

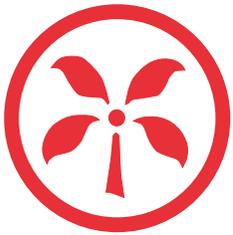


K I N N E V I K

ANNUAL REPORT 2021



**WE INVEST
FOR A
REIMAGINED
EVERYDAY**



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This is an interactive, clickable pdf.

Moving between the different sections is easy with the help of a navigation menu at the top of the page for chapters and the respective menu on each chapter introduction.

The Annual Report for Kinnevik AB (publ) 556047-9742 consists of a Board of Directors' Report, financial statements and other information on pages 51-112. The Sustainability Report on pages 11-50 has been subject to a limited assurance review. The annual accounts and consolidated accounts on pages 52-104 have been audited.

CHIEF EXECUTIVE'S REVIEW

Dear Shareholders, in 2021 we fundamentally shifted our portfolio towards younger, private growth companies. Through the distribution of Zalando, returns in our private companies of nearly 80 percent, and the active reallocation of capital within our portfolio, we ended the year with a more balanced set of growth companies, a portfolio with half of its capital invested in private businesses, and a stronger financial position than what we started the year with. This provides a solid platform for us to continue Kinnevik's journey as the leading listed growth investor, and to continue to create long-term value for our shareholders.



Our Net Asset Value amounted to SEK 72.4bn or SEK 260 per share at the end of 2021, up by SEK 10.1bn or 16 percent compared to one year ago (excluding Zalando). In the public portfolio, weak share price developments in Global Fashion Group and Teladoc had a negative impact on NAV, especially in the second half of the year.

The value of our private companies increased by SEK 17.5bn in 2021 from net revaluations of SEK 14.2bn and net investments of SEK 3.2bn (excluding Babylon, which went public in October 2021).

Capital reallocation activity was high throughout 2021, with investments of SEK 4.4bn in 10 new companies and SEK 2.0bn in follow-on investments financed through releasing SEK 5.5bn primarily from partial divestments of our VillageMD and Teladoc investments at returns exceeding 7x and 5x, respectively, and SEK 1.7bn in received dividends from Tele2.

In addition to proceeds from divestments and incoming dividends exceeding investments by SEK 0.9bn, we refinanced our credit facilities and issued SEK 2bn in new sustainability-linked bonds, ending the year with a robust financial position and SEK 5.4bn in net cash.

In summary, we ended 2021 with a more balanced portfolio with half of its capital invested in private businesses and a stronger balance sheet than what we started the year with.

Distributing Zalando to our Shareholders

Beginning of the year, we announced our intention to distribute our entire shareholding in Zalando to our shareholders, which was completed in the second quarter. The transaction represented a distribution of value to our shareholders of around SEK 54bn, or SEK 196 per share. We invested early in Zalando and during our 10-year ownership we consistently and actively supported the team as they grew their business from a small start-up to Europe's leading fashion platform, generating a return of 7.4x our invested capital - a fantastic journey of value creation, a strong example of how we work as an investor, and an inspiration for our younger companies. This distribution meant that we significantly increased our portfolio's focus on younger, high-growth business.

Focusing on Fundamentals

From a long-term perspective, the significant inflow of capital into the venture and growth capital market since mid-2020 has compounded with flexible working conditions opening up global talent pools and an accelerated adoption of digital services to boost global innovation and productivity. This creates a larger and more diverse universe of ideas and entrepreneurs being financed, leading to a faster and more dynamic creation of companies and value.

However, during late 2021 and early 2022 we have seen

a material derating in the valuation of publicly listed growth companies as global monetary policy is tightening. While this development is yet to bear more significant effects on the well-funded private venture and growth investment markets, we are mindful of this dichotomy and its instability.

During the year, we invested in 10 new companies in the Nordics, Europe and the US. Our long-term view on business building, deep sector expertise, permanent capital and commitment to sustainability are traits that resonate with founders, enabling us to partner with leading companies and win competitive rounds globally.

Growth Driving Value Creation

During 2021 the total value of our private companies almost doubled in size from SEK 14.9bn to 32.4bn (excluding Babylon) through broad-based returns of nearly 80 percent and net investments amounting to SEK 3.2bn.

We saw strong >100 percent uplifts in the valuations of companies such as Cedar, Cityblock, Pleo, TravelPerk and VillageMD in connection with transactions during 2021. The absolute majority of value creation in our private companies was, however, driven by their underlying growth rather than from expanding multiples - on a value-weighted basis, revenues in our private companies grew by close to 100 percent during 2021. This provides a makeweight to valuation levels that remained high from a historical perspective at the end of the year.

While valuations are always important when we invest, our primary focus when assessing younger, private companies is to make sure we support the best founders and teams and help build companies addressing large markets with a superior offering. This is key to continued long-term value creation for our shareholders. Pleo is a great example of this. In connection with the fundraising announced in December 2021, the valuation corresponded to a return on our first investment in 2018 of nearly 55x and more than 10x our aggregate investment since then. Pleo's success is,

as always, a combination of many things. To highlight a few, we believe it is a result of a relentless focus on product innovation to ensure product-market-fit and a delightful user experience, as well as incredible execution across areas ranging from marketing to automated onboarding and go-to-market. In addition, and potentially most important, the founders have a true commitment and focus on their own staff and company culture.

Future-Proofing our D&I Targets

While we are proud of the progress made against our four diversity and inclusion targets announced in 2019, we are by no means satisfied. We remain committed to driving an ambitious agenda and have during 2021 worked to identify new targets to have our work encompass a broader approach to diversity and the importance of inclusion. We acknowledge that there is no one-size-fits-all solution, which is why we also recognise the need for a more agile approach in terms of defining and measuring our companies' progress. On page 25 you will find our updated and more ambitious targets.

In November, Kinnevik issued our first ever sustainability-linked bonds. The final redemption prices of the bonds depend on Kinnevik's ability to meet annual sustainability performance targets. The bond issue was met with strong interest in the market, and it affirms our commitment to driving ESG improvements in our portfolio companies.

Concluding Remarks

Russia's invasion of Ukraine in the beginning of 2022 has not only prompted a massive humanitarian catastrophe and the largest refugee crisis in a century, but it will also have significant economic consequences. Higher oil and gas prices, energy independence

16%

Kinnevik's Net Asset Value increased by 16% during 2021, excluding the distribution of Zalando

We still believe that maintaining investment momentum and re-allocating capital is key to ensure our portfolio remains vibrant and dynamic if opportunities to back great founders and ideas arise.



measures and increased refugee movements are giving rise to a global supply chain shock. Meanwhile, heightened geopolitical tension is affecting household confidence as well as investor's sentiment. Whatever the duration of the war, its consequences for people and societies will be long-lasting.

With investments of SEK 6.4bn in 2021, we deployed more capital than we anticipated at the beginning of the year. The increased investment activity is a result of many attractive companies raising capital, our increased conversion of interesting opportunities into investments and our maintenance of a strong financial position through capital reallocation. Expectations of rising interest rates at the start of 2022 is putting pressure on the valuations of growth companies. It is difficult to predict how the year will pan out, and if what is unfolding in the public markets' valuations of growth stocks is a sign of a new, longer-term environment.

Keeping this in mind, we still believe that maintaining our investment momentum and actively reallocating capital is key to ensure our portfolio remains vibrant and dynamic as long as opportunities to back great founders and ideas arise. Therefore, in 2022 we expect to continue deploy around as much capital as we have averaged during the last three years, in the region of SEK 5bn. With our strong financial position and proven track record of backing category winning businesses, we feel confident that the Kinnevik team has the right tools, strategy and perspective on business building to continue create long term sustainable shareholder value.

Georgi Ganev,
CEO of Kinnevik

STATEMENT BY THE CHAIRMAN OF THE BOARD

Dear Shareholders, 2021 was a vital year in the continuing transformation of Kinnevik.

We are now close to attaining our vision of the company as a committed and focussed investor in young, high growth and generally private ventures. The steps taken by our management towards this objective are ably described by our CEO in his letter and do not require my repetition. But after our divestment by distribution, it is right to record here too our thanks to the team at Zalando for their efforts and achievements over our many years of co-operation. We are most grateful and wish Zalando well for the future.

But 2021 already feels like the distant past. In the last three months we have seen small cracks turn into major fissures in the markets for public growth companies and gradually these are undermining much of the confidence that until recently marked the venture capital world. It will take many months before the environment settles and we will try to guide shareholders in as frank and open as possible a manner as the situation evolves.

Yet valuation issues seem superficial concerns compared with the terrible events in Ukraine. The depth of the tragedy is already becoming evident but further shocks and traumas seem inevitable if unimaginable. Kinnevik has made a donation to the UNHCR to do what little we can to ameliorate the sad circumstances in Ukraine.

Future Strategy

It is hard to maintain investment discipline at these times but it is essential. As time horizons shrink under the pressure of events and volatility it is of greater importance and differentiation to

focus on the next five and ten years than the next 5 minutes or 10 days. Such a mentality is a central element of what we can offer to companies and shareholders. This is easy to say at times of buoyant markets, but it is in downturns that demonstrating resilience becomes both hard and worthwhile. 2022 will offer ample opportunity to display our support to companies building their capabilities for the long term.

Too often a commitment to diversity is interpreted as a series of numbers and adherence to words rather than deeds. It is rarely seen as strategically imperative. Our numbers and words are hopefully impressive and are described elsewhere in this report. But we are looking to create an atmosphere that goes beyond numbers into generating serious cognitive diversity and diversity in mentalities. That this is hard to measure is no deterrent to our ambition.

Whilst there is much to concern us all at present there remain great opportunities for Kinnevik. We have the ability to participate in the deep structural changes and transformations that our societies require and that great companies can, and should,

assist in creating. We believe that investing in private companies will become more rather than less central to this objective. It may well require more patience and heavier capital commitments than many venture capitalists can muster but that we should be able to offer. Kinnevik has the skills and flexibility to play a significant role across not just Scandinavia but throughout Europe and globally in areas of clear expertise. We need to prove that we can lead beneficial and rewarding change in a troubled world.

James Anderson

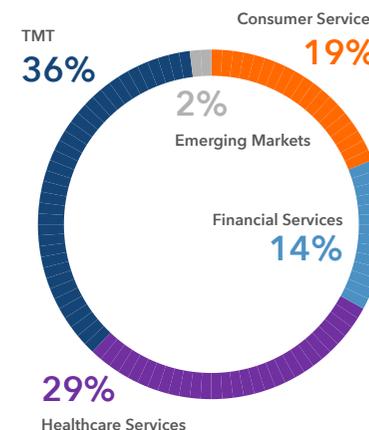
Chairman of the Board of Kinnevik



KINNEVIK IN SUMMARY

Kinnevik’s ambition is to be Europe’s leading listed growth investor, and we back the best digital companies for a reimagined everyday and to deliver significant returns. We understand complex and fast-changing consumer behaviours, and have a strong and expanding portfolio in healthtech, consumer services, foodtech and fintech. As a long-term investor, we strongly believe that investing in sustainable business models and diverse teams will bring the greatest returns for shareholders. We back our companies at every stage of their journey and invest in Europe, with a focus on the Nordics, and in the US. Kinnevik was founded in 1936 by the Stenbeck, Klingspor and von Horn families. Kinnevik’s shares are listed on Nasdaq Stockholm’s list for large cap companies under the ticker codes KINV A and KINV B.

Composition of Portfolio Value

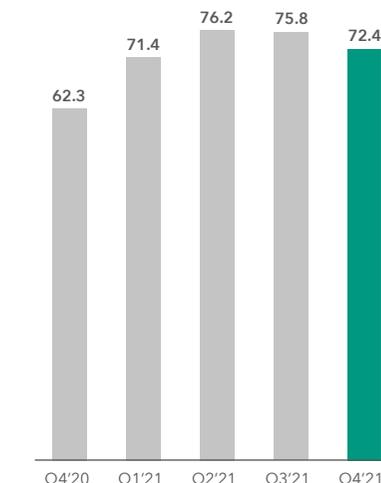


Annualised Total Shareholder Return

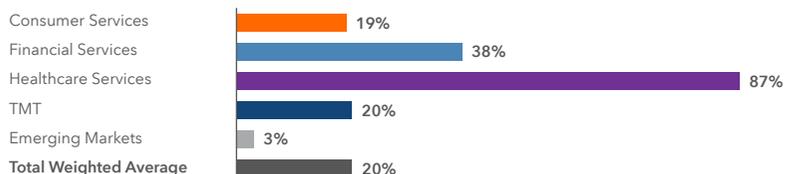


8.0% *Net Cash to Portfolio Value*

NAV Development (SEKbn)
(Excluding Zalando)

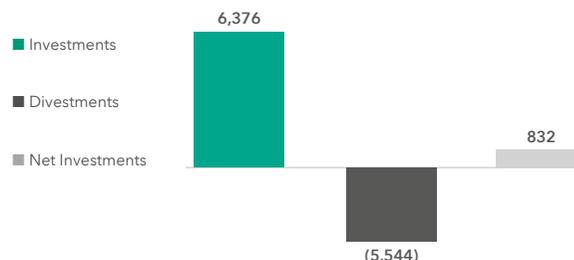


Five Year Annualised IRR per Sector



Note: The annualised total shareholder return includes reinvested dividends.

Investment Activity during 2021 (SEKm)



KINNEVIK'S BUSINESS MODEL AND VALUE CREATION PROCESS

Our Value Creation Process. Kinnevik applies a holistic view to value creation. We provide hands-on operational support to our companies, as well as a high-level strategic perspective. To create value for our key stakeholder groups, we draw on various types of resources.

Resources We Draw On

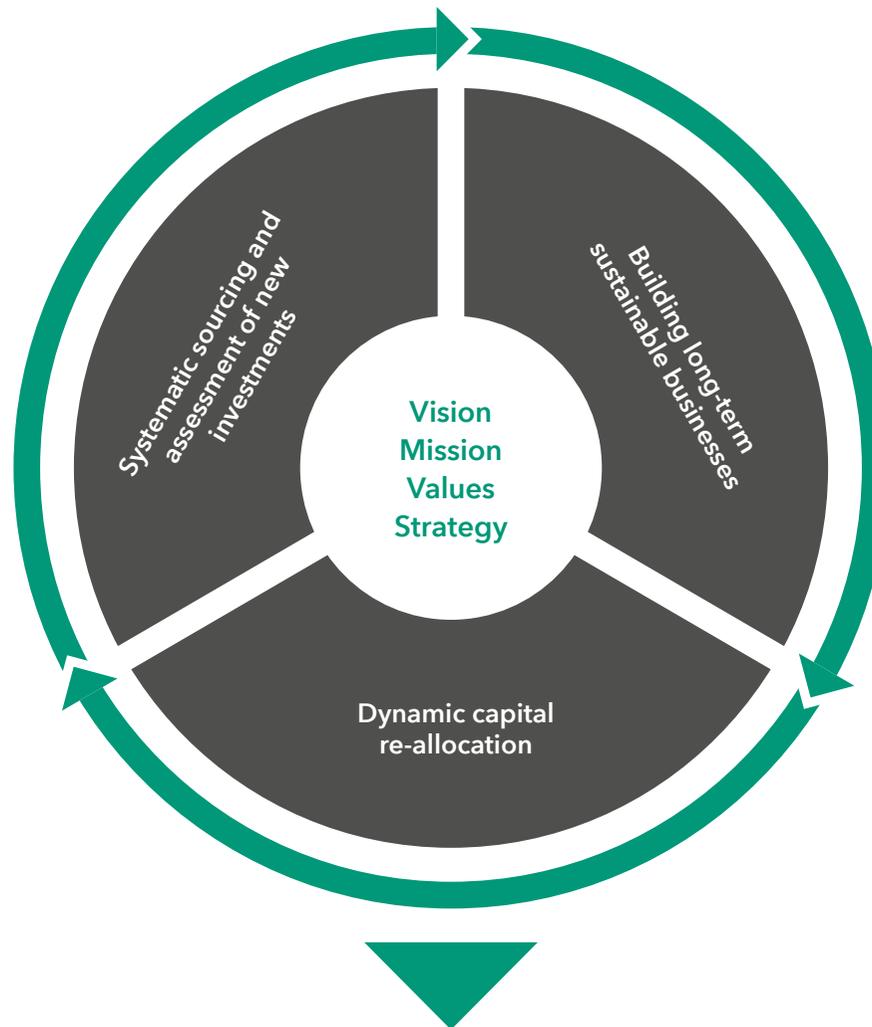
Financial. Funds available through investment activities, dividends from investee companies and debt financing

Intellectual. Organisational capital such as systems, policies, processes and tools

Human. Our employees' and advisors' competencies, capabilities, experience, loyalty and motivation

Social. Relationships and interactions with our stakeholders and networks, as well as our brand and reputation

Natural. Environmental resources we draw on to enable for example business travel and offices



Our vision and mission identify our purpose as an organisation.

Our strategy defines how we maximise opportunities and allocate resources, and our values guide us in how to implement our strategy.

Read more about how sustainability is integrated in our value creation process on pages 8-9.

[8-9 →](#)

Read more about our vision, mission, values and strategy on page 10.

[10 →](#)



Value We Create for Our Stakeholders

Shareholders and the Financial Community

Long-term economic and sustainability performance

Employees

Strong corporate culture, improved skills and knowledge, equal opportunities, competitive compensation, diversity, inclusion and work-life balance

Portfolio Companies and Entrepreneurs

Economic and sustainability performance, financial and operational support, network and knowledge sharing

Society and Authorities

Well-governed companies that contribute positively to society. Good corporate citizenship and increased transparency

Connection to the Global Goals

The value we create for our stakeholders through our active ownership is clearly connected to the UN Sustainable Development Goals. Read more about our stakeholder dialogue on page 13, and about the most relevant Global Goals for Kinnevik and our portfolio on pages 16-17. Furthermore, some of our companies contribute to the Global Goals by virtue of their core business models, read more on page 37.

Shareholders and the Financial Community

- 8.1:** Sustainable economic growth
- 13.2:** Integrate climate change measures into policies and planning
- 16.5:** Substantially reduce corruption and bribery
- 16.6:** Develop effective, accountable and transparent institutions

Employees

- 5.5:** Ensure women’s full participation in leadership and decision-making
- 8.8:** Protect labour rights and promote safe working environments

Portfolio Companies and Entrepreneurs

- 5.5:** Ensure women’s full participation in leadership and decision-making
- 8.1:** Sustainable economic growth
- 8.2:** Diversify, innovate and upgrade for economic productivity
- 8.8:** Protect labour rights and promote safe working environments

- 12.5:** Substantially reduce waste generation
- 12.6:** Encourage companies to adopt sustainable practices and sustainability reporting
- 13.2:** Integrate climate change measures into policies and planning
- 16.5:** Substantially reduce corruption and bribery
- 16.6:** Develop effective, accountable and transparent institutions
- 17.16:** Enhance the global partnership for sustainable development

Society and Authorities

- 16.6:** Develop effective, accountable and transparent institutions
- 17.16:** Enhance the global partnership for sustainable development

SUSTAINABILITY IS INTEGRATED INTO OUR VALUE CREATION PROCESS

We believe that to be a long-term successful company, you need to contribute to making the world a better place. We back digital businesses that contribute to a more sustainable future by combining strong economic growth with a positive impact on people and the planet. These companies will be able to offer better products and services that meet the demands of their customers, as well as recruit the best employees, thereby outperforming their competitors in the long run.

Sustainability is an integrated part of our business model and investment process, from sourcing and assessment of new business opportunities to ongoing development of our companies and re-allocation of capital into new opportunities.

Kinnevik generally invest in younger growth businesses, meaning they are early stage in their operational and sustainability development. Our structured and integrated approach across environmental, social and governance (“ESG”) aspects enables us to back our companies at every stage of their journey and support them in building long-term sustainable businesses.

Systematic Sourcing and Assessment of New Investments

Kinnevik has a structured process to source and assess potential new investments involving Kinnevik’s Board of Directors, Management Team, Investment Team and Sustainability Team. The Executive Investment Committee (the “EIC”) is chaired by Kinnevik’s CEO and comprises the Management Team, the Sustainability Director and the Investment Directors.

The Board of Directors is responsible for Kinnevik’s overall strategy, including our investment activities and how sustainability is integrated into value creation. The Board resolves on Kinnevik’s annual investment budget, capital allocation framework, return target and leverage policy, all of which frame Kinnevik’s investment activities. All EIC materials are shared with the Board on a

transparent and recurring basis to enable the Board to exercise its oversight over the EIC and the Kinnevik team. The Board also conducts an annual evaluation of the EIC process. Investment and divestment decisions are generally made by the EIC, with support from the Board depending on the size and strategic fit of the opportunity.

In pipeline meetings, the EIC together with the full Investment Team provide initial feedback on investment opportunities and assess strategic fit. A small selection of companies is brought to stage one of the EIC and evaluated against Kinnevik’s key investment criteria, product-market fit and scalability.

Kinnevik’s Sustainability Team is represented at each of these stages and only companies that fit our investment ethos, including subscribing to our sustainability principles, are brought to the EIC. Ahead of stage one of the EIC the Investment Team prepare a memo which includes an initial assessment of the company’s material topics and sustainability risks and opportunities.

The most promising opportunities move on to stage two of the EIC where companies are evaluated based on a refined understanding of the market, potential of the business and potential returns. Ahead of this stage, the Sustainability Team together with the Investment Team perform an ESG desktop review. A key evaluation criteria is the “tone at the top” and the passion, drive and values of the founders and their management team. Companies that move on from stage two of the EIC are subject to a thorough due diligence process covering, among other areas, finance and tax, legal, commercial and sustainability.

The Sustainability due diligence is performed by the Sustainability Team together with members of the Investment Team and covers the three ESG dimensions. Companies are evaluated on their approach and implemented structures in relation to ESG aspects, and a more thorough analysis of the key sustainability risks and opportunities is performed. This due diligence helps Kinnevik assess the companies’ long-term vision and how well they understand their consumers’ preferences. It also enables us

to assess whether the company’s values are aligned with ours. The main objective is to understand the tone at the top set by the board and management team, and identify the base from which we can build. The basis for the sustainability due diligence is the Kinnevik Standards (read more on page 29), tailored to the specific sector and development stage of the company. In instances where potential investments do not meet our expectations, or are not considered likely to undertake the required improvements, Kinnevik refrains from proceeding with the investment.

In 2021 Kinnevik invested in ten new companies for which we performed sustainability due diligence for nine: Jobdantent, Lunar, Nick’s, Parsley Health, Quit Genius, Spring Health, Superb,

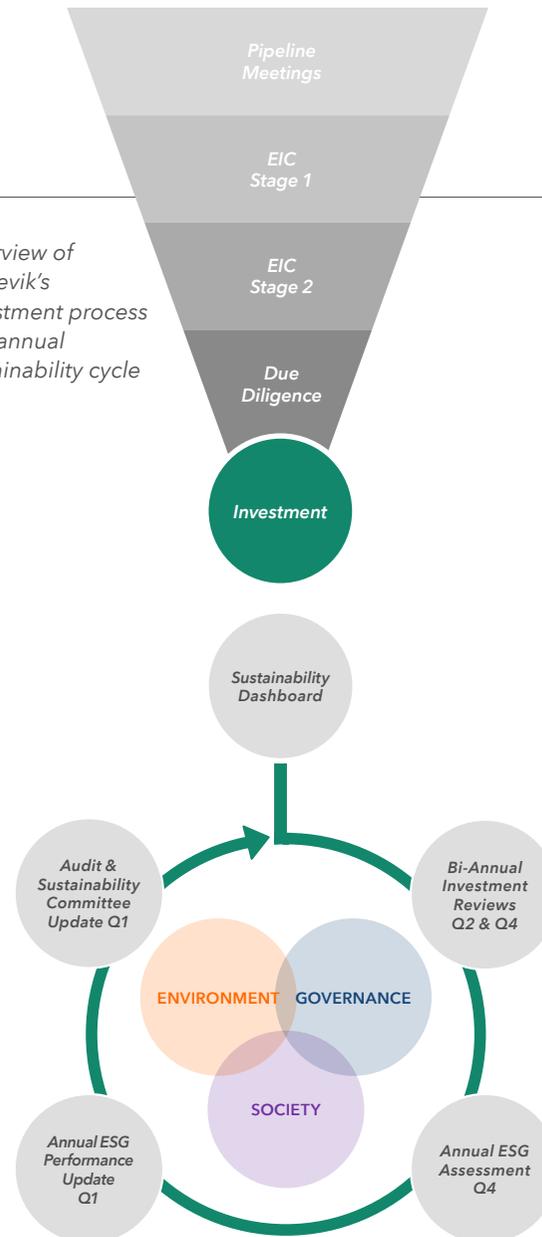


THE KINNEVIK PLATFORM

As part of our efforts to add value to and develop our companies, we provide them access to the Kinnevik Platform. It enables our companies to tap into the shared expertise, tools, resources and network of the Kinnevik Group. Read more on page 31.

31 →

Overview of Kinnevik's investment process and annual sustainability cycle



Vay and Vivino. The performed sustainability due diligence processes did not result in any material issues which prevented us from proceeding with the investments. For our tenth new company, Sure, we did not perform any ordinary due diligence due to process constraints, instead we relied on co-investors' earlier work and are therefore working actively with the company to assess and support their ESG improvement needs post-investment.

After an investment is made, the Sustainability Team together with the Investment Team discuss relevant ESG topics and agree on priorities and annual objectives. These discussions are formalised in a sustainability dashboard which also outlines the key ESG risks and opportunities for each company and tracks specific targets and KPIs.

When a portfolio company seeks additional funding, they are evaluated again in the EIC including how they have performed across ESG aspects in accordance with their agreed objectives.

In 2021, Kinnevik added a People & Culture due diligence process for all new investments. This process assesses the companies' approach and implemented structures in relation to leadership & culture, talent & performance, and diversity & inclusion, and more. The due diligence is led by Kinnevik's Chief People & Platform Officer together with the Sustainability Team and Investment Team. As there is some overlap in scope, the Sustainability and People & Culture due diligence processes are co-ordinated.

Building Long-Term Sustainable Businesses

While investing in the best companies is critical, how we contribute to the development of our companies after investment is essential in creating value. We support our companies in setting bold strategic visions and targets for building long-term sustainable and successful businesses. This will enable them to take full advantage of the opportunities arising from being sustainability leaders in their respective industries.

To structure our work with the companies, we have a coordinated Annual Sustainability Cycle which is a set of workstreams

and collaborations between the Sustainability Team and the Investment Team. Investment Reviews are conducted twice a year for all companies, at which the companies' development is discussed across several parameters, including ESG aspects based on the companies' sustainability dashboard.

Further, Kinnevik's Sustainability Team conducts an Annual ESG Assessment of all portfolio companies at the end of each year. This is divided into two workstreams; a quantitative assessment based on the Kinnevik Standards (read more on page 29), and a more qualitative assessment of the companies' tone at the top, competences and progress according to their annual objectives.

The results of the Annual ESG Assessment are discussed with the Investment Team at an Annual ESG Performance Update at the beginning of each year. Based on this assessment, the dashboard is updated and new annual ESG targets are set for each company.

As sustainability progress is part of Kinnevik's overarching corporate objectives, the results of the Annual ESG Assessment are tied to the Investment Team's remuneration.

The results of the Annual ESG Assessment are presented to the Audit & Sustainability Committee, which concludes the Annual Sustainability Cycle. The Committee regularly reviews the performance throughout the year. Read more about the support we provide for our companies on pages 30-32.

Dynamic Capital Re-Allocation

Kinnevik systematically re-allocates capital from companies where we believe our tenure as owner is over into new venture and growth companies in our focus sectors. With a distribution of companies along the growth and maturity curve, we benefit from a unique system of companies spanning from venture and growth businesses that are not accessible on the public markets, to more mature listed companies providing stability to the portfolio.

VISION

To be Europe's leading listed growth investor

MISSION

We back passionate founders who are building transformative digital companies that make people's lives better. We work actively with our companies through every stage of their journey, growing them into long-term successful and sustainable businesses delivering significant returns.

VALUES

Integrity

Boldness

Excellence

STRATEGY

- Back digital challenger businesses that harness the power of technology to address vital, everyday needs
- Be a bold, stage-agnostic and long-term investor, partnering with talented entrepreneurs
- Focus on Healthcare Services, Consumer Services, Food and Financial Services, large sectors in the process of significant technological disruption
- Invest in Europe, with a focus on the Nordics, and in the US
- Leverage our experience and expertise to support our companies in building long-term successful and sustainable businesses

SUSTAINABILITY REPORT

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SUSTAINABILITY STRATEGY

Kinnevik’s sustainability strategy is based on the UN 2030 Agenda for Sustainable Development and balances three dimensions of sustainability - environment, society and governance (“ESG”).

EXTERNAL FRAMEWORKS

Kinnevik is a signatory of the UN Global Compact, the world’s largest corporate sustainability initiative. A part of this initiative’s multi-year strategy is to drive business awareness and action in support of achieving the Global Goals by 2030. This Sustainability Report serves as Kinnevik’s annual Communication on Progress to the UN Global Compact, containing our implementation of its principles on human rights, labour, environment and anti-corruption. Kinnevik also recognises the special importance of international standards on responsible business conduct, such as the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. The Sustainability Report 2021 is prepared in accordance with the Global Reporting Initiative’s (“GRI”) Standards: Core option, including the GRI Sector Disclosures for Financial Services. The GRI index is available on pages 45-47.

In addition to the above, this document also relates to the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB). These indexes can be found on page 38 and pages 49-50, respectively.

During 2021, Kinnevik has reviewed the potential implications of the EU taxonomy for sustainable activities, a classification system of environmentally sustainable economic activities. Although Kinnevik is not covered by the direct reporting requirements of the EU taxonomy we are continuously assessing the potential effects of the same as market practice develops and the EU continues to build out the framework.

Agenda 2030 and the Sustainable Development Goals

Sustainable development has been defined by the UN as “Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”

Sustainability is the foundation of today’s leading global framework for international cooperation - the 2030 Agenda for Sustainable Development and its Sustainable Development Goals. Adopted by all United Nations Member States in 2015, the 2030 Agenda is a broad and universal policy agenda with 17 Global Goals split into 169 associated targets to be achieved by 2030. The Global Goals are integrated, indivisible and balance economic, social and environmental sustainability.

Kinnevik has evaluated the SDGs and identified those most relevant to our business and stakeholders, and on which we can have the most impact. We have classified each of the 169 targets into one of four categories depending on their relevance to us - central, meaningful, general or irrelevant. The targets identified as central or meaningful were further categorised as relevant for either Kinnevik and/or our portfolio in general or for specific portfolio companies, as well as whether we or our companies should actively contribute to them or not. The targets categorised as central, relevant to Kinnevik and/or our portfolio in general and which we should contribute to actively, a total of ten targets, are listed on pages 7 and 16-17. These targets also form the basis from which we have developed our material topics and sustainability targets on page 14.

The UN Sustainable Development Goals



INTERNAL FRAMEWORK

Kinnevik's sustainability strategy is a framework set up to focus our resources on the most relevant environmental, social and governance issues, to drive performance and to engage internal and external stakeholders. The framework consists of Kinnevik's material topics, targets, objectives and key performance indicators ("KPIs"). Kinnevik addresses sustainability on two levels, *Kinnevik: A Responsible Company*, and *Portfolio: Our Active Ownership*. The material topics are the same on both Kinnevik and Portfolio level, with specific targets and objectives for each level, as well as a set of KPIs for the Portfolio level.

Organisation

Kinnevik's Board of Directors is responsible for our overall strategy, including how sustainability is integrated into our value creation. To assist the Board in monitoring the implementation of our sustainability agenda Kinnevik has established an Audit & Sustainability ("A&S") Committee, appointed by the Board of Directors. To drive the integration on a day-to-day basis, at a Kinnevik level and in relation to our investee companies, Kinnevik has established a dedicated Sustainability Team. The Sustainability Team, together with the Investment Team, is responsible for implementing the Kinnevik Standards across our portfolio companies and for driving our sustainability agenda.

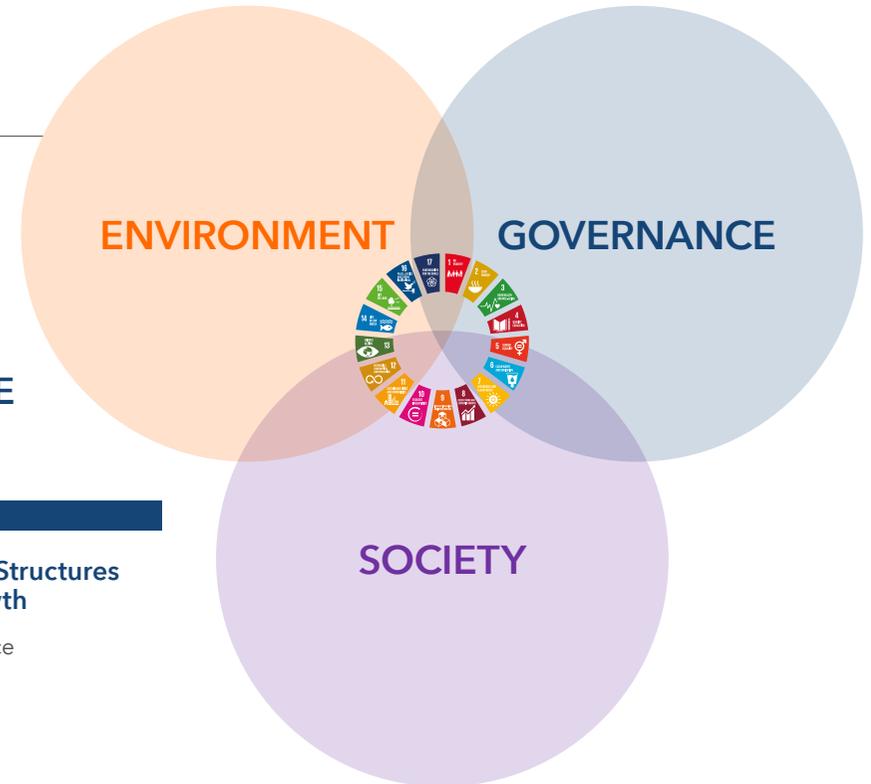
Stakeholder Dialogue

Maintaining a close dialogue with our principal stakeholder groups is central to defining and confirming our material aspects. The key stakeholder groups have been identified through Board and management discussions as those that are most affected by our operations, and have a high degree of influence over Kinnevik's ability to implement our strategies and achieve our objectives. Focus areas for each stakeholder group have been raised in ongoing dialogues throughout the year.

Key Stakeholder Groups	Focus Areas	Methods of Engagement	Response/Outcome
Shareholders and the Financial Community	Strong and long-term economic and sustainability performance including solid governance structures and sound social and environmental practices.	Investor meetings, road shows and sell-side analyst meetings, interim reports and webcasts, interviews in the media, corporate website, social media, press releases, annual general meetings and quarterly, annual and sustainability reports.	Continuous communication across multiple channels regarding Kinnevik's strategy, financial development and sustainability progress.
Employees	Corporate culture, performance management, equal opportunities, diversity and inclusion, work-life balance, attractive compensation structures and strong economic and sustainability performance.	Townhall meetings, local staff meetings, team conferences, bi-annual reviews of performance and personal objectives.	Structured on-boarding for new employees, bi-annual reviews and objective setting, annual compensation review, training of key policies and implementation of the Diversity & Inclusion Framework.
Portfolio Companies and Entrepreneurs	Strong and long-term economic and sustainability performance, financial and operational support, network and knowledge sharing.	Ongoing communication through the Investment Team, Annual ESG Assessment, active representation on Boards and in committees.	Continuous operational and financial support, support in implementing sound sustainability practices and access to the Kinnevik Platform.
Society and Authorities	Upholding social responsibility, good corporate citizenship and overall transparency.	Dialogues with local governments, authorities and key policy makers. Corporate website and annual and sustainability report.	Active engagement in open dialogues to contribute to and improve the policy landscape. Participation in public consultations in areas of importance to Kinnevik and our companies.

MATERIAL TOPICS AND SUSTAINABILITY TARGETS

For Kinnevik and Our Portfolio



ENVIRONMENT

Material Topics

Environmental Responsibility and Reduced Climate Impact

- Greenhouse Gas Emissions
- Use of Resources

Sustainability Targets

- Net zero greenhouse gas emissions from Kinnevik’s operations excluding the portfolio from 2020 and onward
- 50% reduction in greenhouse gas emission intensity in Kinnevik’s portfolio by 2030 compared to 2020

SOCIETY

Social Equality and Good Corporate Citizenship

- Human Rights
- Business Ethics
- Well-being & Personal Development
- Health & Safety
- Diversity & Inclusion
- Community Outreach

- 40/60 gender composition in all Kinnevik teams by 2022
- Measure all managers on inclusive leadership annually
- 10% of capital invested per year into new companies should go to female founded or led companies
- Follow-on investments conditional upon clear D&I progress

GOVERNANCE

Sound Governance Structures and Economic Growth

- Corporate Governance
- Risk Management
- Compliance
- Economic Growth

- Deliver an annual total shareholder return of 12-15% over the business cycle
- 5 percentage point improvement in annual average ESG score across portfolio

Material Topics

Kinnevik's material topics have been identified through interactive stakeholder dialogues, Board and management discussions, peer benchmarking and industry best practices. When determining our material topics, we consider topics that are the most important to us and our stakeholders, as well as the significance of Kinnevik's environmental, social and governance impacts. The material topics reflect the key risks and opportunities we focus on, both on a Kinnevik and Portfolio level. The material topics have not changed significantly from last year, but environmental responsibility and social equality (particularly diversity and inclusion) have risen in importance, especially in discussion with portfolio companies.

Targets, Objectives and KPIs

On the next two pages is an overview of Kinnevik's targets, objectives and target fulfilment for each of our material topics on a Kinnevik and Portfolio level. The sustainability targets are part of Kinnevik's overarching corporate targets and as such directly linked to the remuneration of our teams. The objectives aim to further develop our ambitions within each material aspect and to guide our efforts and priorities.

