Interim Report 2026

AP3

Contents

Contact
AP3, Box 1176, SE-111 91 Stockholm,
info@ap3.se | +46 8 555 17 100

Text and production
AP3 and Narva Communications

Photography
Peter Philips

Stable returns in a volatile environment

AP3 concluded the first half of the year with a solid net return of 7.6 per cent, corresponding to earnings of nearly SEK 63 billion for the benefit of the income pension system. As a result, the Fund's assets under management increased to SEK 891 billion. During the period, we integrated the assets transferred from Första AP-fonden (AP1) at the turn of the year, continued the optimisation of our new system infrastructure, and relocated to new office premises.

Although the first half of the year was periodically marked by heightened geopolitical uncertainty, financial markets largely looked beyond alarming headlines related to the conflict in Iran. Concerns over massive AI-related investments and rising long-term interest rates also failed to dampen market sentiment. Global equity markets delivered strong performance, supported by solid corporate earnings.

The Anglo-Saxon financial expression "climbing the wall of worry" aptly described the dynamics in global equity markets during the period. AP3's asset allocation is supported by data-driven models and is not influenced by headlines or market anxiety. Once again, this disciplined approach had a stabilising and positive impact on the Fund's results. Performance across global equity markets was, however, uneven. During the period, the equity markets in Japan, Taiwan and South Korea were the strongest performers, although gains were largely driven by a limited number of companies in specialised sectors. Following a period of sustained and purposeful build-up, the Fund's allocation to emerging markets amounted to 9.9 per cent of the equity portfolio at the end of June and contributed 1.7 percentage points to total return.

The consolidation of the buffer funds at the turn of the year proceeded smoothly, and the assets transferred from AP1 have been successfully integrated into the Fund's investment structure. The cost of managing the assets increased substantially less than assets under management, reducing the Fund's assets management expense ratio to 0.05 per cent, compared to 0.08 per cent at year-end. With enhanced expertise and capacity, AP3 is well positioned to continue delivering long-term value within the framework of its mandate.

Overall, AP3 navigated financial markets successfully during the period, once again demonstrating the value of an active and disciplined investment strategy. The Fund has continued to optimise its new system infrastructure and realise operational efficiencies. Our new colleagues who joined following the turn of the year have strengthened the organisation and contributed with valuable new perspectives.

I would like to extend my sincere thanks to the Board of Directors and my colleagues at AP3, and a special thank you to former Chair Christina Lindenius, who stepped down in June after nine years of service on the Board.

Staffan Hansén, CEO, AP3

Highlights

Results and contributions

- Assets under management amounted to SEK 891.0 billion at the end of the reporting period.
- The Fund's return amounted to 7.6% (0.7), corresponding to earnings of SEK 62.7 billion (4.0).
- The assets management expense ratio decreased to 0.05 per cent, compared to 0.08 per cent at the turn of the year.
- Transfers to the Swedish Pensions Agency amounted to SEK 4.5 billion (2.4). The transfers cover the funding shortfall between pension contributions received and pension payments made, as well as the operating costs of the income pension system.

Other significant events

- AP3 successfully integrated the assets transferred from AP1 at the turn of the year as part of the consolidation of the AP Funds.
- The Fund continued the optimisation of its new cloud-based integrated systems platform to future-proof its operations.
- During 2026, the Fund voted on nearly 4,000 resolutions at 136 Swedish annual general meetings, representing all portfolio companies that held AGMs during the first half of the year.
- During the 12-month period from July 2025 to June 2026, AP3 voted on more than 17,000 resolutions at 1,264 international shareholder meetings.
- The Fund welcomed several new colleagues and relocated to new office premises at Regeringsgatan 28 in Stockholm.

