Andra AP-fonden

# A good pension for all generations

**Half-year Report 2026**

# Result first half of 2026

AP2 reported a total return of 9.6 per cent, after costs, for the first half of 2026, corresponding to a profit of SEK 48.0 billion. The Fund's assets under management amounted to SEK 550.5 billion at the end of the period. Over the past ten years, the Fund has delivered an average annual return of 7.0 per cent after costs, and an average annual return of 5.3 per cent over the past five years.

During the first half of the year, a total of SEK 31.8 billion was transferred from AP6, comprising fund investments valued at SEK 25.8 billion and SEK 6.0 billion in cash.

**550 SEK bn**

Fund capital 30 June 2026.

**9.6%**

Total portfolio return after costs, first half of 2026.

**48 SEK bn**

Result first half of 2026.

**6.1%**

Since its inception in 2001, the Fund has generated a total result of SEK 456.7 billion, which corresponds to an average annual return of 6.1 per cent, after Fund costs.

AP2

## Key ratios

| | **Jan-Jun 2026** | Jan-Jun 2025 | Jan-Dec 2025 |
|---|---|---|---|
| Fund capital carried forward, SEK billion | 550.5 | 458.0 | 475.2 |
| Net result for the period, SEK billion | 48.0 | 1.6 | 20.9 |
| Transferred assets from AP6, SEK billion | 31.8 | - | - |
| Net outflows to the national pension system, SEK billion | -4.5 | -2.4 | -4.6 |
| Fund capital brought forward, SEK billion | 475.2 | 458.9 | 458.9 |
| | | | |
| Asset management costs: operating expenses, % | 0.06 | 0.06 | 0.06 |
| Asset management costs: commission expenses, % | 0.02 | 0.02 | 0.02 |
| Total asset management costs, % | 0.08 | 0.08 | 0.08 |
| | | | |
| Return after costs, % | 9.6 | 0.4 | 4.6 |
| Real return after costs, % | 8.6 | -0.2 | 4.3 |
| Annualised return after costs, 5 years, % | 5.3 | 6.3 | 5.4 |
| Annualised return after costs, 10 years, % | 7.0 | 5.8 | 6.4 |
| Real annualised return after costs, 10 years, % | 3.9 | 2.8 | 3.4 |

Unless otherwise stated, the portfolio assets referred to in this report are “allocated exposures”. In addition to booked fair values, these also refer to allocated (but not yet invested) liquidity for the specific class of asset, and the liquid funds held as collateral for positions already taken in derivative instruments. Classes of asset, derivative instruments and liquid funds are reported individually in the balance sheet at their fair values. All monetary amounts are expressed in Swedish kronor and abbreviated as SEK k (thousand), SEK million or SEK m and SEK billion or SEK bn, in accordance with the Swedish Language Council’s recommendations.



AP2

# Strong returns in a changing world

**Following an initial period characterised by geopolitical uncertainty and trade policy concerns, market sentiment strengthened progressively during the first half of 2026. A resilient global economy, continued technology-driven growth and increased risk appetite contributed to favourable market performance and a strong result for the Fund.**

The year began with a more cautious outlook for the global economy following the turbulence that characterised 2025. Economic growth nevertheless proved broadly resilient, particularly in the United States, where both the labour market and consumer spending continued to perform more strongly than expected. The conflict between the United States and Iran primarily affected oil prices and heightened inflation concerns, but uncertainty eased after the parties reached an agreement in mid-June. At the same time, trade policy uncertainty declined somewhat as several of the most far-reaching tariff measures were reconsidered or moderated, contributing to a gradual improvement in market sentiment. Investments related to artificial intelligence (AI) continued to play an important role in supporting both economic growth and equity market performance.

Against this backdrop, global equity markets delivered positive returns during the first half of the year, although performance varied across regions and sectors. Inflation continued to ease but remained above central bank targets in several markets, contributing to a cautious approach among the major central banks. Long-term interest rates periodically moved higher as concerns regarding US budget deficits and elevated government debt levels remained in focus. Overall, however, fixed income markets were characterised by relative stability. Following its strong performance during 2025, the Swedish krona weakened against the major currencies during the first half of the year.