In addition, our Portfolio level KPIs are a quantitative representation of our portfolio's sustainability performance and a tool to measure progress. They do not however cover the full extent of Kinnevik's efforts. Many of our companies are in the early stages of their operational and sustainability development, which is reflected in the outcome of the KPIs. We cannot expect all companies to fully meet our expectations with regards to sustainability at the point of investment, and we define a clear roadmap for our companies with key priorities and objectives each year (read more on page 30).

As Kinnevik re-allocates capital dynamically, the composition of our portfolio changes over time which has an impact on the KPIs. The KPIs are based on the Kinnevik Standards which you can read more about on page 29. A full account of the Portfolio level KPIs, including comparative numbers for 2021 and 2020, is available on page 41-43.

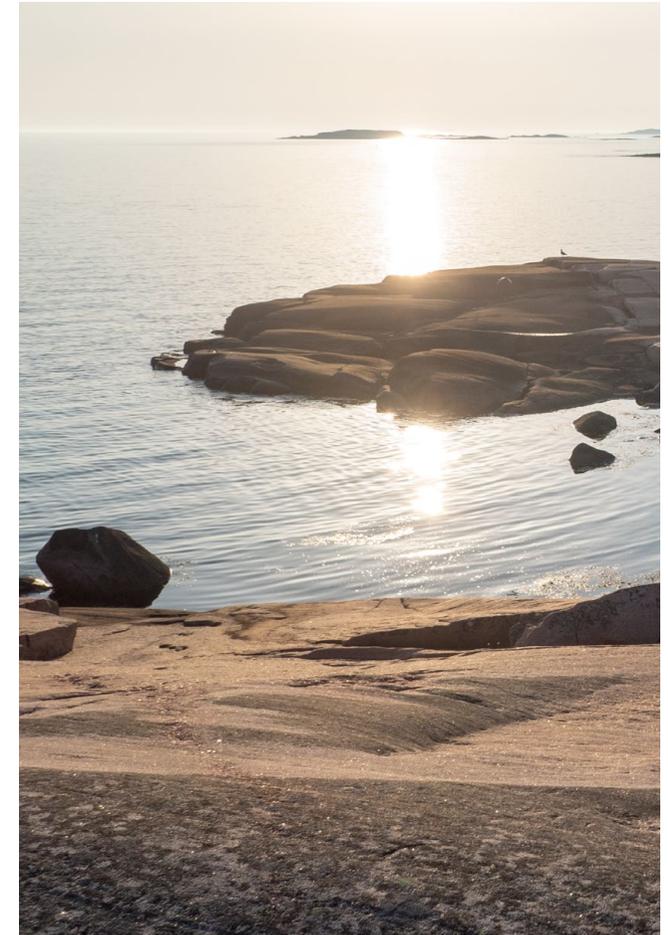
Scope and Boundaries of Reporting

This report covers the sustainability performance of Kinnevik for the period 1 January to 31 December 2021.

Our strategy involves being a leading shareholder in our companies with a sizeable minority shareholding which provides us influence over outcomes. This means that while we can exercise influence over our companies mainly through board representation, we do not have direct control over them. The issues identified as relevant for investee companies relate to those organisations at group parent level.

The focus of this report is on the sustainability performance, structures and initiatives in Kinnevik's own operations. Additional information on the portfolio companies is provided on an aggregated level and in the form of case studies on specific initiatives. More information on portfolio companies' performance can be found on their respective websites.

Kinnevik's economic performance is directly influenced by the economic performance and the valuation of our investee companies, and therefore economic performance is only covered in this report on a Kinnevik level.



SUSTAINABILITY FRAMEWORK

KINNEVIK LEVEL

Dimension	ENVIRONMENT	SOCIETY	GOVERNANCE
Most Relevant Global Goals	13.2: Integrate climate change measures into policies and planning	5.5: Ensure women's full participation in leadership and decision-making 8.8: Protect labour rights and promote safe working environments 17.16: Enhance the global partnership for sustainable development	8.1: Sustainable economic growth 16.5: Substantially reduce corruption and bribery 16.6: Develop effective, accountable and transparent institutions
Material Topics	Environmental Responsibility and Reduced Climate Impact	Social Equality and Good Corporate Citizenship	Sound Governance Structures and Economic Growth
Targets	<ul style="list-style-type: none"> Net zero greenhouse gas emissions from Kinnevik's operations excluding the portfolio from 2020 and onward 	<ul style="list-style-type: none"> 40/60 gender composition in Kinnevik's Management Team, Investment Team and Corporate Team by 2022 All Kinnevik's managers are annually measured on inclusive leadership and the results are linked to their remuneration 	<ul style="list-style-type: none"> Deliver an annual total shareholder return of 12-15% over the business cycle
Objectives	<ul style="list-style-type: none"> Reduce greenhouse gas emissions from Kinnevik's operations excluding the portfolio to as close to zero as possible Offset unavoidable emissions through a permanent carbon dioxide removal program 	<ul style="list-style-type: none"> Attract, recruit and retain the most talented employees Be an attractive employer with diversity & inclusion, well-being and personal development in focus Community outreach engagement through Reach for Change 	<ul style="list-style-type: none"> Maintain sound corporate governance structures including risk management and compliance in Kinnevik's own operations
Targets Fulfilment 2021	<ul style="list-style-type: none"> Greenhouse gas emissions from Kinnevik's operations excluding the portfolio during 2021 are in line with the corresponding emissions in 2020. The emissions during 2021 and 2020 are at a considerably lower level compared to 2019, 2018 and 2017 which is mainly the result of significantly less business travel due to the spread of the Coronavirus. In 2021 we also updated our policy for air travel, read more on page 19 Kinnevik has ordered and paid to have our 2021 emissions, excluding emissions from the portfolio, amounting to 92 tonnes of CO₂e, permanently removed through Climeworks' direct air capture and storage solution Read more on pages 18-21 	<ul style="list-style-type: none"> Share of women in Kinnevik's Management Team has increased from 43% at year-end 2020 to 50% at year-end 2021. For the Investment Team, the share has increased from 23% to 38% at year-end 2021. Per March 31, 2022, the share of women in the Investment Team was 47%. The Corporate Team ended the year with 73% women Our four overarching D&I targets have been incorporated into Kinnevik's overall corporate objectives for 2021, thereby tying them to the remuneration of our teams Read more on pages 22-25 	<ul style="list-style-type: none"> Kinnevik's total shareholder return ("TSR") amounted to 29% for 2021. The five-year annualised TSR was 30% and the ten-year annualised TSR was 23%, per 31 December 2021 Read more on pages 26-28

SUSTAINABILITY FRAMEWORK

PORTFOLIO LEVEL

Dimension	ENVIRONMENT	SOCIETY	GOVERNANCE
Most Relevant Global Goals	<p>12.5: Substantially reduce waste generation</p> <p>12.6: Encourage companies to adopt sustainable practices and sustainability reporting</p> <p>13.2: Integrate climate change measures into policies and planning</p>	<p>5.5: Ensure women's full participation in leadership and decision-making</p> <p>8.8: Protect labour rights and promote safe working environments</p> <p>16.5: Substantially reduce corruption and bribery</p> <p>16.6: Develop effective, accountable and transparent institutions</p> <p>17.16: Enhance the global partnership for sustainable development</p>	<p>8.1: Sustainable economic growth</p> <p>8.2: Diversify, innovate and upgrade for economic productivity</p> <p>16.5: Substantially reduce corruption and bribery</p> <p>16.6: Develop effective, accountable and transparent institutions</p>
Material Topics	Environmental Responsibility and Reduced Climate Impact	Social Equality and Good Corporate Citizenship	Sound Governance Structures and Economic Growth
Targets	<ul style="list-style-type: none"> 50% reduction in greenhouse gas emission intensity in Kinnevik's portfolio by 2030 compared to 2020 	<ul style="list-style-type: none"> At least 10% of the capital invested on an annual basis by Kinnevik into new companies should be invested in female founded or led companies Follow-on investments are conditional upon clear diversity and inclusion progress 	<ul style="list-style-type: none"> Deliver an annual total shareholder return of 12-15% over the business cycle 5 percentage point improvement in annual average ESG score across portfolio
Objectives	<p>Ensure our portfolio companies:</p> <ul style="list-style-type: none"> Measure their emissions in Scope 1, 2 and relevant parts of Scope 3 according to the GHG Protocol Set relevant climate targets across their operations and value chains to align with the 1.5°C pathway Define a roadmap with bold visions to reach the targets 	<p>Ensure our portfolio companies:</p> <ul style="list-style-type: none"> Build responsible business relationships with suppliers Attract and retain the most talented employees Have committed community outreach programs 	<p>Ensure our portfolio companies:</p> <ul style="list-style-type: none"> Have sound governance, risk management and compliance structures in place Achieve long-term sustainable economic growth, i.e. reach Kinnevik's annual return target as well as our climate and D&I targets
Targets Fulfilment 2021	<ul style="list-style-type: none"> As emission data for 2021 for our portfolio companies that report on emissions is not yet available, emission intensity change for the portfolio will be published in the Sustainability-Linked Financing Framework Climate Progress Report that will be published before 30 June 2022 Read more on page 30 	<ul style="list-style-type: none"> Since May 2019, 20.5% of the value of Kinnevik's investments into new companies has been invested in female founded companies. During 2021, 24% of Kinnevik's investments into new companies was invested in female founded companies All potential follow-on investments are being evaluated on D&I performance as part of the EIC process Read more on page 31 	<ul style="list-style-type: none"> Kinnevik's economic performance is directly influenced by the economic performance and the valuation of our investee companies, and therefore economic performance is only covered in this report on a Kinnevik level In 2021, the annual average ESG score increased by 12 percentage points on a comparative basis Read more on page 32

KINNEVIK

A RESPONSIBLE COMPANY

As a responsible and active owner, Kinnevik aims to be a role model for our investee companies as well as industry peers across environmental, social and governance aspects.

ENVIRONMENTAL RESPONSIBILITY AND REDUCED CLIMATE IMPACT

The effects of climate change are causing acute harm to societies and economies globally, and expectations on businesses from the investor community and consumers are rapidly increasing. Being leaders in combating climate change is a significant opportunity for Kinnevik and our portfolio, which involves measuring our full climate impact, setting targets in line with the carbon law and defining clear roadmaps to reach those targets.

KINNEVIK'S CLIMATE TARGETS

In May 2020, Kinnevik set two climate targets to reduce greenhouse gas ("GHG") emissions and prepare our portfolio and organisation for a low carbon economy. The targets are:

- **Net zero greenhouse gas emissions from Kinnevik's operations excluding the portfolio from 2020 and onward (Scope 1, 2 and 3 excluding investments)**
- **50% reduction in greenhouse gas emission intensity in Kinnevik's portfolio by 2030 compared to 2020 (Scope 3 from Investments)**

The majority of Kinnevik's emissions in Scope 3, excluding the portfolio, relate to business travel. To reach our first climate target, we firstly reduce our GHG emissions to as close to zero as possible in Scope 1, 2 and 3 excluding the portfolio (read more about the scopes on page 21). Secondly, we permanently remove unavoidable emissions through direct air capture to achieve net zero emissions.

The second target entails our portfolio companies setting relevant climate targets across their operations and value chains to align with actions needed to limit global temperature rise to maximum 1.5°C above pre-industrial levels. It also entails our companies measuring their emissions according to the GHG Protocol and defining a clear roadmap to reach their climate targets.

Due to the high growth nature of many of our companies, Kinnevik's portfolio target is set as an intensity target, i.e. the emissions from our portfolio companies are measured in relation to the development of relevant economic and physical metrics, for example revenues and products sold. We report on progress according to our climate targets on a yearly basis, adjusted for changes in portfolio composition.

Portfolio emission target translated into annual reduction targets

In 2021, the portfolio climate target was translated into an annual reduction target and integrated into our newly published Sustainability-Linked Financing Framework, read more on pages 33-34. This means that the target "50% reduction in greenhouse gas emission intensity in Kinnevik's portfolio by 2030 compared to 2020" was translated into an annual target to reduce greenhouse gas emission intensity in the portfolio by 7% compared to the previous year, until 2030.

The annual reduction target is measured on a per company basis, meaning that the emission intensity in a given company for a given year is compared to the intensity in that same company in the previous year. As the target aims to reflect Kinnevik's influence as an investor and given that our portfolio is constantly evolving, we only include companies that have been in our portfolio for at least two consecutive years. For example, the reduction of GHG intensity between 2020 and 2021 will not include Zalando as Kinnevik distributed its entire shareholding

in Zalando during 2021. Furthermore, the companies need to have reported their GHG emissions to a satisfactory extent during at least two consecutive years to be included in the target measurement. Read more about the companies included in this year's calculation on page 30.

KINNEVIK'S GREENHOUSE GAS EMISSIONS DISCLOSURE

Kinnevik conducts a yearly GHG emissions disclosure quantifying our total CO₂ emissions. The disclosure serves as a base from which we have set and can follow-up on our climate targets in our effort to align our portfolio to a low-carbon future.

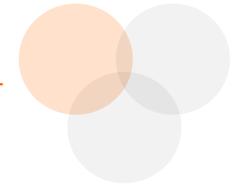
The GHG disclosure has been carried out in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. This protocol is considered current best practice for corporate and organisational GHG emissions reporting.

Kinnevik's GHG emissions includes Kinnevik AB and Kinnevik Capital Ltd. As emission data for 2021 for our portfolio companies that report on emissions is not yet available, a full disclosure across all scopes including emissions from Kinnevik's portfolio companies in our Scope 3, as well as emission intensity change for the portfolio, will be published in the Sustainability-Linked Financing Framework Climate Progress Report that will be published before 30 June 2022.

Methodology

In 2021 we have continued to report our GHG emissions in the sustainability reporting tool Position Green, the same tool we have engaged for our portfolio companies. Kinnevik uses publicly available emission factors where the majority comes from databases such as ICAO (2020), BEIS (2019) and AIB (2019), but also specific sources have been used, such as Stockholm Exergi, Vattenfall, DEFRA (2022) and Taxi Stockholm's sustainability report (2021).

The electricity in Kinnevik's premises in both Stockholm and London are sourced from renewable energy, and thus have a close to neutral climate impact.



District heating in the Stockholm office is sourced from 90% renewable energy and it already is subject to a carbon offsetting program directly through the supplier.

All use of company owned cars has been included in the assessment, although they are primarily used by employees outside of work and for personal purposes. All company cars are subject to benefit tax according to the Swedish Tax Agency's rules and regulations.

Climate Targets Fulfilment in 2021

Kinnevik's emissions, excluding emissions from the portfolio, amounted to 92 (90) tonnes of CO₂e, corresponding to 2.3 (2.3) tonnes per full time equivalent employee. Business travel (which consists almost entirely of air travel) accounted for 83% of Kinnevik's total 2021 emissions excluding emissions from the portfolio.

This means that our emissions during 2021, excluding emissions from the portfolio, are in line with the corresponding emissions in 2020. The emissions during 2020 and 2021 are at a considerably lower level compared to 2019, 2018 and 2017, which is mainly the result of significantly less business travel due to the spread of the Coronavirus. In 2021 we also updated our policy for air travel, read more below.

In order to reduce our emissions in Scope 1, 2 and 3 excluding the portfolio, we launched an internal review of our emissions in early 2020 and set out two concrete action plans. The first was to update our business travel policy with more restrictions on air travel, and the second to update our car policy to include environmental aspects. In 2021, we have introduced new Company Car Guidelines moving towards only plug-in hybrids or electric cars and including an opt-out in exchange for a car allowance that can be used for other, more environmentally friendly means of transportation, in line with our ambition to reach net-zero in our own operations.

We also updated our travel policy to further recognise that travel, especially road and air travel, has a direct impact on the environment and employees are encouraged to evaluate the necessity of every business trip planned and consider alternatives to travel, such as virtual meetings, unless a physical meeting requiring travel is business critical. Employees are also required to evaluate the environmental impacts of travel before making any travel arrangements and strive to use the option with lowest impact where possible. This means that employees should minimise the number of flights through adequate planning and scheduling of meeting and events and prioritise public transport over individual vehicle use.

For our 2021 emissions, excluding emissions from the portfolio, amounting to 92 tonnes of CO₂e, Kinnevik has ordered and paid to have it permanently removed through Climeworks' direct air capture and storage solution. Read more about Climeworks on the next page.

The largest climate impact of Kinnevik's total emissions are in Scope 3 related to our portfolio which last year accounted for close to 100% of total emissions.

To reach the climate target for our portfolio we are offering strategic support for all our companies, read more on page 30. Per end of 2021, companies representing 52% (compared to 74% last year) of Kinnevik's portfolio value measure their emissions for Scope 1, 2 and relevant scope 3 categories, and companies representing 45% (47%) of portfolio value have set reduction targets in line with science. The decrease since 2020 is to a large extent the result of the Zalando distribution, which represented a large part of Kinnevik's portfolio value, and as Zalando both measured emissions and had set targets.

Read more about the conflict between economic growth and reducing Kinnevik's carbon emissions on page 39.

Kinnevik's 2021 Emissions in Scope 1, 2 and 3 Excluding the Portfolio



Scope	Tonnes CO ₂ e	
1. Direct emissions	5	5%
2. Indirect emissions - Energy	6	7%
3. Indirect emissions - Other	81	88%
Total	92	100%

Kinnevik's 2021 Emissions by Category Excluding the Portfolio

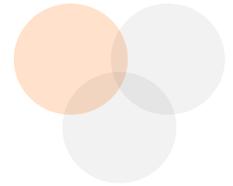


Activity	Tonnes CO ₂ e	
Business travel	76	83%
Energy	8	9%
Company operated vehicles	7	8%
Purchased goods and services	1	1%
Waste	0	0%
Total	92	100%



Kinnevik has a data-driven sustainability approach and use the platform Position Green to collect, manage and report our sustainability data.

Note: The climate calculations are made using the operational approach and Scope 2 calculations are made using the market-based method.



CDP and TCFD

In 2021, Kinnevik disclosed our environmental impact through CDP and received a B score. This is an improvement over the B- score received in 2020. We believe that environmental transparency and accountability is vital in tracking progress, increasing our credibility and driving the effort to align our portfolio with a low-carbon future.

We also implemented the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”) in 2020 and published our second TCFD report in 2021. Read more on page 38.



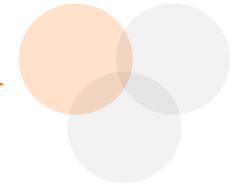
Copyright: Climeworks

CLIMEWORKS

Kinnevik has ordered and paid to have our 2021 emissions, excluding emissions from the portfolio, amounting to 92 tonnes of CO₂e, permanently removed through Climeworks’ direct air capture and storage solution. Climeworks is one of the world’s leading direct air capture companies. Climeworks’ technology removes carbon dioxide from the air, which is then be permanently stored underground via the Carbfix method. The carbon dioxide is mixed with water and pumped deep underground where it turns into stone within a few years. The amount of removed carbon dioxide can be exactly measured.

Leading scientists believe direct air capture will play a vital role in achieving the goals of the Paris Agreement.

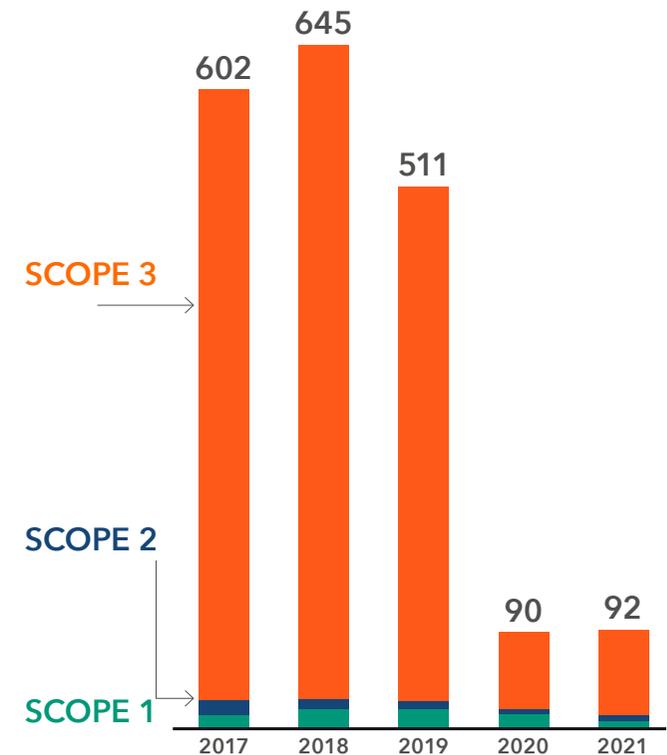




Overview of Kinnevik’s greenhouse gas emissions excluding the portfolio 2017-2021

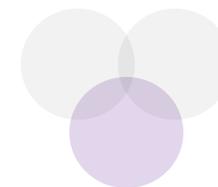
The GHG Protocol classifies a company’s GHG emissions into three “scopes”. Scope 1 emissions are direct emissions from owned or controlled sources. Scope 2 emissions are indirect emissions from the generation of purchased energy. Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream. The below overview of Kinnevik’s GHG emissions for 2017-2021 does not include our portfolio companies’ emissions, and therefore scope 3 emissions consists mainly of business travel. Emission data for our portfolio companies will be published in the Sustainability-Linked Financing Framework Climate Progress Report that will be published before 30 June 2022.

Kinnevik’s GHG emissions (tonnes CO ₂ e)	2017	2018	2019*	2020	2021
Scope 1	11	17	17	12	5
<i>Specification:</i>					
<i>Company operated vehicles</i>	11	17	17	12	5
Scope 2	15	9	7	5	6
<i>Specification:</i>					
<i>Energy</i>	15	9	7	5	6
Scope 3	577	619	487	74	81
<i>Specification:</i>					
<i>Company operated vehicles</i>	1	1	4	3	2
<i>Energy</i>	2	2	2	2	3
<i>Purchased goods and services</i>	2	4	1	1	1
<i>Waste</i>	0	0	0	0	0
<i>Business travel</i>	572	612	479	68	76
Total	602	645	511	90	92
Per full time equivalent employee	16.1	17.6	12.9	2.3	2.3
Per square metre office space	0.78	0.835	0.662	0.117	0.119



* 2019 data restated due to updated emissions factors and methodology to better align with the GHG Protocol.

Note: The climate calculations are made using the operational approach and Scope 2 calculations are made using the market-based method.



SOCIAL EQUALITY AND GOOD CORPORATE CITIZENSHIP

Kinnevik's greatest asset is and has always been our people. As such, attracting and retaining top talent is a key priority. Kinnevik regards diversity and inclusion as core levers for value creation, and we make full use of the opportunities that arise from employing a team with different backgrounds and perspectives. We also have a strong belief in contributing to the wider community by driving change throughout our entire eco-system and industry and pushing others by being a role model.

KINNEVIK'S DIVERSITY & INCLUSION FRAMEWORK AND TARGETS

Besides our fundamental belief in equal rights for everyone, Kinnevik believes diversity and inclusion is business critical as it leads to improved financial performance, higher degree of innovation, better decision-making and creation of value over the long-term. In order to deliver on our vision of becoming Europe's leading listed growth investor we need to leverage the full potential of our teams and the talent base available. Further, to truly understand our end-customers, our own organisation and portfolio companies' teams need to reflect their customer base.

"We remain committed to our diversity and inclusion strategy and continue to challenge our own and others' norms by proactively changing our behaviors and making diversity and inclusion an integral part of our culture, leadership and investment process. With updated and more ambitious diversity and inclusion targets, we ensure we continue to stay focused on driving progress and creating shareholder value."

- Georgi Ganev, Kinnevik's CEO

Diversity & Inclusion Targets Fulfilment in 2021

In May 2019, Kinnevik launched a diversity and inclusion ("D&I") framework with four explicit targets to drive the important change we want to see at Kinnevik, in our portfolio and the broader industry. Since then we have received the 2021 Allbright Award, been named a 2021 best practice leader by the European Women on Boards, ranked #1 in Sweden and #62 globally in Equileap's 2021 Global Report and made progress on all four targets:

	2019 Targets	Status	Performance
#1	40/60 Composition in all Kinnevik Teams by 2022	✓	<ul style="list-style-type: none"> Board 50/50 Management 50/50 Investment Team 47/53 (per 31 March 2022) Corporate Team 73/27
#2	Measure all Managers on Inclusive Leadership	✓	<ul style="list-style-type: none"> 2021 Corporate Targets include D&I that are tied to remuneration D&I Focused Leadership Index & Employee Engagement Survey Inclusive Leadership Trainings
#3	10% Capital Allocation to Female Founded or Led Companies	✓	<ul style="list-style-type: none"> In total, 20.5% of capital invested in new companies have been in female founded or led companies since May 2019 Cityblock, Parsley Health and Spring Health
#4	No Follow-Ons unless Progress on D&I	✓	<ul style="list-style-type: none"> Updated investment process to include D&I assessment ahead of all follow-on investment decisions Declined certain follow-on investments due to lack of progress

Diversity & Inclusion Survey

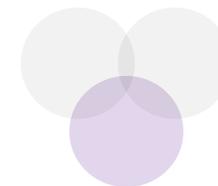
In September 2021, we engaged Diversio, a Canadian people intelligence platform and leading D&I solution provider for investors, to help us collect and analyse broader internal D&I data. The ambition was to get a complete picture of the diverse makeup of our organisation, help us identify our strengths and weaknesses and outline the actions we need to take to improve. This was done via an anonymous and voluntary survey in relation to six different workplace topics. All responses were and remain completely anonymous and confidential – no names, contact information or IP addresses were recorded or saved at any time, and no individual responses were visible to Kinnevik at any point. Further, we applied a minimum reporting threshold of 8 responses to further ensure anonymity in light of the smaller size of our team.

We had an 86% response rate to the survey and received a very strong, well above benchmark, inclusion score. We also identified certain improvement areas that we plan to follow-up on and work actively with during 2022.

D&I Certification

In 2020, Kinnevik first participated in the Diversity VC Standard assessment and thereby became the first investor globally to be awarded a level 2 certification, the highest certification level available. The standard was developed by Diversity VC, a nonprofit organization promoting diversity, equity, and inclusion in venture capital, and Diversio. The standard sets a benchmark for best practice on diversity and inclusion within venture capital. Since its launch, more than 50 funds have gone through the Standard Assessment in Europe, the UK, Canada, and the US.

Kinnevik was re-assessed in 2021 and was once again awarded a level 2 certification. Kinnevik is also since December 2021 part of the Diversity VC Standard's Advisory Board together with ZX Ventures, H/L Ventures and the Mercury Fund.



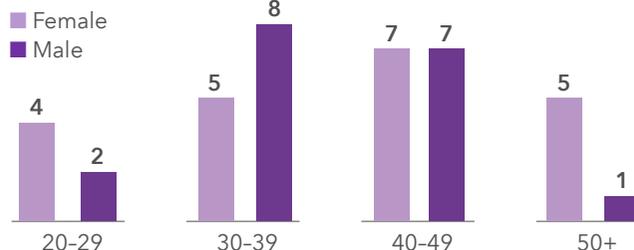
A SMALL AND DIVERSE KINNEVIK TEAM

Kinnevik has a firm set of core values. Our team members share an entrepreneurial spirit, as well as a belief in building long-term sustainable businesses.

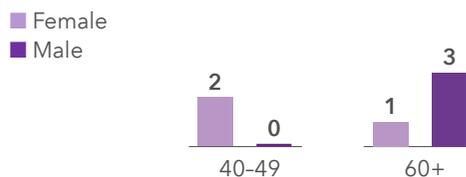
Kinnevik’s organisation comprised 40 (40) people on average during 2021 (fulltime equivalents “FTE”, including wholly owned subsidiaries), with 28 people based in the Stockholm office and 12 people in the London office. The investment team consisted of 12 professionals, whereof 8 based in London and 4 in Stockholm. The other 28 employees worked across Finance, Legal, Strategy, Sustainability, Corporate Communications, HR and Administration. All employees but one were on permanent contracts.

According to a voluntary and anonymous survey sent to the full Kinnevik team in November 2021, 13% of team members self-identified as of an ethnic minority background. The response rate of the survey was 86%. Further, together with an external consultant, Kinnevik performed a Gender Pay Gap analysis during 2021 to identify potential underlying biases in our compensation process. The analysis looked at both unjustified pay gaps for equal jobs and underlying structural obstacles for equal opportunity. No significant gaps were identified.

Age distribution of employees in 2021 (FTE)



Age distribution of the Board of Directors in 2021 (FTE)

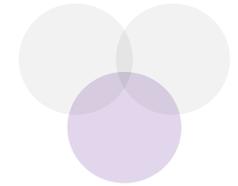


New employee hires and turnover during 2021 (FTE)

New Hires	20-29	30-39	40-49	50+	Total	Rate
Stockholm						
Women	1.4	-	-	-	1.4	3.4%
Men	-	-	-	-	-	-
London						
Women	-	-	-	1.0	1.0	2.4%
Men	0.2	-	-	-	0.2	0.5%
Total					2.6	6.4%

Turnover	20-29	30-39	40-49	50+	Total	Rate
Stockholm						
Women	-	-	-	-	-	-
Men	-	1.8	-	-	1.8	4.4%
London						
Women	-	-	-	-	-	-
Men	-	-	0.6	-	0.6	1.5%
Total					2.4	5.9%

Note: New hire and turnover rate is stated in FTE equivalents and calculated in relation to the FTE average number of employees in 2021.



Being an Attractive Employer

Kinnevik offers its employees continuous opportunities for personal and professional growth in order to develop their skillset and to take increasing responsibility for value creation at Kinnevik and our portfolio companies. The small size of our organisation enables us to personalise career development and training opportunities for each employee. These include educational programmes such as leadership courses and topic specific training sessions, as well as hands-on operational experience through secondment at a portfolio company.

Ongoing assessments of employees' performance and success in meeting their objectives are central to ensure that Kinnevik offers the right personal development tools at an individual and group level. All employees participate in yearly performance reviews and have individual objectives that are reviewed twice a year. Individual objectives are set based on the overarching corporate objectives set each year for the entire organisation.

Employee well-being is our top priority

Kinnevik is committed to promoting a good, safe and healthy work environment for all employees across physical, organisational and social aspects, where the risks of occupational injuries and work-related ill-health are prevented. The goal is to strengthen the employees' motivation, effectiveness, health and well-being. As stated in Kinnevik's Work Environment Handbook, if an employee is involved in an incident, accident or any other situation of ill-health they should immediately inform their manager. During 2021, Kinnevik did not report any incidents to the Swedish Work Environment Authority (Swe: Arbetsmiljöverket). The low level of sick leave, around 3 percent of total working time, highlights Kinnevik's efforts to improve our employees' health through healthcare insurance, fitness subsidies and other initiatives.

In order to assess how our employees feel about working for Kinnevik, we conduct an annual employee satisfaction and

engagement surveys. The results of the survey in 2021 did not indicate any significant issues with regards to human rights, equal opportunities or work environment.

Out of the 79% of employees that responded to Kinnevik's 2021 employee surveys, Kinnevik received an 2021 average eNPS score of 48 (scale of -100 to +100, where a score above +30 is considered excellent) when asked if the employees would recommend Kinnevik as an employer to a friend.

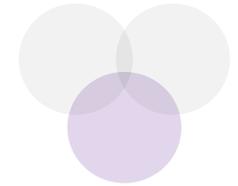
Kinnevik encourages parental leave for both men and women. In 2021, the average parental leave taken was 11 (27.5) weeks for men and 38 (39) weeks for women. This refers to parental leave that started during 2021 and includes the full number of weeks requested. The leave may therefore be completed during the following year.

Kinnevik's parental leave policy stipulates that every permanent employee is eligible for nine months paid parental leave with 100 percent of their fixed salary. The policy reflects our ambition to be at the forefront regarding equal opportunities and to promote health and well-being and a good work-life balance.

The safety and well-being of our people have been our number one priority following the outbreak of COVID-19. In 2020, Kinnevik established a Corona Taskforce responsible for overseeing how government guidelines evolve and providing internal policies and guidelines on e.g. travel, events, self quarantine and office openings as well as offering tests to employees. This taskforce continued its work during 2021.

Kinnevik has facilitated working from home through the use of existing IT infrastructure and provided work from home allowances for employees to ensure ergonomic work spaces. In addition, regular surveys have been conducted to monitor wellbeing and work-life balance.





Updated Diversity & Inclusion Targets for 2022

While we are proud of the progress made against our four D&I targets announced in 2019, we are by no means satisfied. We remain committed to driving the D&I agenda and have during 2021 worked to identify new D&I targets to address a broader approach to diversity and the importance of inclusion of all. We acknowledge that there is no one-size fits all solution to D&I, why we also recognise the need for a more agile approach in terms of defining and measuring progress on D&I across our portfolio. In February 2022, we announced our updated and more ambitious D&I targets which going forward will replace the targets announced at the 2019 AGM. These include our existing No Follow-On Policy and 10% Female Capital Allocation target, the cycle of which has been updated in line with our Sustainability Linked Financing Framework. The updated targets also include a new target for inclusion in own team and a new target to drive incremental progress across the portfolio on relevant D&I efforts. We will report on progress for all targets on a yearly basis.

1. Increase Kinnevik Inclusion **NEW**

Increase Our Inclusion Score on an Annual Incremental Basis

In 2021, Kinnevik measured the sense of inclusion in its teams against six metrics using a survey via the people intelligence platform Diverzio. This resulted in an overall Inclusion Score, an indication of how good Kinnevik is at utilising the diversity of its team. Although the 2021 Inclusion Score is already very good, above both the investment industry benchmark as well as the highest scoring industry's benchmark, Kinnevik believes it should and can improve further to ensure everyone, regardless of gender, ethnic background or role, feels included and are able to bring their full self and potential to work.

3. Follow-On Investments

Only Make Follow-On Investments in Companies that are Making Sufficient Progress in Relation to Diversity & Inclusion

Kinnevik will continue to make all follow-on investments conditional upon satisfactory D&I progress in the relevant portfolio company.



2. 10% Female Capital Allocation

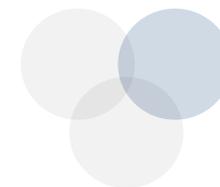
On a Two-Year Rolling Basis, 10% of New Capital in Female Founded or Led Companies from 2019 AGM and onward

While Kinnevik has successfully performed against its 10% female capital allocation target, the global share of capital going to female founded and led companies remains at disappointingly low levels why we believe an explicit allocation target still fills its purpose. In 2021, we incorporated our female capital allocation target into our Sustainability Financing Framework and updated it to a two-year rolling basis, thereby limiting our roll-over ability.

4. Ensure Portfolio Progress **NEW**

Achieve Annual Incremental Progress across Portfolio on Relevant Diversity & Inclusion Efforts

Kinnevik has set annual targets for the share of its portfolio implementing (i) D&I data collection processes, covering at least gender, ethnicity and inclusion (based on 2021 portfolio, 24% of Portfolio Companies), (ii) D&I strategies based on company specific D&I data (15%) and (iii) D&I targets related to such strategies (21%). Our 2022 ambitions are for at least 40% of Portfolio Companies to implement D&I data collection processes, 30% of Portfolio Companies to have a relevant D&I strategy based on D&I data and 30% of Portfolio Companies to set D&I targets related to such strategies. The targets exclude emerging market assets.



SOUND GOVERNANCE STRUCTURES AND ECONOMIC GROWTH

Being a financially strong company is imperative in Kinnevik's role as active owners, enabling us to drive our sustainability strategy in an efficient way and support our companies in becoming long-term successful and sustainable businesses. For Kinnevik as a company it is important to have sound governance, risk management and compliance structures in place, including clear structures, policies and processes across functions.

ECONOMIC PERFORMANCE AND TARGET FULFILMENT IN 2021

Kinnevik's sustainability target related to the governance aspect is to deliver an annual total shareholder return ("TSR") of 12-15% over the business cycle. Kinnevik's TSR amounted to 29% for the full year 2021, the five-year annualised TSR was 30% and the ten-year annualised TSR was 23%, per 31 December 2021.

In terms of financial performance more broadly, during 2021 Kinnevik's Net Asset Value increased by 16%, adjusted for dividends paid and excluding Zalando, to SEK 72.4bn (62.3). Kinnevik ended 2021 in a net cash position of SEK 5.4bn, corresponding to 8.0% (4.5) of portfolio value.

During 2021, Kinnevik distributed its entire shareholding in Zalando, equivalent to SEK 54.1bn in aggregate, to shareholders.

Kinnevik does not consolidate operating subsidiaries and has a negative operating result and is therefore not subject to corporation tax.

Governance

The basis for corporate governance in Kinnevik is Swedish legislation, Nasdaq Stockholm's Rule Book for Issuers, and regulations and recommendations issued by relevant self-regulatory bodies. Kinnevik also follows the Swedish Corporate Governance Code.

Kinnevik's Board of Directors is responsible for our overall strategy, including how sustainability is an integrated part of our value creation, and is well informed about Kinnevik's policies and procedures. To assist the Board in fulfilling its responsibilities, it has appointed an Audit & Sustainability ("A&S") Committee which is a subset of the Board. The A&S Committee assists the Board in monitoring the governance structures of Kinnevik's investee companies, Kinnevik's risk management process and compliance with laws, regulations and codes of conduct. It also specifically monitors the implementation of the Kinnevik Standards (read more on page 29) across our portfolio companies, including the Annual ESG Assessment. The Board is further assisted by the Risk Committee, a management committee, consisting of Kinnevik's Management Team and Investment Directors. More information about Kinnevik's governance bodies and their work is available in the Corporate Governance Report 2021.

