



K I N N E V I K

SUSTAINABILITY REPORT 2023



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Sustainability creates real **long-term value** and **builds better businesses**. Kinnevik's strategic approach, focused on creating real business value for our companies, sets us apart from other investors and is a deciding factor for founders to partner with us.

We create significant positive impact by being **active owners** and **allocating capital** towards solving the most pressing challenges globally.



KINNEVIK'S MATERIAL TOPICS AND SUSTAINABILITY TARGETS

Kinnevik's material topics reflect where we can have the most significant impact. They have been identified through interactive stakeholder dialogues, Board and management discussions, peer benchmarking and industry best practices. Read more about our materiality analysis and how we contribute to the UN Sustainable Development Goals on page 41. The sustainability targets below were part of Kinnevik's overarching corporate targets for 2023 and, as such, directly linked to the remuneration of our teams.

ACTIVE OWNERSHIP

Maximise positive impact and implement ambitious ESG strategies across the portfolio

5 percentage point improvement in annual average ESG score across the portfolio ✓

In 2023, the annual average ESG score increased by 10 percentage points on a comparative basis.




Read more on page 19.

CLIMATE IMPACT

Meaningfully reduce our greenhouse gas emissions and contribute to global net zero

Reduce greenhouse gas emission intensity in Kinnevik's portfolio by 50% by 2030, with 2020 as base year (scope 3 category 15 Investments) ✓

The target fulfilment for 2023 will be published in our Climate Progress Report in June 2024. In 2022, the six companies in Kinnevik's portfolio reporting emissions decreased their year-over-year emissions intensity by 14% on average, thus exceeding our annual target of 7%.

Reduce greenhouse gas emissions from Kinnevik's operations by 50% by 2030 and by 90% in 2050, with 2019 as base year (scope 1-3 excluding category 15 Investments) ✓

Emissions from Kinnevik's operations were 510 tonnes CO₂e in 2019 and 349 tonnes in 2023, a decrease of 32%.




Read more on pages 22-24.

DIVERSITY, EQUITY & INCLUSION

Contribute to a more diverse, equitable and inclusive world

10% of new capital to be invested in female founded or female led companies ✗

Per year-end 2023, on a two-year rolling basis, 7% of Kinnevik's investments into new companies was invested in female founded or led companies. Since May 2019, the share is 15%.

Make follow-on investments only in companies that make sufficient progress in relation to DEI ✓

During 2023, all potential follow-on investments were evaluated on their DEI (diversity, equity and inclusion) performance. Overall, 91% of our portfolio companies made progress on DEI during the year, in relation to their respective needs.

Achieve annual incremental progress across portfolio on relevant DEI efforts ✓

Per year-end 2023, 81% of our portfolio companies had DEI data collection processes in place (target 70%), 94% had a relevant DEI strategy (target 80%) and 84% had set DEI targets (target 80%).




Read more on page 30.

CORPORATE GOVERNANCE

Ensure sound business conduct structures and strong financial robustness

Sound corporate governance structures form the basis of Kinnevik's sustainability efforts. We work actively to uphold the highest ethical standards, compliance and business conduct, both on a Kinnevik level and in relation to our portfolio. Read more about our governance work on pages 35-38 and in our Corporate Governance Report starting on page 63.




WE ARE ACTIVE OWNERS

We help our companies to create real long-term value by building stronger and more robust businesses, while making full use of the commercial opportunities of an integrated sustainability strategy.

Mathew Joseph
Kinnevik's Sustainability Director



WE HELP OUR PORTFOLIO COMPANIES TO BUILD STRONG ESG STRUCTURES AND MAXIMISE THEIR POSITIVE IMPACT

We have a structured engagement model and a bespoke approach for implementing sustainability strategies in each portfolio company, covering both ESG and impact, with the aim of creating business value and supporting the company’s overall strategy.

Overview of Kinnevik’s investment process and sustainability engagement model towards our companies



AN INTEGRAL PART OF OUR VALUE CREATION

We believe that to be a long-term successful company, you need to contribute to making the world a better place. Companies that integrate sustainability into their core operating models, and make it into a competitive advantage, will be better placed to meet the demands from more conscious customers, get better access to financing and attract the most talented employees.

Sustainability is an integral part of Kinnevik’s investment and value-creation process. It’s part of our sourcing and assessment of new investment opportunities, and we have a structured and bespoke engagement model with the companies post investment.

Represented at Each Stage of the Investment Process

The Board of Directors is responsible for Kinnevik’s overall strategy, including our investment activities and how sustainability is integrated into value creation. Kinnevik’s sustainability team is represented at each stage of the investment process, and only

companies that fit our investment ethos and share our values are brought to the Executive Investment Committee (“EIC”).

In connection with the EIC, we assess a company’s sustainability structures and progress across environmental, social and governance aspects, its positive and negative impacts in accordance with the **Impact Management Norms**, its sustainability risks and opportunities, and its alignment with a low-carbon future.

Companies that move on from stage two of the EIC are subject to a thorough sustainability due diligence process, alongside other due diligence workstreams.

In the sustainability due diligence, companies are evaluated on their approach and structures in relation to ESG, and a more thorough analysis of the key sustainability risks and opportunities is made. The main objectives are to understand the tone at the top, to assess the company’s culture and values, and to identify a base from which we can build. This is further supplemented by the people and culture due diligence where we evaluate

leadership and values including ability to build inclusive cultures and organisations. The basis for the sustainability due diligence is the Kinnevik Standards (read more on page 19), tailored to the specific sector and development stage of the company.

Building Long-Term Sustainable Businesses

While the sourcing of new companies is fundamental, how we contribute to the development of our companies after investment is essential to long-term sustainable value creation.

After investment, we have a structured and bespoke approach to sustainability. We support the companies with a double materiality analysis to identify their key sustainability topics, to align priorities internally and to determine how sustainability can add business value. As appropriate, we also help articulate and measure their positive impact on the world. This lays the foundation for a holistic sustainability strategy including visions, targets and a concrete roadmap. We base our efforts on each company’s unique business case, maturity and resources available.

A successful sustainability strategy is dependent on buy-in throughout the organisation and Kinnevik’s sustainability team works in close cooperation with the company’s Board of Directors and management team. As the companies grow and mature, we continuously follow up and evaluate their ability to maximise positive impact, manage externalities and execute in line with their sustainability strategy. All companies’ progress is evaluated at Kinnevik’s bi-annual reviews, and again if they seek additional funding.

Kinnevik back our companies at every step on their growth journey. We believe sustainability creates real business value and we support them in taking full advantage of the opportunities of an integrated sustainability strategy.

NET POSITIVE IMPACT OF KINNEVIK'S PORTFOLIO

Kinnevik has assessed the net impact of our portfolio across four dimensions. Insights from the assessment can inform our capital allocation decisions and enable us to help our companies to maximise their positive impact, while limiting the negative.

Background and Impact Model

For Kinnevik, sustainability encompasses both ESG and impact. While the emphasis of our Sustainability Report is on describing environmental, social and governance processes and performance, both on a Kinnevik and a portfolio level, we also work actively to maximise the positive impacts generated by our portfolio companies.

Kinnevik has partnered with the Upright Project to assess the net impact of our portfolio. Upright's impact model quantifies a company's positive and negative impacts in 19 categories across four dimensions - society, knowledge, health and environment. All companies use resources to create positive value to the world in and around them. The model is built around a company's products and services, and captures the costs and benefits created across the whole value chain.

Summary Results

Kinnevik's overall net impact score is +48 percent, meaning that negative impacts, i.e. the resources Kinnevik's portfolio companies are using, are 48 percent smaller than the positive impacts they are creating. Net impact is defined as *(positive impacts - negative impacts) / positive impacts*. The maximum value for the net impact ratio is 100 percent, representing a theoretical company with no negative impacts. Kinnevik's score can be compared to S&P 500 which has an average net impact score of +6 percent.

The assessment shows that the top positive impacts across Kinnevik's portfolio are in the society dimension (taxes and jobs) and in the health dimension (physical and mental disorders). Employing people enables them to gain financial autonomy and identity in society. By paying taxes, our companies and their suppliers and customers are contributing to the joint resources of society. Our companies in the healthcare sector are treating and preventing physical diseases, injuries or fatalities, and/or mental health problems.

Kinnevik's portfolio uses resources or causes negative impacts mostly in the knowledge dimension (scarce human capital) and in the environment dimension (greenhouse gas emis-

Impact dimension	Score	
Society	-0.4	+11.8
	-0.8	+9.8
Knowledge	-4.7	-1.5
	-4.2	-1.4
Health	-2.2	+7.7
	-4.4	+1.2
Environment	-6.4	-5.4
	-9.0	-8.3



sions). A company's workforce is often its most valuable resource, and there is an opportunity cost of employing people with skills and capabilities. Scarce human capital should be put to work in a way that achieves positive impacts. Our companies also create greenhouse gas emissions, directly through their core products and services and indirectly through their suppliers' operations or when their products and services are used by customers.

In addition to this portfolio snapshot, Kinnevik will leverage Upright's impact data in the due diligence of new investments, and to support our companies in maximising their positive impacts while limiting the negative.

ESG CASE STUDIES FROM OUR PORTFOLIO

Kinnevik offers our companies hands-on and bespoke ESG and impact support. Below are two examples where we have supported our companies to implement holistic and value-adding sustainability strategies, focused on what matters to them.

Spring Health

**Improved business performance
by integrating DEI across operations**

Kinnevik first invested in Spring Health in 2021. We have been working with the company's management team since then to develop its people operations, including recruiting a strong Chief People Officer and Head of DEI (Diversity, Equity and Inclusion). During 2022, the Head of DEI and the leadership team developed a holistic DEI strategy aimed at attracting and retaining top talent, as well as to build a team and provider base which reflects the makeup of the company's member base. Spring Health has invested in several DEI initiatives throughout 2023, including significantly increasing the hiring of underrepresented talent through their 'Balanced Candidate Slate Program'. They also launched 'Sprout with Spring', a mentorship program to further equitable career development and enhance a sense of belonging for underrepresented talent.

The strong results of their efforts have been clearly evidenced by higher engagement scores and reduced attrition for underrepresented employees. This demonstrates the value of integrating DEI into a company's core business strategy.

Betterment

**Investments in compliance and governance
yield targeted cost savings**

Since Kinnevik first invested in Betterment in 2016, we have worked closely with the company to develop strong governance, risk, compliance and control processes. Betterment has been highly engaged and forward-leaning with strong internal oversight from their Quality and Risk Management Committee and Audit Committee. In 2021, the company hired an industry veteran Chief Compliance Officer who has since built out a team of a dozen compliance professionals to create a best-in-class function for the digital investment space. The positive evolution and caliber of Betterment's internal controls and governance have been recognized by third-party assessments and regulators, which has helped the company avoid additional costs that might have been necessary for other companies. For example, Betterment saw a reduction of nearly 40 percent in its cyber insurance premium in 2023, in part due to the quality of its risk and compliance programs.

This outcome demonstrates that real business value can be created by proactively investing in and developing robust governance, risk and compliance structures, particularly for companies in regulated industries such as finance and healthcare.

KINNEVIK HAS DEVELOPED A PROPRIETARY SET OF BEST-IN-CLASS ESG STANDARDS

Kinnevik has influence over our investee companies through capital allocation, Board representation and ongoing operational support. We work in close collaboration with our companies in setting bold strategic visions and targets for building long-term sustainable and successful businesses. To structure and follow up on this work, we have developed a proprietary ESG assessment framework - the Kinnevik Standards.

Annual Assessment of Our Portfolio Companies

Kinnevik's general expectations in relation to our portfolio companies' ESG performance are outlined in our Sustainability Policy. To measure performance and define best practices for our companies, Kinnevik has developed a proprietary ESG assessment framework called the Kinnevik Standards (the "Standards"). These were developed based on stakeholder dialogues, peer benchmarking and industry best practice and comprise 84 measurement points across environmental, social and governance aspects. The Standards have been subject to review by external parties such as auditors, subject-matter experts and independent ESG specialists and have also been approved by the Kinnevik Board.

Kinnevik conducts an annual assessment of our portfolio companies in accordance with the Standards and, based on the outcome, agrees priorities and annual objectives for each company, including in relation to supply chain risks and compliance. The progress of these objectives is documented and followed up in a sustainability dashboard for each business.

The ESG score assigned to each company can be tracked over time for the total portfolio and for individual companies. The 2023 assessment included 34 companies, three public

and 31 private, corresponding to just under 100 percent of Kinnevik's portfolio value as of 31 December 2023. On a comparative basis, the average 2023 ESG score across our portfolio increased by 10 percentage points, from 51 percent in 2022 to 61 percent in 2023.

The results of the annual assessment are presented to Kinnevik's Audit & Sustainability Committee, which also tracks portfolio progress regularly during the year. The portfolio ESG score has been integrated into our Sustainability-Linked Financing Framework, see pages 47-48.

Some examples of the Standards and the corresponding portfolio scores are included on page 43.

Risk Related to Our Ownership Model

Our strategy involves being a leading shareholder in our companies with a sizeable minority shareholding which provides us with influence over outcomes. While this allows us to exercise influence over our companies, mainly through Board representation, we do not have direct control over them nor complete insight into their governance structures. This means there is a risk that portfolio companies develop in a direction not aligned with Kinnevik's preferred view.

Example of Content in the Kinnevik Standards

ENVIRONMENT

- Emissions reporting
- Reduction targets and roadmap
- Climate change part of strategy discussions

SOCIETY

- Supply chain compliance
- Human rights
- Employee development
- Health and safety
- Community outreach
- DEI strategy and targets

GOVERNANCE

- Tone at the top
- Board representation and committees
- Risk structures
- Privacy and data protection
- Code of Conduct
- Whistleblowing system
- Management incentives

OUR CLIMATE IMPACT

Climate change is one of the greatest global environmental and economic challenges of our time. We are in a unique position to invest in the companies and technologies leading the global decarbonisation effort, and to influence our companies to align with a low-carbon future.

Georgi Ganev
CEO of Kinnevik



INVESTING IN THE COMPANIES AND TECHNOLOGIES LEADING THE GLOBAL RACE TO NET ZERO

Investing to combat climate change is a significant opportunity for Kinnevik. We are working closely with our climate tech companies to define and articulate the significant positive impact they can make on the planet by reducing, removing and generating avoided emissions at scale.

