobservable inputs

Financial assets that are measured at fair value without access to observable market inputs are classified at Level 3. Also presented here are financial assets measured at fair value that may be based on certain observable inputs, but not enough to meet the requirements for Level 2.

Examples of financial assets in this level consist mainly of financial instruments with real estate and infrastructure as underlying assets, but also of debt securities and unlisted shares and participations. Fair values for these assets are obtained from external price providers, fund managers, counterparties or property-owning companies following an external valuation of the underlying properties. For these assets, the valuation technique of external suppliers and fund managers is verified by requesting random valuation documentation.

### Principles for reclassification between levels

Financial assets and liabilities measured at fair value are classified at one of the three valuation categories at acquisition and then normally retain that classification until they are divested. Under certain circumstances, however, a financial asset may be reclassified to another level after the acquisition date. The following principles apply to such reclassification:

#### Principle for reclassification between Level 1 and Level 2

To be reclassified from Level 1 to Level 2, the financial instruments must no longer be traded in an active market but can still be

measured in accordance with the description for Level 2. Similarly, a reclassification from Level 2 to Level 1 may be performed if the Level 2 financial instrument is quoted in an active market.

No financial instrument was transferred from Level 1 to Level 2 or from Level 2 to Level 1 in either 2025 or 2024.

#### Principle for reclassification between Level 2 and Level 3

A reclassification from Level 2 to Level 3 may be performed if it is no longer possible to measure a financial instrument at fair value based on observable market inputs. Similarly, Level 3 financial instruments may be transferred to Level 2 if observable market inputs become available and an external price provider is able to measure fair value based on these inputs.

No financial instrument was transferred from Level 2 to Level 3 or from Level 3 to Level 2 in either 2025 or 2024.

#### Principle for reclassification between Level 1 and Level 3

A reclassification from Level 1 to Level 3 is performed if a financial instrument is delisted from an active market and there are insufficient market inputs to allow for Level 2 measurement. Similarly, a reclassification from Level 3 to Level 1 may be performed if the Level 3 financial instrument is quoted in an active market.

There were no transfers from Level 1 to Level 3 in either 2025 or 2024. There were no transfers from Level 3 to Level 1 in 2025, but there was one in 2024 when an unlisted shareholding was listed.

### Sensitivity analysis for Level 3 financial instruments

Under IFRS 13, a sensitivity analysis must be presented for those financial instruments that are measured at fair value in accordance with Level 3. The sensitivity analysis must include an explanatory description of the sensitivity of the fair value measurement to changes in unobservable inputs.

Level 3 assets consist mainly of financial instruments with real estate and infrastructure as the underlying asset, but also of a significant proportion of debt securities and unlisted shares and participations.

For financial instruments with real estate and infrastructure as the underlying asset, the most relevant value-influencing factor is changes in the required rates of return on real estate. The corresponding, largest value-influencing factor for financial instruments consisting mainly of debt securities as underlying assets consists of changes in interest rates, and for unlisted shares it consists of stock market risk.

The following table presents the estimated effects on fair value in the event of an increase in the required rate of return on real estate of 0.5 percentage points, taking underlying lending into account, an interest rate increase of 1 percentage point and a share price decrease of 10 per cent.

Sensitivity analysis			
Group (SEK million)	Fair value	Value-influencing factor	Effect on fair value
Real estate-related holdings	122,965	Return requirement increase of 0.5 percentage points	-23,390
Interest-related holdings	71,103	Interest rate increase of 1 percentage point	-759
Equity-related holdings	59,137	Share price decrease 10 per cent	-5,914
<b>Total Level 3</b>	<b>253,205</b>		<b>-30,063</b>

### Heimstaden Bostad

Alecta's investment assets in respect of financial instruments are measured at fair value using IFRS 9 Financial Instruments and IFRS 13 Fair Value Measurement. Alecta's basic approach to valuing unlisted holdings in real estate companies is the NAV (net asset value) values reported in accordance with IFRS for these holdings. If there are reasons to assume that the value has been affected by specific characteristics of the share in the unlisted holding, the NAV must be adjusted. The outcome of this evaluation may mean that the NAV corresponds to the market value of the asset or a substance discount or premium can be identified. Factors that can lead to a substance discount or premium occurring are numerous and can shift over time. Factors that can be seen to have implied a substance discount in the market for unlisted property investments in 2025 are: market sentiment, financing risk, ratings, operational factors and the interest rate

**NOTE 21 Valuation categories for financial instruments measured at fair value, cont.**

and inflation environment. Evaluation of these factors takes place on each closing date.

Heimstaden Bostad constitutes a significant holding for Alecta. In the valuation of this asset, significant estimates and assessments are made as the asset is classified as an asset within Level 3 where the valuation is not based on observable information.

In the valuation of Heimstaden Bostad, Alecta has assumed that the equity instruments that Alecta owns will be valued as an entity in accordance with the guidelines that exist on the market via IPEV Valuation Guidelines.

The valuation of the holding in Heimstaden Bostad has thus been performed on the basis of the NAV reported by the company. Alecta has subsequently carried out a new assessment of the value of the share. The renewed assessment means that a substance discount of 15 per cent should be applied to NAV. The applied substance discount as of 31/12/2025 is thus unchanged compared to 31/12/2024, i.e. 15 per cent.

## Fair values of financial instruments, 31/12/2025

Group	Measurement using prices quoted in an active market Level 1	Measurement based on observable inputs Level 2	Measurement based on unobservable inputs Level 3	Carrying amount 31/12/2025
<b>Assets</b>				
Shares and participations	513,962	-	116,462	630,424
Shares and participations in associated companies and joint ventures	-	-	64,910	64,910
Debt securities issued by and loans to associated companies and joint ventures	-	-	2	2
Bonds and other debt securities	382,687	195,090	40,529	618,306
Loans secured by real estate	-	-	7,502	7,502
Other loans	-	-	23,800	23,800
Derivatives	-	13,434	-	13,434
<b>Total assets</b>	<b>896,649</b>	<b>208,524</b>	<b>253,205</b>	<b>1,358,378</b>
<b>Liabilities</b>				
Derivatives	-	5,625	-	5,625
<b>Total liabilities</b>	<b>-</b>	<b>5,625</b>	<b>-</b>	<b>5,625</b>
<b>Parent Company</b>				
<b>Assets</b>				
Shares and participations	513,962	-	115,728	629,690
Shares and participations in associated companies and joint ventures	-	-	56,514	56,514
Debt securities issued by and loans to associated companies and joint ventures	-	-	2	2
Bonds and other debt securities	382,687	195,090	40,529	618,306
Loans secured by real estate	-	-	2,640	2,640
Other loans	-	-	23,800	23,800
Derivatives	-	13,434	-	13,434
<b>Total assets</b>	<b>896,649</b>	<b>208,524</b>	<b>239,213</b>	<b>1,344,386</b>
<b>Liabilities</b>				
Derivatives	-	5,625	-	5,625
<b>Total liabilities</b>	<b>-</b>	<b>5,625</b>	<b>-</b>	<b>5,625</b>

**NOTE 21 Valuation categories for financial instruments measured at fair value, cont.**

Group	Fair values of financial instruments, 31/12/2024			Carrying amount 31/12/2024
	Measurement using prices quoted in an active market Level 1	Measurement based on observable inputs Level 2	Measurement based on unobservable inputs Level 3	
<b>Assets</b>				
Shares and participations	493,810	-	124,623	618,433
Shares and participations in associated companies and joint ventures	-	-	69,361	69,361
Debt securities issued by and loans to associated companies and joint ventures	-	741	2	743
Bonds and other debt securities	309,379	208,979	55,012	573,370
Loans secured by real estate	-	-	6,986	6,986
Other loans	-	-	16,587	16,587
Derivatives	-	4,998	-	4,998
<b>Total assets</b>	<b>803,189</b>	<b>214,718</b>	<b>272,571</b>	<b>1,290,478</b>
<b>Liabilities</b>				
Derivatives	-	29,609	-	29,609
<b>Total liabilities</b>	<b>-</b>	<b>29,609</b>	<b>-</b>	<b>29,609</b>
<b>Parent Company</b>				
<b>Assets</b>				
Shares and participations	493,810	-	123,777	617,587
Shares and participations in associated companies and joint ventures	-	-	59,377	59,377
Debt securities issued by and loans to associated companies and joint ventures	-	741	2	743
Bonds and other debt securities	309,379	208,979	55,012	573,370
Loans secured by real estate	-	-	2 880	2,880
Other loans	-	-	16,587	16,587
Derivatives	-	4,998	-	4,998
<b>Total assets</b>	<b>803,189</b>	<b>214,718</b>	<b>257,635</b>	<b>1,275,542</b>
<b>Liabilities</b>				
Derivatives	-	29,609	-	29,609
<b>Total liabilities</b>	<b>-</b>	<b>29,609</b>	<b>-</b>	<b>29,609</b>

NOTE 22 Disclosures on financial instruments measured at fair value based on Level 3<sup>1)</sup>

Group	Fair value at year-end 2025						
	Shares and participations	Shares and participations in associated companies and joint ventures	Debt securities issued by and loans to associated companies and joint ventures	Bonds and other debt securities	Loans secured by real estate	Other loans	Total
Opening balance 2025	124,623	69,361	2	55,012	6,986	16,587	272,571
Purchases	13,378	1,721	0	4,946	2,065	15,403	37,513
Sales	-8,476	-2,530	-	-14,933	-1,329	-6,387	-33,655
Gains and losses	-13,064	-3,642	-	-4,496	-220	-1,803	-23,225
<i>Realised gains/losses, sold entire holding</i>	-319	1,377	-	69	-	-35	1,092
<i>Realised gains/losses, sold portion of holding</i>	128	32	-	528	-	-71	617
<i>Unrealised gains/losses</i>	2,221	-3,013	-	232	-160	131	-589
<i>Unrealised foreign exchange gains/losses</i>	-15,094	-2,038	-	-5,325	-60	-1,828	-24,345
Transferred from Level 3	-	-	-	-	-	-	-
Transferred to Level 3	-	-	-	-	-	-	-
<b>Closing balance 2025</b>	<b>116,462</b>	<b>64,910</b>	<b>2</b>	<b>40,529</b>	<b>7,502</b>	<b>23,800</b>	<b>253,205</b>
<b>Parent Company</b>							
Opening balance 2025	123,777	59,377	2	55,012	2,880	16,587	257,635
Purchases	13,378	1,721	0	4,946	1,308	15,403	36,756
Sales	-8,458	-2,360	-	-14,933	-1,329	-6,387	-33,467
Gains and losses	-12,970	-2,224	-	-4,496	-219	-1,803	-21,712
<i>Realised gains/losses, sold entire holding</i>	-319	13,767	-	69	-	-35	13,482
<i>Realised gains/losses, sold portion of holding</i>	128	-12,358	-	528	-	-71	-11,773
<i>Unrealised gains/losses</i>	2,242	-3,180	-	232	-159	131	-734
<i>Unrealised foreign exchange gains/losses</i>	-15,021	-453	-	-5,325	-60	-1,828	-22,687
Transferred from Level 3	-	-	-	-	-	-	-
Transferred to Level 3	-	-	-	-	-	-	-
<b>Closing balance 2025</b>	<b>115,728</b>	<b>56,514</b>	<b>2</b>	<b>40,529</b>	<b>2,640</b>	<b>23,800</b>	<b>239,213</b>

<sup>1)</sup> The definition of Level 3 can be seen in Note 21, Valuation categories.

Group	Fair value at year-end 2024						
	Shares and participations	Shares and participations in associated companies and joint ventures	Debt securities issued by and loans to associated companies and joint ventures	Bonds and other debt securities	Loans secured by real estate	Other loans	Total
Opening balance 2024	107,625	65,531	1	60,928	6,934	11,319	252,338
Purchases	13,012	737	1	3,250	1,950	11,398	30,348
Sales	-5,667	-71	-	-11,886	-2,012	-6,765	-26,401
Gains and losses	10,178	3,164	-	2,720	114	635	16,811
<i>Realised gains/losses, sold entire holding</i>	129	-	-	661	-	478	1,268
<i>Realised gains/losses, sold portion of holding</i>	-163	-	-	143	-	-5	-25
<i>Unrealised gains/losses</i>	2,960	2,141	-	-363	84	-259	4,593
<i>Unrealised foreign exchange gains/losses</i>	7,252	1,023	-	2,279	30	421	11,005
Transferred from Level 3	-525	-	-	-	-	-	-525
Transferred to Level 3	-	-	-	-	-	-	-
<b>Closing balance 2024</b>	<b>124,623</b>	<b>69,361</b>	<b>2</b>	<b>55,012</b>	<b>6,986</b>	<b>16,587</b>	<b>272,571</b>
<b>Parent Company</b>							
Opening balance 2024	106,803	55,901	1	60,928	4,767	11,319	239,719
Purchases	13,012	726	1	3,250	-	11,398	28,387
Sales	-5,615	-	-	-11,886	-2,001	-6,765	-26,267
Gains and losses	10,102	2,750	-	2,720	114	635	16,321
<i>Realised gains/losses, sold entire holding</i>	129	-	-	661	-	478	1,268
<i>Realised gains/losses, sold portion of holding</i>	-163	-	-	143	-	-5	-25
<i>Unrealised gains/losses</i>	2,908	2,558	-	-363	84	-259	4,958
<i>Unrealised foreign exchange gains/losses</i>	7,228	192	-	2,279	30	421	10,367
Transferred from Level 3	-525	-	-	-	-	-	-525
Transferred to Level 3	-	-	-	-	-	-	-
<b>Closing balance 2024</b>	<b>123,777</b>	<b>59,377</b>	<b>2</b>	<b>55,012</b>	<b>2,880</b>	<b>16,587</b>	<b>257,635</b>

## NOTE 23 Shares and participations

Group	2025		2024	
	Fair value	Cost	Fair value	Cost
Swedish listed shares	203,088	110,143	196,566	96,898
Swedish unlisted shares	482	1,562	798	1,562
Foreign listed shares	310,874	211,586	297,243	199,532
Foreign unlisted shares	115,979	100,695	123,826	111,079
<b>Total</b>	<b>630,424</b>	<b>423,986</b>	<b>618,433</b>	<b>409,071</b>
<b>Parent Company</b>				
Swedish listed shares	203,088	110,143	196,566	96,898
Swedish unlisted shares	482	1,562	798	1,562
Foreign listed shares	310,874	211,586	297,243	199,532
Foreign unlisted shares	115,246	100,372	122,980	110,665
<b>Total</b>	<b>629,690</b>	<b>423,663</b>	<b>617,587</b>	<b>408,657</b>

A list of all shares is available at [alecta.se](http://alecta.se).

### Accounting Policy

Shares and participations are mandatorily measured at fair value through the income statement as they are held for trading. In the event of acquisitions at below cost price, the so-called day-1 gain is recognised only at the time of sale or when a market price exists. Valuation techniques for shares and participations are described in Note 21.

Accumulated changes in value for shares consist of the difference between cost and fair value. Dividends are reported as dividends received in the item Capital return, income Note 5.

## NOTE 24 Bonds and other debt securities

Group and Parent Company	2025		2024	
	Fair value	Amortised cost	Fair value	Cost
The Swedish Government	122,055	123,578	79,523	79,952
Swedish mortgage bonds	68,021	67,977	40,835	40,820
Other Swedish issuers	110,155	110,307	133,879	134,375
Foreign governments	207,744	223,325	189,204	205,569
Other foreign issuers	110,333	112,838	129,929	133,880
<b>Total</b>	<b>618,306</b>	<b>638,025</b>	<b>573,370</b>	<b>594,597</b>

The items The Swedish Government and Foreign governments also include state guaranteed holdings.

