KINNEVIK

ANNUAL & SUSTAINABILITY REPORT 2023

BACKING CHALLENGERS SINCE 1936

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The Annual Report for Kinnevik AB (publ) 556047-9742 consists of a Board of Directors' Report, financial statements and other information on pages 57-124.
The Sustainability Report on pages 12-56 has been subject to a limited assurance review. The annual accounts and consolidated accounts on pages 57-116 have been audited.

REFLECTIONS ON 2023

The pattern of investment returns in unquoted markets shows that it is the presence of a few major successes not the absence of losses that ultimately determines returns.

James Anderson
Chairman of Kinnevik's Board of Directors

STATEMENT BY THE CHAIRMAN OF THE BOARD

It has been a demanding year. The pressure on younger and smaller growth companies has been unremitting and often indiscriminate. This has translated into a profoundly disappointing period for the rating of our shares with a historically high discount to our net asset value at the year end. We are fully aware that this will be of rightful concern to our shareholders as it is to the Board and executive team. Yet we believe that in retrospect, the hard work and the tough decisions that have been made in 2023 will eventually be seen in a better light and that the prospects for Kinnevik and our shareholders are promising.

The tasks that we are faced with involve acknowledging the reality that several of the investments that we made in the optimistic era prevailing before 2021 are most unlikely to justify the hopes that we once had for them. This is less about the valuations once placed on these companies than that their businesses have proven more difficult and less attractive than we first believed. In some cases, such as Babylon, there was no path out of the challenges. Whilst in others, such as the merger of the online grocery companies Oda and Mathem, we have acted decisively to strengthen these businesses' future positions.

But the nature of investing, particularly in young and ambitious companies, is that there have will always be failures. These tend to emerge before the successes are proven. The Board and our CEO strongly believe that we should endeavour to concentrate our portfolio on these potential long-term winners at scale. These companies are not always easy to identify in advance but the circumstances for doing so are currently advantageous. We are therefore to invest in our core areas in the belief that the current times offer great potential for the future. Enveda in innovative healthcare and Aira in practical prescriptions for combatting climate change are examples of this determination to move forwards. As always, any further investments are conditional on the companies delivering on their respective plans.

We have learnt a great deal about our potential core companies over the last two years, but even those that have succeeded splendidly in recent challenging times have not seen their valuations rise and their desire for further financial and practical backing from Kinnevik is usually high.

Before moving on from 2023 it is worth commending the further progress that Kinnevik has made in its sustainability policies. CDP rated us in the top 5% of fully 23,000 companies for our climate disclosures. Meanwhile, Equileap considered us one of the top performers overall and the highest-ranking investment company in Sweden for our efforts in gender equality. The Board is proud of our successes in these important areas.

You will be aware that in February 2024 Kinnevik reached an agreement with iliad and NJJ to sell its entire remaining stake in Tele2 at a premium to market prices. We feel this is a deal that is both attractive for Kinnevik and provides an excellent partner for Tele2, and that it's a good conclusion to a forty-year relationship of mutual benefit. The Board believes that our much-strengthened cash position will enable us to complete the transition to our long-signalled growth orientation at a time when the opportunities and valuations are low and attractive. In addition, we are aware that shareholders deserve direct reward for their long-standing support.

In conclusion, we are determined to return Kinnevik to health and growth. We have the abilities and resources to achieve this and in the coming year we must provide concrete evidence to back this optimism.

James Anderson
Chairman of Kinnevik

CHIEF EXECUTIVE'S REVIEW

2023 was a challenging year. Several of our companies did not meet our performance expectations, which is reflected in the weak development of our Net Asset Value during the year. On the other hand, we doubled down in our highest-conviction companies, taking advantage of our strong financial position and permanent capital allowing us to invest when many need to exit. We made selected new investments in our focus sectors and we limited deployment into companies lacking traction. As a result, we headed into 2024 with a stronger and more concentrated portfolio, and with a SEK 7.9bn net cash position.

Kinnevik's 2023 Financials

Our Net Asset Value amounted to SEK 48.2bn or 171 per share at the end of 2023, down by SEK 4.7bn or 9 percent during the year. Growth remained strong in 2023, and on average our private companies grew topline by more than 60 percent. We ended the year with SEK 7.9bn in net cash and a well-funded portfolio where more than 70 percent of our private companies by value are either profitable or funded to break-even.

Building a Growth Portfolio

As we set out in 2018 to transform Kinnevik into a leading growth investor, we focused initially on reallocating capital at a high pace and on building a complementary group of companies largely from scratch. Since then, we have invested a total of SEK 27bn in more than 30 companies.

Even though our growth portfolio is still young, we have proved our ability to reallocate capital within it by realizing SEK 9bn at 3.9x our invested capital. On top of this, we have also made sell-downs in legacy companies of SEK 21bn, paid 6.5bn in cash dividends and distributed close to 75bn in value to shareholders through spin-offs. As a result, more than 70 percent of Kinnevik's portfolio is today invested in the young growth portfolio we began building in 2018.

In any growth portfolio, there will be companies that are unsuccessful. In 2023, Babylon Health was unable to fund their continued growth, resulting in the liquidation of the company. In 2022, Simple Feast filed for bankruptcy. Many businesses still managing to survive have instead had their valuations cut drastically to reflect bleaker outlooks and lower multiples. Our consumer-facing companies such as Oda/Mathem and Instabee have struggled since the pandemic, impacting their performance, their valuations and our Net Asset Value. The market backdrop has been challenging, but we as owners also have a responsibility when our business does not develop according to expectations. Even so, the returns in our cohort of investees added since 2018 remains competitive, with an average IRR of 15 percent, thanks to the strong and consistent performance of the handful of companies that today make up a much larger share of our portfolio than they have over these last years.

A New Phase of Portfolio Concentration

If the first phase of our journey since 2018 was characterized by intense capital reallocation and building something new, the next phase of our journey will be characterized by concentrating our portfolio. What is important for future value creation is that we support and continue to invest in a select handful of companies where performance stands out and where we have high long-term conviction. Companies where the combination of ambitious, diverse teams with long-term mindsets, innovative products and services, and focused execution put them on a strong value creation trajectory.

Companies of this breed that we have backed are for example Spring Health, Mews, TravelPerk, Pleo and Cityblock. Their focus in 2023 has been on maintaining high growth and improving unit economics while continuing to gain their share of large and growing addressable markets. TravelPerk, in which we invested just over SEK 180m net during 2023, grew revenue by 70 percent in 2023, grew gross profit by 90 percent through automation and AI, and have annualized booking volumes approaching USD 2bn. This performance is what has enabled the company to recently raise more than USD 100m in new financing.

We also have a set of newer companies that are earlier in their growth journey, but that are addressing large markets and solving some of the most pressing challenges of our time. Companies such as Recursion and Enveda within AI-enabled drug discovery, and companies such as Solugen, H2 Green Steel and Aira within vertically integrated climate tech. We are carefully monitoring the progress of these companies, have strong partners that share our conviction and priorities as owners, and believe each of them has significant return potential over the next five years. As and when our conviction remains steadfast, we will deploy more capital into these businesses to further increase their contribution to our portfolio.

Events After Year-End

In February 2024, Kinnevik announced a sale of our entire shareholding in Tele2 to Freya Investissement, an investment vehicle jointly controlled by the European telecommunications group iliad and its Chairman and founder Xavier Niel through NJJ Holding, for a total consideration of SEK 13bn. As a result of the transaction, Kinnevik's cash position will be significantly strengthened, and Kinnevik's Board of Directors is undertaking a capital structure review in consultation with major shareholders.

70%

More than 70 percent of our companies by value are profitable or have runways that enable them to reach profitability

Going forward, the pace and focus of our capital allocation will reflect the new phase of our journey where the more forceful and fundamental transformation of Kinnevik into a growth investment firm is behind us.

Outlook

Going forward, the pace and focus of our capital allocation will reflect the new phase of our journey where the more forceful and fundamental transformation of Kinnevik into a growth investment firm is behind us. Capital deployment and financing rounds will be less of an impetus, and the main driver of our value development will be the performance of our larger businesses. Our portfolio is well funded, where more than 70 percent of our companies by value are profitable or have runways that enable them to reach profitability, and only 14 percent have a runway ending within the next 12 months. As such, the direction of our capital deployment is at our discretion.

While we enjoy a robust net cash position, we must remain disciplined in our capital allocation and drive further concentration into our highest-conviction companies. This, in combination with our well-funded portfolio, will enable us to execute on our strategy even if exit markets stay dormant over the coming years. The bar for new investments remains as high as ever, and we are intent on canvassing our markets for the best investment cases out there.

With a more concentrated portfolio, a strong cash position, and a clear strategy, I am convinced that we are entering 2024 well-positioned for long-term value creation.

Georgi Ganev
CEO of Kinnevik

Note: Portfolio runway estimates excludes VillageMD considering it is a subsidiary of Walgreens Boots Alliance.

2023 IN BRIEF

Key Events During the Year

- In line with our priority to double down in our highest-conviction businesses, we made follow-on investments in **Spring Health**, **H2 Green Steel**, **TravelPerk**, **Recursion** and **Agreena**, among others. After leading Spring Health's funding round at the beginning of the year, we later acquired additional secondary shares in the company, increasing our ownership from 5 to 12 percent
- New investment activity was limited, with smaller investments into biotechnology company **Enveda,** clean energy-tech company **Aira** and **Charm Industrial**, a clear emerging leader in the carbon removal space
- We exited **Teladoc**, realizing an IRR exceeding 55 percent since our first Livongo investment in 2017, and also exited our stake in German fintech company **Raisin**
- Supported the merger of **Oda** and **Mathem**, forming the largest online grocery retailer in the Nordics
- **Babylon Health** announced it had agreed to be taken private in a transaction supported by the company's main creditor, leading to us writing off our investment in full
- We ranked first in the Venture Capital category in the **Honordex Inclusive PE & VC Index** for the third year in a row. Additionally, we ranked as the only investor among **Equileap**'s top companies in Sweden for gender equality, and ranked second globally for our equal parental leave policy
- We beat our **portfolio climate target** in 2022, decreasing emissions intensity by 14 percent year-over-year, compared to our target of 7 percent. The results for 2023 will be published in our Climate Progress Report in June 2024

Financial Position

- **Net Asset Value of SEK 48.2bn** (SEK 171 per share) as of 31 December 2023, down SEK 4.7bn or 9 percent since year-end 2022
- **Net cash position of SEK 7.9bn**, corresponding to 19 percent of portfolio value by year-end 2023

New Investments

Enveda BIOSCIENCES | AIRA | CHARM INDUSTRIAL

Outcome of 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 percent over the business cycle.

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

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

5-Year Annualised TSR

2021	2022	2023
30%	5%	3%

Net cash to portfolio value

2021	2022	2023
8%	24%	19%

Value Distributed, SEK per share[1]

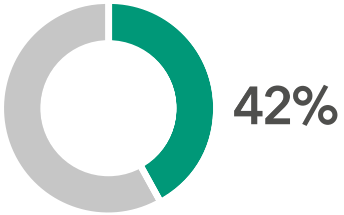
2021	2022	2023
196	-	-

[1] During 2021, Kinnevik distributed its holdings in Zalando which represented SEK 54bn in value handed over to our shareholders, or more than 40 percent of our Net Asset Value at the time, corresponding to SEK 196 per share. In line with the amended shareholder remuneration policy, Kinnevik did not pay a dividend for 2022 or 2023.

KEY 2023 NUMBERS

Share of Women in Kinnevik's Investment Team

31 December 2023



Reduction in GHG Emissions Intensity in Kinnevik's Portfolio

2021 vs. 2022 (target of 7% per year)
The result for 2023 will be published in June 2024

14%

Share of Investments Into Female Founded or Led Businesses

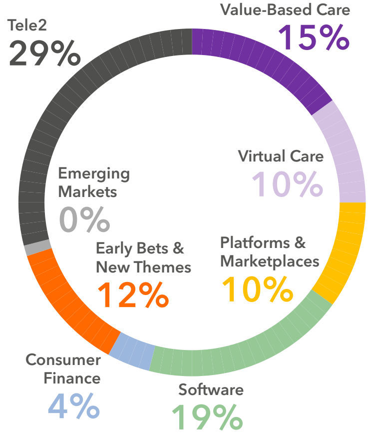
2022 and 2023 combined

5% Industry
10% Kinnevik target
7% Kinnevik achieved (new investments)
42% Kinnevik achieved (follow-ons)

Note: Kinnevik invested a total of SEK 10.6bn over 2022 and 2023, of which SEK 4.3bn were investments into new companies and SEK 6.3bn were follow-on investments.

Composition of Portfolio Value

31 December 2023



Annualised Total Shareholder Return

31 December 2023

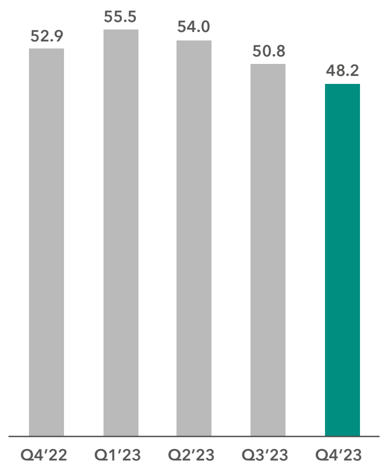
(25)%	3%	1%	11%
One Year	Five Years	Ten Years	Thirty Years

Note: The annualised total shareholder return includes reinvested dividends.

19% **Net Cash to Portfolio Value**

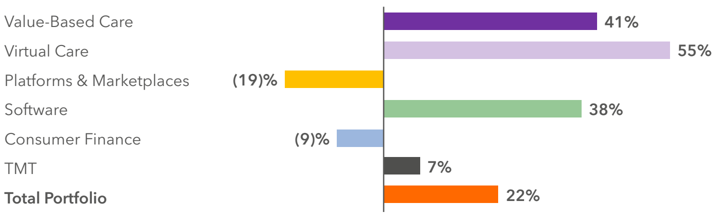
31 December 2023

NAV Development (SEKbn)

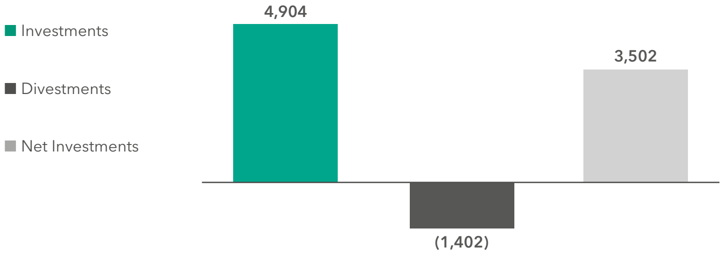


Five-Year Annualised IRR per Category

31 December 2023



Investment Activity in 2023 (SEKm)



HOW WE CREATE VALUE

Kinnevik has always focused on finding the next generation of winning businesses and working closely with them over decades of growth. With our experienced team, active ownership approach, permanent capital and strong track record, we are very well placed to support our companies in building long-term sustainable and successful businesses.

Georgi Ganev
CEO of Kinnevik

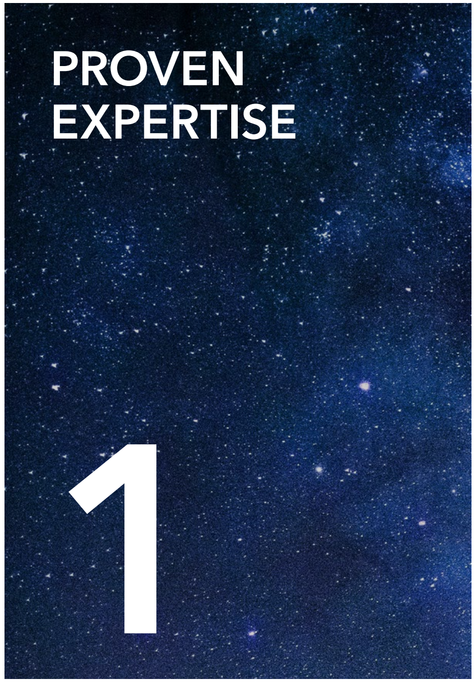
Our ambition is to be Europe's leading listed growth investor

Our strategy is to:

- Invest in businesses that **harness the power of technology** to address vital everyday needs
- Make the most of our **permanent capital** – being a bold, stage-agnostic, long-term partner and trusted advisor to talented entrepreneurs
- Focus on themes underpinned by **digital disruption** as well as the biggest challenge of our generation, climate change
- Invest in **Europe and the US**
- Leverage our experience and expertise to support our companies in building **long-term sustainable and successful businesses**

FOUR REASONS TO BELIEVE IN OUR ABILITY TO EXECUTE OUR STRATEGY

We create long-term value by providing patient capital and operational support to passionate founders who build sustainable, transformative and successful digital businesses that make people's lives better.



We have hands-on operational experience in navigating complex business environments

We have a strong track record of building the next generation of winning businesses

Sustainability is at the core of our business and of our investment process – we lead by example and set bold targets

We give shareholders access to a portfolio of some of the world's most exciting businesses

WE GENERATE POSITIVE IMPACT AND CREATE REAL VALUE FOR OUR STAKEHOLDERS

We have a holistic view on value creation. To create value and positive impact on our key stakeholder groups, Kinnevik draws on various types of resources. No resource is endless, and we strive to maximise the positive impact while limiting the negative.

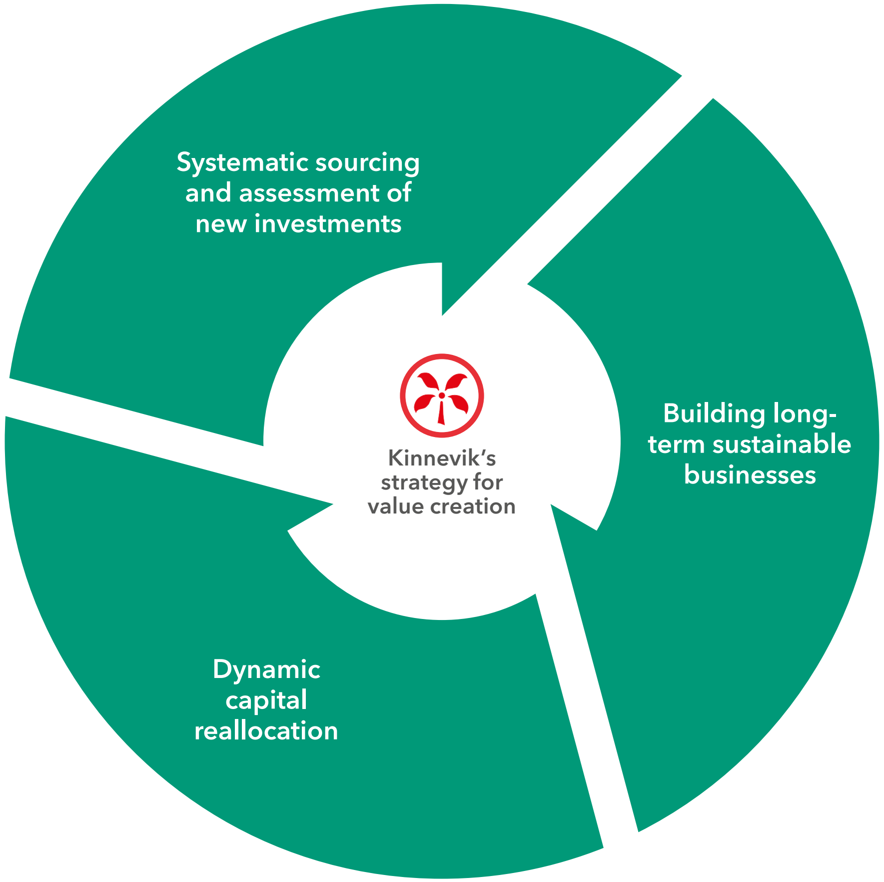
Resources we draw on

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

Intellectual
The knowledge, skills and motivation of our employees including deep sector and technical expertise. Also includes organisational capital such as systems, policies, processes and tools.

Social
Strategic partnerships and relationships within our broad network of company leaders, subject-matter experts, advisors and alumni. Also includes our brand and reputation.

Natural
Environmental assets that we and our portfolio companies depend on, such as water, land, air, minerals, fishing stocks, forests and biodiversity.



Value we create for our stakeholders

Shareholders and the Financial Community
Attractive long-term financial returns enabled by a portfolio of high-performing and well-governed companies that contribute positively to people and planet.

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

Portfolio Companies and Entrepreneurs
Financial and operational support across a variety of verticals, knowledge sharing and access to Kinnevik's broader network.

