

A person is seen from behind, holding a smartphone to capture a photograph of a sunset over a body of water. The phone's screen shows the sunset scene. The background is a blurred view of the sunset and the person's arm.

Sustainability Report 2020

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A note from the Priveq Team

We are very happy to present Priveq's first sustainability report. Since our start in 1983 we have had a long-term vision of our investments, with the aim to always act responsibly in all matters. We believe that this is a major part of Priveq's successful partnership with more than 130 companies.

In recent years it has become clear that sustainability is a prerequisite to the long-term success of our portfolio companies and compatible with achieving high investor returns. By integrating sustainability factors to our decision-making, we are able to capture opportunities created by the new industrial landscape and we reduce risks from regulatory changes and altered consumer preferences. Overall, we are convinced that Priveq can achieve benefits by continue to act responsibly as a company and as an active owner of the great enterprises we invest in.

Priveq believes that nobody can do it all, but everyone can do something. Everyone should contribute to a more sustainable world and together we can make a change. In 2020 we have structured and intensified our work with incorporating ESG into our investment process and we have supported our portfolio companies in creating their own individual ESG-strategies.

Priveq's firm opinion is that the transformation to a more sustainable and fossil free society will create investment opportunities in the years to come. One example is the enormous investments currently taking place in the Northern parts of Sweden, which will most likely create ripple-effects for sub suppliers to the new sustainable industry.

Priveq also considers ESG as an important factor for raising capital to our funds. There is an increasing demand from private equity investors that sustainability issues get attention. In our successful fundraising for our sixth fund, conducted in 2020, we were very happy to conclude that our investors gave us high marks of our ESG efforts, and that this was an important factor in their selection process.

We look forward to further develop our sustainability efforts in order to build long-term and sustainable value for our investors, employees and for the communities in which we operate.

Vision:
Priveq shall be the Nordic region's most respected private equity player and the first choice for profitable growth companies and investors.



About Priveq

Our history goes back to 1983, when the insurance company Skandia started a separate business to invest in unlisted growth companies.

In 1998, other high-quality investors were invited to invest in an external fund and in connection to this, the business became fully separated from Skandia: Priveq was born. For more than three decades, Priveq has successfully invested in over 130 companies, whereof 28 has been brought to the stock market. Throughout our history we have consistently focused on helping profitable growth companies to successfully develop even further using our financing resources, knowledge and extensive network of industrial specialists.

Today we are 16 employees dedicated to continue to build world class businesses. We are a diversified mix of individuals

in terms of age, experience and gender. Our industrial network consists of approximately 75 persons that share their knowledge in investment processes and are being engaged in the boards of directors and as advisors in our portfolio companies.

Today we have three active funds. The Priveq Investment IV and V funds, with inception years 2011 and 2016, are fully invested. Our new investments are carried out from Priveq Investment VI which started in October 2020 with a committed capital of approximately €250m. We are supported by a reputable mix of Swedish and international institutions, such as pension funds, endowments and insurance companies, who grant a long-term stability for Priveq going forward.

As of spring 2021, Priveq's portfolio consists of 19 companies that operate within various industries. 16 of them are headquartered in Sweden, two are based in Norway and one in Denmark.



*2020 total figures for Priveq portfolio companies.

The Priveq team



Senai Ayob
Partner & Investment Manager



Martin Bjarnemar
Associate



Helena Ekstrand
Partner & CFO



Magnus Hardmeier
Partner & Executive Chairman



Mats Hjerpe
Partner & Investment Manager



Maria Perez Hultström
Partner & Investment Manager



Henrik Jatko
Partner & Investment Manager



Johan Koch
Partner & Investment Manager



Fanny Leksell
Associate



Maria Lundborg
Office Manager/Assistant



Louise Nilsson
Partner & CEO



Daniel Nylund
Associate



Johanna Svensson
Partner & Investment Manager



Henrik Westfeldt
Partner & Investment Manager



Karl-Johan Willén
Head of ESG /
Partner & Investment Manager



Jakob Öhmark
ESG manager / Controller



Priveq's Portfolio at a Glance

Priveq currently manages three funds with a total of 19 portfolio companies in various industries within both service and production.

16 companies are based in Sweden while two are headquartered in Norway and one in Denmark. Priveq has a majority shareholding in 68 percent of the investments, and holds at least one seat

on the board of directors in all portfolio companies. The total revenue of the portfolio companies in 2020 was approximately SEK 4.7bn with an EBITDA of approximately SEK 800m. The total number of employees was 2,156. Two investments sold in Q1 2021 have been excluded (21grams and Nordic Room Improvement) while two companies acquired in Q1 2021 are included (Industri-Matematik and Swemac).



4C Strategies <i>Business risk management solutions</i>	
Sales (SEKm)	185
EBITDA (SEKm)	37
Number of employees	132
Priveq entry year	2016



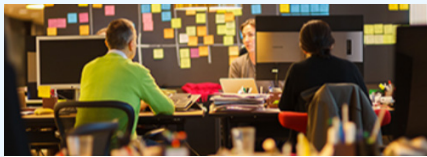
Caybon Group <i>Content marketing</i>	
Sales (SEKm)	628
EBITDA (SEKm)	83
Number of employees	375
Priveq entry year	2016



CSAM Health <i>Provider of niche eHealth software solutions</i>	
Sales (NOKm)	229
EBITDA (NOKm)	58
Number of employees	152
Priveq entry year	2014



Metenova <i>Pharma- and biopharmaceutical products</i>	
Sales (SEKm)	116
EBITDA (SEKm)	24
Number of employees	22
Priveq entry year	2018



Omegapoint <i>IT Consultant</i>	
Sales (SEKm)	494
EBITDA (SEKm)	60
Number of employees	400
Priveq entry year	2017



Parfym.se <i>Online beauty retailer</i>	
Sales (SEKm)	219
EBITDA (SEKm)	23
Number of employees	17
Priveq entry year	2019



Danfo <i>Producer of public toilets</i>	
Sales (SEKm)	204
EBITDA (SEKm)	17
Number of employees	173
Priveq entry year	2016



Frontit <i>IT and Management consultancy services</i>	
Sales (SEKm)	232
EBITDA (SEKm)	22
Number of employees	188
Priveq entry year	2018



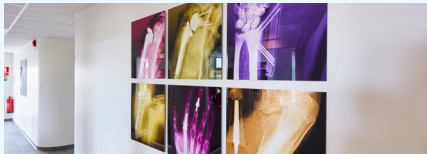
ILT Inläsningstjänst <i>Educational audiobooks and study support</i>	
Sales (SEKm)	141
EBITDA (SEKm)	36
Number of employees	52
Priveq entry year	2016



QleanAir Scandinavia <i>Air cleaning solutions</i>	
Sales (SEKm)	493
EBITDA (SEKm)	124
Number of employees	106
Priveq entry year	2012



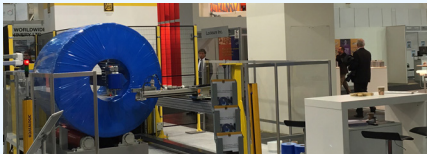
Scanmast <i>Masts/Towers and installation services</i>	
Sales (SEKm)	276
EBITDA (SEKm)	26
Number of employees	71
Priveq entry year	2013



Swemac <i>Solutions for fracture treatment and joint replacement</i>	
Sales (SEKm)	235
EBITDA (SEKm)	36
Number of employees	46
Priveq entry year	2021



Industri-Matematik <i>Software solutions within supply chain</i>	
Sales (SEKm)	174
EBITDA (SEKm)	78
Number of employees	67
Priveq entry year	2021



Lamiflex <i>Transport packaging solutions</i>	
Sales (SEKm)	250
EBITDA (SEKm)	38
Number of employees	60
Priveq entry year	2018



Ljung & Sjöberg <i>Training and care provider specialising in alcohol and drug problems</i>	
Sales (SEKm)	51
EBITDA (SEKm)	14
Number of employees	29
Priveq entry year	2017