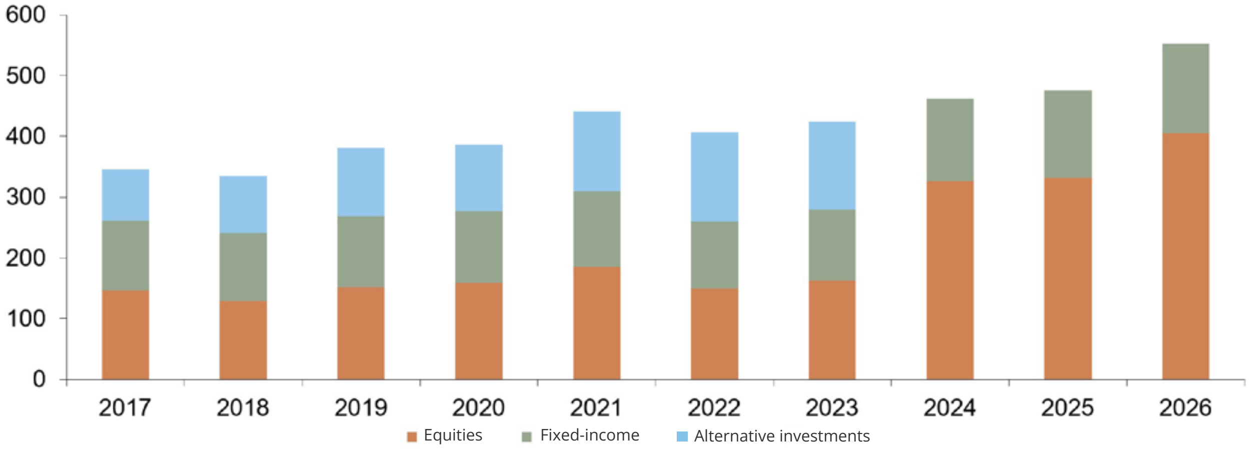
The Fund delivered a strong result during the period. Returns were driven primarily by listed equities, particularly the exposure to emerging markets. Performance from real assets remained weak, while exposure to foreign currencies contributed positively to the result. Overall, the Fund benefited from the gradual improvement in risk appetite and the continued resilience of the global economy.

## Asset class exposure and return 30 June 2026

| | Actual portfolio exposure | | |
|---|---|---|---|
| Asset class | % | SEK billion | Return, % |
| **Equities** | | | |
| Swedish equities | 9.5 | 53 | 6.4 |
| Developed markets equities | 23.9 | 132 | 11.2 |
| Emerging markets equities | 12.0 | 66 | 50.9 |
| Private equity | 15.3 | 84 | 2.7 |
| Real assets | 12.9 | 71 | -1.4 |
| | **73.6** | **405** | **10.9** |
| **Fixed-income securities** | | | |
| Government bonds in developed markets | 10.0 | 55 | 1.0 |
| Credit bonds in developed markets | 8.5 | 47 | 0.7 |
| Bonds in emerging markets | 4.8 | 26 | 1.8 |
| Non-listed credits | 3.7 | 20 | 3.0 |
| | **26.9** | **148** | **1.3** |
| Foreign exchange contribution | | | 1.5 |
| Other* | -0.5 | -3 | |
| **Total** | **100** | **550** | **9.6** |
| Currency exposure | 31.2 | | |

* Market value currency hedging, overlay and absolute return.

Fund capital development 2017 – 30 June 2026, SEK billion *




* During the first half of 2024, the Fund implemented a change to its portfolio structure. Since then, alternative investments have been incorporated into the overarching asset classes of equities and fixed income, respectively.

AP2

## Income statement

| SEK million | **Jan-Jun 2026** | Jan-Jun 2025 | Jan-Dec 2025 |
|---|---|---|---|
| **Operating income** | | | |
| Net interest income | 2 992 | 2 469 | 5 189 |
| Dividends received | 3 036 | 3 184 | 5 457 |
| Net income, listed equities and participations | 39 576 | 8 808 | 29 026 |
| Net income, unlisted equities and participations | 1 225 | 1 312 | 3 300 |
| Net income, fixed-income securities | -97 | 1 850 | 3 236 |
| Net income, derivative instruments | 442 | -3 806 | -5 274 |
| Net income, foreign exchange gains/losses | 1 013 | -12 052 | -19 707 |
| Commission expenses, net | -50 | -44 | -83 |
| **Total operating income** | **48 139** | **1 721** | **21 144** |
| | | | |
| **Operating expenses** | | | |
| Personnel expenses | -100 | -90 | -172 |
| Other administration expenses | -68 | -56 | -116 |
| **Total operating expenses** | **-168** | **-146** | **-288** |
| **NET RESULT FOR THE PERIOD** | **47 971** | **1 575** | **20 856** |

