

PRESS RELEASE

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EQT continues to accelerate portfolio companies' ESG performance

- EQT launches its second ESG-linked Subscription Credit Facility ("SCF"), now within the Infrastructure business line, partnering with a strong syndicate of global financial institutions
- The SCF is a further example of EQT's commitment to future-proofing companies and way of aligning the interest of its investors with the broader community by incentivizing portfolio companies' Environmental, Social and Governance ("ESG") performance
- The SCF is currently at EUR 2.7 billion and has an upper limit of around EUR 5 billion

EQT is continuously exploring systematic ways of making a positive impact by future-proofing companies and integrating ESG throughout all aspects of its operations. Today, EQT is proud to announce the launch of a new ESG-linked Subscription Credit Facility (the "SCF" or "bridge facility") to the Infrastructure business line.

The bridge facility, which is currently at EUR 2.7 billion with an upper limit of around EUR 5 billion, is backed by a syndicate of global financial institutions, including BNP Paribas and SEB acting as Sustainability Coordinators and BNP Paribas as Agent and Sustainability Agent. This new bridge facility follows EQT's launch of an ESG-linked SCF in its Private Equity business line in June 2020, which had the same upper size limit and represented the largest ever ESG-linked bridge facility in the global fund financing markets.

The SCF will be coupled with an innovative pricing model designed to inspire and incentivize portfolio companies to improve their performance in the areas of i) gender equality on the board of directors and ii) renewable energy transition, supported by iii) a fundamental sustainability governance platform.

The pricing mechanisms are directly linked to EQT's societal ambitions around diversity and climate as well as EQT's proven governance model and strong commitment to transparency and accountability. The aggregated results from the portfolio companies' ESG efforts will be compared with pre-set KPI targets and eventually impact the ESG-bridge facility's interest rate. In other words, the more ESG progress the portfolio companies demonstrate, the better the financing terms the fund will receive. At the same time, as targets are fulfilled, the societal impact will be substantial, effectively improving female board representation to 40% and the use of renewable electricity to 85% across the portfolio companies.

Lennart Blecher, Deputy Managing Partner and Head of EQT Real Assets commented: "As a responsible owner, we are continuously exploring new opportunities which can accelerate progress within the environmental, social and governance areas. A bridge facility is an excellent way of rewarding and encouraging the portfolio companies' advancement in ESG-related areas, and by accelerating their progress we make a very tangible impact. At the same time, we are aligning interests of value-driven investors and financial institutions, joining forces in partnership to drive real change and scale our positive impact".

Therése Lennehag, Head of Sustainability at EQT, added: "This new bridge facility demonstrates how private equity can play an instrumental role as a catalyst of change, moving the entire financial



community to stimulate more sustainable businesses. As a leading market player, EQT always aims to lead by example, future-proofing companies and making a positive impact”.

Contact

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About EQT

EQT is a purpose-driven global investment organization with a 25-year track-record of consistent investment performance across multiple geographies, sectors, and strategies. EQT has raised more than EUR 75 billion since inception and currently has more than EUR 46 billion in assets under management across 16 active funds within two business segments – Private Capital and Real Assets.

With its roots in the Wallenberg family's entrepreneurial mindset and philosophy of long-term ownership, EQT is guided by a set of strong values and a distinct corporate culture. EQT manages and advises funds and vehicles that invest across the world with the mission to future-proof companies, generate attractive returns and make a positive impact with everything EQT does.

The EQT AB Group comprises EQT AB (publ) and its direct and indirect subsidiaries, which include general partners and fund managers of EQT funds as well as entities advising EQT funds. EQT has offices in 16 countries across Europe, Asia Pacific and North America with more than 700 employees.

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