

Significant sustainability issues and scope of reporting

Kinnevik's material topics were identified through an interactive stakeholder dialogue, coupled with peer benchmarking and industry best practice.

MATERIAL TOPICS

When determining our material topics, we have considered influence on stakeholder decisions and significance of economic, environmental and social impacts. The material topics comprise the key sustainability risks and opportunities that we believe are important to focus on, in our own operations and through our influence with our investee companies.

Based on our analysis of the focus areas identified through our stakeholder interactions, we consider the following topics to be material for Kinnevik:

- **Active ownership**
- **Sound governance and business practices**
- **Sustainable economic performance**
- **Team, diversity and well-being**
- **Environmental impact**

On the following pages we describe how we approach each material topic.

The identified material topics reflect our Corporate Responsibility Policy, in which we outline our expectations of our investee companies with regards to sustainability, and which draws reference from international guidelines such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

SCOPE AND BOUNDARIES OF REPORTING

This report covers the sustainability performance of Kinnevik for the period 1 January to 31 December 2018. As Kinnevik is not an operating company, the report does not include performance information on issues that are material only at an investee company level.

Kinnevik aims to have board representation in all its companies and a sizeable minority shareholding. This means that, while Kinnevik can exercise some influence over its investee companies, Kinnevik does not directly control its investee companies.

The issues identified as relevant for investee companies relate to those organisations at Group level, and does not consider issues which may be relevant for their local operations or subsidiaries.

The focus of this report is on sustainability arrangements in place at Kinnevik, and performance relating to issues from Kinnevik's own operations. Additional case study material is provided on specific initiatives at investee company level and further information on investee company performance can be found on the investee companies' websites.

Kinnevik's economic performance is directly influenced by the economic performance of our investee companies, and therefore economic performance is only covered in this report on a parent company level.

Kinnevik has determined the boundaries for each material topic based on where the impact occurs and Kinnevik's level of involvement. Active ownership concerns impact within our investee companies while the remaining material topics concern impacts within Kinnevik's own operations. Kinnevik directly contributes to and/or impacts all material topics through its own operations.