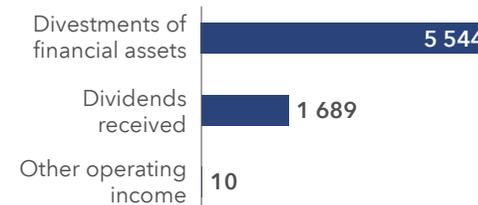
Kinnevik's key governance related policies are our Code of Conduct, Sustainability Policy, Lobbying Policy, Tax Policy and Whistleblower Policy. These policies have been communicated to all employees and members of the Board and are available on our website <https://www.kinnevik.com/sustainability/key-policies>. Kinnevik's policies, processes and rules relating to diversity and inclusion are outlined in Kinnevik's corporate policies, including the Employee Handbook, Talent Management Policy and Work Environment Handbook and are summarised on our website <https://www.kinnevik.com/team/diversity--inclusion>.

All employees, representatives of Kinnevik and third parties engaged with Kinnevik are expected to fully comply with our Code of Conduct. Kinnevik has an onboarding process for new employees that introduces them to the Code of Conduct, which includes provisions on anti-bribery and business ethics, and other key policies and procedures. Kinnevik conducts mandatory annual Code of Conduct training for all employees. The Code of Conduct is shared with all relevant suppliers on a yearly basis.

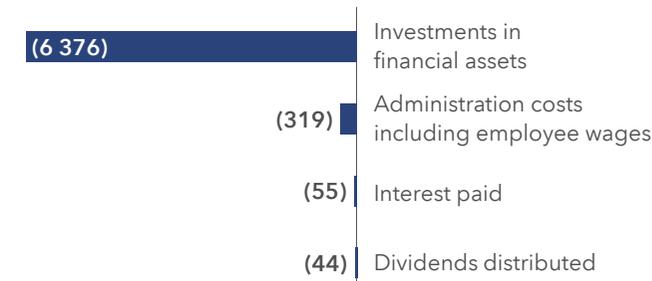
As outlined in the Whistleblower Policy, Kinnevik expects all

Overview of economic value generated and distributed by Kinnevik during 2021, SEKm

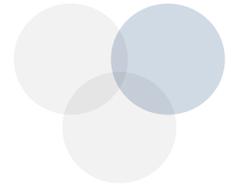
Economic Value Generated



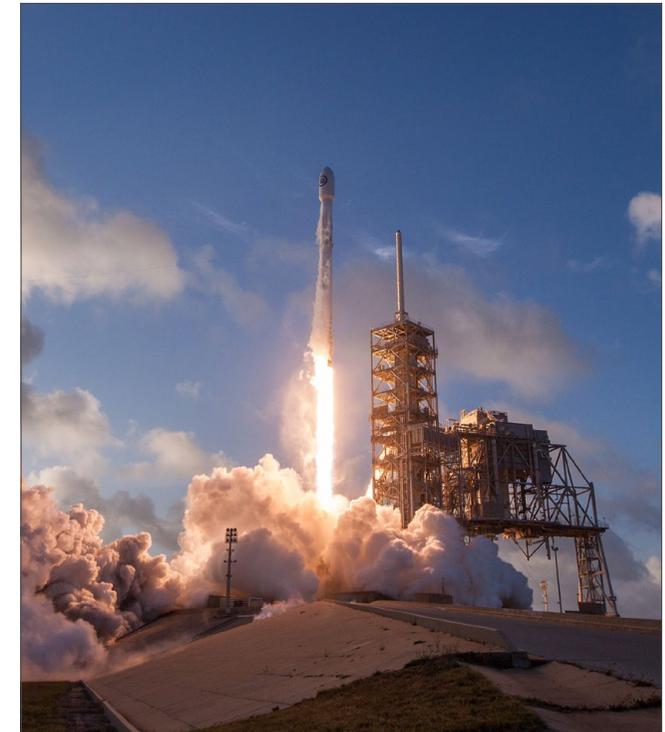
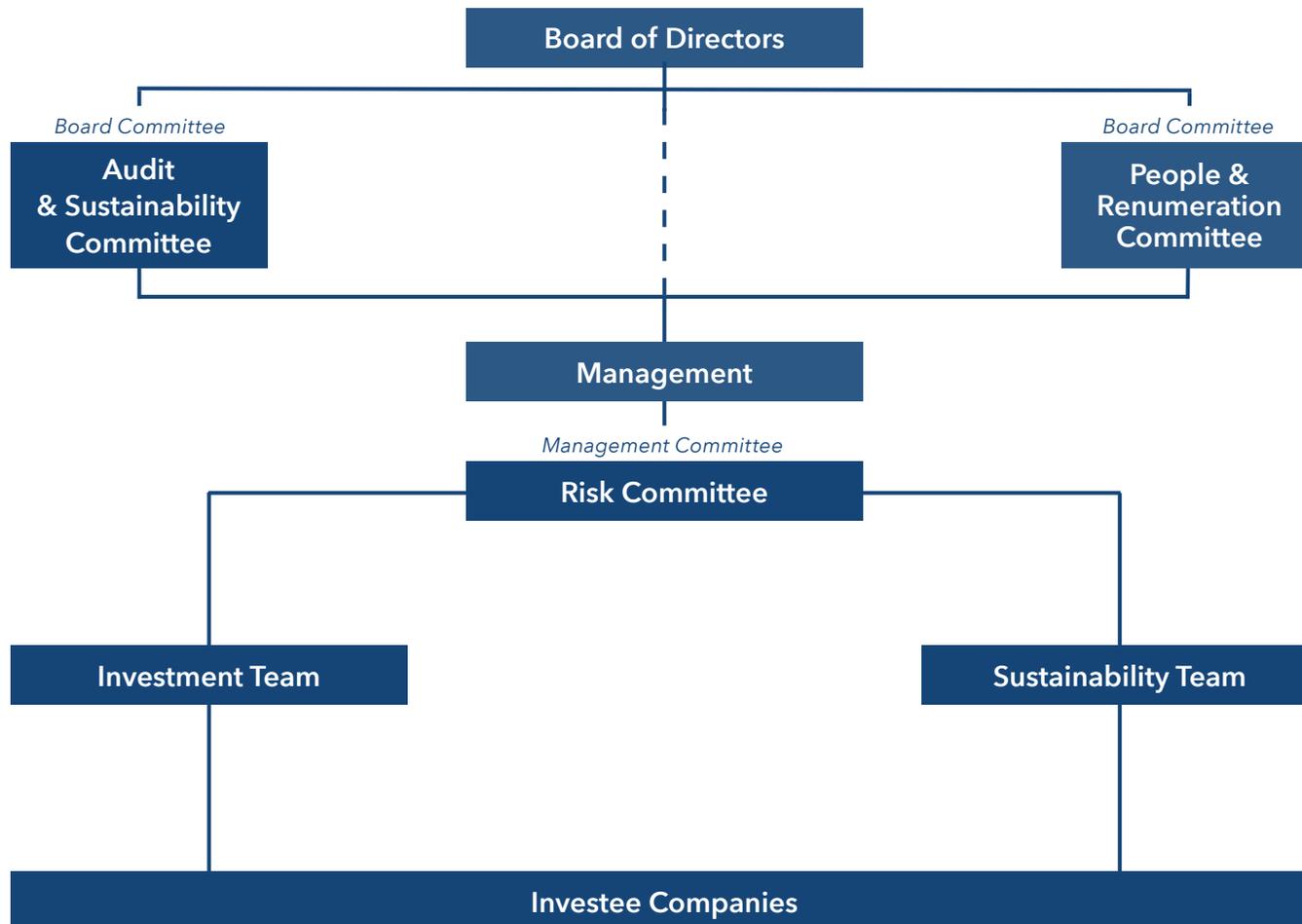
Economic Value Distributed



This overview does not include the distribution of Zalando which represented SEK 54bn in value handed over to our shareholders during 2021.



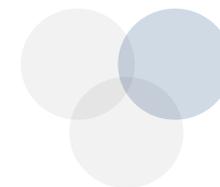
Overview of Kinnevik's Governance and Sustainability Organisation



OUR CORPORATE GOVERNANCE

The basis for corporate governance within Kinnevik is Swedish legislation, the NASDAQ Stockholm Rules for Issuers and Issuer Agents and the regulations and recommendations issued by relevant self-regulatory bodies. Click here to read more about corporate governance at Kinnevik.

GO →



employees, as well as any relevant third parties, to come forward and voice all serious concerns about any aspect of Kinnevik’s work, including the areas of human rights, labour, environment, anti-corruption and anti-discrimination. Kinnevik’s whistleblowing service is managed by the external party WhistleB. In 2021, Kinnevik did not receive any whistleblower report through WhistleB.

Risk Management

Kinnevik’s Board is responsible for internal control in accordance with the Swedish Companies Act (Swe. Aktiebolagslagen) and the Swedish Corporate Governance Code. To identify, assess and manage risks for Kinnevik on an ongoing basis, the Board has adopted a Risk Management Policy. To facilitate the implementation of the policy, Kinnevik has a detailed risk assessment process which is run by the Sustainability Team and the Investment Team. The process is overseen by the Risk Committee

A material level of Kinnevik’s risk exposure sits within our portfolio and thus the risk assessment process is performed both on a Kinnevik and portfolio level. To record the results of the assessment process, a Kinnevik Risk Register and Portfolio Risk Register are kept.

To conduct the assessment, the Sustainability Team meet with the relevant internal teams to identify Kinnevik and portfolio risks which are then documented in the Risk Registers. Based on a qualitative analysis, all risks are awarded a risk score based on likelihood and impact, which classifies the risk as either a “high”, “medium” or “low” risk. Based on this score, all risks are assigned a relevant risk response and/or mitigation actions.

Kinnevik’s risk exposure changes regularly and therefore the risk assessment process is performed and the Risk Registers

updated at least twice a year. Following each assessment, the updated Kinnevik and Portfolio Risk Registers are presented to the Risk Committee. The Risk Committee reviews key risks, developments since the previous meeting, the efficiency of any mitigating actions and overall risk appetite. The work of the Risk Committee is presented at each meeting of the A&S Committee.

The Classification of Risks

Likelihood is calculated as:

Score	Likelihood	Description
1	< 5%	Very Unlikely
2	5% - 10%	Unlikely
3	10% - 20%	Maybe
4	20% - 25%	Possible
5	> 25%	Likely

Impact is calculated as:

Score	Impact (EURm)	Description
1	< 25	Immaterial
2	25 - 50	Low
3	50 - 100	Medium
4	100 - 250	High
5	> 250	Critical

Based on the combined risk score (likelihood x impact), risks are classified as:

Classification	Risk Score	Suggested actions
Low	< 7	Monitor development to ensure exposure remains low
Medium	≥ 7 and ≤ 15	Mitigate and monitor risks to maintain current level of risk exposure
High	> 15	Implement mitigating actions to reduce exposure

Compliance

Kinnevik’s compliance framework is mainly focused on compliance with the laws and regulations that govern listed companies in Sweden, such as Nasdaq Stockholm’s Rule Book for Issuers, the European Union Market Abuse Regulation (No 596/2014), the Swedish Companies Act, and other laws and regulations relating to Kinnevik’s operations and investment activities. The A&S Committee receives periodic updates on compliance status. A compliance review in relation to the laws and regulations that govern Swedish listed companies is performed annually to ensure full compliance and identify potential areas for improvement.

Kinnevik conducts mandatory annual compliance training, including Code of Conduct and Insider Trading Rules, for all employees, as well as periodic deep dives on specific matters such as anti-corruption and supply chain management.

Kinnevik’s risk assessment process



PORTFOLIO

OUR ACTIVE OWNERSHIP

Kinnevik has significant influence over our investee companies through capital allocation, board representation and ongoing operational support. We work in close collaboration with our companies to set bold strategic visions and targets for building long-term sustainable and successful businesses. To structure and follow-up on this work, we have developed the Kinnevik Standards.

THE KINNEVIK STANDARDS

Kinnevik's general expectations in relation to our portfolio companies' ESG performance is outlined in our Sustainability Policy. To measure performance, set annual objectives and define best practices for our companies, Kinnevik has developed a structured framework called the Kinnevik Standards (the "Standards"). These were developed based on stakeholder dialogues, peer benchmarking and industry best practice and comprise 84 measurement points across environmental, social and governance aspects. These are further set up in two versions, one for smaller companies and one more challenging for larger companies. The larger companies are expected to adhere to both the small and large company Standards.

Kinnevik's Sustainability Team is responsible for developing the Standards and for conducting an annual assessment of our portfolio companies in accordance with the Standards. Based on the outcome, the Investment Team and Sustainability Team together agree priorities and annual objectives for each company. After these have been set, the Investment Team is responsible for driving progress and reaching the objectives in their respective companies.

The Standards have been subject to review by external parties such as auditors, subject matter experts and independent ESG specialists and have also been approved by the Kinnevik Board.

The Assessment Process

Kinnevik's Sustainability Team conducts an annual assessment of all portfolio companies, public and private, based on the Standards. Following the completion of the assessment, Kinnevik scores the companies on their fulfilment of each standard (ESG Scores). The development of the scores can be tracked over time for the total portfolio and for individual companies. Our public investee companies perform a yearly self-assessment to evaluate their fulfilment of the Standards. Our private investee companies' annual assessment is conducted by Kinnevik's Sustainability Team based on interviews with the investee companies and our board representatives and through periodic visits to the companies.

The 2021 assessment included 34 (26) companies, 4 (4) public and 30 (22) private, corresponding to close to 100 (100) percent of Kinnevik's portfolio value per 31 December 2021. For 2021, the average ESG score across our portfolio was 62%, up from 50% for 2020 on a comparative basis.

Kinnevik's Sustainability Team and Investment Team discuss the assessment at a yearly performance meeting and priorities are agreed for the coming year. The priorities are thereafter implemented by the company and Kinnevik's Investment Team. Private companies that are at an earlier stage of development generally benefit from more active support in implementing the agreed priorities.

The results of the annual Standards assessment for all portfolio companies are presented to Kinnevik's A&S Committee which also tracks progress regularly during the year.

In 2021, the annual average ESG Score across Kinnevik's portfolio was integrated into our newly published Sustainability-Linked Financing Framework, please see pages 33-34.

Example of Content in the Standards:

ENVIRONMENT

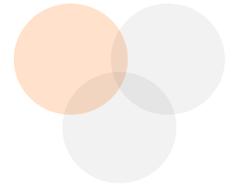
- Emissions reporting
- Reduction targets and roadmap
- Climate change part of strategy discussions
- Waste management process

SOCIETY

- Supply chain compliance
- Human rights
- Employee development
- Health and safety
- Community outreach
- D&I strategy and targets

GOVERNANCE

- Tone at the top
- Board representation and committees
- Risk structures
- Privacy and data protection
- Code of Conduct
- Whistleblowing system
- Management incentives



SUSTAINABILITY SUPPORT TO OUR PORTFOLIO COMPANIES IN 2021

A cornerstone of our sustainability efforts is an active engagement with our companies. During 2021 we have continued the roll-out of a climate strategy across our portfolio while adapting our approach to be more tailored to each company. We have provided hands-on support to a number of companies in terms of implementing forward-leaning D&I strategies and participated in numerous management recruitments with the ambition of broadening diversity of the teams. We have also continued to improve the governance structures across the portfolio, with a particular focus on the new companies. Below is a summary of the sustainability progress in our companies during 2021 and how Kinnevik has supported them in their efforts.

ENVIRONMENT

In 2021, we have continued our efforts to engage and support portfolio companies on climate strategy and adapted our engagement to a more customised approach factoring in companies' stage and sector. With our active support, our companies are increasingly taking action to reduce their environmental impact.

Climate Strategy Support to the Portfolio

As an active owner, we wish to support and encourage our portfolio companies to see the importance of and business value of setting clear climate strategies in place.

We assist our companies in conducting a materiality analysis to identify their key categories of emissions across scope 1, 2 and 3. We also provide ongoing support during the data collection and tool setup phase and quality assurance on reported emissions prior to finalising the GHG disclosure report. Furthermore, we offer our companies to report their emissions in Position Green, a platform for reporting sustainability data that Kinnevik also uses for our own emissions.

During the past two years, we have had close dialogues with many of our portfolio companies on the topic of climate strategies and many have made significant progress, for example Budbee, Oda and Mathem, read more about the latter on page 35.

Given the varying sectors and stages of our portfolio companies, we acknowledge everyone's climate journey is different and the importance of a company specific approach. Therefore, going forward, we will tailor our climate engagement to the specific strategic rationale of each company, ensuring it is based on strong buy-in from the Investee Board and Management Team and focusing on meeting key stakeholders' expectations.

Although every company will have to define what climate change means for them and how to tackle it, we do believe there are some important considerations that apply to all:

1. Measure GHG Emissions

Without knowledge of your carbon footprint, you will not be able to evaluate the efficiency of your actions or show credible reductions or avoided emissions

2. Materiality as a North Star

Use a materiality assessment to map out where your efforts will have the most impact

3. Reductions Over Removals and Off-Sets

While Carbon Removal and Off-sets will play an important role in solving the climate crisis, it should not be the main solution but be reserved for unavoidable residual emissions

4. Conscious Communication

As stakeholders become better and better at calling out greenwashing, we encourage companies to "walk the talk" by achieving concrete results before making green claims externally

5. The Climate Crisis is Not a Blame Game

All companies, regardless of sector, have their own unique climate impact, albeit large or small, and we are all part of the problem

6. Promote Transparency

To remain credible in terms of climate, you will need to be transparent not only with the good things you are doing but also your shortcomings and the fact that the journey towards mitigating them may be long and uncertain

7. Business Integrated Approach

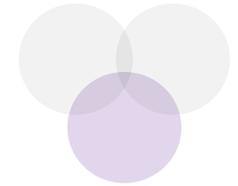
A climate strategy needs to be aligned and integrated with your overarching business strategy and product offering, especially if you are a consumer facing brand, as consumers become more and more conscious

Per end of 2021, six of our portfolio companies (representing 52% of portfolio value) have measured their emissions in Scope 1, 2 and relevant scope 3 categories in accordance with the GHG Protocol: Babylon, Budbee, Global Fashion Group, Mathem, Oda and Tele2. As relatively mature and publicly listed companies, Tele2 and Global Fashion Group are conducting their efforts independently of Kinnevik. Four of our portfolio companies (representing 45% of portfolio value) have set reduction targets in line with science.

The companies measuring their emissions and setting targets generally have the largest environmental footprint in our portfolio. They are also relatively mature in relation to our mostly younger growth companies. It is our ambition to steadily increase the share of companies reporting their emissions and setting targets.

In 2021, Tele2 launched industry-leading climate targets approved by the ScienceBased Target initiative. In line with Tele2's firm ambition to lead in sustainability, these apply both to its own operations and value chain.

The majority of our engagement on environment revolves around carbon footprint, but we also encourage companies to work with resource efficiency and waste management. All waste-heavy companies should have a process for efficient waste management including treatment, handling, storage and disposal of solid waste and hazardous waste from agriculture, manufacturing and other processes.



SOCIETY

In 2021, the focus on diversity and inclusion has continued. Many of our companies have implemented or initiated the process of creating company-wide and management-led D&I strategies focusing on the integration of D&I into all parts of the business.

Diversity & Inclusion Initiatives

As an active owner, it is Kinnevik's responsibility to put diversity and inclusion at the top of the agenda of our portfolio companies. During 2021 we have conducted D&I workshops, trainings and advisory sessions with the management teams and/or Boards at twelve of our portfolio companies. We have also provided proactive and ongoing support to our companies' boards and HR teams regarding diverse talent mapping and recruitment.

To support our portfolio companies and their management teams in their diversity efforts, Kinnevik has also created a Diversity & Inclusion Toolkit. The Toolkit is meant to inspire and serve as a practical guide on how to drive successful D&I efforts, and caters primarily to our companies but also to Kinnevik's Investment Team. The Toolkit is structured around eight sections covering key topics to address when designing a D&I strategy, and each section includes examples, suggested actions, tools, case studies and relevant research, as well as useful templates.

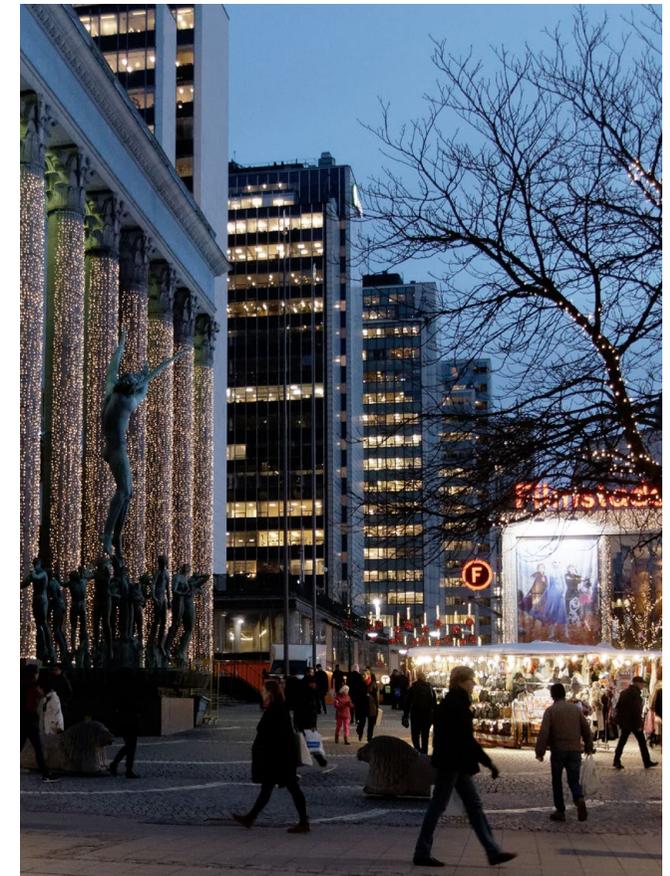
We have also developed a network of preferred external partners to support our portfolio companies in building out their D&I strategies, including Diversio who helps organisations collect and analyze broader D&I data to create a solid foundation for improved D&I performance.

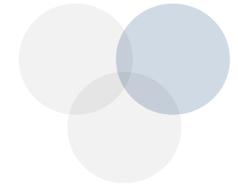
During 2021 we have also seen improvement on gender diversity across the portfolio. Since the launch of our D&I framework in May 2019, the share of women in our portfolio companies' management teams, excluding emerging market assets, have increased from 22% to 28% and the share of women in our private portfolio boards, excluding emerging market assets, have increased from 9% to 20%. Only in 2021, we have added fourteen female board members to our private portfolio companies.

The Kinnevik Platform

Providing our companies access to the Kinnevik Platform allows them to tap into the shared expertise, tools, resources and network of the full Kinnevik Group. By facilitating interaction and knowledge sharing, the aim is to support each company's development in key business areas and processes, and thereby contribute to Kinnevik's overall value creation.

As part of our platform initiatives in 2021, we have hosted a series of events for our portfolio companies focused on different corporate functions such as legal, people & HR, finance and corporate development. We have also expanded our network of advisors within different fields and sectors which our companies can access. Furthermore, we have continued to build out the Kinnevik Greenhouse, a talent network containing around 8,000 top leaders in our key markets, of which around 70% are women. The network enables us to provide our companies with strong long-lists of candidates to fill vacancies on management and board level. This is a service which is in high demand among our companies and ensures that the Kinnevik portfolio has the best leadership and the most high-performing teams in place.





GOVERNANCE

Because of our long-term investment horizon, we have continued to improve the governance structures across all our portfolio companies in 2021, with a particular focus on the new companies in our portfolio.

As many of our companies are in the early stages of their operational and sustainability development, we need to adjust our approach accordingly.

For the 10 new relatively early-stage businesses we invested in during 2021, we have focused on setting up more structured governance processes and initiating discussions on ESG ambitions and roadmaps. This involves working with the Boards and management teams to improve governance and controls and to create clear ESG roadmaps to enable sustainable growth. We also continued to work with all our companies to improve their internal control environment, risk management, compliance frameworks and cyber security.

During the year, many of our companies invested more resources to oversee the development of sustainability initiatives. We have continued to encourage our companies to include sustainability on the agenda of the Board to set the right tone at the top to facilitate development of sustainability initiatives.

With most employees working from home during a significant part of the year due to the pandemic, we saw a continued increased focus on cyber security initiatives across our portfolio companies.



SUSTAINABILITY-LINKED FINANCING

In November 2021, Kinnevik published a Sustainability-Linked Financing Framework (the "Framework") as a next step in integrating our commitment and ambition to be a sustainability leader into our financing solutions. The Framework is aligned with the Sustainability-Linked Bond Principles as published by the International Capital Market Association (ICMA) in June 2020, and the Sustainability Linked Loan Principles, as published by the Loan Market Association (LMA), the Asia Pacific Loan Market Association (APLMA) and the Loan Syndications and Trading Association (LSTA) published in July 2021. Under this Framework, Kinnevik may issue Sustainability-Linked Securities including but

not limited to bonds and loans.

As the majority of Kinnevik's potential sustainability impact lies at portfolio level through Kinnevik's active ownership, the KPIs and annual sustainability performance targets ("SPTs") included in the Framework relate to the portfolio and reflects already established sustainability targets under each dimension of ESG in accordance with Kinnevik's Sustainability Strategy, see page 17.

On 16 November, Kinnevik announced that it had issued SEK 2.0bn in new sustainability-linked bonds in the Nordic bond market under the Framework (ISIN SE0013360534 and ISIN SE0013360542). The final redemption price of the sustainability-

linked bonds depends on Kinnevik's ability to meet the SPTs listed in the below table. All three SPTs are measured annually. Hence performance against the selected climate KPI and SPT requires that our Portfolio Companies report on their 2021 emissions. As this data is yet to be received, we will report on performance against the climate SPT in a separate Sustainability-Linked Financing Framework Climate Progress Report to be published before 30 June 2022. During 2021, a sustainability link was also incorporated into Kinnevik's SEK 5bn Revolving Credit Facilities.

The Framework is available on our website.

	Environmental responsibility and reduced climate impact	Social equality and good corporate citizenship	Sound governance structures and economic growth
KPI	Reduction in greenhouse gas emission intensity from Kinnevik's portfolio year on year	New capital allocation to female founded or led companies	Annual average ESG Score across portfolio
SPT	7% reduction in greenhouse gas emission intensity from Kinnevik's portfolio from year to year, resulting in a total reduction of 50% by 2030 compared to 2020	On a two-year rolling basis, at least 10% of the capital invested into new companies by Kinnevik, should be invested in female founded or led companies	5 percentage point improvement in annual average ESG score from year to year across portfolio
Rationale	The lion's share of our emissions come from scope 3, i.e. from our portfolio companies As an active owner, we need to use our influence to ensure our portfolio companies are prepared for a low carbon economy and sustainable growth	In 2020, only around 2% of global venture capital funding went to female led start-ups As part of our ambition to be Europe's leading growth investor, we recognize our shared responsibility to close the gender funding gap	As an active owner, it is our responsibility to ensure our portfolio companies stay focused on the entire spectra of ESG and show continuous results
2021 Performance	To be confirmed - As portfolio companies are yet to report on their 2021 emissions, we will not be able to report on performance until 30 June 2022 at the latest	Achieved - 2020-2021: 23.2% On a two-year rolling basis, 2020-2021, we have invested 23.2% of the capital invested into new companies in female founded or led companies. The 23.2% relates to our investments in Cityblock, Spring Health and Parsley Health.	Achieved - 2020: 50% 2021: 62% We have achieved a 12 percentage point improvement from 2020 to 2021 on a comparative basis.

	Environmental responsibility and reduced climate impact	Social equality and good corporate citizenship	Sound governance structures and economic growth
Methodology	<p>Performance against the SPT is based on change in intensity per company from previous year which requires that i) a portfolio company has measured and reported on their GHG emissions for at least two years in a row and ii) been part of Kinnevik's portfolio during this period. The calculation consists of three steps:</p> <ol style="list-style-type: none"> 1. The GHG intensity for each individual reporting portfolio company is calculated by dividing total GHG emissions by an individually selected denominator 2. The year-on-year percentage change in GHG intensity is calculated for each individual reporting portfolio company 3. The year-on-year change in intensity for all reporting portfolio companies is aggregated and weighted by reported fair value at the end of the reporting period, resulting in a weighted change in GHG intensity compared to the previous year 	<p>Performance against the SPT is based on the amount of capital invested into new companies being female founded or led companies divided by the total amount of capital being invested into new companies on a two-year rolling basis.</p> <p>A company qualifies as a female founded company if, at the time of investment -</p> <ul style="list-style-type: none"> • at least 50% of the founding team active in the company are women, or • at least 1/3 of the founding team active in the company are women and serve in the most senior level of the company, or • a woman co-founder also serves as CEO or Chairman of the Board <p>"Active in the company" is defined as still working operationally for the company or serving on the board.</p> <p>A company qualifies as a female led company if, at the time of investment -</p> <ul style="list-style-type: none"> • at least 50% of the senior management team are women, or • a woman serves as CEO and at least 30% of the senior management team are women. 	<p>Kinnevik performs a yearly assessment of all our portfolio companies based on the Kinnevik Standards. As part of this assessment, Kinnevik scores the companies on their fulfilment of the Standards. Each standard is in turn weighted based on Kinnevik's view of importance of the same. The assessments are performed by the Kinnevik Sustainability Team through interviews with the companies and our board representatives.</p> <p>The Standards include 84 metrics which in turn are split into two levels, one for small companies (equity value of < USD750m) and one for large companies (equity value of >USD750m), with the latter being more comprehensive and advanced. While small companies are only scored against the small company standards, large companies are scored on both small and large company standards. When a company is re-classified as a large company, we score the company as both a small and large company to have comparable scores between years. Should a standard not be deemed applicable to a certain company's business model and/or sector/market, it is up to the Sustainability Team to decide whether such company should be scored against that standard or not.</p>
Portfolio Coverage	<p>For 2021, we expect five of our current portfolio companies, that was also part of our portfolio in 2020, to have measured their greenhouse gas emissions.</p> <p>The KPI does not include our emerging market portfolio companies, which represent less than 2% of our portfolio value.</p> <p>The SPT relates to a year-on-year change, only portfolio companies that was in Kinnevik's portfolio during the two previous years at the Target Observation Date will be included. As Kinnevik distributed its entire shareholding in Zalando in June 2021, the baseline for 2020 will be recalculated to exclude Zalando.</p>	<p>The SPT includes the entire amount of capital being invested into new companies during the current two-year rolling period, full year 2020 and 2021.</p>	<p>The SPT refers to change in the average ESG score of the portfolio from the previous year, meaning that only companies which were in Kinnevik's portfolio during the full-year of 2020 and 2021 will be included in the calculation. Hence, the 2021 SPT includes all existing portfolio companies except Zalando which was distributed during 2021 and the new companies invested in during 2021 (Vay, Spring Health, Parsley Health, Quit Genius, Jobandtalent, Lunar, Nick's, Sure, Vivino and Superb). The KPI does not apply to our emerging market portfolio companies, which represent less than 2% of our portfolio value.</p> <p>In 2021, four companies were re-classified as large, Mathem, Cityblock, Cedar and Pleo. For comparability in relation to 2020 we therefore used a small company score for these companies. Also, Deposit Solutions merged with Raisin during 2021 which would have triggered a re-classification, however as this was only due to the merger Kinnevik concluded not to re-classify them for the purpose of the 2021 ESG Score.</p>

GOOD EXAMPLES FROM OUR PORTFOLIO

GHG measurement leads to ambitious sustainability vision at Mathem

Sustainability has permeated Mathem as a central part of daily operations as well as long-term goals and ambitions since the company's inception. In 2020, Mathem completed a full GHG measurement in Scope 1,2 and relevant parts of Scope 3, which has served as a base to build out a comprehensive sustainability roadmap during 2021.

This work also contributed to the development of an ambitious sustainability vision based on UN Agenda 2030 for sustainable development and Sweden's work with the agenda, which reads:

"Mathem will lead sustainable development by actively

working alongside suppliers, customers and industry players to protect our planet and build a healthy society, which gives future generations the freedom to live more."

Based on the vision and roadmap, the company has set sustainability targets for the Environmental, Social and Governance dimensions throughout the value chain. The targets are supported by initiatives regarding suppliers and partnerships, product range, customer experience, transportation and distribution as well as health and work environment.

A highlight came in October when Mathem announced the goal of achieving net zero emissions by 2030 as well as to

reach climate-neutral operations already in 2022. Achieving net zero emissions in less than ten years will require a major shift in operations, but also for customers and suppliers.

Turning words into action, Mathem will now collaborate with suppliers on, for example, sustainable transportation and food production as well as work intensively to actively inspire and support customers to make conscious and climate-smart choices. Focus will also lie on extending fossil free deliveries to the customer's doorstep, as well as providing a diverse and equal workplace and ensuring processes for a good work environment.



Tele2 set Science-Based Targets and push climate efforts further

In 2020, Tele2 became the first telco in the Nordics and the Baltics to be climate neutral in its own operations. In 2021, Tele2 pushed its climate efforts further by launching industry-leading climate goals approved by the Science-Based Target initiative (“SBTi”). In line with Tele2’s firm ambition to lead in sustainability, the goals set clear targets for Tele2’s climate efforts both within its own operations and for its value chain. Tele2’s official SBTi approved targets are:

- Tele2 commits to reduce absolute scope 1 and 2 GHG emissions 90% by 2025 and 100% by 2029 from a 2019 base year.
- Tele2 commits to reduce scope 3 GHG emissions 60% per subscription by 2029 from a 2019 base year.



Budbee first in revealing fossil free numbers

Budbee focuses on sustainable and flexible e-commerce home deliveries, and operates in Sweden, the Netherlands, Denmark, Finland and Belgium. The company is the first in its industry to openly reveal the composition of the fuel consumption throughout the entire chain of operation, thus bringing full operational transparency to retailers and customers.

Following this, Budbee could in 2021 proudly announce that all deliveries in Sweden are completely fossil-free. The fossil-free deliveries are made by either electrical vehicles, cargo bikes or by renewable biodiesel, HVO100. This includes transports from merchant pickup to domestic line-haul and last-mile Home- and Box delivery. While a great milestone, this is just the beginning for Budbee which will continue to improve and develop in all markets and in all aspects of sustainability. Beginning of 2022, Budbee became fossil-free also in Finland.



Driving inclusion at Cityblock

When Cityblock was founded in 2017, they realized that serving historically underserved and marginalized communities also meant addressing deep-seated inequities and confronting systems that leave far too many behind.

Three pillars guide this important work: building representation, advancing justice and building belonging. As a result, Cityblock has created opportunities for colleagues to learn and become active participants in advancing diversity, equity and inclusion. Cityblock has increased participation in employee resource groups to more than 40% of the workforce. They have created learning resources including an anti-racism glossary of terms and a recommended reading list to establish common understanding. As part of ensuring internal processes eliminate bias, Cityblock periodically audits their pay and promotion practices. Cityblock enabled pathways to wealth creation for all “Cityfolx” by granting equity across the company.

Ensuring diverse representation is key as Cityblock serves a primarily BIPOC (Black, Indigenous, and People of Color) member population and hires directly from the communities it serves. People of color represent 57% of the total workforce and the Executive Leadership Team is 57% female and 43% BIPOC.



OUR COMPANIES ARE CONTRIBUTING TO THE GLOBAL GOALS

Many of our portfolio companies contribute to the Global Goals by virtue of their core business models. The 2030 Agenda and sustainable business development is an exciting business opportunity as it represents unmet demand across the globe.

ENVIRONMENT

GOAL 12.3: Halve global per capita food waste

By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.

- **Karma:** Marketplace platform that connects consumers with local restaurants and grocery stores that have surplus food. By letting customers buy unsold food at a discount through the app, Karma is reducing food waste
- **Simple Feast:** Provide inspiring and delicious plant-based meal kits, helping to move people's eating habits in a more sustainable direction

SOCIETY

GOAL 3.7: Universal access to sexual and reproductive care, family planning and education

By 2030, ensure universal access to sexual and reproductive health-care services, including for family planning, information and education, and the integration of reproductive health into national strategies and programmes.

- **Parsley Health:** America's largest holistic virtual-first consumer subscription service, caring for and supporting chronic conditions for women, where leading clinicians help with every phase of the journey of fertility, pregnancy and postpartum support

GOAL 3.8: Achieve universal health coverage

Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.

- **Babylon:** Digital healthcare service company that combines mobile tech and artificial intelligence with medical expertise. Babylon's mission is to make healthcare more accessible and affordable for people everywhere
- **VillageMD:** Provider of primary care and a pioneer in the delivery of value-based care. The company transforms the healthcare experience for consumers by enabling primary care physicians to operate higher quality, risk bearing clinical models
- **Cityblock:** A value-based healthcare provider in the US focused on underserved urban populations with complex care needs
- **Joint Academy:** Digital health company that connects patients with physical therapists to deliver an online evidence-based treatment for chronic joint pain
- **Spring Health:** Making mental health fundamental, providing employers with the most diverse, comprehensive care for employees and their families

- **Transcient:** A new and different health and care experience company for employees of self-insured employers and their families
- **Cedar:** Provides a smarter way for hospitals, health systems and medical groups to manage the patient payment ecosystem

GOVERNANCE

GOAL 1.4: Equal rights to ownership, basic services, technology and economic resources

By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including micro-finance.

- **Betterment:** A US based smart money manager on a mission to help people turn everyday investments, no matter how small, into their dreams, no matter how big.
- **Lunar:** The leading Nordic challenger bank made for the consumer to provide them with everything they need for their money, in one place - 100% digital and always available
- **Sure:** On a mission to make digital insurance available to every consumer not only by offering insurance, but also powering the digital platforms behind the most sophisticated insurance brands and carriers

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

Understanding our climate-related risks and opportunities is key. The effects of climate change are clearly visible and will have an increasingly tangible impact on Kinnevik and our portfolio. Implementing the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”) enables us to identify, assess and manage our most material climate-related risks and opportunities.

The Task Force has structured its recommendations around four thematic areas that represent core elements of how organizations operate: governance, strategy, risk management, and metrics and targets. The four overarching recommendations are supported by recommended disclosures that build out the framework with information that help investors and others understand how reporting organisations assess climate-related risks and opportunities.

