

(a) Summary

Product: THULE INFRASTRUCTURE CO-INVESTMENT FUND I

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While not pursuing a sustainable investment objective the Fund is committed to partially make:

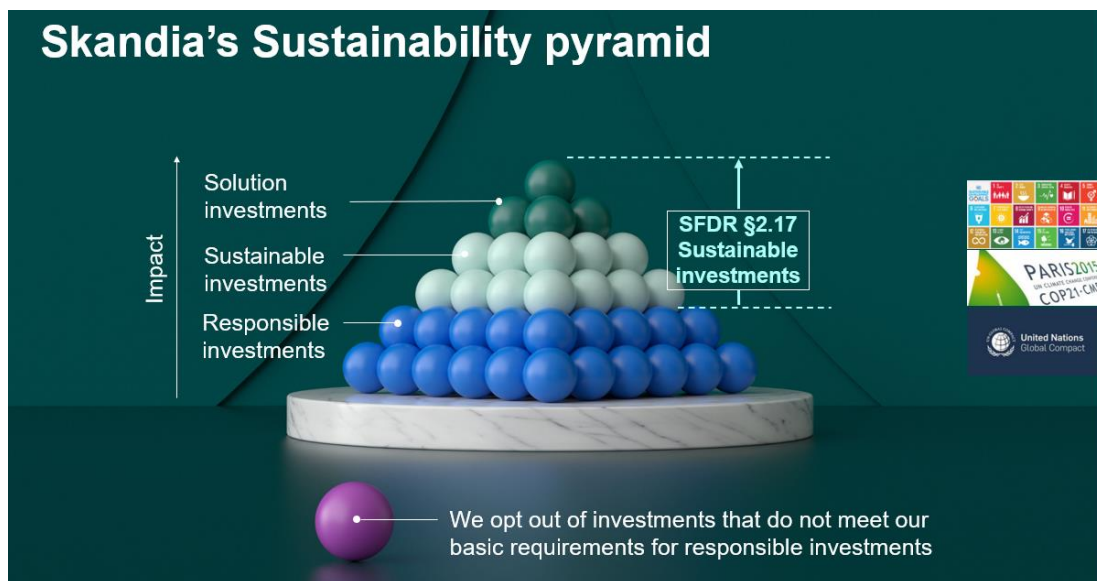
- sustainable investments

exceeding the minimum proportions outlined in this annex.

The ambition is to invest in projects that demonstrate a relatively superior ESG performance than other comparable projects or excluding companies/projects exposed to sectors/activities that Skandia deems of negative impact on the environment and are in violation with UN Global Compact principles.

The Fund will use a proprietary Skandia model called the Sustainability Pyramid that Skandia has developed in order to classify sustainable investments. It aims to explain how the investments we make are distributed based on different levels of sustainability.

Each holding is classified according to one of the three levels based on established definitions and criteria; Responsible investments, Sustainable investments and Solution investments. We define a sustainable investment as an investment that we believe contributes to the UN's global sustainability goals and the Paris Agreement. It includes a subset that we classify as Solution Investments as their focus aims to be solutions to these sustainability goals.



Solution investments: Investments whose focus is aimed at being solutions to the UN's global sustainability goals. Could eg be infrastructure projects that clearly contribute to solutions to societal challenges, with an emphasis on renewable energy.

Sustainable investments: Investment objects that we believe contribute to the UN's global sustainability goals through their products and / or their own operations. Could eg be Infrastructure projects that contribute to a sustainable transition in society.

Responsible investments: Our basic requirements for responsible investments include principles and processes based on internationally established sustainability standards and guidelines, such as the UN Global Compact. We opt out of investments in certain industries.

Furhter, The Fund seeks to limit and mitigate principal adverse impacts of its portfolio by the promoted

environmental and social characteristics off:

Exclusions: The Fund refrains from investing in projects that violate the principles of UN Global Compact in order to ensure investee companies follow good governance practices, and companies involved in the following:

- Extraction and production of fossil fuels (coal, oil, gas)
- Power generation from fossil fuels (coal, oil, gas)
- Extraction of metals and minerals
- Production of tobacco products
- Production of alcohol products (with the exception of medical purposes)
- Production of cannabis products for recreational use
- Development, production and sale of military equipment
- Production of pornographic material
- Commercial gaming
- Production of non-certified palm oil (RSPO)

Active ownership: The Investment Manager will look to actively engage with the companies in which it invests to encourage management of identified risks and opportunities related to sustainability factors and to ensure that all investee companies follow good governance practice.