Society and Authorities
Well-governed companies that contribute positively to society and good corporate citizenship.

SUSTAINABILITY REPORT

Sustainability creates real long-term value and builds better businesses. Kinnevik's strategic approach, focused on creating real business value for our companies, sets us apart from other investors and is a deciding factor for founders to partner with us.

We create significant positive impact by being active owners and allocating capital towards solving the most pressing challenges globally.

KINNEVIK'S MATERIAL TOPICS AND SUSTAINABILITY TARGETS

Kinnevik's material topics reflect where we can have the most significant impact. They have been identified through interactive stakeholder dialogues, Board and management discussions, peer benchmarking and industry best practices. Read more about our materiality analysis and how we contribute to the UN Sustainable Development Goals on page 41. The sustainability targets below were part of Kinnevik's overarching corporate targets for 2023 and, as such, directly linked to the remuneration of our teams.

ACTIVE OWNERSHIP

Maximise positive impact and implement ambitious ESG strategies across the portfolio

5 percentage point improvement in annual average ESG score across the portfolio

In 2023, the annual average ESG score increased by 10 percentage points on a comparative basis.

Read more on page 19.

CLIMATE IMPACT

Meaningfully reduce our greenhouse gas emissions and contribute to global net zero

Reduce greenhouse gas emission intensity in Kinnevik's portfolio by 50% by 2030, with 2020 as base year *(scope 3 category 15 Investments)*

The target fulfilment for 2023 will be published in our Climate Progress Report in June 2024. In 2022, the six companies in Kinnevik's portfolio reporting emissions decreased their year-over-year emissions intensity by 14% on average, thus exceeding our annual target of 7%.

Reduce greenhouse gas emissions from Kinnevik's operations by 50% by 2030 and by 90% in 2050, with 2019 as base year
(scope 1-3 excluding category 15 Investments)

Emissions from Kinnevik's operations were 510 tonnes CO_2e in 2019 and 349 tonnes in 2023, a decrease of 32%.

Read more on pages 22-24.

DIVERSITY, EQUITY & INCLUSION

Contribute to a more diverse, equitable and inclusive world

10% of new capital to be invested in female founded or female led companies
Per year-end 2023, on a two-year rolling basis, 7% of Kinnevik's investments into new companies was invested in female founded or led companies. Since May 2019, the share is 15%.

Make follow-on investments only in companies that make sufficient progress in relation to DEI
During 2023, all potential follow-on investments were evaluated on their DEI (diversity, equity and inclusion) performance. Overall, 91% of our portfolio companies made progress on DEI during the year, in relation to their respective needs.

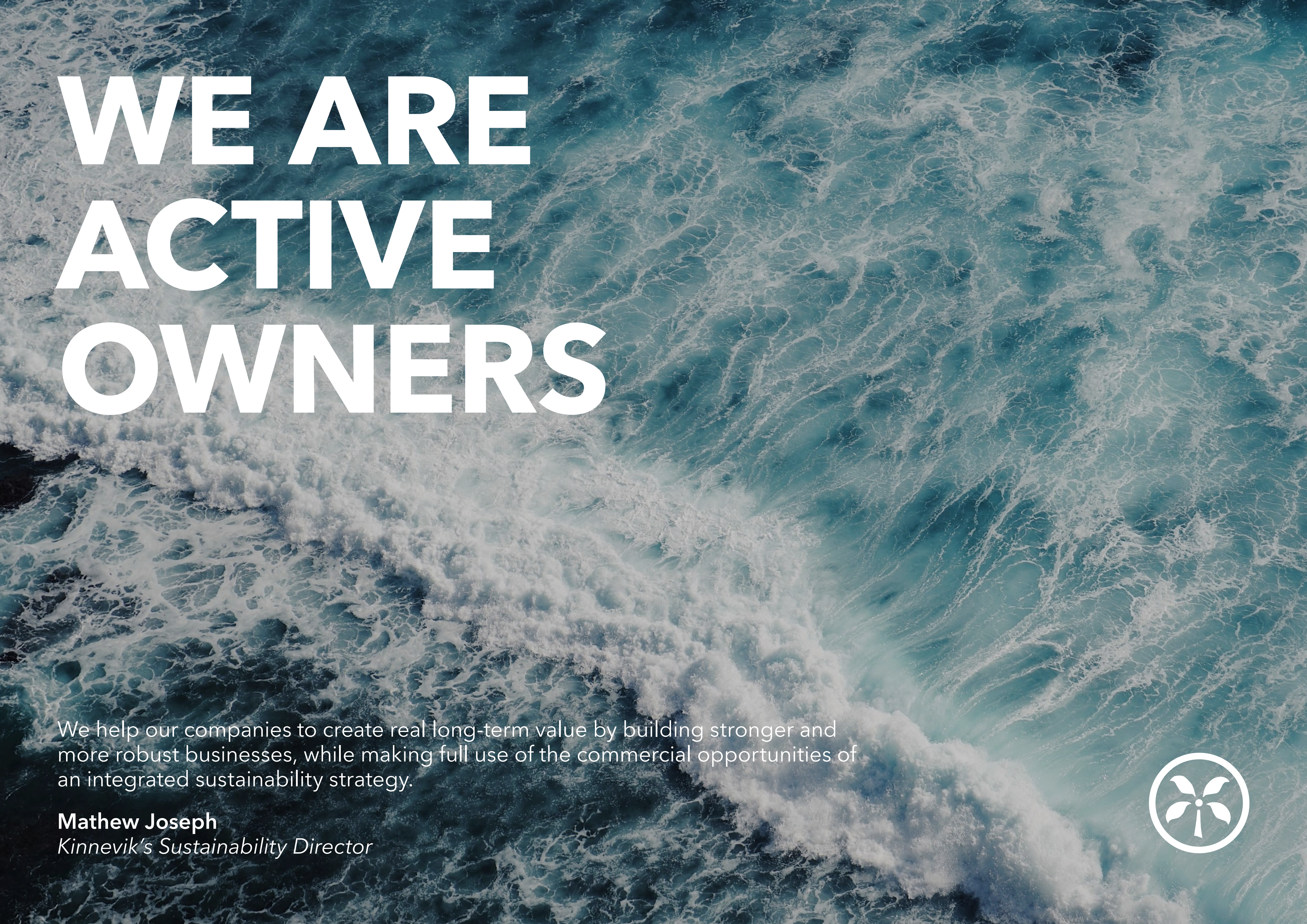
Achieve annual incremental progress across portfolio on relevant DEI efforts
Per year-end 2023, 81% of our portfolio companies had DEI data collection processes in place (target 70%), 94% had a relevant DEI strategy (target 80%) and 84% had set DEI targets (target 80%).

Read more on page 30.

CORPORATE GOVERNANCE

Ensure sound business conduct structures and strong financial robustness

Sound corporate governance structures form the basis of Kinnevik's sustainability efforts. We work actively to uphold the highest ethical standards, compliance and business conduct, both on a Kinnevik level and in relation to our portfolio. Read more about our governance work on pages 35-38 and in our Corporate Governance Report starting on page 63.



WE ARE ACTIVE OWNERS

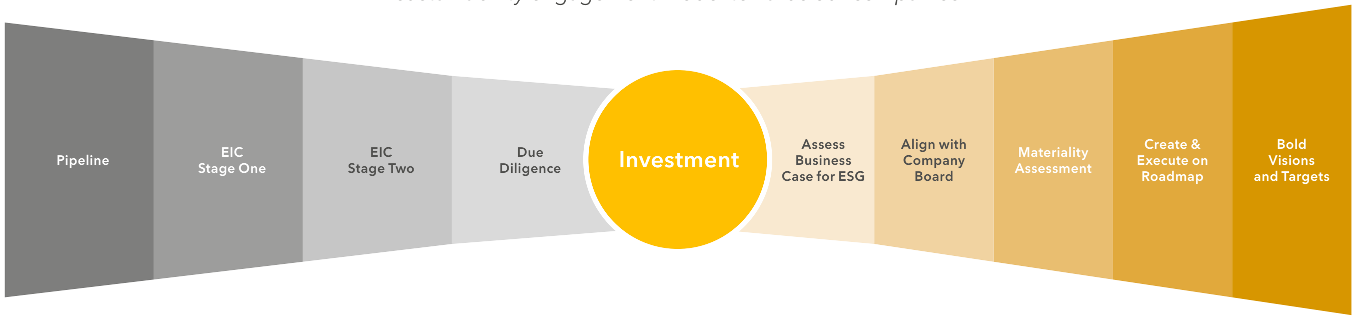
We help our companies to create real long-term value by building stronger and more robust businesses, while making full use of the commercial opportunities of an integrated sustainability strategy.

Mathew Joseph
Kinnevik's Sustainability Director

WE HELP OUR PORTFOLIO COMPANIES TO BUILD STRONG ESG STRUCTURES AND MAXIMISE THEIR POSITIVE IMPACT

We have a structured engagement model and a bespoke approach for implementing sustainability strategies in each portfolio company, covering both ESG and impact, with the aim of creating business value and supporting the company's overall strategy.

Overview of Kinnevik's investment process and sustainability engagement model towards our companies



AN INTEGRAL PART OF OUR VALUE CREATION

We believe that to be a long-term successful company, you need to contribute to making the world a better place. Companies that integrate sustainability into their core operating models, and make it into a competitive advantage, will be better placed to meet the demands from more conscious customers, get better access to financing and attract the most talented employees.

Sustainability is an integral part of Kinnevik's investment and value-creation process. It's part of our sourcing and assessment of new investment opportunities, and we have a structured and bespoke engagement model with the companies post investment.

Represented at Each Stage of the Investment Process

The Board of Directors is responsible for Kinnevik's overall strategy, including our investment activities and how sustainability is integrated into value creation. Kinnevik's sustainability team is represented at each stage of the investment process, and only companies that fit our investment ethos and share our values are brought to the Executive Investment Committee ("EIC").

In connection with the EIC, we assess a company's sustainability structures and progress across environmental, social and governance aspects, its positive and negative impacts in accordance with the Impact Management Norms, its sustainability risks and opportunities, and its alignment with a low-carbon future.

Companies that move on from stage two of the EIC are subject to a thorough sustainability due diligence process, alongside other due diligence workstreams.

In the sustainability due diligence, companies are evaluated on their approach and structures in relation to ESG, and a more thorough analysis of the key sustainability risks and opportunities is made. The main objectives are to understand the tone at the top, to assess the company's culture and values, and to identify a base from which we can build. This is further supplemented by the people and culture due diligence where we evaluate leadership and values including ability to build inclusive cultures and organisations. The basis for the sustainability due diligence is the Kinnevik Standards (read more on page 19), tailored to the specific sector and development stage of the company.

Building Long-Term Sustainable Businesses

While the sourcing of new companies is fundamental, how we contribute to the development of our companies after investment is essential to long-term sustainable value creation.

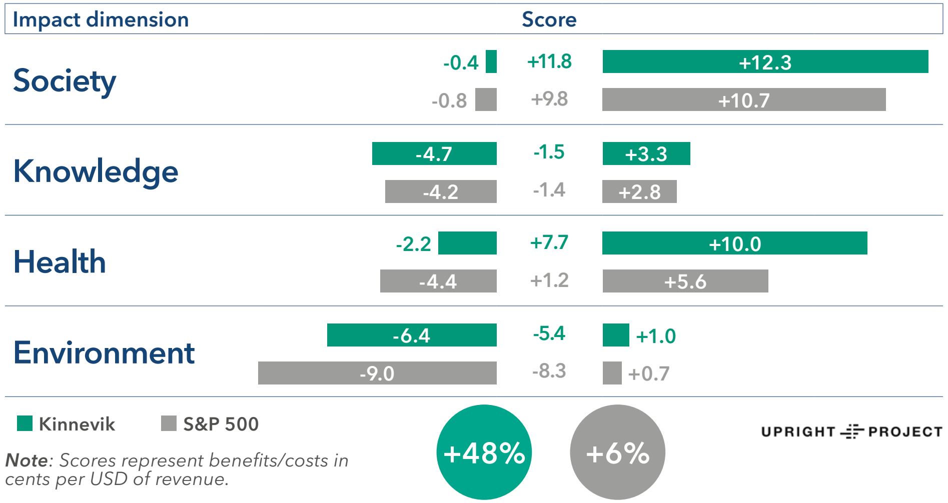
After investment, we have a structured and bespoke approach to sustainability. We support the companies with a double materiality analysis to identify their key sustainability topics, to align priorities internally and to determine how sustainability can add business value. As appropriate, we also help articulate and measure their positive impact on the world. This lays the foundation for a holistic sustainability strategy including visions, targets and a concrete roadmap. We base our efforts on each company's unique business case, maturity and resources available.

A successful sustainability strategy is dependent on buy-in throughout the organisation and Kinnevik's sustainability team works in close cooperation with the company's Board of Directors and management team. As the companies grow and mature, we continuously follow up and evaluate their ability to maximise positive impact, manage externalities and execute in line with their sustainability strategy. All companies' progress is evaluated at Kinnevik's bi-annual reviews, and again if they seek additional funding.

Kinnevik back our companies at every step on their growth journey. We believe sustainability creates real business value and we support them in taking full advantage of the opportunities of an integrated sustainability strategy.

NET POSITIVE IMPACT OF KINNEVIK'S PORTFOLIO

Kinnevik has assessed the net impact of our portfolio across four dimensions. Insights from the assessment can inform our capital allocation decisions and enable us to help our companies to maximise their positive impact, while limiting the negative.



Note: *Scores represent benefits/costs in cents per USD of revenue.*

Background and Impact Model

For Kinnevik, sustainability encompasses both ESG and impact. While the emphasis of our Sustainability Report is on describing environmental, social and governance processes and performance, both on a Kinnevik and a portfolio level, we also work actively to maximise the positive impacts generated by our portfolio companies.

Kinnevik has partnered with the Upright Project to assess the net impact of our portfolio. Upright's impact model quantifies a company's positive and negative impacts in 19 categories across four dimensions - society, knowledge, health and environment. All companies use resources to create positive value to the world in and around them. The model is built around a company's products and services, and captures the costs and benefits created across the whole value chain.

Summary Results

Kinnevik's overall net impact score is +48 percent, meaning that negative impacts, i.e. the resources Kinnevik's portfolio companies are using, are 48 percent smaller than the positive impacts they are creating. Net impact is defined as *(positive impacts - negative impacts) / positive impacts*. The maximum value for the net impact ratio is 100 percent, representing a theoretical company with no negative impacts. Kinnevik's score can be compared to S&P 500 which has an average net impact score of +6 percent.

The assessment shows that the top positive impacts across Kinnevik's portfolio are in the society dimension (taxes and jobs) and in the health dimension (physical and mental disorders). Employing people enables them to gain financial autonomy and identity in society. By paying taxes, our companies and their suppliers and customers are contributing to the joint resources of society. Our companies in the healthcare sector are treating and preventing physical diseases, injuries or fatalities, and/or mental health problems.

Kinnevik's portfolio uses resources or causes negative impacts mostly in the knowledge dimension (scarce human capital) and in the environment dimension (greenhouse gas emissions). A company's workforce is often its most valuable resource, and there is an opportunity cost of employing people with skills and capabilities. Scarce human capital should be put to work in a way that achieves positive impacts. Our companies also create greenhouse gas emissions, directly through their core products and services and indirectly through their suppliers' operations or when their products and services are used by customers.

In addition to this portfolio snapshot, Kinnevik will leverage Upright's impact data in the due diligence of new investments, and to support our companies in maximising their positive impacts while limiting the negative.

ESG CASE STUDIES FROM OUR PORTFOLIO

Kinnevik offers our companies hands-on and bespoke ESG and impact support. Below are two examples where we have supported our companies to implement holistic and value-adding sustainability strategies, focused on what matters to them.

Spring Health

Improved business performance by integrating DEI across operations

Kinnevik first invested in Spring Health in 2021. We have been working with the company's management team since then to develop its people operations, including recruiting a strong Chief People Officer and Head of DEI (Diversity, Equity and Inclusion). During 2022, the Head of DEI and the leadership team developed a holistic DEI strategy aimed at attracting and retaining top talent, as well as to build a team and provider base which reflects the makeup of the company's member base. Spring Health has invested in several DEI initiatives throughout 2023, including significantly increasing the hiring of underrepresented talent through their 'Balanced Candidate Slate Program'. They also launched 'Sprout with Spring', a mentorship program to further equitable career development and enhance a sense of belonging for underrepresented talent.

The strong results of their efforts have been clearly evidenced by higher engagement scores and reduced attrition for underrepresented employees. This demonstrates the value of integrating DEI into a company's core business strategy.

Betterment

Investments in compliance and governance yield targeted cost savings

Since Kinnevik first invested in Betterment in 2016, we have worked closely with the company to develop strong governance, risk, compliance and control processes. Betterment has been highly engaged and forward-leaning with strong internal oversight from their Quality and Risk Management Committee and Audit Committee. In 2021, the company hired an industry veteran Chief Compliance Officer who has since built out a team of a dozen compliance professionals to create a best-in-class function for the digital investment space. The positive evolution and caliber of Betterment's internal controls and governance have been recognized by third-party assessments and regulators, which has helped the company avoid additional costs that might have been necessary for other companies. For example, Betterment saw a reduction of nearly 40 percent in its cyber insurance premium in 2023, in part due to the quality of its risk and compliance programs.

This outcome demonstrates that real business value can be created by proactively investing in and developing robust governance, risk and compliance structures, particularly for companies in regulated industries such as finance and healthcare.

KINNEVIK HAS DEVELOPED A PROPRIETARY SET OF BEST-IN-CLASS ESG STANDARDS

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

Annual Assessment of Our Portfolio Companies

Kinnevik's general expectations in relation to our portfolio companies' ESG performance are outlined in our Sustainability Policy. To measure performance and define best practices for our companies, Kinnevik has developed a proprietary ESG assessment 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. 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.

Kinnevik conducts an annual assessment of our portfolio companies in accordance with the Standards and, based on the outcome, agrees priorities and annual objectives for each company, including in relation to supply chain risks and compliance. The progress of these objectives is documented and followed up in a sustainability dashboard for each business.

The ESG score assigned to each company can be tracked over time for the total portfolio and for individual companies. The 2023 assessment included 34 companies, three public and 31 private, corresponding to just under 100 percent of Kinnevik's portfolio value as of 31 December 2023. On a comparative basis, the average 2023 ESG score across our portfolio increased by 10 percentage points, from 51 percent in 2022 to 61 percent in 2023.

The results of the annual assessment are presented to Kinnevik's Audit & Sustainability Committee, which also tracks portfolio progress regularly during the year. The portfolio ESG score has been integrated into our Sustainability-Linked Financing Framework, see pages 47-48.

Some examples of the Standards and the corresponding portfolio scores are included on page 43.

Risk Related to Our Ownership Model

Our strategy involves being a leading shareholder in our companies with a sizeable minority shareholding which provides us with influence over outcomes. While this allows us to exercise influence over our companies, mainly through Board representation, we do not have direct control over them nor complete insight into their governance structures. This means there is a risk that portfolio companies develop in a direction not aligned with Kinnevik's preferred view.

Example of Content in the Kinnevik Standards

ENVIRONMENT
- Emissions reporting
- Reduction targets and roadmap
- Climate change part of strategy discussions

SOCIETY
- Supply chain compliance
- Human rights
- Employee development
- Health and safety
- Community outreach
- DEI 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

OUR CLIMATE IMPACT

Climate change is one of the greatest global environmental and economic challenges of our time. We are in a unique position to invest in the companies and technologies leading the global decarbonisation effort, and to influence our companies to align with a low-carbon future.

Georgi Ganev
CEO of Kinnevik

INVESTING IN THE COMPANIES AND TECHNOLOGIES LEADING THE GLOBAL RACE TO NET ZERO

Investing to combat climate change is a significant opportunity for Kinnevik. We are working closely with our climate tech companies to define and articulate the significant positive impact they can make on the planet by reducing, removing and generating avoided emissions at scale.

Agreena

Tech platform that supports farmers' transition to regenerative agriculture and enables corporates to contribute to large-scale climate change mitigation

The global agrifood system accounts for nearly one third of global greenhouse gas emissions, but agriculture can also be a significant part of the solution. When farmers adopt regenerative practices, carbon dioxide is naturally pulled from the atmosphere and stored in the soil. Agreena's technology quantifies this sequestered carbon through measurements and modelling to generate valuable, certified carbon removal credits. In this way, Agreena is helping farmers address the technological and financial challenges associated with switching to regenerative agriculture, and is also offering food companies better supply chain visibility and emissions tracking to lower their impact.

