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The Council on Ethics of the Swedish National Pension Funds' Annual Report 2017:

## **The Council on Ethics focuses on counteracting corruption**

**The Council on Ethics of the Swedish National Pension Funds (the Council) celebrated ten years in 2017. During these ten years, the Council has influenced global portfolio companies to improve their work and information regarding environmental, social issues and corporate governance through corporate dialogues. During 2017 the dialogues have included discussions and meetings with companies relating to corruption, human rights and workplace issues in several industries, where the AP Funds as active owners have worked to bring about positive changes.**

The Council is working based on the mission of the AP Funds, to create high long-term returns at low risk to current and future retirees, and based on the AP Funds' core values - proactively promoting sustainable development, acting and demanding transparency and positive changes. The Council works both pro-actively and re-actively with global companies in the portfolios of the AP Funds. The starting point is that well-managed and responsible companies over time give higher returns to lower risk. The goal of the Council's work is that companies and industries should work systematically, structured and transparently with sustainability.

In 2017, the Council conducted dialogues in various sustainability areas, with a total of 174 companies worldwide. Corruption has been a focus area, especially in Brazil where a major corruption scandal continues to roll up. Human rights violations continue to be another important focus area, and the Council has been working on issues relating to child labor in the tobacco industry.

"Long-term and sustainable value creation in companies means taking responsibility for their business. Transparency is important for owners and other stakeholders to assess how the company works, measures and manages sustainability. In the long run, transparency is fundamental to well-functioning financial markets, says Pia Axelsson, Chairwoman of the Council in 2018.

Read more about the Council's corporate dialogues and other engagements in the **2017 annual report** [www.etikradet.se](http://www.etikradet.se) and **download the press release as pdf** >>

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### ***The Council on Ethics of the Swedish National Pension Funds (the Council)***

*The Council is a collaboration between First, Second, Third and Fourth AP Funds, which have the mission of the Riksdag to create high long-term returns at low risk to current and future retirees. The Council works to contribute to the AP Fund's long-term returns by encouraging corporate social responsibility in business as regards to environment, social issues and corporate governance.*

*The Council aspire to make a difference. We seek to exert influence on companies all over the world in regard to sustainability issues, human rights, ethics, the environment, issues of great importance to people and society. Issues which can destroy or create value for companies. We use dialogue to get companies to adopt proactive measures and to deal with incidents. This is how we can mitigate and prevent problems and accidents in a range of companies and industries. And this is how we perceive we can contribute to sustainable development and importantly, sustainable pensions for current and future pensioners.*