



The Board of Directors' ethics and sustainability rules

Group-wide rules

Introduction

The Board's ethics and sustainability rules describe the approach and values to be observed by AMF and its employees. The rules express in a general way AMF's basic ethics and sustainability principles as well as providing a basis for AMF's sustainability initiatives. The rules cover the whole of AMF's operations. They also provide the basis for the approach that AMF must adopt and defend in relations with, for example, customers, suppliers, business partners, holdings and authorities.

AMF's mission comprises offering collectively agreed occupational pensions, primarily to private sector employees. As an occupational pension company, AMF is part of the Swedish financial security system and thus plays a key role in protecting the security and welfare of current and future pensioners. AMF is operated on mutual principles which involves a specific focus on fairness between customers, that customer interests are put first, and that AMF's owners do not take out dividends.

The Board's ethics and sustainability rules are based on fundamental values such as honesty, responsibility, equal treatment and respect for individuals. AMF shall conduct its operations with high business ethics and with consideration for society, people and the environment. AMF shall endeavour to contribute to long-term sustainable social development from economic, environmental and social perspectives in accordance with the UN Sustainable Development Goals. AMF's assignment places a special responsibility on AMF to protect the best interests of its customers in all situations.

AMF's employees are expected at all times to act with the customers' best interests in mind. Employees are also expected as far as they are able to endeavour to contribute to sustainable development in accordance with the values expressed in these rules. AMF's employees shall be alert to compliance with these ethical rules and other rules of conduct.

AMF shall support and follow the principles of the UN Global Compact regarding human rights, labour, environment and anti-corruption¹ as well as the OECD Guidelines for Multinational Enterprises². AMF shall also follow the UN Principles for Responsible Investment. The CEO shall ensure that AMF's operations are conducted in accordance with these principles and undertakings.

Economic responsibility

For AMF, assuming economic responsibility means securing the company's development and financial position and thus customers' pensions and savings. For AMF, sustained positive returns and low costs are key factors for a long-term sustainable business. AMF shall be careful with the resources used in operations. It is in the customers' interests that working hours and resources are used cost-effectively and with high quality.

As part of efforts to create high long-term returns, AMF shall take sustainability into account in investment operations. Assessments shall be made from a holistic approach and AMF shall endeavour to invest in companies that work actively with sustainability issues. Companies in which AMF invests

¹ Includes principles for human rights, labour law issues, environment and corruption aimed at companies. The compact is based on the UN Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio declaration on Environment and Development and the UN Convention Against Corruption.

² The OECD Guidelines for Multinational Enterprises are shared recommendations from 40 governments addressed to companies. The recommendations partially overlap the UN Global Compact but also include aspects such as how companies should handle disclosure, consumer interests, science and technology, competition, and taxation.

must live up to basic principles such as human rights, labour law, environment and anti-corruption. When assessing companies AMF shall apply decisions and values that Sweden as a country supports. AMF shall not therefore invest in companies involved in the manufacture or distribution of controversial weapons (anti-personnel mines³, cluster munitions⁴, chemical weapons⁵, biological weapons⁶ and nuclear weapons outside the non-proliferation treaty⁷), which are prohibited in a number of international conventions to which the Swedish parliament is a signatory. In addition to this, AMF shall in general not take up a position against specific sectors or products.

In all of its business relations, AMF shall observe sound business practices based on honesty, objectivity and transparency. AMF expects the same of all its business partners and must appraise itself about their operations in order to ensure this.

AMF shall work to prevent all forms of corruption. To give or receive a benefit which can be thought to influence the recipient's behaviour is not permitted. AMF and its employees shall comply with the Code on Gifts, Rewards and other Benefits in Business (Code of Business Conduct published by the Swedish Anti-corruption Institute). In addition to the rules in the Code of Business Conduct, and against the background of AMF's assignment, AMF's employees shall act with caution in relations with external partners. This is in order to prevent risking loyalty to AMF's customers being influenced or that it might be perceived that such loyalty can be influenced.

Neither AMF nor its customers may be disadvantaged by employees' personal motives. AMF shall have a system of internal checks aimed at preventing and detecting corruption as well as routines for handling any conflicts between employees' private interests and those of customers. AMF shall promptly take any necessary measures in the event of suspected irregularities.

AMF shall compete honestly and with high business ethics. AMF's products and services must offer customer benefit in terms of price, quality and security. AMF and its employees must under all circumstances make an effort to ensure that customers receive the information they need in order to exercise their rights. AMF's marketing shall comply with laws and what is from time to time considered good marketing practice. Among other things this implies that advertising shall not be designed in a way that the general public might find offensive.

Environmental responsibility

AMF shall act responsibly to protect the environment for future generations. AMF shall promote long-term sustainable use of natural resources and, in collaboration with others, make demands on and attempt to influence business partners and holdings for a better environment.

Social responsibility

As a pension company, AMF has a key social mission to contribute to customers' future security. AMF's clearest contribution to society is to carry out as efficiently as possible its assignment to manage occupational pensions. Changes to AMF's offering and approach may have significant consequences for customers, companies and society and shall therefore be carried out with care and consideration. Based on customers' needs, AMF shall also contribute to a well-functioning pension system.

³ The Ottawa Treaty totally prohibits the use, stockpiling, production and transfer of anti-personnel mines. It also contains regulations for the destruction of anti-personnel mines, mine clearance and support for the victims of mines.

⁴ The Convention on Cluster Munitions (CCM) prohibits all use, stockpiling, production and transfer of cluster munitions.

⁵ The Chemical Weapons Convention (CWC) prohibits the development, production, stockpiling and use of chemical weapons.

⁶ The Biological and Toxin Weapons Convention (BTWC) aims to prevent the development, production and stockpiling of biological and toxin weapons.

⁷ The Treaty on the Non-Proliferation of Nuclear Weapons (NPT) is based on three fundamental pillars: nuclear disarmament, non-proliferation of nuclear weapons and the peaceful uses of nuclear energy.

AMF and its employees shall show respect for people and human rights. AMF shall not tolerate any form of discrimination. Individuals shall obviously be treated equally regardless of gender, sexual orientation, transgender identity or expression, age, ethnicity, religion or other beliefs, disability, social status or political opinions.

AMF shall protect democratic values and respect individuals' freedom of opinion to the extent that this does not violate the main principle of respect for others. AMF shall protect freedom of association and the right to collective bargaining. AMF shall, within the framework of its business, encourage the abolition of child and forced labour and promote safe and healthy working conditions.

AMF shall facilitate its employees' opportunities to combine their private and working lives and take employees' individual needs into account.

AMF shall encourage skills development among employees. AMF shall provide good training opportunities and encourage employees' further development.

AMF and its employees shall, in addition to respecting customers' integrity and following applicable confidentiality rules, always treat with discretion matters with which they have been entrusted.

Governance, follow-up and reporting

The CEO has to provide more detailed instructions on how the Board's ethics and sustainability rules shall be applied in the business (see Section 8). On the recommendation of the CEO, the Board shall adopt a direction for AMF's sustainability initiatives. The CEO shall decide on operational sustainability initiatives and associated targets.

The CEO shall ensure that there is appropriate follow-up and reporting of ethical issues and sustainability. The Board shall be kept continually informed about AMF's sustainability work. See also the Boards' report instructions for internal reporting Section 6.

Deviation from or breach of the Board's ethics and sustainability rules is to be treated as an event which is to be reported as an incident according to applicable routines. See Section 18 the Board's rules for managing operational risks.

These rules are published on amf.se.

Some references to internal rules have been omitted for ease of reading.