## Balance sheet

| SEK million | **30 Jun 2026** | 30 Jun 2025 | 31 Dec 2025 |
|---|---|---|---|
| **Assets** | | | |
| Equities and participations | | | |
| Listed | 230 654 | 184 676 | 198 725 |
| Unlisted | 165 163 | 131 970 | 132 858 |
| Bonds and other fixed-income securities | 156 331 | 132 567 | 133 409 |
| Derivative instruments | 2 730 | 4 796 | 6 029 |
| Cash and bank balances | 4 562 | 7 990 | 7 016 |
| Other assets | 1 181 | 335 | 20 |
| Prepaid expenses and accrued income | 2 778 | 2 636 | 2 513 |
| **TOTAL ASSETS** | **563 399** | **464 970** | **480 570** |
| | | | |
| **Fund capital and liabilities** | | | |
| **Liabilities** | | | |
| Derivative instruments | 10 627 | 2 542 | 1 269 |
| Other liabilities | 1 597 | 3 644 | 3 315 |
| Deferred income and accrued expenses | 701 | 735 | 811 |
| **Total liabilities** | **12 925** | **6 921** | **5 395** |
| | | | |
| **Fund capital** | | | |
| Fund capital carried forward | 475 175 | 458 884 | 458 884 |
| Net payments to the national pension system | -4 468 | -2 410 | –4 565 |
| Transferred assets from AP6* | 31 796 | - | - |
| Net result for the period | 47 971 | 1 575 | 20 856 |
| **Total Fund capital** | **550 474** | **458 049** | **475 175** |
| | | | |
| **TOTAL FUND CAPITAL AND LIABILITIES** | **563 399** | **464 970** | **480 570** |

* Following amendments to the Swedish National Pension Funds Act (2000:192), which entered into force at the turn of the year 2025/26, AP6 ceased operations. During the year, assets amounting to SEK 31.8 billion were transferred to AP2 without consideration. For further information regarding the transfer, see AP2's Annual Report 2025.

## Ten-year performance review

| SEK million | **30 Jun 2026** | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Fund capital, flows and net result, SEK m** | | | | | | | | | | |
| Fund capital | 550 474 | 475 175 | 458 884 | 426 040 | 407 112 | 441 045 | 386 350 | 381 350 | 334 828 | 345 931 |
| Net outflows to the national pension system | -4 468 | 4 565 | -2 024 | -4 833 | -4 689 | -7 528 | -7 902 | -6 520 | -6 773 | -7 375 |
| Transferred assets from AP6 | 31 796 | - | - | - | - | - | - | - | - | - |
| Net result for the period | 47 971 | 20 856 | 34 868 | 23 761 | -29 244 | 62 349 | 12 776 | 53 042 | -4 330 | 28 784 |
| | | | | | | | | | | |
| **Return, %** | | | | | | | | | | |
| Return on total portfolio excl. commission and operating expenses | 9.6 | 4.7 | 8.3 | 6.0 | -6.6 | 16.4 | 3.7 | 16.1 | -1.2 | 9.1 |
| Return on total portfolio incl. commission and operating expenses | 9.6 | 4.6 | 8.2 | 5.9 | -6.7 | 16.3 | 3.5 | 15.9 | -1.3 | 9.0 |
| Annualised return after costs, 5 years, % | 5.3 | 5.4 | 5.2 | 6.6 | 5.2 | 8.5 | 7.3 | 7.4 | 6.9 | 9.8 |
| Annualised return after costs, 10 years, % | 7.0 | 6.4 | 6.3 | 6.8 | 7.4 | 9.5 | 7.7 | 8.4 | 8.8 | 6.0 |
| | | | | | | | | | | |
| **FX exposure, %** | | | | | | | | | | |
| FX exposure | 31 | 30 | 24 | 22 | 23 | 34 | 34 | 34 | 32 | 33 |
| | | | | | | | | | | |
| **External management, %** | 22 | 19 | 20 | 17 | 21 | 18 | 20 | 19 | 17 | 17 |
| | | | | | | | | | | |
| **Total asset management costs, %** | | | | | | | | | | |
| Asset management costs operating expenses | 0.06 | 0.06 | 0.07 | 0.07 | 0.06 | 0.06 | 0.06 | 0.07 | 0.06 | 0.06 |
| Asset management costs, incl. commission expenses | 0.08 | 0.08 | 0.08 | 0.09 | 0.11 | 0.11 | 0.14 | 0.15 | 0.14 | 0.15 |
| | | | | | | | | | | |
| **Number of employees** | 77 | 69 | 70 | 68 | 69 | 68 | 71 | 71 | 70 | 67 |

