

Sweden

**1 Financial Institutions
made an estimated USD\$ 197 million
available to nuclear weapon producing companies since January 2014.**

Introduction

This document contains country specific information from the 2018 Don't Bank on the Bomb update.

Hall of Fame and Runners-up include financial institutions with headquarters in the country that have published policies banning or limiting investment in nuclear weapons producers.

Hall of Shame are the financial institutions that have significant financing relationships with one or more of the nuclear weapons producers identified in the report.

Nuclear weapon producers this document includes a brief summary of the nuclear weapons related work of each of the identified producers. For more detail go to the www.DontBankOnTheBomb.com website.

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Hall of Fame

Swedish Pension fund AP7

AP7 is a Swedish state-owned pension fund. Sweden's pension system has two tiers: five buffer funds and a premium pension system. AP7 is the only state actor in the premium pension system, and manages AP7 Såfa, the default option for AP7 pensioners (unless they choose otherwise).¹ At the end of 2017, AP7 had around Swedish Krona 343 billion (€34,5 billion) in assets under management.²

In line with Swedish government policy, AP7 does not invest in companies deemed to be involved in developing and producing nuclear weapons.³ AP7 excludes companies involved in all nuclear weapons related weapon systems, including but not limited to ballistic missile submarines and missiles that have the primary purpose of carrying nuclear warheads.⁴

The exclusion policy covers all asset management activities of AP7, including those managed by external asset managers.⁵

AP7 maintains a publicly available exclusion list based on research by ISS- Ethix, accessible through its website.⁶ The list is updated twice a year.⁷ As of June 2017, the list included the following companies for involvement with nuclear weapons: AECOM; Airbus; Babcock International; BAE Systems; Boeing; Finmeccanica; Fluor.; Fortive Corp; General Dynamics; Harris; Honeywell International; Huntington Ingalls; Jacobs Engineering; L-3 Communications Holding; Larsen & Toubro; Leidos Holdings; Lockheed Martin; Northrop Grumman; Raytheon; Rolls-Royce; Safran; Serco; SGL Carbon; Tata Power; Textron; Thales; Toshiba; United Technologies.⁸

Website:
<https://www.ap7.se/>

Twitter:
@AP7se

Runners-Up

Financial Institution	Excludes all producers	Excludes all activities	Applies policy to all financial products	No investments found
AMF		✓		✓
Folksam	✓	✓		✓
Länsförsäkringar	✓	✓		✓
Nordea		✓		
SEB		✓		
Swedbank	✓	✓		
Swedish Pension Funds AP 1-4		✓	✓	

¹ AP7, "About Us", website AP7 (<https://www.ap7.se/english/about-us/>), viewed 29 August 2017.

² AP7, "PRI reporting framework 2017", UNPRI website (<https://reporting.unpri.org/surveys/PRI-reporting-framework-2017/D5710C75-8FC4-4DCB-98BA-388389915CF2/79894dbc337a40828d895f9402aa63de/html/2/?lang=English&a=1>), viewed 9 February 2018.

³ AP7, "Svartlistade bolag juni 2017", website AP7 (<https://www.ap7.se/app/uploads/2017/06/Svarta-listan-jun-2017-kommunikation.pdf>), viewed 23 January 2018.

⁴ AP7, written response to PAX dated 8 November 2017; AP7, "Placeringspolicy och riskhanteringsplan fr.o.m. maj 2010", 3 June 2010, available at http://ap7.se/PageFiles/90/ap7_placeringspolicy_och_riskhanteringsplan.pdf, viewed 23 January 2018.

⁵ AP7, written response to PAX dated 8 November 2017.

⁶ AP7, written response to PAX dated 8 November 2017.

⁷ AP7, written response to PAX dated 8 November 2017.

⁸ AP7, "Svartlistade bolag juni 2017", June 2017, available at <https://www.ap7.se/app/uploads/2017/06/Svarta-listan-jun-2017-kommunikation.pdf>, viewed 23 January 2018.



AMF is a Swedish life insurance and pension company, owned jointly by the Swedish Trade Union Confederation and the Confederation of Swedish Enterprise. AMF serves around 4 million Swedish customers and manages approximately SEK 591 billion (€60 billion) in assets.⁹

AMF's Responsible Investment policy states it "*excludes companies associated with controversial weapons (landmines, cluster munitions, as well as chemical, biological and nuclear weapons)*."¹⁰ AMF has also "*undertaken to comply with (...) the NPT*".¹¹ AMF excludes companies involved in production and development of fissionable materials and warheads, system upgrades and specifically designed delivery systems but does not exclude companies involved in general maintenance contracts.¹²

AMF applies its exclusion policy to the assets it manages itself, and as of December 2016 AMF is in a process to monitor compliance with the policy by the external funds it offers, although some externally managed funds, notably passive funds, do not yet exclude nuclear weapon producers.¹³

AMF uses an exclusion list based on research by Sustainlytics, which is not publicly available.

