

Active work on international boards

As a global player on the financial market, AP2 has a great deal of interest in driving issues that are important to investors. This may involve supporting and developing regulations and frameworks, or working with cost issues. Through membership and board engagement in several international stakeholder organisations, AP2 will work for rewarding relationships between investors, where experiences about how investors can work with sustainability can be exchanged.

PRI with focus on sustainable management strategy

Principles for Responsible Investment (PRI) is the world's leading proponent of responsible investments. The organisation works to understand the investment effects of environmental, social and governance (ESG) factors and supports investors who have signed PRI's policies to integrate these factors in their investment and governance decisions.

PRI is independent and encourages investors to make responsible investments to improve the return and manage risks better. PRI is supported by but is not part of the UN.

AP2 was one of the PRI's founding signatories when the principles were launched in 2006. As signatory, the Fund undertakes to publicly adopt and work with the implementation of the principles. This is a continuously ongoing process, where sustainability issues are considered both in AP2's role as fund manager and as asset owner. As a major global and long-term investor, the Fund can engage in the development of standards and through membership in stakeholder organisations such as PRI, the Fund can contribute to increasing the level of awareness and knowledge of sustainable investments in the financial industry.

In autumn 2016, AP2's CEO, Eva Halvarsson, was elected to the board of PRI. She believes that "PRI shall work for transparency and act as a knowledge bank, a smorgasbord, of how to build a sustainable management strategy. Through PRI, members can share their knowledge and good examples. Here, AP2 can contribute with its expertise, as we believe that considerable work with correct and informative financial reporting is vital to encourage long-term stable development of the financial mar-

kets." Eva Halvarsson continues: "A goal within PRI is to be able to provide even more region adapted support in the future, because it looks very different between different parts of the world in the way we work with sustainability."

In addition, Anders Strömblad, Head of Alternative Investments at AP2, is a member of the PRI Private Equity Advisory Committee (PEAC) for private equity investments, which is a consultative body for private equity funds within PRI. In 2018 Anders Strömblad will take over as chairman of this committee.

Commitment to the UN's Sustainable Development Goals

AP2 wants to display the importance of institutional investors investing in a way that benefits the work on the UN's Sustainable Development Goals and has therefore got involved in several different initiatives. Read more on page 30. Christina Olivecrona, Senior Sustainability Analyst at AP2, is part of PRI's Sustainable Development Goals Advisory Committee, an advisory committee for the UN's Sustainable Development Goals.

"The sustainability goals convey a new way of looking at investments and have created a framework around sustainability," says Christina Olivecrona.

In order for more investors to see the possibilities with the sustainability goals, PRI has published a report, [The SDG investment Case](#), about why these goals are important for investors.

"One challenge with the sustainability goals is to find measures that makes it possible to follow them up on an aggregated level," says Christina Olivecrona.



Read more >>> More about PRI on www.unpri.org

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IIGCC forum concerning climate

For a long-term investor such as AP2, climate is an important issue. The Fund has for many years been a member of the Institutional Investor Group on Climate Change (IIGCC), which is an investor led organisation with more than 140 European investors as members. IIGCC takes action for a prosperous low carbon society. Through IIGCC, investors can reinforce their influence on companies, decision makers and other investors. Clear regulations and frameworks around climate are important for all parties. As the Paris Agreement has been signed, IIGCC is increasing its focus on supporting investors in their work on climate change, in line with TCFD's recommendations.

“IIGCC is an excellent forum for promoting the investors' requirements on regulations, making decision-makers aware of the climate issue and exchanging information on climate-related investments,” says Christina Olivecrona, board member of IIGCC.

International organisation within private equity

International Limited Partner Association (ILPA) is the only global organisation in the private equity area that is exclusively engaged in the promotion of the investors' interests. ILPA currently has approximately 500 members globally and virtually all large institutional investors in private equity funds are members. To prevent all forms of conflicts of interest and similar, the business is financed by its members.

ILPA's overall goal is within four main areas:

- **Resources.** Develop 'best practice' in the private equity area, which among other things includes reporting, contractual items, due diligence templates and develop principles for governance and insight into private equity funds.

- **Voice.** Inform among other things, legislative and regulatory financial bodies globally about the private equity industry and its importance for investors.
- **Education.** Provide tailored training with different levels and directions for those working with private equity investments.
- **Community.** Create a forum where investors can meet and exchange experiences.

“At the start in 1990, ILPA was a network for US investors which then, as now, aimed to share experiences. The organisation has grown a lot since the start and is currently about to reach 500 members from over 50 countries. One of the major challenges at the moment for ILPA, whose membership is growing very rapidly, is to meet all new member's needs as investors. I think ILPA has succeeded with this as the knowledge is continually being expanded and the range of courses and conferences is continually increasing,” says Anders Strömblad, board member of ILPA.

At the annual ILPA summit meetings, investors and managers from all over the world meet for the purpose of constructively improving and developing the private equity industry. The organisation also hosts membership conferences and several local events around the world. In order to create qualitative networking possibilities and an environment that encourages long-term relationship building between investors, seminars are arranged in order to make thorough investigations within different appropriate areas.

Anders Strömblad is also involved in the ILPA Industry Affairs Committee which assists with information about private equity for salaried employees (for example, in the EU), politicians and regulatory authorities.