Hectares of Farmland Under Management **2 million**

AIRA

Clean energy-tech business accelerating the electrification of residential heating, starting with intelligent heat pumps

Heating homes contribute to 15 percent of Europe's CO_2 emissions. Aira's mission is to advance the next generation of home energy solutions, creating intelligent, sustainable homes for a meaningful impact. Starting with innovative heat pumps, it will evolve into a comprehensive, intelligent clean energy-tech system and include dynamic electrical tariffs, home solar systems, and advanced battery storage solutions.

H2 green steel

Producer of green steel aiming to reduce carbon emissions by up to 95 percent compared to traditional steelmaking

The steel industry is responsible for more than 7 percent of global CO_2 emissions. H2 Green Steel is on a mission to disrupt the global steel industry by producing green steel, with the end goal of bringing down CO_2 emissions to zero. By using green hydrogen and fossil-free electricity instead of coal; water and heat will be the primary emissions. By 2030, the company's ambition is to produce 5 million tonnes of green steel annually in its fully integrated, digitalized, and sustainable plant in Boden, Sweden - currently in construction phase.

Solugen

Green chemicals producer providing cheaper, safer chemicals without using fossil fuels

Solugen is on a mission to decarbonize the physical world. At the heart of its innovation is the world's first sustainable molecule factory – the Bioforge. The platform uses a chemienzymatic process to convert plant-derived substances into essential materials that have historically been made from fossil fuels – all with no or low emissions and waste.

MEANINGFULLY REDUCING KINNEVIK'S GREENHOUSE GAS EMISSIONS

We have set ambitious targets to reduce emissions in line with the 1.5°C trajectory. This involves measuring the climate impact from Kinnevik's own operations and portfolio, as well as help our companies to set targets in line with science and to define clear pathways to reach those targets.

Fulfilment of Kinnevik's Climate Targets
Kinnevik has two climate targets to reduce greenhouse gas ("GHG") emissions and to align our portfolio and organisation for a low-carbon economy:

- **Reduce greenhouse gas emission intensity in Kinnevik's portfolio by 50 percent by 2030, with 2020 as base year** (scope 3 category 15 Investments)
- **Reduce greenhouse gas emissions from Kinnevik's operations by 50 percent by 2030 and by 90 percent in 2050, with 2019 as base year** (scope 1-3 excluding category 15 Investments)

The fulfilment of the portfolio target for 2023 will be published in our Climate Progress Report in June 2024. In 2022, the six companies included in Kinnevik's portfolio target calculation (35 percent of portfolio value by 31 December 2022) decreased their emissions intensity by 14 percent year-over-year, thus exceeding our annual target of 7 percent. More information about methodology and included companies is available in our Climate Progress Report 2022.

Emissions from Kinnevik's operations were 510 tonnes CO_2e in 2019 and 349 in 2023, a decrease of 32 percent. 74 percent of Kinnevik's 2023 emissions excluding the portfolio were related to business travel. 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 driving our sustainability agenda on site need to be balanced against the negative impact of business travel on the environment. Our ambition is therefore not to stop travelling, but to significantly increase travel efficiency.

Read more about the pathway to reach our climate targets on page 25, and our strategy to drive climate progress in our portfolio on page 26.

Kinnevik's Greenhouse Gas Emissions Disclosure
Kinnevik conducts a yearly GHG emissions disclosure quantifying our total CO_2e emissions. The GHG disclosure is carried out in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. We have not included any carbon credits in our GHG calculations throughout our value chain, and Kinnevik does not use any internal carbon pricing schemes. Kinnevik's GHG reporting in scope 1, 2 and 3 is subject to a limited assurance review, see page 56. An overview of emissions from Kinnevik's operations and portfolio companies is available on the next pages.

Kinnevik's total energy consumption in 2023, excluding the portfolio, was ca 191,000 kWh.

Kinnevik's 2023 Emissions in Scope 1-3
(excluding category 15 Investments)

By Scope

Scope	Tonnes CO_2e	
1. Direct emissions	4	1%
2. Indirect emissions - Energy	5	1%
3. Indirect emissions - Other	340	97%
Total	**349**	**100%**

By Activity

Activity	Tonnes CO_2e	
Business travel	258	74%
Purchased goods and services	71	20%
Company-operated vehicles	6	2%
Other	15	4%
Total	**349**	**100%**

KINNEVIK'S GREENHOUSE GAS EMISSIONS OWN OPERATIONS

Overview of Kinnevik's Own Emissions 2019-2023

(scope 1-3 excluding category 15 Investments)

Kinnevik's emissions during 2020 and 2021 were materially lower compared to other years due to significantly less business travel as a result of the Covid-19 pandemic. In 2023, we increased the scope of reporting for the category Purchased goods and services to include, for example, IT equipment and more types of food. This increased our 2023 emissions compared to 2022 by 70 tonnes CO_2e like-for-like. We aim to continue developing our reporting going forward.

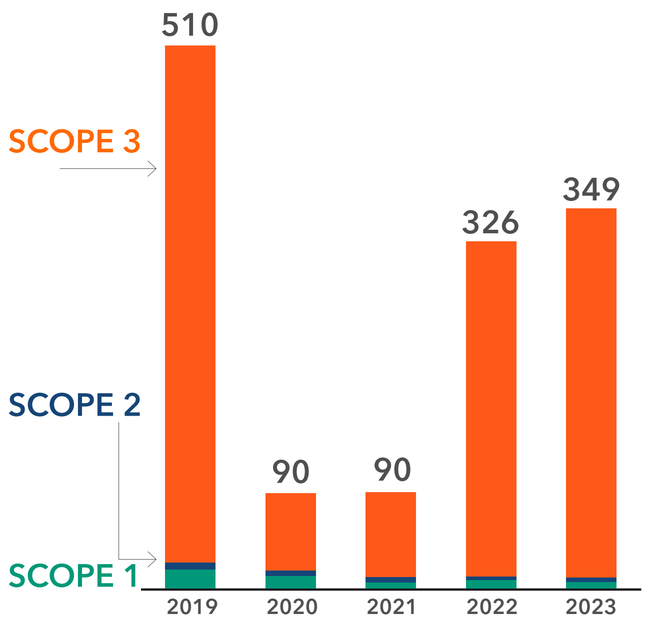
Kinnevik's GHG emissions (tonnes CO_2e)	2019	2020	2021	2022	2023
Scope 1 - Total	17.5	11.7	5.3	7.7	4.4
Company-operated vehicles	*17.5*	*11.7*	*5.3*	*7.7*	*4.4*
Scope 2 - Total	6.9	4.8	5.5	3.2	4.8
Energy	*6.9*	*4.8*	*5.5*	*3.2*	*4.8*
Scope 3 - Total	485.9	73.1	79.6	315.5	340.0
Company-operated vehicles	*4.0*	*2.7*	*2.0*	*2.4*	*1.3*
Energy	*1.3*	*1.4*	*1.3*	*0.8*	*4.2*
Purchased goods and services	*1.4*	*0.5*	*0.6*	*1.1*	*71.2*
Waste	*Not meaningful*	*Not meaningful*	*Not meaningful*	*Not meaningful*	*0.2*
Business travel	*479.2*	*68.5*	*75.7*	*300.5*	*257.8*
Employee commuting	*Not measured*	*Not measured*	*Not measured*	*4.0*	*4.6*
Upstream leased assets	*Not measured*	*Not measured*	*Not measured*	*0.2*	*0.1*
Downstream leased assets	*Not measured*	*Not measured*	*Not measured*	*6.5*	*0.7*
Total	**510.3**	**89.6**	**90.4**	**326.4**	**349.3**
Per FTE	12.9	2.2	2.3	7.3	7.6
Per square metre office space	0.66	0.12	0.12	0.27	0.29

The GHG Protocol classifies a company's GHG emissions into three "scopes". Scope 1 emissions are direct emissions from controlled/operated 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 overview of Kinnevik's GHG emissions 2019-2023 does not include our portfolio companies' emissions, and therefore scope 3 emissions consist mainly of business travel. The climate calculations are made using the operational approach, and scope 2 calculations are made using the market-based method. Using the location-based method, Kinnevik's own emissions for 2023 were 357 (329) tCO_2e.

Note: Energy data in scope 3 for 2019-2021 has been restated to align with new calculation methods. Further, 2019 data across scope has been restated due to updated emissions factors and methodology to better align with the GHG Protocol.

Kinnevik's GHG emissions

tonnes CO_2e



KINNEVIK'S GREENHOUSE GAS EMISSIONS PORTFOLIO

Overview of Kinnevik's Portfolio Emissions

(scope 3 category 15 Investments)

Kinnevik's largest climate impact relates to our portfolio which accounts for close to 100 percent of our total emissions. The emissions from our portfolio for 2023 will be published in June 2024. For 2022, portfolio emissions amounted to just over 257,000 tCO_2e, of which 97.5 percent are actual emissions reported by our companies and the residual is an estimate of the scope 1 and 2 emissions of our non-reporting companies.

For 2022, nine portfolio companies, representing 43 percent of Kinnevik's portfolio value as of 31 December 2022, measured their scope 1, 2 and 3 emissions in accordance with the GHG Protocol. One company reported scope 1 and 2 only.

In addition to the actual emissions of our reporting companies, the calculated total portfolio emissions include estimates of the scope 1 and 2 emissions from our largest non-reporting companies. The estimate includes 14 companies, representing 47 percent of portfolio value as of 31 December 2022. For the remaining 9 percent of the portfolio, an assumption was made of their scope 1 and 2 emissions based on the average emissions in Kinnevik's portfolio scaled to the remaining companies' weight by fair value.

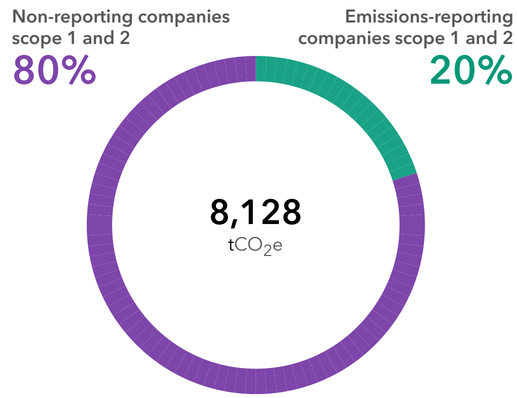
Details of the portfolio emissions calculation methodology are available in our Climate Progress Report 2022.

Kinnevik's Total Portfolio Emissions Split by Categories of Companies

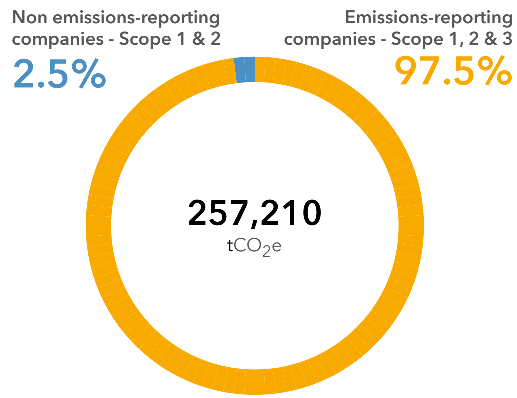
Categories of portfolio companies	Included scopes	Emissions (tCO_2e)	Share of portfolio emissions	Share of portfolio value (31 Dec 2022)	Number of companies
Emissions-Reporting Companies - Scope 1,2 & 3	1, 2 & 3	250,661	97.5%	43%	9
Emissions-Reporting Companies - Scope 1 & 2 only	1 & 2	53	0.02%	1%	1
Companies Included in Estimate	1 & 2	6,375	2.5%	47%	14
Remaining Portfolio	1 & 2	122	0.05%	9%	14
Total		**257,210**	**100%**	**100%**	**38**

Note: *The emissions in the table are those attributable to Kinnevik based on our ownership stake in each company.*

Breakdown of Total Portfolio Scope 1 and 2 Emissions



Breakdown of Total Portfolio Emissions by Categories of Companies



PATHWAY TO FULFILMENT OF KINNEVIK'S CLIMATE TARGETS

By setting ambitious targets and working actively with our companies, we aim to futureproof them for a new, low-carbon economy and to maximise their positive impact.

	2020-2021	2022	2023	2024-2030	2030
Targets and Transparency	• **Set climate targets** for Kinnevik's own operations and portfolio companies in 2020 • Published first **TCFD** report and initiated **CDP** disclosure in 2020 • Issued a **Sustainability-Linked Bond** in 2021	• Issued inagural **Climate Progress Report** to follow up on portfolio climate target • Set a **new climate target** • Conducted a **CSRD** gap analysis • Published updated **TCFD** report	• Quantification of **climate-related risks** (pages 50-51) • Assessment of **biodiversity impacts and dependencies** (page 27) • Portfolio **net impact** (page 17)	• Continue to develop our sustainability reporting and disclosure • Crystallize portfolio impact by developing **impact KPIs** • Align Kinnevik's ESG Standards with the EU's ESRS	• **Review outcome** and fulfilment of climate targets • Set out **new targets** and pathway to 2040
Portfolio	• Initiated **roll-out of climate strategy** in 2020, including support to measure GHG emissions and set targets • Introduced **ESG dashboards** for all companies and climate objectives for relevant companies in 2021	• **Further refined our ESG and impact portfolio engagement model** to ensure strategic value to each company, and to maximise positive impact • Made first larger investments into **climate tech**	• Continued **execution of climate strategy** to increase number of portfolio companies measuring emissions and setting targets	• Continue supporting our companies in **maximising their positive impact** while limiting the negative • Continue supporting companies in measuring emissions and setting and achieving climate targets	
Own Operations	• **Internal review** of emissions in own operations • More climate-conscious policies for **company cars and travel**	• Updated the GHG reporting scope for own operations	• Initiated **annual review of air travel emissions** to facilitate planning and more informed travel choices	• Continued follow-up of the annual **air travel emissions review**	
Climate Contribution	• 180 tCO_2e permanently removed via Climeworks 2020-2021	• Purchased over 2,800 tCO_2e in carbon removals from The Carbon Lockdown Project and our portfolio company Agreena	• Purchased over 2,000 tCO_2e carbon removals from our portfolio companies Agreena and Charm Industrial, and Frontier's offtake portfolio	• Continue to **develop our climate contributions to** contribute to global net zero	
Share of # of companies measuring GHG emissions[1]	19% /23%	24%	29%		
Share of # of companies that have set GHG targets[1]	12% / 14%	16%	18%		
Reduction in portfolio emissions intensity (full year)	n.a. / (11)%	(14)%	To be published in June 2024		
Kinnevik's own GHG emissions per FTE (full year)	2.2 /2.3	7.3	7.6		

[1] As of 31 December of each year. Since 2020, more companies have started measuring GHG and set reduction targets, but Kinnevik has also added several new companies to the portfolio (particularly in 2021 and 2022), and as a result the KPIs have remained fairly stable.

DRIVING CLIMATE PROGRESS IN OUR PORTFOLIO

As an active owner, we help our portfolio companies identify the strategic value of a business-integrated climate strategy. We provide hands-on support and act as a sounding board throughout their journey of measuring emissions, setting targets and defining pathways to reach their targets.

Helping our Companies to Make Climate Progress
Given the different sectors and stages of our portfolio companies, we acknowledge everyone's climate journey is different. We have a bespoke climate engagement approach and support each company individually based on their strategic rationale. To kick off our companies' climate efforts, we offer to cover the cost of mapping and measuring emissions for the first year. We also offer companies to leverage our discounted framework agreement with a carbon measurement provider to ensure price-competitive measurements on a high-quality platform.

Kinnevik's Approach to Designing an Efficient Climate Strategy
We have a clear view of best practice for designing an efficient and business-integrated climate strategy. Companies need to define not only how to manage the risks, but more importantly seize the opportunities of the transition towards a low-carbon future. Below are some key steps that Kinnevik believes all companies should consider when setting a climate strategy.

These considerations relate primarily to greenhouse gas emissions. However, Kinnevik encourages its portfolio companies to also adopt broader strategies related to climate change, biodiversity loss and the environment at large.

1. Integrate into business strategy
The key to a successful climate strategy is integrating it with the overarching business strategy, product offering and value creation. There is a significant commercial opportunity in taking a position as a climate leader, offering low-carbon products and services that appeal to an ever more climate-conscious customer base.

2. Measure emissions
Understand your company's footprint by annually measuring emissions across scope 1, 2 and relevant parts of scope 3, using standardised reporting frameworks.

3. Reduce emissions
The most important aspect of a climate strategy is emissions reduction. Set reduction targets in line with the 1.5°C trajectory across your organisation and value chain, develop a pathway with concrete actions to reach those targets and track performance annually.

4. Generate avoided emissions
Contribute to decarbonisation beyond your own value chain by offering low-carbon products and services that help customers decarbonise. For some companies, the positive impact of generating avoided emissions at scale can substantially surpass their operation's negative impact on the environment and therefore this can be the most material aspect to focus on.

5. Invest in high-integrity carbon credits
To balance out annual residual emissions, companies are encouraged to purchase high-integrity carbon credits. Removing carbon from the atmosphere does not however "cancel out" a company's own emissions. Credits can also include the prevention of biodiversity loss and protecting and restoring healthy ecosystems as this supports the mitigation of and adaptation to climate change.

6. Communicate purposefully
Tackling climate change is a global effort and carbon neutrality only truly matters on a global scale, not on an individual company or product level. The focus of an ambitious climate strategy should be to firstly reduce emissions across the company's value chain, secondly generate avoided emissions outside of its value chain and, thirdly, remove emissions through carbon credits. Companies should refrain from describing products as "sustainable", "carbon neutral" or "climate compensated", unless the negative impacts across the entire value chain are fully reflected and compensated for with high-integrity credits.

7. Promote transparency
To be credible it's important to not only highlight your organisation's positive impact, but also your shortcomings and potential negative impacts. Being a sustainable company is a journey, not a destination.

THE PORTFOLIO'S NATURE-RELATED IMPACTS AND DEPENDENCIES

Some of Kinnevik's portfolio companies are dependent on nature and the services it provides. Our businesses can also directly or inadvertently drive the loss of nature through their operations and supply chains. Kinnevik has conducted a high-level assessment of our portfolio's nature-related impacts and dependencies to identify risks that may have a financial impact on Kinnevik.

Background and Methodology

In 2023, Kinnevik made a high-level assessment of our portfolio's exposure to nature-related risks based on the companies' impacts and dependencies on nature. This effort is part of our broader risk work, read more on page 38.

Following an initial screening of the portfolio, a set of companies with exposure to high-risk activities were identified. An assessment was then made of these businesses' nature-related impacts and dependencies across their direct operations and upstream supply chain. Potential risks were identified and the financial materiality of these risks for Kinnevik was evaluated.

The assessment has relied on the following key resources and databases: TNFD, ENCORE, WWF Biodiversity Risk Filter, WRI Water Risk Atlas and Science-based Targets for Nature Materiality Tool and High Impact Commodity List.

Understanding our exposure to nature-related risks enables us to increase transparency towards Kinnevik's shareholders and to better support our companies in their reporting and transparency efforts.

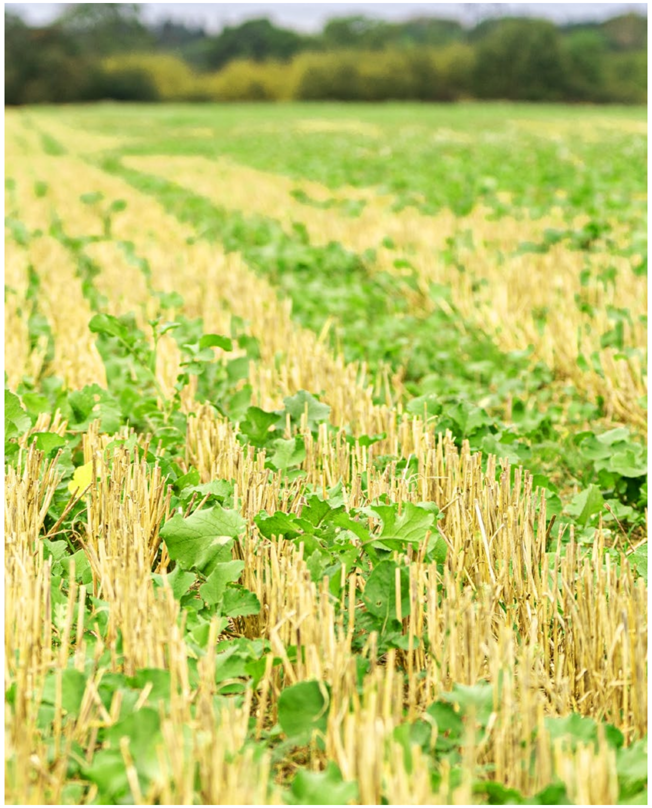
Nature-Related Risks

Around one third of Kinnevik's portfolio value is in sectors with high exposure to nature-related risk. These include metals and mining, food and beverage retail, chemicals, biotechnology and pharmaceuticals, agriculture, textiles and apparel. However, the exposure for individual companies was mostly indirect in the upstream value chain or only related to a small share of their operations. The largest nature-related impacts of the portfolio are associated with pollution and water consumption, followed by climate change.