We commend AMF for adopting a public policy on nuclear weapons and for monitoring external asset managers to comply with the policy. We recommend AMF expand the policy to exclude all types of nuclear weapons associated companies as well as ensure all financial products are in compliance with its exclusion policy. We look forward to engaging with AMF, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.

Website:

<https://www.amf.se>

Twitter:

@amf_pension

Facebook:

<https://www.facebook.com/AMFpension>



Folksam is a Swedish insurance company that offers a wide variety of insurance, savings and loan products. With about 4 million customers and SEK 400 billion (€40.2 billion) in assets under management, it is one of Sweden's largest investment managers.¹⁴

Folksam excludes companies that are involved in the development, manufacture and maintenance of nuclear weapons or delivery systems designed for nuclear weapons, as well as companies trading in these weapons.¹⁵

The exclusion policy applies to all of Folksam's commercial banking and asset management activities, regardless of whether they are managed internally or by external asset managers.¹⁶ However,

⁹ AMF, "About AMF", *website AMF* (<https://www.amf.se/in-english/>), viewed 23 January 2018.

¹⁰ AMF, "2016 Sustainability Report", page 18, available at: https://www.amf.se/globalassets/pdf/rapporter/sustainability_report_2016.pdf, viewed 23 January 2018.

¹¹ AMF, "The board of directors' ethics and sustainability rules", page 2, available at: https://www.amf.se/globalassets/pdf/rapporter/amfs_rules_on_ethics_and_sustainability.pdf, viewed 23 January 2018.

¹² AMF, written response to PAX dated 6 May 2015.

¹³ AMF, written response to PAX dated 5 June 2015; AMF, "2016 Sustainability Report", page 11, available at: https://www.amf.se/globalassets/pdf/rapporter/sustainability_report_2016.pdf, viewed 23 January 2018.

¹⁴ Folksam, "About Folksam", *website Folksam* (<http://media.folksam.se/en/about-folksam/>), viewed 23 January 2018.

¹⁵ Folksam, "Annual Report and Sustainability Report 2015", p.44, available at http://media.folksam.se/en/files/2016/04/S12430_Folksam-Annual-Report-Sustainability-Report-2015.pdf, viewed 23 January 2018; Folksam, written response to Profundo dated 23 May 2014.

¹⁶ Folksam, written response to PAX dated 26 April 2015.

Folksam does not currently apply the exclusion policy to index-linked products managed by external managers.¹⁷

Folksam's exclusion list is publicly available based on research by MCSI and SIX. As of 19 June 2017, the following companies were excluded from the Folksam investment universe because of involvement in banned or controversial weapons: Aerojet Rocketdyne; Airbus Group; Babcock International; BAE Systems; Boeing; Elbit Systems; Finmeccanica¹⁸; Fluor; General Dynamics; Hanwha Corporation; Huntington Ingalls; Honeywell International; Jacobs Engineering; Leidos Holdings; Lockheed Martin; L-3 Communication; Northrop Grumman; Raytheon; Safran and Textron.¹⁹

We recommend Folksam expand the scope of its exclusion policy to apply to all financial products, including index-linked products managed by external managers. We look forward to engaging with Folksam, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.

Website:

<http://www.folksam.se/>

Twitter:

@Folksam

Facebook

<https://www.facebook.com/folksam>

Länsförsäkringar

Länsförsäkringar is a Swedish bank and insurance group owned by 23 regional insurance companies. Länsförsäkringar AB serves about 3.7 million clients.²⁰ In the third quarter of 2017, Länsförsäkringar held SEK 465 million (€47 million) in assets.²¹

Länsförsäkringar excludes companies involved in the production of controversial weapons, which are defined as weapons that cause unnecessary suffering, excessive damage or that cannot discriminate between military and civilians. The policy is based on international conventions.²² It states that "[n]o direct investments are made in companies that conduct operations in controversial weapons, such as biological and chemical weapons, cluster munitions, landmines and nuclear weapons."²³

For loans and for a large part of internally managed investments for own account and on behalf of third parties, the arms sector is not part of Länsförsäkringar's investment universe. The policy applies to all internally managed investments where the arms sector is part of the investment universe. For externally managed assets, the policy applies to all institutional portfolios. For other externally managed assets, Länsförsäkringar has a process in place to actively encourage managers to exclude producers and suppliers of key components and services to nuclear weapons and other controversial weapons.²⁴

To implement its policy, Länsförsäkringar makes use of the advice of service provider Global Engagement Services (GES). As of January 2018, the exclusion list contains the following companies for involvement in nuclear weapons: Aecom Technology; Aerojet Rocketdyne; Airbus; BWX Technologies; BAE Systems; Bharat Electronics; Boeing; CNIM; Dassault Aviation; Finmeccanica; Fluor;

¹⁷ Folksam, "Företag i vilka vi inte placerar", *website Folksam* (<http://www.folksam.se/om-oss/vart-hallbarhetsarbete/ansvarsfullt-agande/vara-placeringskriterier/uteslutna-foretag>), viewed 23 January 2018; Folksam, written response to PAX dated 23 June 2015.