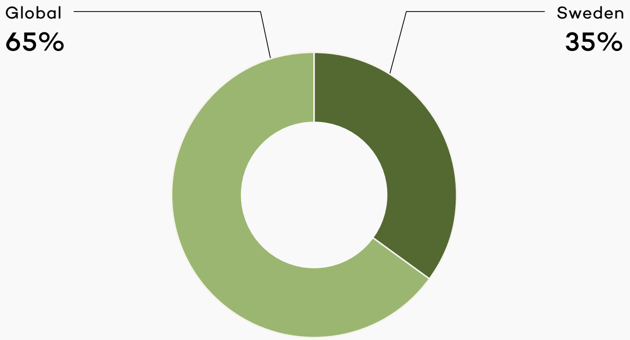
Summary of AP3's earnings as at 30 June 2026

	30 June 2026	30 June 2025	31 Dec 2025
Assets under management, SEK bn	891.0	550.6	577.1
Assets transferred from Första AP-fonden (AP1)	255.8	-	-
Profit for the period/year, SEK bn	62.7	4.0	32.6
Net flow to pension system, SEK bn	-4.5	-2.4	-4.6
Fund capital, 1 January, SEK bn	577.1	549.1	549.1
Return after expenses, %	7.6	0.7	6.0
Real return after expenses, %	6.6	0.2	5.7
Asset management costs, Operating expenses, per cent of assets under management*	0.05	0.06	0.07
Asset management costs, Commission expenses, per cent of assets under management*	0.01	0.01	0.01
Total asset management costs, per cent of assets under management*	0.05	0.07	0.08
Annualised return after expenses, 5 years, %**	6.7	8.5	7.5
Annualised return after expenses, 10 years, %**	8.9	7.8	8.3
Real annualised return after expenses, 10 years, %**	5.8	4.7	4.6

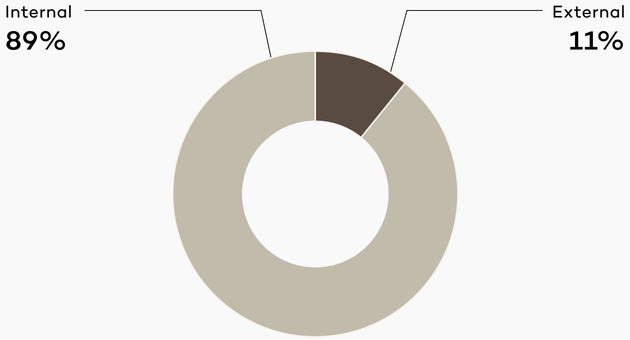
* The interim report measures the asset management cost ratio on a full-year basis.
** The interim report also shows annualised return for 10 and 5 years, respectively.