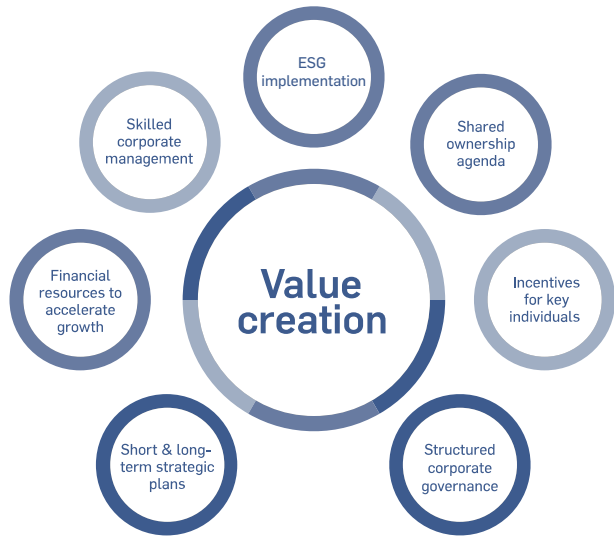
Trendhim <i>Online male accessories retailer</i>	
Sales (DKKm)	214
EBITDA (DKKm)	38
Number of employees	59
Priveq entry year	2020

Priveq's Value Chain



The Investment Process

Each year Priveq evaluates approximately 150 investment opportunities. These companies are screened according to financial investment criteria, the market and industry attractiveness and our impression of the business idea and the management team. In this phase a negative ESG screening is made where we avoid certain industries. We also assess the company according to an ESG checklist. In the next phase of the evaluation, we meet the management team and make a more thorough examination of the business, the market and sustainability issues. The investment team presents the investment opportunity to the board of Priveq and a decision is taken on whether Priveq shall take on external costs to evaluate the investment further. If the board approves, a full due diligence is conducted including legal, financial, commercial, personnel, technical and ESG. In the last stage of the process the outcome of the due diligence and the details of the investment is presented to the board for a final investment decision. If Priveq agrees with the owners of the company to either buy existing shares or invest in a new issue of shares, capital is contributed from our investors.



The Period of Ownership

As an owner, Priveq ensures implementation of our way of conducting an active ownership. An ownership agenda is agreed among the owners, where we outline our goals with the company in terms of growth, profitability, investment returns, risk level, ownership period and ESG requirements. Priveq's ownership stake normally ranges between 30-90 percent and we have the right to appoint between two and four board members. Usually we appoint one or two employees from the Priveq organization and another one or two board members are recruited from our industrial network.

We see the ownership agenda as a framework for the board to create a strategic agenda and a business plan together with the management. The strategic plan is usually to grow the company organically or by acquisitions to increase the product offering or geographical reach. The strategic plan also includes a sustainability plan both in terms of establishing steering documents but also developing a company specific ESG strategy. Priveq aims to build both structure and quality in the company by assisting with reporting templates, policy guidelines and improve the level of knowledge into the company. From all our current and former portfolio companies, we have gained experience in building excellent companies and our belief is that these measures will raise the value of the company at the exit.

The Exit Process

In the exit process Priveq usually engages a reputable advisor to assist in finding a new ownership to the company. Priveq considers the portfolio company's positive sustainability impact as a key selling point for potential investors. Governance policies and ESG strategies that have been put into place during Priveq's ownership, such as implementation of a Code of Conduct and anti-corruption policy, are expected to increase the value of the company. Priveq's ownership period is on average 5.5 years but may vary from 2-10 years. At exit, the company is either sold to an industrial or financial buyer and in some cases an IPO is conducted. The capital gained from the investment is distributed to our investors.



Governance of ESG at Priveq

The basis for our ESG work is stipulated in our Code of Conduct which is based on the United Nations' (UN) 10 principles covering environment, human rights, work environment and anti-corruption.

The Code of Conduct is signed by each employee at Priveq and approved on a yearly basis by the board of directors. Also, Priveq has been a signatory to the UN-backed Principles for Responsible Investment (UN PRI) since 2011.

UN PRI is an initiative by the UN to promote responsible investment. Priveq's ESG Team consists of one responsible partner and one controller, together they are responsible for the overall work. For the portfolio companies, the responsible investment manager makes sure that Priveq's requirements are fulfilled.

Status and KPIs of ESG implementation in the portfolio companies are reported to the investors annually. Incidents that would have an impact on the investors are reported at occurrence.



Priveq's Top Priorities regarding Sustainability

Since our start, it has been important for Priveq to be a responsible employer and investor.

In 2019 we decided to take our ESG work to the next level. We performed a double perspective materiality analysis where an impact analysis was made to identify within which areas, when it comes to ESG, where Priveq has the most impact and which areas that has the most impact on Priveq. To ensure that the areas identified internally were aligned with external stakeholders, we performed dialogues with our investors, representatives from portfolio companies, people from our industrial network, industry organisations and advisors.

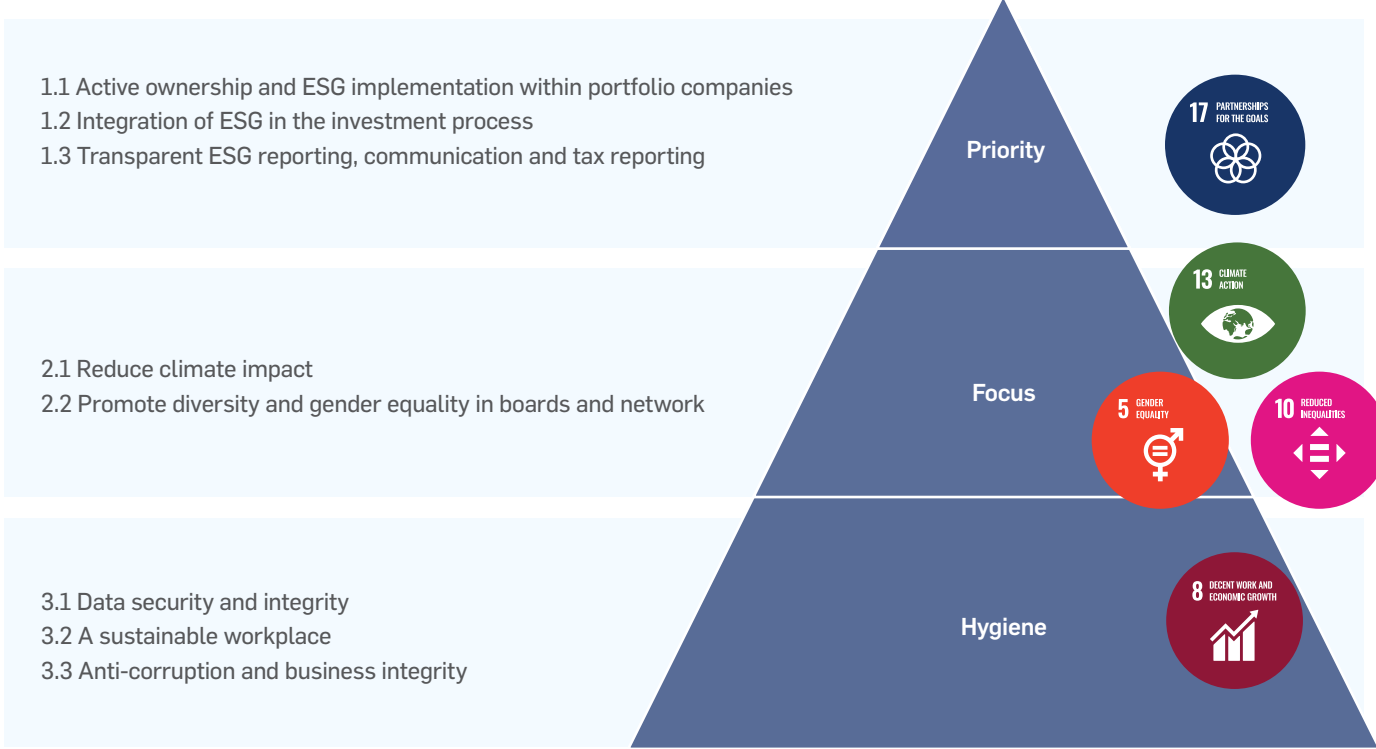
The materiality analysis resulted in a pyramid with eight areas divided into three sections (see below). *Hygiene areas* are aspects that are important and where we consider that our



current standards and procedures are sufficient. *Focus areas* are those where we need to develop and increase our efforts, while *Priority areas* are the most important ones and where we believe we can contribute the most to a more sustainable world.