Group and Parent Company	2025	2024
<b>Fixed-rate term</b>		
0–1 year	249,378	231,315
>1–5 years	198,014	185,209
>5–10 years	111,453	85,432
>10 years	59,462	71,415
<b>Total</b>	<b>618,306</b>	<b>573,370</b>

### Accounting Policy

Bonds and other debt securities are measured at fair value through the income statement on initial recognition based on Alecta's business model. Valuation techniques for bonds and other debt securities are described in Note 21. Accumulated changes in value for debt securities instruments consist of the difference between amortised cost and fair value. Amortised cost refers to future payments discounted to present value at the effective interest rate. The acquisition interest

is the interest that is accrued over the term of the financial instrument. The calculation takes into account any premiums or discounts at acquisition that have been accrued over the remaining term of the instrument. Accruals of premiums and discounts, accrued interest income and coupon payments received are recognised as interest income in the item Capital return, income Note 5.

## NOTE 25 Loans secured by real estate

Group	2025		2024	
	Fair value	Cost	Fair value	Cost
Swedish loans secured by real estate	6,418	6,422	5,689	5,686
Foreign loans secured by real estate	1,084	1,065	1,297	1,125
<b>Total</b>	<b>7,502</b>	<b>7,486</b>	<b>6,986</b>	<b>6,811</b>
Parent Company				
Swedish loans secured by real estate	1,556	1,559	1,584	1,580
Foreign loans secured by real estate	1,084	1,065	1,297	1,125
<b>Total</b>	<b>2,640</b>	<b>2,624</b>	<b>2,880</b>	<b>2,705</b>

### Accounting Policy

Loans secured by real estate are measured at fair value through the income statement at initial recognition based on Alecta's business model.

Changes in value are recognised in the income statement as unrealised gains or losses. Valuation techniques are described in Note 21. Interest income is recognised as interest income in the item Capital return, income Note 5.

## NOTE 26 Other loans

Group and Parent Company	2025		2024	
	Fair value	Cost	Fair value	Cost
Other loans, Swedish	5,977	5,980	3,620	3,585
Other loans, foreign	17,822	17,935	12,967	13,248
<b>Total</b>	<b>23,800</b>	<b>23,915</b>	<b>16,587</b>	<b>16,834</b>

### Accounting Policy

Loans with collateral received other than real estate are reported here. Other loans are measured at fair value through the income statement at initial recognition based on Alecta's business model. Changes in value are recognised in the income statement as unrealised gains or

losses. Valuation techniques are described in Note 21. Interest income is recognised as interest income in the item Capital return, income Note 5.

## NOTE 27 Derivatives

Group and Parent Company	2025			2024		
	Fair value			Fair value		
	Nominal value	Assets	Liabilities	Nominal value	Assets	Liabilities
Equity-related instruments	-11,115	-	-	-26,368	-	-
<i>Futures</i>	-11,115	-	-	-26,368	-	-
Interest-related instruments	267,534	3,231	5,529	297,919	2,860	11,837
<i>Swaps</i>	132,325	3,225	5,525	149,207	2,860	11,828
<i>Futures</i>	135,202	-	-	148,824	0	0
<i>CDS</i>	7	6	4	-112	0	9
Currency-related instruments	597,019	10,203	96	572,644	2,138	17,772
<i>Futures/swaps</i>	597,019	10,203	96	572,644	2,138	17,772
<b>Total</b>	<b>853,438</b>	<b>13,434</b>	<b>5,625</b>	<b>844,195</b>	<b>4,998</b>	<b>29,609</b>

Management of collateral for derivatives is described in Note 28 Financial instruments subject to master netting agreements. For a description of the use of derivatives, refer to the Market risk section in Note 3 Risks and risk management.

### Accounting Policy

A derivative is a financial instrument, the value of which is based on the performance of an underlying instrument. Alecta uses derivatives to improve the efficiency of the management of its assets and to reduce financial risks. Derivatives are mandatorily measured at fair value through the income statement. Derivatives with positive fair values are

recognised as financial investment assets, while derivative contracts with negative fair values are recognised as liabilities on the balance sheet. Derivatives are reported in the income statement along with the underlying instrument and the net profit or loss is presented in Note 19. Alecta does not apply hedge accounting.

## NOTE 28 Financial instruments subject to master netting agreements

Group and Parent Company	Financial assets recognised on the balance sheet	of which amounts that are not offset but that are subject to master netting agreements or similar agreements in the event of insolvency	Financial collateral received	Cash collateral received	Net amount <sup>4)</sup>
31/12/2025					
<b>Assets</b>					
Derivatives <sup>1)</sup>	14,294	-4,562	-1,255	-7,898	579
Securities lending <sup>2)</sup>	10,454		-10,885		0
	Financial liabilities recognised on the balance sheet	of which amounts that are not offset but that are subject to master netting agreements or similar agreements in the event of insolvency	Financial collateral pledged <sup>3)</sup>	Cash collateral pledged	Net amount <sup>4)</sup>
<b>Liabilities</b>					
Derivatives <sup>1)</sup>	6,848	-4,562	-7,410	-23	0
<b>Group and Parent Company</b>					
31/12/2024	Financial assets recognised on the balance sheet	of which amounts that are not offset but that are subject to master netting agreements or similar agreements in the event of insolvency	Financial collateral received	Cash collateral received	Net amount <sup>4)</sup>
<b>Assets</b>					
Derivatives <sup>1)</sup>	5,998	-11,384	-	-2,176	0
Securities lending <sup>2)</sup>	28,538	-	-29,352	-	0
	Financial liabilities recognised on the balance sheet	of which amounts that are not offset but that are subject to master netting agreements or similar agreements in the event of insolvency	Financial collateral pledged <sup>3)</sup>	Cash collateral pledged	Net amount <sup>4)</sup>
<b>Liabilities</b>					
Derivatives <sup>1)</sup>	31,590	-11,384	-35,391	-257	0

<sup>1)</sup> The amounts include accrued interest income of SEK 860 million (1,000) and accrued interest expenses of SEK 1,223 million (1,981).

<sup>2)</sup> Lending of debt securities is described in Note 42 Transfer of financial assets.

<sup>3)</sup> Collateral pledged is also reported in Note 41 Other pledged assets and comparable collateral.

<sup>4)</sup> In accordance with IFRS 7, the net amount can never be less than 0.

### Disclosures on financial instruments subject to master netting agreements

The purpose of this Note is to provide information on Alecta's ability to settle assets and liabilities on a net basis (offset) in the event of the insolvency of either party, and to provide information on the collateral that has been exchanged for the net asset/liability that remains between the parties after netting.

Derivatives and loaned debt securities are reported as gross on the balance sheet. These financial instruments are subject to master netting agreements in the event of the insolvency of either party. All values in the table above are stated at fair value.

#### Derivatives

As at 31 December, there were derivative contracts with a positive value of SEK 14,294 million and derivatives with a negative value of SEK 6,848 million. All of Alecta's derivative contracts are subject to ISDA Agreements, under which the parties have a legally enforceable right to offset the recognised amounts in the event of insolvency. If there is no insolvency situation, the amounts are not netted. No insolvency situation has arisen in either 2025 or the corresponding period in 2024.

In addition to having the right to settle on a net basis, Alecta has concluded CSA agreements that regulate the daily exchange of collateral during the term of the derivative contracts. For those counterparties for which the sum of all derivative contracts is positive, Alecta obtains corresponding collateral, and in cases in which the sum of all derivative contracts is negative, Alecta provides corresponding collateral. In accordance with these CSA agreements, Alecta has received SEK 1,255 million in debt securities and SEK 7,898 million in cash where the sum of all derivative contracts is positive. Similarly, Alecta has pledged SEK 7,410 million in debt securities as well as SEK 23 million in cash in cases where the sum of all derivative contracts is negative.

## NOTE 29 Receivables related to direct insurance operations

Group and Parent Company	2025	2024
Receivables from policyholders	1,582	1,591
<b>Total</b>	<b>1,582</b>	<b>1,591</b>

Refers primarily to a receivable from Collectum, which handles Alecta's receivables from insurance customers in the defined benefit plan.

#### Accounting Policy

Receivables related to direct insurance operations are recognised at amortised cost.

## NOTE 30 Other receivables

Group	2025	2024
Payment receivables from sale of investment assets	397	116
Tax in Sweden	136	85
Foreign tax	1,783	2,726
Deferred tax <sup>1)</sup>	-	1,387
Approved dividend	137	137
Value added tax	32	36
Receivable, PRI Pensionsgaranti	0	0
Collateral pledged for derivatives <sup>2)</sup>	23	257
Other	426	358
<b>Total</b>	<b>2,933</b>	<b>5,102</b>
<b>Parent Company</b>	<b>2025</b>	<b>2024</b>
Payment receivables from sale of investment assets	397	116
Tax in Sweden	20	19
Foreign tax	1,783	2,726
Deferred tax <sup>1)</sup>	-	1,220
Approved dividend	137	137
Receivables from subsidiaries	260	216
Receivable, PRI Pensionsgaranti	0	0
Collateral pledged for derivatives <sup>2)</sup>	23	257
Other	51	44
<b>Total</b>	<b>2,670</b>	<b>4,735</b>

<sup>1)</sup> See also Note 11.

<sup>2)</sup> See also Note 28.

### Accounting Policy

Other receivables are recognised at amortised cost. For rent and receivables, the simplified model is used for credit reservations. Continual assessments are performed for credit reservations based on historic, current and forward-looking factors.

## NOTE 31 Accrued interest and rental income

	Group		Parent Company	
	2025	2024	2025	2024
Accrued interest income subsidiaries	-	-	27	24
Accrued interest income	6,476	5,922	6,476	5,922
<b>Total</b>	<b>6,476</b>	<b>5,922</b>	<b>6,503</b>	<b>5,947</b>

### Accounting Policy

#### Prepaid expenses and accrued income

Prepaid expenses and accrued income refer to expenditure for future financial years and income earned during the financial year that has not been received or invoiced on the balance sheet date. Alecta's prepaid expenses and accrued income consist primarily of interest income not yet due for investment assets.

## NOTE 32 Equity

For a specification of the Group's changes in equity, refer to page 65, and for the Parent Company's changes in equity, refer to page 67.

### Accounting Policy

#### Surplus fund

Life insurance companies and occupational pension companies that do not have the right to distribute profits are required to maintain a surplus fund to which funds are allocated and used to cover losses. If permitted under the Articles of Association, the fund may also be used for other purposes. The surplus fund consists of collective funding, discretionary elements and special indexation funds.

#### Collective funding

Collective funding includes other risk capital, which is not allocated.

#### Discretionary elements

The discretionary elements in equity consists of allocated refunds to policyholders and insured parties that have been allocated on a preliminary basis. Allocated refunds to the insured parties include pension supplements and adjustments of paid-up policy values for defined benefit pension products, as well as allocated refunds for defined contribution insurance on a preliminary basis. Allocated refunds to policyholders consist of a premium reduction for risk insurance. Allocated refunds to policyholders and the insured parties also include funds intended to cover the cost of measures forming part of the ITP plan, under which the parties to the collective agreement have been given the right to indicate how the funds should be used. The decision on the final use is made by Alecta's Board of Directors, provided that the Board agrees unanimously that the designated use is consistent with Alecta's interests as an insurance company. The allocation of surpluses is regulated in the Parent Company's funding policy in the actuarial guidelines. As the surplus is preliminary and not guaranteed, it is regarded as risk capital and is included in the surplus fund. The surplus is allocated in conjunction with payment under the applicable internal regulations and is recognised directly in equity.

#### Special indexation funds

Special indexation funds are funds contributed to Alecta for indexation of pensions in payment and for other pension-promoting purposes or, alternatively, to be transferred to a foundation designed for indexation of pensions. Resolutions on the use of the funds for these purposes are made by the Council. Special indexation funds are therefore not included in the capital base or the collective funding capital. Change items are recognised directly in equity. Alecta reports special indexation funds as part of the surplus fund. In 2025, following a decision by the Council, SEK 769 million of special indexation funds has been used for the following pension-promoting purposes. SEK 300 million has been used for advance payment of defined contribution pension premiums within the ITP plan, which is managed by Collectum. The financing is valid for an unlimited period, which is why the value of a future repayment has been discounted to SEK 0. SEK 469 million has been used to finance part of the cost of raising the age limits for ITP disability pension. The Council also decided to allocate up to SEK 100 million to finance Avtalat's information activities in the ITP area in 2026.

#### Translation reserve (Group)

Balance sheets of foreign subsidiaries are converted at the closing rates on the balance sheet date and income statements of foreign subsidiaries are converted at the average exchange rate for the year. Foreign exchange differences arising on conversion are recognised in Other comprehensive income and transferred to the Group's translation reserve. Currencies that have been converted are US dollars.

## NOTE 33 Proposed appropriation of profits

The Board of Directors and CEO propose to the Council that the Parent Company profit for 2025 of SEK 93,347,612,134 be transferred to the surplus fund. The Board and CEO also propose that the Council approve the resolutions of the Board regarding refunds as set out in the section Distribution of surplus in the Directors' Report, pages 52–53, and the section Index-linked pension and premium reductions, page 54.

See also Proposed appropriation of profits in the Directors' Report on page 53.

## NOTE 34 Provision for life insurance

Group and Parent Company	2025	2024
<b>Opening balance</b>	<b>631,632</b>	<b>607,851</b>
Change for the year	50,384	73,248
<i>Premiums</i>	56,650	81,204
<i>Payments</i>	-24,159	-23,665
<i>Return</i>	20,354	19,307
<i>Released operating expenses</i>	-699	-745
<i>Yield tax</i>	-2,691	-2,381
<i>Mortality result</i>	118	120
<i>Other changes</i>	811	-592
Change in interest rate assumption	-13,023	-18,003
Difference between premium and TP assumptions	-22,538	-31,464
Change in mortality assumption	7,549	-
<b>Closing balance</b>	<b>654,004</b>	<b>631,632</b>

The calculation of technical provisions requires qualified judgements, as well as assumptions on mortality, morbidity, interest rates, expenses, tax and other variables. The valuation of life insurance provision is described here under Accounting Policy and information on current assumptions and changes introduced during the year are described below. The sensitivity of the assumptions used as a basis for the provisions is described in Note 3.

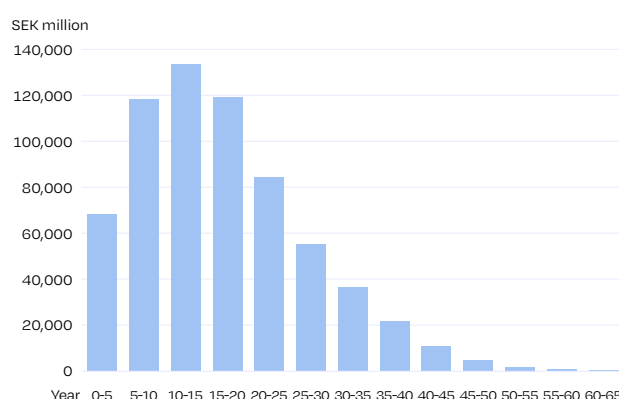
### The following assumptions have been applied in calculating the provision for life insurance as at 31 December 2025:

- Interest rate assumption: The average interest rate was 3.10 per cent (2.95) as of 31 December 2025. The method of determining this rate is described in Note 3.
- Family pension assumption: Gender-dependent assumptions on family composition have been applied.
- Operating expense assumption: Future operating expenses are considered to consist of the present value of future expected expenses, including cost increases due to inflation. Charged operating expenses are also recognised in connection with premium payments.
- Deduction for yield tax: Future yield tax is considered to consist of the present value of the yield tax that Alecta is expected to pay on assets representing the present value of guaranteed commitments. The yield tax charge is 0.45 per cent, corresponding to 15 per cent of the discount rate with a maturity of 15 years.