¹⁸ Finmeccanica is now known as Leonardo-Finmeccanica.

¹⁹ Folksam, "Företag i vilka vi inte placerar", *website Folksam* (<http://www.folksam.se/om-oss/vart-hallbarhetsarbete/ansvarsfullt-agande/vara-placeringskriterier/uteslutna-foretag>), viewed 23 January 2018.

²⁰ Länsförsäkringar, "About Länsförsäkringar", *website Länsförsäkringar* (<https://www.lansforsakringar.se/stockholm/om-oss/in-english/>), viewed 5 February 2018.

²¹ Länsförsäkringar, "Interim Report January-September 2017", page 7, 10 November 2017, available at <http://feed.ne.cision.com/wp/yfs/00/00/00/00/00/42/DE/0F/wkr0006.pdf>, viewed 23 January 2018.

²² Länsförsäkringar, "Kontroversiella vapen", *Länsförsäkringar website* (<https://www.lansforsakringar.se/stockholm/om-oss/hallbarhet/ansvarsfulla-investeringar/vara-stallningstaganden2/kontroversiella-vapen/>), viewed 23 January 2018.

²³ Länsförsäkringar, "Länsförsäkringar AB Annual Report 2016", page 37, *Länsförsäkringar website* (<http://feed.ne.cision.com/wp/yfs/00/00/00/00/00/3D/32/8E/wkr0006.pdf>), viewed 23 January 2018.

²⁴ Länsförsäkringar, "Ågarpolicy", June 2017, page 5, *Länsförsäkringar website* (<http://www.lansforsakringar.se/globalassets/aa-global/dokument/ovrigt/aa-om-oss/00000-agarpolicy-lansforsakringar.pdf>), viewed 23 January 2018; Länsförsäkringar, written response to PAX, 1 February 2016.

General Dynamics; Honeywell International; Huntington Ingalls Industries; Jacobs Engineering; Larsen & Toubro; Lockheed Martin; Northrop Grumman; Orbital ATK; Raytheon Company; Safran; Serco and Walchandnagar Industries.²⁵

We commend Länsförsäkringar for adopting a policy on nuclear weapons. We recommend Länsförsäkringar to extend the policy to cover all types of investments, including all assets managed externally. We look forward to engaging with Länsförsäkringar, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.



Nordea is the largest Nordic bank. It is active in corporate and institutional banking as well as in retail and private banking.²⁶ Nordea serves more than 10 million investors and has over €260 billion assets under management.²⁷

Nordea's policy on nuclear weapons states that Nordea "*does not invest in companies which are involved in the production or development of nuclear weapons*".²⁸ Nordea excludes companies that contribute to the development or manufacture of new nuclear weapon programs, including delivery systems that are specifically designed for nuclear weapons, in line with Nordea's 2010 policy on illegal weapons.²⁹ In 2017 the policy was extended to also include companies involved in maintenance of nuclear weapons when at least 5% of their revenue is derived from military products.³⁰

Nordea's exclusion policy applies to all actively managed products, except for "*index funds, fund of funds using index derivatives, index funds or external funds and external funds*." External asset managers are encouraged to implement Nordea's Policy for Responsible Investment.³¹

As of October 2017, Nordea's exclusion list currently contains 29 companies for involvement with nuclear weapons: AECOM; Aerojet Rocketdyne Holdings; BAE Systems; The Boeing Company; Booz Allen Hamilton Holding; CACI International; China Shipbuilding Industry; Cohort; Constructions Industrielles de la Mediterranee; Engility Holdings; Fluor; Harris; Honeywell International; Huntington Ingalls Industries; Jacobs Engineering; L3 Technologies; Leidos Holdings; Leonardo; Moog; Northrop Grumman; Premier Explosives; Raytheon; Rolls-Royce Holdings; Safran; Serco Group; Thales; Ultra Electronics Holdings; United Technologies and Walchandnagar Industries.³² The exclusion list is based on the findings of data provider Ethix SRI Advisors.³³

Nordea was also found to have several below-the-threshold investments in nuclear weapon producing companies identified by this report.

²⁵ Länsförsäkringar, "Uteslutna bolag", 1 January 2018, *Länsförsäkringar website* (<http://www.lansforsakringar.se/globalassets/aa-global/dokument/ovrigt/aa-om-oss/lf-fondforvaltning/lf-fondforvaltning-exkluderingslista.pdf>), viewed 23 January 2018.

²⁶ Nordea, "Our organisation", *Nordea website* (<http://www.nordea.com/en/about-nordea/who-we-are/our-organisation/>), viewed 23 January 2018.

²⁷ Nordea, "Policies", *Nordea website* (<http://www.nordea.com/en/responsibility/sustainable-finance/policies/>), viewed 23 January 2018.

²⁸ Nordea, "Responsible investment policy", available at: https://www.nordea.com/Images/33-227926/RI_Policy_OCTOBER_2017.pdf, viewed 23 January 2018.