While our portfolio has many impacts and dependencies on nature, only a very small subset carries a financial risk for Kinnevik. The most material nature-related financial risk in Kinnevik's portfolio is associated with some companies' dependency on natural inputs and commodities, primarily minerals, agricultural commodities and water. Changes to the supply of these inputs due to cost volatility, supply chain disruptions or operational disruptions constitute a risk for companies representing around 5 percent of Kinnevik's portfolio value. However, for agricultural commodities and water, the exposure is indirect in the value chain and the potential financial impact can be mitigated by diversification of suppliers and inputs used. In summary, the analysis suggests that nature-related risks do not constitute a significant financial risk for Kinnevik.

Nature-Related Opportunities

Kinnevik has investments in companies which can be considered to have a positive impact on biodiversity, indirectly through mitigating or avoiding greenhouse gas emissions. Climate change mitigation is crucial for biodiversity as it prevents habitat destruction and disruption, lowers the risk of species extinction and maintains balanced ecosystems. Four examples in our portfolio are Agreena, Aira, H2 Green Steel and Solugen, read more on page 21.



CONTRIBUTING TO GLOBAL NET ZERO EMISSIONS

Kinnevik invests in a portfolio of carbon removal projects contributing towards global net zero emissions.

Climate Contribution Strategy
Kinnevik has committed to allocate SEK 3 million per year to contribute towards global net zero emissions. This contribution should reflect the negative impact of Kinnevik's portfolio, including both carbon emissions and biodiversity loss. As a venture investor, Kinnevik wants to support carbon removal technologies in the early stages of commercial development with the aim of furthering the industry for high-integrity carbon removals. We do not intend to offset a specific amount of CO_2 but rather to support new technologies come to market and can therefore purchase credits ex-ante, i.e. intended future emission removals.

It's crucial for Kinnevik to invest in credits with the highest level of integrity. For 2023, we have purchased carbon removal credits from our portfolio companies Agreena and Charm Industrial. We are also purchasing carbon removal via Frontier's offtake portfolio.

Kinnevik will continue to invest in a portfolio of high-integrity carbon credits in the coming years, and the constituents of the portfolio may change over time.

Agreena supports farmers' transition to regenerative farming, enabling them to locally reduce GHG emissions as well as directly remove carbon dioxide from the atmosphere and naturally store it in the soils. The certificates Kinnevik has purchased come directly from Agreena's portfolio of arable farmers across Europe, resulting in carbon reductions and removals equivalent to 1,758 tonnes CO_2e. In addition to the direct positive climate impact, the supported regenerative practices result in additional benefits such as enhancing biodiversity, improving soil health, limiting nutrient runoff, as well as bringing strong water management benefits.

Read more →

Agreena

Charm Industrial collects excess inedible biomass and heats it to high temperatures in a low-oxygen environment. The process, called pyrolysis, breaks down the biomass into three products: syngas, biochar, and carbon-rich bio-oil. The resulting syngas is used to power the pyrolyzers. The biochar can be returned to fields to replace nutrients and improve soil health. The bio-oil, which retains much of the carbon present in the original biomass, is injected into EPA-regulated wells, where it sinks and solidifies in place, becoming permanent carbon removal. Kinnevik has purchased 136 tonnes CO_2e of carbon removals from Charm.

Read more →

CHARM INDUSTRIAL

Frontier's offtake portfolio focuses exclusively on the most innovative permanent carbon removal technologies ready to rapidly scale. Frontier's portfolio is vetted against target criteria, including the ability to store removed carbon for more than a thousand years and the potential to be low-cost and high-volume in the future. The portfolio includes a combination of direct air capture, enhanced weathering, biomass carbon removal and storage, and other pathways as they become offtake ready. Kinnevik has purchased 176 tonnes CO_2e of permanent carbon removal from Frontier's 2027 offtake portfolio.

Read more →

Frontier

Note: Kinnevik is invested in Agreena and Charm Industrial.

DIVERSITY, EQUITY & INCLUSION

Kinnevik's greatest asset is and has always been our people. We prioritize diversity and inclusion both within our own team and throughout our portfolio because we believe it's a core lever for value creation.

Anna Stenberg
Kinnevik's Chief People & Platform Officer

CONTRIBUTING TO A MORE DIVERSE, EQUITABLE AND INCLUSIVE WORLD

Kinnevik's greatest asset is and has always been our people - in our own organisation and in our portfolio. As such, attracting and retaining top talent is a key priority. Kinnevik regards diversity, equity 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.

Fulfilment of Kinnevik's Diversity, Equity & Inclusion Targets 2023

1. 10% Female Capital Allocation

On a two-year rolling basis, 10 percent of new capital to be invested in female founded or led companies, from the 2019 Annual General Meeting ("AGM") and onward

As more than 95 percent of global investments still go to companies with all-male founder and management teams, we believe there is good reason to continue pushing the industry towards closing the gender funding gap. Per year-end 2023, on a two-year rolling basis, 7 percent of Kinnevik's investments into new companies was invested in female founded or led companies, and since the 2019 AGM, the share is 15 percent. For the follow-on investments made during 2022-23, 42 percent were made into businesses founded by women, and since the 2019 AGM, the share is 26 percent.

2. Follow-On Investments

Only make follow-on investments in companies that are making sufficient progress in relation to diversity and inclusion

Kinnevik has continued to make all follow-on investments in portfolio companies conditional upon satisfactory progress on DEI (diversity, equity and inclusion). All potential follow-on investments are evaluated on DEI performance as part of the investment evaluation process. During 2023, 91 percent of our portfolio companies made progress on their respective DEI ambitions and gaps.

3. Ensure Portfolio Progress

Achieve annual incremental progress across portfolio on relevant diversity, equity and inclusion efforts

For 2023, we set portfolio progress targets aimed at driving strategic DEI engagement. To achieve these, we have actively supported our companies with recruitment, talent management and best practice sharing between companies, among other initiatives. As a result, by the end of 2023, 81 percent of our portfolio companies had implemented DEI data collection processes (target 70 percent), 94 percent had a relevant DEI strategy (target 80 percent) and 84 percent had set DEI targets (target 80 percent).

Note: Fulfilment for targets 2 and 3 do not include investments into new companies made in 2023, these will be included starting in 2024.

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 46 people on average during 2023 (full-time equivalents "FTE", including wholly owned subsidiaries), with 31 people based in the Stockholm office and 15 people in the London office. The investment team consisted of 15 professionals. All employees but two were on permanent contracts.

According to a voluntary and anonymous survey sent to the full Kinnevik team in December 2023, 19 percent of team members self-identified as of an ethnic minority background. The response rate of the survey was 83 percent. In the same survey we received a score of 8.7 (8.2) out of 10 when asking our staff if Kinnevik offer an inclusive culture where employees feel their opinion is valued.

Kinnevik performed a Gender Pay Gap analysis in 2023 in collaboration with an external consultant. This included both unjustified pay gaps for equal jobs and underlying structural obstacles for equal opportunity. The analysis concluded that there are no unjustified pay gaps in terms of equal jobs. The analysis is done by comparing different groups of employees within the same role based on seniority. In the corporate team, women earn 4 percent more than men and in the investment team, women earn 8 percent more than men. This result is however affected by the small number of observations at Kinnevik and that very few comparable groups include both male and female observations.

We Strive to Be an Attractive Employer

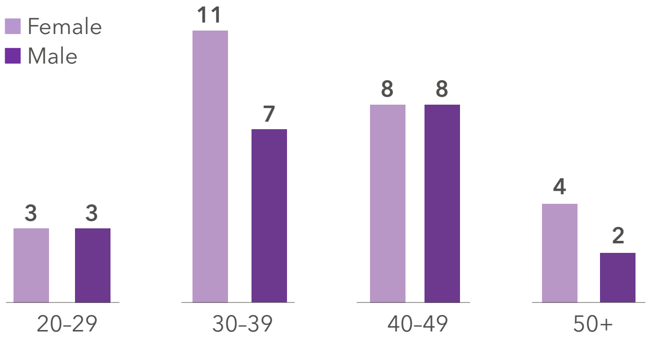
Kinnevik offers its employees continuous opportunities for personal and professional growth to develop their skillset and to take increasing responsibility for value creation at Kinnevik and our portfolio companies. The small size of our organisation enables us to personalise career development and training opportunities for each employee. These include individualised coaching, mentoring and educational programmes such as leadership courses and bespoke 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. The individual objectives are set based on the overarching corporate objectives determined each year for the full organisation.

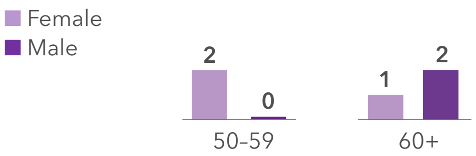
Employee Well-Being is a Top Priority

Kinnevik is committed to promoting a good, safe and healthy work environment for all employees across physical, organisational and social aspects to prevent risk of occupational injuries and to maintain good health. 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 2023, Kinnevik did not report any incidents to the Swedish Work

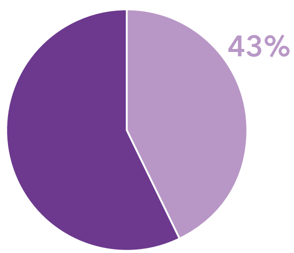
Employee age distribution in 2023 (FTEs)



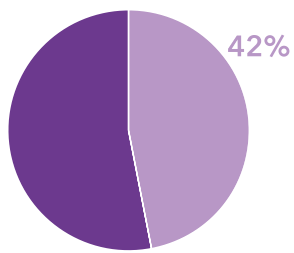
Board of Directors age distribution in 2023 (FTEs)



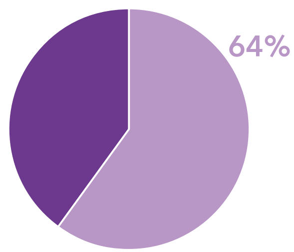
Share of women in the management team (FTEs)



Share of women in the investment team (FTEs)



Share of women in the corporate team (FTEs)



New employee hires and turnover during 2023
(number of people)

New Hires	20-29	30-39	40-49	50+	Total	Rate
Stockholm						
Women	1	1	1	-	**3**	**6.5%**
Men	1	-	-	-	**1**	**2.2%**
London						
Women	-	1	-	-	**1**	**2.2%**
Men	1	-	-	-	**1**	**2.2%**
Total	3	2	1		**6**	**13.0%**

Turnover	20-29	30-39	40-49	50+	Total	Rate
Stockholm						
Women	-	-	-	1	**1**	**2.2%**
Men	1	-	-	-	**1**	**2.2%**
London						
Women	1	-	-	-	**1**	**2.2%**
Men	-	1	-	-	**1**	**2.2%**
Total	**2**	**1**	**-**	**1**	**4**	**8.7%**

Note: The new hire and turnover rate is calculated in relation to the average number of FTEs in 2023 (46.0).

Environment Authority (Swe: Arbetsmiljöverket). The low level of sick leave, below 3 percent of total working time, highlights Kinnevik's efforts to improve our employees' health through healthcare insurance, fitness subsidies and other initiatives.

To assess how our employees feel about working for Kinnevik, we conduct periodic follow-ups of employees' well-being, health, satisfaction and engagement throughout the year, as well as an annual in-depth survey at the end of the year. The in-depth survey had a response rate of 91 percent in 2023 and the results did not indicate any significant issues with regards to human rights, equal opportunities or work environment. Kinnevik received an eNPS score of 36 (44) in the annual in-depth survey when employees were asked if they would recommend Kinnevik as an employer to a friend (scale of -100 to +100, where a score above +30 is considered excellent). Kinnevik's Chief People & Platform Officer is responsible for the employee engagement process.

We Support Parents and Flexible Working

Kinnevik encourages parental leave for both men and women. In 2023, the average parental leave taken was 14 (5) weeks for men and 41 (4) weeks for women. This refers to parental leave that started during 2023 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, regardless of location. 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.

Kinnevik aims to be at the forefront of how we work, how we lead and how we create the best working environment for current employees and future talents. We provide a more flexible work week allowing our employees to meet the demands of both their professional and personal lives. As outlined in Kinnevik's flexible work guide, two days in the week, Wednesday to Friday, employees can choose to work from wherever they prefer - remotely or from the office. In addition, it's possible to temporarily work from a location other than the main office for up to four weeks per year. Kinnevik also allows flexible working hours to suit individual needs while maintaining the same level of performance and number of working hours per the week.

Kinnevik has facilitated working from home using existing IT infrastructure and provided work from home allowances for employees to ensure ergonomic workspaces. In addition, regular surveys are being conducted to monitor well-being and work-life balance.

Income Protection

Kinnevik's employees are insured and receive rehabilitation and financial protection if they are unable to work because of long-term illness or injury. Kinnevik aims to provide financial security and peace of mind to our employees by providing financial compensation in the event of long-term sick leave. The insurance, combined with sick pay from the National Insurance Agency, covers part of the employee's loss of income. Further, the insurance provides employees access to comprehensive health and well-being support to keep them healthy and help prevent unnecessary sickness absence.

DRIVING DIVERSITY, EQUITY AND INCLUSION PROGRESS IN OUR PORTFOLIO

Helping Our Companies to Implement Strong DEI Strategies

In 2023 we continued to actively help our companies to implement bespoke and business integrated diversity, equity and inclusion ("DEI") strategies and also raised the bar on our DEI portfolio targets. The purpose of our efforts and targets is to maximise the performance of our companies' teams and capture their full capacity.

Kinnevik helps our companies to diversify their management teams and Boards by, for example, helping them perform needs analyses and team design reviews as well as with concrete recruitments. We also offer individualised advisory sessions, workshops and best practice sharing opportunities to help them define and execute their DEI strategies. In addition, we provide advice and guidance on how to develop action plans, define measures and set targets. Most importantly, we provide knowledge and insights about the importance of DEI and inclusive leadership. We also have DEI and People & Culture Toolkits which include examples, suggested actions, tools, case studies and relevant research, as well as useful templates. In addition, we have a network of preferred external partners to support our companies in their DEI and People & Culture efforts.

We see strong progress related to female representation across our portfolio. In 2023, the average share of females in the portfolio companies' management teams was 36 percent (31) and in the Board it was 25 percent (25).

Our ongoing support and initiatives have contributed to a positive development in our portfolio during 2023. We can clearly see the effects of helping companies build diverse teams and inclusive cultures. When asked in a survey if Kinnevik's support within people and organisation had been helpful during the year, CEOs/founders gave us a score of 4.4 out of 5 and Chief People Officers gave us a score of 4.3.

Social Risks Related to Kinnevik's Portfolio

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 those in warehouse operations. In addition to the moral and ethical aspects, this also poses a reputational risk for Kinnevik.

To mitigate this, our companies have structured onboarding programmes for new employees and periodic mandatory health and safety trainings. 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 programmes. Most of our companies have active whistleblower hotlines where employees and other stakeholders can address issues anonymously. Kinnevik works closely with our companies to keep health and safety on the agenda of the Board and management teams.

Furthermore, some of Kinnevik's companies, particularly in e-commerce, due to the global nature of their operations, have an elevated risk of human rights violations in their supply chain. To mitigate this, all Kinnevik's companies are in the process of rolling out, or already have in place, a supplier Code of Conduct. In addition, companies are encouraged to perform a risk-based audit of compliance with the Code of Conduct. For high-risk suppliers where portfolio companies have significant influence over the supply chain (e.g. with private label suppliers), the suppliers are also to be 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. Commercial agreements are to be terminated if suppliers are unable to demonstrate satisfactory progress.

The Kinnevik Platform

All our companies have access to the Kinnevik Platform, allowing them to tap into the shared expertise, tools, resources and network of the full Kinnevik Group. The aim of the Platform is to contribute to Kinnevik's overall value creation.

As part of our platform initiatives in 2023, we have hosted a series of tailored events to share best practice in smaller groups. These have gathered the founders and CEOs in our companies as well as Senior Executives within People and Culture, Finance, Sustainability, Legal and HR. We have also expanded our network of advisors within different fields and sectors which our companies can access.

We have continued to build out the Kinnevik Greenhouse, a talent network containing more than 10,000 top leaders in our key markets, of which around 65 percent are women. The network enables us to provide our companies with strong long-lists of candidates to fill vacancies at management and Board level. This service is led by Kinnevik's Chief People & Platform Officer and is in high demand among our companies. It ensures that the Kinnevik portfolio has the best leadership and the most high-performing teams in place.

SOUND GOVERNANCE STRUCTURES

For Kinnevik to be a robust and resilient company, and to be a role model for our portfolio, it is important for us to have sound governance, risk management and compliance structures in place.

Mattias Andersson
Kinnevik's General Counsel

ENSURE SOUND BUSINESS CONDUCT STRUCTURES AND STRONG FINANCIAL ROBUSTNESS

Sound corporate governance structures form the basis of Kinnevik's sustainability efforts. We work actively to uphold the highest ethical standards, compliance and business conduct, both on a Kinnevik level and in relation to our portfolio. In addition, being a financially strong company enables Kinnevik to efficiently drive our sustainability strategy.

Implementing Sound Governance Structures in Our Portfolio

Many of the companies in our portfolio are in the early stages of their operational and sustainability development, and implementing sound business conduct structures is central to the long-term success of these businesses. This work is part of a broader effort to create holistic and bespoke ESG strategies to enable sustainable growth.

During 2023, we have worked together with the Boards and management teams of our three new portfolio companies (Enveda, Aira and Charm Industrial) to set up more structured processes to improve governance and controls. We also continued to work with all our existing companies to improve their internal control environment, risk management, compliance frameworks and cyber security. We have supported several new and existing companies in conducting a materiality assessment using the SASB (Sustainability Accounting Standards Board) framework. Determining material topics is a first step in setting an effective sustainability strategy including roadmap and KPIs to monitor progress made.

During the year, we have continued to encourage our companies to include sustainability on the Board agenda to set the right tone at the top and to drive sustainability initiatives.

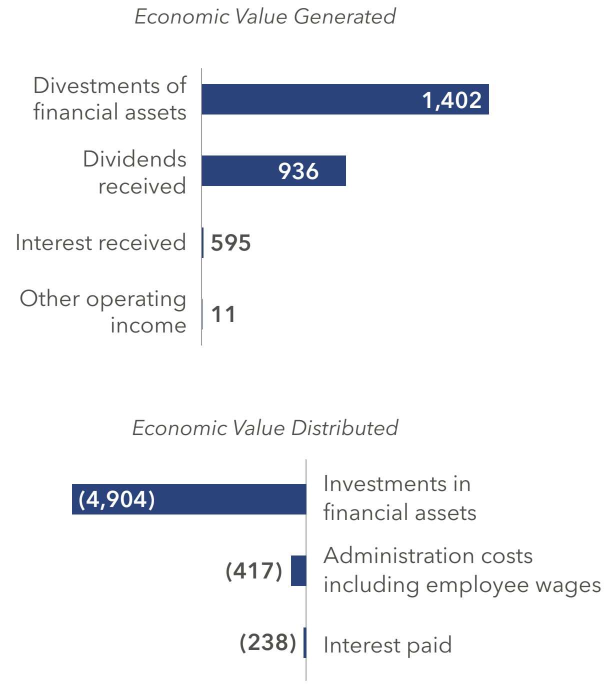
Corporate Governance at Kinnevik

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.