### Interest rate sensitivity

- For longer terms, a fixed forward rate is applied, which means that the average interest rate does not fluctuate as much as long-term market rates. If market rates were to fall by one percentage point, the average interest rate would fall by 0.69 percentage points, increasing the provision for life insurance by SEK 65.6 billion (71.7).

Expected discounted net cash outflow for retirement pension, family pension and original ITPK



### Accounting Policy

#### Provision for life insurance

The provision for life insurance is calculated as the capital value of expected guaranteed future pension payments, operating expenses, yield tax and contracted future premiums.

#### Change in provision for life insurance

The change in the provision for life insurance reflects actual events during the period, such as premium payments received or outgoing payments made in conjunction with an insured event. The provision for life insurance is also adjusted by the return for the period, assumed operating expenses, mortality results and the exercising of the right to switch pension providers, as well as by the amount of paid-up policies. In addition, the provision for life insurance is affected by any changes to the method of calculation and the assumptions applied. Examples of assumptions used in calculating the provision for life insurance are the discount rate, mortality and operating expenses. Changes in the provisions are recognised as an income or expense item in the income statement.

## NOTE 35 Provision for claims outstanding

Group and Parent Company	2025	2024
<b>Opening balance</b>	<b>15,366</b>	<b>13,656</b>
Change for the year	-759	1,832
<i>Provision for new claims</i>	5,366	5,413
<i>Discontinuation profit/loss</i>	-2,655	-1,787
<i>Payments</i>	-3,582	-3,520
<i>Return</i>	305	292
<i>Released operating expenses</i>	-48	-49
<i>Other changes</i>	-145	1,483
Change in interest rate assumption	-95	-122
<b>Closing balance</b>	<b>14,512</b>	<b>15,366</b>

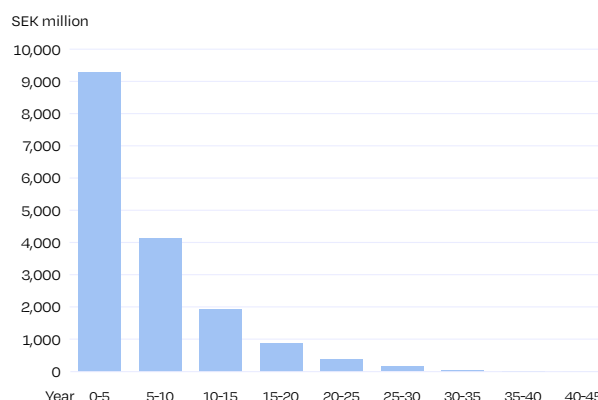
The calculation of technical provisions requires qualified judgements, as well as assumptions on mortality, morbidity, interest rates, expenses, tax and other variables. The valuation of provisions for claims outstanding is described here under Accounting Policy and information on current assumptions and changes introduced during the year are described below. The sensitivity of the assumptions used as a basis for the provisions is described in Note 3.

**As of 31 December 2025, the following assumptions have been used in the calculation of the provision for claims outstanding with respect to disability pension and waiver of premium, which comprise the dominant portion of the provision:**

- Interest rate assumption: The average interest rate was 2.70 per cent (2.56) as of 31 December 2025. The method of determining this rate is described in Note 3.
- Operating expense assumption: Future operating expenses are considered in the form of a supplement for expected pension payments. Charged operating expenses are also recognised in conjunction with premium payments.
- Indexation: It is assumed that benefits linked to changes in the price base amount and income base amount (guaranteed indexation) will increase annually by 2 per cent and 3 per cent respectively.

**Interest rate sensitivity**

- If the market rates fall by one percentage point, the provision increases by SEK 696 million (780).

**Expected discounted net cash outflow for disability insurance and waiver of premium insurance****Accounting Policy****Provision for claims outstanding**

The provision for claims outstanding is intended to cover future costs for insurance claims arising due to incapacity to work. The technical provision is determined when the right to compensation arises. A portion of the provision for claims outstanding relates to claims incurred but not reported, and is based exclusively on the company's experience of the backlog of reported cases of illness. The backlog of reported cases of illness is usually limited to one year.

**Change in provision for claims outstanding**

The calculation of the provision for claims outstanding is based on Alecta's insurance portfolio and on actuarial assumptions made on the basis of Alecta's actuarial calculations. Changes in the portfolio or in the assumptions lead to a change in the provision for claims outstanding. Such changes are recognised as an income or expense item in the income statement.

**NOTE 36 Other provisions**

	Group		Parent Company	
	2025	2024	2025	2024
Indexation of pensions for former employees	0	0	0	0
Provision for real estate	1	4	0	2
<b>Total</b>	<b>1</b>	<b>4</b>	<b>0</b>	<b>2</b>

**Accounting Policy**

A provision is a liability that is uncertain in terms of its due date and/or amount. A provision is recognised on the balance sheet when an existing obligation arises as a result of a past event, and it is probable that an outflow of resources will be required to settle the obligation and that the amount can be reliably estimated. An obligation can be legal or constructive. If these criteria are not met, no provision is recognised on the balance sheet. Instead, a contingent liability will arise if the criteria for such are met. Provisions are reviewed on each closing date. Provisions are used only for the expenditure for which the provision was originally intended.

**NOTE 37 Liabilities related to direct insurance operations**

Group and Parent Company	2025	2024
Liabilities to policyholders	10	10
Preliminary tax, pensions	772	744
Other	12	12
<b>Total</b>	<b>794</b>	<b>766</b>

**Accounting Policy**

Liabilities related to direct insurance operations are recognised at amortised cost.

**NOTE 38 Other liabilities**

Group	2025	2024
Payment liability on purchase of investment assets	277	22
Collateral received for derivatives <sup>1)</sup>	7,898	2,176
Accounts payable	361	315
Property tax	58	57
Value added tax	34	24
Other	132	91
<b>Total</b>	<b>8,760</b>	<b>2,685</b>

All liabilities mature earlier than one year after the balance sheet date.

Parent Company	2025	2024
Liabilities to subsidiaries	1,475	1,403
Payment liability on purchase of investment assets	277	22
Collateral received for derivatives <sup>1)</sup>	7,898	2,176
Accounts payable	286	249
Property tax	50	52
Value added tax	13	6
Other	35	24
<b>Total</b>	<b>10,034</b>	<b>3,932</b>

<sup>1)</sup> See also Note 28.

**NOTE 39 Other accrued expenses and prepaid income**

	Group		Parent Company	
	2025	2024	2025	2024
Accrued interest expense	1,177	1,855	1,177	1,855
Accrued property costs	146	135	73	50
Accrued staff costs	69	68	67	66
Prepaid rental income	515	554	120	135
Other	23	29	11	20
<b>Total</b>	<b>1,931</b>	<b>2,640</b>	<b>1,447</b>	<b>2,125</b>

**Accounting Policy**

Accrued expenses and prepaid income consist of expenses for the financial year incurred by the business but that are unpaid or not invoiced on the balance sheet date, and income that has been paid or invoiced but that has not been earned on the balance sheet date.

#### NOTE 40 Assets and comparable collateral pledged for own liabilities and for liabilities reported as provisions

Group and Parent Company	2025	2024
Assets registered on behalf of policyholders	1,337,301	1,219,512
<i>in addition to required pledge</i>	668,785	572,514
<b>Total</b>	<b>1,337,301</b>	<b>1,219,512</b>
Land and buildings	49,969	45,533
Shares and participations in associated companies and joint ventures	14,285	18,679
Debt securities issued by and loans to associated companies and joint ventures	2	763
Shares and participations	629,690	617,587
Bonds and other debt securities	606,350	539,494
Loans secured by real estate	2,660	2,905
Other loans	23,812	16,668
Derivatives	7,446	-25,592
Cash and bank balances	3,087	3,475
<b>Total</b>	<b>1,337,301</b>	<b>1,219,512</b>

The table above shows assets that have been registered for debt coverage under the regulations of the Swedish Financial Supervisory Authority. As of 12 February 2024, Heimstaden Bostad shares are not included in the debt coverage register.

#### NOTE 41 Other pledged assets and comparable collateral

Group and Parent Company	2025	2024
<i>Collateral pledged to clearing houses for derivatives trading</i>		
Bonds and other debt securities	9,621	9,297
Cash and bank balances	23	676
<i>Collateral pledged for derivatives trading in accordance with CSA agreements</i>		
Bonds and other debt securities	452	27,813
Cash and bank balances	-	24
<b>Total</b>	<b>10,096</b>	<b>37,810</b>

Collateral pledged for derivatives trading in accordance with CSA agreements is described in Note 28 Financial instruments subject to master netting agreements.

#### NOTE 42 Transfers of financial assets

Group and Parent Company	2025	2024
Loaned debt securities	10,454	28,538
Collateral received for loaned securities	10,885	29,352

##### Accounting Policy

Loaned debt securities consist of Swedish and French government bonds, which are recognised at fair value on the balance sheet in accordance with the applicable accounting policies. Collateral received for loaned debt securities consists mainly of Swedish and Danish covered bonds and is not recognised on the balance sheet. Compensation received for loaned debt securities is recognised as interest income in the item Capital return, income, see Note 5.

#### NOTE 43 Contingent liabilities and contingent assets

Contingent liabilities		
Group	2025	2024
Remaining balance to be invested in investment assets	49,225	47,406
<b>Total</b>	<b>49,225</b>	<b>47,406</b>
Parent Company		
	2025	2024
Remaining balance to be invested in investment assets	48,395	45,839
Liabilities in limited partnerships	124	153
<b>Total</b>	<b>48,519</b>	<b>45,992</b>

Contingent liabilities is a generic term for guarantees, financial commitments and obligations that are not included in the balance sheet.

Remaining balance to be invested in investment assets refers to an obligation to inject capital into certain unlisted investments on request. Alecta has a contractual commitment to reinvest dividends from Heimstaden Bostad under certain conditions.

In the course of its normal business operations, Alecta is party to several disputes, most of which concern minor amounts. Alecta does not expect these disputes to have a materially adverse impact on the Group's financial position.

Contingent assets		
Group and Parent Company	2025	2024
Expected foreign tax refund	-	123
<b>Total</b>	<b>-</b>	<b>123</b>

Contingent assets is a generic term for possible assets that are likely to be received, such as claims in a legal dispute with an uncertain outcome. Contingent assets are not included on the balance sheet.

Expected foreign tax refund for 2024 related to the likely outcome of a review process handled by the tax authority in California. In 2025, a slightly higher amount has been received than expected at the end of 2024.

## NOTE 44 Average number of employees, salaries and remuneration

Average number of employees <sup>1)</sup>	2025			2024			Gender distribution in senior positions	2025		2024		
	Number of employees	Of whom women	Of whom men	Number of employees	Of whom women	Of whom men		Women	Men	Women	Men	
<i>Parent Company</i>												
Sweden	373	213	160	355	199	156	Board of Directors	4	7	3	7	
<b>Total, Parent Company</b>	<b>373</b>	<b>213</b>	<b>160</b>	<b>355</b>	<b>199</b>	<b>156</b>	Chief Executive Officer	-	1	-	1	
<i>Subsidiaries</i>												
Sweden	134	76	58	116	64	52	Other senior executives	4	4	4	4	
<b>Total, subsidiaries</b>	<b>134</b>	<b>76</b>	<b>58</b>	<b>116</b>	<b>64</b>	<b>52</b>	<b>Total, Parent Company</b>	<b>8</b>	<b>12</b>	<b>7</b>	<b>12</b>	
<b>Total, Group</b>	<b>507</b>	<b>289</b>	<b>218</b>	<b>471</b>	<b>263</b>	<b>208</b>	<i>Subsidiaries</i>					
								Board of Directors	4	6	5	4
								Total, subsidiaries	4	6	5	4
								<b>Total, Group</b>	<b>12</b>	<b>18</b>	<b>12</b>	<b>16</b>

Salaries, remuneration and fees paid to the CEO, senior executives, members of the Board and other employees <sup>2)</sup>

SEK (thousands)	2025				2024			
	Salaries, fees and other remuneration	Social costs	Pension costs	Total	Salaries, fees and other remuneration	Social costs	Pension costs	Total
<i>Parent Company</i>								
CEO and senior executives <sup>3)</sup>	30,237	11,527	8,354	50,118	31,213	10,180	7,458	48,851
Board of Directors <sup>4)</sup>	3,826	1,202	-	5,028	2,834	890	-	3,724
Other employees <sup>5)</sup>	328,353	113,208	54,289	495,851	298,439	103,783	49,922	452,144
<b>Total, Parent Company</b>	<b>362,416</b>	<b>125,938</b>	<b>62,643</b>	<b>550,997</b>	<b>332,485</b>	<b>114,852</b>	<b>57,381</b>	<b>504,718</b>
<i>Subsidiaries</i>								
Other employees <sup>5)</sup>	131,956	45,240	22,735	199,931	106,629	37,579	19,198	163,405
<b>Total, subsidiaries</b>	<b>131,956</b>	<b>45,240</b>	<b>22,735</b>	<b>199,931</b>	<b>106,629</b>	<b>37,579</b>	<b>19,198</b>	<b>163,405</b>
<b>Total, Group</b>	<b>494,372</b>	<b>171,178</b>	<b>85,378</b>	<b>750,928</b>	<b>439,114</b>	<b>152,431</b>	<b>76,579</b>	<b>668,123</b>

<sup>1)</sup> Refers to the average number of employees, both full-time and part-time.

<sup>2)</sup> The note reflects expensed salaries, remuneration and fees in each financial year.

<sup>3)</sup> Consists of senior management for 2025. For the current composition of the senior management, see page 47. Salaries, fees and other remuneration in 2025 do not include severance pay (-).

<sup>4)</sup> Members of the Board receive directors' fees and fees for work on Board committees, which are determined by the Council.

<sup>5)</sup> Salaries, fees and other remuneration include severance pay, excluding social costs, of SEK 5.9 million (2.9).

## NOTE 44 Average number of employees, salaries and remuneration, cont.

Salaries, remuneration, fees and benefits paid to senior executives and members of the Board

SEK (thousands)	2025				
	Salaries, fees and other remuneration <sup>1)</sup>	Benefits <sup>3)</sup>	Total remuneration <sup>4)</sup>	Social costs	Pension costs
<b>Parent Company</b>					
<b>Chief Executive Officer</b>					
Peder Hasslev	7,438	57	7,496	2,779	1,747
<b>Deputy CEO</b>					
Katarina Thorslund (until 22/06/2025)	1,426	2	1,427	545	399
<b>Other senior executives</b>					
Senior executives <sup>2)</sup>	21,286	29	21,314	8,203	6,207
<b>Total, CEO and senior executives</b>	<b>30,150</b>	<b>87</b>	<b>30,237</b>	<b>11,527</b>	<b>8,354</b>
<b>Chair of the Board</b>					
Magnus Hall (from 08/05/2025)	403	-	403	127	-
Jan-Olof Jacke (until 08/05/2025)	434	-	434	136	-
<b>Other members of the board</b>					
Hillevi Agranius (from 08/05/2025)	121	-	121	38	-
Jesper Andersson (from 08/05/2025)	181	-	181	57	-
Marcus Dahlsten	334	-	334	105	-
Hans Fahlin	293	-	293	92	-
Markus Granlund	310	-	310	97	-
Bo Kratz	330	-	330	104	-
Björn Oxhammar	293	-	293	92	-
Heléne Robson	271	-	271	85	-
Elisabeth Sasse	392	-	392	123	-
Viveka Strangert	352	-	352	110	-
<b>Other members of the Board who resigned</b>					
Martin Fridolf (until 08/05/2025)	112	-	112	35	-
<b>Total, Board</b>	<b>3,826</b>	<b>-</b>	<b>3,826</b>	<b>1,201</b>	<b>-</b>
<b>Total, Parent Company</b>	<b>33,976</b>	<b>87</b>	<b>34,063</b>	<b>12,729</b>	<b>8,354</b>

<sup>1)</sup> Salaries, fees and other remuneration refer to remuneration expensed in relation to the 2025 financial year.

