

OWNER INSTRUCTIONS FOR SWEDFUND INTERNATIONAL AB

Company registration no. 556436-2084

§1 Mission of the Company

Swedfund International AB (the “Company”) shall:

a) contribute to the goal of Sweden’s Policy for Global Development (PGD) for equitable and sustainable global development. The objective of the Company’s operations is the goal of Sweden’s international aid - to contribute to the creation of conditions for improved standards of living for people who live in poverty and oppression. The Company’s operation shall contribute to economically, socially, environmentally and climatically sustainable development;

In order to fulfil the objective of the aid policy, the Company shall, in its operations, proceed on the basis of and integrate the perspective of the poor in respect of development, a rights perspective, a conflicts perspective, a gender equality perspective and an environmental and climate perspective. The Company’s operations shall contribute to long-term sustainable results;

b) in cooperation with strategic partners, participate in investments that are not assessed to be able to be carried out by means of commercial financing alone. Competition with commercial financial players shall be avoided. Prior to adopting decisions regarding investments, the Company’s additional role shall be assessed in accordance with OECD/DAC criteria for additionality;

c) ensure that the investments are financially, environmentally, climatically, and socially sustainable. The Company’s operations shall promote gender equality. Investments in the energy sector shall focus on renewable energy, thereby precluding investments in fossil fuels. In preparing and taking decisions on investments, decisive importance shall be ascribed to their expected contributions to the objective of the operations in accordance with §1 a) above.

§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 a base year corresponding to the investment 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, by which is meant that the portfolio shall have a net zero release of greenhouse gases in

accordance with the IPCC definition. The total release of greenhouse gases¹ per invested krona shall accordingly decline over time with 2020 as the base year.

c) Mission objectives relating to the social sustainability of investments

i) Increased gender equality in the Company's investment portfolio in terms of 2x-Challenge criteria or comparable criteria shall be met in not less than 60% of the Company's investments not later than three years from the date of investment.

ii) Compliance by 100% of the Company's investments with decent working conditions in accordance with the core 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 The mission otherwise

In addition, the Company shall:

a) invest in operations and in countries which, according to the OECD Development Assistance Committee (DAC) definition, qualify for development financing. Investments in low-income countries and post-conflict countries should be given priority. Investments in upper middle-income countries according to the OECD/DAC definition may be made under certain circumstances;

b) ensure that the investments are guided by the principle of unrestricted aid with the exception of Swedpartnership and Support for project development and sustainable procurement;

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) 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.

e) 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.

¹ Measured in CO2 equivalents.

§4 Reporting

The Company shall:

a) in addition to the reporting necessary pursuant to applicable laws and guidelines, assist in the execution of the transparency guarantee in the aid 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) to fulfil the requirements of §4 a) above, 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) above. 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 its annual report, report separately on financial and mission objectives in accordance with §2 a)-d) above;

d) annually provide the Government Offices an accounting of the use of capital contributions, where applicable, by separately reporting costs, anticipated revenues and effects per investment including information regarding investment instruments, geography and sector. This accounting shall be provided to the Government Offices not later than 28 February.

§5 Validity

These Owner Instructions supersede the former Owner Instructions adopted at the general meeting of the Company on 28 April 2017, and shall apply until otherwise decided by the general meeting.

Adopted by a general meeting of the shareholders on 6 December 2019.