

Our approach to sustainability

Wherever we operate around the world, our focus is on building digital consumer businesses that make a positive difference to people's lives. As an active owner and lead investor, we have clear expectations on our investee companies to conduct their operations in a responsible and ethical manner.

Sustainability to Kinnevik is about creating long-term shareholder and social value by building well governed companies that contribute positively to society. Consequently, our definition of sustainability includes building sound GRC structures in our investee companies as well as promoting healthy social, environmental and economic systems.

The Board of Directors is responsible for Kinnevik's overall strategy, including how we approach sustainability as an integrated part of our value creation. To support the integration of sound GRC practices and our sustainability agenda into our companies, Kinnevik

has a dedicated GRC function. The purpose of the GRC function is to drive and track the implementation of GRC and sustainability structures in Kinnevik and our investee companies. In 2016, Kinnevik also established a GRC Committee, appointed by the Board of Directors, to assist the Board in monitoring such structures in Kinnevik and our investee companies.

Stakeholder dialogue

Maintaining a close dialogue with our principal stakeholder groups is a central part of Kinnevik's sustainability work. The below table shows the stakeholder groups identified as most important to Kinnevik and the methods we use to engage with them. The key stakeholder groups were identified through board and management discussions as those that are most affected by our operations, as well as have a high degree of influence over Kinnevik's ability to implement its strategies or achieve its objectives. The focus areas for each stakeholder group were raised when engaging with Kinnevik during the year.

Summary of Kinnevik's ongoing stakeholder dialogue

STAKEHOLDER GROUPS	METHODS OF ENGAGEMENT	FOCUS AREAS	RESPONSE / OUTCOME
Employees at Kinnevik and in our investee companies	Regular communication and meetings, annual and semi-annual performance reviews, annual reviews of personal objectives and compensation.	Equal opportunities, diversity, work-life balance, economic performance, business ethics, performance management, attractive compensation structures, mission and vision, culture, work environment and safety.	Structured on-boarding for new employees, talent management program, implementation of and training on policies and procedures such as Code of Conduct, Whistleblower Policy, Corporate Responsibility Policy, Talent Management Policy, and Employee Handbook.
Investors and analysts	Annual and Sustainability Report, interim reports and webcasts, website, investor and analyst meetings and road shows, press releases, Annual General Meetings.	Sustainable economic performance, solid governance, risk management and compliance structures, sound social and environmental practices.	Continuous communication on financial development and sustainability work, development of GRC Standards for investee companies, implementation of and training on policies and procedures such as the Code of Conduct, Corporate Responsibility Policy and Whistleblower Policy.
Investee companies	Regular communication and meetings, annual assessment according to the GRC Standards, active representation on Boards and in committees.	Sustainable economic performance, financial and operational support, sound social and environmental structures, and business ethics.	Continuous operational support, review and implementation of GRC workstreams, policies and procedures, participation in financing rounds.
Authorities and regulators	Dialogue and meetings with decision makers in Swedish Government Offices, Annual and Sustainability Report.	Maintain dialogue on relevant policy and business community issues, upholding of good corporate citizenship, complying with applicable laws, regulations and standards related to sustainability.	Implementation of policies and guidelines for corporate governance, risk management, compliance and corporate responsibility.