

GREENHOUSE GAS EMISSIONS REPORT 2020

Climate change is one of the most important global challenges of our time. In recognition of this, the United Nations includes climate action as one of its 17 Sustainable Development Goals, a blueprint to achieving a sustainable future.

Nordic Capital is committed to tackling climate change within its own organisation and portfolio companies. As an investor, we consider it to be an important element of the way we build strong sustainable businesses and strive to be more transparent. We believe that a company that is fully aware of its impact on the environment and vice versa is well equipped to manage the associated risks and to put a long-term sustainable business model in place. For this reason, Nordic Capital assesses climate-related risks and opportunities throughout the investment process, including the ownership period, and encourages portfolio companies to ensure both resource efficient practices and lower greenhouse gas emissions.

In addition, Nordic Capital seeks to lead by example; measuring, striving to reduce, and compensating for our climate impact, as well as increasing awareness internally. This report summarises the result of these efforts within our own organisation. To integrate climate change measures into our policies, strategies, planning and daily operations in line with Sustainable Development Goal 13 and target 13.2, we publish our carbon footprint (scope 1–3) each year and continue to drive further climate-related actions.

RESULTS

In 2020, the direct CO₂e emissions from Nordic Capital's own operations were significantly lower than previous years due to travel restrictions and the majority of our workforce working from home, as we played our part in curbing the spread of COVID-19. The Scope 1-3 CO₂e emissions amounted to 908 (3,833) tonnes which is 5.9 (25.9) tCO₂e per employee. Most emissions are related to scope 3 and derive primarily from business travel.

Greenhouse gas emissions by source (market based)

Source	Total 2020	Share of total 2020	Total 2019	Share of total 2019
Energy Consumption	114	13%	213	6%
<i>Heating and cooling</i>	72		97	
<i>Electricity</i>	42		116	
Business travel	739	81%	3,251	85%
<i>Air travel</i>	715		3,133	
<i>Ground Travel</i>	18		82	
<i>Hotels</i>	6		36	
Commuting	18	2%	45	1%
IT-equipment	34	4%	323	8%
Office consumables	0,5	0%	1	0%
Waste	1	0%	0	0%
Other	1,5	0%	0	0%
Total before climate compensation	908	100%	3,833	100%
CO₂ emission offset	-908		-3,833	

GHG emissions have been reported by the three WBCSD/ WRI Scopes.

Scope 1 includes direct GHG emissions (tCO₂e) from sources that are owned or controlled by the company such as natural gas combustion and company owned vehicles.

Scope 2 accounts for GHG emissions (tCO₂e) from the generation of purchased electricity, heat and steam generated off-site.

Scope 3 includes all other indirect emissions (tCO₂e) such as waste disposal, business travel and staff commuting. It also includes minor emissions related to distribution of electricity and heat.






Greenhouse gas emissions by scope

Source	Total 2020	Share of total 2020	Total 2019	Share of total 2019
Scope 1	-	0%	-	0%
Scope 2 - Market based	106	12%	198	5%
Scope 2 - Location based	130	14%	153	4%
Scope 3 - Market based	802	88%	3,635	95%
Scope 3 - Location based	809	86%	3,635	96%
Total - Market based	908	100%	3,833	100%
Total - Location based	939	100%	3,788	100%



METHODOLOGY

In order to accurately record our GHG emissions (CO₂e), actual data is primarily used where it is available, up to date and geographically relevant. Secondary data in the form of estimates, extrapolations and industry averages is used only when primary data is not available. 97 percent of the reported data in this report is based on actual data. Details about the quality of data submitted for this assessment and key assumptions made are stated in the table below.

	<p>Energy consumption Electricity, heating and cooling, incl. from extraction, refinement and distribution. This figure is based mainly on actual data, otherwise estimated based on data per m² office space and country average heating requirements.</p>
	<p>Business travel Air and rail travel, taxi and hotel accommodation. Air and rail travel data is reported using exact and actual data, while remaining business travel data is partly based on actual and partly estimated based data per employee travel behaviour.</p>
	<p>Commuting Includes all employees' everyday commuting habits to and from work. This information is based on actual data collected through a survey with a 73% response rate. 27% is estimated based on average distance, average method of travel and geographic location.</p>
	<p>IT- Equipment and office consumables Copy paper and IT equipment. Copy paper is to 99% based on actual data from purchase invoices and IT equipment is based on actual purchases.</p>
	<p>Waste Waste management includes recycling. The majority (58%) of reported data is based on actual data and the remainder is estimated based on the number of employees and office location with respect to waste management practices in a country.</p>

ACTIONS

This report has been prepared in accordance with the Greenhouse gas (GHG) Protocol. Our GHG assessment is an essential tool in the process of monitoring and reducing our organisation's climate impact, as it allows us to set targets and action plans going forward. It also supports our drive to be transparent about our climate impact in reporting to our investors, employees, and other important stakeholders.

Nordic Capital took a number of actions to reduce its carbon footprint during 2020. The largest impact was made by reduced travel during the pandemic and the significant increase in virtual meetings. In addition, Nordic Capital switched to renewable energy resources which now account for 67% of our office spaces. We intend to continue to encourage the use of digital

platforms and virtual meetings, as well as making smarter choices when it comes to the selection of mode of transportation, greener fleets and non-stop flights. In addition, we will continue to:

- offset our CO₂e emissions, mainly generated by unavoidable business travel, through our partnership with Solar Sisters. Solar Sisters provide solar lights to poor rural households in Sub-Saharan Africa through an innovative entrepreneurship model.
- improve energy efficiency in Nordic Capital's office spaces
- increase the purchase of renewable energy where possible

The quality of this report is assured by consultancy ZeroMission.

