



Governance of Sustainability and ESG: Practices of Select International Peers

Catherine Jackson
Mosaic Governance Advisors, LLC

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How AP2 Governs Sustainability-Related Issues

AP2 2020 Sustainability Report: [Sustainability-report-2020.pdf \(ap2.se\)](https://www.ap2.se/sustainability-report-2020.pdf)

Andra AP-fonden's management of sustainability-related issues					
DECISION LEVEL	CATEGORY	GOVERNING DOCUMENTS	FOLLOW-UP	GOALS AND OUTCOMES 2020	
THE BOARD OF DIRECTORS	Strategy	Operating plan, including corporate governance policy and sustainability policy	This is followed up by the Board and the executive management. Followed up by the Board and Executive Management and reported in the annual and half-year reports.	Goal: Long-term average annual real return of 4.5%.	Outcome: In five years, 5.7%, in ten years 6.6%.
	Return				
	Code of Conduct	Ethics policy	The Chief Compliance Officer has overall responsibility to oversee compliance with the guidelines, and reports to the Board on key ethical issues impacting the business and the employees' actions.	Goal: No form of corruption, giving or taking bribes.	Outcome: 0 cases.
		Compliance policy			
Principles for hospitality and gifts					
CEO/EXECUTIVE MANAGEMENT	Sustainability	Policy for human rights	The work is followed up by the Board, Executive Management and steering groups.	Goal: See page 10.	Outcome: See page 10.
		Financial sustainability areas			
		Environmental policy			
		Sustainability strategy			
Staff manual	Staff manual	HR policy	The CEO is responsible for ensuring that policies and plans are drawn up. The overall work is planned and followed up by the Fund's HR manager.	Goal: Increase percentage of female managers at AP2.	Outcome: 29 (28)%.
		Equality and diversity plan			
		Discrimination policy			
		Work environment policy			
		Hospitality policy			
		Travel policy			
			Goal: No employee of AP2 shall be exposed to discrimination.	Outcome: 0 cases.	

How CDPQ Governs Sustainability- Related Issues

CDPQ 2020 Stewardship
Investing Report: [2020
Stewardship Investing Report - CDPQ](#)

3. Supporting our teams

Our investment teams evaluate a number of sustainability metrics when analyzing and monitoring portfolios. Having a more comprehensive understanding of ESG factors has a significant impact on this key aspect of the decision-making process.

Our stewardship investing and ESG risk analysis groups work together closely to structure our efforts and support our investment teams.

We also focus on professional development activities to expand the knowledge and expertise of our teams in a changing stewardship investing context.



We implemented key initiatives in 2020 to raise awareness on diversity and inclusion. This included:

- Providing training to more than 500 investment team members and nominee directors, in collaboration with senior management and external experts
- Developing tools for our investment teams to help them better convey our convictions to their partners



www.MosaicGovernance.com

COMPTON June 2021 Board Governance Committee
E session