We have also linked our sustainable areas to the UN Sustainable Development Goals, which are further described on the following pages.

Priveq's eight identified areas for sustainability work

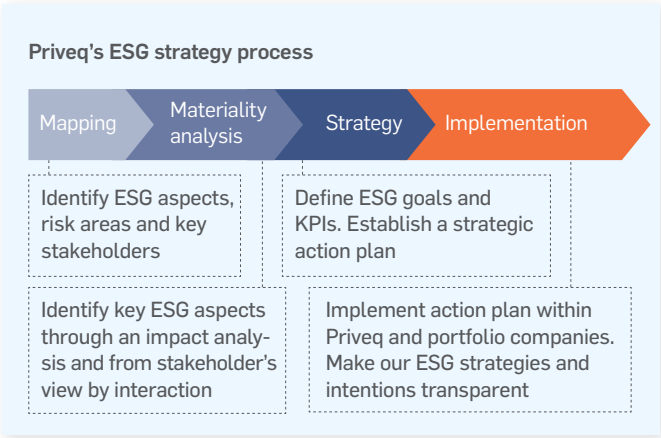


Priority area 1.1 Active ownership and implementation of ESG in portfolio companies

As an owner to 19 companies with a total revenue of SEK 4.7 billion and 2,200 employees, we believe that we can make a big sustainability impact. We are responsible for our portfolio companies maintaining and disclosing a sustainable business model and acting within the framework of ethical principles in the markets they operate within.

When investing in a company, Priveq requires that the company should be on at least level 1 in Priveq's ESG road map after six months. As a minimum, the company should have a Code of Conduct and a Supplier Code of Conduct, covering UN's 10 principles including environmental issues, human rights, work environment and anti-corruption. A process for handling whistleblowing matters and incident reporting should also be in place. Priveq provides templates for all these steering documents.

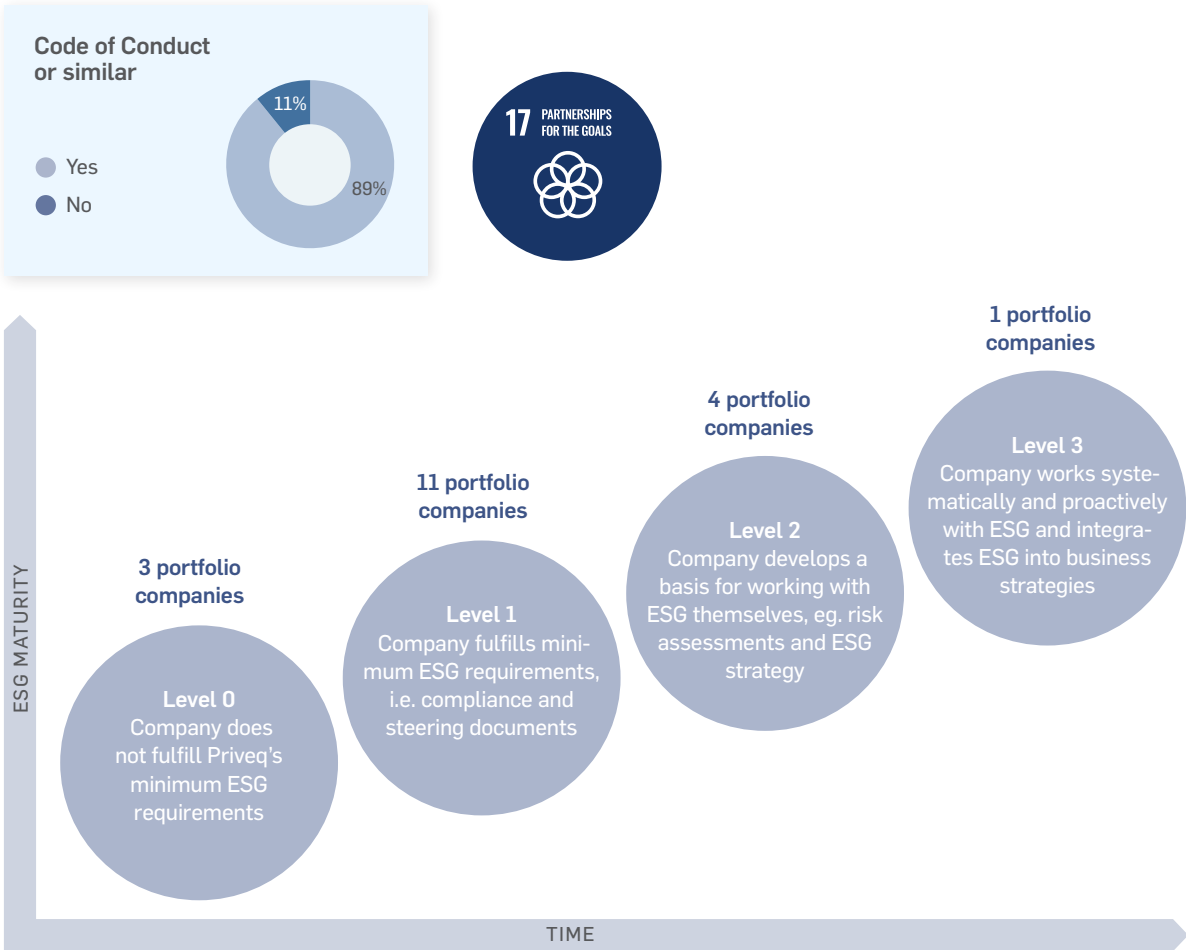
When the level 1 criteria are fulfilled, the Priveq ESG team works together with representatives from the portfolio company to reach the next level in the ESG road map. Level 2 means that a company has developed their own specific ESG strategy.



In level 3, the company works systematically and proactively with the ESG strategy as an integrated part in the business operations.

During 2020, 15 portfolio companies have been introduced to Priveq's model of performing a materiality analysis and setting action plans and sustainability KPIs. Our goal is that 75 percent of the portfolio companies will reach Level 2 during 2021 (the current share is 26 percent).

The active ownership aspect contributes to the UN Sustainable Development Goal number 17, Partnership for the Goals.



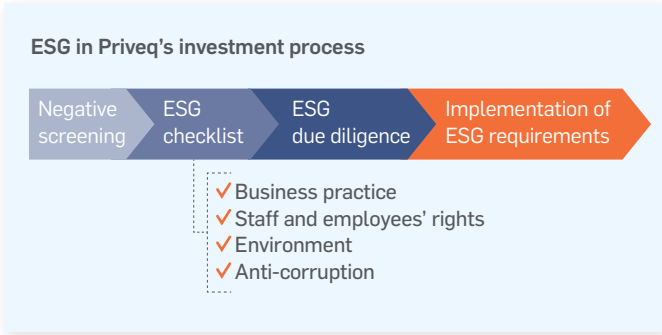
Priority area 1.2
Integration of ESG in our investment process

Priveq does not invest in companies that have their main business (directly or indirectly) in the war industry, the betting industry, the tobacco industry or pornography or does not comply with the principles of UN Global Compact.