Agreena

Tech platform that supports farmers' transition to regenerative agriculture and enables corporates to contribute to large-scale climate change mitigation

The global agrifood system accounts for nearly one third of global greenhouse gas emissions, but agriculture can also be a significant part of the solution. When farmers adopt regenerative practices, carbon dioxide is naturally pulled from the atmosphere and stored in the soil. Agreena's technology quantifies this sequestered carbon

through measurements and modelling to generate valuable, certified carbon removal credits. In this way, Agreena is helping farmers address the technological and financial challenges associated with switching to regenerative agriculture, and is also offering food companies better supply chain visibility and emissions tracking to lower their impact.

Hectares of Farmland Under Management

2 million

AIRA

Clean energy-tech business accelerating the electrification of residential heating, starting with intelligent heat pumps

Heating homes contribute to 15 percent of Europe's CO₂ emissions. Aira's mission is to advance the next generation of home energy solutions, creating intelligent, sustainable homes for a meaningful impact. Starting with innovative heat pumps, it will evolve into a comprehensive,

intelligent clean energy-tech system and include dynamic electrical tariffs, home solar systems, and advanced battery storage solutions.



H2green steel

Producer of green steel aiming to reduce carbon emissions by up to 95 percent compared to traditional steelmaking

The steel industry is responsible for more than 7 percent of global CO₂ emissions. H2 Green Steel is on a mission to disrupt the global steel industry by producing green steel, with the end goal of bringing down CO₂ emissions to zero. By using green hydrogen and fossil-free electricity instead of coal; water and heat will be the primary emissions. By 2030, the company's ambition is to

produce 5 million tonnes of green steel annually in its fully integrated, digitalized, and sustainable plant in Boden, Sweden - currently in construction phase.



Solugen

Green chemicals producer providing cheaper, safer chemicals without using fossil fuels

Solugen is on a mission to decarbonize the physical world. At the heart of its innovation is the world's first sustainable molecule factory – the Bioforge. The platform uses a chemienzymatic process to convert plant-derived substances into essential materials that have historically been made from fossil fuels – all with no or low emissions and waste.



MEANINGFULLY REDUCING KINNEVIK'S GREENHOUSE GAS EMISSIONS

We have set ambitious targets to reduce emissions in line with the 1.5°C trajectory. This involves measuring the climate impact from Kinnevik's own operations and portfolio, as well as help our companies to set targets in line with science and to define clear pathways to reach those targets.

Fulfilment of Kinnevik's Climate Targets

Kinnevik has two climate targets to reduce greenhouse gas ("GHG") emissions and to align our portfolio and organisation for a low-carbon economy:

- **Reduce greenhouse gas emission intensity in Kinnevik's portfolio by 50 percent by 2030, with 2020 as base year** (scope 3 category 15 Investments)
- **Reduce greenhouse gas emissions from Kinnevik's operations by 50 percent by 2030 and by 90 percent in 2050, with 2019 as base year** (scope 1-3 excluding category 15 Investments)

The fulfilment of the portfolio target for 2023 will be published in our Climate Progress Report in June 2024. In 2022, the six companies included in Kinnevik's portfolio target calculation (35 percent of portfolio value by 31 December 2022) decreased their emissions intensity by 14 percent year-over-year, thus exceeding our annual target of 7 percent. More information about methodology and included companies is available in our [Climate Progress Report 2022](#).

Emissions from Kinnevik's operations were 510 tonnes CO₂e in 2019 and 349 in 2023, a decrease of 32 percent. 74 percent of Kinnevik's 2023 emissions excluding the portfolio were

related to business travel. Kinnevik's investment focus on Europe and the US means we will likely invest more in those regions in the coming years. We believe being physically present is important in active ownership and that the benefits of driving our sustainability agenda on site need to be balanced against the negative impact of business travel on the environment. Our ambition is therefore not to stop travelling, but to significantly increase travel efficiency.

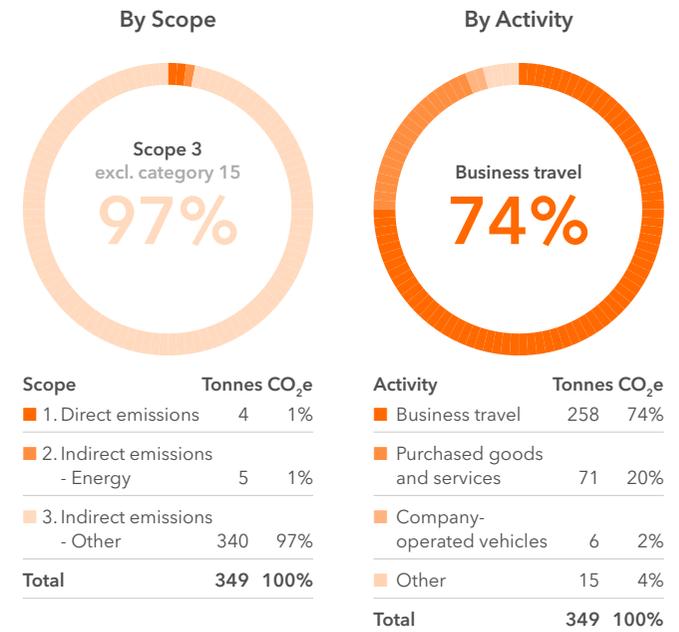
Read more about the pathway to reach our climate targets on page 25, and our strategy to drive climate progress in our portfolio on page 26.

Kinnevik's Greenhouse Gas Emissions Disclosure

Kinnevik conducts a yearly GHG emissions disclosure quantifying our total CO₂e emissions. The GHG disclosure is carried out in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. We have not included any carbon credits in our GHG calculations throughout our value chain, and Kinnevik does not use any internal carbon pricing schemes. Kinnevik's GHG reporting in scope 1, 2 and 3 is subject to a limited assurance review, see page 56. An overview of emissions from Kinnevik's operations and portfolio companies is available on the next pages.

Kinnevik's total energy consumption in 2023, excluding the portfolio, was ca 191,000 kWh.

Kinnevik's 2023 Emissions in Scope 1-3 (excluding category 15 Investments)



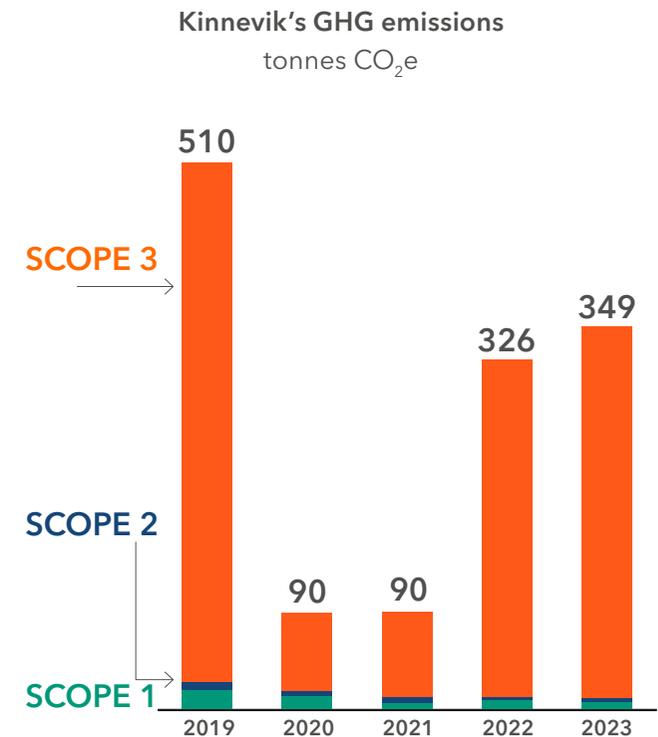
KINNEVIK'S GREENHOUSE GAS EMISSIONS OWN OPERATIONS

Overview of Kinnevik's Own Emissions 2019-2023

(scope 1-3 excluding category 15 Investments)

Kinnevik's emissions during 2020 and 2021 were materially lower compared to other years due to significantly less business travel as a result of the Covid-19 pandemic. In 2023, we increased the scope of reporting for the category Purchased goods and services to include, for example, IT equipment and more types of food. This increased our 2023 emissions compared to 2022 by 70 tonnes CO₂e like-for-like. We aim to continue developing our reporting going forward.

Kinnevik's GHG emissions (tonnes CO ₂ e)	2019	2020	2021	2022	2023
Scope 1 - Total	17.5	11.7	5.3	7.7	4.4
Company-operated vehicles	17.5	11.7	5.3	7.7	4.4
Scope 2 - Total	6.9	4.8	5.5	3.2	4.8
Energy	6.9	4.8	5.5	3.2	4.8
Scope 3 - Total	485.9	73.1	79.6	315.5	340.0
Company-operated vehicles	4.0	2.7	2.0	2.4	1.3
Energy	1.3	1.4	1.3	0.8	4.2
Purchased goods and services	1.4	0.5	0.6	1.1	71.2
Waste	Not meaningful	Not meaningful	Not meaningful	Not meaningful	0.2
Business travel	479.2	68.5	75.7	300.5	257.8
Employee commuting	Not measured	Not measured	Not measured	4.0	4.6
Upstream leased assets	Not measured	Not measured	Not measured	0.2	0.1
Downstream leased assets	Not measured	Not measured	Not measured	6.5	0.7
Total	510.3	89.6	90.4	326.4	349.3
Per FTE	12.9	2.2	2.3	7.3	7.6
Per square metre office space	0.66	0.12	0.12	0.27	0.29



The GHG Protocol classifies a company's GHG emissions into three "scopes". Scope 1 emissions are direct emissions from controlled/operated sources. Scope 2 emissions are indirect emissions from the generation of purchased energy. Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream. The overview of Kinnevik's GHG emissions 2019-2023 does not include our portfolio companies' emissions, and therefore scope 3 emissions consist mainly of business travel. The climate calculations are made using the operational approach, and scope 2 calculations are made using the market-based method. Using the location-based method, Kinnevik's own emissions for 2023 were 357 (329) tCO₂e.

Note: Energy data in scope 3 for 2019-2021 has been restated to align with new calculation methods. Further, 2019 data across scope has been restated due to updated emissions factors and methodology to better align with the GHG Protocol.

KINNEVIK'S GREENHOUSE GAS EMISSIONS PORTFOLIO

Overview of Kinnevik's Portfolio Emissions

(scope 3 category 15 Investments)

Kinnevik's largest climate impact relates to our portfolio which accounts for close to 100 percent of our total emissions. The emissions from our portfolio for 2023 will be published in June 2024. For 2022, portfolio emissions amounted to just over 257,000 tCO₂e, of which 97.5 percent are actual emissions reported by our companies and the residual is an estimate of the scope 1 and 2 emissions of our non-reporting companies.

For 2022, nine portfolio companies, representing 43 percent of Kinnevik's portfolio value as of 31 December 2022, measured their scope 1, 2 and 3 emissions in accordance with the GHG Protocol. One company reported scope 1 and 2 only.

In addition to the actual emissions of our reporting companies, the calculated total portfolio emissions include estimates of the scope 1 and 2 emissions from our largest non-reporting companies. The estimate includes 14 companies, representing

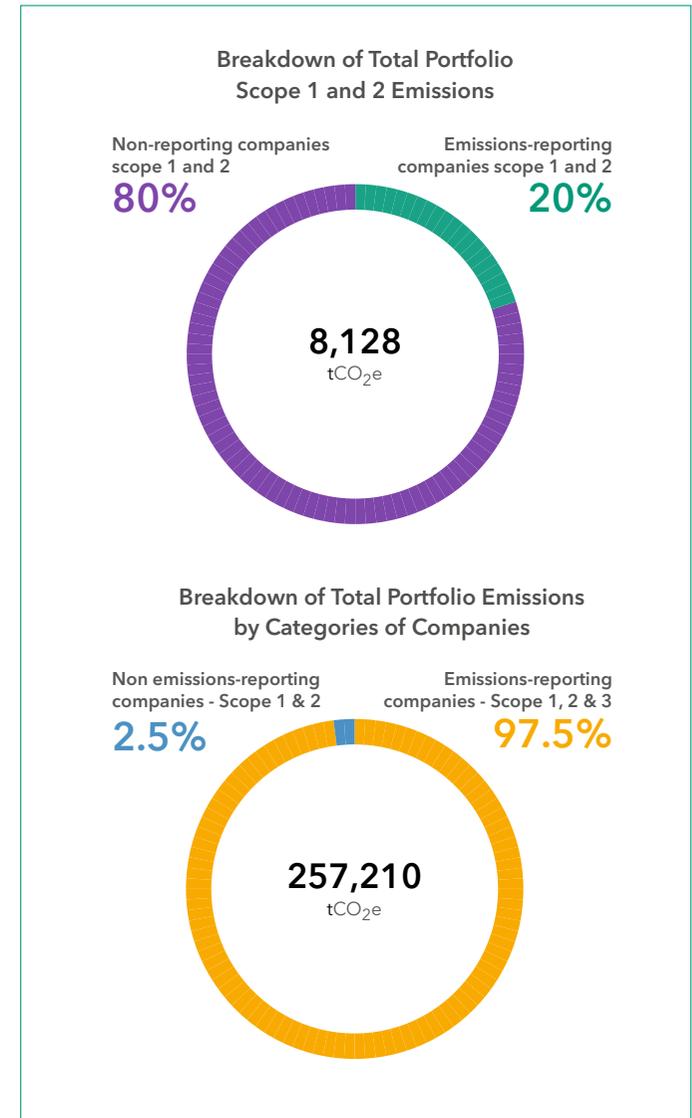
47 percent of portfolio value as of 31 December 2022. For the remaining 9 percent of the portfolio, an assumption was made of their scope 1 and 2 emissions based on the average emissions in Kinnevik's portfolio scaled to the remaining companies' weight by fair value.

Details of the portfolio emissions calculation methodology are available in our [Climate Progress Report 2022](#).

Kinnevik's Total Portfolio Emissions Split by Categories of Companies

Categories of portfolio companies	Included scopes	Emissions (tCO ₂ e)	Share of portfolio emissions	Share of portfolio value (31 Dec 2022)	Number of companies
Emissions-Reporting Companies - Scope 1,2 & 3	1, 2 & 3	250,661	97.5%	43%	9
Emissions-Reporting Companies - Scope 1 & 2 only	1 & 2	53	0.02%	1%	1
Companies Included in Estimate	1 & 2	6,375	2.5%	47%	14
Remaining Portfolio	1 & 2	122	0.05%	9%	14
Total		257,210	100%	100%	38

Note: The emissions in the table are those attributable to Kinnevik based on our ownership stake in each company.



