

Principal adverse sustainability impacts statement

Schroder Aida SAS, LEI 969500AC72S8PU1IXO32 considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated principal adverse sustainability impacts statement of Schroder Aida SAS for the purposes of the EU's Regulation 2019/2088 on sustainability-related disclosures in the financial services sector (the "SFDR").

Definitions

Integration of Sustainability Risk Consideration: means consideration that explicitly and systematically includes analysis of a range of Sustainability Risks. In principle, this leads to a broader assessment of the environment in which investee companies operate and their performance in managing different stakeholders' interests, giving a fuller understanding of future opportunities and risks than traditional financial analysis alone.

Sustainable Investment: as defined under the SFDR, means (a) an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or (b) an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.

Sustainability Risk: means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of investments. The terms used in this definition in turn depend for their meaning on their use in the SFDR.

Sustainable factors: mean environmental, social, employee matters, respect for human rights, anti-corruption and anti bribery matters. The terms used in this definition in turn depend for their meaning on their use in the SFDR.

Description of principal adverse sustainability section

As an Alternative Investment Fund Manager (AIFM) of infrastructure debt and equity funds, we incorporate sustainability risks into our portfolio management and analysis of potential investment opportunities. In our view, consideration of sustainability risks is an intrinsic part of assessing investment risk in our clients' investment portfolios. Companies face competitive pressures from a wider range of sources, on a larger scale and at a faster pace than ever before. By considering sustainability risks alongside other factors we seek to achieve superior risk-adjusted returns for our clients consistent with their preferences.

We invest only in European countries which we believe to have a strong regulatory framework in place and support sustainable or green finance initiatives. Secondly, We also review the applicable regulations and standards that apply to our investments and the associated practices. Finally, we review and monitor (depending on the nature of each investment) certain sustainability factors (for example, renewable energy produced, number of homes supplied with green electricity, incident of non-compliance with environmental

permits, number of work related injury, number of jobs supported, % of independent directors at Boards) on a case by case basis.

Engagement

Since it was established, Schroder Aida's goal has been to offer its clients long-term investment solutions in the infrastructure sector. We believe that such solutions will provide the returns they seek and may contribute towards building a better future for our society.

Schroder Aida's Engagement policy describes the principles of how Schroder Aida will exercise the voting rights relating to the unlisted equity interests held by the funds or companies managed by it.

Our shareholder engagement policy is guided by our clients' best interests. Sustainability issues are at the core of this policy, and our management company promotes them in its management activities and investment advisory services. We believe that the analysis and management of sustainability factors, in addition to active financial management, will help us make better investment decisions and contribute to a reduction in investment risk over the longer term.

For more information, please see the [Schroder Aida Engagement Policy](#) and how this [Engagement Policy has been rolled out in 2020](#).

Reference to international standards section

We are committed to making the and its principles part of the investment strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations.

The Schroders Group fully supports the following international conventions:

- The Convention on Cluster Munitions (2008): prohibits the production, stockpiling, transfer and use of cluster munitions
- The Anti-Personnel Landmines Treaty (1997), also known as The Ottawa Treaty (1997): prohibits the production, stockpiling, transfer and use of antipersonnel landmines
- The Chemical Weapons Convention (1997): prohibits the use, stockpiling, production and transfer of chemical weapons
- Biological Weapons Convention (1975): prohibits the use, stockpiling, production and transfer of biological weapons

We will not knowingly hold any security that is involved in the production, stockpiling, transfer and use of these weapons. We apply this policy to all Schroders funds that we directly manage. On occasion there may be additional securities recognised by clients or local governments; these will be added to the Schroders group exclusion list for those relevant jurisdictions or specific mandates. The list of excluded companies is available [here](#).

In addition, Schroders was a founding member of the Net Zero Asset Managers initiative where we commit to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5°C. Schroders was one of the initial 30 global asset managers to join the initiative, further members have subsequently signed.

Important information**For professional investors only. Not suitable for retail clients.**

Schroder Aida SAS ("Schroders") has expressed its own views and these may change. The data contained in this document has been sourced by Schroders and should be independently verified before further publication or use.

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