²⁹ Nordea, "Responsible Investments & Identity. Annual Report 2012", p.13, available at http://www.nordea.com/sitemod/upload/root/www.nordea.com%20-%20uk/aboutnordea/csr/RIG_Annual_2013_final_web.pdf, viewed 23 January 2018.

³⁰ Nordea, written response to Pax dated 2 September 2013; Nordea, written response to Profundo dated 25 June 2014.

³¹ Nordea, "Responsible investment policy", available at: https://www.nordea.com/Images/33-227926/RI_Policy_OCTOBER_2017.pdf, viewed 23 January 2018.

³² Nordea, "Exclusion List", available at <https://www.nordea.com/en/sustainability/sustainable-finance/exclusion-list/>, viewed 23 January 2018.

³³ Nordea, "Responsible Investment Report 2014", p.9, available at http://www.nordea.com/Images/33-50580/Nordea_RII_Annual_Report_2014.pdf, viewed 23 January 2018.

Nykredit was also found to have below-the-threshold investments in nuclear weapon producers identified by this report.

We commend Nordea for adopting a public policy on nuclear weapons and for expanding the policy's scope to companies involved in maintenance of nuclear weapons. However, we recommend Nordea strengthen its policy to cover all companies regardless of the percentage of revenue derived from nuclear weapon maintenance, and to apply it to all of Nordea's financial products including commercial banking and investment banking activities, passively managed funds and external asset managers. We look forward to engaging with Nordea, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.

Website:
www.nordea.com/

Twitter:
@Nordea

Facebook:
<https://www.facebook.com/Nordea>

Skandinaviska Enskilda Banken (SEB)



Skandinaviska Enskilda Banken (SEB) is a Swedish corporate and investment bank operating in the Nordic and countries, serving large global corporations and financial institutions with corporate banking, trading and capital markets and global transaction services. SEB also serves about 4 million individual customers in Sweden and the Baltic countries.³⁴ At the end of 2017, SEB managed over SEK 950 billion (€96 billion) in assets.³⁵

SEB revised its Arms and Defence Sector Policy in August 2014.³⁶ The policy states: "*SEB considers nuclear weapons to be controversial weapons as they are indiscriminate and the use would generally be unlawful under international humanitarian law. In addition, although certain countries are allowed to hold and maintain nuclear weapons according to the Nuclear Non-Proliferation Treaty of 1968, all parties have committed to nuclear disarmament. Therefore, SEB does not finance nuclear weapons, nor does SEB finance or invest in companies involved in nuclear weapons programmes.*"³⁷

SEB's new policy covers maintenance and specifically designed delivery systems³⁸ but is not applied to existing customers who are involved in nuclear weapons related activities through subsidiaries or joint ventures, provided that the company promises that SEB funds will not be used for nuclear weapons related activities.³⁹

The exclusion policy applies to all assets managed by SEB, except for discretionary mandates. External asset managers have to comply with SEB's exclusion policy, but an exception is made for externally managed active funds not carrying the SEB name.⁴⁰

SEB's exclusion list is based on the findings of data provider Ethix SRI Advisors.⁴¹ As of 22 December 2017, the companies excluded for their involvement with nuclear weapons are: Aerojet Rocketdyne Holding; Airbus; Babcock International; BWX Technologies; BAE Systems; Boeing; CACI International;

³⁴ SEB, "Our Customers", website SEB (<http://sebgroupp.com/about-seb/who-we-are/our-customers>), viewed 23 January 2018.

³⁵ SEB, "PRI reporting framework 2017", available at <https://reporting.unpri.org/surveys/PRI-reporting-framework-2017/82D7BC66-E695-41B7-8691-05522A7AA48A/79894dbc337a40828d895f9402aa63de/html/2/?lang=English&a=1>, viewed 23 January 2018.

³⁶ SEB, "Arms and Defence sector policy", 20 Augustus 2014, p.2, available at http://sebgroupp.com/siteassets/about_seb1/sustainability/sustainability_governance/policies/sector_policy_arms_and_defence.pdf, viewed 23 January 2018.

³⁷ SEB, "Arms and Defence sector policy", 20 Augustus 2014, p.3, available at http://sebgroupp.com/siteassets/about_seb1/sustainability/sustainability_governance/policies/sector_policy_arms_and_defence.pdf, viewed 23 January 2018.

³⁸ SEB, Correspondence with PAX dated 8 May 2015.

³⁹ SEB, "Arms and Defence sector policy", 20 Augustus 2014, p.3, available at http://sebgroupp.com/siteassets/about_seb1/sustainability/sustainability_governance/policies/sector_policy_arms_and_defence.pdf, viewed 23 January 2018.

⁴⁰ SEB, Correspondence with PAX dated 8 May 2015.

⁴¹ SEB, Correspondence with PAX dated 8 May 2015.