(b) No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

The sustainable investments that the Fund intends to make pursue a sustainable investment objective of contributing to the United Nations Sustainable Development Goals (“UN SDGs”). The Fund will be investing in infrastructure projects, many of which that will contribute positively to the green transition. Further, it is envisaged that a proportion of the investments will contribute to the solution of some challenges the society faces in terms of green energy.

The Fund seeks, and make, ongoing (during the investment period) investments that we believe contribute to or aim to be solutions to the UN's 17 global sustainability goals, for example in climate, environment and health.

The Fund will not invest in projects that does not meet Skandia’s base line requirements under the proprietary Skandia model.

Our ambition is to increase the share of sustainable investments and solution investments over time (above the 15% outlined in this annex), where the level is affected by developments in the financial markets and available investable stock.

Investments that do not meet our base line requirements (investments that do not meet the standards of The United Nations Global Compact eg) or companies that are affiliated with activities in our exclusionlist, are not pursued.

The companies that the Fund invest in are expected to take responsibility for people and the environment and have good corporate governance.

Companies should openly and transparently report on their sustainability work and follow the principles of the following frameworks and guidelines:

- UN Global Compact
- OECD Guidelines for Multinational Enterprises
- UN Guiding Principles on Business and Human Rights
- Task Force on Climate-related Financial Disclosures (TCFD), an international initiative that aims to promote society's climate transition by working to ensure that companies and other actors make clear climate-related financial information about their operations available.

These frameworks and guidelines, in turn, are based on international conventions, including:

- UN Convention on the Children Rights
- United Nations Universal Declaration of Human Rights
- ILO conventions
- Conventions on bribery and corruption
- International environmental conventions

We expect the companies to follow the guidelines and work in line with the conventions, regardless of whether they are aimed at states or individual organizations and regardless of whether the countries where the companies operate are bound by the conventions or have weaker or minor rights legislation in the area.

The indicators set by the regulatory framework are taken into account as follows:

| Indicators applicable to investments in investee companies | |
|--|---|
| Indicator | How is the indicator taken into account? |
| 1. GHG emission <i>Scope 1, 2 och 3</i> | <p>This indicator is included as one of many indicators that, depending on the sector, can be material for an overall assessment of sustainability risks when investing in unlisted assets. GHG emission can be considered for those companies/operations where it is deemed material.</p> <p>We will to the extent possible request investee companies to report on the emissions.</p> |
| 2. Carbon footprint <i>Carbon footprint</i> | <p>These indicators are included as two of many indicators that, depending on the sector, can be material for an overall assessment of sustainability risks when investing in unlisted assets. They can be considered for those companies/operations where it is deemed material.</p> <p>We will to the extent possible request investee companies to report on the carbon footprint and GHG intensity of investee companies.</p> |
| 3. GHG intensity of investee companies <i>GHG intensity of investee companies</i> | |
| 4. Exposure to companies active in the fossil fuel sector <i>Share of investments in companies operating in the fossil fuel sector</i> | <p>The Fund will refrain from investing in companies involved in:</p> <ul style="list-style-type: none"> • Extraction and production of fossil fuels (coal, oil, gas) • Power generation from fossil fuels (coal, oil, gas) |
| 5. Share of non-renewable Energy consumption and production <i>Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources</i> | <p>This indicator is included as one of many indicators that, depending on the sector, can be material for an overall assessment of sustainability risks when investing in unlisted assets. Share of non-renewable energy can be considered for those companies/operations where it is deemed material.</p> <p>We will to the extent possible request investee companies to report on this metric.</p> |
| 6. Energy consumption intensity per high impact climate sector <i>Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector</i> | <p>This indicator is included as one of many indicators that, depending on the sector, can be material for an overall assessment of sustainability risks when investing in unlisted assets. Energy consumption can be considered for those companies/operations where it is deemed material.</p> <p>We will to the extent possible request investee companies to report on this metric.</p> |
| 7. Activities negatively affecting biodiversity - sensitive areas <i>Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas</i> | <p>As part of the Fund's due diligence process, the estimated impact on biodiversity is considered and reported upon. If such a risk is considered material, active dialogue is initiated and ultimately a potential exclusion is considered. This is a priority area for the active corporate governance work within Skandia.</p> |

