

**investor**

# **Principles for data adjustments**

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## Principles for data adjustments

*Investor AB has set a base year to enable comparison of emissions and track development. On occasion these base year emissions may need to be recalculated to ensure meaningful and relevant comparisons over time. Investor follows the fixed base year recalculation methodology, and this document sets the principles for recalculating and updating historical climate data for Investor AB and for the portfolio companies.*

### Recalculating principles for Investor AB

Recalculations to base year and historical figures will be conducted if company undergo significant structural changes or any of the following:

- Changes in calculation methodology or improvements in the accuracy of emission factors or activity data that result in a significant impact on the base year emissions data.
- Discovery of significant errors, or a number of cumulative errors that are collectively significant.

Significant impact that would trigger a recalculation:

- For scope 1 and 2 emissions the significant threshold is identified as an impact of > 5 percent compared to previous reported data.
- For scope 3 activities such as business travel, purchased IT equipment, food, paper and printed materials, the significant threshold is identified as an impact of > 10 percent compared to previous reported data.

### Recalculating principles for portfolio

Emissions from new portfolio companies are included both in the base year (when Investor didn't own the company) and in the current years. The principle is to include the data for the calendar year. Similarly, emission sources from divested companies are excluded both from the base year and current years.

Emissions from portfolio companies will also be updated if the company recalculates its historical figures to structural changes that have a significant impact on the base year, such as acquisitions, divestments, and mergers, and the outsourcing or insourcing of emitting activities. If it is not possible to make a recalculation in the year of the structural change (e.g., due to lack of data for an acquired company), the recalculation may be carried out in the following year.

Each portfolio company is responsible for its approach regarding recalculating emissions data. Investor collects and analyzes its portfolio emissions at least once per year and there is no threshold for when a recalculation of historical data will take place. Investor wants to use the latest and most accurate data from each portfolio company to enable relevant comparisons over time.

Investor encourages portfolio companies to recalculate their emissions to reflect significant changes that could compromise relevance and consistency of their existing targets and no recalculation for organic growth or decline. If Investor conducts any adjustments to portfolio companies' data, this is clarified in the reporting.

All recalculations and adjustments shall be documented and transparently reported.