

GRI INDEX

Industrivärden's sustainability report follows the most recent version of the Global Reporting Initiative Standard (GRI), core level, Financial Services sector. This is Industrivärden's first sustainability report produced in accordance with the GRI framework and draws from the GRI principles regarding content and quality. The report pertains to Industrivärden's own operations in 2017 (January 1–December 31, 2017). It is our ambition to report yearly.

Industrivärden's operations are conducted by approximately 20 employees at the Company's head offices in Stockholm. During 2017 we conducted stakeholder dialogs and a subsequent materiality analysis to identify

the highest priority issues in the area of sustainability. The analysis forms the basis of our disclosures and is reported in this sustainability report. We contribute by adopting a clear sustainability perspective in our asset management decisions and exercise of active ownership. The portfolio companies' sustainability reports are available from the respective companies' websites.

The GRI report and index describes Industrivärden's sustainability work based on the GRI Standards. The report consists of the information below, including the respective references, as well as the information reported in the 2017 Annual and Sustainability Report, on our website and on cdp.net, according to the respective references in the GRI index.

GRI STANDARDS INDEX, CORE LEVEL, FINANCIAL SERVICES SECTOR SUPPLEMENT

General disclosures		In Industrivärden's Sustainability Report (page)	In Industrivärden's Annual Report (page)	Comments
1. Organizational Profile				
102-1	Name of the organization		Inside back cover	
102-2	Activities, brands, products and services		4, 12–16	
102-3	Location of headquarters		12, Inside back cover	
102-4	Location of operations		12, Inside back cover	
102-5	Ownership and legal form		2, 39–40	
102-6	Markets served		22–31, 39	
102-7	Scale of the organization		12–16, 52	
102-8	Information on employees and other workers		12–13, 52	All employees are active at the head offices in Stockholm. Data does not include any consultants and advisors. Industrivärden is a small company with approximately 20 employees. Apart from regulatory requirements, we therefore do not disclose information that can be coupled to individual persons.
102-9	Supply chain	21		Purchases of goods and services are made for the office activities in Stockholm. Suppliers are primarily active in the Nordic countries.
102-10	Significant changes to the organization and its supply chain			No major changes during the year.
102-11	Precautionary principle or approach			The precautionary principle is adhered to with respect to assessments and management of sustainability risks in the portfolio companies and new investments. Industrivärden has signed the UN Global Compact, whose environmental risks cover the precautionary principle.
102-12	External initiatives	17–18		UN Global Compact; the Company's Code of Conduct is based on the OECD Guidelines for Multinational Enterprises and the ILO Fundamental Conventions.
102-13	Membership of associations			Confederation of Swedish Enterprise, Centre for Business and Policy Studies (SNS), Royal Swedish Academy of Engineering Sciences (IVA), Swedish Investors for Sustainable Development (SISD).

2. Strategy

102-14	Statement from senior decision-maker		8-11	
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3. Ethics and integrity

102-16	Values, principles, standards, and norms of behavior	17-21		
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4. Governance

102-18	Governance and Board of Directors	21	33-35, 63-64	The CEO has overarching responsibility for sustainability work, which is an integral part of the Company's operations. Team managers are responsible for sustainability analyses of the respective portfolio companies. The Head of Sustainability has functional responsibility for sustainability-related issues and processes.
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5. Stakeholder engagement

102-40	List of stakeholder groups	19		
102-41	Collective bargaining agreements			All employees are covered by collective bargaining agreements.
102-42	Identifying and selecting stakeholders	19		
102-43	Approach to stakeholder engagement	19		
102-44	Key topics and concerns raised	19-20		

6. Reporting practice

102-45	Entities included in the consolidated financial statements		55	The report covers the Parent Company and all subsidiaries.
102-46	Defining report content and topic Boundaries		50-51	
102-47	List of material topics	19-20	46-47	
102-48	Restatements of information			This is Industrivärden's first sustainability report in accordance with GRI.
102-49	Changes in reporting			This is Industrivärden's first sustainability report in accordance with GRI.
102-50	Reporting period		32	
102-51	Date of most recent report			This is Industrivärden's first sustainability report in accordance with GRI. Our last annual report with sustainability information was published on February 23, 2017.
102-52	Reporting cycle		66	
102-53	Contact point for questions regarding the report		3	Head of Corporate Communication and Sustainability, Sverker Sivall, ss@industrivarden.se
102-54	Claims of reporting in accordance with the GRI Standards		19	
102-55	GRI content index		66-68	
102-56	External assurance	21		The auditor has given a statement on the statutory sustainability report. Significant information is also included in the Company's Board of Directors' report, which is reviewed by Industrivärden's auditor.

Material issues

GRI 200: Economic

GRI 201: Economic performance

103-1 - 103-3	Sustainability governance	17-21		
201-1	Direct economic value generated and distributed	21		

GRI 205: Anti-corruption			
103-1 - 103-3 Sustainability governance	17-21		
205-1	Operations assessed for risks related to corruption	17-21	The own operation including all portfolio companies have been analyzed with respect to the risk for corruption.
GRI 300: Environment			
GRI 305: Emissions			
103-1 - 103-3 Sustainability governance	17-21		
305-1	Direct GHG emissions (Scope 1)	21	No Scope 1 emissions. www.cdp.net: Industrivärden, CC 7.1
305-2	Energy indirect GHG emissions (Scope 2)	21	Carbon footprint in 2017 was 17.5 tonnes CO ₂ e (26.7) in Scope 2 (energy consumption and district heating) www.cdp.net: Industrivärden, CC 14.1
305-3	Other indirect GHG emissions (Scope 3)	21	Carbon footprint has decreased by more than 60% since the peak level in 2013, and was 49.6 tonnes CO ₂ e (54.7) in Scope 3 (business travel, publications and office material) www.cdp.net: Industrivärden, CC 7.1
GRI 400: Social			
GRI 401: Employment			
103-1 - 103-3 Sustainability governance	17-21		
401-1	New employee hires and employee turnover		The Company has 18 employees. Employee turnover for new hires is 12% (16%), and 0% departures (22%). Two men in age group 30-39 newly hired.
401-3	Parental leave		During the period three men and one woman were on parental leave. Two men and one woman returned to work after parental leave during the reporting period. One man was on parental leave at the end of the reporting period.
Health and safety			
103-1 - 103-3 Sustainability governance	17-21		
403-2	Types of injury and rates of injury, and absenteeism		No occupational injuries during the period. Average absenteeism relative to total working time was 2%.
GRI 400: Training and education			
103-1 - 103-3 Sustainability governance	17-21		
404-1	Average hours of training per year per employee		The average number of hours per employee was 22.
404-3	Percentage of employees receiving regular performance and career development reviews		All employees receive regular evaluations about their performance and career development.
GRI 405: Diversity and equal opportunity			
103-1 - 103-3 Sustainability governance	17-21		
405-1	Diversity of governance bodies and employees		34, 52, 63-64
GRI 419: Socioeconomic compliance			
103-1 - 103-3 Sustainability governance	17-21		
419-1	Non-compliance with laws and regulations in the social and economic area		Industrivärden has not been assessed any fines or other sanctions.
Sector-specific standards, Financial Services			
103-1 - 103-3 Sustainability governance	17-21		
FS 6	Percentage of the portfolio for business lines by specific region.		22
FS 10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues		Sustainability issues are addressed in all portfolio companies within the framework of Industrivärden's analysis and influence activities.