When evaluating a potential investment, Priveq takes into account the target company's values, principles and its business operations. Priveq demands that the company complies with Priveq's guidelines and requirements in ESG matters, or that Priveq as owners can help developing the company's attitudes and behaviors in these matters. If a company is considered to be in risky areas, special emphasis is put on analysing ESG issues. This applies, for example, to companies with a high proportion of their operations located in developing countries, companies that directly or indirectly employ staff in low-cost countries, companies with large emissions in their production or that in other ways have a major negative impact on the environment, companies that supply products and services to players in "non-investable industries" and companies operating in industries that have historically been associated with corruption.

The ESG perspective is included from the start when a potential investment is evaluated via a predetermined ESG checklist. The ESG checklist emphasises where the operations of the potential investment take place, in what industry they conduct business, the ESG maturity of the company and how it aligns with the UN Global Compact.

In the next phase of the investment process, an ESG due diligence is made, either internally by Priveq or with the help of external ESG experts. Whether the ESG due diligence should be performed externally or internally depends on the ESG complexity of the industry, the nature of the company and the potential risks. The result of the due diligence is included in the final memorandum presented to Priveq's board of directors.



Priority area 1.3
Transparent ESG reporting, communication and tax reporting

Priveq aims to improve its transparency regarding its operations and ESG in particular. Sustainability data for 2020 has been collected using a web tool developed by Position Green. The system secures accurate data and will enable us to measure KPI development over the years. The system will also give all our portfolio companies access to their individual data.

During the past year, the web site has been updated with information regarding the Disclosure Regulation. This sustainability report is also an important initiative to be more transparent and communicate our progress. Regarding taxes, all Priveq's funds since the start in 1983 are based in Sweden (except Fund IV, vintage 2011) and taxes are paid according to current legislation.

Focus area 2.1
Reduced climate impact

Priveq works actively to reduce the climate impact both in the office and when traveling. For business travel, train or electrical cars should be prioritised. However, consideration is taken to the time spent. Travel is climate compensated when possible. Before traveling, it must be taken into consideration whether the meeting can be held digitally instead via a digital meeting application, video or mobile connection.

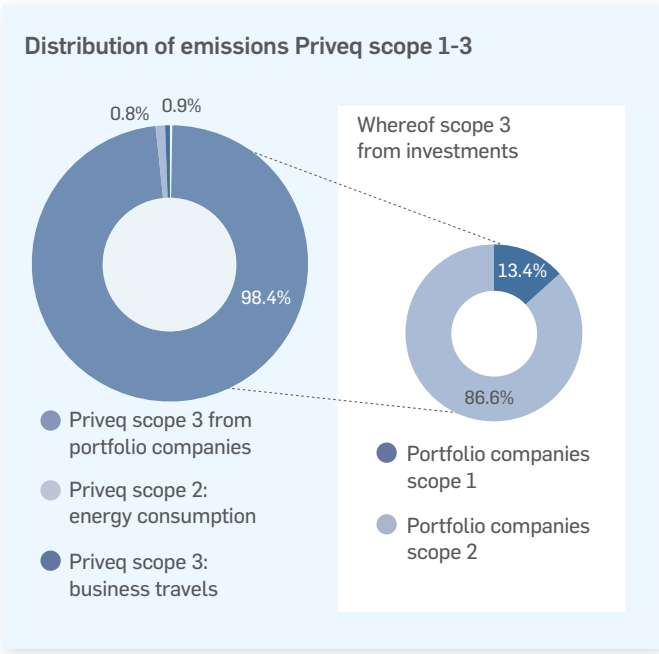


Entering 2020, our aim was to replace at least one physical meeting with a digital. This has been exceeded by far, mainly due to covid-19 restrictions on traveling. We believe in the positive impact of physical meetings but Priveq will aim to limit the amount of traveling also going forward.

In the Priveq office, the waste is sorted and should, as far as possible, be left for recycling. When it comes to electricity, 100 percent renewable energy is chosen. Office machines and lighting are switched off or put in power saving mode during non-office hours.

We work actively to ensure that our portfolio companies establish environmental policies with the ambition of reducing climate impact, energy usage and waste.

In 2020, we encouraged our portfolio companies to report



climate impact data. This has been successful with 95 percent of the companies reporting data compared to 18 percent in 2019. The goal for 2021 is that all companies will report their climate impact data and that the quality of the data will improve.

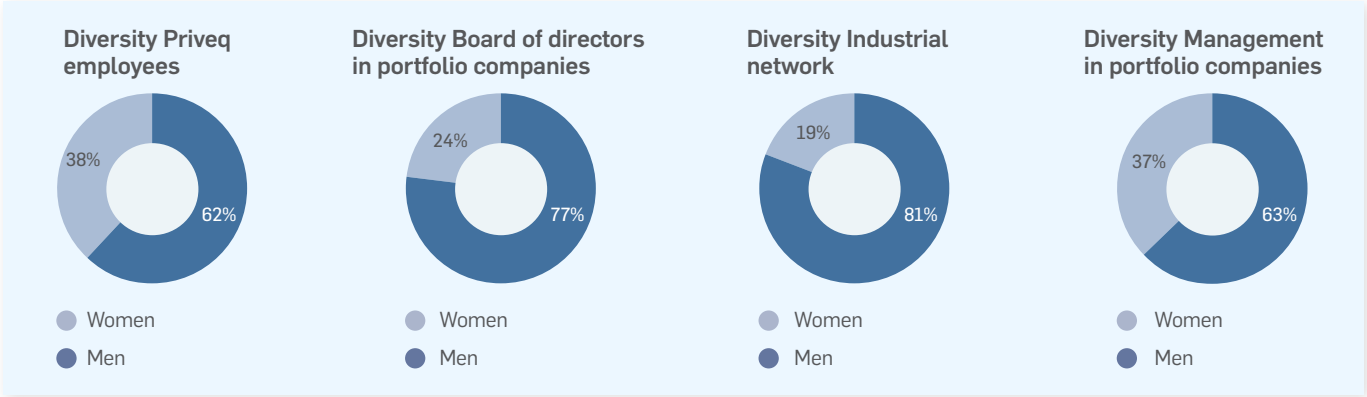
Our ambition is that all portfolio companies will create their own goals and actions to reduce their climate impact.

Priveq's portfolio companies (ton CO ² e)	2020	2019	Priveq (ton CO ² e)	2020	2019
Scope 1	99	93	Scope 1	0	0
Scope 2 (market based)	640	633	Scope 2 (Market based)	5.7	6.0
Scope 3	4,529	n/a	Scope 3	745.7	n/a

Focus area 2.2

Support diversity and gender equality in boards and network

Priveq believes that diversity and gender equality is a cornerstone for achieving competence and creativity, both at Priveq and in our portfolio companies. Priveq's long term vision is to create a 50/50 gender split in all areas of our operations. In the short term, by 2025, our goal is to increase the percentage of women in our industrial network from 19 to 40 percent.



Priveq's portfolio companies	Number of employees 2020	Share of women (%) 2020
Number of employees < 30 years	444	48%
Number of employees 30-50 years	1,296	32%
Number of employees > 50 years	416	31%
Total	2,156	35%

Hygiene area 3.1

Data Security and Consumer Data Privacy

Priveq handles confidential information and data that should be held secure. Priveq aims to maintain compliance with the rules on protection of personal data to ensure the customer's integrity. In 2020 we recorded zero cases of data security incidents at Priveq and in our portfolio, which also is our ambition going forward.