AP3's portfolio

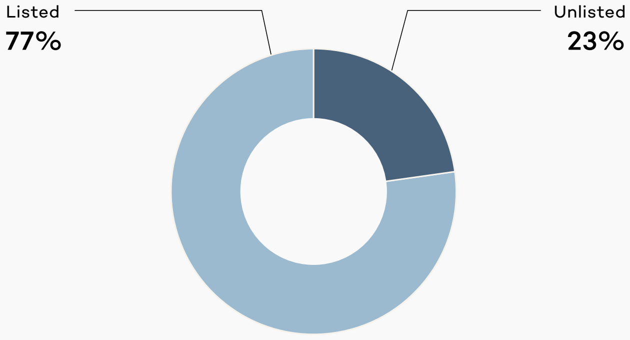
Global/Sweden



Internal/External management



Listed/Unlisted investments

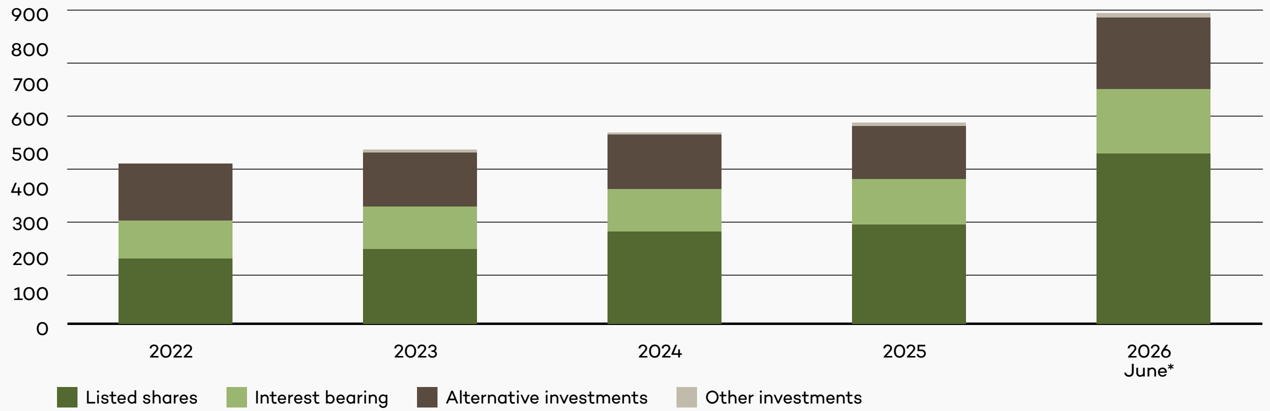


Market value and return by asset class

Asset class	Return, %	Return contribution, % points	Market value, SEK bn 30/6/2026	Market value, SEK bn full year 2025	Exposure, % 30/6/2026
Listed equities	11.5	5.8	488.4	284.5	55.1
Fixed income investments	0.4	0.1	184.1	130.7	23.8
Alternative investments	1.6	0.4	205.3	152.6	23.0
Other investments	0.1	0.1	13.3	9.3	1.6
Currency	*1.1*	*1.1*			*23.2***
Total	**7.6***	**7.6***	**891.0**	**577.1**	**102.9**

* Return before expenses.
** The currency exposure shows the proportion of assets in foreign currency and cannot be added to the total exposure.

Growth of assets under management, 2022–June 2026



* At the beginning of 2026, assets amounting to SEK 255.8 billion were transferred from the Första AP-fonden (AP1) to Tredje AP-fonden (AP3).

Income statement

SEK m	2026 Jan–June	2025 Jan–June
Operating income		
Net interest income	3,858	1,730
Dividends received	8,372	5,800
Net income from listed equities and investments	36,857	7,300
Net income from unlisted equities and investments	1,679	-963
Net income from fixed income assets	-1,620	2,009
Net income from derivatives	7,639	-663
Net income from currencies	6,128	-11,044
Commission expenses	-30	-24
Total operating income	**62,882**	**4,144**
Operating expenses		
Staff costs	-112	-96
Other administrative expenses	-89	-74
Total operating expenses	**-201**	**-170**
Net result for the year	**62,681**	**3,974**

Balance sheet

SEK m	30/6/2026	30/6/2025
Assets		
Shares and investments		
Listed	485,665	266,968
Unlisted	196,419	141,855
Bonds and other fixed income assets	236,646	136,565
Derivatives	1,507	7,857
Cash and bank balances	2,671	1,397
Other assets	35,583	3,947
Prepaid expenses and accrued income	2,532	1,669
Total assets	**961,023**	**560,258**
Fund capital and liabilities		
Liabilities		
Derivatives	14,640	3,979
Other liabilities	55,311	5,630
Deferred income and accrued expenses	34	31
Total liabilities	**69,985**	**9,641**
Fund capital		
Fund capital, 1 January	577,060	549,054
Net payments to pension system	-4,468	-2,410
Assets transferred from Första AP-fonden (AP1)*	255,765	-
Net result for the year	62,681	3,974
Total fund capital	**891,038**	**550,618**
Total fund capital and liabilities	**961,023**	**560,258**

* As a result of an amendment to the Swedish National Pension Funds Act 2000:192, which entered into force at the turn of the year 2025/26, the operations of Första AP-fonden (AP1) ceased and SEK 255.8 billion was transferred without consideration to Tredje AP-fonden (AP3) as of 1 January 2026. For a detailed description of this transfer, please refer to Note 23 of the AP3's 2025 Annual Report. No further transfers have subsequently been made from the segregated administration of AP1 to AP3 during the first half of 2026.

AP3 TREDJE AP-FONDEN