PATHWAY TO FULFILMENT OF KINNEVIK'S CLIMATE TARGETS

By setting ambitious targets and working actively with our companies, we aim to futureproof them for a new, low-carbon economy and to maximise their positive impact.

	2020-2021	2022	2023	2024-2030	2030
Targets and Transparency	<ul style="list-style-type: none"> Set climate targets for Kinnevik's own operations and portfolio companies in 2020 Published first TCFD report and initiated CDP disclosure in 2020 Issued a Sustainability-Linked Bond in 2021 	<ul style="list-style-type: none"> Issued inaugural Climate Progress Report to follow up on portfolio climate target Set a new climate target Conducted a CSRD gap analysis Published updated TCFD report 	<ul style="list-style-type: none"> Quantification of climate-related risks (pages 50-51) Assessment of biodiversity impacts and dependencies (page 27) Portfolio net impact (page 17) 	<ul style="list-style-type: none"> Continue to develop our sustainability reporting and disclosure Crystallize portfolio impact by developing impact KPIs Align Kinnevik's ESG Standards with the EU's ESRS 	<ul style="list-style-type: none"> Review outcome and fulfilment of climate targets Set out new targets and pathway to 2040
Portfolio	<ul style="list-style-type: none"> Initiated roll-out of climate strategy in 2020, including support to measure GHG emissions and set targets Introduced ESG dashboards for all companies and climate objectives for relevant companies in 2021 	<ul style="list-style-type: none"> Further refined our ESG and impact portfolio engagement model to ensure strategic value to each company, and to maximise positive impact Made first larger investments into climate tech 	<ul style="list-style-type: none"> Continued execution of climate strategy to increase number of portfolio companies measuring emissions and setting targets 	<ul style="list-style-type: none"> Continue supporting our companies in maximising their positive impact while limiting the negative Continue supporting companies in measuring emissions and setting and achieving climate targets 	
Own Operations	<ul style="list-style-type: none"> Internal review of emissions in own operations More climate-conscious policies for company cars and travel 	<ul style="list-style-type: none"> Updated the GHG reporting scope for own operations 	<ul style="list-style-type: none"> Initiated annual review of air travel emissions to facilitate planning and more informed travel choices 	<ul style="list-style-type: none"> Continued follow-up of the annual air travel emissions review 	
Climate Contribution	<ul style="list-style-type: none"> 180 tCO₂e permanently removed via Climeworks 2020-2021 	<ul style="list-style-type: none"> Purchased over 2,800 tCO₂e in carbon removals from The Carbon Lockdown Project and our portfolio company Agreea 	<ul style="list-style-type: none"> Purchased over 2,000 tCO₂e carbon removals from our portfolio companies Agreea and Charm Industrial, and Frontier's offtake portfolio 	<ul style="list-style-type: none"> Continue to develop our climate contributions to contribute to global net zero 	
Share of # of companies measuring GHG emissions ¹	19% /23%	24%	29%		
Share of # of companies that have set GHG targets ¹	12% / 14%	16%	18%		
Reduction in portfolio emissions intensity (full year)	n.a. / (11)%	(14)%	To be published in June 2024		
Kinnevik's own GHG emissions per FTE (full year)	2.2 /2.3	7.3	7.6		

¹ As of 31 December of each year. Since 2020, more companies have started measuring GHG and set reduction targets, but Kinnevik has also added several new companies to the portfolio (particularly in 2021 and 2022), and as a result the KPIs have remained fairly stable.

DRIVING CLIMATE PROGRESS IN OUR PORTFOLIO

As an active owner, we help our portfolio companies identify the strategic value of a business-integrated climate strategy. We provide hands-on support and act as a sounding board throughout their journey of measuring emissions, setting targets and defining pathways to reach their targets.

Helping our Companies to Make Climate Progress

Given the different sectors and stages of our portfolio companies, we acknowledge everyone's climate journey is different. We have a bespoke climate engagement approach and support each company individually based on their strategic rationale. To kick off our companies' climate efforts, we offer to cover the cost of mapping and measuring emissions for the first year. We also offer companies to leverage our discounted framework agreement with a carbon measurement provider to ensure price-competitive measurements on a high-quality platform.

Kinnevik's Approach to Designing an Efficient Climate Strategy

We have a clear view of best practice for designing an efficient and business-integrated climate strategy. Companies need to define not only how to manage the risks, but more importantly seize the opportunities of the transition towards a low-carbon future. Below are some key steps that Kinnevik believes all companies should consider when setting a climate strategy.

These considerations relate primarily to greenhouse gas emissions. However, Kinnevik encourages its portfolio companies to also adopt broader strategies related to climate change, biodiversity loss and the environment at large.

1. Integrate into business strategy

The key to a successful climate strategy is integrating it with the overarching business strategy, product offering and value creation. There is a significant commercial opportunity in taking a position as a climate leader, offering low-carbon products and services that appeal to an ever more climate-conscious customer base.

2. Measure emissions

Understand your company's footprint by annually measuring emissions across scope 1, 2 and relevant parts of scope 3, using standardised reporting frameworks.

3. Reduce emissions

The most important aspect of a climate strategy is emissions reduction. Set reduction targets in line with the 1.5°C trajectory across your organisation and value chain, develop a pathway with concrete actions to reach those targets and track performance annually.

4. Generate avoided emissions

Contribute to decarbonisation beyond your own value chain by offering low-carbon products and services that help customers decarbonise. For some companies, the positive impact of generating avoided emissions at scale can substantially surpass their operation's negative impact on the environment and therefore this can be the most material aspect to focus on.

5. Invest in high-integrity carbon credits

To balance out annual residual emissions, companies are encouraged to purchase high-integrity carbon credits. Removing carbon from the atmosphere does not however "cancel out" a company's own emissions. Credits can also include the prevention of biodiversity loss and protecting and restoring healthy ecosystems as this supports the mitigation of and adaptation to climate change.

6. Communicate purposefully

Tackling climate change is a global effort and carbon neutrality only truly matters on a global scale, not on an individual company or product level. The focus of an ambitious climate strategy should be to firstly reduce emissions across the company's value chain, secondly generate avoided emissions outside of its value chain and, thirdly, remove emissions through carbon credits. Companies should refrain from describing products as "sustainable", "carbon neutral" or "climate compensated", unless the negative impacts across the entire value chain are fully reflected and compensated for with high-integrity credits.

7. Promote transparency

To be credible it's important to not only highlight your organisation's positive impact, but also your shortcomings and potential negative impacts. Being a sustainable company is a journey, not a destination.

THE PORTFOLIO'S NATURE-RELATED IMPACTS AND DEPENDENCIES

Some of Kinnevik's portfolio companies are dependent on nature and the services it provides.

Our businesses can also directly or inadvertently drive the loss of nature through their operations and supply chains. Kinnevik has conducted a high-level assessment of our portfolio's nature-related impacts and dependencies to identify risks that may have a financial impact on Kinnevik.

Background and Methodology

In 2023, Kinnevik made a high-level assessment of our portfolio's exposure to nature-related risks based on the companies' impacts and dependencies on nature. This effort is part of our broader risk work, read more on page 38.

Following an initial screening of the portfolio, a set of companies with exposure to high-risk activities were identified. An assessment was then made of these businesses' nature-related impacts and dependencies across their direct operations and upstream supply chain. Potential risks were identified and the financial materiality of these risks for Kinnevik was evaluated.

The assessment has relied on the following key resources and databases: TNFD, ENCORE, WWF Biodiversity Risk Filter, WRI Water Risk Atlas and Science-based Targets for Nature Materiality Tool and High Impact Commodity List.

Understanding our exposure to nature-related risks enables us to increase transparency towards Kinnevik's shareholders and to better support our companies in their reporting and transparency efforts.

Nature-Related Risks

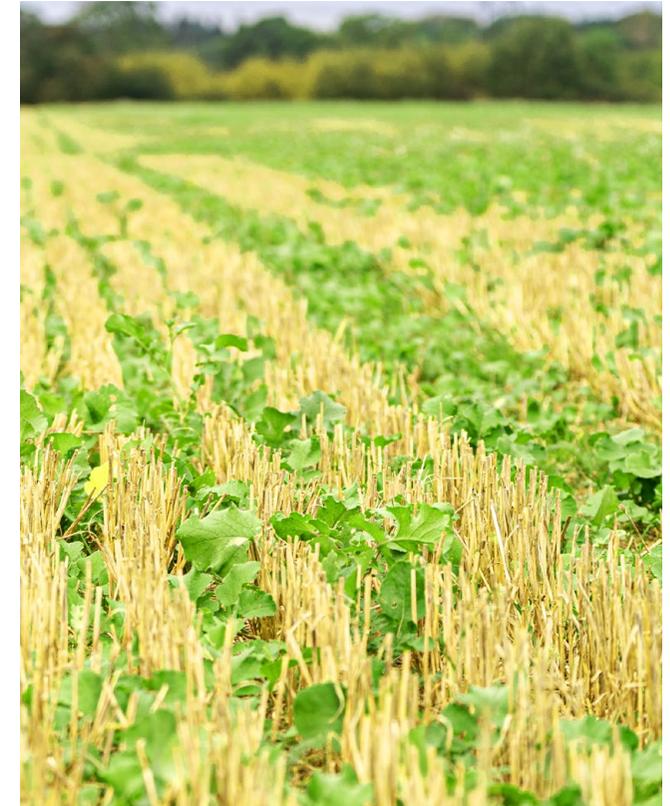
Around one third of Kinnevik's portfolio value is in sectors with high exposure to nature-related risk. These include metals and mining, food and beverage retail, chemicals, biotechnology and pharmaceuticals, agriculture, textiles and apparel. However, the exposure for individual companies was mostly indirect in the upstream value chain or only related to a small share of their

operations. The largest nature-related impacts of the portfolio are associated with pollution and water consumption, followed by climate change.

While our portfolio has many impacts and dependencies on nature, only a very small subset carries a financial risk for Kinnevik. The most material nature-related financial risk in Kinnevik's portfolio is associated with some companies' dependency on natural inputs and commodities, primarily minerals, agricultural commodities and water. Changes to the supply of these inputs due to cost volatility, supply chain disruptions or operational disruptions constitute a risk for companies representing around 5 percent of Kinnevik's portfolio value. However, for agricultural commodities and water, the exposure is indirect in the value chain and the potential financial impact can be mitigated by diversification of suppliers and inputs used. In summary, the analysis suggests that nature-related risks do not constitute a significant financial risk for Kinnevik.

Nature-Related Opportunities

Kinnevik has investments in companies which can be considered to have a positive impact on biodiversity, indirectly through mitigating or avoiding greenhouse gas emissions. Climate change mitigation is crucial for biodiversity as it prevents habitat destruction and disruption, lowers the risk of species extinction and maintains balanced ecosystems. Four examples in our portfolio are Agreena, Aira, H2 Green Steel and Solugen, read more on page 21.



CONTRIBUTING TO GLOBAL NET ZERO EMISSIONS

Kinnevik invests in a portfolio of carbon removal projects contributing towards global net zero emissions.

Climate Contribution Strategy

Kinnevik has committed to allocate SEK 3 million per year to contribute towards global net zero emissions. This contribution should reflect the negative impact of Kinnevik’s portfolio, including both carbon emissions and biodiversity loss. As a venture investor, Kinnevik wants to support carbon removal technologies in the early stages of commercial development with the aim of furthering the industry for high-integrity carbon removals. We do not intend to offset a specific amount of CO₂ but rather to support new technologies come to market and can therefore purchase credits ex-ante, i.e. intended future emission removals.

It’s crucial for Kinnevik to invest in credits with the highest level of integrity. For 2023, we have purchased carbon removal credits from our portfolio companies Agreena and Charm Industrial. We are also purchasing carbon removal via Frontier’s offtake portfolio.

Kinnevik will continue to invest in a portfolio of high-integrity carbon credits in the coming years, and the constituents of the portfolio may change over time.



Agreena supports farmers’ transition to regenerative farming, enabling them to locally reduce GHG emissions as well as directly remove carbon dioxide from the atmosphere and naturally store it in the soils. The certificates Kinnevik has purchased come directly from Agreena’s portfolio of arable farmers across Europe, resulting in carbon reductions and removals equivalent to 1,758 tonnes CO₂e. In addition to the direct positive climate impact, the supported regenerative practices result in additional benefits such as enhancing biodiversity, improving soil health, limiting nutrient runoff, as well as bringing strong water management benefits.

[Read more →](#)



Charm Industrial collects excess inedible biomass and heats it to high temperatures in a low-oxygen environment. The process, called pyrolysis, breaks down the biomass into three products: syngas, biochar, and carbon-rich bio-oil. The resulting syngas is used to power the pyrolyzers. The biochar can be returned to fields to replace nutrients and improve soil health. The bio-oil, which retains much of the carbon present in the original biomass, is injected into EPA-regulated wells, where it sinks and solidifies in place, becoming permanent carbon removal. Kinnevik has purchased 136 tonnes CO₂e of carbon removals from Charm.

[Read more →](#)



Frontier’s offtake portfolio focuses exclusively on the most innovative permanent carbon removal technologies ready to rapidly scale. Frontier’s portfolio is vetted against target criteria, including the ability to store removed carbon for more than a thousand years and the potential to be low-cost and high-volume in the future. The portfolio includes a combination of direct air capture, enhanced weathering, biomass carbon removal and storage, and other pathways as they become offtake ready. Kinnevik has purchased 176 tonnes CO₂e of permanent carbon removal from Frontier’s 2027 offtake portfolio.

[Read more →](#)



Note: Kinnevik is invested in Agreena and Charm Industrial.

DIVERSITY, EQUITY & INCLUSION

Kinnevik's greatest asset is and has always been our people. We prioritize diversity and inclusion both within our own team and throughout our portfolio because we believe it's a core lever for value creation.

Anna Stenberg

Kinnevik's Chief People & Platform Officer



CONTRIBUTING TO A MORE DIVERSE, EQUITABLE AND INCLUSIVE WORLD

Kinnevik's greatest asset is and has always been our people - in our own organisation and in our portfolio. As such, attracting and retaining top talent is a key priority. Kinnevik regards diversity, equity and inclusion as core levers for value creation, and we make full use of the opportunities that arise from employing a team with different backgrounds and perspectives.