Kinnevik are official supporters of the TCFD and have implemented its recommendations. Our climate-related financial disclosures are collected in our stand-alone TCFD Report which was first released in June 2020, and is available on our website. The TCFD Report was later updated in June 2021 to include a scenario analysis, and this current version is also available on our website. For ease of reference, herein is an overview of the TCFD recommendations and page number where this information can be found in Kinnevik’s Sustainability Report 2021 and TCFD Report 2021.

GOVERNANCE	STRATEGY	RISK MANAGEMENT	METRICS AND TARGETS
Disclose the organization’s governance around climate-related risks and opportunities.	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material.	Disclose how the organization identifies, assesses, and manages climate-related risks.	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

RECOMMENDED DISCLOSURES

a) Describe the board’s oversight of climate-related risks and opportunities.		a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.		a) Describe the organization’s processes for identifying and assessing climate-related risks.		a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	
Document	Page	Document	Page	Document	Page	Document	Page
Sustainability Report 2021	26-28	Sustainability Report 2021	-	Sustainability Report 2021	28	Sustainability Report 2021	-
TCFD Report 2021	3-4	TCFD Report 2021	5-6, 11	TCFD Report 2021	8	TCFD Report 2021	9

b) Describe management’s role in assessing and managing climate-related risks and opportunities.		b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.		b) Describe the organization’s processes for managing climate-related risks.		b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	
Document	Page	Document	Page	Document	Page	Document	Page
Sustainability Report 2021	26-28	Sustainability Report 2021	-	Sustainability Report 2021	-	Sustainability Report 2021	18-21
TCFD Report 2021	3-4	TCFD Report 2021	5-7	TCFD Report 2021	8	TCFD Report 2021	10

		c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.		c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.		c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	
Document	Page	Document	Page	Document	Page	Document	Page
Sustainability Report 2021	-	Sustainability Report 2021	-	Sustainability Report 2021	-	Sustainability Report 2021	18
TCFD Report 2021	7, 12-17	TCFD Report 2021	8	TCFD Report 2021	8	TCFD Report 2021	9

KINNEVIK'S NEGATIVE IMPACT AND OUR METHODS OF MITIGATION

Sustainable development is about doing good while doing no harm. Kinnevik recognises that our activities have environmental, social and governance impacts on many levels. Most of Kinnevik's impact is positive and happens via the work that we do supporting our portfolio companies becoming long-term sustainable businesses. Read more about the value we create for our stakeholders on pages 6-7. Beyond these positive impacts, we recognise that our activities can have a negative impact, and we try to minimise and mitigate these wherever possible.

This is not a comprehensive overview but a representation of Kinnevik's key areas of actual or potential negative impact. With our increasingly ambitious sustainability agenda, risks related to potential inability to reach our climate and diversity & inclusion targets have become more prominent. Kinnevik believes that future-proofing our portfolio through driving an ambitious sustainability agenda is business critical.

Kinnevik focuses its investments primarily in Europe and the US and our exposure to emerging markets has decreased significantly in recent years. As such, risks relating to political changes or instability, human rights and business ethics across the portfolio have generally become less prominent.

ENVIRONMENT

Kinnevik's ability to create value by driving an ambitious environmental agenda may be negatively affected by inability to deliver on our climate targets for the portfolio.

Kinnevik's Sustainability Team together with the Investment Team are working closely with the management teams of the portfolio companies to raise awareness around and drive Kinnevik's climate strategy. To reach our portfolio climate target we assist our companies in conducting a materiality analysis to identify their key categories of emissions across scope 1, 2 and 3. We also provide ongoing support during the data collection and tool setup phase and quality assurance on reported emissions prior to finalising the GHG disclosure report. Read more about our climate targets on page 18 and about our climate strategy on page 30.

Kinnevik has a negative climate impact through business travel, primarily air travel, which accounted for 83% of our emissions excluding the portfolio in 2021.

Greenhouse gas emissions from Kinnevik's own operations and business travel during 2021 are in line with the corresponding emissions in 2020. The emissions during 2021 and 2020 are at a considerably lower level compared to 2019, 2018 and 2017 which is mainly the result of significantly less business travel due to the spread of the Coronavirus. Read more on page 19.

Kinnevik's investment focus on Europe and the US means we will likely invest more in those regions in the coming years. We believe being physically present is important in active ownership and that the benefits of actively driving our sustainability agenda on site largely outweighs the negative impact of business travel. Read more about the sustainability performance and progress in our companies on pages 30-32.

It is our ambition to continue creating value for our shareholders in accordance with our financial targets while decreasing our relative impact on the environment, in essence decoupling economic growth from climate impact. As part of this we have during 2021 updated our business travel policy with more restrictions on air travel.

SOCIETY

Kinnevik's ability to create value by driving an ambitious diversity and inclusion agenda may be negatively affected by:

- Inability to source female-founded or female-led companies and achieving our 10% capital allocation target
- Inability to source female talent to portfolio companies' boards and management teams

Kinnevik is actively working to expand our existing pipeline of potential investments and to broaden our exposure to female founded and led businesses through conferences, sponsorships and a wide variety of networks.

Kinnevik's Chief People & Platform Officer provides our companies with hands-on support related to recruitment and screening of candidates. We have also created the talent database, the Kinnevik Greenhouse, read more on page 31.

For some of Kinnevik's companies, particularly in e-commerce, certain employee groups' work environment is characterised by more monotonous tasks and a lower level of influence. Therefore, some employee groups are at higher risk of psychosocial health issues, for example in warehouse operations. In addition to the moral and ethical aspects, this also poses a reputational risk for Kinnevik.

Our portfolio companies have structured onboarding programs for new employees and periodic mandatory health and safety training. Hours worked are actively monitored and the companies

have controls to ensure that employees are not overworked. Middle and lower-level managers are offered leadership development programs. Most of our companies have active whistleblower hotlines where employees can address issues that are being overlooked by their immediate managers. Kinnevik continuously works with portfolio companies to keep health and safety on the agenda of the Board and management teams.

Some of Kinnevik's companies, particularly in fashion e-commerce, due to the global nature of their operations have an elevated risk of human rights violations in their supply chain. In addition to the moral and ethical aspects, this also poses a reputational risk for Kinnevik.

All Kinnevik's companies are in the process of rolling out, or already have in place, supplier Codes of Conduct. In addition, all companies perform a risk-based audit of compliance with the Code of Conduct. For high-risk suppliers where portfolio companies have significant influence over practices within the supply chain (for example with private label suppliers), the suppliers are audited periodically to ensure that they comply with the Company's Code of Conduct. Corrective Action Plans are put in place for material gaps that are identified during such audits which are followed-up periodically by the supply chain compliance team. Commercial agreements are terminated if suppliers are unable to demonstrate satisfactory progress.

GOVERNANCE

Kinnevik's economic performance may be negatively impacted by portfolio concentration in terms of the relative size of specific companies and sectors.

Through our investment management activities and a dynamic allocation of capital, Kinnevik seeks to maintain a balanced portfolio across stages and maturity, sectors, share of public vs. private and geographies. Portfolio concentration is monitored regularly by the Board of Directors.

Kinnevik's economic performance may be negatively impacted by a global economic downturn affecting the liquidity, volatility and valuation of tech stocks.

Having conducted several stress tests on our portfolio and financial position before and during the COVID-19 pandemic we had a good view of the potential financial needs of our portfolio. While the pandemic is slowly and hopefully fading, we continue to track the impact of market developments on our companies' ability to cope with a potential downturn. During 2021 we assessed potential material changes to the macro environment as part of our regular risk assessment process to ensure clear oversight.

PORTFOLIO LEVEL KPIs

The 2021 and 2020 actual KPIs include the companies in Kinnevik's portfolio per 31 December 2021 and 2020, respectively. The 2021 comparable KPIs exclude Vay, Spring Health, Parsley Health, Quit Genius, Jobandtalent, Lunar, Nick's, Sure, Vivino and Superb as Kinnevik invested in these companies during 2021. The 2021 and 2020 comparable KPIs also exclude Zalando as it was distributed during 2021.

	% of Portfolio Value				% of Number of Companies			
	2021 Actual	2021 Comp	2020 Actual	2020 Comp	2021 Actual	2021 Comp	2020 Actual	2020 Comp
Measures GHG emissions for scope 1 and 2	52%	52%	74%	28%	18%	24%	23%	20%
Measures GHG emissions for relevant scope 3 categories	52%	52%	74%	28%	18%	24%	19%	16%
Has set relevant GHG reduction targets in line with 1.5 degree pathway/ Paris Agreement	45%	45%	47%	1%	12%	16%	8%	4%
Integrates climate change into overall strategy discussions with the Board and/or relevant sub-committees	36%	36%	46%	0%	3%	4%	4%	0%
Has a process for efficient measurement and management of waste and hazardous waste	51%	51%	73%	27%	24%	32%	23%	20%

The companies measuring their emissions and setting reduction targets are generally the companies in our portfolio with the largest environmental footprint. They are also relatively mature in relation to our portfolio of mostly younger growth companies. It is our ambition to steadily increase the share of companies reporting their emissions and setting reduction targets.

	% of Portfolio Value				% of Number of Companies			
	2021 Actual	2021 Comp	2020 Actual	2020 Comp	2021 Actual	2021 Comp	2020 Actual	2020 Comp
SOCIETY								
Has implemented a Supplier Code of Conduct based on international standards	56%	56%	87%	41%	24%	32%	35%	32%
Has incorporated anti-corruption principles in the Company's policies	95%	93%	98%	52%	76%	92%	81%	80%
Reports on occupational health incidents to the Board	83%	79%	67%	21%	71%	76%	46%	44%
Conducts periodic employee surveys	99%	93%	99%	53%	97%	100%	88%	88%
Has incorporated anti-discrimination principles in the Company's policies	90%	86%	98%	52%	82%	92%	88%	88%
Has conducted/provided training for management on D&I related topics	88%	86%	91%	46%	56%	64%	38%	36%
Has set time-based D&I targets and KPIs	60%	60%	87%	41%	21%	24%	27%	24%
Has implemented a community outreach or philanthropic program	62%	62%	88%	42%	32%	44%	38%	36%

	% of Portfolio Value				% of Number of Companies			
	2021 Actual	2021 Comp	2020 Actual	2020 Comp	2021 Actual	2021 Comp	2020 Actual	2020 Comp
Has implemented a Code of Conduct across its organisation	96%	92%	98%	52%	79%	88%	85%	84%
Has implemented a Whistleblowing system	84%	83%	93%	48%	50%	64%	42%	40%
Has conducted a risk assessment including rating risks based on likelihood and impact	77%	77%	93%	47%	35%	48%	42%	40%
Has a defined risk limits statement to monitor risk levels	45%	44%	74%	28%	15%	16%	19%	16%
Sustainability is a standing item on the Board agenda	79%	78%	97%	51%	32%	40%	65%	64%
Senior management is incentivised based on sustainability performance	43%	43%	20%	20%	15%	20%	8%	8%
Conducts regular compliance training	97%	93%	99%	53%	85%	96%	81%	80%

GOVERNANCE



Unleashing the power of social entrepreneurs for children and youth

Kinnevik is a founding partner of Reach for Change, a global non-profit organization supporting local social entrepreneurs to build sustainable solutions that improve the lives of children and youth. Reach for Change do this through capacity building programs targeting social entrepreneurs at different development stages and by developing the ecosystem for social innovation. Kinnevik is committed to support Reach for Change in their Impact Goal for 2030, where they aim to reach 30 million children and youth.



In 2021 we supported

58 entrepreneurs

working to create a better world for children and youth in **seven countries** across Europe and Africa.

81%

of the social entrepreneurs were satisfied with the support provided through the Incubator

95%

report that they would have developed less without the support from Reach for Change



395 616

improved lives of children and youth

The Kinnevik Advisory Program

Employees supporting social entrepreneurs' most pressing needs

The Kinnevik Advisory program was a possibility for Kinnevik employees to support a Reach for Change social entrepreneur with a specific challenge or area in the social entrepreneur's organization. 1-2 advisors were matched with a social entrepreneur to work together on the specific challenge for a couple of months.

Impact story

Prevents mental distress for young boys

Mårten Granlund, founder of Under Kevlaret, joined Reach for Change's incubator in 2020. Under Kevlaret provides support for, and by, young men to prevent mental distress. The organization inspires young men to talk about feelings, ask for help and support each other by offering lectures, a support chat and raising public awareness. Under Kevlaret has received strategic support from Reach for Change as well as support by Kinnevik advisors. **In 2021, Under Kevlaret improved the lives of more than 700 children and youth.**

GRI INDEX

Kinnevik's Sustainability Report refers to the calendar year 2021 and is prepared in accordance with the GRI Standards: Core option, including the GRI Sector Disclosures for Financial Services. A description of how we identified the Material Topics is available on pages 14-15.

The Sustainability Report 2021 has been subject to a limited assurance review, see statement on page 48. Kinnevik intends to continue our sustainability reporting in accordance with the GRI Standards on an annual basis.

MANAGEMENT APPROACH DISCLOSURES

Kinnevik continuously evaluates our efforts within each material aspect to identify potential improvements and take appropriate actions.

Environment (GRI Material Topics: Environmental Responsibility and Reduced Climate Impact)

The effects of climate change are causing acute harm to societies and economies globally, and expectations on businesses from the investor community and consumers are rapidly increasing. Being leaders in combating climate change is a significant opportunity for Kinnevik and our portfolio, which involves measuring our full climate impact, setting targets in line with the carbon law and defining clear roadmaps to reach those targets.

In May 2020, Kinnevik set two climate targets to reduce greenhouse gas emissions and prepare our portfolio and organisation for a low carbon economy. Kinnevik conducts a yearly GHG emissions disclosure quantifying our total CO₂e emissions. The disclosure serves as a base from which we have set and can follow-up on our climate targets in our effort to align our portfolio to a low-carbon future. Read more about Kinnevik's climate targets and target fulfilment in 2021 on pages 18-21.

Society (GRI Material Topics: Social Equality and Good Corporate Citizenship)

Kinnevik's greatest asset is and has always been our people. As such, attracting and retaining top talent is a key priority. Kinnevik regards diversity and inclusion as core levers for value creation, and we make full use of the opportunities that arise from employing a team with different backgrounds and perspectives. We also have a strong belief in contributing to the wider community by driving change throughout our entire eco-system and industry and pushing others by being a role model.

In May 2019, Kinnevik launched a diversity and inclusion framework with four explicit targets to drive the important change we want to see at Kinnevik, in our portfolio and the broader industry. Besides our fundamental belief in equal rights for everyone, Kinnevik believes diversity and inclusion is business critical as it leads to improved financial performance, higher degree of innovation, better decision-making and creation of value over the long-term.

Kinnevik offers its employees continuous opportunities for personal and professional growth in order to develop their skillset and to take increasing responsibility for value creation at Kinnevik and our portfolio companies. Ongoing assessments of employees' performance and success in meeting their objectives are central to ensure that Kinnevik offers the right personal development tools at an individual and group level.

Kinnevik is committed to promoting a good, safe and healthy work environment for all employees across physical, organi-

sational and social aspects, where the risks of occupational injuries and work-related ill-health are prevented. The goal is to strengthen the employees' motivation, effectiveness, health and well-being. Read more about Kinnevik's efforts in social sustainability on pages 22-25.

Governance (GRI Material Topics: Sound Governance Structures and Economic Growth)

Being a financially strong company is imperative in Kinnevik's role as active owners, enabling us to drive our sustainability strategy in an efficient way and support our companies in becoming long-term successful and sustainable businesses. For Kinnevik as a company it is important to have sound governance, risk management and compliance structures in place, including clear structures, policies and processes across functions.

All employees, representatives of Kinnevik and third parties engaged with Kinnevik are expected to fully comply with our Code of Conduct. Kinnevik has an onboarding process for new employees that introduces them to the Code of Conduct, which includes provisions on anti-bribery and business ethics, and other key policies and procedures.

To identify, assess and manage risks for Kinnevik on an ongoing basis, the Board has adopted a Risk Management Policy. To facilitate the implementation of the policy, Kinnevik has a detailed risk assessment process. A material level of Kinnevik's risk exposure sits within our portfolio and thus the risk assessment process is performed both on a Kinnevik and portfolio level.

Kinnevik conducts mandatory annual compliance training, including Code of Conduct and Insider Trading Rules, for all employees, as well as periodic deep dives on specific matters such as anti-corruption and supply chain management. Read more about Kinnevik's governance structures on pages 26-28.

GRI DISCLOSURES	REPORTED (Y/N)	COMMENT	PAGE
GRI 102-1	Y	Name of the organisation (2016)	52
GRI 102-2	Y	Activities, brands, products, and services (2016)	52
GRI 102-3	Y	Location of headquarters (2016)	52
GRI 102-4	Y	Location of operations (2016)	82-83, 99-101
GRI 102-5	Y	Ownership and legal form (2016)	52-54
GRI 102-6	Y	Markets served (2016)	52
GRI 102-7	Y	Scale of the organisation (2016)	23-24, 52, 73
GRI 102-8	Y	Information on employees and other workers (2016)	23
GRI 102-9	Y	Supply chain (2016)	-
		Kinnevik's purchases include services and products to office operations in Stockholm and London and consultancy services in relation to the acquisition and sales processes as well as development procedures. Suppliers operate primarily in the Nordic countries and the UK.	
GRI 102-10	Y	Significant changes to the organization and its supply chain (2016)	-
		No significant changes have been made	
GRI 102-11	Y	Precautionary Principle or approach (2016)	-
		See Kinnevik's Sustainability Policy on www.kinnevik.com .	
GRI 102-12	Y	External initiatives (2016)	-
		UN Global Compact, GRI Standards: core option and Position Green.	
GRI 102-13	Y	Memberships of associations (2016)	-
		Stockholm Chamber of Commerce, Stockholm School of Economics and Reach for Change.	

GRI DISCLOSURES	REPORTED (Y/N)	COMMENT	PAGE
GRI 102-14	Y	Statement from senior decision-maker (2016)	2-4
GRI 102-16	Y	Values, principles, standards and norms of behavior (2016)	8-10, 26-29
GRI 102-18	Y	Governance structure (2016)	26-28, 56-59
GRI 102-40	Y	List of stakeholder groups (2016)	6-7, 13
GRI 102-41	Y	Collective bargaining agreements (2016)	-
		No (zero) employees are covered by such agreements. However, freedom of assembly and association is clearly stated in our Code of Conduct.	
GRI 102-42	Y	Identifying and selecting stakeholders (2016)	13
GRI 102-43	Y	Approach to stakeholder engagement (2016)	13
		Stakeholders have not been specifically consulted in preparation of the Sustainability Report 2021.	
GRI 102-44	Y	Key topics and concerns raised (2016)	13, 14-15
GRI 102-45	Y	Entities included in the consolidated financial statements (2016)	99-101
GRI 102-46	Y	Defining report content and topic boundaries (2016)	13-15
GRI 102-47	Y	List of material topics (2016)	14-15
GRI 102-48	Y	Restatements of information (2016)	-
		No significant restatements have been made	
GRI 102-49	Y	Changes in reporting (2016)	-
		Emission data for 2021 for our portfolio companies has been excluded from this report and will instead be published in a Sustainability-Linked Financing Framework Climate Progress Report that will be published before 30 June 2022. This allows our companies sufficient time to report their emissions for 2021.	
GRI 102-50	Y	Reporting period (2016)	15, 45
GRI 102-51	Y	Date of most recent report (2016)	-
		The Sustainability Report 2020 covers the sustainability performance of Kinnevik for the period 1 January to 31 December 2020.	

GRI DISCLOSURES	REPORTED (Y/N)	COMMENT	PAGE
GRI 102-52 Reporting cycle (2016)	Y		15
GRI 102-53 Contact point for questions regarding the report (2016)	Y	Torun Litzen, Director of Corporate Communications: +46 8 562 000 83.	-
GRI 102-54 Claims of reporting in accordance with the GRI Standards (2016)	Y		45
GRI 102-55 GRI content index (2016)	Y		46-47
GRI 102-56 External assurance (2016)	Y	The Sustainability Report 2021 has been subject to a limited assurance review.	48
ECONOMY			
GRI 103-1 Explanation of the material topic and its Boundary (2016)	Y	All topics concern Kinnevik's own operations as well as our portfolio and contributions and actions in relation to such.	14-15, 45
GRI 103-2 The management approach and its components (2016)	Y	Given the nature of Kinnevik's material topics, we have not implemented any specific grievance mechanisms for such. To the extent relevant components are applicable to Kinnevik's material topics these have been included under the respective sections describing each topic.	26-29, 32
GRI 103-3 Evaluation of the management approach (2016)	Y		45
GRI 201-1 Direct economic value generated and distributed (2016)	Y		26
GRI 205-1 Operations assessed for risks related to corruption (2016)	Y	All Kinnevik's larger investee companies are covered by the Kinnevik Standards.	29
GRI 205-2 Communication and education about anti-corruption policies and procedures (2016)	Y	The Code of Conduct covers anti-corruption and is communicated to all employees and Board members. Kinnevik conducts mandatory annual Code of Conduct training for all employees. Given Kinnevik's very limited proprietary operations, the Code of Conduct applies to and we only engage with relevant suppliers. There is no data accessible on how many employees in the portfolio companies that have received anti-corruption training.	26, 28

GRI DISCLOSURES	REPORTED (Y/N)	COMMENT	PAGE
SOCIETY			
GRI 103-1 Explanation of the material topic and its Boundary (2016)	Y	All topics concern Kinnevik's own operations as well as our portfolio and contributions and actions in relation to such.	14-15, 45
GRI 103-2 The management approach and its components (2016)	Y	Given the nature of Kinnevik's material topics, we have not implemented any specific grievance mechanisms for such. To the extent relevant components.	22-25, 29, 31
GRI 103-3 Evaluation of the management approach (2016)	Y		45
GRI 401-1 New employee hires and employee turnover (2016)	Y		23
GRI 404-3 Percentage of employees receiving regular performance and career development reviews (2016)	Y	100% of employees.	24
GRI 405-1 Diversity of governance bodies and employees (2016)	Y		22-25, 60-61
GRI 412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening (2016)	Y	All Kinnevik's new investments in private companies are subject to a sustainability due diligence process based on the Kinnevik Standards which includes compliance with relevant human rights laws.	8-9
GRI 419-1 Non-compliance with laws and regulations in the social and economic area (2016)	Y	No fines or non-monetary sanctions were received during 2021.	-
GRI-FS10 Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	Y	All Kinnevik's larger investee companies are covered by the Kinnevik Standards.	29
ENVIRONMENT			
GRI 103-1 Explanation of the material topic and its Boundary (2016)	Y	All topics concern Kinnevik's own operations as well as our portfolio and contributions and actions in relation to such.	14-15, 45
GRI 103-2 The management approach and its components (2016)	Y	Given the nature of Kinnevik's material topics, we have not implemented any specific grievance mechanisms for such. To the extent relevant components.	18-21, 30
GRI 103-3 Evaluation of the management approach (2016)	Y		45
GRI 305-1 Direct (Scope 1) GHG emissions (2016)	Y	Company-owned or long-term leased vehicles.	19, 21
GRI 305-2 Energy indirect (Scope 2) GHG emissions (2016)	Y	Power consumption and district heating.	19, 21
GRI 305-3 Other indirect (Scope 3) GHG emissions (2016)	Y	Primarily Kinnevik's business trips and portfolio companies' emissions.	19, 21

AUDITOR'S LIMITED ASSURANCE REPORT ON KINNEVIK AB'S SUSTAINABILITY REPORT

Translation from the Swedish original.

TO KINNEVIK AB (PUBL), CORPORATE IDENTITY NUMBER 556047-9742

Introduction

We have been engaged by The Board of Directors of Kinnevik AB (publ) to undertake a limited assurance engagement of Kinnevik AB (publ)'s Sustainability Report for the year 2021. Kinnevik AB (publ) has defined the scope of the Sustainability Report on page 45-47.

Responsibilities of The Board of Directors and the Executive Management

The Board of Directors and the Executive management are responsible for the preparation of the Sustainability Report in accordance with the applicable criteria. The criteria are defined on page 45 in the Sustainability Report, and are part of the Sustainability Reporting Guidelines published by GRI (The Global Reporting Initiative), that are applicable to the Sustainability Report, as well as the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed. Our assignment is limited to the historical information that is presented and does not cover future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 Assurance engagements other than audits or reviews of historical financial information (revised). A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other limited assurance procedures. The procedures performed in a limited assurance engagement vary in nature from, and are less in scope than for, a reasonable assurance engagement conducted in accordance with IAASB's Standards on Auditing and other generally accepted auditing standards. The firm applies ISQC 1 (International Standard on Quality Control) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. Consequently, the procedures performed do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance conclusion.

Our procedures are based on the criteria defined by The Board of Directors and the Executive Management as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.

Conclusions

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the Sustainability Report is not prepared, in all material respects, in accordance with the criteria defined by The Board of Directors and the Executive Management.

Stockholm, 6 April 2022

KPMG AB

Mårten Asplund
Authorized Public Accountant

Torbjörn Westman
Expert Member of FAR

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)

The Sustainability Accounting Standards Board (SASB) is an independent nonprofit organisation that sets standards to guide the disclosure of financially material sustainability information by companies to their investors. For ease of reference, below is an overview of the SASB standards relevant to Kinnevik's industry (Asset Management & Custody Activities) and page number where the information can be found in Kinnevik's Sustainability Report 2021.

Table 1. Sustainability Disclosure Topics & Accounting Metrics

TOPIC	ACCOUNTING METRIC	CODE	COMMENT	PAGE
Transparent Information & Fair Advice for Customers	(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings ¹	FN-AC-270a.1	The topic and its associated metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-
	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers ²	FN-AC-270a.2	The topic and its associated metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-
	Description of approach to informing customers about products and services	FN-AC-270a.3	The topic and its associated metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-
Employee Diversity & Inclusion	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees ³	FN-AC-330a.1	Kinnevik measures gender representation on all levels and foreign background for all employees.	22-24
Incorporation of Environmental, Social, and Governance Factors in Investment Management & Advisory	Amount of assets under management, by asset class, that employ (1) integration of environmental, social, and governance (ESG) issues, (2) sustainability themed investing, and (3) screening	FN-AC-410a.1	The topic and its associated metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-
	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies	FN-AC-410a.2	Sustainability, including environment, social aspects and governance, is an integrated part of our business model and investment process, from sourcing and assessment of new business opportunities to ongoing development of our companies and re-allocation of capital into new opportunities.	8-9
	Description of proxy voting and investee engagement policies and procedures	FN-AC-410a.3	The topic and its associated metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations ⁴	FN-AC-510a.1	Kinnevik did not sustain any monetary losses in the reporting period as a result of legal proceedings associated with the conduct as described above.	-
	Description of whistleblower policies and procedures	FN-AC-510a.2	Kinnevik has an external whistleblowing service. The service is managed by the external party WhistleB and is available 24 hours a day. Reports can be made in Swedish or English and are handled confidentially by Kinnevik's Whistleblowing Team, comprising the Chairman of the Audit Committee and Kinnevik's General Counsel.	26, 28
Systemic Risk Management	Percentage of open-end fund assets under management by category of liquidity classification	FN-AC-550a.1	The topic and its associated metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-
	Description of approach to incorporation of liquidity risk management programs into portfolio strategy and redemption risk management	FN-AC-550a.2	The topic and its associated metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-
	Total exposure to securities financing transactions	FN-AC-550a.3	The topic and its associated metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-
	Net exposure to written credit derivatives	FN-AC-550a.4	The topic and its associated metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-

Table 2. Activity Metrics

ACTIVITY METRIC	CODE	COMMENT	PAGE
(1) Total registered and (2) total unregistered assets under management (AUM) ²	FN-AC-000.A	The metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-
Total assets under custody and supervision	FN-AC-000.B	The metrics were omitted based on the lack of applicability in relation to Kinnevik's business model.	-

1) Note to FN-AC-270a.1- The entity shall describe how it ensures that covered employees file and update FINRA and SEC forms in a timely manner.

2) Note to FN-AC-270a.2- The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary losses.

3) Note to FN-AC-330a.1- The entity shall describe its policies and programs for fostering equitable employee representation across its global operations.

4) Note to FN-AC-510a.1- The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary losses.

5) Note to FN-AC-000.A - Registered AUM include those subject to the regulations of the Investment Company Act of 1940 (1940 Act), such as mutual funds, managed under the Employee Retirement Income Security Act of 1974 (ERISA), subject to the Undertakings for Collective Investment in Transferable Securities (UCITS) Directive, or managed under the Commodity Futures Trading Commission's (CFTC's) Commodity Pool Operator (CPO) regulations. Unregistered AUM are those that do not fall under the definition of the registered AUM.

BOARD REPORT

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BOARD OF DIRECTORS' REPORT

Kinnevik's ambition is to be Europe's leading listed growth investor and we back the best digital companies to reimagine everyday and deliver significant returns.

We understand complex and fast-changing consumer behaviours, and have a strong and expanding portfolio in healthtech, consumer services, foodtech and fintech. As a long-term investor,

we strongly believe that investing in sustainable business models and diverse teams will bring the greatest returns for shareholders. We back our companies at every stage of their journey and invest in Europe, with a focus on the Nordics, and in the US. Kinnevik was founded in 1936 by the Stenbeck, Klingspor and von Horn families. Kinnevik's shares are listed on Nasdaq Stockholm's list for

large cap companies under the ticker codes KINV A and KINV B.

Kinnevik's registered address is Skeppsbron 18, Box 2094, SE-103 13 Stockholm, Sweden. The company's corporate registration number is 556047-9742.

Five-year summary (SEKm)	2021	2020	2019	2018	2017
Equity	72 391	111 671	73 295	70 503	90 633
Equity/assets ratio, %	92%	96%	94%	95%	97%
Net cash/(Net debt) ¹⁾	5 384	4 817	-930	-2 887	-1 062
Debt/equity ratio, multiple	0.07	0.03	0.07	0.04	0.03
Net asset value	72 391	111 671	73 295	70 503	90 633
Net asset value per share, SEK	260	402	265	256	329
Net asset value change	16%	52%	31%	-22%	25%
Kinnevik market capitalization	90 246	115 929	63 232	58 728	76 042
Market price class B share at 31 December, SEK	324	417	229	213	276
Cash dividend per share, SEK	0.00	7.00	-	8.25	8.25
Dividend in kind per share, SEK	196.22	-	60.09	15.36	-
Total shareholder return %	29%	85%	40%	-16%	31%
Fair value, Consumer Services	12 969	61 635	36 052	23 567	40 832
Share of portfolio value	19%	57%	49%	32%	45%
Fair value, Financial Services	9 230	2 221	2 641	1 994	1 072
Share of portfolio value	14%	2%	4%	3%	1%
Fair value, Healthcare Services	19 848	21 275	6 710	1 342	480
Share of portfolio value	29%	20%	9%	2%	1%
Fair value TMT	24 240	20 450	25 440	21 172	24 221

Five-year summary (SEKm)	2021	2020	2019	2018	2017
Share of portfolio value	36%	19%	34%	29%	26%
Fair value Emerging Markets	1 019	1 835	3 387	25 351	25 068
Share of portfolio value	2%	2%	5%	35%	27%
Portfolio value	67 541	107 556	74 230	73 430	91 695
Change in fair value of financial assets (incl. dividends received)	14 958	41 539	21 879	-13 297	20 655
Profit/loss for the year	14 777	40 274	21 572	-13 656	20 359
Earnings per share, after dilution	53.12	145.22	78.02	-49.58	73.90
Cash flow from operations (excluding dividend received)	-376	-362	-271	-316	-267
Cash flow from investments in financial assets	-6 014	-2 170	-4 586	-2 710	-4 843
Cash flow from sale of shares and other securities	5 799	8 383	6 162	1 589	5 304
Dividends received	1 689	1 689	2 907	1 887	2 260
Cash dividend paid	-44	-1 928	-2 271	-2 270	-2 201
Cash flow for the year	2 955	3 702	3 401	-1 312	1 475

For definitions of financial key ratios, refer to page 110.

¹⁾ Including debt unpaid investments.

The financial statements were approved by the Board of Directors on 7 April 2022 and the Board of Directors and the CEO hereby present the annual report and consolidated financial statements for the 2021 financial year. The balance sheets and the income statements for the Group and the Parent Company will be presented for adoption at the Annual General Meeting on 9 May 2022.

The consolidated accounts comprise only subsidiaries that only own shares in investee companies or provide services mainly to the Parent Company. Other subsidiaries are valued at fair value through the income statement. The figures in this report pertain to the full-year 2021. The figures in parentheses pertain comparative figures for 2020 unless otherwise stated.

KEY EVENTS DURING 2021

Capital reallocation activity was high throughout 2021, with investments of SEK 4.4bn in 10 new companies and SEK 2.0bn in follow-on investments financed through releasing SEK 5.5bn primarily from partial divestments of our VillageMD and Teladoc investments at returns exceeding 7x and 5x, respectively, and SEK 1.7bn in received dividends from Tele2.

In addition, we refinanced our credit facilities and issued SEK 2bn in new sustainability-linked bonds, ending the year with a robust financial position and SEK 5.4bn in net cash.

Our Net Asset Value amounted to SEK 72.4bn or SEK 260 per share at the end of 2021, up by SEK 10.1bn or 16 percent compared to one year ago (excluding Zalando).

In the public portfolio, weak share price developments in Global Fashion Group and Teladoc had a negative impact on NAV, especially in the second half of the year.

The value of our private companies increased by SEK 17.5bn in 2021 from net revaluations of SEK 14.2bn and net investments of SEK 3.2bn (excluding Babylon, which went public in October 2021).

In summary, we ended 2021 with a more balanced portfolio

with half of its capital invested in private businesses and a stronger balance sheet than what we started the year with.

In addition to sustainability-linked bonds we also continued to intensify the focus on sustainability by introducing updated Diversity & Inclusion targets for 2022.

CONSOLIDATED EARNINGS

The change in fair value of financial assets including dividends received amounted to a profit of SEK 14,958m (41,539) for the year of which a loss of SEK 1,640m (profit of 38,266) was related to listed holdings and a profit of SEK 16,598m (3,273) was related to unlisted holdings. See note 3 for further details.

Of the SEK 319m (404) in administration costs, SEK 77m (111) pertained to Kinnevik's outstanding share based long-term incentive programs. The lower cost this year is attributable to a lower fair market value of the incentive shares at launch for the program for 2021 compared to the program that was launched in 2020. The administration costs are furthermore positively affected by a decrease of the value of options from the long term cash based incentive program from 2017, where the measurement period expires on March 31, 2022.

The increased financial net is mainly due to exchange differences in connection with divestments in US dollar.

CASH FLOW AND INVESTMENTS

The Group's cash flow from operating activities amounted to SEK 1,313m (1,327) during the year, of which dividends received amounted to SEK 1,689m (1,689). Paid investments in shares and other securities amounted to SEK 6,014m and divestments of shares and other securities contributed to the cash flow by SEK 5,799m, see Note 6 for the Group for more details.

LIQUIDITY AND FINANCING

The net interest bearing assets amounted to SEK 5,704m and Kinnevik was in a net cash position of SEK 5,384m as at 31 De-

ember 2021. During the year, Kinnevik issued SEK 2,000m in new sustainability-linked bonds in the Nordic bond market. The final redemption price of the sustainability-linked bonds depends on Kinnevik's ability to meet the annual sustainability performance targets.

Kinnevik's total credit facilities (including issued bonds) amounted to SEK 9,840m as at 31 December 2021 whereof SEK 5,000m related to unutilised revolving credit facilities, and SEK 4,710m related to bonds, of which SEK 1,210m with maturity in March 2022 and SEK 3,500m with maturity in 3-7 years. The Group's available liquidity, including short term investments and available unutilised credit facilities, totalled SEK 15,869m as at 31 December 2021 (SEK 13,719m as at 31 December 2020). For more information about the interest-bearing borrowing, see Note 10 for the Group.

Borrowing primarily occurs in SEK and the Group's cash flows in foreign currencies pertain mainly from investment and divestment activities.

RISKS AND UNCERTAINTIES

Kinnevik has a model for risk management, which aims to identify, control and reduce risks. The identified risks and how they are managed are reported to the Kinnevik Board of Directors on a quarterly basis.

Kinnevik's financing and management of financial risks is centralised within Kinnevik's Finance function and is conducted on the basis of a Finance policy established by the Board of Directors. Kinnevik is exposed to financial risks mainly in the form of changes in the value of the stock portfolio, changes in currency and interest rates, and financing risks.

Operational risks are managed within each company with an operating business.

Kinnevik has limited exposure to political risks. Kinnevik estimates, so far, that Russia's invasion of Ukraine will not have a major impact on Kinnevik's results and position, as there is only

limited activity in the area in our portfolio.

Kinnevik's portfolio companies have been impacted by the Covid-19 pandemic to various degrees during 2021. Kinnevik continues to regularly assess measures taken or considered by our businesses and ourselves to safeguard value and address varying effects of the pandemic. Kinnevik continues to have a strong financial position, supporting our ability to create long-term shareholder value through net asset value growth. For a more detailed description of Kinnevik's risks and uncertainties, as well as risk management, refer to Note 17 for the Group.

PARENT COMPANY

The main financial items 2021 for the Parent Company were the following:

- Administration costs: SEK -310m (-386)
- Result from subsidiaries: SEK 9,346m (58,463)
- Profit after financial items: SEK 8,617m (58,200)

During the year, the Parent Company paid shareholders' contributions to subsidiaries totalling SEK 2,559m (18,950) to finance reallocation of portfolio companies between subsidiaries as well as external investments.

Payback of shareholders' contribution and dividends received from subsidiaries amounted to SEK 25,980m (86,941), of which anticipated dividends from subsidiaries of SEK 11,647m, and the net of write-downs and reversed write-downs of shares in subsidiaries and other portfolio companies amounted to SEK 14,456m (27,245) due to change in value as well as decreased capital through dividends paid.

