

## Swedfund's Grievance Mechanism

### 1. Introduction

Swedfund requires each portfolio company to provide an appropriate grievance mechanism that is available to potentially affected stakeholders.

Nonetheless, Swedfund recognises that individuals and communities that are subject to risks or impacts from Swedfund or our portfolio companies also need to be able to lodge a grievance directly to Swedfund. Therefore, Swedfund's Grievance Mechanism is set up to respond in a timely manner to legitimate concerns and grievances about Swedfund and Swedfund's portfolio companies.

Swedfund's Grievance Mechanism is not a legal enforcement mechanism and does not confer or preclude any rights of access to justice to claimants.

All grievances, regardless of outcome, are part of Swedfund's on-going human rights due diligence.

### 2. How to use the Grievance Mechanism

Individuals and communities that are subject to risks or impacts from Swedfund or our portfolio companies, or their representatives, can lodge a grievance, by e-mailing [grievances@swedfund.se](mailto:grievances@swedfund.se). Grievances are received by Swedfund's ESG & Impact Team which is responsible for investigating grievances and headed by the Director of ESG & Impact, who reports to Swedfund's CEO.

In order for Swedfund to deal with the grievance quickly and fairly, it should contain an accurate, adequate, and relevant description of:

- Individuals or communities impacted and how they are impacted
- The company to which the concern or grievance is related
- Any actions already taken to address the concern or grievance
- Which resolution or remedy is sought

Please state whether you wish your identity and/or the information provided to be kept confidential. Please note that Swedfund cannot assure legal protection against retaliation or reprisal from external parties. However, Swedfund does not tolerate any

form of retaliation against a claimant and we will, to the best of our possibilities, take necessary steps to prevent and discipline such actions.

Anonymous reports will be considered and investigated, to the best of our possibilities.

The Grievance Mechanism may be used to lodge concerns and grievances in respect of Swedfund and Swedfund's portfolio companies, but not in respect of individuals, due to applicable data protection legislation.

If the report relates to an individual, Swedfund refers to its [whistleblowing service](#) where reports may be filed regarding serious irregularities involving persons in key or executive positions within Swedfund and Swedfund's portfolio companies.

When lodging a grievance under the Grievance Mechanism, the claimant should avoid sharing information involving personal data of anyone else but the claimant. If this requirement is not met, Swedfund may deem the grievance inadmissible as Swedfund may not be allowed to process personal data in relation to the report, due to applicable data protection legislation.

### **3. Swedfund's Procedures**

Although response times will depend on the nature of the grievance, claimants will be kept informed about expected response times and progress made in addressing the grievance. The initial phases have defined timeframes. If these are not met, the grievance may be escalated to Swedfund's management.

Once a grievance is received, Swedfund aim to send an acknowledgement of receipt of the grievance within five working days.

Swedfund determines whether a grievance is legitimate or not, based on if the grievance is directly or indirectly linked to Swedfund and the significance of the grievance. Swedfund treats all grievances seriously and will not dismiss issues unless clearly unfounded and after a dialogue with the claimant. This admissibility assessment is aimed to be completed within the next 10 working days. Swedfund informs the claimant about the decision made and the basis of the decision.

If a grievance is deemed legitimate, Swedfund will make a preliminary review of the issues raised in the grievance to reach a deeper understanding of the issues and likely impacts. Swedfund will aim to finish the preliminary review within the next 20 working days.

If Swedfund, based on the preliminary review, determines that a deeper investigation must follow Swedfund will set up an indicative timeframe for such investigation and communicate the same to the claimant. The timeframe will largely depend on the complexity of the matter, including factors such as the number of issues and parties

involved, whether the issue and/or remedy is contested, and if negotiation or mediation is necessary.

When the investigation has been finalised, Swedfund will prepare a report on the grievance, including recommendations for corrective actions and potential remediation. Corrective actions may take the form of improvements of existing policies or procedures, as well as training and capacity building. For Swedfund's statement on remediation, reference is made to Swedfund's [Policy for Sustainable Development](#).

The report will be presented to Swedfund's Chief Executive Officer, who will decide on the most appropriate course of action. If Swedfund's Chief Executive Officer is deemed to be in a conflict of interest, the report will instead be presented directly to the chairman of the board of directors of Swedfund.

The final outcome will be communicated to the claimant as soon as practicable possible. At this stage the claimant can either accept or reject the outcome, which will formally be logged.

In case the outcome is rejected the claimant may file a complaint with the Swedish [National Contact Point](#) (NCP) for further mediation. Swedfund will abide by the NCP's final recommendations.

Throughout the process Swedfund will ensure close dialogue with the claimant. Gathering the necessary information for addressing the grievance may include reviewing relevant documentation and records, meetings with external stakeholders, consultations with external expertise, on-site visits and contacts with the claimant and other affected parties, as well as the relevant portfolio company.

#### **4. Processing of personal data of claimants**

The Grievance Mechanism may include processing of personal data of claimants, in order to administer and evaluate grievances.

If you have any questions or concerns regarding the processing of your personal data, you may primarily contact Swedfund at [GDPR@swedfund.se](mailto:GDPR@swedfund.se). If you have complaints regarding the processing of your personal data, you may also contact the Swedish Data Protection Authority. For more information on Swedfund's privacy practices, please see Swedfund's *Privacy Policy for Persons Using our Website or Contacting Swedfund via E-mail, Mail or Telephone*.

## **5. Reporting and Evaluation**

Swedfund will report in its annual Integrated Report on the outcome of grievances received, including whether the outcome was accepted or not by the claimant, taking into account confidentiality regulations and agreements.

This Grievance Mechanism will be evaluated by Swedfund on an on-going basis and updated where appropriate.

Swedfund International AB

9 June 2020