# Stewardship

**During the first half of 2026, AP2 voted at a total of 1 092 annual and extraordinary general meetings, of which 81 were Swedish and 1 011 were international. The Fund thereby exercised its voting rights in companies representing over 75 per cent of the Swedish equity portfolio and over 80 per cent of the international equity portfolio, measured by market value.**

**Swedish listed equity portfolio**

- The Fund supported the majority of proposals put forward by boards of directors and nomination committees at this year's general meetings. However, the Fund voted against proposals at 19 companies, primarily relating to incentive programmes, board remuneration, the election of board members and shareholder proposals.
- We note that several companies this year proposed incentive programmes in which matching components without specific performance requirements had been removed. Furthermore, we have observed an increase in companies engaging in dialogue with shareholders regarding proposed incentive programmes. This development is positive and was one of the primary objectives of the update to the Swedish Institutional Owners Association's (IÄF) guidelines in autumn 2025.
- Ahead of the 2026 general meeting season, the Fund was represented on the nomination committees of 12 listed companies.
- The Fund's annual Female Representation Index (Kvinnoindex) for 2026 shows that the proportion of women on the boards of Swedish listed companies has levelled off below the target of equal gender representation, while the proportion of women among newly elected board members has declined noticeably. At the same time, the proportion of women in executive management teams continues to increase. The full report is available on the Fund's website.

**Global listed equity portfolio**

- The Fund voted at general meetings in companies across 43 countries, with the largest representation in the United States, Japan and India.
- Voting is an important tool for communicating our views on a broad range of issues relating to corporate governance and sustainability. During the period, the Fund voted in line with board recommendations in 80 per cent of cases. Where the Fund voted against proposals, this was primarily because they did not meet the requirements of the common voting policy adopted by AP2, AP3 and AP4. Among other matters, the Fund voted against board proposals relating to executive remuneration programmes and the election of individual board members, as well as shareholder proposals that were not considered to support companies' long-term development. As always, a key challenge has been distinguishing overly prescriptive shareholder proposals from legitimate shareholder initiatives aimed at driving improvement in important areas.

**Development in Corporate Governance**

In the US market, the Securities and Exchange Commission (SEC) has adopted a less regulatory approach on several issues since 2025. Investor organisations and corporate governance networks have expressed concerns that this shift weakens shareholder rights and, consequently, the US corporate governance model. We share these concerns and believe that the SEC's new approach risks undermining shareholder rights by making it more difficult, among other things, to submit and defend shareholder proposals and by reducing transparency around executive remuneration. The ability to file shareholder proposals has historically been instrumental in driving improvements in corporate governance, delivering positive outcomes in areas related to board governance. It has also been a key mechanism for advancing ESG-related work. Over time, these developments may therefore indirectly weaken investors' ESG efforts and minority shareholder protections moving in the opposite direction to AP2's principles for good corporate governance.

In other markets, such as Japan and South Korea, we are instead seeing positive developments in corporate governance regulation aimed at modernising capital markets and strengthening companies' competitiveness and long-term value creation.

>> Details of the Fund's voting are available on AP2's website: Voting - AP2

**Accounting and valuation principles**

The interim report has been prepared in accordance with the accounting and valuation principles jointly developed by AP2, AP3 and AP4. The principles remain unchanged from the summary presented on page 61 of AP2's Annual Report 2025.

This report has not been subject to review by the Fund's auditors.

**Board of Directors**

Niklas Johansson assumed the role of Chair of AP2's Board of Directors on 28 May 2026. He succeeded Ingrid Albinsson, who had served as Acting Chair since 5 February. Ingrid Albinsson continues as Deputy Chair. Anna-Karin Jatko stepped down as Chair on 5 February.

Alexander Ljungqvist was appointed to the Board on 28 May. Hanse Ringström stepped down from the Board after eight years as a member.

**Next reporting date**

The Annual Report for the 2026 financial year will be published in February 2027.

Gothenburg, 26 August 2026

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