

# OWNER DIRECTIVES FOR SWEDFUND INTERNATIONAL AB

## Company registration no: 556436-2084

### § 1 Mission of the Company

Swedfund International AB (the "Company") shall carry out the following:

- a) Contribute to achieving the goal adopted by the Swedish Parliament for Sweden's international aid to create conditions for improved standards of living for people who live in poverty and oppression. The Company's operations shall contribute to sustainable development in accordance with Agenda 2030 and the global sustainable development goals. The operations shall contribute to the transition to green energy, reduce greenhouse gas emissions and enhance adaptation in accordance with the Paris Agreement. The Company's operations shall exploit the possibilities provided by digitalisation, promote gender equality and contribute to long-term sustainable results. In its operations, the Company shall create in close cooperation with private actors conditions in the partner country for work, trade and investments and strengthen local trade and business such that people and nations may rise out of poverty in the long-term.
- b) Together with strategic partners, collaborate in investments which are not considered to be viable solely with commercial financing. The distortion of competition and supplanting of private financial actors shall be avoided. In adopting decisions regarding investments, the Company's additional roles shall be assessed in accordance with the OECD Development Assistance Committee's (OECD/DAC) criteria for additionality.
- c) Ensure that the Company's investments are sustainable in accordance with the definitions in mission objective § 2. Investments in the energy sector shall promote fossil-free energy, energy efficiency and effective reduction of emissions. Investments shall not be made in fossil energy with the exception of investments contributing to achieving the effective reduction of emissions and the transition from use of fossil fuels.

In the preparation of, and decisions regarding, investments, the expected contribution of such investments to the objectives of the operations in accordance with § 1 a) above shall be ascribed decisive weight.

### § 2 Mission objectives

#### *a) Mission objectives relating to the economic sustainability of investments*

Turnover and profitability shall increase in not less than 60% of the Company's investments during the holding period with the investment year as the base year.

#### *b) Mission objectives relating to the environmental and climatic sustainability of investments*

Not later than 2045, the investment portfolio of the Company shall be climate-neutral, which entails that the portfolio shall have a net zero release of greenhouse gases in accordance with the Intergovernmental Panel on Climate Change (IPCC) definition. The portfolio's total

release of greenhouse gases (measured in CO<sub>2</sub> equivalents) per invested Swedish krona shall accordingly decline over time with 2020 as the base year.

*c) Mission objectives relating to the social sustainability of investments*

- i) Gender equality in the Company's investment portfolio shall increase in terms of 2x-Challenge criteria or comparable criteria which shall be met in not less than 60% of the Company's investments not later than three years from the date of investment.
- ii) 100% compliance by the Company's investments with decent working conditions in accordance with the core International Labour Organization (ILO) conventions not later than three years from the date of investment.

*d) Mission objectives regarding the Company's additional role*

The Company's investment portfolio shall mobilise not less than 30% of commercial capital.

### § 3 Otherwise regarding the mission

In addition, the Company shall carry out the following:

- a) Invest in operations and countries which qualify for development financing in accordance with OECD/DAC guidelines. Investments in low-income countries and lower middle-income countries shall be prioritised. Investments in upper middle-income countries in accordance with the OECD/DAC definition shall take place to a certain extent and should focus on the green and digital transition, effective reduction of emissions and mobilisation of capital.
- b) Ensure that the investment operations need not be bound to companies or financial sources operating in Sweden.
- c) Ensure that the investments are made in accordance with international norms and principles applicable to sustainable enterprise and within sound and clear company structures which do not contribute to tax avoidance, money laundering or financing of terrorism.
- d) Provide assistance to project development in the form of project preparation and project support activities for the purpose of promoting sustainable procurement and sustainable investment in low- and middle-income countries which qualify for development financing in accordance with OECD/DAC guidelines. The activities may be directed at markets and sustainable solutions which improve the possibilities of the Swedish resource base - including Swedish companies - to contribute to sustainable development in the partner country.
- e) Contribute to creating synergies between development collaboration, promotion and trade policies in order to support economic growth and sustainable development in low- and middle-income countries.
- f) Refrain from taking part in investments through intermediary jurisdictions which have been assessed within the framework of the OECD Global Forum Peer Review Process

and that have thereby not been approved in Phase 1 or been deemed Partially Compliant or Non-Compliant in Phase 2.

- g) Ensure that the operations are conducted in a commercial and efficient manner such that the largest possible share of the Company's resources are used for the investment operation and that the Company generates the greatest possible benefit when the mission is carried out.

#### § 4 Reporting

The Company shall carry out the following:

- a) In addition to the reporting necessary pursuant to applicable laws and guidelines, assist in the execution of the so-called transparency guarantee in Swedish aid (Government Bill 2010/11:1 expenditure area 7, Government Report 2010/11:UU2, written communication from the Parliament 2010/11:98) for the purpose of increasing openness in Swedish development cooperation, among other things, by actively increasing public access to information about the Company's operations.
- b) In order to fulfil the requirements of § 4 a), systematically and continuously assess and externally report on the overall result of the investments and their contribution to the objective of operations listed in § 1 a). A summary report must be included in the Annual Report based on monitorable indicators and with investments broken down into current and exited investments. Reports on activities shall also be sent to the OECD/DAC, International Aid Transparency Initiative (IATI), the and the OpenAid.se information service.
- c) In the Company's annual report, report separately on financial and mission objectives in accordance with § 2 a)-d).
- d) Annually, not later than February 28, report to the Government Offices regarding the use of capital contributions by separately reporting invested amounts, costs and anticipated revenues, information regarding investment instruments, countries or regions, sectors as well as anticipated effects per investment.

#### § 5 Validity

These Owner Directives supersede the former Owner Directives adopted at the general meeting of the Company on 6 December 2019 and shall apply until otherwise decided by the general meeting.

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Adopted at the general meeting of the Company on 25 April 2025.