SHARE CAPITAL

As of 31 December 2021, the number of shares in Kinnevik AB amounted to 278,697,215, of which 33,755,432 are class A shares carrying ten votes each, 242,153,584 are class B shares carrying one vote each and 2,788,199 are reclassifiable, sub-ordinated, incentive shares held by the participants in Kinnevik's long-term incentive plan launched in 2018-2021 (of which 19,950 shares from LTIP 2021 held in treasury).

The total number of votes for outstanding shares amounted at 31 December 2021 to 582,496,103, excluding 19,950 votes from treasury shares.

During the year 192,927 treasury Class B shares were sold to cover dividend compensation and costs related to Kinnevik's long term incentive programs. In July 2021, 242,378 incentive shares from LTIP 2018 were converted to Class B shares. In addition, a new issue of 853,550 reclassifiable, subordinated, incentive shares, divided into two classes, to the participants in Kinnevik's long-term share incentive plan resolved on by an EGM on 21 October 2021 were registered by the Swedish Companies Registration Office (Sw. Bolagsverket) during November 2021.

As per 31 December 2021, there were two shareholders owning shares representing more than 10% of the total number of the votes in the company; Verdere S.à.r.l. with 19.2% and Alces Maximus LLC with 11.6%. To the knowledge of the Board, there are no shareholder agreements or share associations in Kinnevik.

GUIDELINES FOR REMUNERATION FOR SENIOR EXECUTIVES

The principles and guidelines for remuneration for senior executives approved by the 2020 Annual General Meeting shall be in force until 2024 or until new guidelines are adopted by the General Meeting. The Board will not propose any changes to the guidelines ahead of the 2022 Annual General Meeting.

For the detailed principles and guidelines and remuneration for the Senior Executives paid out during 2021, please refer to Note 16 for the Group.

CAPITAL ALLOCATION FRAMEWORK

Over 2019-23, Kinnevik is aiming to systematically invest its capital under a capital allocation framework which entails:

- Investing one-third of our capital into first round investments, and two-thirds of our capital into follow-on investments in the high-performing companies of our growth portfolio, on average per year.
- Adding one or two international, later-stage companies, and one or two Nordic earlier-stage companies on average per year.
- Distributing our capital evenly across our focus sectors.
- Aiming to accrete 15-25 percent ownership stakes.
- Targeting a portfolio of 30 companies, with a more even distribution of value across investments and sectors, as well as levels of risk and stages of maturity.

FINANCIAL TARGETS

Attractive returns

Kinnevik's objective is to generate a long term total return to our shareholders in excess of our cost of capital. We aim to deliver an annual total shareholder return of 12-15% over the business cycle.

Low leverage

Given the nature of Kinnevik's investments, our goal is to carry low leverage, not exceeding 10% of portfolio value.

Shareholder remuneration policy

Kinnevik will generate shareholder returns primarily through capital appreciation, and will seek to return excess capital generated by its investments to shareholders through extra dividends.

Outcome in 2021

Area	Target	Outcome 2021
Return	Annual TSR of 12-15% over the business cycle ¹⁾	+29% (1 year) +30% (5 years) +23% (10 years)
Leverage	Low leverage	No leverage

¹⁾ TSR is calculated on the assumption that shareholders have reinvested all cash dividends and dividends in kind into the Kinnevik share.

SUSTAINABILITY REPORT

A sustainability report that describes Kinnevik's work with sustainable value creation is provided on pages 11-50 and also on the company's website at www.kinnevik.com.

ORGANISATION

Natalie Tydeman joined Kinnevik as Senior Investment Director in January 2021 and in December, Samuel Sjöström was appointed Chief Strategy Officer and member of Kinnevik's management team.

EVENTS AFTER THE REPORTING PERIOD

In January, we invested USD 60m in Transcarent, a new and different health and care experience company for employees of self-insured employers and their families.

FUTURE DEVELOPMENT

The Group's future development depends mainly on the performance of our investee companies together with future investments. In addition, trends in the financial markets can have a significant impact on the Group's reported earnings and position.

The Board of Directors of Tele2 has recommended a total dividend of SEK 6.75 per share for the financial year 2021 which corresponds to an aggregate expected dividend to Kinnevik amounting to SEK 1.3bn.

PROPOSED TREATMENT OF UNAPPROPRIATED EARNINGS

The following amounts in SEK are at the disposal of the Parent Company's Annual General Meeting:

Retained earnings	61 871 051 950
Share premium	1 615 929 594
Total	63 486 981 544

The Board and the CEO propose that the unappropriated earnings and share premium at the disposal of the Annual General Meeting be disposed of as follows:

In line with Kinnevik's shareholder remuneration policy, the Board of Kinnevik does not propose an ordinary dividend for the financial year 2021.

In accordance with § 4 of the Articles of Association, the Board proposes a dividend payment as compensation to participants in Kinnevik's long-term incentive plan 2019 for paid dividends and other value transfers since 2019. The size of such compensation to participants in Kinnevik's long-term incentive plan 2019 will amount to SEK 240.45 per share in Class D 2019, E 2019 and F 2019, corresponding to in total SEK 64m, assuming maximum fulfillment of the performance conditions for each incentive share class.

Kinnevik's remaining retained earnings and share premium is accordingly to be carried forward.

CORPORATE GOVERNANCE REPORT

Corporate Governance in the Kinnevik Group is based on Swedish legislation and generally accepted sound practice on the securities market. Kinnevik applies the Swedish Corporate Governance Code (the "Code")¹⁾.

During 2021, Kinnevik did not deviate from the Code.

ANNUAL GENERAL MEETING

The Swedish Companies Act (2005:551) (the "Swedish Companies Act") and the Articles of Association determine how the notice to the Annual General Meeting and extraordinary general meetings shall occur, and who has the right to participate in and vote at such meetings. There are no restrictions on the number of votes each shareholder may cast at the general meeting. Class A shares entitle to ten votes, whereas other shares entitle to one vote. Upon a resolution of the Board, distance participation and voting at the General Meeting is possible.

Information on major shareholders in the Company is provided on page XX and on our webpage www.kinnevik.com.

NOMINATION COMMITTEE

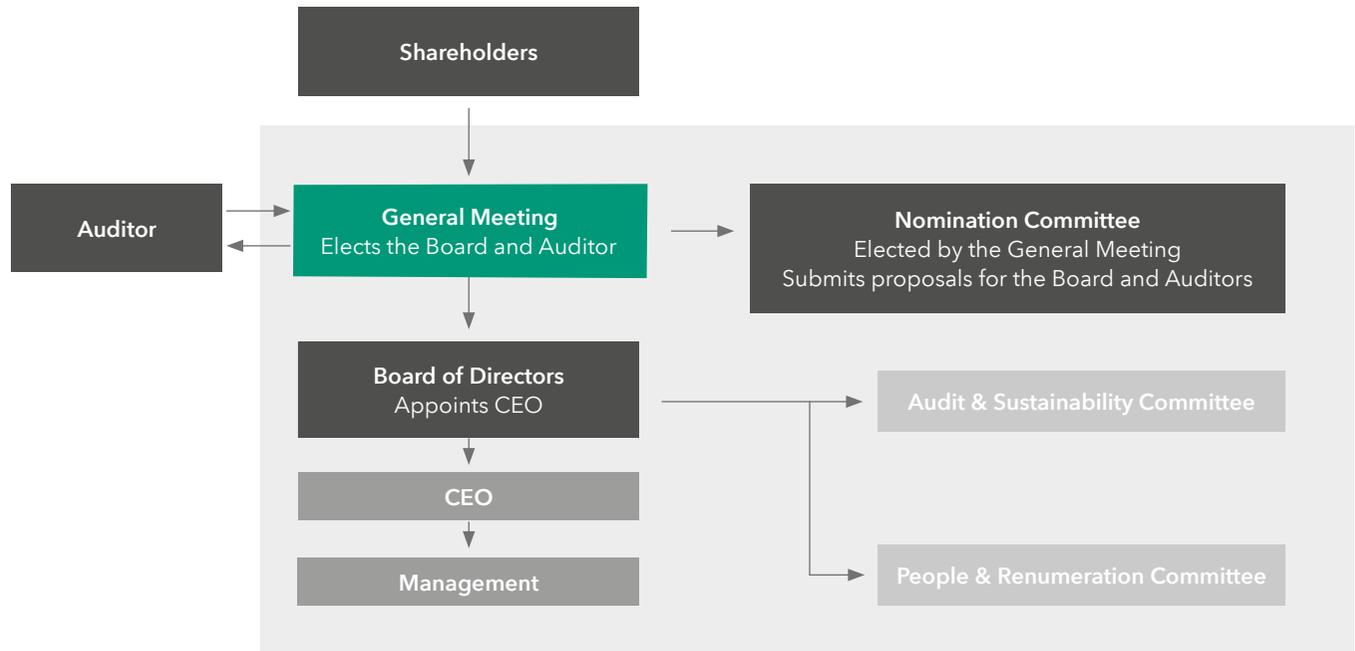
In accordance with the procedural guidelines for the Nomination Committee adopted at the 2021 Annual General Meeting, the Nomination Committee is elected by the Annual General Meeting for the period until a subsequent General Meeting has elected new members. The Nomination Committee consists of a maximum of five members including the Chairman of the Board, proposed by the Nomination Committee and submitted to the General Meeting. The Nomination Committee shall contact the largest shareholders, or groups of shareholders, measured by voting rights, as of the last trading day in February and invite them to propose members to the Nomination Committee to be elected by the Annual General Meeting. The composition of the Nomination Committee shall reflect not only ownership, but also diversity of mentality, mindset, geographical experience and a balance of business and investment expertise.

In accordance with the procedural guidelines, the 2021 Annual General Meeting elected a Nomination Committee consisting of Anders Oscarsson, nominated by AMF, Hugo Stenbeck, nominated by Alces Maximus LLC, Marie Klingspor, and Lawrence Burns, nominated by Baillie Gifford, and the Chairman of the Board, James Anderson. Anders Oscarsson was elected Chairman of the Nomination Committee.

The Nomination Committee's task is also to prepare proposals for the Board of Directors and auditors, in the event auditors shall be elected, and fees to the Board of Directors and auditors, a proposal for the Chairman of the Annual General Meeting as well

as any changes to the procedure for the Nomination Committee ahead of the 2022 Annual General Meeting.

In its work, the Nomination Committee applies rule 4.1 of the Code as its diversity policy. The Committee believes the composition of the Board is fit-for-purpose in respect of several dimensions of diversity, enjoying a strong mix of individuals with Swedish and international backgrounds and a broad range of geographical exposure and investment know-how from predominantly growth businesses. The Committee is committed to continue its efforts to compose the most competent Board, capable of capturing Kinnevik's full potential. 50% of the Board members elected



¹⁾ The Code is available on <https://www.bolagsstyrning.se>.

by the 2021 Annual General Meeting are women. Further information may be found in the Nomination Committee's motivated statement regarding its proposals to the 2021 Annual General Meeting.

AUDITORS

According to the Articles of Association, the Company shall have not more than three auditors, with not more than three deputies, or a registered audit firm. At the 2017 Annual General Meeting, the registered audit firm Deloitte AB was elected Company auditor for a period of four years until the 2021 Annual General Meeting with the authorized public accountant Kent Åkerlund, born 1974, as auditor-in-charge. At the 2021 Annual General Meeting, the registered accounting firm KPMG AB was elected as new Auditor until the end of the 2022 Annual General Meeting. The authorized public accountant Mårten Asplund, born 1972, is auditor-in-charge. The auditor's independence is ensured by legislation and professional ethics and the audit firm's internal guidelines, as well as by adhering to the Audit Committee's guidelines governing the type of assignments that the audit firm may conduct in addition to the audit. Information regarding audit fees is provided in the Annual Report's Note 12 for the Group and Note 5 for the Parent Company, Auditors' Fees.

BOARD OF DIRECTORS AND SENIOR EXECUTIVES

Board members are elected at the Annual General Meeting for a period ending at the close of the next Annual General Meeting. The Articles of Association contains no restrictions pertaining to the eligibility of Board members. According to the Articles of Association, the number of Board members can be no less than three and no more than twelve members elected by shareholders.

At the 2021 Annual General Meeting, following a proposal by the Nomination Committee, Susanna Campbell, Brian McBride, Cecilia Qvist and Charlotte Strömberg were re-elected members of the Board and James Anderson and Harald Mix were elected new members of the Board.

BOARD AND COMMITTEE COMPOSITION

Board Director	Position	Audit & Sustainability Committee	People & Remuneration Committee	Risk, Compliance & Sustainability Committee (until April 2021)
Dame Amelia Fawcett	Chairman (until April 2021)	-	Member (until April 2021)	Chairman (until April 2021)
Henrik Poulsen	Deputy Chairman (until April 2021)	Member (until April 2021)	-	-
Susanna Campbell	Member	Member	Chairman (until April 2021) Member (from April 2021)	-
Wilhelm Klingspor	Member (until April 2021)	Member (until April 2021)	-	-
Brian McBride	Member	Member (from April 2021)	-	Member (until April 2021)
Charlotte Strömberg	Member	Chairman	-	Member (until April 2021)
Cecilia Qvist	Member	Member (from April 2021)	Member (until April 2021)	-
James Anderson	Chairman (from April 2021)	-	Chairman (from April 2021)	-
Harald Mix	Member (from April 2021)	-	Member (from April 2021)	-

BOARD AND COMMITTEE MEETING ATTENDANCE

Board Director	Board	Audit & Sustainability Committee	People & Remuneration Committee	Risk, Compliance & Sustainability Committee (until April 2021)
Dame Amelia Fawcett (until April 2021)	3/3	5/5	2/2	1/1
Henrik Poulsen (until April 2021)	3/3	5/5	-	-
Susanna Campbell	11/12	12/12	5/5	-
Wilhelm Klingspor (until April 2021)	3/3	5/5	-	-
Brian McBride	10/12	5/7	-	1/1
Charlotte Strömberg	12/12	12/12	-	1/1
Cecilia Qvist	12/12	7/7	2/2	-
James Anderson (from April 2021)	8/9	-	3/3	-
Harald Mix (from April 2021)	7/9	-	3/3	-

The Annual General Meeting further elected James Anderson as Chairman of the Board.

The independence of Board members in relation to the Company and its management, and to the major shareholders of the Company, is specified on pages XX. None of the Board members are employed within the Group. Per end of 2021, Senior Executives in Kinnevik included Chief Executive Officer Georgi Ganev, Chief Financial Officer Erika Söderberg Johnson, Director of Corporate Communications Torun Litzén, Chief Strategy Officer Samuel Sjöström, Senior Investment Director Natalie Tydeman, Senior Investment Director Andreas Bernström, Chief People & Platform Officer Anna Stenberg and General Counsel Mattias Andersson. For information about Senior Executives, please see www.kinnevik.com and Note 16 for the Group, Personnel.

BOARD WORK

Kinnevik's Board of Directors is responsible for the overall strategy of the Group and for organizing its administration in accordance with the Swedish Companies Act. The Board's work and delegation procedures, instructions for the Chief Executive Officer, and reporting instructions are updated and approved at least annually following the Annual General Meeting.

Significant issues addressed by Kinnevik's Board during 2021 include the distribution of the entire holding in Zalando, the overall strategy and financial performance of Kinnevik and its private investment strategy. As the basis for discussions concerning the listed portfolio companies, Kinnevik's management presented independent analyses of certain companies' strategies, operations and future opportunities within the markets in which they are active. Furthermore, Chief Executive Officers of certain unlisted portfolio companies held customary investor presentations and discussions with the Kinnevik Board.

Compliance with laws and regulations, responsibility and market confidence in Kinnevik are some of the key issues which

the Board actively focuses on. Kinnevik's Code of Conduct and Sustainability Policy, both adopted by the Board, describes Kinnevik's policy on issues pertaining to social responsibility, environmental considerations, governance and ethics.

In 2021, a People & Remuneration Committee and Audit & Sustainability Committee, replacing the Risk, Compliance & Sustainability Committee, have been established within the Board. These committees are preparatory bodies of the Board and do not reduce the Board's overall responsibility for the governance of the Company and decisions taken. The General Counsel and Company Secretary, Mattias Andersson, is responsible for ensuring that rules of procedure are complied with, and all Board members can turn to the Secretary for advice and assistance in their Board work.

During 2021, Kinnevik's Board of Directors held twelve meetings (including the constituent meeting), of which four were extra meetings. Due to the Covid-19 pandemic, all meetings were held via telephone and/or videoconference.

EVALUATION OF THE WORK OF THE BOARD OF DIRECTORS

The Board complies with an annual performance review process to assess how well the Board, its committees and processes are functioning and how they might be improved. In certain years and upon request by the Board or Nomination Committee, a more extensive Board evaluation is undertaken either by an independent Board member or an external consultant.

The evaluation of the Board's work during 2021 was conducted internally by the Chairman of the Board by way of a questionnaire, covering areas such as the Board's performance against its key duties, the Board's composition and process, as well as the performance of individual Board members. The results of the evaluation were presented to the Nomination Committee by the Chairman of the Board, and were also reported in full to the Nomination Committee in writing.

PEOPLE & REMUNERATION COMMITTEE

The People & Remuneration Committee's assignments are stipulated in Rule 9.1 of the Code, and comprise issues concerning salaries, pension terms and conditions, incentive programs and other conditions of employment for the senior executives. Further, the People & Remuneration Committee oversees Kinnevik's relevant talent and performance processes including succession planning. The remuneration guidelines applied in 2021 are presented in Note 16 for the Group, Personnel. The People & Remuneration Committee shall strive to meet not less than twice a year, and more frequently as required. Minutes are kept at the People & Remuneration Committee's meetings and are reported to the Board at its next meeting.

AUDIT & SUSTAINABILITY COMMITTEE

The Audit & Sustainability Committee's assignments are stipulated in Chapter 8, Section 49b of the Swedish Companies Act and Rule 7.2 of the Code. These tasks include monitoring the Company's financial reporting and the efficiency of the Company's internal controls, as well as maintaining frequent contacts with the external auditors. The Audit & Sustainability Committee's work primarily focuses on the quality and accuracy of the Group's financial accounting and the accompanying reporting, as well as the internal financial controls within the Group. Furthermore, the Audit & Sustainability Committee evaluates the auditors' work, qualifications and independence. The Audit & Sustainability Committee monitors the development of relevant accounting policies and requirements, discusses other significant issues connected with the Company's financial reporting and reports its observations to the Board. The Committee also assists the Board in monitoring the governance structures of Kinnevik's investee companies, Kinnevik's risk management process and compliance with laws, regulations, codes of conduct and sustainability, including Kinnevik's sustainability framework and

efforts. The Audit & Sustainability Committee shall meet not less than four times annually. Minutes are kept at the Audit & Sustainability Committee's meetings and are reported to the Board at its next meeting.

THE BOARD'S DESCRIPTION OF INTERNAL CONTROL PERTAINING TO THE FINANCIAL REPORTING FOR THE 2021 FINANCIAL YEAR

The Board is responsible for internal control in accordance with the Swedish Companies Act and the Code. This description has been prepared in accordance with the Code's Rule 7.3 and 7.4, and Chapter 6, Section 6 and Chapter 7, Section 31 of the Annual Accounts Act (1995:1554), and is thus restricted to the internal control pertaining to the financial reporting.

CONTROL ENVIRONMENT

The purpose of the Board of Directors' rules of procedure and instructions for the Chief Executive Officer and Board Committees is to ensure a distinct division of roles and responsibility that promotes the efficient management of operational and financial risks. The Board has also adopted a number of fundamental guidelines of significance to activities involving internal controls, which are described in Kinnevik's Policy and Procedure Manual and include instructions governing the financial reporting of results, authorization procedures, purchasing policies, investment policies, accounting principles, financial risk management and internal audits. The Company's management reports regularly to the Board in accordance with established procedures. In addition, the Audit & Sustainability Committee report on its work. The Company's management is responsible for the system of internal controls required for managing risks associated with ongoing operations. This includes guidelines for the employees to ensure that they understand the importance of their particular roles in efforts to maintain efficient internal control. The Company's

operational and financial risks are reported each quarter to the Board, including an analysis of their consequences and financial impact in the event of them materializing, and how and who exercises ongoing control over each risk and how these can be mitigated in part or in full.

RISK ASSESSMENT AND CONTROL ACTIVITIES

Kinnevik has implemented a model for assessing the risk of errors in accounting and the financial reporting based on COSO's framework for internal control. The most significant items and processes in which the risk of significant errors can typically arise encompass financial assets and instruments in the income statement and balance sheet, and the investment process. Kinnevik has established documented work routines and continuously evaluates how well the controls function in relation to these items and processes operate.

INTERNAL AUDITS & THIRD PARTY REVIEWS

The Board of Directors evaluates the need for a separate internal audit function on a yearly basis. Kinnevik does not currently have a separate internal audit function, taking into account the size of the company's operations. Instead Kinnevik, on instructions from the Audit & Sustainability Committee, engages internal auditors to follow up and evaluate work relating to inter alia risk management and internal control. The internal auditors report the results of their examination in the form of written reports to the Audit & Sustainability Committee. During 2021, Kinnevik procured a third party review of Kinnevik's valuations of unlisted holdings as at 31 March 2021 and 30 September 2021 without remarks.

INFORMATION AND COMMUNICATION

Kinnevik's Policy and Procedure Manual and other guidelines of importance to financial reporting are updated at least once annually. Both formal and informal information channels to the

Company's management and Board of Directors are available for internal communication. For external communication, guidelines have been compiled in an Information Policy ensuring the Company complies with the demands for timely and accurate information to market participants and other various constituencies, such as shareholders, Board members, employees and suppliers.

FOLLOW-UP

The Board of Directors continuously evaluates the information provided by management, the Audit & Sustainability Committee and the People & Remuneration Committee. The work to monitor the efficiency of management's efforts in this area is of particular importance to the follow-up of internal controls. This work includes ensuring that action is taken concerning those shortcomings and proposed measures that result from external and internal audits.

BOARD OF DIRECTORS

James Anderson Chairman

Born: 1959

Nationality: UK citizen.

Independence: Independent of the Company and management and independent of major shareholders.

Direct or related person ownership: -

Committee work: Chairman of the People & Remuneration Committee.

James Anderson was elected Chairman of the Board of Kinnevik 2021. James became partner at Baillie Gifford in 1987 and led the firm's European Equity Team and co-founded the Long Term Global Growth Strategy in 2003 and Chaired the International Growth Portfolio Construction Group 2003-2019, including as co-manager of the Vanguard International Growth Fund. He was also manager of Scottish Mortgage Trust during 2000-2015 and joint manager 2015-2022. James is currently trustee at Johns Hopkins University and member of the Investment Committee, Senior advisor to the Board of Antler Group and Chair of Panmure House Price Panel, and member of the investment committee of University College, Oxford. He has studied at the universities Oxford, Carleton and Johns Hopkins.



Susanna Campbell Board director

Born: 1973

Nationality: Swedish citizen.

Independence: Independent of the Company and management and independent of major shareholders.

Direct or related person ownership: 1,700 class B shares.

Committee work: Member of the Audit & Sustainability Committee, member of the People & Remuneration Committee.

Susanna Campbell was elected a Director of the Board of Kinnevik in 2019. She serves as Chairman of Rönnisch Sportswear, Network of Design, Estrid, X Shore and Babyshop Group. She is also a Board member of Indutrade, Northvolt and H2 Green Steel, as well as Senior Advisor of Norrsken VC. Between 2012-2016, she was the Chief Executive Officer of Swedish investment firm Ratos, having joined the company in 2003 from McKinsey & Co. Susanna holds an MSc from Stockholm School of Economics.



Harald Mix Board director

Born: 1960

Nationality: Swedish citizen.

Independence: Independent of the Company and management and independent of major shareholders.

Direct or related person ownership: 25,000 Class A-shares.

Committee work: Member of the People & Remuneration Committee.

Harald Mix was elected Director of the Board of Kinnevik in 2021. He worked in management consulting and private equity at Booz Allen & Hamilton and at First Boston in New York before returning to Europe in 1990. He began his private equity career in 1990 and was one of the co-founders of the Swedish private equity firm Industri Kapital where he was active until late 2001. Harald Mix later co-founded Altor Equity Partners in 2003 where he currently is the CEO. He is also Board member of Nordic Leisure Travel Group, Carneo AB and Carnegie Investment Bank and Chairman of H2 Green Steel. Harald Mix graduated in 1983 from Brown University, Rhode Island, and from Harvard Business School in 1987.



Brian McBride Board director

Born: 1955

Nationality: UK citizen.

Independence: Independent of major shareholders.

Direct or related person ownership: -

Committee work: Member of the Audit & Sustainability Committee.

Brian McBride was elected a Director of the Board of Kinnevik in 2019. He is the former Chairman of ASOS, the global online fashion and beauty retailer. He is currently non-executive Chair at Trainline and a non-executive director of ABRDN (formerly Standard Life Aberdeen). Brian is also the lead nonexecutive director of the Board of the UK Ministry of Defence and a member of the Advisory Board of Scottish Equity Partners. Prior to assuming Chairmanship of ASOS, Brian was the Managing Director of Amazon UK, and prior to that the Managing Director of T-Mobile UK.



Charlotte Strömberg**Board director****Born:** 1959**Nationality:** Swedish citizen.**Independence:** Independent of the Company and management and independent of major shareholders.**Direct or related person ownership:** 4,000 class B shares.**Committee work:** Chairman of the Audit & Sustainability Committee.

Charlotte Strömberg was elected a Director of the Board of Kinnevik in 2018. She currently serves as a director of Clas Ohlson AB and Lindéngruppen AB and Deputy Chairman of Sofina SA. Charlotte is a member of the Swedish Securities Council, and a co-founder of DHS Venture Partners. She is also independent member of the Nasdaq Stockholm Listing Committee. During 2006-2011, she served as Chief Executive Officer of the Nordic operations of Jones Lang LaSalle. Prior to that, she was Head of Equity Capital Markets, and Head of Investment Banking, at Carnegie Investment Bank. She holds an MBA from the Stockholm School of Economics.

**Cecilia Qvist****Board director****Born:** 1972**Nationality:** Swedish citizen.**Independence:** Independent of the Company and management and independent of major shareholders.**Direct or related person ownership:** -**Committee work:** Member of the Audit & Sustainability Committee.

Cecilia Qvist was elected a Director of the Board of Kinnevik in 2020. She is currently president of LEGO Venures, vice chairman of CINT and director of Trustly. Prior to joining LEGO she was Global Head of Markets and a senior advisor overseeing global growth strategy at Spotify. Before joining Spotify in 2017, Cecilia held senior positions at Ericsson, Swedbank and NASDAQ. Cecilia holds an MBA from the University of Edinburgh.

**Georgi Ganev****CEO****Born:** 1976**Nationality:** Swedish citizen.**Direct or related person ownership:** 136,512 class B shares and 200,000 call options on class B shares, issued by Verdere S.à r.l.

Georgi Ganev has been CEO of Kinnevik since 2018. He is Board member of Tele2, Global Fashion Group, Babylon Health and Reach for Change. Georgi was CEO of Dustin 2012-2017. Prior to Dustin, Georgi was CMO at Telenor Sweden AB between 2010-2012, CEO of Bredbandsbolaget AB 2007-2010 and Sales & Marketing Director and Product Manager at Tele2 2002-2007. Georgi holds a MSc in Engineering in Information Technology from Uppsala University.



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GROUP FINANCIAL STATEMENTS

Consolidated Income Statement

For the period 1 January-31 December (SEK m)	Note	2021	2020
Change in fair value of financial assets	3	13 269	39 850
Dividends received	3	1 689	1 689
Administration costs	16	-319	-404
Other operating income		10	12
Other operating expenses		-3	-4
Operating profit/loss		14 646	41 143
Interest income and other financial income		210	58
Interest expenses and other financial expenses	4	-74	-95
Profit/loss after financial net		14 782	41 106
Tax	7	-5	-832
Net profit/loss for the year		14 777	40 274
Total comprehensive income for the year		14 777	40 274
Net profit/loss per share before dilution, SEK		53.12	145.29
Net profit/loss per share after dilution, SEK		53.12	145.22
Outstanding shares at the end of the year		278 677 265	277 775 037
Average number of shares before dilution		278 177 851	277 189 756
Average number of shares after dilution		278 177 851	277 337 897

Consolidated Statement of Cash Flow

For the period 1 January-31 December (SEK m)	Note	2021	2020
Dividends received	3	1 689	1 689
Cash flow from operating costs		-321	-311
Interest, received		0	1
Interest, paid		-55	-52
Cash flow from operations		1 313	1 327
Investments in financial assets	6	-6 014	-2 170
Sale of shares and other securities	6	5 799	8 383
Cash flow from investing activities		-215	6 213
Repayment of loan	6	-190	-3 410
Borrowing	6	2 000	1 500
Sale of treasury shares		91	-
Dividend paid to equity holders of the Parent company		-44	-1 928
Cash flow from financing activities		1 857	-3 838
Cash flow for the year		2 955	3 702
Short term investments and cash, opening balance		7 589	3 887
Short term investments and cash, closing balance		10 544	7 589

Consolidated Balance Sheet

31 December (SEK m)	Note	2021	2020
ASSETS			
Fixed assets			
Financial assets held at fair value through profit or loss	2,3	67 541	107 556
Tangible fixed assets		46	50
Right of use asset		6	9
Other fixed assets		210	214
Total fixed assets		67 803	107 829
Current assets			
Other current assets		240	329
Short-term investments	8	6 684	3 878
Cash and cash equivalents	8	3 860	3 711
Total current assets		10 784	7 918
TOTAL ASSETS		78 587	115 747

Consolidated Balance Sheet

31 December (SEK m)	Note	2021	2020
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	9		
Share capital		28	28
Other contributed capital		8 840	8 840
Retained earnings including net profit/loss for the year		63 523	102 803
Total shareholders' equity		72 391	111 671
Long-term liabilities			
Interest-bearing loans	10	3 484	2 908
Provisions for pensions		21	22
Tax liability	7	852	832
Other liabilities	11	10	58
Total long-term liabilities		4 367	3 820
Short-term liabilities			
Interest-bearing loans	10	1 210	-
Other liabilities	11	619	256
Total short-term liabilities		1 829	256
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		78 587	115 747

Consolidated Statement of Changes in Equity

	Share capital	Other contributed capital	Retained earnings including net result for the year	Total shareholders' equity
Opening balance 1 January 2020	28	8 840	64 427	73 295
Profit/Loss for the period			40 274	40 274
Total comprehensive income for the year	0		40 274	40 274
Transactions with shareholders				
Effect of employee share saving programme			30	30
Cash dividend ¹⁾			-1 928	-1 928
Closing balance 31 December 2020	28	8 840	102 803	111 671
Profit/Loss for the period			14 777	14 777
Total comprehensive income for the year	0	0	14 777	14 777
Transactions with shareholders				
Effect of employee share saving programme			36	36
Sale of own shares			91	91
Distribution in kind ²⁾			-54 140	-54 140
Cash dividend ³⁾			-44	-44
Closing balance 31 December 2021	28	8 840	63 523	72 391

¹⁾ An EGM held in August 2020 resolved in favor of paying an ordinary cash dividend of SEK 7.00 pershare.

²⁾ In accordance with the resolution at the AGM on April 29, 2021, the distribution of the Zalando shares ,amounting to SEK 54,140m, was effected on June 18, 2021. The value corresponds to the fair value at that time in accordance with IFRIC17.

³⁾ The AGM 2021 resolved in favor of paying cash dividend compensation to the participants in Kinnevik's long term incentive program from 2018.

NOTES FOR THE GROUP

Note 1 Summary of significant accounting policies

STATEMENT OF COMPLIANCE

The consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS). Since the Parent Company is a company that is active in the EU, only EU-approved IFRS are applied. The consolidated accounts have also been prepared in accordance with Swedish law, with application of the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary accounting regulations for Groups.

The Parent Company's annual accounts have been prepared in accordance with Swedish law, and with application of the Swedish Financial Reporting Board's recommendation RFR 2 Reporting for legal entities. This means that the IFRS valuation and disclosure rules are applied with the deviations reported in the Parent Company's accounting principles.

Kinnevik meets the criteria for an Investment Entity according to IFRS 10 which provides a better representation of Kinnevik's financial position and performance. This means that also operating subsidiaries are valued at fair value through profit and loss instead of being consolidated.

CLASSIFICATION AS INVESTMENT ENTITY

Kinnevik believes that the Company meets the criteria to qualify as an Investment Entity and the following key considerations were observed in conjunction with the assessment:

- Kinnevik raises capital from its shareholders in order to invest in companies. Kinnevik then support the development of its investee companies in order to generate returns in the form of both dividend yield and value appreciation on the investment. Investments are made both in listed and unlisted companies.
- Kinnevik continually monitors and evaluates its investments in portfolio companies on the basis of fair value.
- Kinnevik currently focuses on investments in a number of different sectors. The company does not have an explicit investment time horizon

with regards to the divestment of any particular investment; instead, the investment strategy is assessed on an on-going basis and the focus changes over time.

HOLDINGS IN SUBSIDIARIES

A subsidiary is a company which the parent company, directly or indirectly, controls or exercises a controlling influence over. An investor has a controlling influence over the investee company when it is exposed to, or has the right to, dividends or other returns resulting from its interest in the investee company and has the ability to influence those returns through its controlling influence over the investee company.

An Investment Entity shall not consolidate its holdings in subsidiaries or apply IFRS 3 Business Combinations when they reach controlling influence except for subsidiaries performing services connected to the Investment Entity's investment activity. Instead, subsidiaries are valued at fair value through profit and loss in accordance with IFRS 9 Financial instruments.

HOLDINGS IN ASSOCIATED COMPANIES

An associated company is an entity over which the parent company has significant influence, through the ability to participate in decisions concerning the business' financial and operational strategies, but not a controlling influence or joint controlling influence over these strategies. A holding of 20-50% of the voting power (directly or through subsidiaries) indicates significant influence. Kinnevik is an Investment Entity. In accordance with IAS 28 Investments in Associates and Joint Ventures, associated companies are valued at fair value through profit and loss in accordance with IFRS 9 Financial Instruments.

SEGMENT REPORTING

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses, whose operating results are reviewed regularly by the entity's chief operating decision maker as a basis for decisions on the allocation of resources to the segment and assessment of its results and for which stand-alone financial information is available. The chief operating decision maker is

the function that assesses the performance of the operating segment and makes decisions about resource allocation. Kinnevik considers its chief operating decision maker to be the CEO. In the regular internal reporting to the CEO, results are reported for the investment company as a whole. The CEO does not regularly review the results on a lower level to make decisions about allocation of resources and assess the performance of different parts of the investment company. The investment company is therefore considered one single operating segment.

BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Group as of 31 December each year. The financial statements of subsidiaries are prepared for the same reporting year as the Parent Company, using consistent accounting policies.

The consolidated financial statements have been prepared on a historical cost basis, except for investments in derivative financial instruments and financial assets valued at fair value through profit or loss. The consolidated statements are presented in Swedish kronor (SEK) and all values are rounded to the nearest million except when otherwise indicated.

The consolidated financial statements include the Parent Company and subsidiaries that serve in a supporting function to the Parent Company while subsidiaries and associated companies that are investments (investee companies) are not consolidated, but are stated at fair value. Consolidated subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Where control of a subsidiary ceases, its results are only included for the part of the reporting year during which the Group had control over the subsidiary.

The consolidated accounts are prepared using the purchase method. The difference between the acquisition value of shares in a subsidiary, excluding the transaction costs which are recognised directly through the income statement, and the fair value of identifiable assets and liabilities of that subsidiary at the time of acquisition is reported as goodwill.

Intercompany transactions, balance sheet items and unrealized gains on transactions between companies are eliminated. Unrealized losses

are also eliminated, unless the transaction evidences the need to write down the transferred asset.

FOREIGN CURRENCY TRANSLATION

The functional and presentation currency of the Parent Company and its Swedish subsidiaries is Swedish kronor (SEK). Transactions in foreign currencies are initially recorded in the functional currency exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange at the balance sheet date. Realized and unrealized exchange gains/losses on receivables and liabilities of an operating nature are reported in operating income, while exchange rate differences on financial assets and liabilities in foreign currencies are reported among financial items.

As at the reporting date, the assets and liabilities of subsidiaries that have not the same functional currency as the Group (SEK) are translated at the rate of exchange at the balance sheet date. Their income statements are translated at the average exchange rates for the year. The exchange differences arising on the translation are taken in other comprehensive income and as a separate component of equity. On disposal of a foreign entity, the deferred cumulative amount recognized in equity relating to that particular foreign operation is recognized in the income statement through Other comprehensive income.

Long-term monetary balances between the Parent Company and subsidiaries may be deemed to represent an extension or a contraction of the Parent Company's net investment in the subsidiary. Foreign currency differences arising on such balances are therefore charged as Other comprehensive income as a translation difference.

TANGIBLE ASSETS

Tangible assets are recognized at cost less deduction of accumulated depreciation and any impairment. Depreciation is calculated on a straight-line schedule based on the acquisition value of the asset and its estimated useful life. The assets residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each financial year-end.

FINANCIAL INSTRUMENTS

Financial assets in Kinnevik's Statement of Financial Position includes Financial assets accounted to fair value through profit or loss, Trade receivables, Other current assets, and Cash and cash equivalents. On the liability side, it includes Interest-bearing loans, Trade payables and partly Other payables.

A financial asset or financial liability is recognized in the balance sheet when the Company becomes a party to the instrument's contractual terms. Accounts receivable are recognized when the invoice is sent. A liability is recognized when the counterparty has performed and there is a contractual obligation to pay, even if the invoice has not yet been sent.