<sup>2)</sup> Other senior executives refers to eight positions (seven) which, along with the CEO, represented Alecta's senior management team.

For the composition of the senior management, see page 47. The expense refers to those individuals who held a senior executive position at some point during the year.

No severance pay is included in salaries and fees for other senior executives in 2025.

<sup>3)</sup> Typical benefits include household services, healthcare insurance and a parking space in the garage.

<sup>4)</sup> A presentation of remuneration paid by Alecta, including variable remuneration in accordance with the Swedish Financial Supervisory Authority regulations and general guidelines regarding annual accounts at insurance undertakings and institutions for occupational retirement provision (FFFS 2019:23), will be published on alecta.se in May 2026.

## NOTE 44 Average number of employees, salaries and remuneration, cont.

Salaries, remuneration, fees and benefits paid to senior executives and members of the Board

SEK (thousands)	2024				
	Salaries, fees and other remuneration <sup>1)</sup>	Benefits <sup>3)</sup>	Total remuneration <sup>4)</sup>	Social costs	Pension costs
<b>Parent Company</b>					
<b>Chief Executive Officer</b>					
Peder Hasslev	6,969	57	7,026	2,745	2,213
<b>Deputy CEO</b>					
Katarina Thorslund	2,811	3	2,814	993	450
<b>Other senior executives</b>					
Senior executives <sup>2)</sup>	21,348	24	21,372	6,442	4,796
<b>Total, CEO and senior executives</b>	<b>31,128</b>	<b>85</b>	<b>31,213</b>	<b>10,180</b>	<b>7,459</b>
<b>Chair of the Board</b>					
Jan-Olof Jacke	885	–	885	278	–
<b>Other members of the board</b>					
Marcus Dahlsten	221	–	221	69	–
Hans Fahlin (from 25/04/2024)	112	–	112	35	–
Martin Fridolf	221	–	221	69	–
Markus Granlund	253	–	253	79	–
Bo Kratz (from 25/04/2024)	129	–	129	40	–
Björn Oxhammar	221	–	221	69	–
Heléne Robson (from 25/04/2024)	74	–	74	23	–
Élisabeth Sasse	320	–	320	100	–
Viveka Strangert (from 25/04/2024)	74	–	74	23	–
<b>Other members of the Board who resigned</b>					
Petra Hedengran (until 25/04/2024)	108	–	108	34	–
Magnus von Koch (until 25/04/2024)	108	–	108	34	–
Richard Malmborg (until 25/04/2024)	108	–	108	34	–
<b>Total, Board</b>	<b>2,834</b>	<b>–</b>	<b>2,834</b>	<b>890</b>	<b>–</b>
<b>Total, Parent Company</b>	<b>33,961</b>	<b>85</b>	<b>34,046</b>	<b>11,070</b>	<b>7,459</b>

<sup>1)</sup> Salaries, fees and other remuneration refer to remuneration expensed in relation to the 2024 financial year.

<sup>2)</sup> Other senior executives refers to seven positions (eight) which, along with the CEO and the Deputy CEO, represented Alecta's senior management team.

The expense refers to those individuals who held a senior executive position at some point during the year. No severance pay is included in salaries and fees for other senior executives in 2024.

<sup>3)</sup> Typical benefits include household services, healthcare insurance and a parking space in the garage.

<sup>4)</sup> A presentation of remuneration paid by Alecta, including variable remuneration in accordance with the Swedish Financial Supervisory Authority regulations and general guidelines regarding annual accounts at insurance undertakings and institutions for occupational retirement provision (FFFS 2019:23), was published on alecta.se in May 2025.

## NOTE 44 Average number of employees, salaries and remuneration, cont.

### Remuneration to directors, CEO and other senior executives

The Chair and other members of the Board of Directors receive directors' fees in accordance with resolutions adopted by the Council. The fees decided by the Council refer to the time until the next ordinary Council meeting. Remuneration paid to the CEO and senior executives in 2025 consisted of basic salary, other benefits, such as healthcare insurance, pension costs and social costs.

Remuneration to the CEO is determined by the Board and is reviewed annually. Remuneration for senior executives is determined by the CEO and approved by the Board.

Other senior executives refer to the eight individuals who, along with the CEO, represent Alecta's management team. For the current composition of the senior management, see page 47.

In accordance with the Swedish Financial Supervisory Authority regulations and general guidelines regarding annual accounts at insurance undertakings and institutions for occupational retirement provision (FFFS 2019:23), supplementary disclosures on remuneration will be presented on the Alecta website, alecta.se, in May 2026.

### Pensions, severance pay and other benefits to the CEO, deputy CEO and other senior executives

The CEO has a pension agreement under which 35 per cent of the monthly salary is set aside each month for pensions, including provisions for the FTP plan. Any portion of the provision that exceeds the contribution required for the FTP plan may be used for retirement pension, survivor's pension and/or disability pension as decided by the CEO. The pensionable age for the CEO is 65. The CEO's employment contract is terminable with six months' notice by the company, in which case the CEO is entitled to severance pay for an amount of twelve months' salary. Full settlement of benefits in the event of any other employment takes place during a period corresponding to the severance pay. The contract can be terminated by the CEO with six months' notice.

A Deputy CEO was employed until June 2025. After that, Alecta no longer has a Deputy CEO. The Deputy CEO was also covered by FTP 2 and, according to a previous contract, had a notice period of 18 months by the company, with any benefits received from other employment being fully deductible. The contract could be terminated by the Deputy CEO with six months' notice.

Other senior executives are covered by the FTP plan, all of which have FTP 1. Their contracts are terminable with six months' notice in case of termination by the company and provide for severance pay for an amount of twelve months' salary. Full settlement of benefits in the event of any other employment takes place during a period corresponding to the severance pay. Since early 2013, employees of Alecta have had the option of exchanging a part of their salary for occupational pension premiums. Salary exchange is cost neutral for Alecta. This opportunity includes all employees of the Alecta Group.

### Incentive schemes

The general incentive scheme for variable remuneration at Alecta Tjänstepension Ömsesidigt and Alecta Fastigheter AB has been terminated. No variable remuneration has been paid since 2023. The scheme has been replaced by a general salary increase of SEK 785 per month from 1 January 2025 for employees who were previously covered.

The Group has a subsidiary, with conference and catering activities, which has an incentive scheme for variable remuneration. The scheme yielded an outcome in 2025 that entails a cost for Alecta of approximately SEK 0.9 million including social costs (0.5).

### Pension plans

All employees of the Alecta Group are covered by the occupational pension plan, FTP 17. The plan consists of two parts, FTP 1 and FTP 2. Employees born in 1972 or later are covered by FTP 1, while employees born in 1971 or earlier are covered by FTP 2. FTP 1 covers defined contribution retirement pensions with or without repayment cover, family cover, disability pension and waiver of premium insurance. The premium for retirement pension is 5.9 per cent (5.5) of the gross salary on portions of salary up to 7.5 times the income base amount and 31.4 per cent (31.3) on portions of salary in excess of 7.5 times the income base amount. Employees born in 1971 or earlier with a salary in excess of ten times the income base amount can choose to be covered by FTP 1. FTP 2 is a defined benefit pension plan, which means that the employee is guaranteed a pension defined as a specific percentage of their final salary. It also includes a defined contribution retirement pension FTPK, where the premium is 3.2 per cent of the salary. FTP 2 includes retirement pension, family pension, FTPK, disability pension, family cover, waiver of premium insurance and a separate children's pension.

Pension commitments are guaranteed through payments of fixed insurance premiums during the period of service. Under IAS 19, as a rule, multi-employer defined benefit pension plans should be recognised as defined benefit pension plans. If insufficient information is available to determine the employer's share of the obligations and managed assets, the pension plan should instead be reported as if it were a defined contribution pension plan. Alecta reports the whole FTP plan as a defined contribution plan, as the criteria for recognising the defined benefit components of the plan in accordance with the main rule in IAS 19 are not met. This means that the expense is recognised when the benefits are earned. The total insurance premium for defined benefit retirement and family pensions in FTP 2 amounted to SEK 9.8 million in 2025 and is expected to reach SEK 9.7 million in 2026. The premium represents approximately 0.06 per cent of the total premiums for defined benefit retirement and family pensions paid to Alecta by the client companies. Premiums are calculated on a per insured party basis and for each type of benefit by applying Alecta's assumptions on interest rates, operating expenses and yield tax.

Alecta's collective funding ratio for defined benefit plans at the end of the year was 167 per cent (162). The collective funding ratio is defined as the market value of Alecta's assets as a percentage of its commitments to policyholders, calculated using Alecta's actuarial methods and assumptions, which are not consistent with IAS 19. According to Alecta's funding policy for defined benefit insurance products, the specific normal range for the funding ratio is 125–170 per cent.

The subsidiaries have mainly defined contribution plans. These plans are guaranteed mainly through payments of insurance premiums by each Group company and in some cases also by the employees. Some Group companies also provide different forms of healthcare insurance.

### Provision for pensions

In the Parent Company, the calculation of the provision for pensions for Alecta's employees is performed in compliance with the Swedish Pension Obligations Vesting Act and based on assumptions provided for in Regulation FFFS 2007:31 of the Swedish Financial Supervisory Authority.

**NOTE 45 Disclosure of auditor fees**

	Group		Parent Company	
	2025	2024	2025	2024
Statutory audit	6.2	5.9	4.5	4.4
Audit activities not included in statutory audit	–	–	–	–
Tax advisory services	0.2	0.2	0.2	0.2
Other services	0.6	0.6	0.6	0.3
<b>PwC</b>	<b>7.0</b>	<b>6.7</b>	<b>5.3</b>	<b>4.9</b>
Statutory audit	0.1	0.1	–	–
Audit activities not included in statutory audit	–	–	–	–
Tax advisory services	–	–	–	–
Other services	–	–	–	–
<b>RSM</b>	<b>0.1</b>	<b>0.1</b>	<b>–</b>	<b>–</b>

**NOTE 46 Leases**

Alecta has entered into leases for site and land leaseholds as well as office equipment. The due dates for the total amount of future minimum lease payments under non-cancellable leases as of 31 December are indicated below.

	Group		Parent Company	
	2025	2024	2025	2024
<i>Due date</i>				
Within one year	60	13	9	9
Later than one year but within five years	219	34	19	18
Later than five years	–	–	–	–
<b>Total</b>	<b>279</b>	<b>47</b>	<b>28</b>	<b>26</b>
<b>Total lease payments during the period</b>	<b>60</b>	<b>13</b>	<b>9</b>	<b>9</b>
<i>of which minimum lease payments</i>	60	13	9	9

**Accounting Policy**

Alecta as a lessee reports lease payments as costs linearly over the lease period in both the Parent Company and the Group.

**NOTE 47 Related party disclosures**

This note contains descriptions of transactions between Alecta and related parties, as defined in IAS 24 Related Party Disclosures. Alecta considers the following legal entities and physical persons to be related parties according to this definition:

- all companies in the Alecta Group
- members of the Board, senior management and the managers of central functions
- close family members of members of the Board, senior management and managers of central functions
- The Confederation of Swedish Enterprise, PTK and their member organisations/unions
- associated companies and joint ventures.

Like other transactions, transactions with related parties must be undertaken on commercial terms. When such transactions are undertaken, particular attention must be paid to the internal rule on handling of conflicts of interest and Alecta's ethics policy, both of which have been adopted by Alecta's Board of Directors.

The operations of Alecta are conducted in accordance with principles of mutuality. The profit or loss arising in the company must be returned to or borne by the policyholders and the insured parties. The operations are conducted on a non-profit basis and no profits are distributed. Subsidiaries are regarded primarily as capital investments for the purpose of generating the best return for the owners.

**Transactions between Alecta and Group companies**

The transactions that take place from Alecta to subsidiary companies refer to loans or shareholder contributions provided in connection with investments made by the subsidiaries. Transactions from subsidiary companies to Alecta refer mainly to loan repayments and interest payments, as well as dividends. Shares and participations in Group companies are presented in Note 15.

Alecta Tjänstepension Ömsesidigt provides internal services for functions including finance, IT and HR to the subsidiary company, Alecta Fastigheter AB.

Alecta Tjänstepension Ömsesidigt in turn receives management services for directly owned properties and indirect investments from Alecta Fastigheter AB. In addition, Alecta Tjänstepension Ömsesidigt receives property management services from Alecta Fastigheter AB, as Alecta Fastigheter AB takes care of the management and development of the Group's Swedish properties.

The remuneration for the internal transactions belongs to property management and is shown in the table.

**Transactions with members of the Board, senior management and their immediate families**

Related party agreements refer to transactions that involve the transfer of resources, services or obligations between Alecta and related parties, even if compensation is not paid. Transactions resulting from participation in collectively agreed pension schemes managed by Alecta are not to be included as related party transactions. No remuneration was paid to family members of related parties in 2025.

Information on remuneration to senior executives and members of the Board is presented in Note 44.

**Transactions with the Confederation of Swedish Enterprise and PTK**

The Confederation of Swedish Enterprise and the Council for Negotiation and Cooperation (PTK) are central labour market organisations in the Swedish private sector. Organisations and unions that are members of each central organisation are included on the nomination committees that appoint members of Alecta's Council and thus indirectly

**NOTE 47 Related party disclosures, cont.**

also of Alecta's Board on behalf of shareholders. No transactions took place between Alecta and the Confederation of Swedish Enterprise and PTK in 2025.

No portfolio transfers were made in 2025.

**Transactions with associated companies and joint ventures**

Joint ventures are defined as entities in which Alecta exercises joint control together with the other co-owners. Associated companies are defined as entities where Alecta has a significant influence over operational and financial governance without having a controlling or joint controlling influence. Directly or via a subsidiary, Alecta Tjänstepension Ömsesidigt is a co-owner of a number of joint ventures and associated companies in Sweden and the USA.

Transactions between Alecta and these joint ventures and associated companies concern lending, shareholder contributions, dividends and interest payments, and are shown in the table below.

In 2025, the Group has invested SEK 1,060 million (593) in associated companies and joint ventures.

The list of associated companies and joint ventures can be found in Note 17.