Fulfilment of Kinnevik's Diversity, Equity & Inclusion Targets 2023

1. 10% Female Capital Allocation

On a two-year rolling basis, 10 percent of new capital to be invested in female founded or led companies, from the 2019 Annual General Meeting ("AGM") and onward

As more than 95 percent of global investments still go to companies with all-male founder and management teams, we believe there is good reason to continue pushing the industry towards closing the gender funding gap. Per year-end 2023, on a two-year rolling basis, 7 percent of Kinnevik's investments into new companies was invested in female founded or led companies, and since the 2019 AGM, the share is 15 percent. For the follow-on investments made during 2022-23, 42 percent were made into businesses founded by women, and since the 2019 AGM, the share is 26 percent.

2. Follow-On Investments

Only make follow-on investments in companies that are making sufficient progress in relation to diversity and inclusion

Kinnevik has continued to make all follow-on investments in portfolio companies conditional upon satisfactory progress on DEI (diversity, equity and inclusion). All potential follow-on investments are evaluated on DEI performance as part of the investment evaluation process. During 2023, 91 percent of our portfolio companies made progress on their respective DEI ambitions and gaps.

3. Ensure Portfolio Progress

Achieve annual incremental progress across portfolio on relevant diversity, equity and inclusion efforts

For 2023, we set portfolio progress targets aimed at driving strategic DEI engagement. To achieve these, we have actively supported our companies with recruitment, talent management and best practice sharing between companies, among other initiatives. As a result, by the end of 2023, 81 percent of our portfolio companies had implemented DEI data collection processes (target 70 percent), 94 percent had a relevant DEI strategy (target 80 percent) and 84 percent had set DEI targets (target 80 percent).

Note: Fulfilment for targets 2 and 3 do not include investments into new companies made in 2023, these will be included starting in 2024.



A Small and Diverse Kinnevik Team

Kinnevik has a firm set of core values. Our team members share an entrepreneurial spirit, as well as a belief in building long-term sustainable businesses. Kinnevik’s organisation comprised 46 people on average during 2023 (full-time equivalents “FTE”, including wholly owned subsidiaries), with 31 people based in the Stockholm office and 15 people in the London office. The investment team consisted of 15 professionals. All employees but two were on permanent contracts.

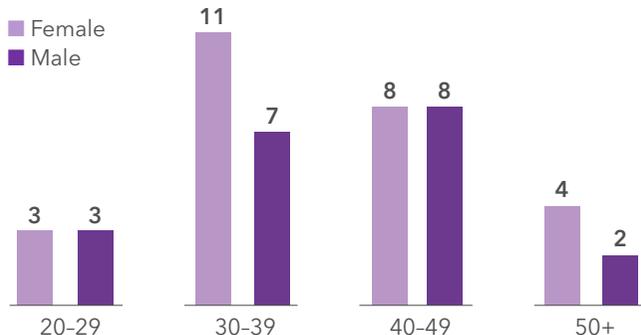
According to a voluntary and anonymous survey sent to the full Kinnevik team in December 2023, 19 percent of team members self-identified as of an ethnic minority background. The response rate of the survey was 83 percent. In the same survey we received a score of 8.7 (8.2) out of 10 when asking our staff if Kinnevik offer an inclusive culture where employees feel their opinion is valued.

Kinnevik performed a Gender Pay Gap analysis in 2023 in collaboration with an external consultant. This included both unjustified pay gaps for equal jobs and underlying structural obstacles for equal opportunity. The analysis concluded that there are no unjustified pay gaps in terms of equal jobs. The analysis is done by comparing different groups of employees within the same role based on seniority. In the corporate team, women earn 4 percent more than men and in the investment team, women earn 8 percent more than men. This result is however affected by the small number of observations at Kinnevik and that very few comparable groups include both male and female observations.

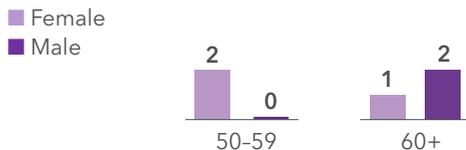
We Strive to Be an Attractive Employer

Kinnevik offers its employees continuous opportunities for personal and professional growth to develop their skillset and to take increasing responsibility for value creation at Kinnevik and our portfolio companies. The small size of our organisation enables us to personalise career development and training opportunities for each employee. These include individualised coaching, men-

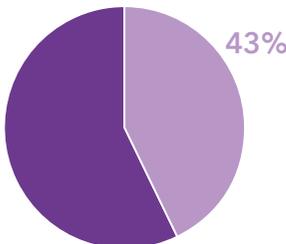
Employee age distribution in 2023 (FTEs)



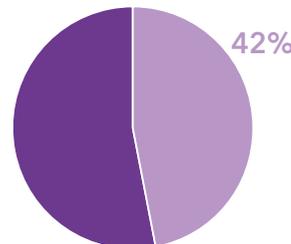
Board of Directors age distribution in 2023 (FTEs)



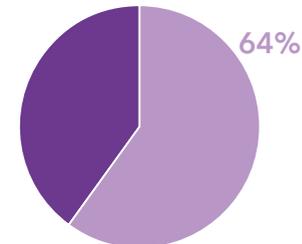
Share of women in the management team (FTEs)



Share of women in the investment team (FTEs)



Share of women in the corporate team (FTEs)



toring and educational programmes such as leadership courses and bespoke training sessions, as well as hands-on operational experience through secondment at a portfolio company.

Ongoing assessments of employees’ performance and success in meeting their objectives are central to ensure that Kinnevik offers the right personal development tools at an individual and group level. All employees participate in yearly performance reviews and have individual objectives that are reviewed twice a year. The individual objectives are set based on the overarching corporate objectives determined each year for the full organisation.

Employee Well-Being is a Top Priority

Kinnevik is committed to promoting a good, safe and healthy work environment for all employees across physical, organisational and social aspects to prevent risk of occupational injuries and to maintain good health. The goal is to strengthen the employees’ motivation, effectiveness, health and well-being. As stated in Kinnevik’s Work Environment Handbook, if an employee is involved in an incident, accident or any other situation of ill-health they should immediately inform their manager. During 2023, Kinnevik did not report any incidents to the Swedish Work

New employee hires and turnover during 2023

(number of people)

New Hires	20-29	30-39	40-49	50+	Total	Rate
Stockholm						
Women	1	1	1	-	3	6.5%
Men	1	-	-	-	1	2.2%
London						
Women	-	1	-	-	1	2.2%
Men	1	-	-	-	1	2.2%
Total	3	2	1		6	13.0%

Turnover	20-29	30-39	40-49	50+	Total	Rate
Stockholm						
Women	-	-	-	1	1	2.2%
Men	1	-	-	-	1	2.2%
London						
Women	1	-	-	-	1	2.2%
Men	-	1	-	-	1	2.2%
Total	2	1	-	1	4	8.7%

Note: The new hire and turnover rate is calculated in relation to the average number of FTEs in 2023 (46.0).

Environment Authority (Swe: Arbetsmiljöverket). The low level of sick leave, below 3 percent of total working time, highlights Kinnevik’s efforts to improve our employees’ health through healthcare insurance, fitness subsidies and other initiatives.

To assess how our employees feel about working for Kinnevik, we conduct periodic follow-ups of employees’ well-being, health, satisfaction and engagement throughout the year, as well as an annual in-depth survey at the end of the year. The in-depth survey had a response rate of 91 percent in 2023 and the results did not indicate any significant issues with regards to human rights, equal opportunities or work environment. Kinnevik received an eNPS score of 36 (44) in the annual in-depth survey when employees were asked if they would recommend Kinnevik as an employer to a friend (scale of -100 to +100, where a score above +30 is considered excellent). Kinnevik’s Chief People & Platform Officer is responsible for the employee engagement process.

We Support Parents and Flexible Working

Kinnevik encourages parental leave for both men and women. In 2023, the average parental leave taken was 14 (5) weeks for men and 41 (4) weeks for women. This refers to parental leave that started during 2023 and includes the full number of weeks requested. The leave may therefore be completed during the following year.

Kinnevik’s parental leave policy stipulates that every permanent employee is eligible for nine months’ paid parental leave with 100 percent of their fixed salary, regardless of location. The policy reflects our ambition to be at the forefront regarding equal opportunities and to promote health and well-being and a good work-life balance.

Kinnevik aims to be at the forefront of how we work, how we lead and how we create the best working environment for current employees and future talents. We provide a more flexible work week allowing our employees to meet the demands of both their professional and personal lives. As outlined in Kinnevik’s flexible work guide, two days in the week, Wednesday to Friday, employees can choose to work from wherever they prefer - remotely or from the office. In addition, it’s possible to temporarily work from a location other than the main office for up to four weeks per year. Kinnevik also allows flexible working hours to suit individual needs while maintaining the same level of performance and number of working hours per the week.

Kinnevik has facilitated working from home using existing IT infrastructure and provided work from home allowances for employees to ensure ergonomic workspaces. In addition, regular surveys are being conducted to monitor well-being and work-life balance.

Income Protection

Kinnevik’s employees are insured and receive rehabilitation and financial protection if they are unable to work because of long-term illness or injury. Kinnevik aims to provide financial security and peace of mind to our employees by providing financial compensation in the event of long-term sick leave. The insurance, combined with sick pay from the National Insurance Agency, covers part of the employee’s loss of income. Further, the insurance provides employees access to comprehensive health and well-being support to keep them healthy and help prevent unnecessary sickness absence.

DRIVING DIVERSITY, EQUITY AND INCLUSION PROGRESS IN OUR PORTFOLIO

Helping Our Companies to Implement Strong DEI Strategies

In 2023 we continued to actively help our companies to implement bespoke and business integrated diversity, equity and inclusion (“DEI”) strategies and also raised the bar on our DEI portfolio targets. The purpose of our efforts and targets is to maximise the performance of our companies’ teams and capture their full capacity.

Kinnevik helps our companies to diversify their management teams and Boards by, for example, helping them perform needs analyses and team design reviews as well as with concrete recruitments. We also offer individualised advisory sessions, workshops and best practice sharing opportunities to help them define and execute their DEI strategies. In addition, we provide advice and guidance on how to develop action plans, define measures and set targets. Most importantly, we provide knowledge and insights about the importance of DEI and inclusive leadership. We also have DEI and People & Culture Toolkits which include examples, suggested actions, tools, case studies and relevant research, as well as useful templates. In addition, we have a network of preferred external partners to support our companies in their DEI and People & Culture efforts.

We see strong progress related to female representation across our portfolio. In 2023, the average share of females in the portfolio companies’ management teams was 36 percent (31) and in the Board it was 25 percent (25).

Our ongoing support and initiatives have contributed to a positive development in our portfolio during 2023. We can clearly see the effects of helping companies build diverse teams and inclusive cultures. When asked in a survey if Kinnevik’s support within people and organisation had been helpful during the year, CEOs/founders gave us a score of 4.4 out of 5 and Chief People Officers gave us a score of 4.3.

Social Risks Related to Kinnevik’s Portfolio

For some of Kinnevik’s companies, particularly in e-commerce, certain employee groups’ work environment is characterised by more monotonous tasks and a lower level of influence. Therefore, some employee groups are at higher risk of psychosocial health issues, for example those in warehouse operations. In addition to the moral and ethical aspects, this also poses a reputational risk for Kinnevik.

To mitigate this, our companies have structured onboarding programmes for new employees and periodic mandatory health and safety trainings. Hours worked are actively monitored and the companies have controls to ensure that employees are not overworked. Middle and lower-level managers are offered leadership development programmes. Most of our companies have active whistleblower hotlines where employees and other stakeholders can address issues anonymously. Kinnevik works closely with our companies to keep health and safety on the agenda of the Board and management teams.

Furthermore, some of Kinnevik’s companies, particularly in e-commerce, due to the global nature of their operations, have an elevated risk of human rights violations in their supply chain. To mitigate this, all Kinnevik’s companies are in the process of rolling out, or already have in place, a supplier Code of Conduct. In addition, companies are encouraged to perform a risk-based audit of compliance with the Code of Conduct. For high-risk suppliers where portfolio companies have significant influence over the supply chain (e.g. with private label suppliers), the suppliers are also to be audited periodically to ensure that they comply with the Company’s Code of Conduct. Corrective Action Plans are put in place for material gaps that are identified during such audits. Commercial agreements are to be terminated if suppliers are unable to demonstrate satisfactory progress.



The Kinnevik Platform

All our companies have access to the Kinnevik Platform, allowing them to tap into the shared expertise, tools, resources and network of the full Kinnevik Group. The aim of the Platform is to contribute to Kinnevik’s overall value creation.

As part of our platform initiatives in 2023, we have hosted a series of tailored events to share best practice in smaller groups. These have gathered the founders and CEOs in our companies as well as Senior Executives within People and Culture, Finance, Sustainability, Legal and HR. We have also expanded our network of advisors within different fields and sectors which our companies can access.

We have continued to build out the Kinnevik Greenhouse, a talent network containing more than 10,000 top leaders in our key markets, of which around 65 percent are women. The network enables us to provide our companies with strong long-lists of candidates to fill vacancies at management and Board level. This service is led by Kinnevik’s Chief People & Platform Officer and is in high demand among our companies. It ensures that the Kinnevik portfolio has the best leadership and the most high-performing teams in place.

SOUND GOVERNANCE STRUCTURES

For Kinnevik to be a robust and resilient company, and to be a role model for our portfolio, it is important for us to have sound governance, risk management and compliance structures in place.

Mattias Andersson
Kinnevik's General Counsel



ENSURE SOUND BUSINESS CONDUCT STRUCTURES AND STRONG FINANCIAL ROBUSTNESS

Sound corporate governance structures form the basis of Kinnevik’s sustainability efforts.

We work actively to uphold the highest ethical standards, compliance and business conduct, both on a Kinnevik level and in relation to our portfolio. In addition, being a financially strong company enables Kinnevik to efficiently drive our sustainability strategy.

Implementing Sound Governance Structures in Our Portfolio

Many of the companies in our portfolio are in the early stages of their operational and sustainability development, and implementing sound business conduct structures is central to the long-term success of these businesses. This work is part of a broader effort to create holistic and bespoke ESG strategies to enable sustainable growth.