China Shipbuilding Industry; Constructions Industrielles de la Mediterranee – CNIM; Leonardo; General Dynamics; Huntington Ingalls Industries; Jacobs Engineering; Larsen & Toubro; Lockheed Martin; Northrop Grumman; Premier Explosives; Raytheon; Rolls-Royce Holdings; Safran; Tata Power; Thales; United Technologies and Walchandnagar Industries.⁴²

SEB was also found to have several investments in nuclear weapon producing companies identified by this report, more information can be found in the Hall of Shame.

We commend SEB for adopting a public policy on nuclear weapons. We recommend SEB apply the policy to existing contracts and to all financial products including discretionary mandates and externally managed funds. We look forward to engaging with SEB, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.

Website:
<http://sebgroup.com/>

Twitter:
@SEBGroup

Facebook:
<https://www.facebook.com/sebsverige>

Swedbank 

Swedbank is a Swedish financial institution serving 7.4 million private customers and 625,000 corporate and institutional customers. Swedbank also has operations in Norway, Finland, Denmark, the US, China, Luxembourg and South Africa and the Baltic countries.⁴³ As of the end 2016, Swedbank held SEK 2,154 billion (€217 billion) assets under management.⁴⁴

Swedbank's Position Paper on Defence Equipment states: "*Swedbank applies a zero tolerance principle for financial services to customers belonging to a Group that is manufacturing, modernising, selling or buying nuclear weapons.*"⁴⁵ If a company decides to get involved in nuclear weapons, Swedbank does not terminate existing loan contracts. However, a renewal of loans falls under the restrictions of the Position Paper and is not allowed.⁴⁶ Swedbank Robur, Swedbank's asset management arm, has implemented a policy that prohibits investment in nuclear weapon producers (developing, manufacturing, modernizing, maintaining, selling or buying nuclear weapons).⁴⁷

Swedbank also divests from investment holdings in nuclear weapon producers.⁴⁸ The policy applies to all assets managed, except for investments made on behalf of third parties.⁴⁹ Swedbank Robur mainly works with internal asset managers. External managers are informed of Swedbanks policies but not systematically and they are not required to implement them.⁵⁰

Swedbank Robur's published exclusion list as of January 2018 contains the following companies for involvement with nuclear weapons: AECOM; Aerojet Rocketdyne, Airbus; Babcock International; BAE

⁴² SEB, "Exclusion: core criteria", available at https://sebgroup.com/contentassets/cc6bb0156d9a4717813f6e20e85b363c/exclusion_sebimab_corecriteria_december2017.pdf, viewed 23 January 2018.

⁴³ Swedbank, "About Swedbank", *website Swedbank* (<http://www.swedbank.com/about-swedbank/index.htm>), viewed 23 January 2018.

⁴⁴ Swedbank, "Swedbank in brief", available at [http://qfx.quartalflife.com/clients/\(S\(pwx02bx4mdmpae1chytr4fyo\)\)/Temp/Swedbank-Factsheet-pwx02bx4mdmpae1chytr4fyo.pdf](http://qfx.quartalflife.com/clients/(S(pwx02bx4mdmpae1chytr4fyo))/Temp/Swedbank-Factsheet-pwx02bx4mdmpae1chytr4fyo.pdf), viewed 23 January 2018

⁴⁵ Swedbank, "Position Paper – Defence Equipment", *website Swedbank* (https://www.swedbank.com/idc/groups/public/@i/@sc/@all/@qs/@com/documents/publication/cid_2091761.pdf), viewed 23 January 2018.

⁴⁶ Swedbank, written response to Profundo dated 27 May 2014.

⁴⁷ Swedbank, "Annual Report 2014", p.177, available at https://www.swedbank.com/idc/groups/public/@i/@sbq/@qs/@ir/documents/financial/cid_2005852.pdf, viewed 23 January 2018; Swedbank, written response to PAX dated 30 April 2015.

⁴⁸ Swedbank, written response to Profundo dated 27 May 2014.

⁴⁹ Swedbank, "Position Paper – Defence Equipment", *website Swedbank* (https://www.swedbank.com/idc/groups/public/@i/@sc/@all/@qs/@com/documents/publication/cid_2091761.pdf), viewed 23 January 2018.

⁵⁰ Swedbank Robur, written response to Profundo dated 27 May 2014.

Systems; the Boeing Company; Booz Allan Hamilton; BWX Technologies; CACI International; China Shipbuilding Industry; Cohort; Constructions Navales Industrielles de la Méditerranée; Engility Holdings; Fluor Corporation; Fortive; General Dynamics; GP Strategies; Hanwha; Harris; Honeywell International; Huntington Ingalls; Jacobs Engineering; Larsen & Toubro; Leidos Holdings; Leonardo; Lockheed Martin; Moog; Motovilikhinskiye Zavody; Northrop Grumman; Orbital ATK; Poongsan Holdings; Premier Explosives; Raytheon; Rolls-Royce; Rolls-Royce Holdings; Safran; Serco; SGL Carbon; Tata Power; Thales; Ultra Electronics Holdings; United Technologies and Walchandnagar Industries.⁵¹ The list is based on information from external research providers Global Engagement Services (GES) and Ethix SRI Advisors.⁵²

Swedbank was also found to have below the threshold investments in nuclear weapon producing companies identified by this report.