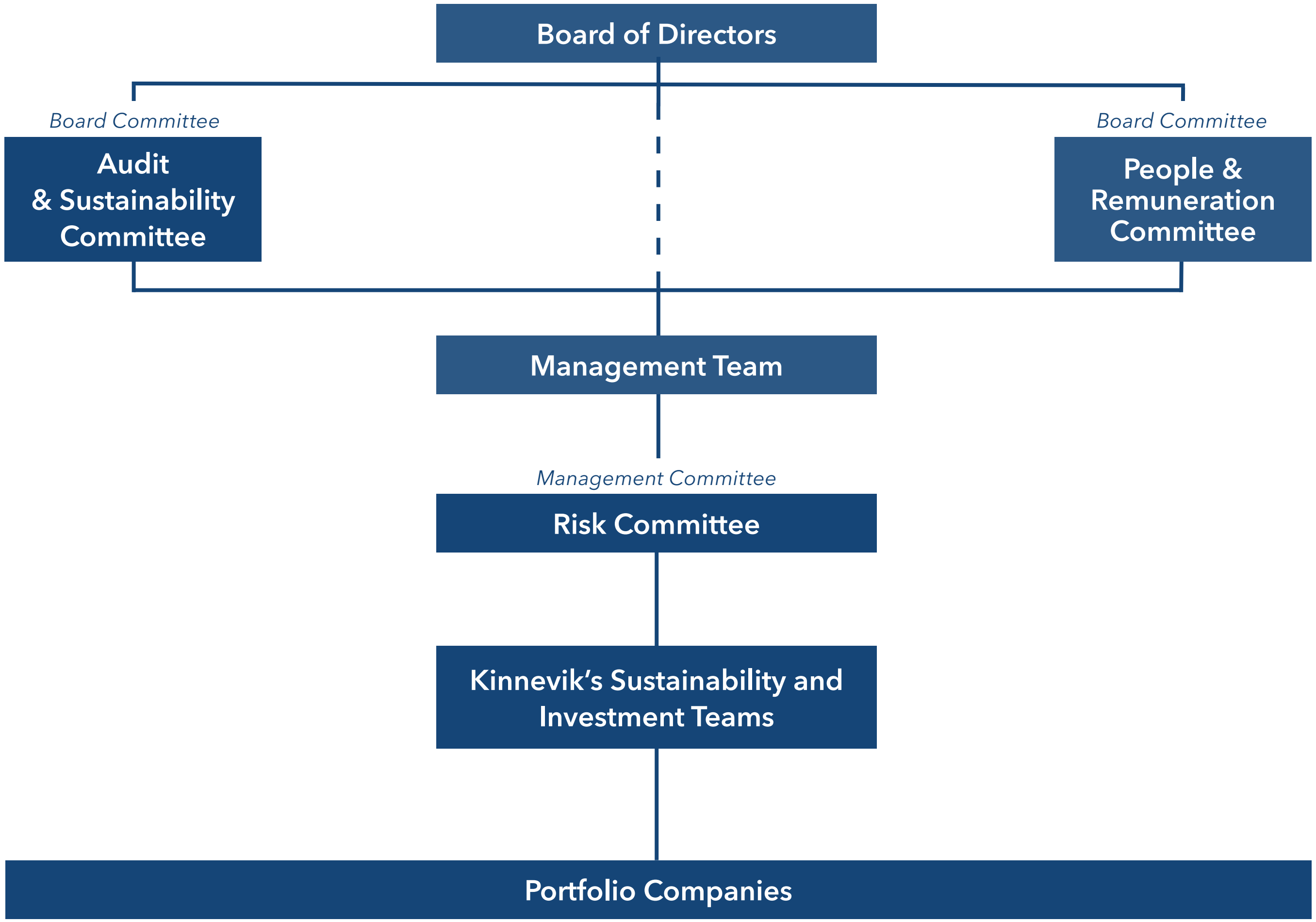
Kinnevik's Board is responsible for our overall strategy, including how sustainability is an integrated part of our value creation, and is well informed about Kinnevik's policies and procedures. Further, the Board is specifically responsible for identifying risks and opportunities related to sustainability, including climate change, that may impact Kinnevik, our portfolio and strategy, and for defining appropriate guidelines to govern Kinnevik's conduct in society. This is embedded in the work and delegation procedures of the Board.

To assist the Board in fulfilling its responsibilities, it has appointed an Audit & Sustainability ("A&S") Committee and a People & Remuneration ("P&R") Committee, both of which constitute 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 annual assessment and scoring of our portfolio companies in accordance with the Kinnevik Standards (read more on page 19). The P&R Committee's assignments include salaries, pension terms and conditions, incentive programs and other conditions of employment for the management of Kinnevik.

Overview of economic value generated and distributed by Kinnevik during 2023, SEKm



Overview of Kinnevik's Governance and Sustainability Organisation



To drive the implementation of our sustainability strategy and assess potential ESG risks and opportunities including climate change, Kinnevik has a dedicated sustainability team. The sustainability team, together with the investment team, is responsible for driving sustainability initiatives across our portfolio companies.

The sustainability team regularly reports to the Kinnevik management team, the A&S Committee and the Board on progress made and target fulfilment. An overview of Kinnevik's risk management process is available on page 38.

More information about Kinnevik's governance bodies and their work is available in our Corporate Governance Report 2023. Kinnevik's Lobbying Policy and Government Relations Strategy guides our activities and commitments related to any political influence. In 2023, Kinnevik has not engaged in any such activities or commitments. An account of all Kinnevik's key governance policies is available on page 42.

All Kinnevik employees have individual annual objectives which form the basis for their short-term incentives. These are derived from our overarching corporate targets which in 2023 included targets related to sustainability. For example, members of the investment team have individual annual objectives tied to driving climate and diversity, equity and inclusion engagement in their respective portfolio companies.

Compliance at Kinnevik

Kinnevik's compliance framework is mainly focused on compliance with the laws and regulations that govern listed companies in Sweden, such as the Nasdaq Nordic Main Market Rulebook for Issuers of Shares, 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.

CORPORATE GOVERNANCE AT KINNEVIK

The basis for corporate governance within Kinnevik is Swedish legislation, the Nasdaq Nordic Main Market Rulebook for Issuers of Shares, and the regulations and recommendations issued by relevant self-regulatory bodies. Click here to read more about corporate governance at Kinnevik.

GO →

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

Risk Management at Kinnevik

Kinnevik's Board is responsible for internal control in accordance with the Swedish Companies Act 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.

The overall responsibility for Kinnevik's risk management process lies with Kinnevik's CEO, who has delegated the responsibility to the CFO. The Board approves a risk appetite statement for Kinnevik on an annual basis. Key Risk Indicators and escalation limits have been defined for the most material risks. Kinnevik has established a Risk Committee, comprising the CEO, the CFO and other members of management to oversee the risk management process. Kinnevik's risk exposure is not static and consequently the risk assessment process is performed and updated at least twice a year. As a diversified investment company, a material level of Kinnevik's risk exposure sits within our portfolio, and therefore a risk assessment is performed on both a Kinnevik and a portfolio level. The sustainability team meet with all relevant internal teams to identify Kinnevik and portfolio risks which are documented in the Risk Registers. Based on a qualitative analysis, each risk is awarded a score based on likelihood and impact, which in turn classifies the risk as either "high", "medium" or "low". Based on this score, all risks are assigned a relevant risk response and/or mitigating actions. Following each risk cycle, the updated Kinnevik and Portfolio Risk Registers are presented to the Risk Committee. Twice a year, 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 to the A&S Committee. In between Risk Committee meetings, Kinnevik's CFO and Sustainability Director oversee the development and mitigation of risks and report progress to the management team.

On a Kinnevik level, climate-related risks are assessed in relation to our existing portfolio, new investments, strategy and reputation as our companies are increasingly scrutinised from a climate change perspective. In 2023, we took the next step in our TCFD efforts by modelling the Kinnevik portfolio's exposure to physical climate risks (such as flooding, wildfires, drought etc.), and the financial risk resulting from, for example, potential damage to assets and disruption to supply chains. We also assessed our portfolio's impacts and dependencies on biodiversity, and the resulting nature-related financial risk. Read more on pages 27 and 50-51, respectively.

Kinnevik's risk assessment process

Identification
Classification
Mitigation
Reporting

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

ADDITIONAL SUSTAINABILITY INFORMATION

EXTERNAL FRAMEWORKS AND THE UN'S AGENDA 2030 FOR SUSTAINABLE DEVELOPMENT

Through Kinnevik's active ownership model and sustainability strategy, we strive to make a positive impact on people and planet. Through our portfolio engagement, and in our work to achieve our sustainability targets, we are contributing to the UN's Agenda 2030 and the Sustainable Development Goals.

Global 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 UN's 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. Kinnevik's Sustainability Report 2023 is prepared in accordance with the Global Reporting Initiative's ("GRI") Standards 2021. The GRI index is available on pages 52-54.

This report also includes disclosures in accordance with the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB). Indexes of these can be found on pages 49 and 55, respectively.

Kinnevik is currently not covered by or obligated to report on the EU taxonomy. However, 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 (the "SDGs"). 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 which we can most significantly contribute to. We have classified each of the 169 targets into one of four categories depending on our impact - central, meaningful, general or irrelevant. The targets identified as central or meaningful were further categorised as relevant either for Kinnevik and/or our portfolio in general or for specific portfolio companies, as well as whether or not Kinnevik or our companies actively contribute to them. The targets categorised as central, relevant to Kinnevik and/or our portfolio in general and which we contribute to actively, a total of nine targets, are mapped against our material topics and listed on page 41.

Boundaries of Reporting

Kinnevik's Sustainability Report is published annually and is integrated in the Annual Report. The Sustainability Report 2023 refers to the period 1 January to 31 December 2023 and was published on Kinnevik's website on 4 April 2024. Contact point for questions regarding the report is Torun Litzén, Kinnevik's Director of Corporate Communications, +46 70 762 00 50.

Our strategy involves being a leading shareholder in our companies with a sizeable minority shareholding which provides us with 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 topics identified as material for our investee companies relate to our companies at a 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.

The portfolio-level KPIs outlined on page 43 are a quantitative representation of our portfolio's sustainability performance and a tool to measure progress. They do not cover the full extent of Kinnevik's or our portfolio companies' 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 new companies (read more on page 16).

MATERIALITY ANALYSIS AND STAKEHOLDER DIALOGUE

Process for Identifying Material Topics
Kinnevik conducted an updated materiality analysis in 2022 with the aim of identifying our material topics from a double materiality perspective. We did this by identifying a long list of over 20 relevant sustainability matters derived from a longer list of matters based on the complete GRI and sector-specific SASB standards. Each matter on the long list was rated from an outside-in and inside-out perspective, assessing both Kinnevik's current and future potential impact, and the current and potential future impact on Kinnevik. Negative and positive impact on people, planet and the economy were considered. Each matter was assigned a score of 1-6 based on its overall significance, and matters with a score of 5 or higher were considered material.

To verify our results, we held a structured dialogue with our key stakeholder groups: shareholders, sell-side analysts, portfolio companies, the Kinnevik Board and the Kinnevik team. The long list of matters was discussed with each stakeholder group from a double materiality perspective. The material topics as identified by Kinnevik were largely confirmed by the stakeholder dialogue and are presented on the right-hand side of this page. The identified material topics have been discussed and agreed in Kinnevik's management team and by the Board of Directors. The Board bears the ultimate responsibility for the materiality analysis. During 2023 we have reviewed the materiality analysis and concluded that it continues to be relevant.

The four material topics reflect the areas where we see the largest risks related to sustainability and where we need to continuously manage our negative impact, both at Kinnevik and in our portfolio. Kinnevik has sustainability targets tied three of our material topics, see page 14.

The EU's Corporate Sustainability Reporting Directive ("CSRD") does not initially apply to Kinnevik. In the spring of 2024, we aim to conduct a double materiality assessment in compliance with the European Sustainability Reporting Standards ("ESRS") to start reporting according to the CSRD requirements for the 2025 fiscal year, with the first report to be published in 2026.

Summary of Findings from Stakeholder Dialogue
One of the most important topics raised across stakeholder groups is Kinnevik's role in creating real positive impact through our portfolio. As an investor, we have an opportunity to create positive impact through our capital allocation decisions and our active engagement with our companies. Our stakeholders think we should invest in companies with a strong mission and support them in crystallising their positive impact on the world. Our portfolio companies and shareholders in particular want us to focus on implementing strong ESG strategies in our companies, establishing a social licence to operate, and integrating it into companies' core business strategies. It is critical to be bespoke and support each company individually in ways that create business value.

A topic raised by shareholders, sell-side analysis and employees is Kinnevik's ability to attract and retain top talent, which is broadly seen as a key success factor. This requires offering the right incentives, and a culture and way of operating that resonate with people's personal beliefs. While we have already made a strong impact on DEI related to gender, stakeholders believe we have more work to do on ethnicity and other aspects of diversity.

Climate and decarbonisation were highlighted by all stakeholder groups as the most pressing challenge facing humanity globally, and investing to combat climate change can be a real differentiator for Kinnevik.

Our Board and sell-side analysts particularly highlighted the importance of implementing sound governance structures in our, often early-stage, companies. Employment conditions, human rights, anti-discrimination and broader business ethics should also remain a high priority for Kinnevik.

Kinnevik's Material Aspects	Contributing to the UN SDGs
ACTIVE OWNERSHIP Maximise positive impact and implement ambitious ESG strategies across the portfolio	TARGET 17·16 ENHANCE THE GLOBAL PARTNERSHIP FOR SUSTAINABLE DEVELOPMENT TARGET 8·1 SUSTAINABLE ECONOMIC GROWTH TARGET 8·2 DIVERSIFY, INNOVATE AND UPGRADE FOR ECONOMIC PRODUCTIVITY
CLIMATE IMPACT Meaningfully reduce our greenhouse gas emissions and contribute to global net zero	TARGET 13·2 INTEGRATE CLIMATE CHANGE MEASURES INTO POLICIES AND PLANNING TARGET 12·6 ENCOURAGE COMPANIES TO ADOPT SUSTAINABLE PRACTICES AND SUSTAINABILITY REPORTING
DIVERSITY, EQUITY & INCLUSION Contribute to a more diverse, equitable and inclusive world	TARGET 5·5 ENSURE FULL PARTICIPATION IN LEADERSHIP AND DECISION-MAKING TARGET 8·8 PROTECT LABOUR RIGHTS AND PROMOTE SAFE WORKING ENVIRONMENTS
CORPORATE GOVERNANCE Ensure sound business conduct structures and strong financial robustness	TARGET 8·1 SUSTAINABLE ECONOMIC GROWTH TARGET 16·5 SUBSTANTIALLY REDUCE CORRUPTION AND BRIBERY TARGET 16·6 DEVELOP EFFECTIVE, ACCOUNTABLE AND TRANSPARENT INSTITUTIONS

KEY GOVERNANCE POLICIES

Kinnevik's Key Governance Policies
These policies have been communicated to all employees and are available on our website. The policies are subject to a yearly review and are approved yearly by the Board.

- ***Code of Conduct:*** outlines Kinnevik's commitment to conducting business to the highest ethical standards and with respect for people and the planet. Includes provisions on anti-bribery, corruption and business ethics. The policy covers the overarching topics of the UN Convention Against Corruption. Kinnevik does not plan to implement the convention separately.
- ***Sustainability Policy:*** outlines Kinnevik's expectations on how its portfolio companies should manage their impact in relation to Kinnevik's material sustainability topics, which align with the UN 2030 Agenda for Sustainable Development. The policy includes climate-related issues and how to manage material impact from such issues on Kinnevik and our portfolio.
- ***Lobbying Policy:*** outlines Kinnevik's processes and procedures in relation to local government authorities and key policy makers.
- ***Tax Policy:*** outlines Kinnevik's approach to tax procedures.
- ***Whistleblower Policy:*** outlines the procedures for any complaint or concern about any wrongdoing in relation to Kinnevik. Further, the policy includes a zero tolerance for reprisals against any person reporting potential violations via the whistleblower service.

All employees, representatives of Kinnevik and third parties engaged with Kinnevik are expected to fully comply with our governance policies. Kinnevik has an onboarding process for new employees that introduces them to the policies and procedures. Kinnevik conducts mandatory annual Code of Conduct training, including anti-corruption and anti-bribery, for all employees. All managers are responsible for ensuring that their team members complete the annual Code of Conduct training and attend any additional compliance and policy-related training. Kinnevik only accepts 100 percent participation and completion.

The Code of Conduct is shared with all relevant suppliers on a yearly basis whereby their obligation to comply with the policy is clarified. Taking a risk-based approach, given that most of Kinnevik's direct suppliers are large professional services firms such as audit and law firms, we do not perform further supply chain compliance activities at Kinnevik level. More information on how Kinnevik works to ensure its portfolio companies apply a robust supply chain compliance process is available on page 33.

As outlined in the Whistleblower Policy, Kinnevik expects all 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. All reports received via the external service are handled confidentially by the Chairman of the A&S Committee, if needed with the assistance of Kinnevik's General Counsel. The Chairman of the A&S Committee promptly assesses if an investigation should be initiated upon receiving a report and is in such cases allowed to involve relevant Senior Executives and/or external advisors to ensure independence and objectivity. In 2023, Kinnevik did not receive any whistleblower reports through WhistleB and no substantial incidents were reported to the company through any other means of communication. No actions have been taken for any corruption or bribery-related incidents in 2023.

Corporate Policies on DEI and Employee Well-Being
Kinnevik's policies, processes and rules relating to diversity, equity and inclusion as well as employee well-being, health & safety and benefits including related management of impacts on our own workforce are outlined in Kinnevik's corporate policies. These include the Employee Handbook, the Talent Management Policy and the Work Environment Handbook and apply to all Kinnevik employees. Below is a summary of the key aspects related to diversity, equity and inclusion at Kinnevik.

- ***Equal opportunities:*** advancement within Kinnevik shall be based on merit. All Kinnevik employees and candidates shall have equal opportunities based on competencies, experience and performance regardless of age, race, gender, religion, nationality, disability, sexual orientation, marital or parental status, political opinion, union membership or ethnic background. This applies to recruitment, promotion, training and all other types of development steps in the company.
- ***Fair and equal pay:*** no Kinnevik employee shall be paid less than the minimum total wage required by applicable law and all employees shall receive equal pay for equal work.
- ***Anti-victimisation, harassment and bullying:*** Kinnevik is committed to promoting and ensuring a working environment where individuals are treated with respect. Victimisation, harassment and/or bullying, such as racial or sexual harassment, and harassment due to disabilities or on the grounds of sexual orientation or religious beliefs, are unacceptable and will not be tolerated. Such conduct will not be ignored, and any complaints will be taken seriously and investigated as a matter of urgency.
- ***Parents and flexible working:*** all Kinnevik employees shall be able to combine parenthood and work under equal conditions. The rules and regulations for parental pay differ between countries. However, all permanent Kinnevik employees, regardless of gender, office location and caretaker status, are entitled to paid parental leave of up to 39 weeks and during this period employees will receive 100 percent of their ordinary fixed salary. Kinnevik supports appropriate flexible working both in relation to working hours and working locations.

PORTFOLIO-LEVEL KPIs

	2023				2022	
	Actual		Comparable		Comparable	
	Share of # Companies	Share of Portfolio Value Q4 2023	Share of # Companies	Share of Portfolio Value Q4 2023	Share of # Companies	Share of Portfolio Value Q4 2022
ENVIRONMENT						
Measures GHG emissions for scope 1 and 2	32%	49%	35%	49%	32%	45%
Measures GHG emissions for relevant scope 3 categories	29%	46%	32%	46%	29%	43%
Has set relevant GHG reduction targets in line with 1.5 degree pathway/Paris Agreement	18%	35%	19%	35%	16%	33%
Integrates climate change into overall strategy discussions with the Board and/or relevant sub-committees	9%	30%	10%	30%	13%	31%
SOCIETY						
Has implemented a Supplier Code of Conduct based on international standards	53%	69%	55%	68%	26%	42%
Has incorporated anti-corruption principles in the Company's policies	65%	83%	71%	83%	65%	84%
Reports on occupational health incidents to the Board	94%	96%	97%	95%	81%	85%
Conducts periodic employee surveys	97%	98%	100%	97%	94%	93%
Has incorporated anti-discrimination principles in the Company's policies	88%	96%	87%	94%	77%	89%
Has conducted/provided training for management on DEI related topics	85%	94%	90%	94%	84%	85%
Has set time-based DEI targets and KPIs	79%	92%	87%	92%	68%	83%
GOVERNANCE						
Has implemented a Code of Conduct across its organisation	79%	95%	84%	94%	77%	90%
Has implemented a whistleblowing system	47%	72%	52%	72%	45%	75%
Has conducted a risk assessment including rating risks based on likelihood and impact	35%	71%	39%	71%	32%	65%
Has a defined risk limits statement to monitor risk levels	12%	34%	13%	34%	13%	33%
Sustainability is a standing item on the Board agenda	65%	91%	71%	91%	45%	71%
Senior management is incentivised based on sustainability performance	9%	32%	10%	32%	10%	31%
Conducts regular compliance training	82%	96%	87%	95%	81%	90%

Note: The actual KPIs include the companies in Kinnevik's portfolio as of 31 December 2023. The comparable KPIs for 2023 and 2022 are based on the same set of companies, namely the companies in Kinnevik's portfolio as of 31 December 2023, excluding the companies invested in during 2023. All KPIs exclude emerging markets companies and fund investments.