During 2023, we have worked together with the Boards and management teams of our three new portfolio companies (Enveda, Aira and Charm Industrial) to set up more structured processes to improve governance and controls. We also continued to work with all our existing companies to improve their internal control environment, risk management, compliance frameworks and cyber security. We have supported several new and existing companies in conducting a materiality assessment using the SASB (Sustainability Accounting Standards Board) framework. Determining material topics is a first step in setting an effective sustainability strategy including roadmap and KPIs to monitor progress made.

During the year, we have continued to encourage our companies to include sustainability on the Board agenda to set the right tone at the top and to drive sustainability initiatives.

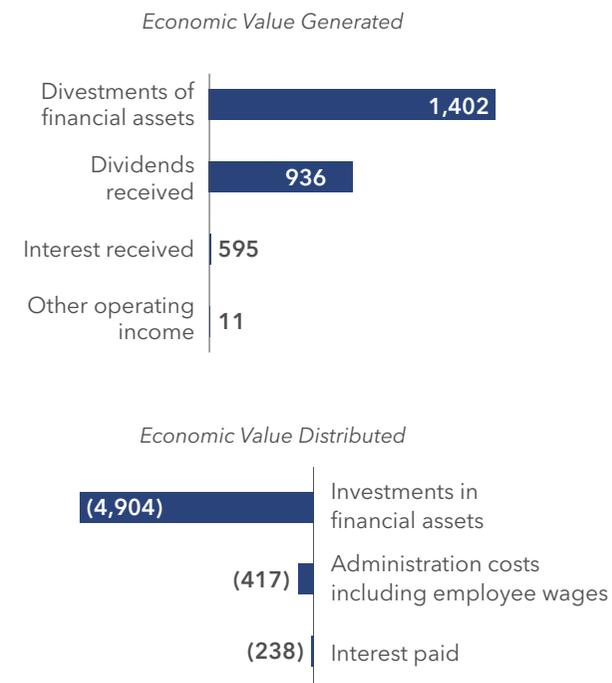
Corporate Governance at Kinnevik

The basis for corporate governance in Kinnevik is Swedish legislation, Nasdaq Stockholm’s Rule Book for Issuers, and regulations and recommendations issued by relevant self-regulatory bodies. Kinnevik also follows the Swedish Corporate Governance Code.

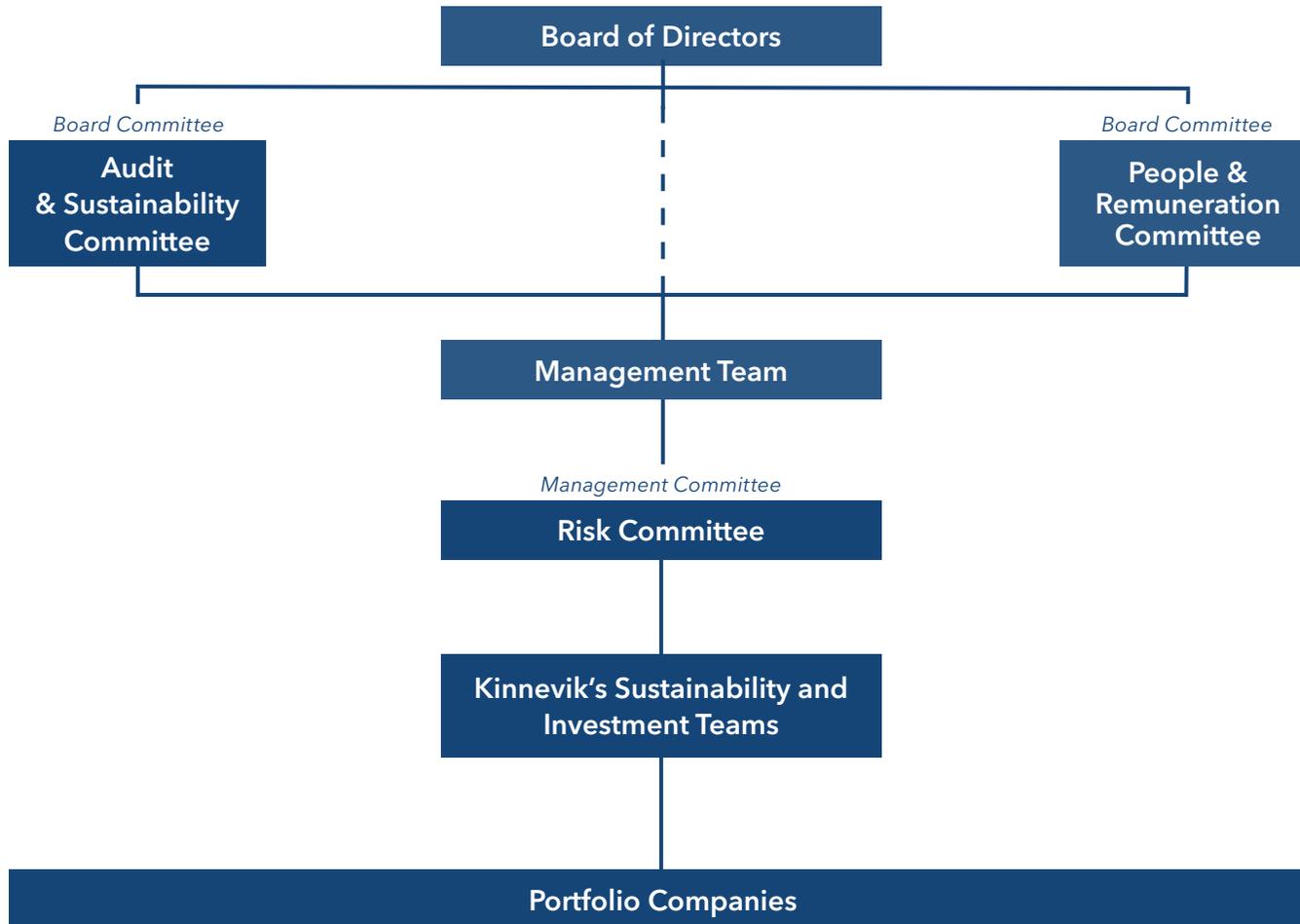
Kinnevik’s Board is responsible for our overall strategy, including how sustainability is an integrated part of our value creation, and is well informed about Kinnevik’s policies and procedures. Further, the Board is specifically responsible for identifying risks and opportunities related to sustainability, including climate change, that may impact Kinnevik, our portfolio and strategy, and for defining appropriate guidelines to govern Kinnevik’s conduct in society. This is embedded in the work and delegation procedures of the Board.

To assist the Board in fulfilling its responsibilities, it has appointed an Audit & Sustainability (“A&S”) Committee and a People & Remuneration (“P&R”) Committee, both of which constitute a subset of the Board. The A&S Committee assists the Board in monitoring the governance structures of Kinnevik’s investee companies, Kinnevik’s risk management process and compliance with laws, regulations and codes of conduct. It also specifically monitors the annual assessment and scoring of our portfolio companies in accordance with the Kinnevik Standards (read more on page 19). The P&R Committee’s assignments include salaries, pension terms and conditions, incentive programs and other conditions of employment for the management of Kinnevik.

Overview of economic value generated and distributed by Kinnevik during 2023, SEKm



Overview of Kinnevik's Governance and Sustainability Organisation



To drive the implementation of our sustainability strategy and assess potential ESG risks and opportunities including climate change, Kinnevik has a dedicated sustainability team. The sustainability team, together with the investment team, is responsible for driving sustainability initiatives across our portfolio companies.

The sustainability team regularly reports to the Kinnevik management team, the A&S Committee and the Board on progress made and target fulfilment. An overview of Kinnevik's risk management process is available on page 38.

More information about Kinnevik's governance bodies and their work is available in our Corporate Governance Report 2023. Kinnevik's Lobbying Policy and Government Relations Strategy guides our activities and commitments related to any political influence. In 2023, Kinnevik has not engaged in any such activities or commitments. An account of all Kinnevik's key governance policies is available on page 42.

All Kinnevik employees have individual annual objectives which form the basis for their short-term incentives. These are derived from our overarching corporate targets which in 2023 included targets related to sustainability. For example, members of the investment team have individual annual objectives tied to driving climate and diversity, equity and inclusion engagement in their respective portfolio companies.

Compliance at Kinnevik

Kinnevik's compliance framework is mainly focused on compliance with the laws and regulations that govern listed companies in Sweden, such as the Nasdaq Nordic Main Market Rulebook for Issuers of Shares, the European Union Market Abuse Regulation (No 596/2014), the Swedish Companies Act, and other laws and regulations relating to Kinnevik's operations and investment activities. The A&S Committee receives periodic updates on compliance status. A compliance review in relation to the laws and regulations that govern Swedish listed companies is performed annually to ensure full compliance and identify potential areas for improvement.



CORPORATE GOVERNANCE AT KINNEVIK

The basis for corporate governance within Kinnevik is Swedish legislation, the Nasdaq Nordic Main Market Rulebook for Issuers of Shares, and the regulations and recommendations issued by relevant self-regulatory bodies. [Click here to read more about corporate governance at Kinnevik.](#)

GO →

Kinnevik conducts mandatory annual compliance training, including our Code of Conduct and Insider Trading Rules, for all employees, as well as periodic deep dives on specific matters such as anti-corruption and anti-trust.

Risk Management at Kinnevik

Kinnevik’s Board is responsible for internal control in accordance with the Swedish Companies Act and the Swedish Corporate Governance Code. To identify, assess and manage risks for Kinnevik on an ongoing basis, the Board has adopted a Risk Management Policy.

The overall responsibility for Kinnevik’s risk management process lies with Kinnevik’s CEO, who has delegated the responsibility to the CFO. The Board approves a risk appetite statement for Kinnevik on an annual basis. Key Risk Indicators and escalation limits have been defined for the most material risks. Kinnevik has established a Risk Committee, comprising the CEO, the CFO and other members of management to oversee the risk management process. Kinnevik’s risk exposure is not static and consequently the risk assessment process is performed and updated at least twice a year. As a diversified investment company, a material level of Kinnevik’s risk exposure sits within our portfolio, and therefore a risk assessment is performed on both a Kinnevik and a portfolio level. The sustainability team meet with all relevant internal teams to identify Kinnevik and portfolio risks which are documented

in the Risk Registers. Based on a qualitative analysis, each risk is awarded a score based on likelihood and impact, which in turn classifies the risk as either “high”, “medium” or “low”. Based on this score, all risks are assigned a relevant risk response and/or mitigating actions. Following each risk cycle, the updated Kinnevik and Portfolio Risk Registers are presented to the Risk Committee. Twice a year, the Risk Committee reviews key risks, developments since the previous meeting, the efficiency of any mitigating actions and overall risk appetite. The work of the Risk Committee is presented to the A&S Committee. In between Risk Committee meetings, Kinnevik’s CFO and Sustainability Director oversee the development and mitigation of risks and report progress to the management team.

On a Kinnevik level, climate-related risks are assessed in relation to our existing portfolio, new investments, strategy and reputation as our companies are increasingly scrutinised from a climate change perspective. In 2023, we took the next step in our TCFD efforts by modelling the Kinnevik portfolio’s exposure to physical climate risks (such as flooding, wildfires, drought etc.), and the financial risk resulting from, for example, potential damage to assets and disruption to supply chains. We also assessed our portfolio’s impacts and dependencies on biodiversity, and the resulting nature-related financial risk. Read more on pages 27 and 50-51, respectively.

The Classification of Risks

Likelihood is calculated as:

Score	Likelihood	Description
1	< 5%	Very Unlikely
2	5% - 10%	Unlikely
3	10% - 20%	Maybe
4	20% - 25%	Possible
5	> 25%	Likely

Impact is calculated as:

Score	Impact (EURm)	Description
1	< 25	Immaterial
2	25 - 50	Low
3	50 - 100	Medium
4	100 - 250	High
5	> 250	Critical

Based on the combined risk score (likelihood x impact), risks are classified as:

Classification	Risk Score	Suggested Actions
Low	< 7	Monitor development to ensure exposure remains low
Medium	≥ 7 and ≤ 15	Mitigate and monitor risks to maintain current level of risk exposure
High	> 15	Implement mitigating actions to reduce exposure

Kinnevik’s risk assessment process



ADDITIONAL SUSTAINABILITY INFORMATION



EXTERNAL FRAMEWORKS AND THE UN'S AGENDA 2030 FOR SUSTAINABLE DEVELOPMENT

Through Kinnevik's active ownership model and sustainability strategy, we strive to make a positive impact on people and planet. Through our portfolio engagement, and in our work to achieve our sustainability targets, we are contributing to the UN's Agenda 2030 and the Sustainable Development Goals.

Global Frameworks

Kinnevik is a signatory of the UN Global Compact, the world's largest corporate sustainability initiative. A part of this initiative's multi-year strategy is to drive business awareness and action in support of achieving the UN's Global Goals by 2030. This Sustainability Report serves as Kinnevik's annual Communication on Progress to the UN Global Compact, containing our implementation of its principles on human rights, labour, environment and anti-corruption. Kinnevik also recognises the special importance of international standards on responsible business conduct, such as the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. Kinnevik's Sustainability Report 2023 is prepared in accordance with the Global Reporting Initiative's ("GRI") Standards 2021. The GRI index is available on pages 52-54.

This report also includes disclosures in accordance with the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB). Indexes of these can be found on pages 49 and 55, respectively.

Kinnevik is currently not covered by or obligated to report on the EU taxonomy. However, we are continuously assessing the potential effects of the same as market practice develops and the EU continues to build out the framework.

Agenda 2030 and the Sustainable Development Goals

Sustainable development has been defined by the UN as "Development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

Sustainability is the foundation of today's leading global framework for international cooperation - the 2030 Agenda for Sustainable Development and its Sustainable Development Goals (the "SDGs"). Adopted by all United Nations Member States in 2015, the 2030 Agenda is a broad and universal policy agenda with 17 Global Goals split into 169 associated targets to be achieved by 2030. The Global Goals are integrated, indivisible and balance economic, social and environmental sustainability.

Kinnevik has evaluated the SDGs and identified those which we can most significantly contribute to. We have classified each of the 169 targets into one of four categories depending on our impact - central, meaningful, general or irrelevant. The targets identified as central or meaningful were further categorised as relevant either for Kinnevik and/or our portfolio in general or for specific portfolio companies, as well as whether or not Kinnevik or our companies actively contribute to them. The targets categorised as central, relevant to Kinnevik and/or our portfolio in general and which we contribute to actively, a total of nine targets, are mapped against our material topics and listed on page 41.