Hygiene area 3.2

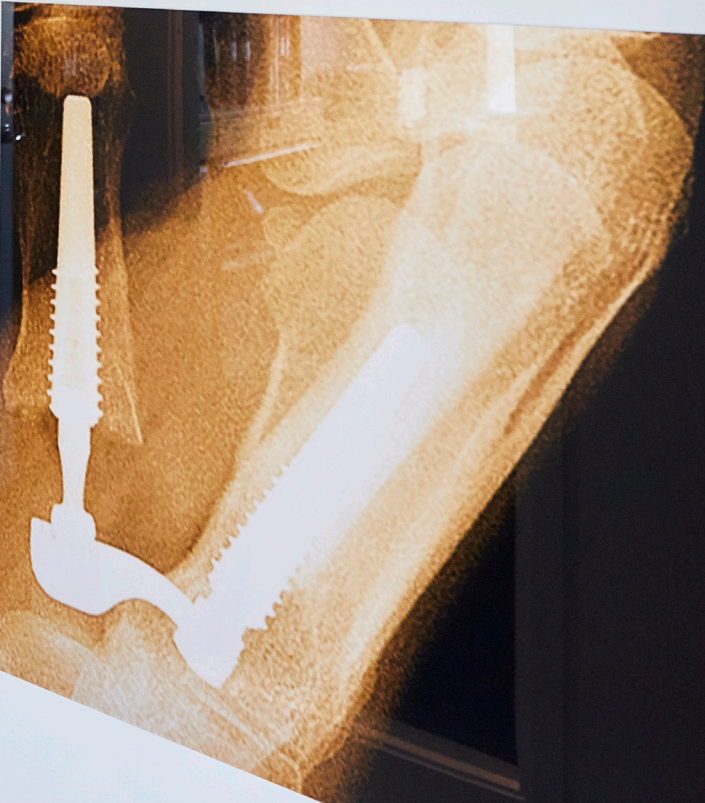
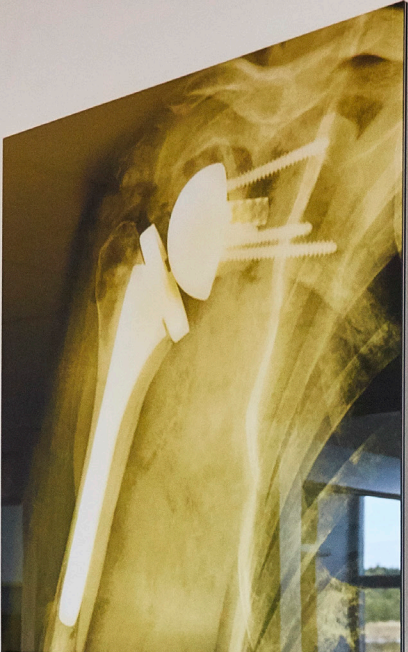
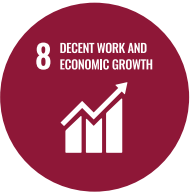
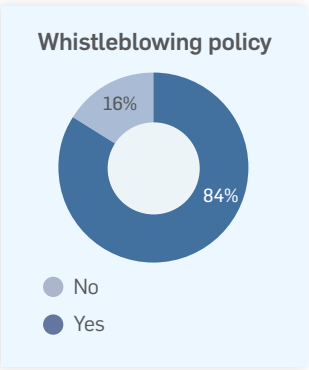
Sustainable workplace

Priveq's long term success build on the performance of the employees. We believe in a healthy work life balance to achieve a low personnel turnover and sick leave. All employees are offered to perform a thorough annual health status and Priveq financially supports our employees to perform fitness activities of their choice. Sick leave was at 0.47 percent compared to last year's 0.51 percent. In 2020, one new employee was hired and no one left the company.

Hygiene area 3.3

Anti-corruption and business integrity

Business integrity is a corner stone of Priveq's operations and we accept no form of corruption. Incidents shall be reported and Priveq has an external whistleblowing system that may be used by the employees for that purpose. In 2020 no corruption incidents were reported at Priveq or in the portfolio companies. Priveq encourages all portfolio companies to introduce a whistleblowing system.



Portfolio company Swemac
Solutions for fracture treatment
and joint replacement

Priveq in Society

Priveq believes in supporting initiatives that focus on making environmental and social impact. We do this by engaging in long-term partnership with selected organisations that positively contribute to society through entrepreneurship, education and reduced climate impact. Some of them are presented below.

Trine

Trine is a crowd-funding initiative where private individuals may invest in small-scale solar energy projects. By providing loans to areas normally not covered by electricity networks, villages and societies get access to low-cost and low-CO²-impact electricity with the possibility to develop their standard of living. In 2020 Priveq invested in solar energy projects in Africa. It aligns with the UN Sustainable Development Goal number 13, Climate Action.



ESG Award

Priveq has announced that we will introduce an award that will be given to the Priveq portfolio company who has made the most positive progress during the past year. Apart from the honour of receiving the price, the winner will receive a check to be handed to a charity or a non-profit organisation of free choice. The first winner will be announced in spring 2022.



Hello World!

As a result of the materiality analysis where Gender equality and diversity were set as a focus area, Priveq chose in 2020 to join Hello World! as a longterm partner. Hello World! is an association whose goal is to strengthen Sweden's competitiveness by promoting digital creation and learning. In order to provide access to as many youngsters as possible, regardless of background, Hello World! offers scholarships and subsidized participation fees.

At Hello World!'s camps and meet-ups children are inspired and taught by students from technical colleges and universities. The association's starting point was a summer camp in 2016 and today Hello World! has over 12,000 members and has lit over 2,000 digital stars.



Priveq is impressed by the achievements made by the organisation and it links with the UN Sustainable Development Goals number 5, Gender Equality, and number 10, Reduced Inequalities. Apart from providing financial support, Priveq has hosted a digital meetup and plans to engage in other activities run by Hello World!.



EU Actionplan on Sustainable Finance

Priveq believes that the global climate change challenges call for cross-border initiatives and regulations to drastically reduce the emissions of green house gases. The EU Actionplan on Sustainable Finance is an initiative we believe is important to increase mobilisation of private capital towards environmentally sustainable investments. Priveq closely follows this and we are expecting to intensify our work to fulfill future requirements.

EU's Sustainability Finance Disclosure Regulation (SFDR)

Priveq undertakes to comply with the EU's Sustainability Finance Disclosure Regulation (SFDR) ((EU) 2019/2088) and is transparent regarding sustainability related information about our funds and our investment process. Sustainability

risks are integrated in our investment decision process as described earlier in this report.

Priveq integrates sustainability risks into our remuneration policy. Compensation to employees is determined on the basis of an annual evaluation with both financial and non-financial criterias. The non-financial criteria include how each of Priveq's employees meets our values, including sustainability aspects. This is also reflected in our compensation policy, which states that we do not charge compensation if we have not first managed significant sustainability risks.

Priveq does not yet take into account the main adverse sustainability effects (PAI) of our investment decisions in accordance with Article 4 of SFDR. The main reason is that the methodology,

content and legal requirements for assessing these negative effects are still under evaluation. However, Priveq will monitor the development of the legislation and evaluate and update our position accordingly.

EU Taxonomy

Priveq supports the establishment of the EU Taxonomy to set up a unified classification system on what can be considered environmentally sustainable economic activities. At the moment, there are no Priveq portfolio companies that qualify for being included in the EU Taxonomy. As more industries are expected to be included in the Taxonomy, we expect Priveq portfolio companies to be classified according to the Taxonomy.