**Disclosures on transactions between the Parent Company, Alecta Tjänstepension Ömsesidigt, and related parties**

Related parties	Payments received		Payments made	
	2025	2024	2025	2024
<b>Group companies</b>				
<i>Interest income</i>	1,078	1,087	-	-
<i>Interest expenses</i>	-	-	49	70
<i>Share of profit</i>	96	109	-	-
<i>Property management</i>	25	27	92	79
<i>Dividends</i>	282	543	-	-
<i>Withdrawals, limited partnerships</i>	101	165	-	-
<i>Shareholder contributions provided</i>	-	-	355	354
<i>Deposits, limited partnerships</i>	-	-	101	31
<b>Associated companies and joint ventures</b>				
<i>Interest income</i>	3	24	-	-
<i>Dividends</i>	3,307	628	-	-
<i>Shareholder contributions provided</i>	-	-	693	137
<b>Total</b>	<b>4,892</b>	<b>2,583</b>	<b>1,290</b>	<b>671</b>

**Disclosures on the outstanding receivables from and liabilities to related parties of the Parent Company, Alecta Tjänstepension Ömsesidigt, as at 31 December**

Related parties	Receivables		Liabilities	
	2025	2024	2025	2024
<b>Group companies</b>				
<i>Non-current receivables</i>	27,257	24,785	-	-
<i>Receivables from/liabilities to Group companies</i>	260	214	1,475	1,403
<i>Accrued interest income</i>	27	24	-	-
<b>Associated companies and joint ventures</b>				
<i>Debt securities issued by and loans to</i>	2	743	-	-
<b>Total</b>	<b>27,546</b>	<b>25,767</b>	<b>1,475</b>	<b>1,403</b>

**NOTE 48 Significant events after the balance sheet date**

The geopolitical conflict in the Middle East escalated in February 2026, when the USA and Israel launched massive military attacks against Iran. These developments have led to significant volatility in the global financial markets. The conflict has had a particular impact on the energy markets, with rising oil prices. The stock markets have also been adversely affected. Alecta is closely monitoring developments and continuously analysing the potential consequences of these events as regards the markets and the management of Alecta's assets.

The Swedish Financial Supervisory Authority's investigation into Alecta's investments in Heimstaden Bostad resulted in Alecta being issued with a warning in March 2026, along with a penalty of SEK 50 million, for inadequate risk control and for failing to invest the assets in a manner that best serves the interests of the beneficiaries. The investigation has focused on Alecta's identification of investment risks and its compliance with regulations regarding the prudent person rule, governance, and risk management. Alecta shares the Swedish Financial Supervisory Authority's conclusions that there have been shortcomings in respect of risk control and risk management.

# Signatures of Board and CEO

We hereby declare that, to the best of our knowledge, the annual accounts and consolidated financial statements have been prepared in accordance with generally accepted accounting policies, the information provided gives a true and fair view of the circumstances of the Company and Group, and nothing of material significance has been omitted that could affect the view of the Company and Group created by the annual accounts and consolidated financial statements. Our assurance also covers the Sustainability Report.

The Annual Report was approved on 26 March 2026.

Stockholm, on the date stated in our electronic signature

Magnus Hall

*Chair*

Marcus Dahlsten

*Deputy Chair*

Elisabeth Sasse

*Deputy Chair*

Hillevi Agranius

*Member of the Board*

Jesper Andersson

*Member of the Board*

Hans Fahlin

*Member of the Board*

Markus Granlund

*Member of the Board*

Bo Kratz

*Member of the Board*

Björn Oxhammar

*Member of the Board*

Heléne Robson

*Member of the Board*

Viveka Strangert

*Member of the Board*

Hannes Hultcrantz

*Employee representative*

Birgitta Pernkrans

*Employee representative*

Peder Hasslev

*Chief Executive Officer*

Our audit report has been submitted on the date stated in our electronic signature.

Öhrlings PricewaterhouseCoopers AB

Morgan Sandström

*Authorised Public Accountant*

# Auditor's report

*This is the translation of the auditor's report in Swedish. If there are differences, the Swedish original has precedence.*

To the Council of Alecta Tjänstepension Ömsesidigt, org.nr 502014-6865

## Report on the annual accounts

### Opinions

We have audited the annual accounts and consolidated accounts of Alecta Tjänstepension Ömsesidigt for the year 2025. The annual accounts and the consolidated accounts of the company are included on pages 48–126 in this document.

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

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

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

### Basis for Opinions

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

been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

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

### Our audit approach

#### Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the group, the accounting processes and controls, and the industry in which the group operates.

#### Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

# Auditor's report, cont.

## Key audit matters

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

### Key Audit Matters

#### Valuation of provisions for life insurance

As of 31st December 2025 provisions for life insurance in the parent company is of significant amount, and constitutes approximately 95 % of the parent company's total liabilities. Provisions for life insurance in the group constitutes approximately 95% of the group's total liabilities.

Provision for life insurance depends on assumptions about the future and involves complex calculations.

The significant assumptions include assumptions about life expectancy, interest rates, family pension, operating expenses, and deductions for investment tax.

Incorrect applications of models and judgements of assumptions can have a significant impact on the valuation of provision for life insurance, which is why this area is considered particularly important in the audit.

See note 1 Group and Parent Company accounting principles, note 2 Significant estimates and judgements, note 3 Risks and risk management and note 34 Provision for life insurance.

### How our audit addressed the key audit matter

Our audit measures have included, but are not limited to:

- Assessment of the design and testing of the effectiveness of a sample of controls over the process for calculating provision for life insurance.
- Assessment of the methods, models, and assumptions used against industry practices.
- Sampling testing of input data in actuarial calculations and control calculations for a portion of the life insurance portfolio.
- We have used an actuarial specialist in the audit
- We have reviewed the information presented in the annual report.

#### Valuation of unlisted investments (level 3) including Land and Buildings to fair value.

The parent company's and the group's Level 3 investment assets and properties is of significant amount as of December 31, 2025, constituting approximately 18 % of the parent company's total assets and approximately 21 % of the group's total assets, respectively.

Given the size of the balance sheet item in relation to total assets and the fact that the valuation of properties and unlisted financial instruments at level 3 requires management's estimates and judgments, the valuation of level 3 investment assets has been considered a particularly significant area in our audit.

See note 1 Group and Parent Company accounting principles, note 2 Significant estimates and judgements, note 3 Risks and risk management, note 14 Land and buildings, note 21 Valuation categories for financial instruments measured at fair value and note 22 Disclosures on financial instruments measured at fair value based on level 3.

Our audit measures have included, but are not limited to:

- Assessment of the design and testing of the effectiveness of a sample of controls over the process for calculating fair value.
- We have assessed the models and methods used by the company in the valuation process.
- For a sample of valuations, we have evaluated the reasonableness of management's estimates and judgments in calculating fair values.
- Assessment of the use of valuation methods in accordance with applicable accounting principles and industry practices.
- We have reviewed a selection of management's judgments by comparing previous year's valuations to actual outcomes upon sale.
- We have utilized valuation specialists in the audit.
- We have reviewed the information presented in the annual report

# Auditor's report, cont.

## Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and can be found on pages 1–47 and 111–126. The Board of Directors and the Managing Director are responsible for the other information.

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

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

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

## Responsibilities of the Board of Directors and the Managing Director

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

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

The Board of Directors' Audit Committee shall, without prejudice to the responsibilities and duties of the Board of Directors in other respects, among other things, oversee the company's financial reporting.

## Auditor's responsibility

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions

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

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

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

# Auditor's report, cont.

## Report on other legal and regulatory requirements

### Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Alecta Tjänstepension Ömsesidig for the year 2025 and the proposed appropriations of the company's profit or loss.

We recommend to the council of administration that the profit be appropriated in accordance with the proposal in the Director's report and that the members of the Board of Director's and the Managing Directors be discharged from liability for the financial year.

### Basis for opinion

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

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

### Responsibilities of the Board of Director's and the Managing Director

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

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a secure manner.

The Board of Directors' audit committee shall without affecting the Board of Directors' other responsibilities and duties, among other things, monitor the company's financial reporting.

#### Auditor's responsibility

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

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

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

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

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

### The auditor's opinion regarding the statutory sustainability report

It is the Board of Directors who is responsible for the statutory sustainability report for the year 2025 on pages 111-126 and that it is prepared in accordance with the Annual Accounts Act according to the prior wording that was in effect before 1 July 2024.

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and 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.

A statutory sustainability report has been prepared.

Öhrlings PricewaterhouseCoopers AB, Torsgatan 21, was appointed auditor of Alecta Tjänstepension Ömsesidigt by the Council on the 8th of May 2025 and has been the company's auditor since 20th of April 2023.

Stockholm the day stated in our electronic signature

Öhrlings PricewaterhouseCoopers AB

Morgan Sandström  
Authorised Public Accountant

# Glossary

## Adjustment of paid-up policy values

Assigned refunds through an increase of the pension entitlement earned before retirement age. This adjustment is made primarily to compensate for inflation.

## Agency agreement with Collectum

Agreement according to which Collectum is to perform administrative services regarding the ITP plan for Alecta.

## Allocated refunds

Surplus that is allocated

- policyholders in the form of future reduction of premiums
- the insured parties in the form of a future increase in insurance benefit
- to cover the cost under the ITP plan. The parties to the collective agreement have been granted the right to instruct how these funds are to be used. Allocated refunds are not formally guaranteed.

## Asset management expense ratio

Operating expenses for asset management relative to average assets under management.

## Assets under management

Calculated as equity, life insurance provision and outstanding claims, according to the balance sheet.

## Capital base

The insurance company must have sufficient capital, calculated as capital base, to be able to cover any future unforeseen losses. The capital base consists of the difference between the company assets less intangible assets and financial liabilities, special indexation funds and the technical provisions.

## Capital value

The estimated present value of future cash flows.

## Collective funding capital

The difference between the distributable assets, measured at market value, and the insurance commitments (both guaranteed commitments and allocated refunds) to policyholders and insured parties.

## Collective funding ratio

Distributable assets divided by insurance commitments to policyholders and the insured parties (both guaranteed commitments and allocated refunds).

## Company-linked funds

Funds that were allocated in 1998 to the policyholders of the surplus in Alecta generated between 1994–1998. The funds were used during the years 2000–2007 and have mainly been used for pension premiums within Alecta and other life insurance companies.

## Default option

In a defined contribution plan where the employee has not made an active choice of insurance company, the employee automatically becomes a customer of the insurance company that was appointed as the default option in the procurement of the management of the plan.

## Defined benefit insurance (ITP 2)

Defined benefit pension means that the amount of the pension is determined in advance, for example that it must be a certain amount or a certain percentage of the final salary.

## Defined contribution insurance

Defined contribution pension means that the size of the premium is determined in advance. For example, this may be a certain percentage of the salary or a certain amount. The size of the pension depends on the amount of pension capital at retirement.

## Derivatives

A derivative is a financial instrument, the value of which is based on the performance of another underlying instrument.

## Discount rate

The interest rate used to calculate the present value of future deposits and payments.

## Distributable assets

The total market value of the assets after deductions for financial liabilities and special indexation funds.

## Financial position

The relationship between assets and liabilities where the key performance indicators for Alecta are the collective funding ratio and solvency ratio.

## Guaranteed refunds

Surplus allocated to

- policyholders in the form of premium reduction
- the insured parties in the form of a increased guaranteed insurance benefit or additional paid amount/pension supplement
- to cover the cost under the ITP plan. The decision on the final use is made by Alecta's Board of Directors, provided that the Board agrees unanimously that the designated use is consistent with Alecta's interests as an insurance company. Guaranteed refunds are formally guaranteed.

## Insurance contract

A contract between the insurer and the policyholder that contains a significant insurance risk.

## Insured party

The person covered by the insurance.

## Investment assets

Assets with the character of a capital investment at market value on the balance sheet including debt securities, shares and real estate.

## Investments

The investment assets, cash and bank balances and other assets and liabilities related to the investment assets (for example, accrued interest income) at market value on the balance sheet.

## Management expense ratio

Operating expenses in the insurance business (acquisition and administrative costs) and claims settlement expenses relative to average assets under management. The key performance indicator is calculated in total and for defined contribution and defined benefit insurance.

## Minimum capital requirement

Minimum capital requirement constitutes a minimum requirement for the size of the capital base.

## Occupational group life insurance (TGL)

A life insurance that provides the survivors with a fixed amount in the event of the death of the insured party before retirement. Under the collective agreement, the employer is obliged to take out the insurance for its employees.

## Original ITPK

Defined contribution ITPK was added in 1977, at which time it was automatically invested in Alecta. From 1990, the individual was able to make their own choice. Until 2007, those who made no choice had their ITPK invested in the default option, original ITPK. No additional money has been invested in original ITPK since 2007.

## Pension supplement

Refunds allocated to the insured parties in addition to the guaranteed defined benefit pension. Under the applicable actuarial guidelines, the pension supplement must not exceed the increase in the Consumer Price Index for the year concerned, starting from the date on which the first pension payment was made to the insured party. The pension supplement is determined by the Board each year and is allocated in conjunction with the payment.

## Policyholder

Anyone who has entered into an insurance contract with an insurance company.

## Premium rate

For defined benefit insurance, the size of the premium depends partly on the premium rate applied. The premiums paid, including the cumulative return based on the premium rate, must be sufficient to pay the guaranteed benefit during the payment period. This means that the lower the applied premium rate, the higher the premium will be.

## Premium reduction

Reduction of the premium by allocating or assigning a refund.

## Present value

The present value of cash flows that will occur in the future.

## PRI model

Rather than paying premiums to an insurance company, the employer reports its pension commitment as a liability on the balance sheet. The distribution of funds only begins on the retirement of an employee. A credit insurance arrangement with PRI Pensionsgaranti guarantees that the employees will receive their pensions even if their employer becomes insolvent.

## Risk insurance

Insurance for which the entire premium is used to cover the risk costs. There is no savings component with this type of insurance.

## Solvency margin

The required solvency margin is a minimum requirement for the size of the capital base. The solvency margin amounts to just over 4 per cent of the technical provisions.

## Solvency ratio

Total assets at market value, less intangible assets and financial liabilities, relative to the guaranteed commitments.

## Special indexation funds

Funds that are contributed to Alecta and allocated to guarantee the indexation of outgoing pensions or for other pension promotion purposes, or allocation to a foundation for the purpose of indexation of pensions. Resolutions on the use of the funds for these purposes are made by the Council. Special indexation funds are therefore not included in the capital base or the collective funding capital.

## Supplementary amounts

Refunds allocated to the insured parties in addition to the guaranteed defined contribution pension.

## Technical provisions

Technical provisions (TP) are the capital value of the insurance company's guaranteed commitments to policyholders and insured parties. Technical provisions consist of life insurance provisions and provisions for outstanding claims.

## Total return

The return on investments, adjusted for cash flows and expressed as a percentage. Calculated in accordance with the recommendations of Svensk Försäkring (Insurance Sweden).

## Waiver of premium insurance

Part of the collective risk insurance for the ITP plan, which means that the employer is exempt from paying premiums if an insured party is unable to work. In such cases, premiums for the insurance under the ITP plan are paid from the waiver of premium insurance and are recognised as an insurance benefit.

# Sustainability-related disclosures

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

**Product name:**  
Alecta Optimal Pension

**LEI code:**  
5493003P9RHFT66VQS66

## Environmental and/or social characteristics

### Sustainable investment:

an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does no significant harm to any other environmental or social objective and that the investment targets adhere to good governance practices.

### The EU Taxonomy

is a classification system set out in Regulation (EU) 2020/852, which establishes a list of **environmentally sustainable economic activities**. The Regulation does not establish a list of socially sustainable economic activities. Sustainable investments with an environmental target may or may not be aligned with the requirements of the Taxonomy.