A financial asset is derecognized from the balance sheet when the rights in the contract are realized, expired or the Company loses control over them. The same applies for a portion of a financial asset. A financial liability is derecognized from the balance sheet when the obligation in the contract is met or in some other manner is extinguished. The same applies for a portion of a financial liability.

Acquisition and divestment of financial assets are reported on the transaction date, which is the date on which the Company commits to acquire or divest the assets.

Classification and measurement

For financial assets classification is based on the characteristics of the contractual cash flows of the asset.

If the financial asset is held with the objective to realize the cash flows from the financial asset by collecting the contractual cash flows over the life of the asset and those cash flows are solely payments of principal and interest on the principal amount outstanding, the asset shall be measured at amortized cost. In all other cases, financial assets are valued at fair value via profit or loss, as the business model for these is to buy and sell in order to make a profit.

Financial instruments allocated to Financial assets accounted to fair value through profit and loss, are initially recognized at fair value (excluding transaction costs). Other financial instruments are initially recognized at cost, which corresponds to the instrument's fair value (including

transaction costs.

Financial liabilities are classified as measured at amortized cost, except for financial liabilities, including derivatives, that are liabilities, that are valued at fair value through profit or loss.

Measurement after initial recognition is described under each category below.

Financial Assets valued at fair value through profit and loss

Financial assets held at fair value through profit or loss are continuously measured at fair value and value changes are reported in the Income Statement.

Kinnevik's financial assets in this category, including short-term investments and loan receivables are managed and measured on the basis of fair values in accordance with the risk management and investment strategies.

Financial assets at amortized cost

Loan receivables and other receivables, including cash and cash equivalents, are non-derivative financial assets with defined or definable payments and defined maturities that are not listed on an active market. Loan receivables and other receivables are valued at amortized cost. Trade receivables generally have 30 days terms.

Derivatives

Kinnevik may occasionally invest in derivatives with the purpose to hedge certain cash flows. One example is interest rate swaps to hedge the interest rate risk relating to the bond financings. From 2018 Kinnevik does not apply hedge accounting and any changes in the value of the derivatives are reported directly in the income statement.

Financial debt at amortized cost

Financial liabilities not held for trading are measured at accrued acquisition value, which is determined based on the effective interest rate calculated when the liability was assumed. This means that surplus and deficit values as well as direct costs in conjunction with assuming of loans are distributed over the term of the liability. Long-term liabilities essentially consist of amounts that the company at the end of the reporting period

has an unconditional right to choose to pay further in time than twelve months after the end of the reporting period. If the company does not have such a right at the end of the reporting period - or holds debt for trading or debt is expected to be settled within the normal business cycle - the debt amount is reported as a current debt.

Fair value measurement

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of financial instruments traded on an active market is based on the market prices listed on the closing date. The listed market price used for the Group's financial assets is the final bid price. For companies with two classes of shares the market price for the most liquid share class is used.

When establishing the fair value of other financial instruments, methods that in every individual case are assumed to provide the best estimation of fair value have been used. For assets and liabilities maturing within one year, a nominal value adjusted for interest payments and premiums is assumed to provide a good approximation to fair value.

Kinnevik's unlisted holdings are valued using IFRS 13 and the International Private Equity and Venture Capital Valuation Guidelines, where a collective assessment is made to establish the valuation methods and points of reference that are most suitable to determine the fair value of each individual asset. While a valuation in a recent transaction is not applied as a valuation method as such, it typically provides an important point of reference and basis for the valuation of the asset in question, especially as it pertains to Kinnevik's younger investee companies where traditional valuation techniques are less applicable. For new share issues, consideration is taken to whether the newly issued shares have preferential rights, such as liquidation preferences to the company's assets senior to earlier issued shares. Valuation methods include forward or trailing revenue or profit multiples, or discounting future expected cash flows. When performing a valuation based on multiples, consideration is given to differences in size, historic growth, profitability and cost of capital.

The valuation process for Kinnevik's unlisted holdings is led by a valuation team independently from the respective holding's investment manager. Accuracy and reliability of financial information used in the valuations is ensured through continuous contacts with the management of each holding and regular reviews of their accounts. Information and opinions on applicable valuation methods are obtained periodically from investment managers and well-renowned investment banks and audit firms. The valuations are discussed with the CFO and CEO after which a proposal is discussed with the Audit Committee and the external auditors. After their scrutiny and potential adjustments, the valuations are approved by the Audit Committee and included in Kinnevik's accounts.

Information is provided in Note 2 for the Group per class of financial instruments that are measured at fair value through profit or loss, distributed in the three levels stated below:

Level 1: Fair value established based on listed prices in an active market for the same instrument.

Level 2: Fair value established based on valuation techniques with observable market data, either directly (as a price) or indirectly (derived from a price) and not included in Level 1.

Level 3: Fair value established using valuation techniques, with significant input from data that is not observable in the market.

PENSION

The Group has defined benefit plans for some former employees within the Parent Company only. The yearly expenses for these defined benefit plans as well as the premium-based pension benefits are reported in Profit or Loss.

CASH AND SHARE-BASED LONG TERM REMUNERATION

In 2017 Kinnevik adopted a long-term cash based incentive program where synthetic option were issued to employees. The options were subscribed to at fair value with a subsidy paid by Kinnevik of 50%. The

cost for the subsidy, except for social costs, is accounted for over three years while the social cost is accounted for directly when it is paid. All costs are included in share-based remuneration under personnel costs. The options are continuously evaluated to fair value and any value increase is included in share-based remuneration under personnel costs and as debt in the balance sheet.

From 2018, the long term incentive programs are based on a structure where the participants signs for, and receives, incentive shares which will be reclassified to Kinnevik class B shares in relation to the fulfilment of the terms and conditions after 3 and 5 years, respectively. Kinnevik has subsidized the subscription price which, including social costs, will be accounted for in accordance with IFRS2 during the vesting time period. To compensate for the tax effects arising due to the subsidy of the subscription price, Kinnevik has paid a cash subsidy directly to the relevant tax authorities. This cost, including social costs, was expensed in full when it was paid. Reclassification of the Incentive Shares into Kinnevik Class B shares does not result in any social security costs for Kinnevik.

OTHER PROVISIONS

Provisions are reported when the Group has a legal or contractual obligation to fulfill the obligation, when it is likely that a payment or some other form of compensation is required to settle the undertaking and a reliable estimate of the amount can be made.

REVENUE RECOGNITION

Rendering of services - Revenue from the sale of services is recognized at the time the service is rendered to the customer, after deductions for discounts. Interest - Revenue is recognized as the interest accrues to the net carrying amount of the financial assets. Dividends received - Dividends received are recognized when the shareholders' right to receive the payment is assessed as certain.

INCOME TAX

The total tax on the year's income consists of current and deferred tax. Taxes are stated in the income statement except when the underlying

transaction is charged to other comprehensive income or directly against equity, in which case the related tax effect is also stated in equity. Current tax expense is the tax that is to be paid or received for the year in question, plus correction of tax expense for earlier periods. Deferred tax is calculated on the basis of the temporary differences between the book values of assets and liabilities and their value for tax purposes. The amounts are calculated on the basis of how these differences can be expected to be evened out and using the tax rates and rules in effect or announced as of the closing date. The deferred tax asset component of deductible temporary differences and tax loss carry forwards is only recorded in so far as it is likely that these will result in a lower tax payment in the future.

DIVIDENDS PAID

Cash dividends to shareholders are recorded in the accounting period the dividend is approved.

Dividend in kind is valued at fair value at the time of the distribution in accordance with IFRIC 17 – "Distributions of Non-cash Assets to Owners" for the Group. For the Parent Company the dividend is valued at book value of the assets.

LEASES

The right-of-use asset (the lease asset) and the liability are measured to the present value of future lease payments payable. The right-of-use asset also includes any initial direct costs incurred in obtaining the lease contract. In the income statement depreciations of the right-of-use asset and interest expenses are recognized. The group will recognize the right-of-use asset separated from other assets in the financial statements. In subsequent periods, the value of the debt is increased by the interest cost for each period and reduced by the lease payments. Short-term leases (lease term of 12 months or less) and leases of low-value will not be reported in the statement of financial position. They will be expensed on a straight-line basis over the contract period.

CASH FLOW STATEMENT

The cash-flow statements for the Group and for the Parent company are prepared using the indirect method. For purposes of the Parent Company and the consolidated cash-flow statements, the Group include cash and investments with original duration of maximum three months among cash and bank. The book value of these items corresponds to fair value.

SIGNIFICANT JUDGMENTS AND ASSUMPTIONS

The preparation of the annual financial statements and consolidated financial statements includes a number of estimates and assumptions. The application of these estimates and assumptions affects the reporting and disclosures. Accounting policies that require more significant judgements by the Board and the management in the application of IFRS, and assumptions and estimations in matters that are inherently uncertain, are summarized below.

Matter	Estimates and assumptions	See Note
Valuation of unlisted holdings	Appropriate valuation method, peer group, future revenue and profit margins	Note 2
Environmental cases	Future decisions from County administrative board	Note 14
Deferred tax losses and tax costs	Judgment of possibility to use deferred tax losses against future profits	Note 7
Valuation of uncertain tax positions	Judgement of risk for tax liability in accordance with IFRIC 23	Note 7

Note 2 Financial assets and liabilities

FINANCIAL ASSETS AND LIABILITIES BY VALUATION CATEGORY

2021	Fair value through profit or loss	Amortized cost	Financial debt, amortized cost	Total book value	Fair value
Financial assets accounted at fair value through profit and loss	67 541	-	-	67 541	67 541
Other current assets	-	240	-	240	240
Short term investments	6 684	-	-	6 684	6 684
Cash and cash equivalents	-	3 860	-	3 860	3 860
Total financial assets	74 225	4 100	-	78 325	78 325
Interest-bearing loans	-	-	4 694	4 694	4 694
Trade payables	-	-	5	5	5
Other payables	-	-	478	478	478
Total financial liabilities	-	-	5 177	5 177	5 177

2020	Fair value through profit or loss	Amortized cost	Financial debt, amortized cost	Total book value	Fair value
Financial assets accounted at fair value through profit and loss	107 556	-	-	107 556	107 556
Other current assets	-	329	-	329	329
Short term investments	3 878	-	-	3 878	3 878
Cash and cash equivalents	-	3 711	-	3 711	3 711
Total financial assets	111 434	4 040	-	115 474	115 474
Interest-bearing loans	-	-	2 908	2 908	2 908
Trade payables	-	-	7	7	7
Other payables	-	-	307	307	307
Total financial liabilities	-	-	3 222	3 222	3 222

FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS BY LEVEL

The table below indicates how fair value is measured for Kinnevik's financial assets and liabilities. The financial instruments are categorized on three levels, depending on how the fair value is measured:

Level 1: Fair value established based on listed prices in an active market for the same instrument

Level 2: Fair value established based on valuation techniques with observable market data, either directly (as a price) or indirectly (derived from a price) and not included in Level 1

Level 3: Fair value established using valuation techniques, with significant input from data that is not observable in the market

	2021				2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Alliance Data	-	-	-	-	168	-	-	168
Babylon	2 900	-	-	2 900	-	-	-	-
Global Fashion Group	3 612	-	-	3 612	7 688	-	-	7 688
Teladoc	4 149	-	-	4 149	12 302	-	-	12 302
Tele2	24 240	-	-	24 240	20 450	-	-	20 450
Zalando	-	-	-	-	49 346	-	-	49 346
Total Listed Assets	34 901	-	-	34 901	89 954	-	-	89 954
Babylon	-	-	-	-	-	-	2 525	2 525
Betterment	-	-	1 586	1 586	-	-	970	970
Budbee	-	-	1 309	1 309	-	-	769	769
Cedar	-	-	2 525	2 525	-	-	572	572
Cityblock	-	-	4 036	4 036	-	-	841	841
Common	-	-	163	163	-	-	173	173
HungryPanda	-	-	573	573	-	-	300	300
Jobandtalent	-	-	1 040	1 040	-	-	-	-
Joint Academy	-	-	127	127	-	-	131	131

	2021			2021 Total	2020			2020 Total
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
Lunar	-	-	526	526	-	-	-	-
Mathem	-	-	1 254	1 254	-	-	1 315	1 315
Monese	-	-	534	534	-	-	429	429
Nick's	-	-	272	272	-	-	-	-
Oda	-	-	1 604	1 604	-	-	1 087	1 087
Omio	-	-	427	427	-	-	438	438
Parsley Health	-	-	208	208	-	-	-	-
Pleo	-	-	5 884	5 884	-	-	407	407
Quit Genius	-	-	272	272	-	-	-	-
Raisin DS	-	-	247	247	-	-	247	247
Spring Health	-	-	905	905	-	-	-	-
Sure	-	-	453	453	-	-	-	-
Town Hall Ventures II	-	-	68	68	-	-	62	62
TravelPerk	-	-	1 668	1 668	-	-	380	380
VillageMD	-	-	4 658	4 658	-	-	4 842	4 842
Vivino	-	-	510	510	-	-	-	-
Other Ventures	-	-	537	537	-	-	139	139
Emerging Markets & Other	-	-	1 019	1 019	-	-	1 835	1 835
Total Unlisted Assets	-	-	32 405	32 405	-	-	17 462	17 462
Other Contractual Rights	-	-	236	236	-	-	140	140
Short term investments	6 684	-	-	6 684	3 878	-	-	3 878
Total Financial Assets measured at Fair Value through Profit or Loss	41 585	-	32 641	74 225	93 832	-	17 602	111 434

CHANGE IN FINANCIAL ASSETS IN LEVEL 3

	2021	2020
Opening balance 1 January	17 602	12 605
Investments	6 376	2 207
Disposals / Exit proceeds	-3 144	-501
Reclassifications	-4 792	18
Change in fair value	16 598	3 273
Closing balance, 31 December	32 641	17 602

FINANCIAL ASSETS ACCOUNTED AT FAIR VALUE THROUGH PROFIT & LOSS

In assessing the fair value of our unlisted investments, we apply IFRS 13 and the International Private Equity and Venture Capital Valuation Guidelines, whereunder we make a collective assessment to establish the valuation methods and points of reference that are most suitable and relevant in determining the fair value of each of our unlisted investments. While a valuation in a recent transaction is not applied as a valuation method as such, it can typically provide an important point of reference and basis for the valuation of a specific investment, especially as it pertains to Kinnevik's younger investee companies where traditional valuation techniques tend to be less applicable and accurate. For new share issues, consideration is taken to whether newly issued shares have preferential rights, such as liquidation preferences to the company's assets. Valuation methods include forward and trailing revenue, GMV, and profit multiples. When performing valuations based on multiples, consideration is given to differences in size, historic and future growth, profitability and cost of equity capital. In its valuations, Kinnevik also considers the strength of a company's financial position, cash runway, and funding environment. While Kinnevik seeks to reflect market movements in the fair value assessments as outlined in the above mentioned frameworks, we firmly believe the fundamental long-term value of each investment will to a significantly higher degree depend on each company's unique characteristics and potential.

The valuation process for Kinnevik's unlisted holdings is led by a valuation team independently from the respective holding's investment manager. Accuracy and reliability of financial information used in the valuations is ensured through continuous contacts with the management teams of each investee company and regular reviews of their financial and operational reporting. Information and opinions on applicable valuation methods are obtained periodically from our investment managers and well-renowned investment banks and audit firms. The valuations are approved by Kinnevik's CFO and CEO after which a proposal is presented and discussed with the Audit Committee and Kinnevik's external auditors. After their scrutiny and potential adjustments, the valuations are approved by the Audit Committee and included in Kinnevik's financial reports.

When establishing the fair value of other financial instruments, methods that in every individual case are assumed to provide the best estimation of fair value are used. For assets and liabilities maturing within one year, a nominal value adjusted for interest payments and premiums is assumed to provide a good approximation of fair value.

Information in this note is provided per class of financial instruments that are valued at fair value in the balance sheet in the levels stated below:

Level 1: Fair value established based on listed prices in an active market for the same instrument.

Level 2: Fair value established based on valuation techniques with observable market data, either directly (as a price) or indirectly (derived from a price) and not included in Level 1.

Level 3: Fair value established using valuation techniques, with significant input from data that is not observable in the market.

In October 2021, Babylon was listed on the New York Stock Exchange and subsequently the totality of its fair value, SEK 4.8bn, was reclassified from Level 3 to Level 1.

For the companies that are valued based on multiples an increase in the multiple by 10% would have increased the aggregate assessed fair value by SEK 2,907m. Similarly, a decrease in the multiple by 10% would have decreased the aggregate assessed fair value by SEK 2,887m.

Liquidation Preferences

Kinnevik's unlisted investee companies adopt different financing structures and may at times issue shares with liquidation preference rights. Liquidation preferences determine how proceeds from a liquidity event are allocated between shareholders. This allocation may become increasingly complex over time, and Kinnevik's share of proceeds may significantly deviate from its percentage ownership of the investee company's issued equity. Accordingly, an increase or decrease in value of an investee company's equity where liquidation preferences are applicable may result in a disproportionate increase or decrease in the fair value of Kinnevik's shareholding. Liquidation preferences may also entail that the fair value of Kinnevik's investment remains unchanged in spite of the assessed value of a particular investee company as a whole changing materially.

An unlisted investee company's transition into a publicly listed company may also affect the value of Kinnevik's shareholding due to the dismantling of such provisions.

2021 Overview

2021 was a year during which private growth markets continued to experience highly beneficial dynamics through the combination of low interest rates and an accelerated adoption of digital services propelling many companies since the pandemic outbreak in early 2020. Valuations of publicly listed equity in high-growth technology companies typically began to contract in late 2021, and has since then derated materially. As we enter into a post-pandemic era of tighter monetary policies, it is not unlikely that median valuation levels will come down significantly also in private markets - in spite of the record-high availability of capital in the broader venture and growth system.

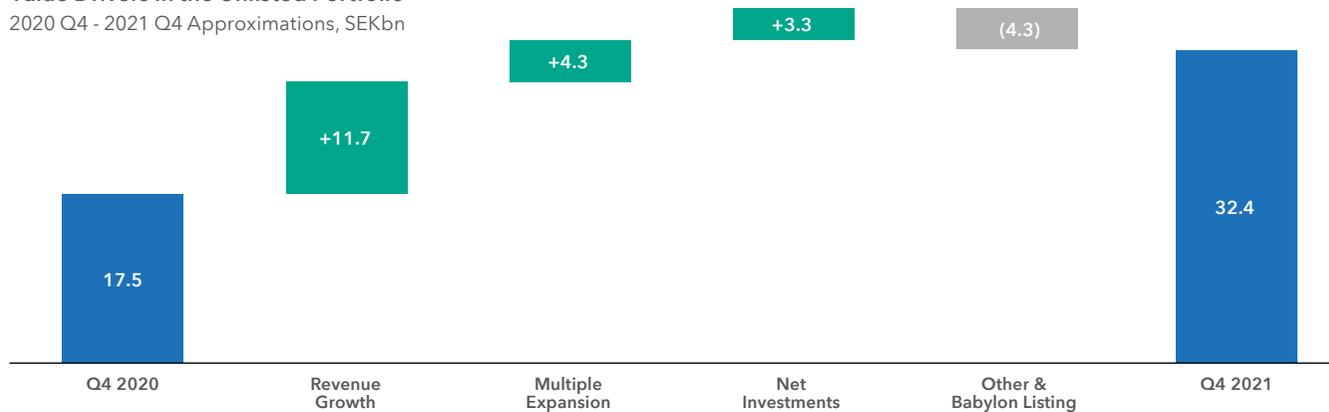
It is difficult to opine on the extent to which the valuation levels we are seeing in highly volatile public growth markets during late 2021 and in the first months of 2022 constitute a new normalized environment, let alone the long-term future of valuing high-growth companies. In valuing our investments per year-end, we are therefore adhering to the principle of basing our valuations on multiples per 31 December 2021.

We added 10 new businesses to our portfolio during 2021, and participated in more than 15 funding rounds in our existing assets, whereof a large share during the second half of the year. As aforementioned, valuations inferred from recent transactions are a strong indication of the fair value of our investments when valuing them in their private market environment. The recent contraction in public market multiples is likely to flow into the private market valuations stage-wise, with later stage companies being affected before earlier stage companies. The public market contraction is also likely to bear a more limited effect on private companies regarded as leading businesses in their respective sector or business area. In our valuations, we take these parameters into consideration. The best performing businesses typically, but not always, overlap with the companies that have raised the most equity financing and therefore have the strongest balance sheets and longest runways. This makes them less dependent on the near-term funding climate, and provides for more robust valuations.

During 2021 the unlisted portfolio grew in value by SEK 17bn when excluding Babylon, which went public in October 2021. As illustrated on

Value Drivers in the Unlisted Portfolio

2020 Q4 - 2021 Q4 Approximations, SEKbn



the right-hand side, this value creation stemmed primarily from revenue growth. Applying the trailing revenue multiples of Q4 2020 on our private companies' 2021 revenues would have grown the value of our unlisted portfolio by SEK 12bn. The effect of expanding multiples is captured by the third bar, where applying the multiples of Q4 2021 drives an additional value uplift of SEK 4bn. When excluding Pleo, where we saw a value uplift in excess of 550 percent during 2021, the net effect of expanding and contracting multiples across the portfolio during 2021 is practically zero. The remaining change in value of our unlisted portfolio is an effect primarily of our capital reallocation, currencies, and changes in our investees' financial positions.

With publicly listed peers typically experiencing multiple contraction of varying magnitude during 2021, primarily during the last few weeks of the year, trailing revenue multiples remaining stable in our unlisted portfolio means that our companies overall are valued higher relative to their public market peers at the end of 2021 compared to at the end of 2020. Balancing this premium is the fact that our unlisted companies are all typically growing at a significantly higher rate than its public market equivalents, where during 2021 our unlisted portfolio grew revenues by

roughly 100 percent on a value-weighted basis.

Key Consumer Services Investments

The fair value of Kinnevik's 28 percent shareholding in **Budbee** amounts to SEK 1,309m, based on near-term forward-looking multiples inferred primarily from InPost, a peer group of more mature listed logistics companies, and recent transactions in relevant sectors of the private market. During the year, InPost, a last mile e-commerce delivery company that completed its IPO during the first quarter of 2021, was added to listed peer group. Similar to how the public listings of more comparable innovative businesses have led to revaluations in our value-based care investments, we believe the IPO of InPost and the multiples investors ascribe to its revenues provide a strong indication of the appropriate valuation level for a next-generation last-mile delivery company like Budbee. Accordingly, the forward-looking revenue multiple applied in valuing Budbee has expanded during the year. The multiple, however, is at a 33 percent discount to InPost, despite Budbee growing at a significantly higher rate than InPost - nearly doubling its revenues in 2021 - while operating with comparable gross margins. Over time, Budbee should be valued more

in line with InPost provided the company continues to perform in line with its ambitious plans.

The fair value of Kinnevik's 37 percent shareholding in **Mathem** amounts to SEK 1,254m, based on trailing revenue multiples of a composite peer group of inventory holding e-commerce retailers and meal kit businesses such as Zalando, Boozt and HelloFresh, as well as estimates of market valuations of Ocado's retail business. During late 2021, Mathem agreed to merge with Mat.se and to enter into a long-term strategic supply agreement with Axfood's purchasing and logistics company Dagab. This strengthens Mathem's outlook materially, and warrants a contracting discount to the peer group. In relation to key peer HelloFresh, the discount has decreased from 50 to 30 percent compared to at the start of the year, resulting in the trailing multiple applied in valuing Mathem contracting by 6 percent. The assessed valuation implies a multiple of 1.3x the company's last twelve months' revenues as at 30 September 2021.

The fair value of Kinnevik's 21 percent shareholding in **Oda** (formerly Kolonial.no) amounts to SEK 1,604m, and remains in line with the valuation established in the company's fundraise in 2021. The valuation is based on a combination of trailing and forward-looking revenue multiples of a composite peer group corresponding to that of Mathem. During the year, we have shifted from using trailing revenue multiples to a mix of trailing and forward-looking ones to better to align with investors' perspectives and valuation horizons as well as the valuation of the Oda largely hinges on geographical expansion. The assessed valuation implies a multiple of 2.9x the company's last twelve months' revenues as at 30 September 2021, at a significant premium to the peer group. The multiple declines to a level at a material discount to key peers looking into 2023, as Oda is expected to grow at a significantly higher rate fueled by its on-plan geographical expansion, and the valuation also reflects the exceptional operational efficiency of the company's proprietary fulfilment solution.

The fair value of Kinnevik's 11 percent shareholding in **HungryPanda** amounts to SEK 573m, and is based on forward-looking GMV multiples of a peer group of food delivery businesses. The assessed valuation is in line with where the company raised new financing in December 2021, and forward-looking multiples remain at a discount to its mass-market

peer group. In 2021, the company completed two acquisitions in Australia and New Zealand, strengthening the company's scale and outlook in these key markets.

The fair value of Kinnevik's 11 percent shareholding in **Vivino** amounts to SEK 510m, and is based on forward-looking GMV multiples of a peer group of global online marketplaces with high user engagement such as Etsy. The discount to the peer group's average GMV multiple is primarily calibrated by comparing Vivino's profitability with the peer group's, taking into account Vivino's more efficient marketing economics thanks to its potential to organically acquire customers through its high-engagement platform. The write-down carried out in the fourth quarter of 2021, is reflective of the trading of the peer group during the same period, and the valuation remains at a relatively material discount to the peer group's average forward-looking GMV multiple.

The fair value of Kinnevik's 15 percent shareholding in **TravelPerk** amounts to SEK 1,668m and is based on 2022 revenue multiples of a peer group of online travel booking platforms such as Booking.com, and SaaS companies such as Twilio. The assessed valuation is in line with where the company raised new financing in late December 2021 and reflects a post-pandemic rerating towards transactional software multiples, as well as the company's continued strong acquisition of new clients and strong financial performance and outlook. On a forward-looking basis, TravelPerk is valued largely in line with the broader SaaS peer group.

The fair value of Kinnevik's 5 percent shareholding in **Jobandtalent** amounts to SEK 1,040m, and is based on forward-looking revenue multiples of a peer group consisting of human capital-focused businesses such as Fiverr and Upwork, with reference to B2B marketplaces. The assessed valuation is in line with where the company raised new financing in the fourth quarter of 2021, and is largely in line with the peer group on a forward-looking basis.

Key Financial Services Investments

The fair value of Kinnevik's 15 percent shareholding in **Betterment** amounts to SEK 1,586m, and is based on forward-looking revenue multiples of a broad peer set consisting of digital wealth managers, financial technology

companies and SaaS businesses with financial profiles similar to Betterment's. The applied revenue multiple corresponds to the one implied by the valuation in the company's funding round in the third quarter of 2021. The stability in multiple is corroborated by recent transactions in the private market, and as a result Betterment is valued largely in line with the peer group on a forward-looking basis. Betterment's revenues remain in part correlated with the development of the US and global stock market, which may affect the near-term outlook in coming quarters. Per the end of 2021, the company's assets under management amounted to USD 34bn.

The fair value of Kinnevik's 14 percent shareholding in **Pleo** amounts to SEK 5,884m and is based on forward-looking revenue multiples of a broad peer group of SaaS companies. The assessed valuation is in line with where the company raised new financing at in the fourth quarter of 2021. The valuation implies a significant premium to the peer group on a 2022 basis, but normalizes over 2023-24 as Pleo is expected to grow significantly faster than the best-in-class companies in the peer group. Since 31 December 2020, the near-term forward-looking revenue multiple of Pleo has increased by more than 350 percent in conjunction with an increase in the company's enterprise value exceeding 1,250 percent, with the multiple expansion largely triggered by the recalibrations of our valuation method after the company's two financing rounds during 2021.

Key Healthcare Services Investments

During 2021, a number of value-based care and telemedicine companies went public through IPOs and SPACs, and we have seen significant volatility in the valuations of both peer groups, including a material multiple contraction during the end of 2021. Telemedicine valuations have not seen an as significant drawback as those in value-based care, where the expected rerating to levels somewhere between software companies and more traditional care providers accelerated in the third and fourth quarters. Most of our companies within the two sectors have recently raised capital, and with some exceptions we assess these valuations as fair also per the end of 2021.

The fair value of Kinnevik's 8 percent in **Cityblock** amounts to SEK 4,036m, and is based on forward-looking revenue multiples of a peer

group of value-based care operators, including One Medical, Oak Street Health and Signify Health. The assessed valuation corresponds to a 10 percent decrease compared to the valuation at which the company raised new financing during the third quarter, on the back of contracting peer multiples at the end of the year. The valuation is at a premium to key peers on a forward-looking basis, reflective of the company growing at a materially higher rate than the best-in-class listed companies in value-based care. Since 31 December 2020, the near-term forward-looking revenue multiple of Cityblock has increased by 190 percent in conjunction with an increase in the company's enterprise value exceeding 325 percent, with the multiple expansion largely triggered by the recalibrations of our valuation method after the company's two funding rounds during 2021. During the year, we have shifted our valuation method from using trailing to forward-looking revenue multiples to better to align with investors' perspectives and valuation horizons.

The fair value of Kinnevik's 4 percent shareholding in **VillageMD** amounts to SEK 4,658m and is based on forward-looking revenue multiples of the same peer group as for Cityblock. The valuation of the company corresponds to the valuation it was ascribed in the transaction with Walgreens Boots Alliance during the fourth quarter. The valuation is at a moderate premium to peers on a forward-looking basis, which is reflective of the company's structural advantage and stronger growth trajectory stemming from the unique partnership with Walgreens Boots Alliance. Since 31 December 2020, the near-term forward-looking revenue multiple of VillageMD has increased by 15 percent in conjunction with an increase in the company's enterprise value exceeding 80 percent, with the multiple expansion largely driven by a tightened discount to key peers during 2021 as ultimately manifested in the valuation ascribed the company in connection with transaction with Walgreens Boots Alliance during the fourth quarter. During the year, we have shifted from using trailing revenue multiples to forward-looking ones to better to align with investors' perspectives and valuation horizons.

The fair value of Kinnevik's 5 percent shareholding in **Spring Health** amounts to SEK 905m, and is in line with the valuation ascribed the company when it raised capital during the third quarter of 2021. The valuation remains at a significant premium to the forward-looking multiples of a peer group of telemedicine operators, justified by Spring Health's earlier

stage of maturity and materially higher growth rate.

The fair value of Kinnevik's 8 percent shareholding in **Cedar** amounts to SEK 2,525m, and is in line with the valuation ascribed to the company when it raised capital during 2021. The valuation implies a premium to the average forward-looking peer multiple of a group of healthcare software and analytics companies such as Veeva Systems, with Cedar's strong performance and improved outlook providing for multiples normalizing when looking into 2023. Since 31 December 2020, the near-term forward-looking revenue multiple of Cedar has increased by 77 percent in conjunction with an increase in the company's enterprise value exceeding 400 percent, with the multiple expansion largely triggered by the recalibrations of our valuation method after the company's funding round in 2021.

SENSITIVITY ANALYSIS OF ASSETS WITH MATERIAL VALUE UPLIFTS IN 2021

Multiple Increase	-20%	-10%	Actual	+10%	+20%
Cedar	2 039	2 282	2 525	2 768	3 011
Cityblock	3 330	3 683	4 036	4 389	4 742
Pleo	4 794	5 339	5 884	6 429	6 974
VillageMD	3 930	4 294	4 658	5 022	5 386
Total	14 093	15 598	17 103	18 608	20 113
Effect	-3 010	-1 505		1 505	3 010

VALUATION METHODS

	31 Dec 2021	31 Dec 2020
Babylon	Listed	SOTP EV/R 2021
Betterment	EV/R 2022	EV/R 2021
Budbee	EV/R NTM	EV/R NTM
Cedar	EV/R 2022	EV/R 2021
Cityblock	EV/R 2022	EV/R LTM
Common	EV/R 2022	EV/R 2022 & EV/GP 2022
HungryPanda	EV/GMV 2022	EV/GMV 2021
Jobandtalent	EV/R 2022	-
Joint Academy	EV/R 2022	EV/R 2021
Lunar	EV/R 2022	-
Mathem	EV/R LTM	EV/LTM R
Monese	EV/R 2022	EV/R 2021
Nick's	EV/R 2022	-
Oda	EV/R LTM & EV/R 2022	EV/R LTM
Omio	EV/R 2022	EV/R 2021
Parsley Health	EV/R 2022	-
Pleo	EV/R 2022	EV/R 2021
Quit Genius	EV/R 2022	-
Raisin DS	EV/R 2022	EV/R 2021
Spring Health	EV/R 2023	-
Sure	EV/R 2022	-
TravelPerk	EV/R 2022	EV/R 2022
VillageMD	EV/R 2022	EV/R LTM
Vivino	EV/GMV 2022	EV/GMV 2021

Duration. For the duration of interest bearing loans refer to Note 10. Of other financial liabilities the major part will fall due within one to six months.

Derivatives and hedging instruments. On 31 December 2021, Kinnevik had five derivative outstanding; five interest rate swaps with the purpose to create a cash flow hedge for the part of the bonds, issued in March 2017, May 2017, February 2020, and November 2021 where Kinnevik is paying floating interest rates. The nominal amounts of the swaps on 31 December 2021 were SEK 4,650m (2,650m). Also refer to Note 10 for the Group. For SEK 1,000m and SEK 400m the fixed rates are 1.495% and 1.361% and both expire in March 2022. For SEK 1,250m the fixed rate is 1.091%, expiring in February 2025. For SEK 1,500m the rate is 1.432%, expiring in November 2026. For SEK 500m, the rate is 1.763%, expiring in November 2028. The derivatives had a market value of SEK 5m (17m) at year-end. The derivatives are marked to market based on discounted cash flows with observable market data. The derivatives are covered by ISDA agreement.

Maturity structure. Maturity structure for undiscounted, contracted non-interest-bearing/interest-bearing receivables and liabilities along with future interest payments accruing therewith is shown in the table below.

	2022	2023	2024	2025	Later	Total
Non-interest-bearing receivables	497	-	-	-	-	497
Interest-bearing receivables	22	19	19	11	9	81
Non-interest-bearing liabilities	- 492	-	-	-	-	- 492
Interest-bearing liabilities	-1 265	- 68	- 68	-1 558	-2 058	-5 016
Total as per 31 December 2021	-1 237	- 49	- 49	-1 546	-2 049	-4 929

	2021	2022	2023	2024	Later	Total
Non-interest-bearing receivables	545	-	-	-	-	545
Interest-bearing receivables	24	12	9	9	2	56
Non-interest-bearing liabilities	- 304	-	-	-	-	- 304
Interest-bearing liabilities	- 63	-1 435	- 28	- 28	-1 518	-3 072
Total as per 31 December 2020	202	-1 423	- 19	- 19	-1 516	-2 775

In 2021, Kinnevik issued sustainability linked bonds of SEK 2,000m, whereof 1,500m expire in November 2026 and 500m expire in November 2028. The final redemption price of the sustainability-linked bonds depends on Kinnevik's ability to meet the annual sustainability performance targets ("SPTs") the company has set for its sustainability work, and which can be found in Kinnevik's Sustainability Linked Financing Framework (available at www.kinnevik.com). If Kinnevik does not achieve an SPT in any given year the redemption price will increase by 0.075 percent per SPT and year. In the above table, we have assumed that all SPTs are met on an annual basis. However, the effect of not meeting any SPTs would mean a maximum increase of interest bearing liabilities due later than 2025 by SEK 20m.