Performance Data for Priveq’s Portfolio Companies

GOVERNANCE	2020	2019
Incidents of corruption	0	n/a
Breaches of customer privacy	0	n/a
Share of companies with management systems	42%	41%
Management systems used	14	13
- ISO 9001	5	4
- ISO 14001	4	4
- Other	5	5
Code of Conduct or similar	89%	81%
Whistleblowing function	84%	75%
Anti-corruption policy	53%	n/a
Employees that have taken part of the anti-corruption policy and the procedures related to it	29%	n/a
Members of the management team as well as board of directors that have taken part of the anti-corruption policy and the procedures related to it	21%	n/a
Supplier Code of Conduct	63%	n/a
Share of companies that assess their suppliers in terms of sustainability	45%	n/a
Share of portfolio companies that have performed a materiality analysis	37%	18%
Supplier Code of Conduct	63%	n/a
Share of companies that assess their suppliers in terms of sustainability	45%	n/a
Share of portfolio companies that have performed a materiality analysis	37%	18%
SOCIAL		
Number of employees	2,156	2,123
- Of which are women	35%	n/a
Share of women in boards	24%	21%
Share of women in management	37%	24%
Sick leave	1.75%	2.60%
Workrelated injuries	35	n/a
New hires – Share of total employees	23%	n/a
Employee turnover	19%	n/a
ENVIRONMENT		
Share of companies that have reported CO ² e data	95%	18%
CO ² emissions reported (Ton CO ² e)		
Scope 1	99	93
Scope 2 (market based)	640	633
Scope 3	4,529	n/a

ENERGY	2020	2019
Energy intensity – Energy consumption/kSEK Turnover	1.28	1.27
Electricity (kWh)	3,455,797	3,376,156
District heating (kWh)	1,637,893	1,596,053
District cooling (kWh)	199,464	202,330
Fuel consumption		
– Non-renewable energy (kWh)	479,539	446,818
– Renewable energy (kWh)	1,230	3,748
Total energy consumption (kWh)	5,773,923	5,625,105

Comments to the KPIs

2020 was the first year of reporting ESG-data using the web-based system from Position Green. Some reference data regarding 2019 was also collected. For the Governance and Social KPIs, 2019 figures refer to the portfolio companies as of December 31, 2019, while the Environmental data refers to the same companies for both 2020 and 2019. We expect the quality and accuracy of data to improve going forward as portfolio companies get used to collect ESG-data and access to data in the value chain will increase.

Governance

The percentage of the companies with management systems was stable at 42 percent (41). The share of companies with Code of Conduct increased to 89 percent (81). The companies that does not have a Code of Conduct are newly acquired companies and they are expected to implement a Code of Conduct in 2021.

The share of companies with a whistleblowing policy increased from 84 to 75 percent.

The KPIs regarding anti-corruption are not satisfying and Priveq will take actions to raise these numbers during 2021.

The share of portfolio companies with a separate supplier Code of Conduct was at 63 percent. Some companies with a limited amount of procurements have choosen to include the supplier code in their general Code of Conduct.

37 percent of the companies have performed a materiality analysis, up from 18 percent in 2019.

Several companies are in the process of implementing an ESG-strategy and this figure is expected to increase over the coming years.

Social

The share of women in management and boards has increased but still deviates from our long-term goal of a 50/50 gender split. In younger age intervals, women management representation is considerably higher which might indicate a change going forward.

35 work related injurires were recorded, most of them being minor accidents. No injury led to fatality.

Employee turnover was at 19 percent. The turnover is mainly concentrated to service companies with lower age groups. The median employee turnover among the portfolio companies was 14 percent. 510 new employees were hired, while 402 employees left (net requitment of 108 employees).

Environment

95 percent of portfolio companies reported environmental data for 2020 and 2019 (only CO2 scope 1 and 2 for 2019), which was a large improvement to last year when only 18 percent claimed to record their environmental foot print.

Since the reporting is new to many companies they have not been able to get hold of all data. As a consequence, the reported CO2-emissions and energy consumptions might increase as they get access to more data. Only two companies have reported Scope 1 data.

DEFINITION OF CO₂e, SCOPE 1–3:
Scope 1 covers direct emissions from owned or controlled sources.
Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting company.
Scope 3 includes all other indirect emissions that occur in a company's value chain.



PORTFOLIO COMPANY CASE

QleanAir – A Circular Business Model

For more than 25 years, QleanAir Scandinavia ("QA") has developed innovative air purification solutions that create healthy indoor environments for people, products and processes.

With unique specialist expertise, high-quality products, market-leading service and lifetime functional guarantee, they offer efficient and customized solutions that deliver clean air over time. The product portfolio consists of turnkey cleanrooms, freestanding air purifiers and solutions for cleaning tobacco smoke and protection against passive smoking.

QA is a Swedish company headquartered in Solna (Stockholm). They operate in B2B in over 25 countries around the world and continue to grow constantly. Priveq has been an owner of QA since 2012 and the company was taken public in 2019.

QleanAir's ambition is to be part of and contribute to a sustainable development and take responsibility to reduce their negative environmental impact and increase the positive impact on the people in the value chain. Their model is based on a materiality analysis which has led the company to emphasis three different sustainability areas: Sustainable products, Responsible value chain and Attractive employer. In 2019 and 2020 QA produced sustainability reports that can be found on their webpage (www.qleanair.com)

How does QleanAir work with the different topics within ESG?

Environmental

- A circular business model where they deliver clean air as a service
- The products are made to last and remain on site with the customers for more than six years on average
- Certified according to environmental management system ISO 14001

Social

- A fair and safe working environment for all QA employees is a key priority
- QA runs annual health checks for all employees
- Sick leave is measured and followed up in a health care plan

Governance

- Code of Conduct and Anti-Bribery and Corruption Policy accepted by all employees
- QA has strengthened its Supplier Code of Conduct during 2020. 100 percent of the suppliers have signed the code
- Certified according to quality management system ISO 9001

QleanAir's prioritised sustainability areas

Clean air increase good health and well-being

The quality of the air we breathe is directly related to our health and ability to perform. QA's air purifiers capture and purify the air using a high-tech filtration system before the air is released back into the environment and by that protect people from a lot of different particles and gases. The air purifiers with HEPA filters have played an important role in the covid-19 pandemic and still continue to do so. Clean rooms create an environment that protects both products and processes as well as the people working in the room. QA's cabin solutions handle all the negative consequences of tobacco smoke, and offer a healthy, safe and cost-effective solution where non-smokers are protected from passive smoking.

The strongest contribution QA does to society is that its products increase the amount of purified air year after year. The overall goal for QA is to increase the clean air delivery by 25 percent every year.



Sustainable business model, products and solutions

QA has a circular business model with long term rental contracts. The products then undergo a service where certain components are replaced and in this way a long life time is ensured with the minimum of material requirements. To offer sustainable products, QA invests in high product quality with a long lifetime, design and innovation, as well as responsible waste management and reuse. By reusing a large part of the material, QA can offer high quality products while saving nature's resources and reducing waste. The material that cannot be reused today is recycled according to QA's waste management instructions. QA's service partners have a great responsibility for waste management and they sign QA's waste instruction "Waste handling instructions" every year.

To reduce driving, QA works close to the market with local sales, service and production partners. They measure driven kilometers and the service partners work constantly to optimize their installation and service routes. Since last part of 2019 to the end of 2020 they have been able to reduce the consumption of steel with 1,661 kg which corresponds to 3,000 kg CO2e, and also reduced the number of articles to produce and keep in stock by 60 pcs.

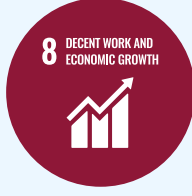


Diversity, decent work conditions and healty economic growth

QA's organisation should be characterised by all employees having equal rights, opportunities and obligations regardless of gender, transgender identity, ethnicity, religion, disability, sexual orientation or age. As they operate in several countries and have customers around the world, the diversity in the organisation is crucial for them to understand and communicate with the different markets. At the headquarters alone, there are eleven languages spoken. QA has an almost equal organization in terms of gender balance, with about 56 percent men and 44 percent women.

Through QA's Code of Conduct, QA condemns all forms of harassment and discrimination, including those protected by applicable laws and regulations. All employees, as well as their strategic suppliers, have signed the code.

QA has communicated their whistleblower function to all employees so that everyone feels safe in reporting any irregularities. Instructions on how to proceed are described in their CSR policy and matters are handled by the Chairman of the Board.



Key data*	2020	2019
Sales (SEKm)	493	457
EBITDA (SEKm)	124	80
Energy consumption (mWh)	71.2	69.4
– Scope 1 emissions (Ton CO2e)	0	0
– Scope 2 emissions, market based (Ton CO2e)	0	0
– Scope 3 emissions (Ton CO2e)	199.6	234.1
Management diversification	20% female	0% female
Board diversification	25% female	50% female
Employee turnover	19%	21%
Sick leave	1%	4%
Code of Conduct signed by share of employees	100%	100%

*Environmental and social figures shown are for QleanAir Scandinavia AB.