We commend Swedbank for adopting a public policy on nuclear weapons. We recommend Swedbank apply its policy to all financial products including third party investments and external asset managers, and terminate existing loan contracts with nuclear weapon producers. We look forward to engaging with Swedbank, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.

Website:

<https://www.swedbank.com/>

Twitter:

@Swedbank

Facebook:

<https://www.facebook.com/swedbanksverige>

Swedish Pension funds AP1-4



AP1-4 are four of the six state-owned pension funds in Sweden. Sweden's pension system has two tiers: five buffer funds and a premium pension system. The five buffer funds (AP1-4 and AP6) work on a pay-as-you-go system in which current pension contributions pay current income pension benefits. These buffer funds should provide spare capital for when state pension funds payments exceed tax revenues, when an ageing population increases demands on the pension system.⁵³

On 1 January 2007, the Ethical Council was established for the National Swedish Pension Funds. This committee monitors and analyses the portfolio holdings of AP1-4 Funds to ensure that portfolio companies are not a party to crimes against international conventions to which Sweden is a signatory.⁵⁴ AP1-4 only excludes investments in companies producing nuclear weapons for states that are not signatories to the Non-Proliferation Treaty.⁵⁵

The exclusion policy applies to all assets managed by AP1-4. External asset managers are also required to comply with the policy.⁵⁶

AP1-4 currently does not have a publicly available exclusion list, but the Ethical Council has a public list with recommendations for exclusion which is followed by all four funds. As of January 2018 this list includes the following companies active in "aerospace and defence": Elbit Systems; L-3 Communications; Orbital⁵⁷ and Textron.⁵⁸

⁵¹ Swedbank Robur, "Exclusion List", January 2018, available at https://www.swedbank.com/idc/groups/public/@i/@sc/@all/@gs/@com/documents/article/cid_2035350.pdf, viewed 23 January 2018.

⁵² Swedbank Robur, written response to Profundo dated 27 May 2014.

⁵³ AP1, "Operating goals and government evaluation", AP1 website (www.ap1.se/en/About-AP1/Operating-goals), viewed 23 January 2018.

⁵⁴ Ethical Council, "Cooperation And Active Engagement, Annual Report 2014", p.5, available at <http://media.etikradet.se/2015/04/150320-Etikr%C3%A5det-ENG-ver2.pdf>, viewed 23 January 2018.

⁵⁵ Ethical Council, "Nuclear Weapons", website Ethical Council (<http://etikradet.se/etikradets-arbete/positioner/karnvapen/>), viewed 23 January 2018.

⁵⁶ AP1-4, written response to PAX dated 18 May 2015.

⁵⁷ Orbital has merged with Alliant Techsystems in 2014. The new company is known as Orbital ATK.

⁵⁸ Ethical Council, "Companies that have been recommended for exclusion", website Ethical Council (<http://etikradet.se/etikradets-arbete/reaktiva-dialoger-vid-krankning/rekommenderade-uteslutningar/?lang=en>), viewed 30 October 2016.

AP1- 4 were found to hold shares in several identified nuclear weapon producing companies.

We commend AP1-4 for adopting a public policy on nuclear weapons. We recommend AP1-4 apply its policy to all nuclear weapons producing companies, regardless of their country of origin. We recommend that AP1-4 divest from the nuclear weapon producing companies in which it holds shares and bonds. We look forward to engaging with AP1-4, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.

Websites:

<http://ap1.se/sv/>

<http://www.ap2.se/>

<http://www.ap3.se/Sidor/Default.aspx>

<http://www.ap4.se/>

Policy research methodology

To identify financial institutions with a policy on nuclear weapons, we research a variety of sources: NGO reports, screening-agency information, financial institutions' reports and websites, information from campaigners and other public sources. For practical reasons, the scope of this report is limited to those financial institutions that have an investment policy or a summary of that policy in English. The list of institutions in the Hall of Fame is therefore not exhaustive. We welcome additions from those able to provide them.

The financial institutions for which a nuclear weapons policy was actually found, were grouped in two categories. Financial institutions with a clear and comprehensive nuclear weapons exclusion policy are included in the "Hall of Fame", while financial institutions whose nuclear weapons policy is less strict or clear are included in the "Runners-up" category. This is not a comprehensive list, and others may exist in the country. To be included in the Hall of Fame, the nuclear weapons policy of the financial institution must meet the following criteria:

- The financial institution has published its policy and/or a summary of it;
- The policy excludes investments in nuclear weapon companies (withdrawing past investments and avoiding future investments)
- The policy has an 'all-in' comprehensive scope:
 - no exceptions for any types of nuclear weapon companies
 - no exceptions for any types of activities by nuclear weapon companies
 - no exceptions for any type of financing or investment by the financial institution

Financial institutions whose nuclear weapon policy does not meet all of the above criteria are included in the "Runners-up" category. [For more on the report methodology, see the website.](#)

The Don't Bank on the Bomb project seeks to recognise all financial institutions with investment policies that explicitly mention nuclear weapons, even if some of these policies are not comprehensive. By naming investment in nuclear weapon producing companies as an issue of concern, even less effective policies recognise the stigma associated with these weapons of mass destruction, however, because of loopholes in some policies, some financial institutions may appear in both the Runners-up and Hall of Shame categories.