Note 3 Financial assets measured at fair value through profit or loss

CHANGE IN FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

	Listed assets	Unlisted assets	Total
Opening balance, 1 January 2020	61 625	12 605	74 230
Investments	121	2 207	2 329
Reclassification	-	18	18
Distribution to shareholders	-	-	-
Change in fair value	36 577	3 273	39 850
Disposals	-8 370	-501	-8 871
Closing balance, 31 December 2020	89 954	17 602	107 556
Investments	-	6 376	6 376
Reclassification	4 792	-4 792	-
Distribution to shareholders	-54 116	-	-54 116
Change in fair value	-3 329	16 598	13 269
Disposals	-2 399	-3 144	-5 544
Closing balance, 31 December 2021	34 901	32 641	67 541

INVESTMENTS IN FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

	2021	2020
Alliance Data	-	121
Total Listed Assets	-	121
Babylon	43	-
Betterment	70	-
Budbee	-	211
Cedar	-	82
Cityblock	553	380
Common	42	184
HungryPanda	113	311
Jobandtalent	1 006	-
Joint Academy	-	131
Lunar	506	-
Mathem	149	182
Monese	35	93
Nick's	259	-
Oda	33	9
Omio	6	116
Parsley Health	191	-
Pleo	494	-
Quit Genius	259	-
Raisin DS	10	-
Spring Health	861	-
Sure	435	-
Town Hall Ventures II	-	74

	2021	2020
TravelPerk	292	38
VillageMD	-	260
Vivino	586	-
Other Ventures	429	102
Emerging Markets & Other	4	34
Total Unlisted Assets	6 376	2 207
Total	6 376	2 329

DISPOSALS OF FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

	2021	2020
Alliance Data	-196	-
Home24	-	- 221
Livongo	-	- 1 197
Qliro Group	-	-227
Teladoc	-2 179	-
Zalando	-24	-6 725
Total Listed Assets	-2 399	-8 370
Bread	-1	-495
VillageMD	-3 110	-
Other	-34	-6
Total Unlisted Assets	-3 144	-501
Total	-5 544	-8 871

**DIVIDENDS RECEIVED AND CHANGE IN FAIR VALUE OF FINANCIAL ASSETS
MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS**

	Dividends received	Change in fair value	2021 Total	Dividends received	Change in fair value	2020 Total
Alliance Data	-	28	28	-	47	47
Babylon	-	-1 892	-1 892	-	-	-
Global Fashion Group	-	-4 075	-4 075	-	5 743	5 743
Home24	-	-	-	-	59	59
Livongo	-	-	-	-	11 033	11 033
Qliro Group	-	-	-	-	-69	-69
Teladoc	-	-5 974	-5 974	-	-502	-502
Tele2	1 689	3 790	5 479	1 689	-4 991	-3 302
Zalando	-	4 795	4 795	-	25 257	25 257
Total Listed Assets	1 689	-3 329	-1 640	1 689	36 577	38 266
Babylon	-	2 224	2 224	-	-283	-283
Betterment	-	546	546	-	-345	-345
Bread	-	1	1	-	180	180
Budbee	-	540	540	-	334	334
Cedar	-	1 953	1 953	-	293	293
Cityblock	-	2 642	2 642	-	461	461
Common	-	-52	-52	-	-11	-11
HungryPanda	-	160	160	-	-11	-11
Jobandtalent	-	35	35	-	-	-
Joint Academy	-	-4	-4	-	-	-
Lunar	-	20	20	-	-	-
Mathem	-	-210	-210	-	244	244
Monese	-	70	70	-	-47	-47

	Dividends received	Change in fair value	2021 Total	Dividends received	Change in fair value	2020 Total
Nick's	-	13	13	-	-	-
Oda	-	484	484	-	392	392
Omio	-	-17	-17	-	-145	-145
Parsley Health	-	17	17	-	-	-
Pleo	-	4 983	4 983	-	64	64
Quit Genius	-	13	13	-	-	-
Raisin DS	-	-10	-10	-	-38	-38
Spring Health	-	44	44	-	-	-
Sure	-	18	18	-	-	-
Town Hall Ventures II	-	6	6	-	-12	-12
TravelPerk	-	996	996	-	-163	-163
VillageMD	-	2 926	2 926	-	3 845	3 845
Vivino	-	-76	-76	-	-	-
Other Ventures	-	-32	-32	-	-26	-26
Emerging Markets and Other	-	-788	-788	-	-1 581	-1 581
Total Unlisted Assets	-	16 502	16 502	-	3 151	3 151
Other Contractual Rights	-	96	96	-	122	122
Total	1 689	13 269	14 958	1 689	39 850	41 539
<i>Whereof unrealized gains/losses for assets in Level 3</i>	-	16 577	16 577	-	3 091	3 091

BOOK VALUE OF FIXED FINANCIAL ASSETS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

Trade Name	Company Name	Registered Office	Number of Shares 2021	Capital/votes (%) 2021	Capital/votes (%) 2020	Book value 2021	Book value 2020
Alliance Data	Alliance Data Systems Corp.	USA	-	-	0.2/0.2	-	168
Babylon	Babylon Holdings Ltd	United Kingdom	54 942 568	13.3/3.6	-	2 900	-
Global Fashion Group	Global Fashion Group S.A.	Luxembourg	79 093 454	36.4/36.4	37.0/37.0	3 612	7 688
Teladoc	Teladoc Health Inc.	USA	4 991 124	3.1/3.1	5.2/5.2	4 149	12 302
Tele2	Tele2 AB	Sweden	187 613 119	27.2/41.9	27.2/42.0	24 240	20 450
Zalando	Zalando SE	Germany	-	-	21.3/21.3	-	49 346
Total Listed Assets						34 901	89 954
Babylon	Babylon Holdings Ltd	United Kingdom		-	16/16	-	2 525
Betterment	Betterment Holdings, Inc.	USA		15/15	15/15	1 586	970
Budbee	Budbee AB	Sweden		28/28	29/29	1 309	769
Cedar	Cedar Cares, Inc.	USA		8/8	11/11	2 525	572
Cityblock	Cityblock Health Inc.	USA		8/8	9/9	4 036	841
Common	Common Living Inc.	USA		11/11	9/9	163	173
HungryPanda	HungryPanda Ltd	United Kingdom		11/11	11/11	573	300
Jobandtalent	Job and Talent Holding Ltd	United Kingdom		5/5	-	1 040	-
Joint Academy	Arthro Therapeutics AB	Sweden		19/19	19/19	127	131
Lunar	Lunar Group A/S	Denmark		5/5	-	526	-
Mathem	MatHem i Sverige AB	Sweden		37/37	37/37	1 254	1 315
Monese	Monese Ltd	United Kingdom		26/26	28/28	534	429
Nick's	Luthman Backlunds Foods AB	Sweden		10/9	-	272	-
Oda	Kolonial.no AS	Norway		21/21	24/24	1 604	1 087
Omio	GoEuro Corp.	USA		5/5	6/6	427	438
Parsley Health	Parsely Health Inc.	USA		11/11	-	208	-
Pleo	Pleo Holding ApS	Denmark		14/14	13/13	5 884	407

Trade Name	Company Name	Registered Office	Number of Shares 2021	Capital/votes (%) 2021	Capital/votes (%) 2020	Book value 2021	Book value 2020
Quit Genius	Digital Therapeutics Inc.	USA		12/12	-	272	-
Raisin DS	Raisin DS GmbH	Germany		2/2	6/6	247	247
Spring Health	Spring Care Inc.	USA		5/5	-	905	-
Sure	Sure Inc.	USA		9/9	-	453	-
Town Hall Ventures II	Town Hall Ventures II L.P.	USA		-	-	68	62
TravelPerk	Travelperk, Inc.	USA		15/15	15/15	1 668	380
VillageMD	VillageMD, Inc.	USA		4/4	9/9	4 658	4 842
Vivino	Vivino Inc.	USA		11/11	-	510	-
Other Ventures				-	-	537	139
Emerging Market & Other				-	-	1 019	1 835
Total Unlisted Assets						32 405	17 462
Other Contractual Rights						236	140
Total						67 541	107 556

Note 4 Financial income and expenses

	2021	2020
Interest income financial assets accounted at fair value	11	42
Exchange differences	179	0
Valuation of Swap	15	-
Other financial income	5	16
Total financial income	210	58
Interest expenses, loans from credit institutions	-42	-41
Exchange differences	-21	-26
Valuation of Swap	-	-14
Other financial expenses	-11	-14
Total financial expenses	-74	-95
Net financial income/expenses	136	-37

Note 5 Earnings per share

Earnings per share are calculated by dividing profit for the year attributable to holders of shares in the parent company by a weighted average number of shares outstanding. Earnings per share after dilution is calculated by dividing profit/loss for the year attributable to holders of shares in the parent company by the average of the number of shares outstanding during the year, adjusted for the dilution effect of potential shares from outstanding share saving plans.

	2021	2020
Net profit for the year	14 777	40 274
Average number of shares outstanding	278 177 851	277 189 756
Earnings per share before dilution	53.12	145.29
Effect from outstanding share saving program, see Note 16 for information	0	148 141
Number of shares outstanding after dilution	278 177 851	277 337 897
Earnings per share after dilution, SEK	53.12	145.22

Note 6 Supplementary cash flow information

	2021	2020
INTEREST BEARING LOANS		
Opening balance 1 January	2 908	4 801
Amortization of loans	-190	-3 410
New long-term capital markets financing	2 000	1 500
Market valuation SWAP	-17	14
Accrual borrowing costs	-7	3
Closing balance 31 December	4 694	2 908

	2021	2020
Investments in shares and other securities		
Investments in shares and other securities, see note 3	-6 376	-2 329
Current year investment, not yet paid	442	147
Prior year investments, paid in current year	-90	-
Exchange differences, unpaid investments	10	12
Cash flow from investments in shares and other securities	-6 014	-2 170
Sale of shares and other securities		
VillageMD	3 110	-
Livongo/Teladoc	2 179	1 197
ADS/Bread	197	495
Zalando	24	6 725
Qliro	-	227
Home24	-	221
Other	34	6
Cash flow from sale of shares and other securities	5 544	8 871
Divestments with no cash flow	-3	-464
Paid on divestments earlier periods	94	-
Exchange differences on divestments	164	-24
Cash flow from sale of shares and other securities	5 799	8 383

Note 7 Taxes

	2021	2020
Current tax expense		
Tax expense for the period	-5	-832
Total	-5	-832

RECONCILIATION OF EFFECTIVE TAX RATE

	2021	%	2020	%
Profit/loss before tax	14 782		41 106	
Income tax at statutory rate of Parent Company	-3 045	-20.6%	-8 797	-21.4%
Change in fair value of financial assets	2 585	17.5%	6 632	16.1%
Non-taxable dividends received	361	2.4%	361	0.9%
Change in not recognized tax loss carry forwards	94	0.6%	971	2.4%
Effective tax/tax rate	-5	0.0%	-832	-2.0%

Based on the rules for accounting for uncertain tax positions in IFRIC 23, Kinnevik made a reservation in 2020 of EUR 83m pertaining to a potential capital gains tax liability relating to the merger between Teladoc and Livongo. Kinnevik considers that the transaction falls under one of the applicable exemptions and therefore should be considered tax neutral and relevant tax returns have been filed accordingly. As the relevant tax authority can question this handling for a period of 5 years, the provision is handled as a long-term liability in the consolidated balance sheet.

No tax has been recognised against other comprehensive income or shareholders' equity. Deferred tax is not stated for associated companies, subsidiaries and other shareholdings, as any dividend paid by these companies will not give rise to a tax liability, and divestments may be made without giving rise to capital gains taxation.

Tax loss carryforwards. The Group's tax loss carryforwards in Sweden with eternal duration amounted to SEK 1.6bn (2.3) at 31 December 2021. No deferred tax carried forward is accounted for.

Note 8 Short term investments and cash

	2021	2020
Short term investments	6 684	3 878
Cash and bank	3 860	3 711
Total	10 544	7 589

In addition to cash and cash equivalents reported above, the Group had undrawn credit facilities of SEK 5,130m (6,130) see Note 10.

Note 9 Shareholders' equity

SHARE CAPITAL

Share capital refers to the Parent Company's share capital; refer to Note 10 for the Parent Company.

OTHER CONTRIBUTED CAPITAL

Other contributed capital consist of the Parent Company's share premium reserve, which arose through the conversion of convertible loans in 1997 and 1998, capital injected in conjunction with the merger between Invik & Co. AB and Industriförvaltnings AB Kinnevik in 2004, capital injected in conjunction with a new share issue when acquiring the assets in Emesco AB 2009, as well as by the Parent Company's legal reserve.

RETAINED EARNINGS INCLUDING NET PROFIT/LOSS FOR THE YEAR

Retained earnings that are reported in the Group include the current and preceding year's profit/loss.

CAPITAL

Kinnevik's managed capital consists of shareholders' equity. There are no other external capital requirements, other than what is specified in the Swedish Companies Act. For dividend policy and leverage targets, please refer to the Board of Directors' report.

Note 10 Interest-bearing loans

	2021	2020
Interest-bearing long-term loans		
Capital markets financing		
Maturity March 2022	-	1 400
Maturity February 2025	1 500	1 500
Maturity November 2026	1 500	-
Maturity November 2028	500	-
Marketvaluation SWAP	-	17
Accrued borrowing costs	-16	-9
	3 484	2 908
Interest-bearing short-term loans		
Capital markets financing		
Maturity March 2022	1 210	-
	1 210	-
Total interest-bearing loans	4 694	2 908

Kinnevik has established a medium term note programme. This programme enables Kinnevik to issue notes with a minimum tenor of one year within a SEK 6bn framework amount. The terms and conditions for the notes issued under the programme entail standard clauses about change of control and negative pledge.

SEB is arranging the programme and also acts as issuing agent together with Svenska Handelsbanken, Swedbank, Nordea Bank, DNB Bank ASA, filial Sverige, and Danske Bank.

In March 2017, Kinnevik issued SEK 1bn in bonds under the MTN Programme. The bonds have a tenor of five years and a floating rate coupon of three months STIBOR + 1.10%. In May 2017, Kinnevik raised an additional SEK 400m in a tap issue of said bonds. During 2021, SEK 190m were redeemed prematurely and the rest is maturing in March 2022.

In February 2020, Kinnevik issued SEK 1.5bn in bonds under the MTN Programme. The bonds have a tenor of five years, with SEK 1,250m bearing a floating rate coupon of three months STIBOR + 0.80%. and

SEK 250m bearing a fixed rate coupon of 1.058%.

In November 2021, Kinnevik updated the prospectus for its MTN Programme to enable issuance of sustainability-linked medium term notes in accordance with Kinnevik's Sustainability-Linked Framework.

In November 2021, Kinnevik issued dual tranche SEK 2.0bn sustainability-linked bonds under the MTN Programme comprising a SEK 1.5bn tranche with a final maturity of five years, bearing a floating rate coupon of three months STIBOR + 0.70%, and a SEK 0.5bn tranche with a final maturity of seven years, bearing a floating rate coupon of three months STIBOR + 0.90%. The final redemption price of the sustainability-linked bonds depends on Kinnevik's ability to meet the annual sustainability performance targets ("SPTs") the company has set for its sustainability work. If Kinnevik does not achieve an SPT in any given year the redemption price will increase by 0.075 percent per SPT and year. The first measuring date for the SPTs will be 31 December 2022. More information about the SPTs can be found in Kinnevik's Sustainability-Linked Financing Framework.

Kinnevik has entered into a number of interest rate swap agreements whereby it pays a fixed annual interest rate also on bonds with a floating rate coupon. The derivatives had a positive market value of SEK 5m at the end of the quarter and are marked to market based on discounted cash flows with observable market data. The derivatives are covered by ISDA agreement. As at 31 December 2021, the average interest rate for outstanding senior unsecured bonds amounted to 1.37% and the weighted average remaining tenor for all Kinnevik's credit facilities amounted to 2.8 years. The carrying amount of the liabilities is a reasonable approximation of fair value as they bear variable interest rates.

CREDIT FACILITIES

Syndicated bank facilities

Kinnevik has two sustainability-linked multi-currency revolving credit facilities amounting to SEK 2,500m each:

Provided by a group of six banks - Danske Bank, DNB, Nordea, SEB, Svenska Handelsbanken and Swedbank. The two facilities mature in May 2024, with optional extension of up to two years each.

Overdraft facilities

Kinnevik has overdraft facilities with Handelsbanken (SEK 100m) and Nordea (SEK 30m). These facilities are extended on a yearly basis.

Note 11 Other liabilities

	2021	2020
Debt long-term incentive program (VCPPI)	-	46
Other long-term liabilities	10	12
Total other long-term liabilities	10	58
Accrued interest expenses	33	30
Accrued personnel expenses	70	64
Debt unpaid investments	471	124
Other debt	44	38
Total other short-term liabilities	619	256

For trade creditors and other liabilities to related parties refer to Note 15.

Note 12 Auditors' fees

	2021	2020
KPMG, auditors 2021		
Audit assignments	2	-
Other assignments	0	0
Deloitte, auditors 2020		
Audit assignments	-	1
Other assignments	0	0

Audit assignments refer to statutory audits of the annual and consolidated accounts and accounting, as well as the Board of Directors' and the President's administration, as well as audits and other audits performed in accordance with an agreement or contract. This includes other tasks that it is up to the company's auditor to perform as well as advice or other assistance that is prompted by observations during such review or the performance of such other tasks.

Note 13 Pledged assets

At 31 December 2021, Kinnevik did not have any listed shares or other securities in associated companies pledged in relation to the Group's financing.

Note 14 Contingent liabilities

County administrative boards have submitted claims to Kinnevik regarding environmental studies at a number of sites where Fagersta AB (through name changes and a merger, Kinnevik AB) conducted operations until 1983. Kinnevik's position is that the Company's responsibility to perform any decontamination measures must be limited, primarily out of consideration to the long period of time that has passed since any potential contamination damages occurred and the regulations that were in force at the time, and the fact that a quarter century has passed since operations were shut down or turned over to new owners. Kinnevik has therefore not made any provisions for potential future claims for decontamination measures. SEK 5m was provided in 2007 for potential environmental studies that Kinnevik might be required to pay for of which SEK 1.2m was used in 2010 to 2021.

Note 15 Related-party transactions

Kinnevik's related party transactions primarily consists of short term bridge loans to investee companies, which are included in financial assets accounted at fair value through profit and loss. Interest income from such loans are recognised as external interest income through profit and loss. Other income relates to the rent out of office premises in Gamla Stan in Stockholm as well as re-invoicing of costs. Kinnevik buys telephony services from related parties.

The following is a summary of Kinnevik's revenue, expense, receivables and liabilities to and from related parties (exceeding SEK 1m).

	Group		Parent Company	
	2021	2020	2021	2020
Revenue				
Tele2	1	2	-	-
Betterment	-	1	-	-
Operating expenses				
SecureValue	3	-	3	-
Tele2	1	0	1	0
Interest income				
Kolonial	1	10	-	-
Monese	1	1	-	-
Quikr	-	11	-	-
Saltside	1	1	-	-
Omio	6	2	-	-
Financial receivables from associated companies				
Kolonial	-	159	-	-
Monese	-	24	-	-
Quikr	-	132	-	-
Saltside	11	9	-	-
TravelPerk	-	34	-	-
Omio	126	106	-	-

All transactions with related parties have taken place at arm's length basis, i.e. on market conditions. In connection with acquisitions from and divestments to major shareholders of the company or directors or officers of the group, valuation reports are obtained from independent experts, in accordance with the Swedish Securities Council's statement 2012:05. In

all agreements relating to goods and services prices are compared with up-to-date prices from independent suppliers in the market to ensure that all agreements are entered into on market conditions.

For transactions with the Board of Directors and Senior Executives refer to Note 16 for the Group.

Note 16 Personnel

AVERAGE NUMBER OF EMPLOYEES

	2021		2020	
	men	women	men	women
Sweden	12	16	13	16
UK	6	6	6	5
Total number of employees	18	22	19	21

AVERAGE DISTRIBUTION OF WOMEN AND MEN ON THE BOARD AND IN THE MANAGEMENT GROUP

	2021		2020	
	men	women	men	women
Board members	3	3	3	4
CEO	1	-	1	-
Other senior executives	4	4	3	3
	8	7	7	7

SALARIES, OTHER REMUNERATION AND SOCIAL SECURITY EXPENSES

(SEK 000s)	2021		2020	
	Board, CEO, senior executives	Other employees	Board, CEO, senior executives	Other employees
Total salaries and other remuneration	51 778	66 468	58 000	63 214
Social security expenses	15 632	15 380	16 834	15 379
Pension contributions/expenses	5 668	4 432	4 990	5 705
Estimated costs for share-based remuneration including social securities cost ¹⁾	36 239	40 812	50 773	58 293
Total	109 317	127 092	130 597	142 590

GUIDELINES FOR REMUNERATION FOR SENIOR EXECUTIVES

The following principles and guidelines were approved by the 2020 Annual General Meeting and are provided for the Chief Executive Officer and the other persons in the executive management of Kinnevik (together the "Senior Executives"), as well as Members of the Board to the extent they are remunerated outside their Board duties.

The guidelines are forward-looking, i.e. they will apply to remuneration agreed, and amendments to remuneration already agreed. These guidelines will not apply to any remuneration decided or approved by the General Meeting, such as ordinary Board remuneration and share-related or share price-related remuneration (the "long-term incentive plans").

The guidelines' promotion of Kinnevik's business strategy, long-term interests and sustainability

In short, Kinnevik's business strategy is to be the leading growth investor by:

- backing challenger businesses that use technology to address material everyday consumer needs;
- being a bold and long-term business builder, partnering with talented entrepreneurs;

- focusing on Fashion & Food e-Commerce, Online Marketplaces, Financial Services, Healthcare and TMT, and other large sectors in the process of significant technological disruption;
- investing in Europe, with a focus on the Nordics, the US, and selectively in other markets; and
- leveraging our experience and expertise to build leading, long-term sustainable businesses.

For more information regarding Kinnevik's business strategy, please see Kinnevik's website at www.kinnevik.com under the heading "Strategy" (which can be found under the section "About us").

A prerequisite for the successful implementation of Kinnevik's business strategy and safeguarding of its long-term interests, including its sustainability, is that Kinnevik is able to attract, motivate and retain the best talent in Sweden and globally. To achieve this, it is necessary that Kinnevik offers competitive remuneration to create incentives for the Senior Executives to execute strategic plans, deliver excellent operating results and to align their incentives with the interests of Kinnevik's shareholders. These guidelines enable Kinnevik to offer the Senior Executives a competitive total remuneration. In addition, these guidelines, together with Kinnevik's long-term incentive plans, promote Kinnevik's business strategy, long-term interests and sustainability by establishing that variable compensation shall be based on Kinnevik's overarching financial target to deliver targeted shareholder return, and other corporate performance targets, including in particular the value of the growth portfolio and achieving Kinnevik's diversity targets. Furthermore, in order to ensure that the performance on which compensation is based proves to be sustainable over time, Kinnevik shall have the authority, subject to the restrictions that may apply under law or contract, to in whole or in part reclaim remuneration, other than fixed cash salary, pensions and other customary benefits, paid on incorrect grounds or information that was manifestly misstated, or in the event of material breaches of Kinnevik's Code of Conduct ("claw-back").

Types of remuneration, etc.

The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other customary benefits. Additionally, the General Meeting may resolve on, among other things, long term share incentive plans.

The fixed cash salary is reviewed each year and is based on the Senior Executive's competence, area of responsibility and market benchmarks.

The variable cash remuneration can amount to a maximum of 100 percent of the Senior Executive's fixed annual cash salary. Further variable cash remuneration may be awarded in extraordinary circumstances, provided that such extraordinary arrangements are only made on an individual basis, either for the purpose of recruiting or retaining Senior Executives, or as remuneration for exceptional performance beyond the individual's ordinary tasks. Such an additional remuneration may not exceed an amount corresponding to 100 percent of the Senior Executive's otherwise existing fixed annual cash salary.

Long-term incentive plans are resolved upon by the General Meeting - irrespective of these guidelines. The long-term incentive plans shall be structured to ensure a long-term commitment to the development of Kinnevik and with the intention that the Senior Executives shall have a significant long-term shareholding in Kinnevik. The outcome shall be linked to certain pre-determined performance criteria, based on Kinnevik's share price and value growth. For more information regarding the long-term incentive plans that are ongoing, or that have ended during the current year, please see Kinnevik's website at www.kinnevik.com under the heading "Remuneration" (which can be found under the section "Governance").

For the Senior Executives, pension benefits shall be premium defined. Variable cash remuneration shall not qualify for pension benefits. The pension premiums for premium defined pension shall amount to not more than 30 percent of the Senior Executive's fixed annual cash salary.

Other customary benefits may include, for example, life insurance, medical insurance (Sw. sjukvårdsförsäkring) and company car. Such benefits may amount to not more than 10 percent of the Senior Executive's fixed annual cash salary.

Termination of employment

Upon termination of employment by Kinnevik, the notice period may not exceed 12 months. Fixed cash salary during the notice period and severance pay may not together exceed an amount corresponding to the fixed cash salary for 18 months for the Chief Executive Officer and 12 months for other Senior Executives. When termination is made by the Senior Executive, the notice period may not exceed 12 months for the Chief Executive Officer and six months for other Senior Executives, without any right to severance pay.

Criteria for awarding variable cash remuneration, etc.

The variable cash remuneration shall be linked to predetermined and measurable financial and non-financial criteria, measured over a period of one year. The criteria include fulfillment of individual and corporate objectives which are linked to specific performance and potential processes and transactions. The variable cash remuneration shall be based on (i) the outcome of corporate performance targets linked to e.g. that Kinnevik delivers targeted shareholder returns, grows the growth portfolio and reaches and exceeds its investee diversity targets, and

(ii) the Senior Executives individual targets. In order to increase alignment with the interests of Kinnevik's shareholders, payment of part of the variable cash remuneration is conditional upon a portion of it being invested in Kinnevik shares, until the Senior Executive has a shareholding in Kinnevik corresponding to his or her fixed annual cash salary, net after taxes.

The extent to which the criteria for awarding variable cash remuneration has been satisfied shall be evaluated/determined when the measurement period has ended. The People & Remuneration Committee is responsible for the evaluation. As regards financial criteria, the evaluation shall be based on the latest financial information made public by Kinnevik. The People & Remuneration Committee will use the discretion afforded them by shareholders to ensure that rewards properly reflect the business performance of Kinnevik, and will take into account any relevant environmental, social, and governance (ESG) matters when determining outcomes.

¹⁾ Share based remuneration includes subsidies received at launch of LTI programmes. See further under Incentive plans and share based remuneration

Salary and employment conditions for employees

In preparation of the Board's proposal for these remuneration guidelines, salary and employment conditions for Kinnevik's employees have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, as the basis for the People & Remuneration Committee's and the Board's decision when evaluating whether the guidelines and the limitations set out herein are reasonable. The development of the gap between the remuneration to Senior Executives and remuneration to other employees will be disclosed in the remuneration report.

Remuneration to Board members

Board members in the parent company, elected at General Meetings, may in certain cases receive compensation for services performed within their respective areas of expertise, outside of their Board duties in the parent company. Compensation for such services shall be paid on market terms and be approved by the Board.

The decision-making process to determine, review and implement the guidelines

The Board has established a People & Remuneration Committee. The People & Remuneration Committee's tasks include preparing the Board's resolutions in remuneration-related matters, and preparing the Board's proposal for remuneration guidelines for Senior Executives. The People & Remuneration Committee's tasks also include assisting in other issues involving the composition, size and balance of the Senior Executive team, talent management, any termination, settlement, or compromise package or similar. The People & Remuneration Committee also monitors and evaluates the programs for variable remuneration (including share-related or share price-related remuneration) for the Senior Executives,

the application of these guidelines as well as the current remuneration structures and compensation levels within Kinnevik.

Remuneration under employment subject to rules other than Swedish rules may be duly adjusted to comply with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

The members of the People & Remuneration Committee are independent of the company and the executive management. Senior Executives do not participate in the Board's processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

The Board shall prepare a proposal for new guidelines at least every fourth year and submit it to the General Meeting. The guidelines shall be in force until new guidelines are adopted by the General Meeting.

Derogation from the guidelines

The Board may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve Kinnevik's long-term interests, including its sustainability, or to ensure Kinnevik's financial viability.

REMUNERATION FOR THE CEO AND OTHER SENIOR EXECUTIVES

(SEK 000's)	2021		2020	
	CEO	Other senior executives ¹⁾	CEO	Other senior executives ¹⁾
Fixed salaries	8 000	17 365	8 000	14 276
Variable compensation	7 280	13 809	8 000	18 676
Benefits	146	603	160	408
Pension contributions	2 407	3 261	2 400	2 590
Estimated costs for share-based remuneration excluding social securities cost ²⁾	8 111	20 276	13 128	28 114
Total	25 944	55 313	31 688	64 064

¹⁾ Other senior executives consisted during 2021 of 6 (6) persons.

²⁾ Share based remuneration includes subsidies received at launch of LTI programmes. See further under Incentive plans and share based remuneration.

In addition to remuneration paid by Kinnevik, as specified in the table above, Georgi Ganev has received Board fees from associated companies for 2021 amounting to SEK 1.3 (0.6) m. No other senior executives have received any board fees for 2021 (0.4) m.

During the year, one senior executive has, in accordance with the guidelines, received extra ordinary variable compensation of 100% of fixed salary.

For CEO and other senior executives, pension premium payments of a maximum of 30% of fixed salary were paid. Pension premiums are mainly paid to insurance companies.

INCENTIVE PLANS AND SHARE BASED REMUNERATION

Within the Kinnevik Group there are long-term incentive plans ("the Plans" or "LTIP") targeting all employees in the Parent Company and its subsidiary in UK. The running long-term share-based incentive plans require participants to own shares in Kinnevik and are associated with terms of employment for three years. The programs are based on a structure where the participants sign for, and receive, incentive shares which will be reclassified to Kinnevik class B shares in relation to the fulfilment of the terms and conditions after 3 and 5 years, respectively. The conditions are based on:

The conditions are based on:

- Total return on the Kinnevik class B share
- Average annual development of the net asset value, including dividends
- Value growth of the growth portfolio

Kinnevik has subsidized the participants for the subscription price. The valuation is based on a Monte Carlo simulation using the volatility at grant date among other assumptions. This will be accounted for in accordance with IFRS2 during the vesting time period of 3 years. To compensate the participants for the tax effects arising due to the subsidy of the subscription price, Kinnevik has paid a cash subsidy directly to the relevant tax authorities. This cost, including social costs, was expensed when it was paid. Reclassification of the Incentive Shares into Kinnevik Class B shares does not result in any social security costs for Kinnevik. For details of each program, see below.

In order to equate the participants' interest with that of the shareholders, the company will compensate for dividends paid.

The Plan 2018-2021/2023

The conditions for the three years part of the incentive plan from 2018 were met in full and as a result all outstanding incentive shares with a measurement period of 3 years were converted to Kinnevik Class B shares. In addition, the participants received cash dividend of SEK 183.08 per share as dividend compensation resolved by the AGM 2021. The value per vesting incentive share at 31 March 2021 including dividend compensation amounted to SEK 594.98. where as the maximum profit was limited to SEK 598 corresponding to two times times the average price for Kinnevik class B shares in March 2018.

Vested incentive shares, 3 yrs	Number of participants	Original allotment of shares	Vested shares	Dividend compensation, cash, SEKm
CEO	1	41 000	41 000	7 506
Executive Management	4	44 000	44 000	8 056
Other employees	27	157 378	157 378	28 813
Total	32	242 378	242 378	44 375

Remaining, 5 yrs	Number of participants	Remaining incentive shares	IFRS2 (kSEK) ¹⁾
CEO	1	28 000	183
Executive Management	4	90 200	454
Other	15	179 058	623
Total	20	297 258	1 260

¹⁾ The part expensed in 2021, excluding social costs.

The subsidy for the subscription price, including social costs, amounted to SEK 24m and was expensed over three years ended at 31 March 2021. The compensation cost for tax effects, including social costs, amounted to SEK 29m and was expensed when it was paid in 2018. The total cost for LTIP 2018 amounted to SEK 53m of which SEK 2m was expensed in 2021.

The maximum profit per Incentive Share was limited to SEK 598 for Incentive Shares with 3 years maturity and SEK 897 for Incentive Shares with 5 years maturity, including any compensation for dividends, based on two times/three times the average price for Kinnevik class B shares in March 2018. The maximum dilution due to LTIP 2018 is no more than 0.26 percent in terms of shares outstanding (i.e. total number of issued shares reduced by Kinnevik's holding of treasury shares), 0.11 percent in terms of votes, and 0.10 percent in terms of costs for LTIP 2018 as defined in IFRS 2 in relation to Kinnevik's market capitalisation.

The Plan 2019-2022/2024

The subsidy for the subscription price, including social costs, amounted to SEK 44m and is expensed over three years. The compensation cost for tax effects, including social costs, amounted to SEK 54m and was expensed when it was paid in 2019. The total cost for LTIP 2019 is expected to be SEK 98m of which SEK 12m (12) was expensed in 2021.

Remaining participants	Num-ber of partici-pants	Allotment of incentive shares, 3 yrs	Allotment of incentive shares, 5 yrs	IFRS2 (kSEK) ¹⁾
CEO	1	51 000	36 000	2 582
Executive Management	4	55 300	125 150	3 514
Other employees	25	159 442	218 162	5 018
Total	30	265 742	379 312	11 115

¹⁾ The part expensed in 2021, excluding social costs.

The maximum profit per Incentive Share is limited to SEK 482 for Incentive Shares with 3 years maturity and SEK 723 for Incentive Shares with 5 years maturity, including any compensation for dividends, based on two times/three times the average price for Kinnevik class B shares in March 2019. The maximum dilution due to LTIP 2019 is no more than 0.34 percent in terms of shares outstanding (i.e. total number of issued shares reduced by Kinnevik's holding of treasury shares), 0.16 percent in terms of votes, and 0.15 percent in terms of costs for LTIP 2019 as defined in IFRS 2 in relation to Kinnevik's market capitalisation.

The Plan 2020-2023/2025

The subsidy for the subscription price, including social costs, amounted to SEK 81m and is expensed over three years. The compensation cost for tax effects, including social costs, amounted to SEK 79m and was expensed when it was paid in 2020. The total cost for LTIP 2020 is expected to be SEK 160m of which SEK 30m (100) was expensed in 2021.

Remaining participants	Num-ber of partici-pants	Allotment of incentive shares, 3 yrs	Allotment of incentive shares, 5 yrs	IFRS2 (kSEK) ¹⁾
CEO	1	61 100	62 400	2 949
Executive Management	6	133 400	165 600	8 593
Other employees	25	168 222	401 615	11 649
Total	32	362 722	629 615	23 191

¹⁾ The part expensed in 2021, excluding social costs.

The average fair value of allotted shares with a maturity of three years was SEK 117.94 and for shares with maturity of five years SEK 27.32. The maximum profit per Incentive Share is limited to SEK 369 for Incentive Shares with 3 years maturity and SEK 554 for Incentive Shares with 5 years maturity, including any compensation for dividends, based on two times/three times the average price for Kinnevik class B shares in March 2020. The maximum dilution due to LTIP 2020 is no more than 0.44 percent in terms of shares outstanding (i.e. total number of issued shares reduced by Kinnevik's holding of treasury shares), 0.21 percent in terms of votes, and 0.17 percent in terms of costs for LTIP 2020 as defined in IFRS 2 in relation to Kinnevik's market capitalisation.

The Plan 2021-2026

A decision on a long-term incentive program for 2021 was made at an Extraordinary General Meeting on October 21, 2021 and unlike previous plans, it contains only 5-year incentive shares.

The subsidy for the market value, including social security contributions, amounts to a cost of SEK 28.7 million and is expensed over 3 years from the fourth quarter of 2021. The subsidy for the tax effect of the subsidy, including social security contributions, amounted to SEK 28.7 million and was expensed directly upon payment. 2021. Kinnevik's total cost for LTIP 2021 is estimated to amount to SEK 57.4 million, of which SEK 31.1 million has been expensed in 2021.

Participants	Num-ber of partici-pants	Allotment of incentive shares, 5 yrs	IFRS2 (kSEK) ¹⁾	Subsidy received (kSEK) ²⁾	Acquired incentive shares, 5 yrs
CEO	1	70 000	183	2 191	24 500
Executive Management	7	234 000	610	7 246	42 000
Other employees	28	433 000	1 130	14 062	30 100
Total	36	737 000	1 922	23 498	96 600

¹⁾ The part expensed in 2021, excluding social costs.

²⁾ Excluding social costs.

The average fair value of allotted shares was SEK 31.30. The maximum profit per Incentive Share is limited to SEK 1,403 including any compensation for dividends, based on 4.25 times the average price for Kinnevik class B shares in September 2021.

In addition to allotted shares, the CEO and senior members of Kinnevik's investment team have had the opportunity to acquire additional shares in cash, without subsidy, with otherwise the same conditions at a fair value of SEK 31.30 per share. For these shares, Kinnevik has the right to repurchase these shares at the acquisition price if the participant

TOTAL OF ALL OUTSTANDING PLANS

	Total number of held incentive shares, Opening Balance	Vested shares	This year allotment	This year redemption	This year acquired shares	Total number of held incentive shares, Closing balance
CEO	279 500	-41 000	70 000	0	24 500	333 000
Executive Management	613 650	-44 000	234 000	0	42 000	845 650
Other employees	1 408 176	-157 378	433 000	-124 299	30 100	1 589 599
Total	2 301 326	-242 378	737 000	-124 299	96 600	2 768 249

terminates his employment with Kinnevik or the Kinnevik Group within 18 months from the time of acquisition.

The maximum dilution due to LTIP 2021 is no more than 0.31 percent in terms of shares outstanding (i.e. total number of issued shares reduced by Kinnevik's holding of treasury shares), 0.15 percent in terms of votes, and 0.06 percent in terms of costs for LTIP 2021 as defined in IFRS 2 in relation to Kinnevik's market capitalisation.

V CPP 2017-2022

The AGM 2017 approved a new long-term, cash-based incentive plan for Kinnevik employees that have a direct impact on, and are working almost exclusively with, the value creation in Kinnevik's private portfolio ("V CPP 2017"). The participants in V CPP 2017 were not entitled to participate in LTIP 2017.

V CPP 2017 amounts to 48 issued non-transferrable synthetic options (the "Options") subscribed by one remaining executive manager, four other senior employees within the Investment team and one former executive manager who has joined one of Kinnevik's portfolio companies. Settlement of the Options will be made in cash and will not increase the number of shares in Kinnevik.

The Options were subscribed to at fair market value with a subsidy received from Kinnevik of 50 percent. The subsidy were accounted for over three years.

Each Option entitles the holder, at the end of the Option's five-year term, to receive a cash amount from Kinnevik of SEK 1m multiplied by a value creation multiple where the entry threshold shall be a value growth of the private portfolio of 8 percent IRR and a value creation multiple of 0.46 (SEK 0.46m) and with a cap at a value growth of 25 percent IRR. The maximum outcome is SEK 2m per Option.

Assuming an IRR of 25 percent is achieved during the term of V CPP 2017, the maximum costs attributable to V CPP 2017 are SEK 109m.

Any payment to the Option holders will be made after the release of the report for the first quarter 2022. At 31 December 2021, an IRR of 4.2% was achieved and based on a Monte Carlo simulation the value of outstanding options was SEK 1m and a reversed cost of SEK 48m (cost of SEK 44m) has been recorded in 2021.

Plan costs and debt for social costs

The total cost for all incentive plans, excluding V CPP, amounted to SEK 77m (111) in 2021. There is no liability for social security contributions as these are paid in connection with the programs and thereafter expensed over 3 years.

BOARD FEES AND OTHER FEES PAID TO THE DIRECTORS OF THE PARENT COMPANY (SEK 000S)

	Board fees, Parent Company	2021 Other assignment	Board fees, Parent Company	2020 Other assignment
James Anderson (Chairman)	0	0	-	-
Dame Amelia Fawcett (Chairman)	-	-	2 650	
Henrik Poulsen	-	-	1 920	
Susanna Campbell	1 000	-	870	
Wilhelm Klingspor	-	-	720	
Brian McBride	875	828 ¹⁾	700	806 ¹⁾
Harald Mix	825			
Cecilia Quist	875		700	
Charlotte Strömberg	1 000		920	
	4 575	828	8 480	806

¹⁾ During 2021, Brian McBride received an amount of 70,182 (68,840) GBP for work performed within investee companies in addition to customary Board work.