Boundaries of Reporting

Kinnevik's Sustainability Report is published annually and is integrated in the Annual Report. The Sustainability Report 2023 refers to the period 1 January to 31 December 2023 and was published on Kinnevik's website on 4 April 2024. Contact point for questions regarding the report is Torun Litzén, Kinnevik's Director of Corporate Communications, +46 70 762 00 50.

Our strategy involves being a leading shareholder in our companies with a sizeable minority shareholding which provides us with influence over outcomes. This means that while we can exercise influence over our companies, mainly through Board representation, we do not have direct control over them. The topics identified as material for our investee companies relate to our companies at a group parent level. The focus of this report is on the sustainability performance, structures and initiatives in Kinnevik's own operations. Additional information on the portfolio companies is provided on an aggregated level and in the form of case studies on specific initiatives.

The portfolio-level KPIs outlined on page 43 are a quantitative representation of our portfolio's sustainability performance and a tool to measure progress. They do not cover the full extent of Kinnevik's or our portfolio companies' efforts. Many of our companies are in the early stages of their operational and sustainability development, which is reflected in the outcome of the KPIs. We cannot expect all companies to fully meet our expectations with regards to sustainability at the point of investment, and we define a clear roadmap for our new companies (read more on page 16).

MATERIALITY ANALYSIS AND STAKEHOLDER DIALOGUE

Process for Identifying Material Topics

Kinnevik conducted an updated materiality analysis in 2022 with the aim of identifying our material topics from a double materiality perspective. We did this by identifying a long list of over 20 relevant sustainability matters derived from a longer list of matters based on the complete GRI and sector-specific SASB standards. Each matter on the long list was rated from an outside-in and inside-out perspective, assessing both Kinnevik's current and future potential impact, and the current and potential future impact on Kinnevik. Negative and positive impact on people, planet and the economy were considered. Each matter was assigned a score of 1-6 based on its overall significance, and matters with a score of 5 or higher were considered material.

To verify our results, we held a structured dialogue with our key stakeholder groups: shareholders, sell-side analysts, portfolio companies, the Kinnevik Board and the Kinnevik team. The long list of matters was discussed with each stakeholder group from a double materiality perspective. The material topics as identified by Kinnevik were largely confirmed by the stakeholder dialogue and are presented on the right-hand side of this page. The identified material topics have been discussed and agreed in Kinnevik's management team and by the Board of Directors. The Board bears the ultimate responsibility for the materiality analysis. During 2023 we have reviewed the materiality analysis and concluded that it continues to be relevant.

The four material topics reflect the areas where we see the largest risks related to sustainability and where we need to continuously manage our negative impact, both at Kinnevik and in our portfolio. Kinnevik has sustainability targets tied three of our material topics, see page 14.

The EU's Corporate Sustainability Reporting Directive ("CSRD") does not initially apply to Kinnevik. In the spring of 2024, we aim to conduct a double materiality assessment in compliance with the European Sustainability Reporting Standards ("ESRS")

to start reporting according to the CSRD requirements for the 2025 fiscal year, with the first report to be published in 2026.

Summary of Findings from Stakeholder Dialogue

One of the most important topics raised across stakeholder groups is Kinnevik's role in creating real positive impact through our portfolio. As an investor, we have an opportunity to create positive impact through our capital allocation decisions and our active engagement with our companies. Our stakeholders think we should invest in companies with a strong mission and support them in crystallising their positive impact on the world. Our portfolio companies and shareholders in particular want us to focus on implementing strong ESG strategies in our companies, establishing a social licence to operate, and integrating it into companies' core business strategies. It is critical to be bespoke and support each company individually in ways that create business value.

A topic raised by shareholders, sell-side analysis and employees is Kinnevik's ability to attract and retain top talent, which is broadly seen as a key success factor. This requires offering the right incentives, and a culture and way of operating that resonate with people's personal beliefs. While we have already made a strong impact on DEI related to gender, stakeholders believe we have more work to do on ethnicity and other aspects of diversity.

Climate and decarbonisation were highlighted by all stakeholder groups as the most pressing challenge facing humanity globally, and investing to combat climate change can be a real differentiator for Kinnevik.

Our Board and sell-side analysts particularly highlighted the importance of implementing sound governance structures in our, often early-stage, companies. Employment conditions, human rights, anti-discrimination and broader business ethics should also remain a high priority for Kinnevik.

Kinnevik's Material Aspects	Contributing to the UN SDGs		
ACTIVE OWNERSHIP Maximise positive impact and implement ambitious ESG strategies across the portfolio	TARGET 17-16  ENHANCE THE GLOBAL PARTNERSHIP FOR SUSTAINABLE DEVELOPMENT	TARGET 8-1  SUSTAINABLE ECONOMIC GROWTH	TARGET 8-2  DIVERSIFY, INNOVATE AND UPGRADE FOR ECONOMIC PRODUCTIVITY
CLIMATE IMPACT Meaningfully reduce our greenhouse gas emissions and contribute to global net zero	TARGET 13-2  INTEGRATE CLIMATE CHANGE MEASURES INTO POLICIES AND PLANNING	TARGET 12-6  ENCOURAGE COMPANIES TO ADOPT SUSTAINABLE PRACTICES AND SUSTAINABILITY REPORTING	
DIVERSITY, EQUITY & INCLUSION Contribute to a more diverse, equitable and inclusive world	TARGET 5-5  ENGAGE FULL PARTICIPATION IN LEADERSHIP AND DECISIONMAKING	TARGET 8-8  PROTECT LABOUR RIGHTS AND PROMOTE SAFE WORKING ENVIRONMENTS	
CORPORATE GOVERNANCE Ensure sound business conduct structures and strong financial robustness	TARGET 8-1  SUSTAINABLE ECONOMIC GROWTH	TARGET 16-5  SUBSTANTIALLY REDUCE CORRUPTION AND BRIBERY	TARGET 16-6  DEVELOP EFFECTIVE, ACCOUNTABLE AND TRANSPARENT INSTITUTIONS

KEY GOVERNANCE POLICIES

Kinnevik's Key Governance Policies

These policies have been communicated to all employees and are available on our website. The policies are subject to a yearly review and are approved yearly by the Board.

- **Code of Conduct:** outlines Kinnevik's commitment to conducting business to the highest ethical standards and with respect for people and the planet. Includes provisions on anti-bribery, corruption and business ethics. The policy covers the overarching topics of the UN Convention Against Corruption. Kinnevik does not plan to implement the convention separately.
- **Sustainability Policy:** outlines Kinnevik's expectations on how its portfolio companies should manage their impact in relation to Kinnevik's material sustainability topics, which align with the UN 2030 Agenda for Sustainable Development. The policy includes climate-related issues and how to manage material impact from such issues on Kinnevik and our portfolio.
- **Lobbying Policy:** outlines Kinnevik's processes and procedures in relation to local government authorities and key policy makers.
- **Tax Policy:** outlines Kinnevik's approach to tax procedures.
- **Whistleblower Policy:** outlines the procedures for any complaint or concern about any wrongdoing in relation to Kinnevik. Further, the policy includes a zero tolerance for reprisals against any person reporting potential violations via the whistleblower service.

All employees, representatives of Kinnevik and third parties engaged with Kinnevik are expected to fully comply with our governance policies. Kinnevik has an onboarding process for new employees that introduces them to the policies and procedures. Kinnevik conducts mandatory annual Code of Conduct training, including anti-corruption and anti-bribery, for all employees. All managers are responsible for ensuring that their team members

complete the annual Code of Conduct training and attend any additional compliance and policy-related training. Kinnevik only accepts 100 percent participation and completion.

The Code of Conduct is shared with all relevant suppliers on a yearly basis whereby their obligation to comply with the policy is clarified. Taking a risk-based approach, given that most of Kinnevik's direct suppliers are large professional services firms such as audit and law firms, we do not perform further supply chain compliance activities at Kinnevik level. More information on how Kinnevik works to ensure its portfolio companies apply a robust supply chain compliance process is available on page 33.

As outlined in the Whistleblower Policy, Kinnevik expects all employees, as well as any relevant third parties, to come forward and voice all serious concerns about any aspect of Kinnevik's work, including the areas of human rights, labour, environment, anti-corruption and anti-discrimination. Kinnevik's whistleblowing service is managed by the external party WhistleB. All reports received via the external service are handled confidentially by the Chairman of the A&S Committee, if needed with the assistance of Kinnevik's General Counsel. The Chairman of the A&S Committee promptly assesses if an investigation should be initiated upon receiving a report and is in such cases allowed to involve relevant Senior Executives and/or external advisors to ensure independence and objectivity. In 2023, Kinnevik did not receive any whistleblower reports through WhistleB and no substantial incidents were reported to the company through any other means of communication. No actions have been taken for any corruption or bribery-related incidents in 2023.

Corporate Policies on DEI and Employee Well-Being

Kinnevik's policies, processes and rules relating to diversity, equity and inclusion as well as employee well-being, health & safety and benefits including related management of impacts on our own workforce are outlined in Kinnevik's corporate policies. These include the Employee Handbook, the Talent Management Policy and the Work Environment Handbook and apply to all Kinnevik

employees. Below is a summary of the key aspects related to diversity, equity and inclusion at Kinnevik.

- **Equal opportunities:** advancement within Kinnevik shall be based on merit. All Kinnevik employees and candidates shall have equal opportunities based on competencies, experience and performance regardless of age, race, gender, religion, nationality, disability, sexual orientation, marital or parental status, political opinion, union membership or ethnic background. This applies to recruitment, promotion, training and all other types of development steps in the company.
- **Fair and equal pay:** no Kinnevik employee shall be paid less than the minimum total wage required by applicable law and all employees shall receive equal pay for equal work.
- **Anti-victimisation, harassment and bullying:** Kinnevik is committed to promoting and ensuring a working environment where individuals are treated with respect. Victimisation, harassment and/or bullying, such as racial or sexual harassment, and harassment due to disabilities or on the grounds of sexual orientation or religious beliefs, are unacceptable and will not be tolerated. Such conduct will not be ignored, and any complaints will be taken seriously and investigated as a matter of urgency.
- **Parents and flexible working:** all Kinnevik employees shall be able to combine parenthood and work under equal conditions. The rules and regulations for parental pay differ between countries. However, all permanent Kinnevik employees, regardless of gender, office location and caretaker status, are entitled to paid parental leave of up to 39 weeks and during this period employees will receive 100 percent of their ordinary fixed salary. Kinnevik supports appropriate flexible working both in relation to working hours and working locations.

PORTFOLIO-LEVEL KPIs

	2023				2022	
	Actual		Comparable		Comparable	
	Share of # Companies	Share of Portfolio Value Q4 2023	Share of # Companies	Share of Portfolio Value Q4 2023	Share of # Companies	Share of Portfolio Value Q4 2022
ENVIRONMENT						
Measures GHG emissions for scope 1 and 2	32%	49%	35%	49%	32%	45%
Measures GHG emissions for relevant scope 3 categories	29%	46%	32%	46%	29%	43%
Has set relevant GHG reduction targets in line with 1.5 degree pathway/Paris Agreement	18%	35%	19%	35%	16%	33%
Integrates climate change into overall strategy discussions with the Board and/or relevant sub-committees	9%	30%	10%	30%	13%	31%
SOCIETY						
Has implemented a Supplier Code of Conduct based on international standards	53%	69%	55%	68%	26%	42%
Has incorporated anti-corruption principles in the Company's policies	65%	83%	71%	83%	65%	84%
Reports on occupational health incidents to the Board	94%	96%	97%	95%	81%	85%
Conducts periodic employee surveys	97%	98%	100%	97%	94%	93%
Has incorporated anti-discrimination principles in the Company's policies	88%	96%	87%	94%	77%	89%
Has conducted/provided training for management on DEI related topics	85%	94%	90%	94%	84%	85%
Has set time-based DEI targets and KPIs	79%	92%	87%	92%	68%	83%
GOVERNANCE						
Has implemented a Code of Conduct across its organisation	79%	95%	84%	94%	77%	90%
Has implemented a whistleblowing system	47%	72%	52%	72%	45%	75%
Has conducted a risk assessment including rating risks based on likelihood and impact	35%	71%	39%	71%	32%	65%
Has a defined risk limits statement to monitor risk levels	12%	34%	13%	34%	13%	33%
Sustainability is a standing item on the Board agenda	65%	91%	71%	91%	45%	71%
Senior management is incentivised based on sustainability performance	9%	32%	10%	32%	10%	31%
Conducts regular compliance training	82%	96%	87%	95%	81%	90%

Note: The actual KPIs include the companies in Kinnevik's portfolio as of 31 December 2023. The comparable KPIs for 2023 and 2022 are based on the same set of companies, namely the companies in Kinnevik's portfolio as of 31 December 2023, excluding the companies invested in during 2023. All KPIs exclude emerging markets companies and fund investments.



Unleashing the power of local social entrepreneurs for children and youth

Kinnevik is one of the founding partners of Reach for Change, an international non-profit founded in Sweden. Reach for Change envisions a world where all children and youth reach their full potential. Reach for Change is working towards this vision by unleashing the power of local social entrepreneurs and enabling them to go from ideas to innovative solutions and sustainable organisations. As a cornerstone partner Kinnevik is committed to supporting this remarkable foundation in achieving its impact goals and leading a global movement of social entrepreneurship. Kinnevik provides not only financial support, but also strategic and operational support through being members of the Global Board and co-working engagement. Kinnevik team members have the opportunity to coach, mentor and assist the entrepreneurs directly.

Next in Mind

With rising mental health challenges, emerging adults are left particularly vulnerable and struggle to reach their full potential. In fact, no other age group reports as many challenges as 18-29 year-olds while also having a hard time accessing affordable and appropriate support. This needs to be changed.

**THIS IS
A CALL
TO ACTION.**

Reach for Change, The Inner Foundation, and the Tim Bergling Foundation co-founded Next in Mind, as a response to the rising mental health crisis of emerging adults in the Nordics. The initiative offers an incubator program that focuses on developing and scaling social entrepreneurs. Also it gathers, empowers and facilitates co-created advocacy activities to impact the systems of support for mental wellbeing solutions in the Nordics.

