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## Products with environmental or social characteristics

Date  
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### 1 Background and purpose

- 1.1 AIP's fund, AIP Infrastructure II, promotes environmental and social characteristics and thereby classifies as an Article 8 product in the classification of the Sustainable Financial Disclosure Regulation (SFDR) regulation.

### 2 Environmental and social characteristics of AIP Infrastructure II

- 2.1 The investment strategy of AIP Infrastructure II is to invest in assets and activities with infrastructure characteristics in stable geographies that provide or assist in providing essential services to society or an enterprise and are set to yield stable, long-term returns to the benefit of Investors. AIP Infrastructure II's investment mandate is focused on renewable energy and other transition assets. Thereby the investments of AIP Infrastructure II help address the challenges posed by climate change.
- 2.2 AIP's ESG Policy outlines principles with regards to climate change risks. AIP aims to continuously reduce the carbon footprint of our investments with the objective of reducing the effects on climate change in line with good industry practice and regulations.
- 2.3 AIP's ESG Due Diligence framework, which is used in the investment screening process of all new investments, includes risk factors that address both climate change mitigation and climate change adaptation. It also includes risk factors that cover possible opportunities related to climate change.
- 2.4 AIP is measuring and monitoring the carbon footprint of our assets, as well as future carbon emissions targets where applicable. We seek that knowledge through our commitment to GRESB. We are actively encouraging our current assets to report to GRESB. And for new assets we are making it an objective to report to GRESB. We are actively engaging our assets in a dialog about reducing the carbon footprint.
- 2.5 The extent of how environmental or social characteristics are met are followed up on once yearly. This information will be published in the annual report.

### 3 Governance

- 3.1 We assess governance practices of any potential investment as part of our ESG Due Diligence process, including presence of ESG policies, business conduct, anti-corruption and financial crime, suppliers and contractors, and cybersecurity. We work to ensure good governance of each investment through active ownership. After the transaction is concluded, all ESG activities relating to the specific investment are handed over to AIP's Asset Management team, and the ESG risks and opportunities are included in the action plans for the relevant asset(s). The monitoring and reporting of the ESG activities are conducted by monthly and/or quarterly review of Health, Safety and Environment (HSE) reporting regarding the assets and by addressing HSE and other ESG priorities during the asset JV/partner meetings. In addition, AIP representatives for each asset work with the relevant co-investors and partners to reduce ESG risks and improve ESG performance.