Note 17 Financial risk management

Kinnevik's management of financial risks is centralized within Kinnevik's finance function and is conducted based on a Finance Policy established by the Board of Directors. The policy is reviewed continuously by the finance function and updated when appropriate in discussion with the Audit & Sustainability Committee and as approved by the Board of Directors. Kinnevik has a model for risk management that aims to identify, control and reduce risks. The output of the model is reported to Kinnevik's Audit & Sustainability Committee and Board of Directors on a regular basis.

Kinnevik is mainly exposed to financial risks in respect of:

- Valuation risk, in relation to negative changes in the value of the portfolio
- Liquidity and financing risk, in relation to increased cost of financing, and difficulties in refinancing maturing loans and facilities, ultimately leading to payment obligations not being met
- Foreign exchange rate risk, in relation to transaction and translation currency exposure
- Interest rate risk, having an adverse impact on financing costs

VALUATION RISK

Kinnevik is invested in both listed and unlisted investee companies where valuations can fluctuate due to a wide array of different factors.

On 31 December 2021, 52% (84%) of Kinnevik's Portfolio Value was invested in listed investee companies and 48% (16%) in unlisted investee companies.

Kinnevik is a long-term shareholder and therefore has the flexibility not to have a general strategy for managing short-term fluctuations in the share prices of its listed investee companies. A 10% change in the prices of all listed shareholdings at 31 December 2021 would have affected the Group's earnings and shareholders' equity by SEK 3.5bn (9.0bn).

The value of Kinnevik's investments in unlisted investee companies may increase or decrease due to a number of factors, of which changes in public equity markets is one. In the process of valuing its unlisted holdings, Kinnevik makes numerous considerations, including relative valuations of comparable publicly traded companies, operational and financial performance of the respective investee company, and valuations reflected in transactions in the respective investee company's shares. Any changes in these considerations bear impact on the value of Kinnevik's investments in unlisted investee companies. For the companies that are valued based on multiples an increase in the multiple by 10% on 31 December 2021 would have increased the aggregate assessed fair value by SEK 2.9bn (1.6bn). Similarly, a decrease in the multiple by 10% would have decreased the aggregate assessed fair value by SEK 2.9bn (1.6bn).

LIQUIDITY AND FINANCING RISK

Kinnevik's liquidity and financing risk is limited considering listed securities account for a material part of Portfolio Value. Kinnevik relies in part on dividends received from Tele2 to finance its operations and maintain recent years' investment momentum. Without dividends from Tele2, Kinnevik would rely on capital re-allocation and/or debt financing to secure the funding of its operations and maintain its targeted financial position.

On 31 December 2021, Kinnevik had cash and cash equivalents amounting to SEK 10,544m (7,589m) and committed but not utilized, credit facilities amounting to SEK 5,130m (6,130m).

Financing risk covers the eventuality that Kinnevik is not be able to obtain financing, or that financing can only be obtained at considerable cost. Kinnevik's financing risk is limited in consideration of its substantial net cash position, and since its operations are financed from different sources. Debt financing is sourced from a number of different credit institutions with diversified maturities, and Kinnevik strives to refinance all facilities at least six months prior to maturity. On 31 December 2021, the total amount of committed financing was SEK 9,840m (9,030m) with an average remaining facility duration of 2.8 (2.3) years. For further details, please refer to Note 10 for the Group.

FOREIGN EXCHANGE RATE RISK

Foreign exchange rate risk comprises transaction and translation currency exposure. Transaction exposure arises from cash flows denominated in foreign currencies. Kinnevik's debt funding and cash position is primarily denominated in SEK. Excluding investments and divestments, Kinnevik does not have any material cash flows in foreign currencies.

Translation exposure arises from the translation of balance sheet items denominated in foreign currencies into SEK. Kinnevik's balance sheet is mainly exposed to foreign exchange risk through investments denominated in either USD or EUR. On 31 December 2021, 35% (23%) of Kinnevik's Portfolio Value, corresponding to a value of SEK 23.9bn (25.2bn), pertained to investments denominated in USD. The corresponding share of Kinnevik's Portfolio Value for investments denominated in EUR is 19% (53%), corresponding to a value of SEK 13.2bn (57.4bn).

Kinnevik is also exposed to indirect translation exposure, as several of its investee companies operate internationally, whereby foreign currencies have an indirect effect on the value of these investments.

INTEREST RATE RISK

Kinnevik's interest rate risk pertains to the risk that the value of interest-bearing receivables and liabilities will change negatively due to changes in market interest rates. On 31 December 2021, none of Kinnevik's interest bearing liabilities, SEK 4.7bn (2.9bn), were exposed to interest rate changes. SEK 4.46bn (2.65bn) out of Kinnevik's SEK 4.7bn (2.9bn) in outstanding bonds were originally exposed to interest rate risk with floating rates (3 months STIBOR). This interest rate risk was hedged by entering into interest rate swaps maturing on the same dates as the relevant bonds. On 31 December 2021, these swaps had a market value of SEK 5m (17m). An increase of 1.00% in interest rates at the reporting date would have increased the market value of the swaps by SEK 135m. Similarly, a decrease in interest rates of the equivalent amount have decreased the market value of the swaps by SEK 156m.

In connection with refinancing of current bonds and credit facilities, or if Kinnevik would increase its receivables or liabilities considerably, the interest rate risk may change materially.

Note 18 events after the reporting period

In January, we invested USD 60m in Transcarent, a new and different health and care experience company for employees of self-insured employers and their families.

Kinnevik estimates, so far, that Russia's invasion of Ukraine will not have a major impact on Kinnevik's results and position, as there is only limited activity in the area in our portfolio.

PARENT COMPANY FINANCIAL STATEMENTS

PARENT COMPANY INCOME STATEMENT FOR THE PERIOD 1 JANUARY-31 DECEMBER (SEKM)

	Note	2021	2020
Administration costs	5,16	-310	-386
Other operating income		2	5
Operating loss		-308	-381
Dividends received	2	23 802	85 708
Profit from financial assets, associated companies and other	4	-442	189
Loss from financial assets, subsidiaries	4	-14 456	-27 245
Interest income and other financial income	3	74	18
Interest expenses and other financial expenses	3	-53	-89
Profit/loss after financial items		8 617	58 200
Appropriations			
Group contributions, paid		-3	-88
Group contributions, received		180	0
Profit/loss before tax		8 794	58 112
Taxes	6	-	-
Net profit/loss for the year ¹⁾		8 794	58 112

¹⁾ Net profit corresponds with total comprehensive income.

PARENT COMPANY BALANCE SHEET AS AT 31 DECEMBER (SEKM)

	Note	2021	2020
Tangible fixed assets			
Equipment	7	4	4
Shares and participations in Group companies	9	87 593	96 970
Shares and participations in associated companies and other companies	8	6 561	121
Receivables from Group companies		27 756	17 384
Other long-term receivables		210	211
Total fixed assets		122 124	114 690
Current assets			
Receivables from Group companies		-	43
Other receivables		216	274
Accrued income and prepayments		15	19
Short term investments		6 684	3 878
Cash and bank		3 546	3 454
Total current assets		10 461	7 668
TOTAL ASSETS		132 585	122 358

	Note	2021	2020
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders equity	10,15		
Restricted equity			
Share capital (278,697,215 shares of SEK 0.10)		28	28
Premium reserve		6 868	6 868
Unrestricted equity			
Share premium		1 616	1 616
Retained earnings		53 078	45 730
Net result		8 794	58 112
Total shareholders' equity		70 383	112 354
Liabilities	13		
Provisions			
Provisions for pensions		15	16
Other provisions		4	4
Total provisions		19	20
Long-term liabilities			
External interest-bearing loans	11	3 484	2 908
Total long-term liabilities		3 484	2 908
Short-term liabilities			
External interest-bearing loans	11	1 210	-
Trade creditors		5	5
Liabilities to Group companies		57 398	6 986
Other liabilities		3	5
Accrued expenses	12	83	80
Total short-term liabilities		58 699	7 076
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		132 585	122 358

PARENT COMPANY STATEMENT OF CASH FLOW FOR THE PERIOD 1 JANUARY-31 DECEMBER (SEK M)

	2021	2020
Cash flow from operating costs	-329	-298
Cash flow from operations before interest net and income taxes	-329	-298
Interest received	0	1
Interest paid	-55	-52
Income taxes	0	0
Cash flow from operations	-384	-349
Investment in financial assets	0	-504
Sale of shares and other securities	316	292
Cash flow from investing activities	316	-212
Borrowing	2 000	1 500
Amortisation of loans	-190	-3 410
Dividend paid	-44	-1 928
Sale of own shares	91	0
Change in intra group balances ¹⁾	1 109	7 876
Cash flow from financing activities	2 966	4 038
Cash flow for the year	2 898	3 477
Short term investments and cash and bank, opening balance	7 332	3 855
Short term investments and cash and bank, closing balance	10 230	7 332

¹⁾ The Parent Company and its Swedish subsidiaries have their liquidity coordinated via a consolidated account which in the Parent Company is reported in the balance sheet as receivables / liabilities of Group companies. The internal transactions that take place with the Swedish subsidiaries are thus generally not affecting cash flow for the parent company unless they are caused by an external transaction for the subsidiary.

MOVEMENTS IN SHAREHOLDERS' EQUITY OF THE PARENT COMPANY (SEK M)

	Share capital	Premium reserve	Unrestricted equity	Total
Opening balance, 1 January 2020	28	6 868	49 246	56 142
Cash dividend ¹⁾	-	-	-1 928	- 1 928
Effect of employee share saving programme	-	-	30	30
Net result	-	-	58 112	58 112
Closing balance, 31 December 2020	28	6 868	105 458	112 354
Distribution in kind ²⁾	-	-	-50 850	-50 850
Cash dividend ³⁾	-	-	-44	-44
Effect of employee share saving programme	-	-	38	38
Sale of own shares	-	-	91	91
Net result	-	-	8 794	8 794
Closing balance, 31 December 2021	28	6 868	63 487	70 383

¹⁾ An EGM held in August 2020 resolved in favor of paying an ordinary cash dividend of SEK 7.00 per share.

²⁾ In accordance with the resolution at the AGM on April 29,2021, the distribution of the Zalando shares was effected on June 18,2021.

³⁾ The AGM 2021 resolved in favor of paying cash dividend compensation to the participants in Kinnevik's long term incentive program from 2018.

NOTES FOR THE PARENT COMPANY

Note 1 Parent Company's accounting principles

The Parent Company's annual accounts have been prepared in accordance with Swedish law and the Swedish Financial Reporting Board's recommendation RFR 2 (Reporting for legal entities).

The Parent Company's accounting principles depart from the principles governing consolidated accounting in respect of the valuation of financial instruments and pension liabilities. The Parent Company applies RFR 2 in respect of the option not to observe IFRS 9. Financial instruments are thus not valued at fair value as in the Group but at their acquisition cost and after write-down, if any. Dividend in kind is valued at book value of the assets for the Parent Company.

For information concerning related party transactions, refer to Note 15 for the Group.

Note 2 Dividends received

	2021	2020
Dividends received from subsidiaries	23 802	85 708
	23 802	85 708

Note 3 Financial income and expenses

	2021	2020
Result from short-term investment	4	17
Interest income	2	1
Marketvaluation swap	15	-
Exchange-rate differences	53	0
Interest income and other financial income	74	18
Interest expenses to credit institutions	-42	-41
Marketvaluation swap	-	-14
Other financial expenses	-11	-15
Exchange-rate differences	-	-20
Interest expenses and other financial expenses	-53	-89
Net financial income/expenses	21	-71

Note 4 Earnings from financial assets

	2021	2020
Sale of shares in associated companies	78	189
Write-down of shares in associated companies	-520	-
Total profit/loss from associated companies and other	-442	189

Write-down of shares in subsidiaries	-22 092	-27 245
Reverse write down in subsidiaries	7 636	-
Total profit/loss from subsidiaries	14 456	-27 245

Write-downs by shares in subsidiaries is a result of received dividends and repaid shareholders contribution.

Note 5 Auditors' fees

	2021	2020
To KPMG, auditors 2021		
Audit assignments	2	-
Other services	0	-
Total	2	-
To Deloitte, auditors 2020		
Audit assignments	-	1
Other services	-	0
Total	-	1

Audit assignments refer to statutory audits of the annual and consolidated accounts and accounting, as well as the Board of Directors' and the President's administration, as well as audits and other audits performed in accordance with an agreement or contract. This includes other tasks that it is up to the company's auditor to perform as well as advice or other assistance that is prompted by observations during such review or the performance of such other tasks.

Note 6 Taxes

	2021	2020
Tax expenses for the period	0	0
	0	0

RECONCILIATION OF EFFECTIVE TAX RATE

	2021	%	2020	%
Profit/loss before tax	8 794		58 112	
Income tax at statutory rate of Parent Company	-1 811	-20.6%	-12 436	-21.4%
Earnings from participations in associated companies	-	-	41	0.1%
Non-taxable dividends received	4 903	55.8%	18 342	31.6%
Write-down of shares in associated companies	-3 085	-35.1%	-5 830	-10.0%
Other non-taxable expenses	-13	-0.1%	-25	0.0%
Other taxable income not in accounts	4	0.0%	-	-
Taxable of dividend in kind	159	1.8%	-	-
Charge non-capitalized loss carry-forward	-156	-1.8%	-91	-0.0%
Effective tax/tax rate	0	0.0%	0	0.0%

Note 7 Tangible fixed assets

	2021	2020
Equipment		
Opening acquisition values	7	7
Sales for the year	-1	-2
Investments for the year	3	2
Closing acquisition values	9	7
Opening accumulated depreciation	-3	-4
Disposals/scrapping for the year	-	1
Depreciation for the year	-2	-2
Closing accumulated depreciation	-5	-3
Closing book value	4	4

Note 8 Shares and participations

Associated companies and other companies	Reg no	Registered office	Number of shares	Capital/voting (%)	2021	2020
					Book value	Capital/voting (%) Book value
Altlorenscheurerhof S.A.	B51332	Luxembourg	625	33	0	33 0
Alliance Data Systems	31-1429215	USA	-	-	-	0,2 121
Cedar Cares Inc	812461266	USA	1 159 607	8	2 059	- -
Cityblock Health Inc	5208873	USA	6 292 140	8	4 502	- -
Modern Cartoons Ltd	C1961852	USA	2 544 000	23	0	23 0
Shared Services S.A.	B97776	Luxembourg	200	30	0	30 0
Total book value					6 561	121

Change in book value, shares and participations in associated companies

	2021	2020
Opening acquisition value, 1 January	121	0
Acquisition from group companies	6 561	430
Sales	-121	-309
Closing book value, 31 December	6 561	121

Note 9 Shares and participations in Group companies

SHARES AND PARTICIPATIONS IN DIRECT-OWNED SUBSIDIARIES

	Reg no	Registered office	Number of shares	Capital/voting (%)	2021	2020
Invik&Co. AB	556051-6238	Stockholm	295 384	100/100	0	0
Royalvik AB	556035-3749	Stockholm	1 635	100/100	0	0
Invik S.A.	B138554	Luxembourg	551 252	100/100	10 612	19 292
Kinnevik Capital Ltd	05651109	Great Britain	1 000	100/100	2	2
Förvaltnings AB Eris & Co.	556035-7179	Stockholm	1 020 000	100/100	166	166
Kinnevik Consumer Finance Holding AB	556833-3917	Stockholm	50 000	100/100	247	1 236
Kinnevik East AB	556930-5666	Stockholm	50 000	100/100	0	0
Kinnevik Internet Lux SARL (in liquidation)	B190646	Luxembourg	12 500	100/100	0	0
Kinnevik Internet 1 AB	556884-6470	Stockholm	50 000	100/100	45 394	56 360
Kinnevik US Holdings AB	559109-4239	Stockholm	500	100/100	26	9
Kinnevik US Holding LLC	84-2742351	USA	1 265 603	59/59	4 658	-
Kinnevik Media Holding AB	556880-1590	Stockholm	50 000	100/100	7	20
Kinnevik New Ventures AB	556736-2412	Stockholm	100	100/100	864	1 266
Kinnevik Online AB	556815-4958	Stockholm	50 000	100/100	17 459	14 893
Kinnevik Sweden Holding AB	559109-4221	Stockholm	500	100/100	8 159	3 089
Friends of CS AB	559165-9734	Stockholm	500	100/100	0	0
Book value					87 593	96 970

RECONCILIATION OF THE BOOK VALUE OF DIRECT-OWNED SHARES IN SUBSIDIARIES

	2021	2020
Opening acquisition value, 1 January	139 197	85 227
Acquisition	4 700	56 360
Shareholders' contribution	2 559	18 950
Repaid shareholders' contribution	-2 179	-1 233
Sale	-	-20 108
Closing acquisition value, 31 December	144 276	139 197
Opening write-down, 1 January	-42 227	-35 089
Write-down	-22 092	-27 245
Reversed write-down	7 636	20 107
Closing write-down, 31 December	-56 683	-42 227
Closing book value, 31 December	87 593	96 970

IN ADDITION THE FOLLOWING COMPANIES ARE INCLUDED IN THE GROUP

	Reg.no.	Registered office	Capital/voting (%)
Saltside Technologies AB	556852-1669	Gothenburg	61/61
Ikman (pvt) Ltd	PV92464	Sri Lanka	61/61
Bikroy Ltd	C-109149/13	Bangladesh	61/61
Tonaton Ltd	CB-1150	Ghana	61/61
Saltside Technologies India Pvt. Ltd	U72200KA2015FTC082334	India	61/61
Namki Technologies Pvt. Ltd	U72900KA2017FTC104709	India	61/61

Note 10 Shareholders' equity

Change in shareholders' equity from the preceding year's balance sheet are presented in Movements in Shareholders' equity of the Parent Company.

SHARE CAPITAL

Kinnevik AB's share capital as of 31 December 2021 was SEK 27,869,721.50 distributed among 278,697,215 shares with a par value of SEK 0.10 per share.

DISTRIBUTION BY CLASS OF SHARES WAS AS FOLLOWS

	Number of shares	Number of votes	Par value (SEK 000s)
Class A shares outstanding	33 755 432	337 554 320	3 376
Class B shares outstanding	242 153 584	242 153 584	24 215
Class D-G shares outstanding LTIP 2018	297 258	297 258	30
Class D-G shares outstanding LTIP 2019	645 054	645 054	65
Class C-D Shares outstanding LTIP 2020	992 337	992 337	99
Class C-D Shares outstanding LTIP 2021	833 600	833 600	83
Class C-D treasury shares	19 950	19 950	2
Registered number of shares	278 697 215	582 496 103	27 870

The total number of shares amounted at 31 December 2021 to 278,697,215, where of 33,755,432 class A shares with ten votes each, 242,153,584 class B shares and 2,788,199 reclassifiable, sub-ordinated, incentive shares, held by participants in Kinnevik's long-term share incentive plans 2018, 2019, 2020 and 2021.

The total number of votes for outstanding shares amounted at 31 December 2021 to 582,496,103 excluding 19,950 Class C-D shares from LTIP 2021.

During the year 242,378 incentiv shares from LTIP 2018 were converted to Class B shares shares were delivered to participants in the share-based plan from 2018 and 192,927 class B shares were sold to cover the tax for the participants. In addition, and similar to LTIP 2020, a new issue of reclassifiable, sub-ordinated, incentive shares, divided into four classes, to the participants in Kinnevik's long-term share incentive plan resolved on by the 2021 AGM were registered by the Swedish Companies Registration Office (Sw. Bolagsverket) during November 2021.

There are no convertibles or warrants in issue.

Regarding share based long-term incentive plans (LTIP), refer to Note 16 for the Group.

Note 11 Interest-bearing loans

	2021	2020
Interest-bearing long-term loans		
Capital markets financing	3 500	2 900
Marketvaluation SWAP	-	17
Accrued borrowing costs	-16	-9
	3 484	2 908
Interest-bearing short-term loans		
Capital markets financing	1 210	-
Commercial paper	-	-
	1210	-
Total interest-bearing loans	4 694	2 908

For further information about the maturity structure of the Parent Company's interest bearing loans refer to Note 10 for the Group.

Note 12 Accrued expenses

	2021	2020
Accrued personnel expenses	39	41
Accrued interest expenses	35	31
Other	9	8
Total	83	80

Note 13 Contingent liabilities

County administrative boards have submitted claims to Kinnevik regarding environmental studies at a number of sites where Fagersta AB (through name changes and a merger, Kinnevik AB) conducted operations until 1983. Kinnevik's position is that the Company's responsibility to perform any decontamination measures must be very limited, if any, primarily out of consideration to the long period of time that has passed since any potential contamination damages occurred and the regulations that were in force at the time, and the fact that a quarter century has passed since operations were shut down or turned over to new owners. Kinnevik has therefore not made any provisions for potential future claims for decontamination measures. SEK 5m was provided in 2007 for potential environmental studies that Kinnevik might be required to pay for of which SEK 1.3m was used in 2010 to 2021.

Kinnevik has a subsidiary under liquidation which, after repayment of shareholder contributions to the parent company, lacks assets. In the Group, a provision has been made for a potential capital tax cost for the company of EUR 83 million, see Note 7 for the Group. In the event that a payment obligation arises for the subsidiary, the parent company will need to contribute capital.

Note 14 Intra-group transactions

Intra-group revenue for the Parent Company amounted to SEK 1m (1).

The Parent Company and the Swedish subsidiaries have their liquidity arranged through central bank accounts in different currencies. In addition, the Parent Company has a number of loans from subsidiaries. Market rate of interest are charged for all those balances.

Note 15 Proposed appropriation of profits

The Board and the CEO propose that the unappropriated earnings and share premium at the disposal of the Annual General Meeting be disposed of as follows:

	2021
Retained earnings	61 871 051 949
Share premium	1 615 929 594
Total	63 486 981 543

The Board and the CEO propose that the unappropriated earnings and share premium at the disposal of the Annual General Meeting be disposed of as follows:

In line with Kinnevik's shareholder remuneration policy, the Board of Kinnevik does not propose an ordinary dividend for the financial year 2021.

In accordance with § 4 of the Articles of Association, the Board proposes a dividend payment as compensation to participants in Kinnevik's long-term incentive plan 2019 for paid dividends and other value transfers since 2019. The size of such compensation to participants in Kinnevik's long-term incentive plan 2019 will amount to SEK 240.45 per share in Class D 2019, E 2019 and F 2019, corresponding to in total SEK 64m, assuming maximum fulfillment of the performance conditions for each incentive share class.

Kinnevik's remaining retained earnings and share premium is accordingly to be carried forward.

Note 16 Personnel

Average number of employees	2021		2020	
	men	women	men	women
Stockholm	8	14	10	13

Salaries, other remuneration and social security expenses	2021		2020	
	Board, CEO and senior executives	Other employees	Board, CEO and senior executives	Other employees
Salaries and other remuneration	41 049	27 116	43 568	26 433
Social security expenses	14 119	9 875	14 784	9 945
Pension expenses	5 034	3 298	4 512	4 454
Provision for share-based remuneration including social securities expense ¹⁾	29 114	21 365	43 606	30 365
	89 315	61 654	106 470	71 196

¹⁾ Share based remuneration includes subsidies received at launch of LTI programmes. See Note 16 for the Group

Salaries and other remuneration to the Board, CEO and other senior executives are further presented in Note 16 for the Group.

SIGNATURES OF THE BOARD OF DIRECTORS AND THE CEO

The undersigned certify that the consolidated accounts and the annual report have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as adopted for use in the European Union, and generally accepted accounting principles respectively, and give a true and fair view of the financial positions and results of the Group and the Parent Company, and that the Board of Directors' Report gives a fair review of the development of the operations, financial positions and results of the Group and the Parent Company and describes substantial risks and uncertainties that the Group companies face.

Stockholm, 7 April 2022

James Anderson
Chairman of the Board

Susanna Campbell
Member of the Board

Brian McBride
Member of the Board

Harald Mix
Member of the Board

Cecilia Qvist
Member of the Board

Charlotte Strömberg
Member of the Board

Georgi Ganev
Chief Executive Officer

Our Audit Report was issued on 7 April 2022
KPMG AB

Mårten Asplund
Authorized Public Accountant, Principal

Johanna Hagström Jerkeryd
Authorized Public Accountant

AUDIT REPORT

TO THE GENERAL MEETING OF THE SHAREHOLDERS OF KINNEVIK AB (PUBL) CORPORATE IDENTITY NUMBER 556047-9742

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

OPINIONS

We have audited the annual accounts and consolidated accounts of Kinnevik AB (publ) for the year 2021, except for the corporate governance statement on pages 56-61. The annual accounts and consolidated accounts of the company are included on pages 51 - 104 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2021 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2021 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 56 - 61. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

BASIS FOR OPINIONS

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

OTHER MATTER

The audit of the annual accounts for year 2020 was performed by another auditor who submitted an auditor's report dated 6 April 2021, with unmodified opinions in the Report on the annual accounts and consolidated accounts.

KEY AUDIT MATTERS

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

VALUATION OF UNLISTED ASSETS

See disclosure 2 and 3 and accounting principles on page 70 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

The total carrying value of unlisted investments amounted to SEK 32 405 million as of December 31, 2021.

The company's valuation policy is based on IFRS 13 and the International Private Equity and Venture Capital Valuation Guidelines.

The process for valuation of unlisted investments is based on a high degree of judgement and input from data that is not observable in the market, such as future expected revenue and profit and identification of relevant multiples.

An inappropriate use of multiples and input from data can have a significant impact on the assessment of fair value which directly effects the profit. This is the reason to why we believe that this is a key audit matter.

Response in the audit

In our audit procedures of valuation of unlisted assets, we have primarily focused on the following audit procedures:

We have evaluated the process and internal controls related to the valuation of unlisted investments.

We have assessed that the valuation models that the company applies are consistent with IFRS 13. With the support of valuation specialists, we have evaluated that assessments made by the company, for example with respect to the selection of comparable companies and adjustments to the valuation multiples, are reasonable.

We have also assessed that the information disclosed in the annual report is in compliance with IFRS 13 and gives a fair view of the processes and routines of the company.

OTHER INFORMATION THAN THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1- 50 and 110 - 112. The other information comprises also of the remuneration report which we obtained prior to the date of this auditor's report, The Board of Directors and the Managing

Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

AUDITOR'S RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related

disclosures made by the Board of Directors and the Managing Director.

- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all

relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Auditor's audit of the administration and the proposed appropriations of profit or loss

OPINIONS

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Kinnevik AB (publ) for the year 2021 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

BASIS FOR OPINIONS

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

AUDITOR'S RESPONSIBILITY

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appro-

priations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

The auditor's examination of the Esef report

OPINION

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Kinnevik AB (publ) for year 2021.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report #[checksum] has been prepared in a format that, in all material respects, enables uniform electronic reporting.

BASIS FOR OPINION

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Kinnevik AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is

not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of the assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a technical validation of the Esef report, i.e. if the file containing the Esef report meets the technical specification set out in the Commission's Delegated Regulation (EU) 2019/815 and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the Esef report has been marked with iXBRL which enables a fair and complete machine-readable version of the

consolidated statement of financial performance, financial position, changes in equity and cash flow.

THE AUDITOR'S EXAMINATION OF THE CORPORATE GOVERNANCE STATEMENT

The Board of Directors is responsible for that the corporate governance statement on pages 56-61 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

KPMG AB, Box 382, 101 27, Stockholm, was appointed auditor of Kinnevik AB (publ) by the general meeting of the shareholders on the 29 April 2021. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2021.

Stockholm 7 April 2022
KPMG AB

Mårten Asplund
*Authorized Public Accountant
Principal*

Johanna Hagström Jerkeryd
Authorized Public Accountant

DEFINITIONS AND ALTERNATIVE PERFORMANCE MEASURES

Kinnevik applies the Esma Guidelines on Alternative Performance Measures (APM). An APM is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. For Kinnevik's consolidated accounts, this typically means IFRS.

APMs are disclosed when they complement performance measures defined by IFRS. The basis for disclosed APMs are that they are used by management to evaluate the financial performance and in so believed to give analysts and other stakeholders valuable information. Definitions of all APMs used are found below. Reconciliations of a selection of APMs can be found on Kinnevik's corporate website www.kinnevik.com.

AVERAGE REMAINING DURATION

The value weighted average number of years until maturity for all credit facilities including outstanding bonds

DEBT/EQUITY RATIO

Interest-bearing liabilities including interest-bearing provisions divided by shareholders' equity

DIVESTMENTS

All divestments in fixed listed and unlisted financial assets

EQUITY RATIO

Shareholders' equity as a percentage of total assets

GROSS CASH

Short-term investments, cash and cash equivalents and other interest-bearing receivables

GROSS DEBT

Interest-bearing liabilities including unpaid investments/divestments

INTERNAL RATE OF RETURN, IRR

The annual rate of return calculated in quarterly intervals on a SEK basis that renders a zero net present value of (i) fair values at the beginning and end of the respective measurement period, (ii) investments and divestments, and (iii) cash dividends and dividends in kind

INVESTMENTS

All investments in fixed listed and unlisted financial assets, including loans to portfolio companies

KINNEVIK MARKET CAPITALIZATION

Market value of all outstanding shares in Kinnevik at the end of the period

NET ASSET VALUE, NAV

Net value of all assets on the balance sheet, equal to the shareholders' equity

NET ASSET VALUE CHANGE

Change in net asset value without adjustment for dividend paid or other transactions with shareholders

NET ASSET VALUE PER SHARE, SEK

Total net asset value attributable to each share based on the number of shares outstanding at the end of the period

NET CASH/(NET DEBT)

Gross cash less gross debt

NET CASH/(NET DEBT) INCLUDING NET LOANS TO INVESTEE COMPANIES

Gross cash and net outstanding receivables relating to portfolio companies less gross debt

NET CASH TO PORTFOLIO VALUE/(LEVERAGE)

Net cash/(debt), excluding net loans to investee companies, as percentage of portfolio value

NET INVESTMENTS/(DIVESTMENTS)

The net of all investments and divestments in fixed listed and unlisted financial assets

NET PROFIT/(LOSS) PER SHARE BEFORE AND AFTER DILUTION, SEK

Net profit/(loss) for the period attributable to each share based on the average number of shares outstanding during the period before and after dilution

PORTFOLIO VALUE

Total book value of fixed financial assets held at fair value through profit or loss

TOTAL SHAREHOLDER RETURN, TSR

Annualized total return of the Kinnevik B share on the basis of shareholders reinvesting all cash dividends, dividends in kind, and mandatory share redemption proceeds into the Kinnevik B share, before tax, on each respective ex-dividend date. The value of Kinnevik B shares held at the end of the measurement period is divided by the price of the Kinnevik B share at the beginning of the period, and the resulting total return is then recalculated as an annual rate

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ANNUAL GENERAL MEETING 2022

DATE AND VENUE

The Annual General Meeting will be held on Monday, 9 May 2022, at 10.00 a.m. at the Hotel At Six, Brunkebergstorg 6, Stockholm. The Doors will open at 09.30 a.m. and registration will be conducted until 10.00 a.m., when the doors will be closed. The Board has resolved to allow shareholders to exercise their voting rights at the Annual General Meeting also via postal voting in advance in line with Kinnevik's Articles of Association.

WHO IS ENTITLED TO PARTICIPATE?

Shareholders who wish to participate in the Annual General Meeting shall:

- be recorded as a shareholder in the presentation of the share register prepared by Euroclear Sweden AB concerning the circumstances on Friday, 29 April 2022, and
- give notice of participation no later than Tuesday, 3 May 2022.

Shareholders who wish to participate in the Annual General Meeting through postal voting in advance must give notice to participate by casting their postal vote so that the postal vote is received by Kinnevik no later than Tuesday, 3 May 2022. A special form shall be used for postal voting, which can be found on Kinnevik's website. Shareholders may also cast their postal votes electronically through BankID verification via Euroclear Sweden AB's website at <https://anmalan.vpc.se/euroclearproxy>.

HOW TO BE ENTERED IN THE REGISTER OF SHAREHOLDERS

Shares can be registered in the share register maintained by Euroclear Sweden in the name of the owner or the nominee. To be entitled to participate in the Annual General Meeting, shareholders whose shares are registered in the names of nominees must, in addition to giving notice of participation, re-

register such shares in their own name so that the shareholder is recorded in the presentation of the share register as of Friday, 29 April 2022.

HOW TO NOTIFY INTENTION TO PARTICIPATE

Shareholders can notify Kinnevik of their intention to participate from Thursday, 7 April 2022, by using one of the following alternatives:

- through Kinnevik's website, www.kinnevik.com,
- by telephone to +46 (0) 8 402 91 36, or by post to Kinnevik AB, "AGM", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden, or
- by casting their postal vote using a special form for postal voting, which can be found on Kinnevik's website, submitted either by email to GeneralMeetingService@euroclear.com or by post to Kinnevik AB, "AGM", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden. Shareholders may also cast their postal votes electronically through BankID verification via Euroclear Sweden AB's website at <https://anmalan.vpc.se/euroclearproxy>.

NOMINATION COMMITTEE

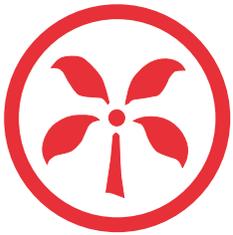
In accordance with the procedural guidelines for the Nomination Committee adopted at the 2021 Annual General Meeting, a Nomination Committee was elected by the 2021 Annual General Meeting.

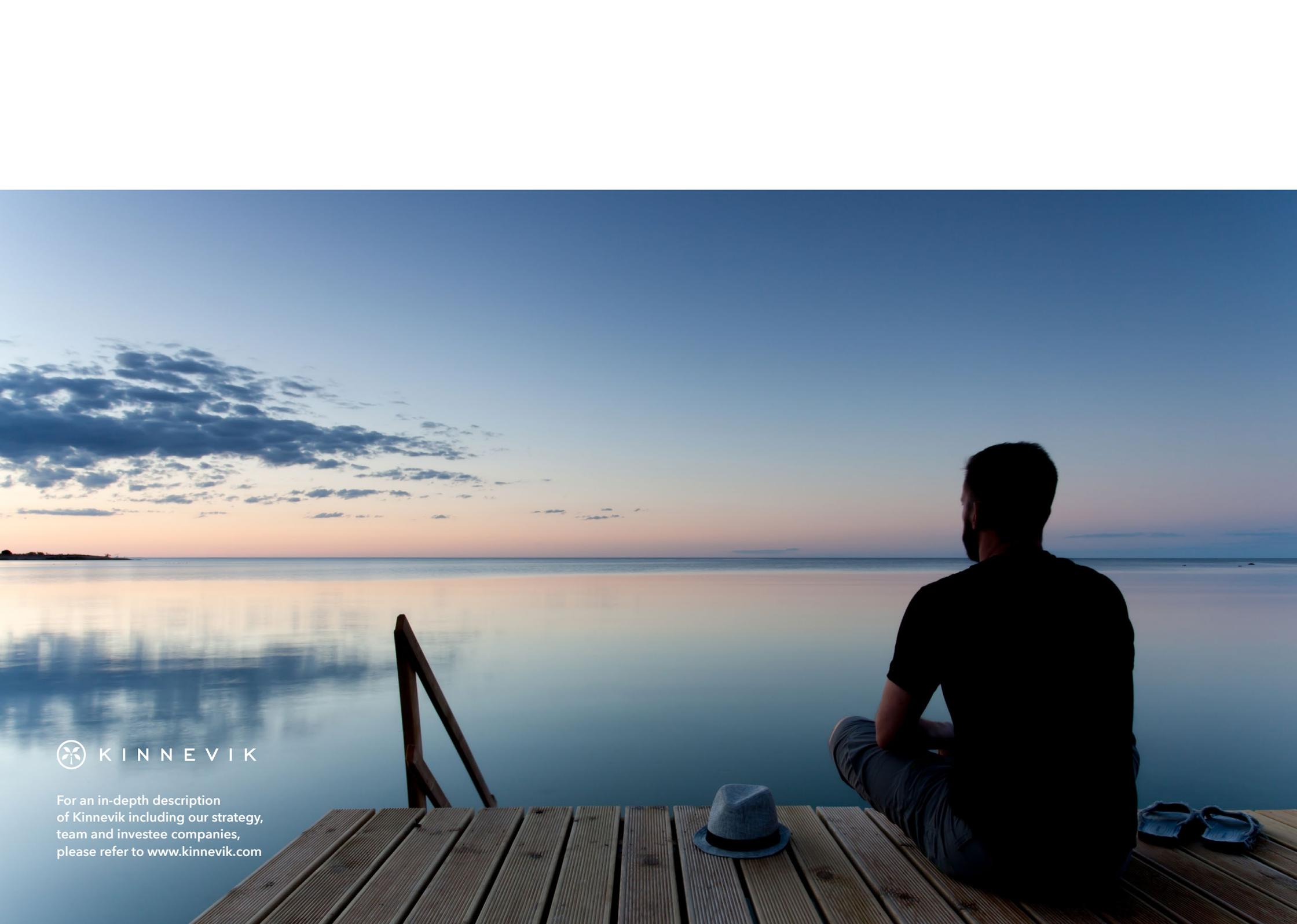
The Nomination Committee comprise Anders Oscarsson, nominated by AMF, Hugo Stenbeck, nominated by Alces Maximus LLC, Marie Klingspor, and Lawrence Burns, nominated by Baillie Gifford, and the Chairman of the Board, James Anderson. Information about the work of the Nomination Committee can be found on Kinnevik's website at www.kinnevik.com.

FINANCIAL INFORMATION

21 April	Interim Report January-March 2022
11 July	Interim Report January-June 2022
19 October	Interim Report January-September 2022

**WE INVEST
FOR A
REIMAGINED
EVERYDAY**





For an in-depth description
of Kinnevik including our strategy,
team and investee companies,
please refer to www.kinnevik.com