Reach for Change

Unleashing the power of local social entrepreneurs for children and youth

Kinnevik is one of the founding partners of Reach for Change, an international non-profit founded in Sweden. Reach for Change envisions a world where all children and youth reach their full potential. Reach for Change is working towards this vision by unleashing the power of local social entrepreneurs and enabling them to go from ideas to innovative solutions and sustainable organisations. As a cornerstone partner Kinnevik is committed to supporting this remarkable foundation in achieving its impact goals and leading a global movement of social entrepreneurship. Kinnevik provides not only financial support, but also strategic and operational support through being members of the Global Board and co-working engagement. Kinnevik team members have the opportunity to coach, mentor and assist the entrepreneurs directly.

Next in Mind

With rising mental health challenges, emerging adults are left particularly vulnerable and struggle to reach their full potential. In fact, no other age group reports as many challenges as 18-29 year-olds while also having a hard time accessing affordable and appropriate support. This needs to be changed.

Reach for Change, The Inner Foundation, and the Tim Bergling Foundation co-founded Next in Mind, as a response to the rising mental health crisis of emerging adults in the Nordics. The initiative offers an incubator program that focuses on developing and scaling social entrepreneurs. Also it gathers, empowers and facilitates co-created advocacy activities to impact the systems of support for mental wellbeing solutions in the Nordics.

Kinnevik is a proud supporter of Next in Mind and will act as a knowledge partner in scaling social innovations with the power to transform mental health support. Kinnevik also supported this initiative financially with our Christmas gift at the end of 2023.

In 2023, the social entrepreneurs, supported in the incubator and scaling readiness programs of Reach for Change, reached over

40,000

children and youth in Sweden, Latvia, Bulgaria and Ghana.

Next in Minds, the unique, first-of-its-kind initiative to strengthen the region's most innovative solutions supporting improved mental health among emerging adults, attracted over

140

organisations to apply. 20 of them will be selected to receive support to scale their innovations.

Kinnevik Christmas gift 2022 contributed to the organisation of the Pre-Event festival for mental health, initiated by the social organisation Drömstort.
"You were among the first companies to meet with us and learn about our plans to break the loneliness of Christmas holidays and combat mental health challenges".- Kassim Nagwere, the founder of Drömstort.

KINNEVIK RECEIVED TRIPLE RECOGNITION IN 2023 FOR OUR LEADERSHIP IN SUSTAINABILITY

The leading VC investor in Honordex Inclusive Index 2023

Kinnevik ranked first in the VC category in the Honordex Inclusive PE & VC Index 2023. This is a testament to our hard work, dedication and commitment towards equality, diversity and inclusion.

Honordex Inclusive PE & VC Index 2023 is an essential platform for measuring the social sustainability performance of funds and benchmarking against peer organizations. Over 300 funds were evaluated on their DEI efforts, and Kinnevik's efforts secured a top 10 spot in the index.

Equileap ranked Kinnevik among top companies in Sweden for gender equality, the only investor on the top 10 list

Kinnevik was rated as a top performer overall and the only investor on the top 10 list in Sweden. Equileap also specifically praised Kinnevik's global parental leave policy.

Equileap is the leading organisation providing data and insights on gender equality in the corporate sector. They research and rank 4,000 public companies around the world using a unique and comprehensive Gender Equality Scorecard™ across 19 criteria, including the gender balance of the workforce, senior management and Board of Directors, as well as the pay gap and policies relating to parental leave and sexual harassment.

EQUILEAP
MAKE A DIFFERENCE AND A RETURN

Kinnevik achieved an A- score in CDP for 2023, placing us in the top 5 percent of the 23,000 reporting companies

After having received a B and B- score in the last two years, Kinnevik received an A- score for our disclosure to CDP in 2023. This is a testament to our efforts in climate action and transparency.

CDP is the global gold standard of environmental reporting. The CDP is closely interlinked with the TCFD and was developed on the premise that investors should have access to all relevant information to make informed investment decisions. The CDP covers a company's overall risk management process, governance structures, emissions reduction initiatives and alignment and transition plan towards a low-carbon future. 23,000 companies globally submitted a response to CDP for 2023.

CDP

"It's not despite, but because of the many uncertainties facing businesses today, that now is the time to raise the bar in sustainability. Kinnevik's long-term view means that we are building businesses for generations, not just the coming quarters.

We are proud and humbled by these awards, but there's always more work to do and we have an ambitious agenda for the coming years."

Georgi Ganev
CEO of Kinnevik

REPORTING & TRANSPARENCY

SUSTAINABILITY-LINKED FINANCING

Kinnevik published a Sustainability-Linked Financing Framework (the "Framework") in 2021 as a next step in our commitment to be a sustainability leader, by integrating our ambitions into our financing solutions. The Framework is aligned with the Sustainability-Linked Bond Principles as published by the International Capital Market Association (ICMA) in 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 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 reflect already established sustainability targets in accordance with Kinnevik's Sustainability Strategy, see page 14.

In November 2021, 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 table below.

All three SPTs are measured annually. Hence, the 2023 performance against the selected climate KPI and SPT requires that our portfolio companies report on their 2023 emissions. As this data is yet to be received, we will report on performance against the climate SPT in our Climate Progress Report to be published by 30 June 2024.

The Framework is available on our website. During 2021, a sustainability link was also incorporated into Kinnevik's SEK 5bn Revolving Credit Facilities.

	Climate Impact	Diversity, Equity & Inclusion	Corporate Governance
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 percent reduction in greenhouse gas emission intensity from Kinnevik's portfolio from year to year, resulting in a total reduction of 50 percent by 2030 compared to 2020**	**On a two-year rolling basis, at least 10 percent 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 comes 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.	More than 95 percent of global investments still go to all-male founding and management teams. As part of our ambition to be Europe's leading growth investor, we recognise 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 spectrum of ESG and show continuous results.
2023 Performance	**To be confirmed –** As portfolio companies are yet to report on their 2023 emissions, we will report on performance in our Climate Progress Report published by 30 June 2024	**Not achieved -** 2022-2023: 7 percent On a two-year rolling basis, 2022-2023, we have invested 7 percent of the capital invested into new companies in female founded or led companies.	**Achieved -** 2022: 51 percent 2023: 61 percent We have achieved a 10-percentage-point improvement from 2022 to 2023 on a comparative basis.

	Environmental responsibility and reduced climate impact	Social equality and good corporate citizenship	Sound governance structures and economic growth
Methodology	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: 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.	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. A company qualifies as a female founded company if, at the time of investment - • at least 50 percent 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. "Active in the company" is defined as still working operationally for the company or serving on the Board. A company qualifies as a female led company if, at the time of investment - • at least 50 percent of the senior management team are women, or • a woman serves as CEO and at least 30 percent of the senior management team are women.	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 the importance of the same. The assessments are performed by the Kinnevik sustainability team through interviews with the companies and our Board representatives. The Standards include 84 metrics which in turn are split into two levels, one for small companies (equity value of < USD 750m) and one for large companies (equity value of >USD 750m), 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. Fund investments are not included in the yearly assessment.
Portfolio Coverage	For 2023, we expect 39 percent of our portfolio companies to have measured their greenhouse gas emissions for at least two consecutive years. The SPT relates to a year-on-year change. Only portfolio companies that were in Kinnevik's portfolio during the two previous years at the Target Observation Date will be included.	The SPT includes the entire amount of capital being invested into new companies during the current two-year rolling period, full year 2022 and 2023.	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 2022 and 2023 will be included in the calculation. Hence, the 2023 SPT includes all Kinnevik's portfolio companies as of 31 December 2023 excluding companies sold in 2023 and the new companies invested in during 2023 (Enveda, Aira and Charm Industrial).

CLIMATE-RELATED RISKS, OPPORTUNITIES AND SCENARIO ANALYSIS

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.

Kinnevik are official supporters of the TCFD and have implemented its recommendations. Our first TCFD Report was published in June 2020, and we have subsequently published updated versions yearly. The summary of our most material climate-related risks and opportunities and our scenario analysis is available on the following pages. More details on the conclusions of analysis are available on Kinnevik's website.

For ease of reference, to the right is an overview of the TCFD recommendations and page number where the information can be found in Kinnevik's Sustainability Report 2023.

CDP

Kinnevik received an A- score in CDP's questionnaire on climate change for 2023.

GOVERNANCE	STRATEGY	RISK MANAGEMENT	METRICS AND TARGETS
Disclose the organisation's governance around climate-related risks and opportunities.	**Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.**	**Disclose how the organisation 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 organisation's processes for identifying and assessing climate-related risks.	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.
Page 35-37	**Page 50-51**	**Page 38**	**Page 22-24**
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 organisation's businesses, strategy and financial planning.	b) Describe the organisation'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.
Page 35-37	**Page 50-51**	**Page 38, 50-51**	**Page 22-24**
	c) Describe the resilience of the organisation'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 organisation's overall risk management.	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.
	Page 50-51	**Page 38**	**Page 22**

Methodology and Process

Our first assessment of Kinnevik's climate-related risks and opportunities was conducted in 2020. Kinnevik's CEO convened a workshop for Kinnevik's management team and sustainability team. The potential implications of climate change on Kinnevik's business, strategy and financial planning were discussed. Each of Kinnevik's sectors and sub-sectors was analysed individually, with particular emphasis on the companies with the highest climate-related risks and opportunities, as well as those that are most material in terms of share of our portfolio value.

In 2021, we discussed each portfolio company together with the investment team to assess key risks and opportunities under two different climate scenarios. In 2022, we updated our analysis to reflect changes in our portfolio, mainly the distribution of our Zalando holding and increased exposure to the healthcare sector, as well as the most recent science and research on the expected effects of climate change, including the IPCC's Sixth Assessment Report. In 2023, we used the S&P Global Climanomics Platform to model our portfolio's exposure to physical climate risks (such as flooding, wildfires, drought etc.), and the financial risk resulting from, for example, potential damage to assets and disruption to supply chains.

The 2023 assessment covers the most relevant sectors across Kinnevik's portfolio, represented by 15 companies constituting 80 percent of Kinnevik's portfolio value as of 31 December 2023. The results of the yearly updated climate risk assessment have been shared with the Audit & Sustainability Committee on a yearly basis. More details on the conclusions of analysis are available on Kinnevik's website.

The assessment of climate-related risks and opportunities has been done from Kinnevik's perspective as an owner and focuses on the implications for Kinnevik's business, strategy and financial planning, as opposed to assessing each portfolio company individually.

Summary Implications on Kinnevik's Business, Strategy and Financial Planning

Transition risks related to market, reputation and policy & legal are the most material climate-related risks for the Kinnevik portfolio. Increasing awareness about climate change will continue to impact customer preferences, leading to increased demand for products and services with a low climate impact. The risk of not being able to meet these demands by making the transition to a low-carbon economy may have a significant impact on our companies' competitiveness. There is also a risk of reputational damage and greenwashing allegations if the envisioned climate benefits of certain products do not materialise as expected. Market and reputation risk is mostly relevant for our businesses operating in food, last mile delivery, travel, consumer finance, climate tech and telecom.

All our companies are to some degree exposed to transition risks stemming from increased pricing of greenhouse gas emissions and increased emissions reporting obligations. These risks are even more relevant and topical today compared to when we did our initial analysis in 2020.

Chronic physical risks have become more prominent in recent years. The most relevant chronic risk is related to temperature extremes and to some degree fluvial flooding. Kinnevik's most material exposure to temperature extremes sits in the US, followed by Sweden and Norway. This is also reflected in the overall composition of Kinnevik's portfolio.

We estimate that 12 of the 15 companies included in our analysis are exposed to transition risks and 10 are exposed to physical risks (representing 68 percent and 62 percent of portfolio value as of 31 December 2023). For Kinnevik, the severity of transition risks is considerably higher compared to physical risks, as most of Kinnevik's companies do not directly own any physical assets and have low dependency on complex supply chains.

Meanwhile, we see several opportunities related to climate change, as our strategy is to invest in technology-enabled and disruptive businesses. The main opportunity is to be consumers' preferred choice by taking the lead in developing products and services with a low or positive climate impact. Compared to more analogue business models, our companies are in a good position to accelerate the pace of transformation to meet the growing demands of their increasingly climate-conscious customer base. In the last few years, Kinnevik has also started to invest into climate tech businesses, leading the global decarbonisation effort.

We estimate that 10 of the companies included in our analysis are aligned with climate-related opportunities (representing 54 percent of portfolio value at 31 December 2023). These opportunities relate to efforts to mitigate and adapt to climate change, such as resource efficiencies and cost savings, development of new products and services and access to new markets.

Influencing the Transition to a Low-Carbon Economy

Kinnevik is actively working with its portfolio companies to support them in measuring emissions, setting climate targets, reducing their environmental impact and improving climate-related disclosures. We view the fight against climate change as a business opportunity and support our companies on their transformational journey towards making sustainability part of their core offering and business strategy. Read more about our engagement model on page 16 and about how we work actively with our companies in developing their climate strategies on page 26.

Scenario Analysis

Kinnevik's scenario analysis was conducted using two Representative Concentration Pathways, reflecting two different climate outcomes: the Stringent Mitigation Scenario (RCP2.6) where emissions decline and become negative by the end of the century resulting in a global mean temperature increase of 1.7 degrees by 2100, and the Very High Emissions Scenario (RCP8.5) where emissions continue to rise, ending up at three times higher than the present, resulting in a global mean temperature increase of 4.6 degrees by 2100. These were considered in combination with two Shared Socioeconomic Pathways.

As our strategy is to invest in digital companies operating primarily a marketplace model, our portfolio generally has low dependency on complex supply chains, physical assets and fossil fuels. Hence, our strategy shows relative resilience in a Very High Emissions Scenario. However, in this scenario the overall benefits of sustainability and low-emissions services are not recognised by consumers, impacting businesses trying to use sustainability as a competitive advantage.

As an investor in consumer-facing sectors, Kinnevik is exposed to a broad set of transition risks in the Stringent Mitigation Scenario, particularly related to market and reputation, i.e. shifting consumer behaviour because of increased climate consciousness and reputational risk related to greenwashing allegations. We are also exposed to increasing regulation and climate-related disclosure requirements. Meanwhile, the RCP2.6 scenario also offers the largest climate-related opportunities for Kinnevik's companies to take the lead with more sustainable solutions.

In 2023, Kinnevik conducted a quantitative analysis or our portfolio's exposure to physical climate risks in financial terms, showing that temperature extremes is the most prominent physical risk to the portfolio in both RCP scenarios. However, the likelihood and impact of transition risks is considerably higher than physical risks in both scenarios.

Based on our analysis, the scenario with the largest potential negative impact on Kinnevik's business, strategy and financial planning is RCP8.5. The most favourable scenario is conversely RCP2.6, as the climate-related opportunities in our portfolio in this potential future would likely outweigh the transition risks.

Overview of key risks and opportunities per Kinnevik sector

		RISKS						OPPORTUNITIES				
		TRANSITION				PHYSICAL						
		Policy & Legal	Technology	Market	Reputation	Acute	Chronic	Resource Efficiency	Energy Source	Products & Services	Markets	Resilience
Timeline (time until realisation)		SHORT	MID	SHORT	SHORT	SHORT	LONG	SHORT	SHORT	SHORT	SHORT	N/A
Classification		LOW	MID	MID	HIGH	LOW	LOW					
Value-Based Care		•					•					
Virtual Care							•					
Platform & Marketplaces	Food	•	•	•	•	•	•	•		•	•	
	Last Mile	•	•	•	•	•	•			•	•	
Software	SaaS	•		•						•		
	Travel	•		•	•		•			•		
Consumer Finance		•		•	•					•		
TechBio							•					
Climate Tech		•	•	•	•		•		•	•	•	
Telecom		•	•	•	•	•	•	•	•	•		

Timeline:

SHORT TERM	<3 years
MID-TERM	3-5 years
LONG TERM	5-30 years

Note: Timeline and classification refer to overall portfolio level and are not sector-specific. More information about the risk classifications is avalable on page 38.

Classifications:

LOW	Monitor development to ensure risk exposure remains low
MID	Mitigate and monitor risks to maintain current level of risk exposure
HIGH	Implement mitigating actions to reduce exposure

GRI CONTENT INDEX

Kinnevik has reported in accordance with the GRI Standards 2021 for the period 1 January 2023 to 31 December 2023. A description of how we identified the Material Topics is available on page 41. The Sustainability Report 2023 has been subject to a limited assurance review, see statement on page 56.

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION - PAGE NUMBER	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GENERAL DISCLOSURES					
GRI 2: General Disclosures 2021	2-1 Organizational details	58			
	2-2 Entities included in the organization's sustainability reporting	58-59, 80			
	2-3 Reporting period, frequency and contact point	40			
	2-4 Restatements of information	-			No significant restatements have been made
	2-5 External assurance	56			
	2-6 Activities, value chain and other business relationships	7, 11, 16			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, the UK and the US.
	2-7 Employees	31-32			
	2-8 Workers who are not employees	-			Not applicable
	2-9 Governance structure and composition	35-37, 63-68			
	2-10 Nomination and selection of the highest governance body	63-66			
	2-11 Chair of the highest governance body	63-65, 67			
	2-12 Role of the highest governance body in overseeing the management of impacts	35, 37, 65, 67			
	2-13 Delegation of responsibility for managing impacts	35-37, 65, 67			
	2-14 Role of the highest governance body in sustainability reporting	35-37, 41, 65, 67			
	2-15 Conflicts of interest	67-68			Any relevant conflicts of interest are assessed, prevented and mitigated in line with Swedish law and generally accepted sound practice on the securities market, including the Swedish Corporate Governance Code.
	2-16 Communication of critical concerns	42			
	2-17 Collective knowledge of the highest governance body	41, 67-68			The Board is continuously updated and educated on Kinnevik's sustainability strategy and underlying relevant topics through regular updates from the Audit & Sustainability Committee and the sustainability team.
	2-18 Evaluation of the performance of the highest governance body	65			
	2-19 Renumeration policies	65, 100-106			
	2-20 Process to determine renumeration	100-102			
	2-21 Annual total compensation ratio	-			Part of the Remuneration Report 2023 to be included in the Notice for the 2024 Annual General Meeting.

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION - PAGE NUMBER	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	13-38			
	2-23 Policy commitments	16, 19, 42			Kinnevik applies the precautionary principle, see our Sustainability Policy on www.kinnevik.com.
	2-24 Embedding policy commitments	14, 16, 19, 30, 33, 42			
	2-25 Processes to remediate negative impacts	22, 33, 42			The effectiveness of Kinnevik's whistleblower service is evaluated based on any potential new whistleblower regulations as well as inbound requests/complaints.
	2-26 Mechanisms for seeking advice and raising concerns	42			
	2-27 Compliance with laws and regulations	35-38			During 2023, no fines or non-monetary sanctions were incurred or paid due to any non-compliance with laws and regulations.
	2-28 Membership associations	-			Stockholm Chamber of Commerce, Stockholm School of Economics and Reach for Change.
	2-29 Approach to stakeholder engagement	41			
	2-30 Collective bargaining agreements	-			No employees are covered by such agreements. However, freedom of assembly and association is clearly stated in our Code of Conduct.
MATERIAL TOPICS					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	41			
	3-2 List of material topics	14, 41			
GOVERNANCE					
GRI 3: Material Topics 2021	3-3 Management of material topics	16, 35, 41			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	35			
	201-2 Financial implications and other risks and opportunities due to climate change	49-51			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	19, 43			
	205-2 Communication and training about anti-corruption policies and procedures	37-38, 42			Kinnevik's 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. The Code of Conduct is shared with all relevant suppliers on a yearly basis whereby their obligation to comply with the policy is clarified. Given that most of Kinnevik's direct suppliers are large professional services firms, we do not perform further supply chain compliance activities at Kinnevik level. There is no data available on how many employees in the portfolio companies have received anti-corruption training.
	205-3 Confirmed incidents of corruption and actions taken	42			

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION - PAGE NUMBER	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
ENVIRONMENT					
GRI 3: Material Topics 2021	3-3 Management of material topics	16, 22, 41			
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	27			
GRI 305: Emissions 2016	305-1 Direct (scope 1) GHG emissions	22-23			Company-owned vehicles
	305-2 Energy indirect (scope 2) GHG emissions	22-23			Power consumption and district heating
	305-3 Other indirect (scope 3) GHG emissions	22-24			Primarily Kinnevik's business trips and portfolio companies' emissions
	305-4 GHG emissions intensity	22			
	305-5 Reduction of GHG emissions	22-23, 25-26			
SOCIAL					
GRI 3: Material Topics 2021	3-3 Management of material topics	30-32, 41-42			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	32			
	401-3 Parental leave	32			
GRI 404: Training and Education 2016	404-3 Percentage of employees receiving regular performance and career development reviews	31			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	31			
ACTIVE OWNERSHIP					
GRI 3: Material Topics 2021	3-3 Management of material topics	16, 19			
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	16, 19, 43			All potential new investments into private companies are subject to a sustainability due diligence based on the Kinnevik Standards, which includes environmental and social issues.
GRI-FS11	Percentage of assets subject to positive and negative environmental or social screening	16, 19			All potential new investments into private companies are subject to a sustainability due diligence based on the Kinnevik Standards, which includes positive and negative environmental and social screening.
SASB: 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	31			Kinnevik measures gender representation on all levels and ethnic minority background for all employees (on voluntary and anonymous basis).
SASB: 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 regulation	-			Kinnevik did not sustain any monetary losses in the reporting period as a result of legal proceedings associated with the conduct described.
	Description of whistleblower policies and procedures	42			Kinnevik has an external whistleblowing service managed by the external party WhistleB.
SASB: Incorporation of Environmental, Social and Governance Factors in Investment Management & Advisory	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies	16			Sustainability, including environment, social aspects and governance, is an integral part of our business model and investment process.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)

Below is an overview of the Sustainability Accounting Standards Board (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 2023.