### Did this financial product have a sustainable investment objective?

Yes

No

- It made **sustainable investments with an environmental objective**:
- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

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

- It promoted **environmental and social characteristics** and, while it does not have sustainable investment as its objective, it had a proportion of 6.2 per cent (%) sustainable investments.
- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective
- It promoted environmental and social characteristics, but **did not make any sustainable investments**



### To what extent did this financial product promote environmental and/or social characteristics?

See the description of the promoting characteristics and how they are monitored on the next page. Derivatives are not considered to have contributed to the promoting characteristics.

**Sustainability indicators** measure the achievement of the environmental or social characteristics that are promoted by the financial product.

## ● How did the sustainability indicators perform?

### Environmental characteristics – Climate

Alecta's overarching climate objective is for its investment portfolio to be aligned with the Paris Agreement's 1.5°C target and to achieve a net-zero climate footprint by 2050. This means that the underlying assets also have to work actively towards the transition. Alecta takes climate considerations into account both prior to making investments and during the management of various asset classes – equity, corporate bonds, direct and indirect property investments, as well as infrastructure. Alecta does not invest in or finance companies that derive more than 5 per cent of their revenue from the extraction of thermal coal or unconventional oil and gas, or energy companies that derive more than 5 per cent of their revenue from coal power.

For equity and corporate bonds, Alecta uses data and information from both external data providers in the analysis and directly from the holding companies to track the progress of climate initiatives. Dialogue with holding companies is a tool for increasing transparency and promoting climate action. Where appropriate, Alecta is able to vote on climate-related proposals at the general shareholders' meeting. The company's directly owned properties have energy efficiency targets, and their climate footprint is monitored and reported alongside energy consumption. Alecta obtains environmental certification for its properties whenever possible. In externally managed funds, climate reporting is subject to monitoring. Green bonds are encouraged when lending to governments, supranational institutions and municipalities.

Alecta does not use a benchmark for comparison, but monitors a number of indicators for the holding companies. These include the climate footprint of the investments, science-based climate targets, corporate engagement dialogues on climate issues, voting at shareholder meetings on climate-related matters, and screening for fossil elements in assets. In line with the underlying holdings reporting in accordance with the Taxonomy's climate indicators, Alecta will also monitor the performance of that portion of its investments. Alecta is working to increase the availability of climate data for all its investments.

#### Outcome 2025

Performance indicator	Page reference
Climate footprint of equity, corporate bonds, directly owned properties	22–23
Proportion of companies with science-based climate targets, equity and corporate bonds	23–24
Proportion of external managers with climate targets	24
Number of corporate engagement dialogues regarding the climate	22, 27
Number of climate issues supported at shareholder meetings in 2023–2024	26

### Social characteristics – Gender equality

Alecta aims to promote gender-balanced management teams and boards, a principle that is taken into account in the management of equity and corporate bonds, as well as in relation to external managers.

Alecta is striving to achieve gender-balanced boards and is working towards this goal through our participation in nomination committees at Swedish holding companies, typically around twenty per season. The goal is for each gender to have at least 40 per cent representation, a factor that is taken into account in the recruitment process for new Board members as well as in succession planning. The results are followed up after each general meeting season, based on data from the meetings and databases regarding board compositions. No index has been selected as a benchmark. Instead, this factor is monitored as an indicator, as an average of the proportion of women elected by the general meeting on the boards of the companies in which Alecta participates in the nomination committee.

Alecta expects to achieve a similar proportion in its other shareholdings as well as at management team level. Given the changing market conditions, this goal primarily applies to our Swedish holdings. Over time, however, the boards of our international holdings will consist of at least 40 per cent of each gender. We would eventually like to see a similar trend in the management teams of these companies as well. Dialogue and voting are tools for promoting gender equality. The trend as regards the proportion of women and men on boards and in senior management is reported and monitored. When investing in property and infrastructure through external managers, we request information on gender equality and monitor the proportion of women in various decision-making positions.

#### Outcome 2025

Performance indicator	Page reference
Percentage of women on the Board where Alecta is a member of the Nomination Committee, average*	25
Percentage of equal boards, at least 40 % of each gender (equity portfolio)	25
Percentage of management teams with at least 30 % of each gender (equity portfolio)	25
Gender equality and diversity policy, external managers	25

\* Refers to the composition of the boards of companies with nomination committees during the 2024–2025 general meeting season.

### Good governance practices – remuneration

Alecta considers that remuneration should be well-justified, transparent, and in line with market standards. The remuneration must be structured in such a way that it promotes the long-term interests of the company and its shareholders. It must be performance-based and clear. Alecta conducts ongoing dialogues with the companies in which we are shareholders regarding remuneration programmes. At general shareholder meetings, Alecta votes against remuneration proposals that do not meet our criteria. Alecta's voting decisions are reported annually.

#### Outcome 2025

Performance indicator	Page reference
Number of dialogues regarding remuneration	26–27
Proportion of remuneration proposals Alecta has voted against	26

### Controversial weapons, tobacco and commercial gambling

Alecta also refrains entirely from investing in or financing companies that develop, manufacture, maintain or distribute components or systems specifically designed for controversial weapons. Alecta also does not invest in companies whose core business is the production of tobacco products or the running of commercial gambling activities. This refers to companies that engage in activities involving gambling at casinos, slot machines or online poker. Each new investment is reviewed for such activities and then monitored on a quarterly basis. This requirement is also communicated to external managers and included in contracts.

#### Outcome 2025

Performance indicator	Page reference
All investments meet the requirements*	n/a

\* For externally managed assets, the application of the criteria is adapted in line with the objectives of the Policy for Responsible Investments.

### ● ... and compared with previous periods?

For those indicators for which historical data is available, this is presented on the pages referred to above. On the whole, progress toward climate goals among equity and bond holdings has been positive. Over the longer term, the climate footprint of the asset portfolios has decreased, although the trend has varied from year to year. This depends in part on which companies are included in the bond portfolio in different years, and on the fact that the equity portfolio has been diversified to include more companies. When we try to monitor changes in the individual companies' environmental footprint, we can see clearer signs of improvement. For example, Alecta has bonds issued by companies with a significant footprint. We consider that these have clear transition objectives. In terms of gender equality on boards, the results are roughly on a par with previous years. We report the proportion of gender-balanced boards across the entire equity portfolio, as well as the proportion of external managers with a gender equality policy. The aim is to identify where the greatest potential for growth exists, as well as to have a positive impact on this. When it comes to remuneration, our ambition is to monitor all the holdings where we have voted against remuneration proposals in order to influence their design. We monitor this indicator within the framework of Alecta's sustainability targets for 2028.

### ● What were the objectives of the sustainable investments that the financial product partially conducted, and how did the sustainable investment contribute to these objectives?

The investments that Alecta has defined as sustainable can contribute to a number of different environmental or social objectives. However, these are not defined in advance in order to encourage a broad and growing range of such investments. For example, Alecta makes investments that contribute to two of the EU Taxonomy's environmental targets: mitigating climate change and adapting to it. These investments can also contribute to other environmental targets, such as the sustainable use and protection of water and marine resources, the transition to a circular economy, the prevention and restriction of environmental pollution, and the protection and restoration of biodiversity and ecosystems. One example of such an investment is helping to finance biodiversity and marine conservation projects around the Galápagos Islands.

The targets may also be of a social nature, such as promoting health or fostering equality. The investment typically helps by financing improvements or streamlining operations to reduce environmental impact, or by funding the expansion of public infrastructure, for example. Overall, the goals of the sustainable investments can be said to fall within the scope of the global sustainability goals included in Agenda 2030.

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

● **In what way did the sustainable investments, which the financial product performed in part, do no significant harm to any environmental or social objectives of the sustainable investments?**

Compared to the industry as a whole, Alecta has a narrow definition of which assets qualify as sustainable investments, and considers the risk of these assets causing significant harm to be low.

Examples of sustainable investments include bonds issued under green or social frameworks that clearly specify what is to be financed. If these are issued by companies, the company's ESG efforts and any controversies are examined. For government or municipal green bonds, Alecta's country ratings – which take into account corruption and human rights – serve as the basis for selection.

Sustainable investments can also be made in equity or bonds from companies whose primary products or services contribute to one or more global sustainability targets, and which are not linked to activities that cause significant social or environmental harm. At Alecta, these consist of activities that are aligned with the Taxonomy.

Properties that are among the most energy-efficient in their categories, and/or that live up to stringent environmental criteria under a sustainability certification process, may also qualify as sustainable investments; such certifications take into account a number of parameters other than just environmental factors.

**How were the indicators of negative impacts on sustainability factors taken into account?**

For all investments, an overall assessment is conducted of any negative impacts on sustainability factors. The assessment varies across different asset classes depending on the characteristics of the investment – such as the instrument's maturity – but also depending on the availability of information and data.

When making sustainable investments in instruments issued by companies, such as equity or bonds, sustainability indicators linked to the business model are taken into account, along with an assessment of ESG risks based on a weighted analysis of different indicators and sustainability management systems. Special attention is paid to climate considerations, and these are documented in connection with investments. These investments are continually reviewed for any violations of international sustainability conventions.

In the case of sustainable investments in instruments issued by countries or supranational issuers (such as the World Bank), which primarily consist of green or sustainable bonds, the country's ratings regarding corruption, transparency and respect for human rights are taken into account. Alecta does not directly finance countries that are included on the EU's list of non-cooperative jurisdictions for tax purposes, nor does it invest in funds in such jurisdictions.

When making sustainable investments in properties, key performance indicators linked to climate, waste and energy are taken into account on an ongoing basis.

In accordance with the regulations, Alecta published a report on alecta.se in June 2025 regarding the main negative impacts of its investment decisions on sustainability factors. Indicators that have been taken into account in investment decisions relate primarily to Alecta's chosen focus areas – climate and gender equality – with the aim of identifying opportunities for improvement.

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

In addition to that stated under the heading above, these investments are continually reviewed for any violations of international sustainability conventions, including the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, which are frameworks applicable to companies.

Similar principles are applied when selecting other sustainable investments, depending on the circumstances. For example, external managers are asked about their whistleblowing procedures and their screening of risks related to human rights.

No incidents have been identified regarding sustainable investments in 2025.

The EU Taxonomy sets out a "do no significant harm" principle, under which Taxonomy-aligned investments must not cause significant harm to the EU Taxonomy's objectives. This is accompanied by specific EU criteria.

The principle of doing no significant harm only applies to the financial product's underlying investments that take into account the EU's criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU's criteria for environmentally sustainable economic activities.

No other potential sustainable investments may cause significant harm to any environmental or social objectives.



### ● How did this financial product take into account the main negative impacts on sustainability factors?

For all investments, an overall assessment is conducted of any negative impacts on sustainability factors.

Alecta currently reports, for example, the climate footprint of equity, corporate bonds and properties. When there is a clear risk of serious negative consequences for sustainable development – such as incidents related to the environment, human rights, working conditions or corruption – Alecta takes action to encourage responsible behaviour on the part of the holding companies. If it is determined that the dialogue is unlikely to lead to the desired outcome, the holding will be sold.

Due in part to the negative impact on sustainable development, Alecta refrains from investing in or financing businesses involved in controversial weapons, companies that derive more than 5 per cent of their revenue from the extraction of thermal coal or unconventional oil and gas, or energy companies that derive more than 5 per cent of their revenue from coal power, or in companies whose core business is the production of tobacco or commercial gambling, such as casinos.

### What were the financial product's most significant investments?

For Alecta Optimal Pension, the planned allocation has been 20 per cent fixed income, 60 per cent shares and 20 per cent alternative assets – although with a tolerance for variation within predetermined ranges in order to respond to rapid market changes. From the age of 63, the investment focus changes in respect of the proportion of shares.

The list includes the investments that make up the largest portion of the financial product's investments during the reference period, which is: 2025

Largest investments	Sector	Assets, %	Country
Heimstaden Bostad AB	Real estate	3.0	Sweden
Investor AB	Financial	2.3	Sweden
Skandinaviska Enskilda Banken AB	Financial	2.3	Sweden
Atlas Copco AB	Industrials	2.3	Sweden
Microsoft Corp	IT	2.2	US
Alphabet Inc.	Communication	2.1	US
AB Volvo	Industrials	1.5	Sweden
NVIDIA Corp	IT	1.4	US
Nordea Hypotek AB	Financial	1.2	Sweden
Amazon.com Inc.	Communication	1.2	US
Swedbank AB	Financial	1.1	Sweden
Sandvik AB	Industrial	1.1	Sweden
Nordea Bank	Financial	1.1	Finland
Assa Abloy	Industrial	1.1	Sweden
Amphenol Corp	Industrial	1.0	US



**Asset allocation** describes the proportion of investments in specific assets.

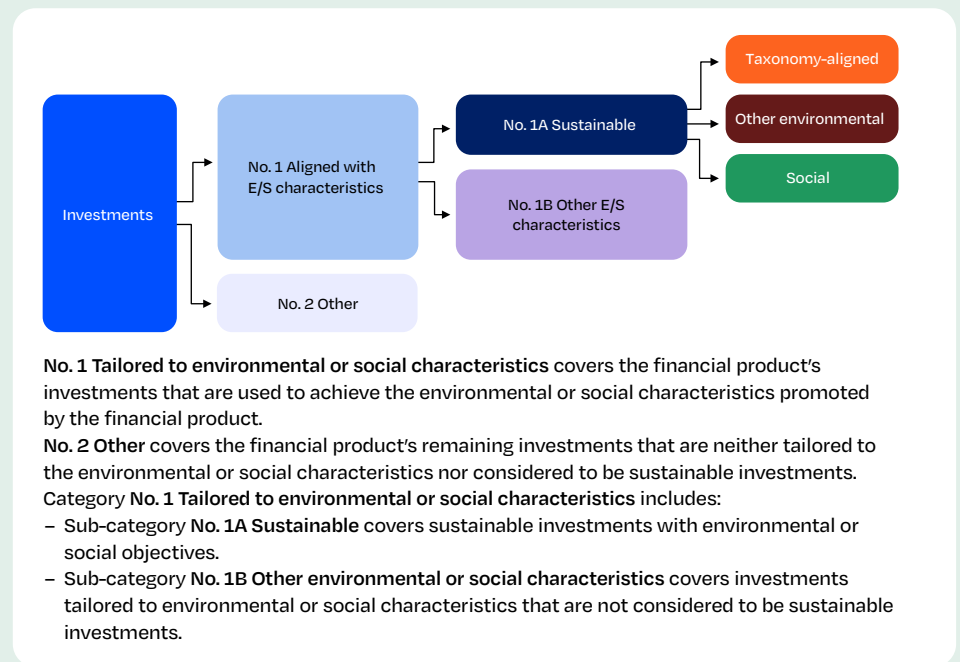
### What was the proportion of sustainability-related investments?

#### ● What was the asset allocation?

**No. 1 – Tailored to environmental and social characteristics:** The promoting characteristics will be applied to all asset classes and assets where possible, corresponding to 99 per cent of the market value of the assets. This includes the so-called exclusion criteria. Climate considerations have been taken into account in all investments apart from derivatives, currencies and bonds issued by supra-national institutions that are not green. Gender equality has been taken into account in equity and corporate bonds, as well as in externally managed alternative assets. Sound remuneration practices are promoted in the management of equity holdings.