Hall of Shame

This section contains the results of our research into which financial institutions are financially involved with the nuclear weapon producing companies identified in the report. The financial institutions identified include banks, pension funds, insurance companies and asset managers. They have provided various types of financial services to nuclear weapon companies including loans, investment banking and asset management. For more detail on what types of financial services, please contact info@dontbankonthebomb.com.

All sources of financing provided since 1 January 2014 to the companies listed were analysed from annual reports, financial databases and other sources. The financial institutions which are most significantly involved⁵⁹ in the financing of one or more nuclear weapon companies are shown here.

Figures presented are rounded up/down to the nearest dollar at the filing date. Commas (,) indicate thousands separators while periods (.) used as decimal points. All figures are in USD Millions.

	Skandinaviska Enskilda Banken
Airbus Group	66
BAE Systems	131
Grand Total	\$ 197 Million

⁵⁹ Don't Bank on the Bomb defines significant involvement as providing loans, investment banking or holdings above a threshold of 0.5% of all outstanding shares or bonds.

Nuclear weapon producing companies

This report identifies 20 companies operating in France, India, the Netherlands, the United Kingdom and the United States that are significantly involved in maintaining and modernising the nuclear arsenals of France, India, the United Kingdom and the United States. **This is not an exhaustive list.** These companies are providing necessary components and infrastructure to develop, test, maintain and modernise nuclear weapons. The contracts these companies have with nuclear armed countries are for materials and services to keep nuclear weapons in their arsenals. In other nuclear-armed countries –Russia, China, Pakistan and North Korea – the maintenance and modernization of nuclear forces is carried out primarily or exclusively by government agencies. References and additional information is on the website, www.dontbankonthebomb.com

Aecom (USA)

Aecom is part of the group of companies managing US nuclear weapons laboratories and testing facilities, including those responsible for design and fabrication of electronic, mechanical and structural systems for nuclear weapons. Without Aecom, modernisations plans for the US nuclear arsenal would come to a halt. Aecom and its partners have been cited for substandard performance in recent years, and the US government cut the fees in recent years, citing "significant or 'First Degree' performance failure".

Aerojet Rocketdyne (USA)

Aerojet Rocketdyne, formerly known as GenCorp is involved in the design, development and production of land- and sea-based nuclear ballistic missile systems for the United States. It is currently producing propulsion systems for the Minuteman III and Trident II (D5) nuclear missile systems.

Airbus (The Netherlands)

Airbus is a Dutch company that produces and maintains submarine-launched nuclear missiles for the French navy (the M51.2), it is also developing the next generation submarine launched missiles, the M51.3. Airbus is a key member of the joint venture MBDA-Systems, which has contracts to extend the life of French ASMPA missiles through 2035. MBDA also has contracts for the new French missiles, the ASN4G.

BAE Systems (United Kingdom)

BAE Systems is involved in the nuclear weapons programmes of France, the UK and the US. It produces key components for Trident II (D5) missiles for the US and UK nuclear arsenals. It also produces US Minuteman III Intercontinental Ballistic Missile (ICBM) systems. BAE Systems is also part of the MBDA joint venture and provides nuclear armed air-to-surface missiles for France.

Bechtel (USA)

Bechtel manages the Los Alamos and Lawrence Livermore national laboratories in the US, which play an important role in the research, design, development and production of nuclear weapons. The US National Nuclear Security Administration has been repeatedly criticized for renewing these contracts despite significant performance issues. Bechtel is also involved in the production and refurbishment of US nuclear weapons at the Y-12 National Security Complex in Tennessee and the life extension programme for the W76 warheads deployed on Trident II (D5) ballistic missiles at the Pantex Plant in Texas.

Boeing (USA)

Boeing is contracted to help keep the Minuteman III nuclear intercontinental ballistic missiles operational in the US nuclear arsenal until 2030. Boeing will also be producing the new Ground Based Strategic Deterrent system for the US, designed to replace the Minuteman III system. Boeing is also producing the guided tail kit for the new B61-12 US nuclear gravity bomb (the ones meant to be deployed to Europe). In addition, Boeing also has contracts for key components for US and UK Trident II (D5) nuclear weapons.

BWX Technologies (USA)

BWX Technologies ("BWXT") formerly known as Babcock & Wilcox Company operates several US nuclear weapons facilities through joint ventures. These facilities including the Lawrence Livermore National Laboratory, Los Alamos National Laboratory, and Nevada National Security Site (NNSS), previously known as the Nevada Test Site, each of which are engaged in aspects of nuclear warhead modernisation for the US arsenal and have also provided data to UK nuclear labs. Along with other partners, BWXT was cited for substandard performance in recent years, and

relevant US government agencies were criticized for renewing their contracts.