| | |
|--|--|
| <p>8. Emissions to water</p> <p><i>Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average</i></p> | <p>This indicator is included as one of many indicators that, depending on the sector, can be material for an overall assessment of sustainability risks when investing in unlisted assets. Emissions to water can be considered for those companies/operations where it is deemed material.</p> <p>We will to the extent possible request investee companies to report on this metric.</p> |
| <p>9. Hazardous waste and radioactive waste ratio</p> <p><i>Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average</i></p> | <p>This indicator is included as one of many indicators that, depending on the sector, can be material for an overall assessment of sustainability risks when investing in unlisted assets. Hazardous waste and radioactive waste can be considered for those companies/operations where it is deemed material.</p> <p>We will to the extent possible request investee companies to report on this metric.</p> |
| <p>10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises</p> <p><i>Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises</i></p> | <p>The Fund refrains from investing in projects that violate the principles of UN Global Compact to ensure investee companies follow good governance practices.</p> |
| <p>11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises</p> <p><i>Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises</i></p> | <p>The Fund considers ESG criteria both pre investing and during post-investment monitoring and conducts regular portfolio reviews including refraining from investing in projects that violate the principles of UN Global Compact in order to ensure investee companies follow good governance practices.</p> <p>If a lack of processes is identified, an assessment of the risks and severity of this is made, based on a combination of dialogue and/or other data points.</p> |
| <p>12. Unadjusted gender pay gap</p> <p><i>Average unadjusted gender pay gap of investee companies</i></p> | <p>The reliability and coverage of the data in the companies' reporting of this indicator is usually insufficient, which is why the Fund will not take special account of the indicator at present.</p> |
| <p>13. Board gender diversity</p> <p><i>Average ratio of female to male board members in investee companies, expressed as a percentage of all board members</i></p> | <p>No special consideration is given to the specific indicator, but gender equality on boards can be taken into account for those companies where it is deemed to be material.</p> |
| <p>14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)</p> <p><i>Share of investments in investee companies involved in the</i></p> | <p>Development, production and sale of military equipment is excluded from the Fund's investment universe.</p> |

manufacture or selling of controversial weapons

Additional climate and other environment-related indicators

15. Investments in companies producing chemicals

Share of investments in investee companies the activities of which fall under Division 20.2 of Annex I to Regulation (EC) No 1893/2006

This indicator is included as one of many indicators that, depending on the sector, can be material for an overall assessment of sustainability risks when investing in unlisted assets. Investments in companies producing chemicals can be considered for those companies/operations where it is deemed material.

We will to the extent possible request investee companies to report on this metric.

Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters

16. Number of convictions and amount of fines for violation of anti-corruption and antibribery laws

Numbers of convictions and amount of fines for violations of anticorruption and antibribery laws by investee companies

As part of the Fund's due diligence process, an operational due diligence is conducted where any violations are picked up with the underlying managers. Money laundry screening is also conducted prior to investing.

The Fund refrains from investing in projects that violate the principles of UN Global Compact to ensure investee companies follow good governance practices.

During post-investment monitoring regular portfolio reviews are conducted to ensure investee companies follow good governance practices.

If a lack of processes is identified, an assessment of the risks and severity of this is made, based on a combination of dialogue and/or other data points.

(c) Environmental or social characteristics of the financial product

The Fund's environmentally sustainable investments contribute to the following environmental objectives defined in the EU taxonomy for environmentally sustainable activities: climate change mitigation and adaptation.

(d) Investment strategy

The Fund will look to promote environmental or social characteristics pursuant to Article 8 of the SFDR. The environmental or social characteristics promoted by the Fund are, the ambition to invest in projects that demonstrate a relatively superior ESG performance than other comparable projects or excluding companies/projects exposed to sectors/activities that Skandia Life deems of negative impact on the environment and are in violation with UN Global Compact principles. The Investment Manager will look to actively engage with the companies in which it invests to encourage management of identified risks and opportunities related to sustainability factors and to ensure that all investee companies follow good governance practice.

Short description of investment process below:

Sourcing: In order to select suitable infrastructure co-investments, the portfolio managers conduct proactive and reactive sourcing efforts to identify potential investment opportunities.

At this stage, the portfolio managers will carry out an initial screening of potential infrastructure co-investments. Alongside other metrics and information, the portfolio managers include ESG considerations in the initial screening, of the investment process. The most attractive investment propositions from a risk/return and ESG perspective will be moved into pre due diligence (step 2).

Pre due diligence: The portfolio managers will first conduct a pre due diligence on infrastructure co-investment opportunities sourced/offered to Skandia. A pre due diligence typically involves the following steps:

- analysis of the team in terms of experience gained, management structures, employee relations and remuneration of staff

- track record (e.g. who owns the track record, how does it compare to peers, is it cycle tested etc.)
- deal profiles (e.g. what will drive the return, risk/return analysis, when and how will the exit be achieved etc.)
- sustainability and ESG-related assessment (e.g. to what degree does a manager/investment considers and manages material environmental, social and governance factors)
- Terms (e.g. if in line with market practice, are fees reasonable etc.)