PORTFOLIO COMPANY CASE

Ljung & Sjöberg – Helping Employers Save Lives

How can employers learn to identify addiction problems in a timely manner and manage them so that employees get the right help and companies are protected?

The idea of Ljung & Sjöberg ("L&S") grew out of a conversation between Fredrik Ljung and Martin Sjöberg. Both of them had lost their jobs due to alcohol and drug problems. They soon found that many managers seemed to have a lack of knowledge about how to successfully deal with addiction problems.

Today L&S is a digiphysical healthcare company specialised in addressing alcohol and drug problems, gambling addiction, stress and co-dependence in the workplace. L&S is the market leader in its niche through its proactive work, its unique treatment process and well-proven range of services in these matters. The customer base consists of +120 large Swedish companies. Priveq has been the majority owner of L&S since 2017.

During the last year, L&S has started to work systematically with sustainability and has performed a double perspective materiality analysis including an impact analysis and stakeholder dialogues. The outcome was that L&S should prioritise and focus on Client health and safety, Innovative treatment methods and Decent workplace.

How does Ljung & Sjöberg work with the different topics within ESG?

Environmental

- Efforts to reduce energy use has been evaluated, including changing the office building's cooling system
- Developed digital treatment programs that has reduced the necessity for travel

Social

- All employees who work with treatment are offered support sessions with psychologists
- Sick leave is measured and followed up on a yearly basis
- Involved in several different social projects that contribute to a positive development in society such as Trygga Barnen, KRIS and Faktum

Governance

- Code of Conduct in place which has been accepted by all employees
- Supplier Code of Conduct which has been implemented through information and acceptance by all suppliers. It is included in distributor agreements and has been rolled out in supplier agreements.

Ljung & Sjöberg's prioritised sustainability areas

Promote customer and client health and safety

L&S will work actively to ensure that all clients and customers feel safe during all contacts. This will be measured in customer and client questionnaires as well as in completed treatments. The long term goal is to have a completion rate of 85 percent of treatments, and that all customers and clients feel safe at all times when in contact with L&S.

In 2017 and 2018, L&S implemented its rigid GDPR-policy through a structured way of working together with external data information specialists, lawyers and internal know-how. All employees have taken part of the policy and a basic education, and each department are continuously educated in how GDPR affects their daily operations and routines.

Innovation and evidence-based treatment methods

L&S works actively to stay up to date with science and evidence-based treatment methods by educating our treatment employees. The company works continuously with preserving and developing skills and attracting new abilities. This is important to ensure competence for the business going forward. The goal is to influence and try new ideas in the company. In that way they believe the employees will be more curious and brave and thereby contribute to high quality services, new ideas and innovation. L&S is deeply engaged in integrating the latest technologies into all facets of their business and client service offerings, including digital alcohol monitoring that allows their treatment professionals to monitor its clients on a daily basis without the need for contacts, as well as digital video meetings to efficiently manage competence across their five offices.

Innovation will be measured by completed rehabilitation broken down by treatment program as well as with qualitative descriptions of how the treatments are evaluated based on new research.

Decent work and psychological wellbeing and safety

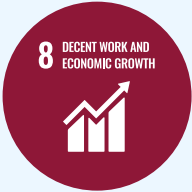
L&S strives to address health issues as a natural part of everyday life. The corporate culture and work environment focus on wellbeing, health and balance in life. The company will work actively to ensure all employees feel safe and have decent working conditions, both physically and mentally. This will be measured through employee turnover, employee questionnaires and documented work related ill-health. The long term goal is that



no employee should leave L&S due to poor working conditions or safety matters, and to reduce the work related ill-health cases to zero. Another goal is to achieve greater consistency in the way they hire and the development opportunities provided.

Key data	2020	2019
Sales (SEKm)	51	64
EBITDA (SEKm)	14	19
– Scope 1 emissions (Ton CO ² e)	0	n/a
– Scope 2 emissions, market based (Ton CO ² e)	1.05	1.18
– Scope 3 emissions (Ton CO ² e)	n/a	n/a
Energy consumption (mWh)	17.2	n/a
Employee questionnaire – "I feel competent"	4.3/5	n/a
Employee questionnaire – "I think my work is meaningful"	4.5/5	n/a
Management diversification	75% female	60% female
Board diversification	75% female	75% female
Treated individuals	276	335
Completed treatments	75%	76%
Documented ill-health issues	0	2
Sick leave*	6.3%	5.8%
Use of wellness grants	65%	n/a
Data incidents	0	0

*Affected by Covid-19





PORTFOLIO COMPANY CASE

Metenova – Innovative Products for Reliable Health Care

Metenova is a market-leading innovator in biotechnology and pharmaceutical mixing. The goal is to contribute to making healthcare more reliable through working with the top pharma stakeholders.

Metenova offers their customers state-of-the-art products and industry knowledge through mixing solutions that aim to drive the progress of drug manufacturing into the future.

With headquarter in Gothenburg (Sweden), a subsidiary in Jersey (USA) and 27 distributors they are represented globally in the pharma industry. Metenova has 22 employees and had a turnover of approximately SEK 120m in 2020. Priveq has been the majority owner of Metenova since 2018.

In 2020 Metenova decided to integrate sustainability in their business model. As a first step, Metenova initiated an analysis of the company's environmental footprint. The analysis was executed by Chalmers Industrial Technology Department and the result showed that the primary areas of improvement are in production, distribution and travels. Metenova will now try to minimise their footprint when it comes to distribution and travels and choose more environmental-friendly solutions. This applies to UN Sustainable Development Goal number 13, Climate Action. Other of the UN Sustainable Development Goals where Metenova has decided to contribute are goal number 3, Good Health and Well-being, goal number 8, Decent Work and Economic Growth and goal number 12, Responsible Consumption and Production.

How does Metenova work with the different topics within ESG?

Environmental

- Analysis during 2020 by Chalmers Industrial Technology Department of the company's environmental footprint
- Primary areas of improvement are in production, distribution and travels
- For 2021, the goal is to receive sustainability certificate

Social

- An employee satisfaction survey was performed in 2020 with a score of NPS 19
- Metenova offers their employees extensive health and safety benefits including health insurance with both proactive and reactive measures
- Metenova encourages exercising by financial support and allows for a weekly 30 minutes of exercise during workhours

Governance

- Code of Conduct approved by the board annually
- A supplier Code of Conduct is in place and is being part of new distribution contracts. All new A-listed distributors since 2019 has accepted and signed the Code of Conduct.
- In process to achieve compliance to ISO 9001. Expected to be completed by the end of 2021.

Metenova's prioritised sustainability areas

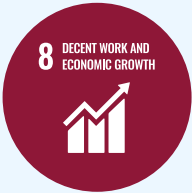
Good health and well-being

Metenova's company purpose and goal is to help create a more reliable health-care. By supplying their customers with products that can help produce more and safer pharmaceuticals for a healthier world population, Metenova contributes to the UN Sustainable Development Goal number 3, Good Health and Well-being.



Decent work and economic growth

Metenova should always aim for good profitability enabling a good health environment for the employees, sub suppliers and partners. Their Code of Conduct will be implemented and approved by all their partners to avoid unhealthy working conditions.



Responsible consumption and production

Metenova's production should aim to be as sustainable as possible, and a circular economy should always be an input in the choice of production methods and product design. Their customers are in the pharmaceutical production industry around the world and most of their products last for many years in the field.



Climate action

The mapping of Metenova's climate footprint indicates that their traveling have a negative climate impact. In 2020, due to the covid-19 pandemic, they have been able to shift most of their business meetings with international customers and partners



to digital channels. They have seen a highly positive effect and outcome of these changes and will continue with more digital meetings also in the long run.