**No. 1A – Sustainable investments:** Alecta has stated that Alecta Optimal Pension will include more than zero per cent (>0%) sustainable investments. The proportion of sustainable investments within each asset class is partly governed by the range of such investments that meet Alecta's investment criteria, such as volume and risk-adjusted returns. For 2025, the proportion was 6.2 per cent, consisting primarily of green and social bonds, as well as a few investments classified as other sustainable investments, such as wind power or a district heating plant that is developing carbon capture technology. Sustainable investments also include assets that are aligned with the EU Taxonomy, including the most energy-efficient directly owned properties, as well as a small portion of equity holdings and corporate bonds. There is still uncertainty associated with the calculations of Taxonomy alignment. Firstly, a significant portion of the holdings are based outside the EU and are not subject to the Taxonomy's reporting requirements; secondly, the calculations are based in part on estimates; and thirdly, there may be double counting with respect to green bonds, for example.

**No. 2 – Other:** The following assets are not covered by the promoting characteristics: derivatives (such as equity futures), currencies and cash. Derivative exposures do not have a market value. The purpose of these assets is to diversify and reduce risk, or to meet liquidity needs.



#### ● In which economic sectors were the investments made?

Of the investments classified as "No. 1" in the above illustration, 15 per cent are invested in government, municipal and supranational fixed income investments. Other assets, such as equity, bonds issued to companies or lending institutions, property funds, directly owned properties and other real assets, account for 84 per cent and are distributed across the following sectors based on their proportion of the investment product's market value.

Sector	Proportion of the product's market value, %
Financial	24
Industrial	20
Real estate	16
IT	14
Consumer discretionary	7
Health care	7
Communication	5
Consumer staples	3
Materials	3
Energy	1

In order to comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and a transition to renewable energy or low-carbon fuels by the end of 2035 at the latest. When it comes to **nuclear energy**, the criteria include comprehensive safety and waste management regulations.

**Enabling activities** directly enable other operations to make a significant contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and which, for example, have greenhouse gas emissions at levels corresponding to best-in-class performance.

Taxonomy-aligned activities are expressed as a proportion of the following:

– **turnover**, reflecting the share of revenue from green activities of the investee companies.

– **capital expenditure (CapEx)**, showing the green investments made by the investee company, e.g. for a transition to a green economy.

– **operating expenditure (OpEx)**, reflecting green operational activities of the investee companies.



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

The companies that are eligible under the EU Taxonomy and in which the product invests have begun reporting the extent to which their operations are aligned with the EU Taxonomy. Alecta estimates that the product's minimum share in Taxonomy-aligned investments will be greater than 0 per cent (>0%), and calculations indicate that this share amounts to 2.7 per cent, comprising directly owned properties as well as equity holdings and corporate bonds. The calculations primarily cover two of the climate objectives – mitigating climate change and adapting to climate change – while reporting on the other environmental objectives is still under development. The proportion of investments that are consistent with the target of mitigating climate change accounts for almost the total proportion of Taxonomy-aligned investments. The data for the directly owned properties comes from an energy monitoring system, while the Taxonomy data for equity holdings and corporate bonds is provided by a third-party supplier and is based on the reported data from the underlying holdings. This information is presented almost exclusively in annual reports, but we have no information regarding what proportion of this has been audited.

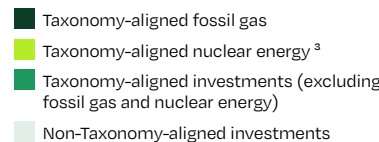
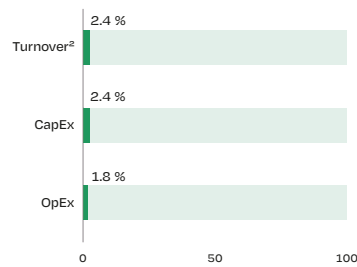
#### ● Did the financial product invest in fossil gas and/or nuclear energy-related activities that comply with the EU Taxonomy? \*

Yes:  In fossil gas  In nuclear energy

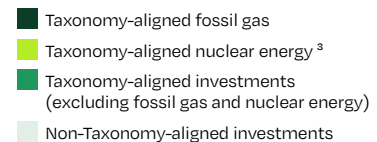
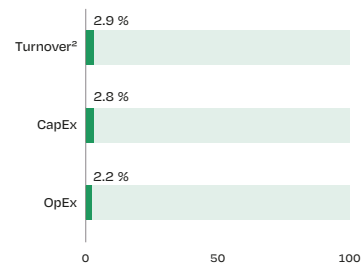
No

The charts below show, in green, the percentage of investments that were aligned with the EU Taxonomy. Since there is no suitable methodology for determining the extent to which government bonds are Taxonomy-aligned, the first chart shows compliance with respect to all the financial product's investments, including government bonds, while the second chart shows compliance only with respect to those investments for the financial product that are not government bonds.

1. Taxonomy alignment of investments including government bonds <sup>1</sup>



1. Taxonomy alignment of investments excluding government bonds <sup>1</sup>



This chart includes 84% of total investments.

<sup>1</sup> In these charts, "government bonds" refer to all exposures in government securities, municipal bonds and similar instruments

<sup>2</sup> For revenue, the proportion of Taxonomy-aligned investments is based on both equity and corporate bonds, as well as directly owned properties. For CapEx and OpEx, the calculations are based solely on the proportion of Taxonomy-aligned holdings in equity and corporate bonds.

<sup>3</sup> Two holdings report revenue from Taxonomy-aligned nuclear energy, although this has no impact at product level.

\* Fossil gas and/or nuclear-related activities will only comply with the EU Taxonomy if they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any of the EU Taxonomy's objectives (see the explanatory comment in the left margin). The full criteria for economic activities related to fossil gas and nuclear energy that comply with the EU Taxonomy are set out in Commission Delegated Regulation (EU) 2022/1241.

- **What proportion of investments were made in transitional activities and enabling activities?**

The calculations indicate that more than 0 per cent of the assets relate to transitional activities, and that 0.7 per cent of the assets are classified as enabling activities. The calculations relate to equity holdings and corporate bonds, and are subject to uncertainties in the underlying data and estimates.

- **What percentage of investments were aligned with the EU Taxonomy, compared to previous reference periods?**

The proportion has increased marginally compared to the previous reference period, although the difference is negligible.



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



- **What proportion of sustainable investments with an environmental target were not aligned with the EU Taxonomy?**

Alecta invests in green bonds and properties with high environmental performance that do not necessarily fall within the economic activities that are eligible under the EU Taxonomy or are aligned with the EU Taxonomy. When investing in green bonds, Alecta requires that the issuer has a third-party-verified green bond framework. The proportion of green bonds in the product amounted to **2.1 per cent**.



- **What was the proportion of socially sustainable investments?**

Alecta invests in social bonds and other instruments, such as shares in companies whose products and services contribute to social objectives, such as health. When investing in social bonds, Alecta requires that the issuer has a third-party-verified social bond framework.

The proportion of social bonds in the product amounted to **0.2 per cent**. In addition, the product includes a proportion of investments that have been classified as "other sustainable", accounting for **1.1 per cent**. These include a number of investments specifically designed to generate a positive sustainability impact, such as green financing in emerging markets, wind power, microfinance funds and similar initiatives.



- **Which investments were included in the "other" category, what was their purpose, and were there any minimum environmental or social safeguards in place?**

The "other" category includes cash on hand, i.e. the cash used for ongoing payments, such as those required to settle outstanding financial obligations or pension payments. In addition, Alecta has a number of hedging instruments for managing financial risks related to shares, interest rates and currencies. Examples of these include forward exchange contracts and interest rate swaps. No ESG assessments are conducted for hedging instruments and cash, and Alecta does not consider these to be applicable.



- **What measures have been implemented to meet the environmental or social characteristics during the reference period?**

These measures are described in connection with the results to which the sustainability indicators refer. In short, they include in-depth investment analyses, dialogues with shareholders and managers, as well as voting at general shareholders' meetings.

# Sustainability-related disclosures

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

**Product name:**

Alecta Defined Benefit occupational pension5493003P9RHFT66VQS66

**LEI code:**

## Environmental and/or social characteristics

### Sustainable investment:

an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does no significant harm to any other environmental or social objective and that the investment targets adhere to good governance practices.

### The EU Taxonomy

is a classification system set out in Regulation (EU) 2020/852, which establishes a list of **environmentally sustainable economic activities**. The Regulation does not establish a list of socially sustainable economic activities. Sustainable investments with an environmental target may or may not be aligned with the requirements of the Taxonomy.

### Did this financial product have a sustainable investment objective?

Yes

No

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

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

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

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

It promoted **environmental and social characteristics** and, while it does not have sustainable investment as its objective, it had a share of 9.7 per cent (%) sustainable investments.

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

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

with a social objective

It promoted environmental and social characteristics, but **did not make any sustainable investments**



### To what extent did this financial product promote environmental and/or social characteristics?

See the description of the promoting characteristics and how they are monitored on the next page. Derivatives are not considered to have contributed to the promoting characteristics.

Sustainability indicators measure the achievement of the environmental or social characteristics that are promoted by the financial product.

## ● How did the sustainability indicators perform?

### Environmental characteristics – Climate

Alecta's overarching climate objective is for its investment portfolio to be aligned with the Paris Agreement's 1.5°C target and to achieve a net-zero climate footprint by 2050. This means that the underlying assets also have to work actively towards the transition. Alecta takes climate considerations into account both prior to making investments and during the management of various asset classes – equity, corporate bonds, direct and indirect property investments, as well as infrastructure. Alecta does not invest in or finance companies that derive more than 5 per cent of their revenue from the extraction of thermal coal or unconventional oil and gas, or energy companies that derive more than 5 per cent of their revenue from coal power.

For equity and corporate bonds, Alecta uses data and information from both external data providers in the analysis and directly from the holding companies to track the progress of climate initiatives. Dialogue with holding companies is a tool for increasing transparency and promoting climate action. Where appropriate, Alecta is able to vote on climate-related proposals at the general shareholders' meeting. The company's directly owned properties have energy efficiency targets, and their climate footprint is monitored and reported alongside energy consumption. Alecta obtains environmental certification for its properties whenever possible. In externally managed funds, climate reporting is subject to monitoring. Green bonds are encouraged when lending to governments, supranational institutions and municipalities.

Alecta does not use a benchmark for comparison, but monitors a number of indicators for the holding companies. These include the climate footprint of the investments, science-based climate targets, corporate engagement dialogues on climate issues, voting at shareholder meetings on climate-related matters, and screening for fossil elements in assets. When the underlying holdings report in accordance with the Taxonomy's climate indicators, Alecta will also monitor the performance of that portion of its investments. Alecta is working to increase the availability of climate data for all its investments.

#### Outcome 2025

Performance indicator	Page reference
Climate footprint of equity, corporate bonds, directly owned properties	22–23
Proportion of companies with science-based climate targets, equity and corporate bonds	23–24
Proportion of external managers with climate targets	24
Number of corporate engagement dialogues regarding the climate	22, 27
Number of climate proposals supported at shareholder meetings in 2023–2024	26

### Social characteristics – Gender equality

Alecta aims to promote gender-balanced management teams and boards, a principle that is taken into account in the management of equity and corporate bonds, as well as in relation to external managers.

Alecta is striving to achieve gender-balanced boards and is working towards this goal through our participation in nomination committees at Swedish holding companies, typically around twenty per season. The goal is for each gender to have at least 40 per cent representation, a factor that is taken into account in the recruitment process for new Board members as well as in succession planning. The results are followed up after each general meeting season, based on data from the meetings and databases regarding board compositions. No index has been selected as a benchmark. Instead, this factor is monitored as an indicator, as an average of the proportion of women elected by the general meeting on the boards of the companies in which Alecta participates in the nomination committee.

Alecta expects to achieve a similar proportion in its other equity holdings as well as at management team level. Given the changing market conditions, this goal primarily applies to our Swedish holdings. Over time, however, the boards of our international holdings will consist of at least 40 per cent of each gender. We would eventually like to see a similar trend in the management teams of these companies as well. Dialogue and voting are tools for promoting gender equality.

The trend as regards the proportion of women and men on boards and in senior management is reported and monitored. When investing in property and infrastructure through external managers, we request information on gender equality and monitor the proportion of women in various decision-making positions.

#### Outcome 2025

Performance indicator	Page reference
Percentage of women on the Board where Alecta is a member of the Nomination Committee, average*	25
Percentage of equal boards, at least 40 % of each gender (equity portfolio)	25
Percentage of management teams with at least 30 % of each gender (equity portfolio)	25
Gender equality and diversity policy, external managers	25

\* Refers to the composition of the boards of companies with nomination committees during the 2024–2025 general meeting season.

### Good governance practices – remuneration

Alecta considers that remuneration should be well-justified, transparent, and in line with market standards. The remuneration must be structured in such a way that it promotes the long-term interests of the company and its shareholders. It must be performance-based and clear. Alecta conducts ongoing dialogues with the companies in which we are shareholders regarding remuneration programmes. At general shareholder meetings, Alecta votes against remuneration proposals that do not meet our criteria. Alecta's voting decisions are reported annually.

#### Outcome 2025

Performance indicator	Page reference
Number of dialogues regarding remuneration	26–27
Proportion of remuneration proposals Alecta has voted against	26

### Controversial weapons, tobacco and commercial gambling

Alecta also refrains entirely from investing in or financing companies that develop, manufacture, maintain or distribute components or systems specifically designed for controversial weapons. Alecta also does not invest in companies whose core business is the production of tobacco products or the running of commercial gambling activities. This refers to companies that engage in activities involving gambling at casinos, slot machines or online poker. Each new investment is reviewed for such activities and then monitored on a quarterly basis. This requirement is also communicated to external managers and included in contracts.

#### Outcome 2025

Performance indicator	Page reference
All investments meet the requirements*	n/a

\* For externally managed assets, the application of the criteria is adapted in line with the objectives of the Policy for Responsible Investments.

- **... and compared with previous periods?**

For those indicators for which historical data is available, this is presented on the pages referred to above. On the whole, progress toward climate goals among shareholdings and credit holdings has been positive. Over the longer term, the climate footprint of the asset portfolios has decreased, although the trend has varied from year to year. This depends in part on which companies are included in the bond portfolio in different years, and on the fact that the equity portfolio has been diversified to include more companies. When we try to monitor changes in the individual companies' environmental footprint, we can see clearer signs of improvement. For example, Alecta has bonds issued by companies with a significant footprint. We consider that these have clear transitional objectives. In terms of gender equality on boards, the results are roughly on a par with previous years. We report the proportion of gender-balanced boards across the entire equity portfolio, as well as the proportion of external managers with a gender equality policy. The aim is to identify where the greatest potential for growth exists, as well as to have a positive impact on this. When it comes to remuneration, our ambition is to monitor all the holdings where we have voted against remuneration proposals in order to influence their design. We monitor this indicator within the framework of Alecta's sustainability targets for 2028.

- **What were the objectives of the sustainable investments that the financial product partially conducted, and how did the sustainable investment contribute to these objectives?**

The investments that Alecta has defined as sustainable can contribute to a number of different environmental or social objectives. However, these are not defined in advance in order to encourage a broad and growing range of such investments. For example, Alecta makes investments that contribute to two of the EU Taxonomy's environmental targets: mitigating climate change and adapting to it. These investments can also contribute to other environmental objectives, such as the sustainable use and protection of water and marine resources, the transition to a circular economy, the prevention and restriction of environmental pollution, and the protection and restoration of biodiversity and ecosystems. One example of such an investment is helping to finance biodiversity and marine conservation projects around the Galápagos Islands.

The targets may also be of a social nature, such as promoting health or fostering equality. The investment typically helps by financing improvements or streamlining operations to reduce environmental impact, or by funding the expansion of public infrastructure, for example. Overall, the goals of the sustainable investments can be said to fall within the scope of the global sustainability goals included in Agenda 2030.