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	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	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	FN-AC-330a.1	Kinnevik measures gender representation on all levels and ethnic minority background for all employees (on voluntary and anonymous basis).	31
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 integral part of our business model and investment process.	16
	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	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 described.	-
	Description of whistleblower policies and procedures	FN-AC-510a.2	Kinnevik has an external whistleblowing service managed by the external party WhistleB.	42
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)	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.	-

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

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

Introduction

We have been engaged by the Board of Directors and Executive Management of Kinnevik AB (publ) to undertake a limited assurance engagement of Kinnevik AB's Sustainability Report for the year 2023. Kinnevik AB has defined the scope of the Sustainability Report to page 12-55 in this document.

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 applicable criteria, as explained on pages 52-54 in the Sustainability Report, that 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 mistakes.

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 (Revised), Assurance engagements other than audits or reviews of historical financial information. 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. A limited assurance engagement 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.

The firm applies ISQM 1 (International Standard on Quality Management) 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. We are independent of Kinnevik AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The limited assurance procedures performed do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. The conclusion based on a limited assurance engagement does not provide the same level of assurance as a conclusion based on an audit.

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 obtained is sufficient and appropriate to provide a basis for our conclusions below.

Conclusion

Based on the limited assurance procedures 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 Executive Management.

Stockholm, 3 April 2024

KPMG AB

Mårten Asplund	**Torbjörn Westman**
Authorised Public Accountant	Special member of FAR

BOARD REPORT

BOARD OF DIRECTORS' REPORT

Kinnevik's ambition is to be Europe's leading listed growth investor. We back the best digital companies for a reimagined everyday and to deliver significant returns. We have a strong and expanding portfolio in healthcare, software, marketplaces and climate tech. 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)	2023	2022	2021	2020	2019
Equity	48 161	52 906	72 391	111 671	73 295
Equity/assets ratio, %	90%	92%	92%	96%	94%
Net cash/(Net debt)	7 880	10 387	5 384	4 817	-930
Debt/equity ratio, multiple	0.07	0.07	0.07	0.03	0.07
Net asset value	48 161	52 906	72 391	111 671	73 295
Net asset value per share, SEK	171	189	260	402	265
Net asset value change	-9%	-27%	16%	52%	31%
Kinnevik market capitalization	30 386	40 191	90 246	115 929	63 232
Market price Class B share at 31 December, SEK	108	144	324	417	229
NAV Premium / (Discount)	-37%	-24%	25%	4%	-14%
Cash dividend per share, SEK	-	-	-	7.00	-
Dividend in kind per share, SEK, accounting	-	-	196.22	-	60.09
Dividend in kind per share, SEK , for TSR purpose	-	-	172.75	-	56.22
Total shareholder return %	-25%	-56%	29%	85%	40%
Fair value, Value-Based Care	6 205	8 342	11 594	8 208	3 545
Share of portfolio value	*15%*	*19%*	*17%*	*8%*	*5%*
Fair value, Virtual Care	4 329	2 507	5 534	12 302	2 968
Share of portfolio value	*10%*	*6%*	*8%*	*11%*	*4%*
Fair value, Platforms & Marketplaces	3 999	5 943	6 717	53 255	33 539
Share of portfolio value	*10%*	*14%*	*10%*	*50%*	*45%*

Five-year summary (SEKm)	2023	2022	2021	2020	2019
Fair value, Software	7 876	8 320	10 530	1 527	1 361
Share of portfolio value	*19%*	*19%*	*16%*	*1%*	*2%*
Fair value, Consumer Finance	1 802	2 538	2 646	1 399	1 698
Share of portfolio value	*4%*	*6%*	*4%*	*1%*	*2%*
Fair value, Early Bets & New Themes	4 973	2 965	1 414	752	347
Share of portfolio value	*12%*	*7%*	*2%*	*1%*	*0%*
Fair value, Emerging Markets	166	1 005	4 631	9 523	5 332
Share of portfolio value	*0%*	*2%*	*7%*	*9%*	*7%*
Fair value TMT	11 887	11 752	24 240	20 450	25 440
Share of portfolio value	*29%*	*27%*	*36%*	*19%*	*34%*
Total Portfolio value	41 236	43 385	67 541	107 556	74 230
Change in fair value of financial assets (incl. dividends received)	-4 715	-19 318	14 958	41 539	21 879
Profit/loss for the year	-4 766	-19 519	14 777	40 274	21 572
Earnings per share, after dilution	-16.96	-69.83	53.12	145.22	78.02
Cash flow from operations (excluding dividend received)	-336	-359	-376	-362	-271
Cash flow from investments in financial assets	-4 344	-5 954	-6 014	-2 170	-4 586
Cash flow from sale of shares and other securities	1 504	7 335	5 799	8 383	6 162
Dividends received	936	3 538	1 689	1 689	2 907
Cash dividend paid	-11	0	-44	-1 928	-2 271
Cash flow for the year	-2 240	3 350	2 955	3 702	3 401

For definitions of financial key ratios, refer to page 122.

The financial statements were approved by the Board of Directors on 3 April 2024 and the Board of Directors and the CEO hereby present the annual report and consolidated financial statements for the 2023 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 6 May 2024. 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 2023. The figures in parentheses pertain comparative figures for 2022 unless otherwise stated.

KEY EVENTS DURING 2023

During 2023, we invested a total of SEK 4.9bn, focused on follow-on investments into our highest conviction companies with a record-high SEK 1.5bn deployment into secondary equity. We released SEK 1.4bn in aggregate through divestments during 2023, bringing full-year net investments to SEK 3.5bn. The Net Asset Value at the end of the year amounted to SEK 48.2bn (SEK 171 per share), a decrease of SEK 4.7bn or 9 percent during the year. Net cash amounted to SEK 7.9bn, corresponding to 19 percent of the portfolio value at the end of the year.

Our unlisted portfolio was written down by 15 percent, reflecting scrutinized forecasts and contracting multiples relative to public comparables, several unchanged valuations due to transactions in line with Q3 marks and significant cuts in long-tail companies, as well as negative currency effects. Growth remained strong in 2023, and on average our private companies grew topline by more than 60 percent.

In any growth portfolio, there will be companies that are unsuccessful. In 2023, Babylon Health was unable to fund their continued growth, resulting in the liquidation of the company. Many businesses still managing to survive have instead had their valuations cut drastically to reflect bleaker outlooks and lower multiples. Our consumer-facing companies such as Oda/Mathem and Instabee have struggled after the pandemic, impacting their performance, their valuations and our Net Asset Value. Even so, the returns in our cohort of investees added since 2018 remains competitive, with an average IRR of 15 percent, thanks to the strong and consistent performance of the handful of companies that today make up a much larger share of our portfolio than they have over these last years.

CONSOLIDATED EARNINGS

The change in fair value of financial assets including dividends received amounted to a loss of SEK4,715m (loss of 19,318) for the year of which a profit of SEK 292m (loss of 10,876) was related to listed holdings and a loss of SEK 5,007m (loss of 8,442) was related to unlisted holdings.

Of SEK 417m (371) in administration costs, SEK 84m (59) is attributable to Kinnevik's long-term incentive program (LTIP). The increased cost compared to the previous year is partly due to the larger scope of the program for 2023 and partly to the fact that the cost is dependent on the valuation at the time the incentive shares are transferred to the participants and taxation takes place. For more information about Kinnevik's LTIP, refer to Note 16 for the Group. The increased financial net is mainly due to the higher interest rate situation for our net cash, partially offset by negative revaluations of market derivatives as a result of shorter remaining maturity.

CASH FLOW AND INVESTMENTS

The Group's cash flow from operating activities amounted to SEK 600m (3,179) during the year, of which dividends received from Tele 2 amounted to SEK 936m (3,538). Paid investments in shares and other securities amounted to SEK 4,343m (5,954) and divestments of shares and other securities contributed to the cash flow by SEK 1,503m (7,335), see Note 6 for the Group for more details.

LIQUIDITY AND FINANCING

The net interest-bearing assets amounted to SEK 8,091m and Kinnevik was in a net cash position of SEK 7,880m as at 31 December 2023. Kinnevik's total credit facilities amounted to SEK 7,730m as of 31 December 2023, of which SEK 4,100m in unutilised revolving credit facilities and SEK 3,500m in outstanding bonds with maturities in 2025-28. The Group's available liquidity, including short-term investments and available unutilised credit facilities, totalled SEK 16,181m (19,264) as at 31 December 2023. For more information about the interest-bearing liabilities, see Note 10 for the Group. Borrowing primarily occurs in SEK and the Group's cash flows in foreign currencies pertain mainly to 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 managed by Kinnevik's finance function and 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 its investment portfolio, changes in currency and interest rates, and financing risks. Operational risks at the investee level are managed within a risk management framework established by the Board of Directors, and takes into account Kinnevik's ability to influence and exposure to the respective investee company.

Our portfolio is well funded, where more than 70 percent of our companies by value are profitable or have runways that enable them to reach profitability, and only 14 percent has a runway ending within the next 12 months. As such, the direction of our capital deployment is at our discretion. With a more concentrated portfolio, a strong cash position, and a clear strategy, we are entering 2024 well positioned for long-term value creation.

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 2023 for the Parent Company were the following:

- Administration costs: SEK -381m (-331)
- Result from subsidiaries: SEK -3,642m (-14,492)
- Profit after financial items: SEK -4,277m (-16,684)

During the year, the Parent Company paid shareholders' contributions to subsidiaries totalling SEK 4,344m (6,033) 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 153m (46,344) and the net of write-downs and reversed write-downs of shares in subsidiaries and other portfolio companies amounted to SEK -3,794m (-59,934) due to change in value.

SHARE CAPITAL

As of 31 December 2023, the number of shares in Kinnevik AB amounted to 281,896,124, of which 33,755,432 are Class A shares carrying ten votes each, 243,217,233 are Class B shares carrying one vote each and 4,923,459 are reclassifiable, subordinated, incentive shares held by the participants in Kinnevik's long-term incentive plan launched in 2019-2023 (of which 285,828 shares from LTIP 2023 held in treasury). The total number of votes for outstanding shares amounted at 31 December 2023 to 585,409,183, excluding 285,829 votes from treasury shares.

During the year, 177,703 Class B shares were issued to cover dividend compensation related to Kinnevik's long-term incentive programs. In addition, and similar to LTIP 2022, a new issue of 2,010,222 reclassifiable, subordinated, incentive shares, divided into two classes, to the participants in Kinnevik's long-term share incentive plan resolved on by the AGM in May were registered by the Swedish Companies Registration Office (Sw. Bolagsverket).

A total of 446,048 outstanding Incentive Shares from 2018 to 2022 were redeemed as a result of unfulfilled conditions and during July, 355,672 incentive shares from LTIP 2020 were converted to Class B shares.

As of 31 December 2023, there was one shareholder owning shares representing more than 10 percent of the total number of the votes in the company: Verdere S.à.r.l. with 19.4 percent of the votes. To the knowledge of the Board, there are no shareholder agreements or share associations in Kinnevik.

GUIDELINES FOR REMUNERATION TO SENIOR EXECUTIVES

The Board's proposal to the 2024 Annual General Meeting on guidelines for remuneration to senior executives is presented below. For the current guidelines and remuneration for the Senior Executives paid out during 2023, please refer to Note 16 for the Group.

The Board proposes the following guidelines for remuneration to the Chief Executive Officer and the other persons in the executive management of Kinnevik (the "Senior Executives"), as well as members of the Board to the extent they are remunerated outside their Board duties.

The guidelines shall apply to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the 2024 Annual General Meeting. These guidelines will not apply to any remuneration separately decided or approved by the General Meeting, such as ordinary Board remuneration and share-related or share price-related remuneration.

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

Kinnevik's business strategy is to be Europe's leading listed growth investor by:

- investing in businesses that harness the power of technology to address vital everyday needs,
- making the most of our permanent capital – being a bold, stage-agnostic, long-term partner and trusted advisor to talented entrepreneurs,
- focusing on investment themes underpinned by digital disruption, underserved end-consumers, as well as the biggest challenge of our generation, climate change,
- investing in Europe and the US, and
- leveraging our experience, expertise and network to actively support our companies in building long-term sustainable and successful businesses.

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

A prerequisite for the sustainable and successful implementation of Kinnevik's business strategy and safeguarding of its long-term interests 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 and cost efficient remuneration packages to create incentives to execute strategic plans, deliver excellent operating results and to ensure financial alignment with Kinnevik's shareholders. These guidelines for remuneration enable Kinnevik to offer Senior Executives a competitive remuneration package, which together with Kinnevik's long-term incentive plans promote Kinnevik's business strategy and its long-term interests and sustainability. The guidelines aim to ensure that variable compensation correlates entirely with behaviour, actions and outcomes that promote – or has proven to generate – meaningful long-term shareholder value creation whilst achieving sustainability targets that in turn ensure sound and sustainable business practices. Furthermore, the Board shall have the authority, subject to the restrictions that may apply under law or contract, to in whole or in part reclaim variable remuneration paid on incorrect grounds or based on information that was manifestly misstated.

Types of remuneration

The remuneration shall be on market terms and consist of fixed cash salary, variable cash remuneration, pension benefits and other customary benefits. Additionally, the General Meeting may resolve on, among other things, share-related or share price-related remuneration.

The fixed cash salary is reviewed each year and is based on the Senior Executive's importance to Kinnevik's future value creation, competence and areas of responsibility in relation to market benchmarks.

Variable cash remuneration can amount to a maximum of 100 percent of the Senior Executive's fixed annual cash salary. Additional variable cash remuneration may be awarded in particularly extraordinary circumstances, provided that such arrangements are made on an individual basis for the purpose of recruiting or retaining Senior Executives. Such additional remuneration may not exceed an amount corresponding to 100 percent of the Senior Executive's fixed annual cash salary.

Long-term incentive plans are resolved upon by the General Meeting irrespective of these guidelines and shall be structured to ensure that the absolute majority of Senior Executives' remuneration is tied to the long-term development of Kinnevik's shareholder's wealth and to ensure that Senior Executives have a significant amount of their capital tied to the long-term creation of Kinnevik shareholder value. The outcome of long-term incentive plans shall be linked to predetermined and objective 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").

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

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

Termination of employment

Upon termination of employment by Kinnevik, notice periods 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, with no right to severance pay.

Criteria for awarding variable cash remuneration

Variable cash remuneration shall be based on predetermined and measurable financial and non-financial criteria that the Board believes will over time generate long-term shareholder value. The criteria shall encompass both individual and company-level objectives with a positive impact on Kinnevik's long-term total shareholder returns and sustainability targets. In order to further ensure alignment with Kinnevik's shareholders, payment of part of the variable cash remuneration is conditional upon a portion of it being invested into Kinnevik shares, until the Senior Executive has a shareholding in Kinnevik corresponding to his or her fixed annual cash salary, net after taxes.

Relative to what has been awarded under the previous guidelines for remuneration, variable cash remuneration under these guidelines shall exhibit a higher variance between individuals and between years.

The extent to which the criteria for awarding variable cash remuneration have been satisfied shall be evaluated annually. Evaluation of financial criteria shall to the extent possible be based on the financial information made public by Kinnevik. The People & Remuneration Committee is responsible for the evaluation, and the Committee shall have the discretion afforded them by shareholders to ensure that variable cash remuneration commensurately reflects shareholder value creation by making any necessary adjustments to the Senior Executives' actual rewards. This means that in years of poor overall performance, the outcome of variable cash remuneration may be adjusted downwards despite achievement of predetermined criteria.

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 remuneration to other employees is disclosed in the remuneration report.

Remuneration to Board members

Board members in Kinnevik, 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 Kinnevik. 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 tasked to prepare the Board's resolutions in remuneration-related matters and the Board's proposal for remuneration guidelines for Senior Executives. The People & Remuneration Committee's tasks also include assisting in other matters such as the composition of the Senior Executive team, talent management, diversity and inclusion, and terms of termination of employments. The People & Remuneration Committee also monitors and evaluates the programs for variable remuneration for Senior Executives individually and the full Kinnevik team organizationally as well as the application of these guidelines and the remuneration structures and levels within Kinnevik in general.

Remuneration under employment subject to other rules 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 deliberations 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 where material changes of the guidelines become necessary, and in any case 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.

Material changes to the guidelines adopted by the 2020 Annual General Meeting

In preparation of the Board's proposal for these remuneration guidelines, the People & Remuneration Committee received feedback from major shareholders. Taking said feedback into account the Committee has during 2023 and 2024 undertaken an in-depth review of Kinnevik's compensation framework and processes. A substantial portion of the outcome of the Committee's review will be reflected in the Board's proposed long-term share incentive plan for 2024. As relates to these guidelines, the review concluded a need to -

- emphasize its responsibility to use the discretion afforded them by shareholders to ensure that any reward of variable cash remuneration to Senior Executives properly reflect and align with the overall financial performance of Kinnevik in any given year,
- clarify that any variable cash remuneration under these guidelines shall exhibit a higher variance between individuals and between years relative to what has been the case up until now, and
- limit additional variable cash remuneration to the purpose of recruiting and retaining Senior Executives, and by that removing the possibility of awarding additional variable cash remuneration for exceptional performance beyond the individual's ordinary tasks.

Save for said adjustments, no other material changes have been made compared to the remuneration guidelines adopted by the 2020 Annual General Meeting.

CAPITAL DEPLOYMENT

Over 2024-26, Kinnevik expects SEK 3-5bn in average net investments per annum.

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 percent 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 2023

Area	Target	Outcome 2023
Return	Annual TSR of 12-15% over the business cycle [1]	-25% (1 years) +3% (5 years) +1% (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 12-55 and also on the company's website at www.kinnevik.com

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

On 26 February 2024, Kinnevik announced that it has agreed to sell its entire shareholding in Tele2 AB (publ) ("Tele2") to Freya Investissement, an investment vehicle jointly controlled by the European telecommunications group iliad and its Chairman and founder Xavier Niel through NJJ Holding ("iliad/NJJ") for a total consideration of SEK 13bn. The transaction is expected to be completed during the third quarter 2024.

As a result of the transaction, Kinnevik's cash position will be significantly strengthened, and Kinnevik's Board of Directors will undertake a capital structure review in consultation with major shareholders.

FUTURE DEVELOPMENT

Leaving six years of building a new portfolio behind us, in 2024 we enter a new phase focused more on portfolio concentration driven increasingly by investee operational performance, during which we expect SEK 3-5bn in net investments per annum on average over the next three years.

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

PROPOSED TREATMENT OF UNAPPROPRIATED EARNINGS

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

Retained earnings	41,010,771,537
Share premium	1,615,929,594
Total	**42,626,701,131**

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 2023.