CH2M Hill (USA)

CH2M Hill is one of the joint venture partners operating the former nuclear weapons test site in the US (now called the Nevada National Security Site). The site continues to conduct nuclear weapons related experiments, sending data to both US and UK nuclear weapons laboratories. CH2M Hill was acquired by Jacobs Engineering in December 2017, information about CH2M Hill is included here for reference purposes.

Fluor (USA)

Fluor is the lead partner responsible for the management and operation of the US nuclear weapons facilities at Savannah River South Carolina. Fluor is responsible for managing the nuclear arsenal at the sites (Savannah River Site and Savannah River National Laboratory) among other tasks.

General Dynamics (USA)

General Dynamics holds numerous contracts related to the Trident II (D5) missile systems for the UK and US. It provides a range of engineering, development, and production activities to support to US and UK Trident II Strategic Weapons Systems. It is also involved in the guidance systems of the Trident II (D5) nuclear missiles of the US Navy.

Honeywell International (USA)

Honeywell International manages and operates the National Security Campus (formerly Kansas City Plant), which produces about 85% of the non-nuclear components for US nuclear weapons including electronic, mechanical and hardware components. Honeywell is also involved in managing other US nuclear weapon facilities including Savannah River, the National Nuclear Security Site (former test site), and the Sandia Lab. The work at Sandia includes the systems integration work connecting nuclear weapons to their delivery vehicles. Honeywell is also involved in producing key components for the Trident II (D5) nuclear missiles which comprise part of the UK and US arsenals.

Huntington Ingalls Industries (USA)

Huntington Ingalls Industries is involved in management of the US nuclear arsenal and related facilities, including tritium production at the Savannah River Site, the only source of new tritium for the US nuclear arsenal.

Jacobs Engineering (USA)

Jacobs Engineering Group is involved in the joint venture AWE-ML. They are The AWE is responsible for warhead maintenance for the UK's Trident II-nuclear arsenal. According to reports, the AWE facility is also developing a new warhead, the Mark 4A or Mk4A. The company is also part of the consortium responsible for the US nuclear weapons test site- Nevada National Security Site (NNSS) near Las Vegas.

Larsen & Toubro (India)

Larsen & Toubro is responsible for developing the launcher system for the nuclear-capable short-range surface-to-air Akash missile system for the Indian nuclear arsenal.

Lockheed Martin (USA)

Lockheed Martin is responsible for the construction of the Trident II (D5) nuclear missiles for the US and the UK. It is also involved in the production and maintenance of the Minuteman III nuclear intercontinental ballistic missiles for the US, and will now be developing the new Long Range Stand-Off (LRSO) missile. It is part of the team that manages the UK Atomic Weapons Establishment, that designs, manufactures and maintains nuclear warheads for the UK. It is also engaged in US nuclear weapons modernisation at the Pantex, Savannah River and Y-12 facilities.

Northrop Grumman (USA)

Northrop Grumman makes Intercontinental Ballistic Missiles (ICBM) for the US nuclear arsenal. It is currently involved the Minuteman III missiles, and will now be producing the new "Ground Based Strategic Deterrent" (GBSD) nuclear missiles. It also produces Trident II (D5) launcher subsystem components for the US and the UK. It is also partly responsible for the Nevada National Security Site (NNSS), previously known as the Nevada Test Site, which is engaged in aspects of nuclear warhead modernisation for the US arsenal and has also provided data to UK nuclear labs.

Orbital ATK (USA)

Orbital ATK (formerly known as ATK or Alliant Techsystems) produces rocket propulsion systems for Trident II (D5) submarine launched ballistic missiles for the US and UK nuclear arsenals. Orbital ATK is also responsible for the solid propellant stages of the Minuteman III Intercontinental Ballistic

Missile (ICBM) for the US and has a contract to produce components for the new "Ground Based Strategic Deterrent" (GBSD) nuclear missiles". It is also involved in the nuclear weapons facilities Y-12 and Pantex which are refurbishing nuclear weapons for the US arsenals. Northrop Grumman announced it will acquire Orbital ATK in the first half of 2018.

[Safran \(France\)](#)

Safran and Airbus together form ArianeGroup which is in charge of producing the solid rocket motors on the M51, the strategic ballistic missile in France's nuclear arsenal. The M51 carries multiple warheads and is replacing the M45.

[Serco \(United Kingdom\)](#)

Serco is part of the joint venture AWE-ML, which runs the UK Atomic Weapons Establishment. It is responsible for manufacturing and maintaining the nuclear warheads for UK arsenal. It is also involved in the development of an entirely new warhead, the Mark 4A or Mk4A which reportedly commenced without formally notifying the UK parliament.

[Thales \(France\)](#)

Thales is working alongside the French government to modernise the M51.3 nuclear ballistic missiles and keep the ability to launch them from submarines. It has also been directly involved in production of the French M51 nuclear missile.