The transportation of products is another area with negative climate impact. The means of product transportation will be evaluated in the production value chain from a climate perspective. A transportation method with lower climate footprint will always be favored whenever possible considering logistics and customer satisfaction.

Key data	2020	2019
Sales (SEKm)	116	93
EBITDA (SEKm)	24	21
– Scope 1 emissions (Ton CO ² e)	0	n/a
– Scope 2 emissions, market based (Ton CO ² e)	12.16	11.64
– Scope 3 emissions (Ton CO ² e)	311.36	n/a
Energy consumption MWh electricity	34.9	32.9
Energy consumption MWh District Heating	33.2	49.7
Employees	23	16
Whereof women	8	6
Employee satisfaction Net Promotor Score NPS (-100 to +100)	19	n/a
Management diversification	13% female	13% female
Board diversification	17% female	17% female
Sick leave	2.9%	3.2%
Work related incidents	0	1
Share of suppliers signed the Supplier Code of Conduct	20%	0%





PORTFOLIO COMPANY CASE

Lamiflex – Environment-friendly Packaging Solutions

The Lamiflex Group is a global supplier of industrial packaging solutions, with primary focus on the steel, aluminium and cable sectors.

The customer base consists of companies within the steel and aluminium industry, served by the company's product portfolio consisting of around 20 different products. These packaging products give protection against mechanical damages and corrosion which is important when delivering steel coils, steel bars, cable drums, etc long distances and when customer store their products in warehouses around the world. Lamiflex product portfolio includes different packaging materials as well as wrapping machines to apply the material. Priveq became the main owner of Lamiflex in 2017.

Lamiflex has committed to protect and minimize the environmental effects of their manufacturing processes and products. They are globally big enough to lead the development, but regionally small enough to support all of their customers with personal commitment. Lamiflex has had sustainability high on the agenda for several years and in 2020 they have performed a materiality analysis that shows the areas where Lamiflex may contribute the most. The current prioritised areas are the UN Sustainable Development Goal number 13, Climate Action and number 8, Decent Work and Economic Growth.

How does Lamiflex work with the different topics within ESG?

Environmental

- Lamiflex shall always avoid the use of non-sustainable raw materials and endeavour to reduce all forms of resource and energy wastage
- Lamiflex never engages in operations that violate environmental laws and the ambition of Lamiflex shall remain to be an industry leader in the area of long-term sustainability.
- The company has been ISO 9001 and 14001 certified since 1996 and was re-certified in 2020

Social

- The terms of employment that are offered to the Lamiflex Group's employees and its subcontractors must comply with the requirements of national legislation or with industry standards
- Printed health and safety instructions must be in place at all of the Lamiflex Group's workplaces

Governance

- Code of Conduct and an Anti-Bribery and Corruption Policy have been implemented through information and acceptance by all employees. It is included in distributor agreements and has been rolled out in supplier agreements
- Within areas where Lamiflex has influence, the Lamiflex Group shall endeavour to ensure that suppliers and sub-contractors follow the relevant principles of Lamiflex's ESG policy

Lamiflex's prioritised sustainability areas

Reduce climate impact

Lamiflex claims that the most important area to be focused on in the coming years is climate action and to reduce their climate impact. For Lamiflex the focus is on:

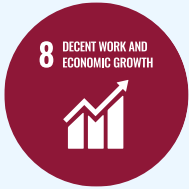
- To use only recycled raw material in its products when possible
- To convert their customers to use plastic packaging solutions instead of steel and and by that reduce CO² emissions
- Have 50 percent of their customers using their plastic recycling concept within three years
- To only have electrical company cars within three years from 2020
- To reduce business traveling by air with 20 percent and replace with train and digital meetings.



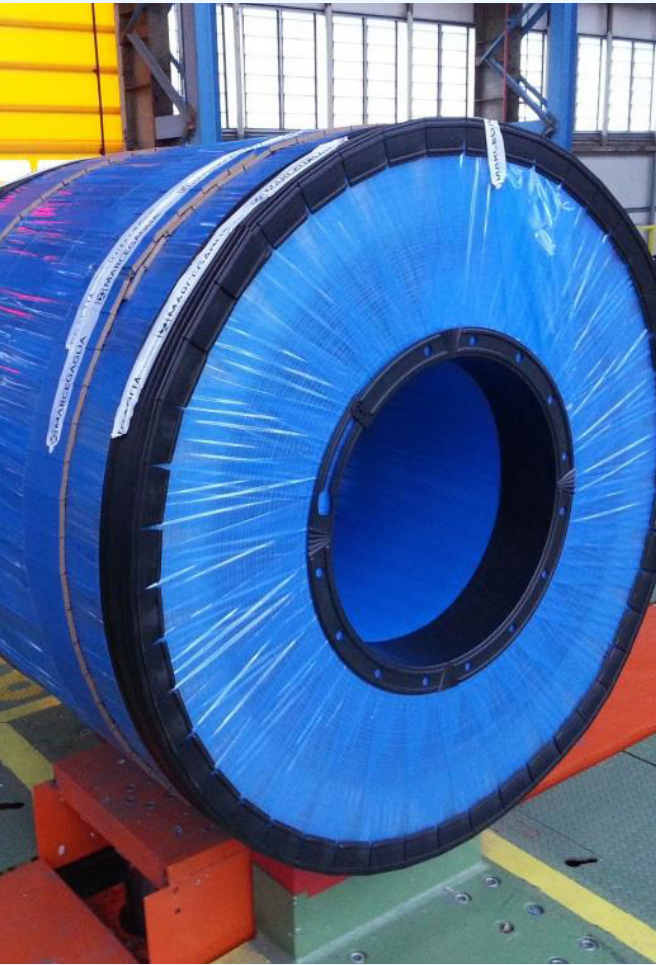
Work environment

Lamiflex endeavours to work with suppliers and partners who has a clear policy for healthy work environment, not allowing child labor and promote diversity and gender equality.

When a supplier or partner is evaluated, work environment is an important evaluation criteria and when Lamiflex signs agreements with their partners and suppliers, work environment is included. On regular basis, Lamiflex reviews their partners by physical visits onsite with assistance from external expertise. Once a year, Lamiflex is sending out an evaluation form to be filled in by suppliers and partners to make sure the partners fulfil the requirements.



Key data	2020	2019
Sales (SEKm)	250	269
EBITDA (SEKm)	38	42
Energy consumption MWh	1,100	n/a
– Scope 1 emissions (Ton CO ² e)	0	0
– Scope 2 emissions, market based (Ton CO ² e)	0	0
– Scope 3 emissions (Ton CO ² e)	35	n/a
Management diversification	8% female	20% female
Board diversification	17% female	17% female
Sick leave	1.6%	1.7%



About The Report

This is Priveq's first sustainability report. The report covers sustainability performance data during 2020 from the management company and the portfolio companies included in funds managed by Priveq on March 31st 2021.

The data from the portfolio companies and the management company has been selected based on their relevance and has been collected through the web-based system Position Green. The data refers to the period January 1st to December 31st, 2020, with some additional KPIs from 2019.

Four companies, representing various industries and sustainability challenges, have been chosen as cases where their ESG work is described more in detail.

Employee data and environmental data from the portfolio companies have been collected from each companies' internal systems and third parties.

Emissions data has been calculated using factors from Greenhouse Gas (GHG) protocol or by third party suppliers. Scope 2 emission figures shown in the report are calculated using GHG's market-based method. Since this is the first year that the portfolio companies report environmental data, 2020 is considered a first base year where the reliability of the data will improve year by year.

The report has not been externally audited. The report is available at Priveq's website, www.priveq.se.

For questions about the report, please contact Priveq's ESG Team Karl-Johan Willén, karljohan.willen@priveq.se or Jakob Öhmark, jakob.ohmark@priveq.se.



PRIVEQ