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

● **In what way did the sustainable investments, which the financial product performed in part, do no significant harm to any environmental or social objectives of the sustainable investments?**

Compared to the industry as a whole, Alecta has a narrow definition of which assets qualify as sustainable investments, and considers the risk of these assets causing significant harm to be low.

Examples of sustainable investments include bonds issued under green or social frameworks that clearly specify what is to be financed. If these are issued by companies, the company's ESG efforts and any controversies are examined. For government or municipal green bonds, Alecta's country ratings – which take into account corruption and human rights – serve as the basis for selection.

Sustainable investments can also be made in equity or bonds from companies whose primary products or services contribute to one or more global sustainability targets, and which are not linked to activities that cause significant social or environmental harm. At Alecta, these consist of taxonomy-aligned operations.

Properties that are among the most energy-efficient in their categories, and/or that live up to stringent environmental criteria under a sustainability certification process, may also qualify as sustainable investments; such certifications take into account a number of parameters other than just environmental factors.

**How were the indicators of negative impacts on sustainability factors taken into account?**

For all investments, an overall assessment is conducted of any negative impacts on sustainability factors. The assessment varies across different asset classes depending on the characteristics of the investment – such as the instrument's maturity – but also depending on the availability of information and data.

When making sustainable investments in instruments issued by companies, such as shares or bonds, sustainability indicators linked to the business model are taken into account, along with an assessment of ESG risks based on a weighted analysis of different indicators and sustainability management systems. Special attention is paid to climate considerations, and these are documented in connection with investments. These investments are continually reviewed for any violations of international sustainability conventions.

In the case of sustainable investments in instruments issued by countries or supranational issuers (such as the World Bank), which primarily consist of green or sustainable bonds, the country's ratings regarding corruption, transparency and respect for human rights are taken into account. Alecta does not directly finance countries that are included on the EU's list of non-cooperative jurisdictions for tax purposes, nor does it invest in funds in such jurisdictions.

When making sustainable investments in properties, key performance indicators linked to climate, waste and energy are taken into account on an ongoing basis.

In accordance with the regulations, Alecta published a report on alecta.se in June 2025 regarding the principal adverse impacts of its investment decisions on sustainability factors. Indicators that have been taken into account in investment decisions relate primarily to Alecta's chosen focus areas – climate and gender equality – with the aim of identifying opportunities for improvement.

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

In addition to that stated under the heading above, these investments are continually reviewed for any violations of international sustainability conventions, including the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, which are frameworks applicable to companies.

Similar principles are applied when selecting other sustainable investments, depending on the circumstances. For example, external managers are asked about their whistleblowing procedures and their screening of risks related to human rights.

No incidents have been identified regarding sustainable investments in 2025.

The EU Taxonomy sets out a "do no significant harm" principle, under which Taxonomy-aligned investments must not cause significant harm to the EU Taxonomy's objectives. This is accompanied by specific EU criteria.

The principle of doing no significant harm only applies to the financial product's underlying investments that take into account the EU's criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU's criteria for environmentally sustainable economic activities.

No other potential sustainable investments may cause significant harm to any environmental or social objectives.



### ● How did this financial product take into account the main negative impacts on sustainability factors?

For all investments, an overall assessment is conducted of any negative impacts on sustainability factors.

Alecta currently reports, for example, the climate footprint of equity, corporate bonds and properties. When there is a clear risk of serious negative consequences for sustainable development – such as incidents related to the environment, human rights, working conditions or corruption – Alecta takes action to encourage responsible behaviour on the part of the holding companies. If it is determined that the dialogue is unlikely to lead to the desired outcome, the holding will be sold.

Due in part to the negative impact on sustainable development, Alecta refrains from investing in or financing businesses involved in controversial weapons, companies that derive more than 5 per cent of their revenue from the extraction of thermal coal or unconventional oil and gas, or energy companies that derive more than 5 per cent of their revenue from coal power, or in companies whose core business is the production of tobacco or commercial gambling, such as casinos.

### What were the financial product's most significant investments?

For the defined benefit occupational pension, the long-term objective for allocation has been 45 per cent fixed income, 35 per cent shares and 20 per cent alternative assets – although with a tolerance for variation within predetermined ranges in order to respond to rapid market changes.



The list includes the investments that make up the largest portion of the financial product's investments during the reference period, which is: 2025

Largest investments	Sector	Assets, %	Country
Heimstaden Bostad AB	Real estate	2.3	Sweden
Nordea Hypotek AB	Financial	2.1	Sweden
Stadshypotek AB	Financial	1.3	Sweden
Investor AB	Financial	0.9	Sweden
Skandinaviska Enskilda Banken AB	Financial	0.8	Sweden
Atlas Copco AB	Industrial	0.8	Sweden
Microsoft Corp	IT	0.8	USA
Alphabet Inc.	Communication	0.8	USA
Sveriges Riksbank (the Swedish Central Bank)	Sovereign	0.8	Sweden
AB Volvo	Industrial	0.6	Sweden
NVIDIA Corp	IT	0.5	USA
Amazon.com Inc.	Communication	0.4	USA
Prologis Targeted US Logistics Fund	Real estate	0.4	USA
Swedbank AB	Financial	0.4	Sweden
Sandvik AB	Industrial	0.4	Sweden

### What proportion of investments were sustainability-related?



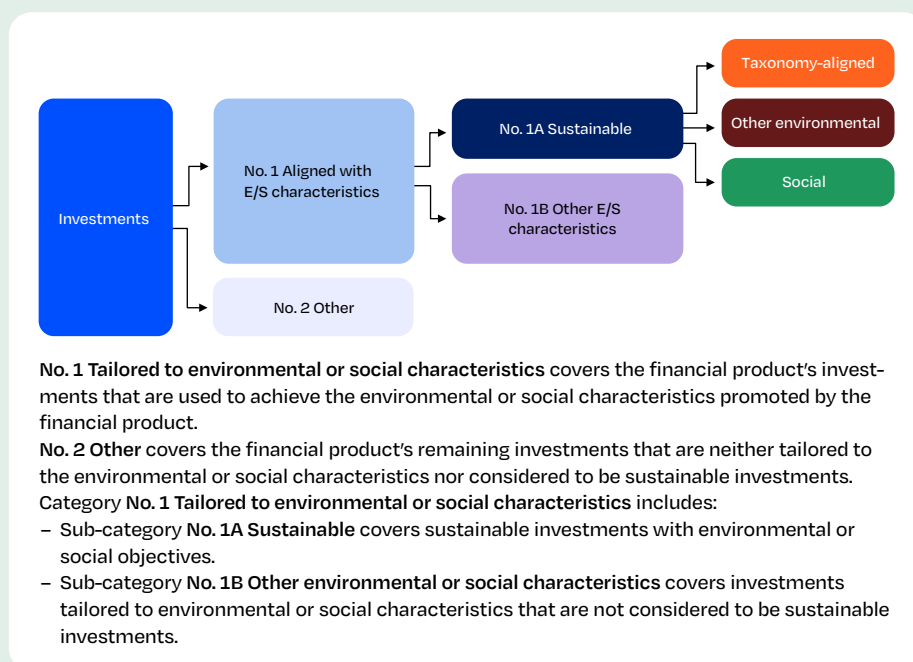
**Asset allocation** describes the proportion of investments in specific assets.

### ● What was the asset allocation?

**No. 1 – Tailored to environmental and social characteristics:** The promoting characteristics will be applied to all asset classes and assets where possible, corresponding to 99 per cent of the market value of the assets. This includes the so-called exclusion criteria. Climate considerations have been taken into account in all investments apart from derivatives, currencies and bonds issued by supra-national institutions that are not green. Gender equality has been taken into account in shareholdings and corporate bonds, as well as in externally managed alternative assets. Sound remuneration practices are promoted in the management of equity.

**No. 1A – Sustainable investments:** Alecta has stated that defined benefit occupational pensions will include more than zero per cent (>0%) sustainable investments. The proportion of sustainable investments within each asset class is partly governed by the range of such investments that meet Alecta's investment criteria, such as volume and risk-adjusted returns. For 2025, the proportion is 9.7 per cent, consisting primarily of green and social bonds, as well as a few investments classified as other sustainable investments, such as wind power or a district heating plant that is developing carbon capture technology. Sustainable investments also include assets that are aligned with the EU Taxonomy, including the most energy-efficient directly owned properties, as well as a small portion of equity holdings and corporate bonds. There is still uncertainty associated with the calculations of Taxonomy alignment. Firstly, a significant portion of the holdings are based outside the EU and are not subject to the Taxonomy's reporting requirements; secondly, the calculations are based in part on estimates; and thirdly, there may be double counting with respect to green bonds, for example.

**No. 2 – Other:** The following assets are not covered by the promoting characteristics: derivatives (such as equity futures), currencies and cash. Derivative exposures do not have a market value. The purpose of these assets is to diversify and reduce risk, or to meet liquidity needs.



#### ● In which economic sectors were the investments made?

Of the investments classified as "No. 1" in the above illustration, 35 per cent are invested in government, municipal and supranational fixed income investments. Other assets, such as equity, bonds issued to companies or lending institutions, property funds, directly owned properties and other real assets, account for 65 per cent and are distributed across the following sectors based on their proportion of the investment product's market value.

Sector	Proportion of the product's market value, %
Financial	33
Real estate	22
Industrial	17
IT	10
Consumer Discretionary	4
Health care	4
Communication	4
Energy	2
Consumer staples	2
Materials	2

In order to comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and a transition to renewable energy or low-carbon fuels by the end of 2035 at the latest. When it comes to **nuclear energy**, the criteria include comprehensive safety and waste management regulations.

**Enabling activities** directly enable other operations to make a significant contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and which, for example, have greenhouse gas emissions at levels corresponding to best-in-class performance.

Taxonomy-aligned activities are expressed as a proportion of the following:

– **turnover**, which reflects the proportion of revenue from the investment targets' green operations.

– **capital expenditure (CapEx)**, which shows the green investments made by the investment targets, e.g. for a transition to a green economy.

– **operating expenditure (OpEx)**, which reflects the green operating activities of the investment targets.



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

Companies that are eligible under the EU Taxonomy and in which the product invests have begun reporting the extent to which their operations are aligned with the EU Taxonomy. Alecta estimates that the product's minimum share in Taxonomy-aligned investments will be greater than 0 per cent (>0%), and calculations indicate that this share amounts to 2.4 per cent, comprising directly owned properties as well as equity holdings and corporate bonds. The calculations primarily cover two of the climate objectives – mitigating climate change and adapting to climate change – while reporting on the other environmental objectives is still under development. The proportion of investments that are consistent with the target of mitigating climate change accounts for almost the total proportion of Taxonomy-aligned investments. The data for the directly owned properties comes from an energy monitoring system, while the Taxonomy data for shareholdings and corporate bonds is provided by a third-party supplier and is based on the reported data for the underlying holdings. This information is presented almost exclusively in annual reports, but we have no information regarding what proportion of this has been audited.

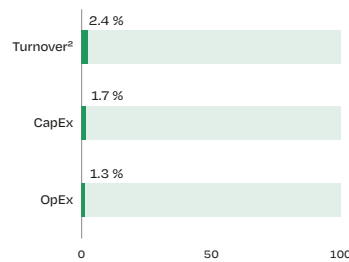
#### ● Did the financial product invest in fossil gas and/or nuclear energy-related activities that comply with the EU Taxonomy? \*

Yes:  In fossil gas  In nuclear energy

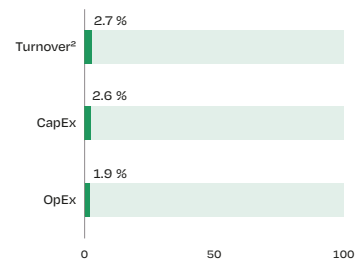
No

The charts below show, in green, the percentage of investments that were aligned with the EU Taxonomy. Since there is no suitable methodology for determining the extent to which government bonds are Taxonomy-aligned, the first chart shows compliance with respect to all the financial product's investments, including government bonds, while the second chart shows compliance only with respect to those investments for the financial product that are not government bonds.

1. Taxonomy alignment of investments including government bonds <sup>1</sup>



1. Taxonomy alignment of investments excluding government bonds <sup>1</sup>



Taxonomy-aligned fossil gas  
 Taxonomy-aligned nuclear energy <sup>3</sup>  
 Taxonomy-aligned investments (excluding fossil gas and nuclear energy)  
 Non-Taxonomy-aligned investments

Taxonomy-aligned fossil gas  
 Taxonomy-aligned nuclear energy <sup>3</sup>  
 Taxonomy-aligned investments (excluding fossil gas and nuclear energy)  
 Non-Taxonomy-aligned investments

This chart includes 65% of total investments.

<sup>1</sup> In these charts, "government bonds" refer to all exposures in government securities, municipal bonds and similar instruments

<sup>2</sup> For revenue, the proportion of Taxonomy-aligned investments is based on both equity and corporate bonds, as well as directly owned properties. For CapEx and OpEx, the calculations are based solely on the proportion of Taxonomy-aligned holdings in equity and corporate bonds.

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- **What proportion of investments were made in transitional activities and enabling activities?**

The calculations indicate that more than 0 per cent of the assets relate to transitional activities, and that 0.5 per cent of the assets are classified as enabling activities. The calculations relate to equity holdings and corporate bonds, and are subject to uncertainties in the underlying data and estimates.

- **What percentage of investments were aligned with the EU Taxonomy, compared to previous reference periods?**

The proportion differs marginally compared to the previous reference period, although this is negligible.



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



- **What proportion of sustainable investments with an environmental target were not aligned with the EU Taxonomy?**

Alecta invests in green bonds and properties with high environmental performance that do not necessarily fall within the economic activities that are eligible under the EU Taxonomy or are aligned with the EU Taxonomy. When investing in green bonds, Alecta requires that the issuer has a third-party-verified green bond framework. The proportion of green bonds in the product amounted to **5 per cent**.



- **What was the proportion of socially sustainable investments?**

Alecta invests in social bonds and other instruments, such as shares in companies whose products and services contribute to social objectives, such as health. When investing in social bonds, Alecta requires that the issuer has a third-party-verified social bond framework.

The proportion of social bonds in the product amounted to **0.5 per cent**. In addition, the product includes a proportion of investments that have been classified as "other sustainable", accounting for **1.8 per cent**. These include a number of investments specifically designed to generate a positive sustainability impact, such as green financing in emerging markets, wind power, microfinance funds and similar initiatives.



- **Which investments were included in the "other" category, what was their purpose, and were there any minimum environmental or social safeguards in place?**

The "other" category includes cash on hand, i.e. the cash used for ongoing payments, such as those required to settle outstanding financial obligations or pension payments. In addition, Alecta has a number of hedging instruments for managing financial risks related to shares, interest rates and currencies. Examples of these include forward exchange contracts and interest rate swaps. No ESG assessments are conducted for hedging instruments and cash, and Alecta does not consider these to be applicable.

- **What measures have been implemented to meet the environmental or social characteristics during the reference period?**

These measures are described in connection with the results to which the sustainability indicators refer. In short, they include in-depth investment analyses, dialogues with shareholders and managers, as well as voting at general shareholders' meetings.



# Alecta

Alecta has been managing occupational pension plans since 1917. Our mission is to provide collectively agreed occupational pension plans with as much value as possible both for our corporate customers as well as private customers. We do this by generating high returns at low cost, and providing excellent customer service. We manage just over SEK 1,400 billion on behalf of our owners – 2.9 million private customers and 37,000 corporate customers.

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