Due diligence: The full due diligence consists of similar analyses as the pre due diligence phase but is even more detailed. The legal, tax and operational analyses are done by a combination of external and internal resources.

The detailed ESG analysis is conducted by a separate team within Skandia that is solely focused on ESG. The ESG team produce a separate report that will focus on the investment opportunities' ESG characteristics. The team will as a step 1 focus on the exclusion criteria as further described in section 2. As step 2, the ESG team will drill down and score how the investment proposition's products/services are supporting solutions for a sustainable development. Step 3 includes identifying and scoring risks relating to sectors and regions in which the company operates and how well these risks are identified and mitigated. All of the above is summarized in a separate recommendation from the ESG team they will clearly provide arguments for their buy-in in the investment from an ESG perspective and how it promotes ESG.

This information is fed into the investment memo and makes an integral part of the investment recommendation.

The decision on behalf of Skandia Life to make an infrastructure co-investment selected by the portfolio managers is made by the Chief Investment Officer of Skandia Life on the basis of the information provided by the portfolio managers. The Fund will invest alongside with Skandia Life and the investment decision is taken by Fund's Investment Manager.

(e) Proportion of investments

The Fund will invest at least 95% of its Commitments in companies that qualify as aligned with E/S.

The Fund is allowed to invest up to 5% of its Commitments in cash and cash equivalents.

Further, the Fund will invest a minimum 15% of its Commitments in co-investments that covers sustainable investments with environmental or social objectives. Our ambition is to increase the share of sustainable investments and solution investments over time (above the 15% outlined in this annex), where the level is affected by developments in the financial markets and available investable stock.

Investments aligned with the environmental or social characteristics that do not qualify as sustainable investments, will be no more than 85% of the Commitments to the Fund.

(f) Monitoring of environmental or social characteristics

The Fund considers ESG criteria both pre investing and during post-investment monitoring and conducts regular portfolio reviews including refraining from investing in projects that violate the principles of UN Global Compact in order to ensure investee companies follow good governance practices. Additionally, a screening against the EU sanction list is conducted both pre investing and during the post-investment monitoring.

More information on principal adverse impacts on sustainability factors is available in the periodic reporting of the Fund pursuant to Article 11(2) of the SFDR. This report will be found in an annex to the annual report

(g) Methodologies

The Fund applies a documented investment and sustainability process, as described in the previous sections. We analyze the sustainability level in all investments, based on our own sustainability analysis and potential data from external analysis providers. The results are reported as part of the Fund's reporting process.

(h) Data sources and processing

All holdings are analyzed with regard to internally produced sustainability analysis and based on data from underlying investments and potentially external analysis providers, to ensure that the holdings follow the set out sustainability criteria. Both internal and potential external sustainability analysis are loaded into an internal database to facilitate data management, follow-up and reporting. In cases where reliable sustainability data is lacking, an estimate is made by

Investment Manager with input from Skandia's ESG team. In some cases, we believe that it is not possible to make a qualified estimate, which will then be clearly stated. For example, this applies to some of the regulations' established negative consequences for sustainability factors (PAI). The sustainability parameters are measured regularly and the results are reported at least annually.

(i) Limitations to methodologies and data

In some cases, there may be a delay in the reporting of sustainability and portfolio data by portfolio companies, analysis providers and external managers, which means that the information on which we base our assessments may have changed. Furthermore, the possibility of detailed analysis of underlying holdings can be limited for unlisted assets.

However, our assessment is that the sustainability information we report is accurate and based on qualified trade-offs.

(j) Due diligence

We analyze the sustainability level of all investments by using a proprietary Skandia model, as described earlier in this material. The model is based on internally produced sustainability analysis and on data from external analysis providers. The analysis and selection of indicators are adapted according to type of investment and taking into account the sustainability risks that are material to the company's / investee's operations. We refrain from investing in companies/investment objects that do not meet our sustainability criteria.

(k) Engagement policies

The Investment Manager will look to actively engage with the companies in which it invests to encourage management of identified risks and opportunities related to sustainability factors and to ensure that all investee companies follow good governance practice.

The aim is to always influence the companies, to remedy any shortcomings in sustainability work and improve its preventive work with environmental, social aspects, business ethics and corporate governance. In addition, we encourage companies to strengthen and increase transparency in their reporting so that investors can base their analysis and decisions on adequate and accurate information.

(l) Designated reference benchmark

The Fund does not apply any index as a reference value for the environmental or social characteristics that the financial product promotes.