Kinnevik is a proud supporter of Next in Mind and will act as a knowledge partner in scaling social innovations with the power to transform mental health support. Kinnevik also supported this initiative financially with our Christmas gift at the end of 2023.

In 2023, the social entrepreneurs, supported in the incubator and scaling readiness programs of Reach for Change, reached over

40.000

children and youth in Sweden, Latvia, Bulgaria and Ghana.

Next in Minds, the unique, first-of-its-kind initiative to strengthen the region's most innovative solutions supporting improved mental health among emerging adults, attracted over

140

organisations to apply. 20 of them will be selected to receive support to scale their innovations.



Kinnevik Christmas gift 2022 contributed to the organisation of the Pre-Event festival for mental health, initiated by the social organisation Drömstort.

“You were among the first companies to meet with us and learn about our plans to break the loneliness of Christmas holidays and combat mental health challenges”.- Kassim Nagwere, the founder of Drömstort.

KINNEVIK RECEIVED TRIPLE RECOGNITION IN 2023 FOR OUR LEADERSHIP IN SUSTAINABILITY

The leading VC investor in Honordex Inclusive Index 2023

Kinnevik ranked first in the VC category in the Honordex Inclusive PE & VC Index 2023. This is a testament to our hard work, dedication and commitment towards equality, diversity and inclusion.

Honordex Inclusive PE & VC Index 2023 is an essential platform for measuring the social sustainability performance of funds and benchmarking against peer organizations. Over 300 funds were evaluated on their DEI efforts, and Kinnevik's efforts secured a top 10 spot in the index.



Equileap ranked Kinnevik among top companies in Sweden for gender equality, the only investor on the top 10 list

Kinnevik was rated as a top performer overall and the only investor on the top 10 list in Sweden. Equileap also specifically praised Kinnevik's global parental leave policy.

Equileap is the leading organisation providing data and insights on gender equality in the corporate sector. They research and rank 4,000 public companies around the world using a unique and comprehensive Gender Equality Scorecard™ across 19 criteria, including the gender balance of the workforce, senior management and Board of Directors, as well as the pay gap and policies relating to parental leave and sexual harassment.



Kinnevik achieved an A- score in CDP for 2023, placing us in the top 5 percent of the 23,000 reporting companies

After having received a B and B- score in the last two years, Kinnevik received an A- score for our disclosure to CDP in 2023. This is a testament to our efforts in climate action and transparency.

CDP is the global gold standard of environmental reporting. The CDP is closely interlinked with the TCFD and was developed on the premise that investors should have access to all relevant information to make informed investment decisions. The CDP covers a company's overall risk management process, governance structures, emissions reduction initiatives and alignment and transition plan towards a low-carbon future. 23,000 companies globally submitted a response to CDP for 2023.



"It's not despite, but because of the many uncertainties facing businesses today, that now is the time to raise the bar in sustainability. Kinnevik's long-term view means that we are building businesses for generations, not just the coming quarters.

We are proud and humbled by these awards, but there's always more work to do and we have an ambitious agenda for the coming years."

Georgi Ganev
CEO of Kinnevik

REPORTING & TRANSPARENCY



SUSTAINABILITY-LINKED FINANCING

Kinnevik published a Sustainability-Linked Financing Framework (the "Framework") in 2021 as a next step in our commitment to be a sustainability leader, by integrating our ambitions into our financing solutions. The Framework is aligned with the Sustainability-Linked Bond Principles as published by the International Capital Market Association (ICMA) in 2020, and the Sustainability Linked Loan Principles, as published by the Loan Market Association (LMA), the Asia Pacific Loan Market Association (APLMA) and the Loan Syndications and Trading Association (LSTA) published in 2021. Under this Framework, Kinnevik may issue Sustainability-Linked Securities including but not limited to bonds and loans.

As the majority of Kinnevik's potential sustainability impact lies at portfolio level through Kinnevik's active ownership, the KPIs and annual sustainability performance targets ("SPTs") included in the Framework relate to the portfolio and reflect already established sustainability targets in accordance with Kinnevik's Sustainability Strategy, see page 14.

In November 2021, Kinnevik announced that it had issued SEK 2.0bn in new sustainability-linked bonds in the Nordic bond market under the Framework (ISIN SE0013360534 and ISIN SE0013360542). The final redemption price of the sustainability-linked bonds depends on Kinnevik's ability to meet the SPTs

listed in the table below.

All three SPTs are measured annually. Hence, the 2023 performance against the selected climate KPI and SPT requires that our portfolio companies report on their 2023 emissions. As this data is yet to be received, we will report on performance against the climate SPT in our Climate Progress Report to be published by 30 June 2024.

The Framework is available on our website. During 2021, a sustainability link was also incorporated into Kinnevik's SEK 5bn Revolving Credit Facilities.

	Climate Impact	Diversity, Equity & Inclusion	Corporate Governance
KPI	Reduction in greenhouse gas emission intensity from Kinnevik's portfolio year on year	New capital allocation to female founded or led companies	Annual average ESG Score across portfolio
SPT	7 percent reduction in greenhouse gas emission intensity from Kinnevik's portfolio from year to year, resulting in a total reduction of 50 percent by 2030 compared to 2020	On a two-year rolling basis, at least 10 percent of the capital invested into new companies by Kinnevik should be invested in female founded or led companies	5-percentage-point improvement in annual average ESG score from year to year across portfolio
Rationale	The lion's share of our emissions comes from scope 3, i.e. from our portfolio companies. As an active owner, we need to use our influence to ensure our portfolio companies are prepared for a low-carbon economy and sustainable growth.	More than 95 percent of global investments still go to all-male founding and management teams. As part of our ambition to be Europe's leading growth investor, we recognise our shared responsibility to close the gender funding gap.	As an active owner, it is our responsibility to ensure our portfolio companies stay focused on the entire spectrum of ESG and show continuous results.
2023 Performance	To be confirmed - As portfolio companies are yet to report on their 2023 emissions, we will report on performance in our Climate Progress Report published by 30 June 2024	Not achieved - 2022-2023: 7 percent On a two-year rolling basis, 2022-2023, we have invested 7 percent of the capital invested into new companies in female founded or led companies.	Achieved - 2022: 51 percent 2023: 61 percent We have achieved a 10-percentage-point improvement from 2022 to 2023 on a comparative basis.

	Environmental responsibility and reduced climate impact	Social equality and good corporate citizenship	Sound governance structures and economic growth
Methodology	<p>Performance against the SPT is based on change in intensity per company from previous year which requires that (i) a portfolio company has measured and reported on their GHG emissions for at least two years in a row and (ii) been part of Kinnevik’s portfolio during this period. The calculation consists of three steps:</p> <ol style="list-style-type: none"> 1. The GHG intensity for each individual reporting portfolio company is calculated by dividing total GHG emissions by an individually selected denominator. 2. The year-on-year percentage change in GHG intensity is calculated for each individual reporting portfolio company. 3. The year-on-year change in intensity for all reporting portfolio companies is aggregated and weighted by reported fair value at the end of the reporting period, resulting in a weighted change in GHG intensity compared to the previous year. 	<p>Performance against the SPT is based on the amount of capital invested into new companies being female founded or led companies divided by the total amount of capital being invested into new companies on a two-year rolling basis.</p> <p>A company qualifies as a female founded company if, at the time of investment -</p> <ul style="list-style-type: none"> • at least 50 percent of the founding team active in the company are women, or • at least 1/3 of the founding team active in the company are women and serve in the most senior level of the company, or • a woman co-founder also serves as CEO or Chairman of the Board. <p>“Active in the company” is defined as still working operationally for the company or serving on the Board.</p> <p>A company qualifies as a female led company if, at the time of investment -</p> <ul style="list-style-type: none"> • at least 50 percent of the senior management team are women, or • a woman serves as CEO and at least 30 percent of the senior management team are women. 	<p>Kinnevik performs a yearly assessment of all our portfolio companies based on the Kinnevik Standards. As part of this assessment, Kinnevik scores the companies on their fulfilment of the Standards. Each standard is in turn weighted based on Kinnevik’s view of the importance of the same. The assessments are performed by the Kinnevik sustainability team through interviews with the companies and our Board representatives.</p> <p>The Standards include 84 metrics which in turn are split into two levels, one for small companies (equity value of < USD 750m) and one for large companies (equity value of >USD 750m), with the latter being more comprehensive and advanced. While small companies are only scored against the small company standards, large companies are scored on both small and large company standards. When a company is re-classified as a large company, we score the company as both a small and large company to have comparable scores between years. Should a standard not be deemed applicable to a certain company’s business model and/or sector/market, it is up to the sustainability team to decide whether such company should be scored against that standard or not. Fund investments are not included in the yearly assessment.</p>
Portfolio Coverage	<p>For 2023, we expect 39 percent of our portfolio companies to have measured their greenhouse gas emissions for at least two consecutive years.</p> <p>The SPT relates to a year-on-year change. Only portfolio companies that were in Kinnevik’s portfolio during the two previous years at the Target Observation Date will be included.</p>	<p>The SPT includes the entire amount of capital being invested into new companies during the current two-year rolling period, full year 2022 and 2023.</p>	<p>The SPT refers to change in the average ESG score of the portfolio from the previous year, meaning that only companies which were in Kinnevik’s portfolio during the full year of 2022 and 2023 will be included in the calculation. Hence, the 2023 SPT includes all Kinnevik’s portfolio companies as of 31 December 2023 excluding companies sold in 2023 and the new companies invested in during 2023 (Enveda, Aira and Charm Industrial).</p>

CLIMATE-RELATED RISKS, OPPORTUNITIES AND SCENARIO ANALYSIS

The effects of climate change are clearly visible and will have an increasingly tangible impact on Kinnevik and our portfolio. Implementing the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”) enables us to identify, assess and manage our most material climate-related risks and opportunities.

Kinnevik are official supporters of the TCFD and have implemented its recommendations. Our first TCFD Report was published in June 2020, and we have subsequently published updated versions yearly. The summary of our most material climate-related risks and opportunities and our scenario analysis is available on the following pages. More details on the conclusions of analysis are available on Kinnevik’s website.

For ease of reference, to the right is an overview of the TCFD recommendations and page number where the information can be found in Kinnevik’s Sustainability Report 2023.



GOVERNANCE	STRATEGY	RISK MANAGEMENT	METRICS AND TARGETS
Disclose the organisation’s governance around climate-related risks and opportunities.	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation’s businesses, strategy and financial planning where such information is material.	Disclose how the organisation identifies, assesses and manages climate-related risks.	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

RECOMMENDED DISCLOSURES

a) Describe the Board’s oversight of climate-related risks and opportunities.	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	a) Describe the organisation’s processes for identifying and assessing climate-related risks.	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.				
Page	35-37	Page	50-51	Page	38	Page	22-24

b) Describe management’s role in assessing and managing climate-related risks and opportunities.	b) Describe the impact of climate-related risks and opportunities on the organisation’s businesses, strategy and financial planning.	b) Describe the organisation’s processes for managing climate-related risks.	b) Disclose scope 1, scope 2, and, if appropriate, scope 3 greenhouse gas (GHG) emissions, and the related risks.				
Page	35-37	Page	50-51	Page	38, 50-51	Page	22-24

	c) Describe the resilience of the organisation’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation’s overall risk management.	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.			
	Page	50-51	Page	38	Page	22

Methodology and Process

Our first assessment of Kinnevik's climate-related risks and opportunities was conducted in 2020. Kinnevik's CEO convened a workshop for Kinnevik's management team and sustainability team. The potential implications of climate change on Kinnevik's business, strategy and financial planning were discussed. Each of Kinnevik's sectors and sub-sectors was analysed individually, with particular emphasis on the companies with the highest climate-related risks and opportunities, as well as those that are most material in terms of share of our portfolio value.

In 2021, we discussed each portfolio company together with the investment team to assess key risks and opportunities under two different climate scenarios. In 2022, we updated our analysis to reflect changes in our portfolio, mainly the distribution of our Zalando holding and increased exposure to the healthcare sector, as well as the most recent science and research on the expected effects of climate change, including the IPCC's Sixth Assessment Report. In 2023, we used the S&P Global Climonomics Platform to model our portfolio's exposure to physical climate risks (such as flooding, wildfires, drought etc.), and the financial risk resulting from, for example, potential damage to assets and disruption to supply chains.

The 2023 assessment covers the most relevant sectors across Kinnevik's portfolio, represented by 15 companies constituting 80 percent of Kinnevik's portfolio value as of 31 December 2023. The results of the yearly updated climate risk assessment have been shared with the Audit & Sustainability Committee on a yearly basis. More details on the conclusions of analysis are available on Kinnevik's website.

The assessment of climate-related risks and opportunities has been done from Kinnevik's perspective as an owner and focuses on the implications for Kinnevik's business, strategy and financial planning, as opposed to assessing each portfolio company individually.

Summary Implications on Kinnevik's Business, Strategy and Financial Planning

Transition risks related to market, reputation and policy & legal are the most material climate-related risks for the Kinnevik portfolio. Increasing awareness about climate change will continue to impact customer preferences, leading to increased demand for products and services with a low climate impact. The risk of not being able to meet these demands by making the transition to a low-carbon economy may have a significant impact on our companies' competitiveness. There is also a risk of reputational damage and greenwashing allegations if the envisioned climate benefits of certain products do not materialise as expected. Market and reputation risk is mostly relevant for our businesses operating in food, last mile delivery, travel, consumer finance, climate tech and telecom.

All our companies are to some degree exposed to transition risks stemming from increased pricing of greenhouse gas emissions and increased emissions reporting obligations. These risks are even more relevant and topical today compared to when we did our initial analysis in 2020.

Chronic physical risks have become more prominent in recent years. The most relevant chronic risk is related to temperature extremes and to some degree fluvial flooding. Kinnevik's most material exposure to temperature extremes sits in the US, followed by Sweden and Norway. This is also reflected in the overall composition of Kinnevik's portfolio.

We estimate that 12 of the 15 companies included in our analysis are exposed to transition risks and 10 are exposed to physical risks (representing 68 percent and 62 percent of portfolio value as of 31 December 2023). For Kinnevik, the severity of transition risks is considerably higher compared to physical risks, as most of Kinnevik's companies do not directly own any physical assets and have low dependency on complex supply chains.

