

INFRASTRUCTURE INVESTORS ESTABLISH ALLIANCE FOR INVESTING IN EUROPE

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A group of institutions including AP4, IMAS Foundation, Industriens Pension and KLP have formed an investment alliance partnership with Arjun Infrastructure Partners to invest in low-risk European infrastructure. The long-term vehicle, Infrastructure Alliance Europe, has raised commitments of €1 billion to be invested across different sectors in Western Europe and will have a strong focus on sustainability.

ETORE Advisory assisted the investor group in the development of the Infrastructure Alliance initiative and Allen&Overy provided legal advice to the group.

“AP4 takes a very long-term view in building its comprehensive core infrastructure portfolio. We are pleased to team up with like-minded institutions that share our investment philosophy meaning that returns and sustainability go hand in hand. The Infrastructure Alliance initiative brings several benefits that are important to us, such as greater investor influence and cost efficiency. Ultimately, this will contribute to the financial security of current and future Swedish pensioners, and in driving the development of a more sustainable European society”, says Andreas Jensen, AP4.

“Industriens Pension has been an active investor in infrastructure for 15 years and are pleased to partner with like-minded institutions and Arjun to form this platform for additional core infrastructure investments. This fits well into our infrastructure investment strategy where the ambition is to create attractive risk adjusted returns based on a sustainable and long term approach”, says Michael Dalsgaard, Industriens Pension.

“For KLP this investor alliance will make a contribution to reaching our goal of investing in long -term infrastructure assets with a strong sustainability profile. Along with a strong group of experienced investors and a forward-thinking manager, this is an efficient way to further improve the risk-adjusted return for KLP’s members and owners while investing in a more sustainable future for Europe,” says Harald Koch-Hagen, KLP.

“Arjun Infrastructure Partners is delighted to have partnered with this leading group of institutional investors to create Infrastructure Alliance Europe. Working in close partnership with our clients to deliver attractive and sustainable risk-adjusted returns is the heart of our firm’s strategy and we look forward to a successful long-term partnership” says François Bornens, Arjun Infrastructure Partners.

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About AP4

AP4 is a Swedish public pension fund contributing to the financial security of current and future pensioners in Sweden by managing part of the national pension system's buffer capital. AP4 is a long-term investor with a strong focus on sustainability, specifically regarding mitigating climate change and enhancing corporate governance. Fund capital amounted to SEK 449 billion at year-end 2020.

About IMAS Foundation

IMAS Foundation is a sister foundation to the INGKA Foundation—the owner of INGKA Group, who owns and operates the majority of IKEA stores globally. The foundation was set up in 1998 by Ingvar Kamprad, the founder of IKEA, and specialises in creating long-term returns on financial assets.

About Industriens Pension

Industriens Pension is among Denmark's largest labour market pension schemes and currently has about 410,000 members. The investment assets amount to around DKK 190 billion by the end of December 2020 of which about 10% is invested in infrastructure. Industriens Pension is a long-term investor with a highly-diversified portfolio and a strong focus on sustainability. The entire earnings benefit the members as no dividends are paid to the shareholders.

About KLP

KLP is the leading pension company for Norwegian municipalities, health enterprises and companies affiliated to the public sector. Around 900.000 individuals have their pensions managed by KLP. KLP is owned by its customers, the same municipalities, health enterprises and businesses with public-sector occupational pensions. KLP has over NOK 800 billion (USD 95 billion) in assets under management. At KLP, to think simultaneously about society, the environment and responsible investment is part of the daily course of business.

About Arjun Infrastructure Partners

Arjun Infrastructure Partners is an independent asset management company dedicated to executing and managing mid-market infrastructure investments. Founded in 2015, Arjun now manages €3.5 billion of capital on behalf of 20 prominent institutional investors. Arjun's team of 24 professionals and a further 10 industry partners has extensive operational and financial experience in the utilities, energy & renewables, digital and transportation infrastructure sectors. Arjun works in close partnership with its clients and has a strong focus on ESG as part of a long-term, responsible asset management approach.