Meanwhile, we see several opportunities related to climate change, as our strategy is to invest in technology-enabled and disruptive businesses. The main opportunity is to be consumers' preferred choice by taking the lead in developing products and services with a low or positive climate impact. Compared to more analogue business models, our companies are in a good position to accelerate the pace of transformation to meet the growing demands of their increasingly climate-conscious customer base. In the last few years, Kinnevik has also started to invest into climate tech businesses, leading the global decarbonisation effort.

We estimate that 10 of the companies included in our analysis are aligned with climate-related opportunities (representing 54 percent of portfolio value at 31 December 2023). These opportunities relate to efforts to mitigate and adapt to climate change, such as resource efficiencies and cost savings, development of new products and services and access to new markets.

Influencing the Transition to a Low-Carbon Economy

Kinnevik is actively working with its portfolio companies to support them in measuring emissions, setting climate targets, reducing their environmental impact and improving climate-related disclosures. We view the fight against climate change as a business opportunity and support our companies on their transformational journey towards making sustainability part of their core offering and business strategy. Read more about our engagement model on page 16 and about how we work actively with our companies in developing their climate strategies on page 26.

Scenario Analysis

Kinnevik's scenario analysis was conducted using two Representative Concentration Pathways, reflecting two different climate outcomes: the Stringent Mitigation Scenario (RCP2.6) where emissions decline and become negative by the end of the century

resulting in a global mean temperature increase of 1.7 degrees by 2100, and the Very High Emissions Scenario (RCP8.5) where emissions continue to rise, ending up at three times higher than the present, resulting in a global mean temperature increase of 4.6 degrees by 2100. These were considered in combination with two Shared Socioeconomic Pathways.

As our strategy is to invest in digital companies operating primarily a marketplace model, our portfolio generally has low dependency on complex supply chains, physical assets and fossil fuels. Hence, our strategy shows relative resilience in a Very High Emissions Scenario. However, in this scenario the overall benefits of sustainability and low-emissions services are not recognised by consumers, impacting businesses trying to use sustainability as a competitive advantage.

As an investor in consumer-facing sectors, Kinnevik is exposed to a broad set of transition risks in the Stringent Mitigation Scenario, particularly related to market and reputation, i.e. shifting consumer behaviour because of increased climate consciousness and reputational risk related to greenwashing allegations. We are also exposed to increasing regulation and climate-related disclosure requirements. Meanwhile, the RCP2.6 scenario also offers the largest climate-related opportunities for Kinnevik's companies to take the lead with more sustainable solutions.

In 2023, Kinnevik conducted a quantitative analysis of our portfolio's exposure to physical climate risks in financial terms, showing that temperature extremes is the most prominent physical risk to the portfolio in both RCP scenarios. However, the likelihood and impact of transition risks is considerably higher than physical risks in both scenarios.

Based on our analysis, the scenario with the largest potential negative impact on Kinnevik's business, strategy and financial planning is RCP8.5. The most favourable scenario is conversely RCP2.6, as the climate-related opportunities in our portfolio in this potential future would likely outweigh the transition risks.

Overview of key risks and opportunities per Kinnevik sector

	RISKS						OPPORTUNITIES				
	TRANSITION				PHYSICAL						
	Policy & Legal	Technology	Market	Reputation	Acute	Chronic	Resource Efficiency	Energy Source	Products & Services	Markets	Resilience
Timeline (time until realisation)	SHORT	MID	SHORT	SHORT	SHORT	LONG	SHORT	SHORT	SHORT	SHORT	N/A
Classification	LOW	MID	MID	HIGH	LOW	LOW					
Value-Based Care	•					•					
Virtual Care						•					
Platform & Marketplaces	Food	•	•	•	•	•	•		•	•	
	Last Mile	•	•	•	•	•			•	•	
Software	SaaS	•	•						•		
	Travel	•	•	•		•			•		
Consumer Finance	•		•	•					•		
TechBio						•					
Climate Tech	•	•	•	•		•		•	•	•	
Telecom	•	•	•	•	•	•	•	•	•		

Timeline: **SHORT TERM** <3 years
MID-TERM 3-5 years
LONG TERM 5-30 years

Note: Timeline and classification refer to overall portfolio level and are not sector-specific. More information about the risk classifications is available on page 38.

Classifications: **LOW** Monitor development to ensure risk exposure remains low
MID Mitigate and monitor risks to maintain current level of risk exposure
HIGH Implement mitigating actions to reduce exposure

GRI CONTENT INDEX

Kinnevik has reported in accordance with the **GRI Standards 2021** for the period 1 January 2023 to 31 December 2023. A description of how we identified the Material Topics is available on page 41. The Sustainability Report 2023 has been subject to a limited assurance review, see statement on page 56.

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION - PAGE NUMBER	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GENERAL DISCLOSURES					
	2-1 Organizational details	58			
	2-2 Entities included in the organization's sustainability reporting	58-59, 80			
	2-3 Reporting period, frequency and contact point	40			
	2-4 Restatements of information	-			No significant restatements have been made
	2-5 External assurance	56			
	2-6 Activities, value chain and other business relationships	7, 11, 16			Kinnevik's purchases include services and products to office operations in Stockholm and London and consultancy services in relation to the acquisition and sales processes as well as development procedures. Suppliers operate primarily in the Nordic countries, the UK and the US.
	2-7 Employees	31-32			
	2-8 Workers who are not employees	-			Not applicable
	2-9 Governance structure and composition	35-37, 63-68			
	2-10 Nomination and selection of the highest governance body	63-66			
GRI 2: General Disclosures 2021	2-11 Chair of the highest governance body	63-65, 67			
	2-12 Role of the highest governance body in overseeing the management of impacts	35, 37, 65, 67			
	2-13 Delegation of responsibility for managing impacts	35-37, 65, 67			
	2-14 Role of the highest governance body in sustainability reporting	35-37, 41, 65, 67			
	2-15 Conflicts of interest	67-68			Any relevant conflicts of interest are assessed, prevented and mitigated in line with Swedish law and generally accepted sound practice on the securities market, including the Swedish Corporate Governance Code.
	2-16 Communication of critical concerns	42			
	2-17 Collective knowledge of the highest governance body	41, 67-68			The Board is continuously updated and educated on Kinnevik's sustainability strategy and underlying relevant topics through regular updates from the Audit & Sustainability Committee and the sustainability team.
	2-18 Evaluation of the performance of the highest governance body	65			
	2-19 Remuneration policies	65, 100-106			
	2-20 Process to determine remuneration	100-102			
	2-21 Annual total compensation ratio	-			Part of the Remuneration Report 2023 to be included in the Notice for the 2024 Annual General Meeting.

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION - PAGE NUMBER	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	13-38			
	2-23 Policy commitments	16, 19, 42			Kinnevik applies the precautionary principle, see our Sustainability Policy on www.kinnevik.com .
	2-24 Embedding policy commitments	14, 16, 19, 30, 33, 42			
	2-25 Processes to remediate negative impacts	22, 33, 42			The effectiveness of Kinnevik's whistleblower service is evaluated based on any potential new whistleblower regulations as well as inbound requests/complaints.
	2-26 Mechanisms for seeking advice and raising concerns	42			
	2-27 Compliance with laws and regulations	35-38			During 2023, no fines or non-monetary sanctions were incurred or paid due to any non-compliance with laws and regulations.
	2-28 Membership associations	-			Stockholm Chamber of Commerce, Stockholm School of Economics and Reach for Change.
	2-29 Approach to stakeholder engagement	41			
	2-30 Collective bargaining agreements	-			No employees are covered by such agreements. However, freedom of assembly and association is clearly stated in our Code of Conduct.
MATERIAL TOPICS					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	41			
	3-2 List of material topics	14, 41			
GOVERNANCE					
GRI 3: Material Topics 2021	3-3 Management of material topics	16, 35, 41			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	35			
	201-2 Financial implications and other risks and opportunities due to climate change	49-51			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	19, 43			
	205-2 Communication and training about anti-corruption policies and procedures	37-38, 42			Kinnevik's Code of Conduct covers anti-corruption and is communicated to all employees and Board members. Kinnevik conducts mandatory annual Code of Conduct training for all employees. The Code of Conduct is shared with all relevant suppliers on a yearly basis whereby their obligation to comply with the policy is clarified. Given that most of Kinnevik's direct suppliers are large professional services firms, we do not perform further supply chain compliance activities at Kinnevik level. There is no data available on how many employees in the portfolio companies have received anti-corruption training.
	205-3 Confirmed incidents of corruption and actions taken	42			

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION - PAGE NUMBER	OMISSION	
			REQUIREMENT(S) OMITTED	REASON
ENVIRONMENT				
GRI 3: Material Topics 2021	3-3 Management of material topics	16, 22, 41		
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	27		
GRI 305: Emissions 2016	305-1 Direct (scope 1) GHG emissions	22-23		Company-owned vehicles
	305-2 Energy indirect (scope 2) GHG emissions	22-23		Power consumption and district heating
	305-3 Other indirect (scope 3) GHG emissions	22-24		Primarily Kinnevik's business trips and portfolio companies' emissions
	305-4 GHG emissions intensity	22		
	305-5 Reduction of GHG emissions	22-23, 25-26		
SOCIAL				
GRI 3: Material Topics 2021	3-3 Management of material topics	30-32, 41-42		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	32		
	401-3 Parental leave	32		
GRI 404: Training and Education 2016	404-3 Percentage of employees receiving regular performance and career development reviews	31		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	31		
ACTIVE OWNERSHIP				
GRI 3: Material Topics 2021	3-3 Management of material topics	16, 19		
GRI-FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	16, 19, 43		All potential new investments into private companies are subject to a sustainability due diligence based on the Kinnevik Standards, which includes environmental and social issues.
GRI-FS11	Percentage of assets subject to positive and negative environmental or social screening	16, 19		All potential new investments into private companies are subject to a sustainability due diligence based on the Kinnevik Standards, which includes positive and negative environmental and social screening.
SASB: Employee Diversity & Inclusion	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	31		Kinnevik measures gender representation on all levels and ethnic minority background for all employees (on voluntary and anonymous basis).
SASB: Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulation	-		Kinnevik did not sustain any monetary losses in the reporting period as a result of legal proceedings associated with the conduct described.
	Description of whistleblower policies and procedures	42		Kinnevik has an external whistleblowing service managed by the external party WhistleB.
SASB: Incorporation of Environmental, Social and Governance Factors in Investment Management & Advisory	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies	16		Sustainability, including environment, social aspects and governance, is an integral part of our business model and investment process.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)

Below is an overview of the Sustainability Accounting Standards Board (SASB) standards relevant to Kinnevik's industry (Asset Management & Custody Activities) and page number where the information can be found in Kinnevik's Sustainability Report 2023.

Table 1. Sustainability Disclosure Topics & Accounting Metrics

TOPIC	ACCOUNTING METRIC	CODE	COMMENT	PAGE
Transparent Information & Fair Advice for Customers	(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations or other regulatory proceedings	FN-AC-270a.1	The topic and its associated metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-
	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers	FN-AC-270a.2	The topic and its associated metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-
	Description of approach to informing customers about products and services	FN-AC-270a.3	The topic and its associated metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-
Employee Diversity & Inclusion	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	FN-AC-330a.1	Kinnevik measures gender representation on all levels and ethnic minority background for all employees (on voluntary and anonymous basis).	31
Incorporation of Environmental, Social and Governance Factors in Investment Management & Advisory	Amount of assets under management, by asset class, that employ (1) integration of environmental, social and governance (ESG) issues, (2) sustainability-themed investing, and (3) screening	FN-AC-410a.1	The topic and its associated metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-
	Description of approach to incorporation of environmental, social and governance (ESG) factors in investment and/or wealth management processes and strategies	FN-AC-410a.2	Sustainability, including environment, social aspects and governance, is an integral part of our business model and investment process.	16
	Description of proxy voting and investee engagement policies and procedures	FN-AC-410a.3	The topic and its associated metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	FN-AC-510a.1	Kinnevik did not sustain any monetary losses in the reporting period as a result of legal proceedings associated with the conduct described.	-
	Description of whistleblower policies and procedures	FN-AC-510a.2	Kinnevik has an external whistleblowing service managed by the external party WhistleB.	42
Systemic Risk Management	Percentage of open-end fund assets under management by category of liquidity classification	FN-AC-550a.1	The topic and its associated metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-
	Description of approach to incorporation of liquidity risk management programs into portfolio strategy and redemption risk management	FN-AC-550a.2	The topic and its associated metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-
	Total exposure to securities financing transactions	FN-AC-550a.3	The topic and its associated metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-
	Net exposure to written credit derivatives	FN-AC-550a.4	The topic and its associated metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-

Table 2. Activity Metrics

ACTIVITY METRIC	CODE	COMMENT	PAGE
(1) Total registered and (2) total unregistered assets under management (AUM)	FN-AC-000.A	The metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-
Total assets under custody and supervision	FN-AC-000.B	The metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-

AUDITOR'S LIMITED ASSURANCE REPORT ON KINNEVIK AB'S SUSTAINABILITY REPORT

TO KINNEVIK AB (PUBL), CORPORATE IDENTITY NUMBER 556047-9742

Introduction

We have been engaged by the Board of Directors and Executive Management of Kinnevik AB (publ) to undertake a limited assurance engagement of Kinnevik AB's Sustainability Report for the year 2023. Kinnevik AB has defined the scope of the Sustainability Report to page 12-55 in this document.

Responsibilities of the Board of Directors and the Executive Management

The Board of Directors and the Executive Management are responsible for the preparation of the Sustainability Report in accordance with applicable criteria, as explained on pages 52-54 in the Sustainability Report, that are part of the Sustainability Reporting Guidelines published by GRI (The Global Reporting Initiative), that are applicable to the Sustainability Report, as well as the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or mistakes.

Auditor's Responsibility

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have per-

formed. Our assignment is limited to the historical information that is presented and does not cover future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report and applying analytical and other limited assurance procedures. A limited assurance engagement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

The firm applies ISQM 1 (International Standard on Quality Management) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent of Kinnevik AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The limited assurance procedures performed do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. The conclusion based on a limited assurance engagement does not provide the same level of assurance as a conclusion based on an audit.

Our procedures are based on the criteria defined by the Board of Directors and the Executive Management as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusions below.

Conclusion

Based on the limited assurance procedures performed, nothing has come to our attention that causes us to believe that the Sustainability Report is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Executive Management.

Stockholm, 3 April 2024

KPMG AB

Mårten Asplund

Authorised Public Accountant

Torbjörn Westman

Special member of FAR