In accordance with § 4 of the Articles of Association and the terms of Kinnevik's long-term incentive plans for 2019, 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, of SEK 137.87 per share of Class G 2019 for which the performance condition has been fulfilled during 1 April 2019 – 31 March 2024. The size of such compensation will amount to in total SEK 52.3m, assuming maximum fulfillment of the performance conditions.

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

CORPORATE GOVERNANCE REPORT

The corporate governance of Kinnevik is based on the Swedish Companies Act, Nasdaq Nordic Main Market Rulebook for Issuers of Shares and the Swedish Code of Corporate Governance (the "Code"), as well as other relevant Swedish and foreign laws and regulations. The Code is available on www.bolagsstyrning.se. This Corporate Governance Report is submitted in accordance with the Swedish Annual Accounts Act and the Code. Kinnevik has no deviation from the Code to report for 2023. There has been no infringement by Kinnevik of applicable stock exchange rules and no breach of good practice on the securities market reported by the disciplinary committee of Nasdaq Stockholm or the Swedish Securities Council in 2023.

SHAREHOLDERS

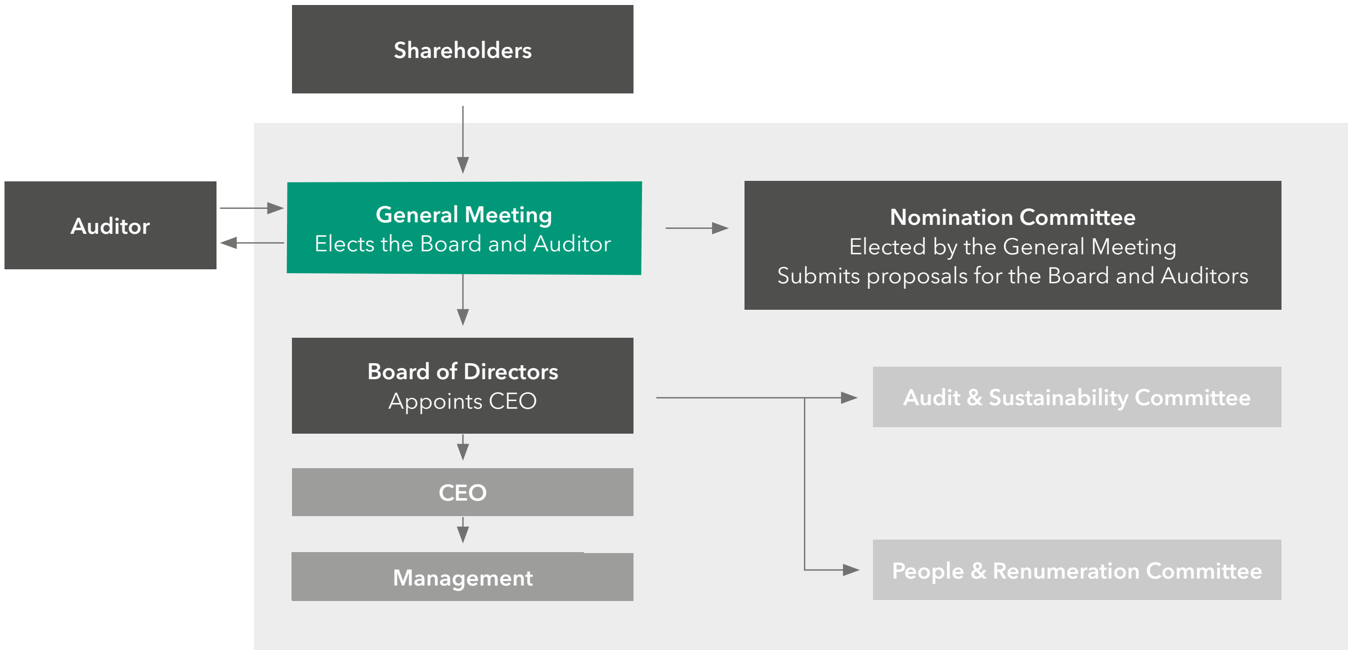
As of 31 December 2023, the number of shares in Kinnevik amounted to 281,896,124, of which 33,755,432 Class A shares carrying ten votes each, 243,217,233 Class B shares carrying one vote each and 4,923,459 reclassifiable, sub-ordinated, incentive shares carrying one vote each and which are held by the participants in Kinnevik's long-term incentive plans launched in 2019-2023. Kinnevik's Class A and Class B shares are listed on Nasdaq Stockholm's Large Cap list.

The Company's largest shareholder is Verdere S.à r.l. with 4.0 percent of the share capital and 19.4 percent of the votes. As of 31 December 2023, the ten largest shareholders represented 34.7 percent of the share capital and 57.0 percent of the votes in the Company. Except for Verdere S.à r.l., no shareholder has a direct or indirect shareholding in the company representing at least one tenth of the voting rights of all shares. Further information on major shareholders of the Company can be found on page 60 and on our website www.kinnevik.com.

GENERAL MEETING

The Swedish Companies Act and the Articles of Association determine how notice of the Annual General Meeting and Extraordinary General Meetings shall occur, and who has the right to participate in and vote at such meetings. In addition to what is required by law regarding a shareholder's right to participate in the General Meeting, Kinnevik's Articles of Association require advance notice of the General Meeting no later than the date stated in the notice and, where applicable, notice shall also be given if the shareholder intends to bring an adviser. There are no restrictions on the number of votes each shareholder may cast at the General Meeting. The Board has the right to decide that shareholders shall be able to exercise their voting rights at the General Meeting by postal voting in advance.

The 2023 Annual General Meeting was held on 8 May 2023. The Annual General Meeting resolved, inter alia, to approve the Board's proposal for treatment of earnings including a dividend as compensation for paid dividends and other value transfers to participants in Kinnevik's long-term incentive plan for 2020, discharge the members of the Board and the CEO from liability for the financial year 2022, elect members of the Board and Auditor, determine remuneration to the Board and Auditor as well as to approve the instruction for the Nomination Committee and elect members and Chairman of the Nomination Committee. The Annual General Meeting further resolved to implement a long-term share incentive plan for Kinnevik employees, including to amend the Articles of Association by the introduction of two new share classes of reclassifiable incentive shares of Class C 2023 and Class D 2023, transfer of incentive shares to the participants



[1)] The Code is available on https://www.bolagsstyrning.se.

in the plan and to authorise the Board to resolve on a new issue and repurchase of 2,010,222 incentive shares of Class C 2023 and Class D 2023, and further on arrangements for the delivery of shares under outstanding long-term incentive plans, including resolutions on authorisations for the Board to resolve on a new issue and repurchase of 500,000 shares of Class X.

The minutes of the Annual General Meeting are available on our website www.kinnevik.com.

NOMINATION COMMITTEE

In accordance with the procedural guidelines for the Nomination Committee adopted by the General Meeting, Kinnevik shall have a Nomination Committee consisting of a maximum of five members, including the Chairman of the Board, of which of a maximum of four shall be elected by 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 to obtain their nominees for both members and Chairman of the Committee. The Nomination Committee shall first contact the largest shareholder measured by voting rights. The composition shall reflect not just ownership, but its representatives shall also bring diversity of mentality, mindset, geographical experience and a balance of business and investment expertise.

The Nomination Committee for the 2023 Annual General Meeting comprised Anders Oscarsson (Chairman), nominated by AMF, Hugo Stenbeck, nominated by Alces Maximus LLC, Marie Klingspor, Lawrence Burns, nominated by Baillie Gifford, and the Chairman of the Board James Anderson. The Committee held several virtual meetings, with additional phone contacts and email correspondence among members between meetings. As a basis for its assessment, the Committee was provided with an internal Board assessment and conducted interviews with each Board member about the Board's work, as well as Kinnevik's strategy and future priorities.

The Nomination Committee applied rule 4.1 of the Swedish Corporate Governance Code as its diversity policy. Accordingly, the Committee gave particular consideration to the importance of a diverse set of Board members, including their mentalities, experience, nationality, gender, professional backgrounds, risk appetites and business disciplines. The current Board comprises 60% female non-executives and 40% male non-executives. The Nomination Committee is committed to continue its efforts to compose the most competent Board, capable of capturing Kinnevik's full potential. Further information may be found in the Nomination Committee's motivated statement regarding its proposals to the 2023 Annual General Meeting available on our website www.kinnevik.com.

The Nomination Committee ahead of the 2024 Annual General Meeting comprises Hugo Stenbeck, nominated by Alces Maximus LLC, Lawrence Burns, nominated by Baillie Gifford, Erik Brändström, nominated by Spiltan Fonder, Marie Klingspor, nominated by herself and her siblings, and the Chairman of the Board James Anderson. Lawrence Burns is the Chairman of the Nomination Committee.

AUDITORS

According to the Articles of Association, Kinnevik shall as Auditor have no less than one and no more than three registered accounting firms. The Auditor's term of office shall last until the end of the Annual General Meeting which is held during the

BOARD AND COMMITTEE COMPOSITION

Board Director	Position	Audit & Sustainability Committee	People & Remuneration Committee
James Anderson	Chairman	-	Chairman
Susanna Campbell	Member	Member	Member
Harald Mix	Member	-	Member
Charlotte Strömberg	Member	Chairman	-
Cecilia Qvist	Member	Member	-

BOARD AND COMMITTEE MEETING ATTENDANCE

Board Director	Board	Audit & Sustainability Committee	People & Remuneration Committee
James Anderson	11/11	-	8/8
Susanna Campbell	11/11	10/10	8/8
Harald Mix	11/11	-	8/8
Charlotte Strömberg	11/11	10/10	-
Cecilia Qvist	10/11	10/10	-

first, second, third or fourth financial year after the Auditor was elected. At the Annual General Meeting 2022, the registered accounting firm KPMG AB was elected as Auditor until the end of the Annual General Meeting 2023 and at the Annual General Meeting 2023 KPMG AB were elected until the end of the Annual General Meeting 2024. The authorised 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 Note 12 for the Group and Note 5 for the Parent Company.

BOARD 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 12 members elected by shareholders.

At the 2023 Annual General Meeting, in accordance with the proposal by the Nomination Committee, James Anderson, Susanna Campbell, Harald Mix, Charlotte Strömberg and Cecilia Qvist were re-elected as members of the Board. The Annual General Meeting further re-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 page 67-68. None of the Board members is employed within the Group.

As of the end of 2023, Senior Executives in Kinnevik included Chief Executive Officer Georgi Ganev, Chief Financial Officer Samuel Sjöström, Director of Corporate Communications Torun Litzén, 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 our website www.kinnevik.com and Note 16 for the Group.

BOARD WORK

Kinnevik's Board is responsible for the overall strategy of the Group and for organising 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 as well as internal policy documents are updated and approved at least annually and are also regularly updated when necessary.

Significant issues addressed by Kinnevik's Board during 2023 include Kinnevik's corporate and portfolio strategy and capital reallocation plans, including material investments and divestments. As the basis for discussions concerning investee 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 several unlisted investee companies held 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. The Board further has robust internal procedures for handling conflicts of interests and transactions with related parties. All transactions with related parties as well as actual and potential conflicts of interest at Board level are adequately documented and managed by the Board. These requirements are duly reflected in the Board's work and delegation procedures and the policy for transactions with related parties. Information on transactions with related parties is presented in Note 15 for the Group

During 2023, Kinnevik's Board held eleven meetings (including the constituent meeting), of which two were extra meetings to discuss larger investments. All Board meetings during the year followed an agenda which, together with the documentation for each item on the agenda, was sent to Board members in advance of the meetings. The General Counsel serves as Company Secretary and is responsible for ensuring that the rules of procedure are complied with, and all Board members can turn to the Secretary for advice and assistance in their Board work.

In 2023, a People & Remuneration Committee and an Audit & 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.

EVALUATION OF THE WORK OF THE BOARD

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 2023 was conducted by way of a questionnaire, covering areas such as the Board's performance against its key duties, the Board's composition and process, information and reporting, culture, strategy as well as the performance of individual Board members. The results of the questionnaire were presented to and discussed by the Board. The Nomination Committee performed their own interviews with the Board members.

PEOPLE & REMUNERATION COMMITTEE

The People & Remuneration Committee's assignments are stipulated in rule 7.3 of the Code, and comprise issues concerning salaries, pension terms and conditions, incentive programmes and other conditions of employment for Senior Executives. Further, the People & Remuneration Committee oversees Kinnevik's relevant talent and performance processes including succession planning. The remuneration guidelines applied in 2023 are presented in Note 16 for the Group. 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, in particular as it relates to the assessed valuations of Kinnevik's unlisted investments, as well as the internal financial controls within the Group. Furthermore, the Audit & Sustainability Committee evaluates the Auditor's 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, and typically meets ten times per year. 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 2023 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 8.1 and 8.2, and Chapter 6, Section 6 and Chapter 7, Section 31 of the Swedish Annual Accounts Act and is thus restricted to the internal control pertaining to the financial reporting.

CONTROL ENVIRONMENT

The purpose of the Board's 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, authorisation 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 reports on its work. 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 materialising, 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. 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 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 valuations of unlisted investments, 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 2023, Kinnevik procured a third party review of Kinnevik's methods for valuing its larger unlisted investments as at 31 March 2023 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 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 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 of major shareholders.
Direct or related person ownership: 550,000 Class B shares.
Committee work: Chairman of the People & Remuneration Committee.
Other current significant assignments: Managing Partner at Lingotto LLP, trustee at Johns Hopkins University and member of the Investment Committee, senior advisor to the Board of Antler Group, Chair of Panmure House Prize Panel, member of the investment committee of University College, Oxford.

James Anderson was elected Chairman of the Kinnevik Board in 2021. He became partner at Baillie Gifford in 1987 and led the 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 has studied at the universities of Oxford, Carleton and Johns Hopkins.

Susanna Campbell
Board Director
Born: 1973
Nationality: Swedish citizen.
Independence: Independent of the Company and management and of major shareholders.
Direct or related person ownership: 4,000 Class B shares.
Committee work: Member of the Audit & Sustainability Committee, member of the People & Remuneration Committee.
Other current significant assignments: Chairman of Network of Design and Syre, Board director of Indutrade, Northvolt, Estrid and H2 Green Steel, industry advisor at Vargas Holding, senior advisor of Norrsken VC.

Susanna Campbell was elected a Director of the Kinnevik Board in 2019. Between 2012 and 2016, she was the CEO 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 of major shareholders.
Direct or related person ownership: 25,000 Class A shares and 200,000 Class B shares.
Committee work: Member of the People & Remuneration Committee.
Other current significant assignments: Co-founder and CEO of Altor Equity Partners, Chairman of the Board of Vargas Holding, H2 Green Steel and Aira, Board Director of Nordic Leisure Travel Group and Carnegie Investment Bank.

Harald Mix was elected Director of the Kinnevik Board in 2021. He has worked in management consulting and private equity at Booz Allen & Hamilton and at First Boston in New York. He co-founded private equity firm Industrikapital in 1990 where he was active until 2001. Harald Mix graduated in 1983 from Brown University, Rhode Island, and from Harvard Business School in 1987.

Charlotte Strömberg
Board Director
Born: 1959
Nationality: Swedish citizen.
Independence: Independent of the Company and management and of major shareholders.
Direct or related person ownership: 6,000 Class B shares.
Committee work: Chairman of the Audit & Sustainability Committee.
Other current significant assignments: Board director of Clas Ohlson AB, Höganäs AB and Lindéngruppen AB, Deputy Chairman of Sofina SA, member of the Swedish Securities Council, independent member of the Nasdaq Stockholm Listing Committee.

Charlotte Strömberg was elected a Director of the Kinnevik Board in 2018. During 2006-2011, she served as CEO 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. Charlotte is also a co-founder of DHS Venture Partners. 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 of major shareholders.
Direct or related person ownership: 4,000 Class B shares.
Committee work: Member of the Audit & Sustainability Committee.
Other current significant assignments: Board Director of Polarium and Embracer Group.

Cecilia Qvist was elected a Director of the Kinnevik Board in 2020. She has previously held positions as CEO of Leia Inc. and president of LEGO Ventures. Prior to joining LEGO, she was Global Head of Markets and a senior advisor overseeing global growth strategy at Spotify. Cecilia has also 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: 355,563 Class B shares, 36,000 incentive shares in LTIP 2019, 62,400 incentive shares in LTIP 2020, 94,500 incentive shares in LTIP 2021, 129,000 incentive shares in LTIP 2022, 210,870 incentive shares in LTIP 2023.
Other current significant assignments: Board director of Aira, Tele2, Global Fashion Group and Reach for Change.

Georgi Ganev has been CEO of Kinnevik since 2018. Georgi was CEO of Dustin 2012-2017. Prior to Dustin, Georgi was CMO at Telenor Sweden AB between 2010 and 2012, CEO of Bredbandsbolaget AB 2007-2010 and Sales & Marketing Director and Product Manager at Tele2 2002-2007. Georgi holds an MSc in Engineering in Information Technology from Uppsala University.

FINANCIAL STATEMENTS

GROUP FINANCIAL STATEMENTS

Consolidated Statement of Comprehensive Income

For the period 1 January-31 December (SEKm)	Note	2023	2022
Change in fair value of financial assets	3	-5 651	-22 856
Dividends received	3	936	3 538
Administration costs	16	-417	-371
Other operating income		11	11
Other operating expenses		-2	-1
Operating profit/loss		**-5 123**	**-19 679**
Interest income and other financial income		595	346
Interest expenses and other financial expenses	4	-238	-186
Profit/loss after financial net		**-4 766**	**-19 519**
Tax	7	0	0
Net profit/loss for the year		**-4 766**	**-19 519**
Total comprehensive income for the year		**-4 766**	**-19 519**
Net profit/loss per share before dilution, SEK		-16.96	-69.83
Net profit/loss per share after dilution, SEK		-16.96	-69.83
Outstanding shares at the end of the year		281 610 295	280 076 174
Average number of shares before dilution		280 996 647	279 503 330
Average number of shares after dilution		280 996 647	279 503 330

Consolidated Statement of Cash Flow

For the period 1 January-31 December (SEKm)	Note	2023	2022
Dividends received	3	936	3 538
Cash flow from operating costs		-432	-337
Interest, received		161	44
Interest, paid		-65	-66
Cash flow from operations		**600**	**3 179**
Investments in financial assets	6	-4 344	-5 954
Sale of shares and other securities	6	1 504	7 335
Cash flow from investing activities		**-2 840**	**1 381**
Repayment of loan	6	0	-1 210
Cash flow from financing activities		**0**	**-1 210**
Cash flow for the year		**-2 240**	**3 350**
Short-term investments and cash, opening balance		13 848	10 544
Revaluation of short-term investments		343	-46
Short-term investments and cash, closing balance		11 951	13 848

Consolidated Balance Sheet

31 December (SEKm)	Note	2023	2022
ASSETS			
Fixed assets			
Financial assets held at fair value through profit or loss	2,3	41 236	43 385
Tangible fixed assets		63	44
Right of use assets		44	3
Other fixed assets		0	130
Total fixed assets		**41 343**	**43 562**
Current assets			
Other current assets		218	320
Short-term investments	8	9 582	10 738
Cash and cash equivalents	8	2 369	3 110
Total current assets		**12 169**	**14 168**
TOTAL ASSETS		**53 512**	**57 730**

Consolidated Balance Sheet

31 December (SEKm)	Note	2023	2022
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		39 293	44 038
Total shareholders' equity		**48 161**	**52 906**
Long-term liabilities			
Interest-bearing loans	10	3 487	3 488
Provisions for pensions		19	18
Tax liability	7	924	923
Other liabilities	11	45	4
Total long-term liabilities		**4 475**	**4 433**
Short-term liabilities			
Interest-bearing loans	10	0	0
Other liabilities	11	876	391
Total short-term liabilities		**876**	**391**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**53 512**	**57 730**

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 2022	**28**	**8 840**	**63 523**	**72 391**
Profit/Loss for the period			-19 519	-19 519
Total comprehensive income for the year			**-19 519**	**-19 519**
Transactions with shareholders				
Effect of employee share saving programme			34	34
Closing balance 31 December 2022	**28**	**8 840**	**44 038**	**52 906**
Profit/Loss for the period			-4 766	-4 766
Total comprehensive income for the year			**-4 766**	**-4 766**
Transactions with shareholders				
Effect of employee share saving programme			32	32
Cash dividend [1)]			-11	-11
Closing balance 31 December 2023	**28**	**8 840**	**39 293**	**48 161**

[1)] The AGM 2023 resolved in favor of paying cash dividend compensation to the participants in Kinnevik's long term incentive program from 2020.

NOTES FOR THE GROUP

Note 1 Summary of significant accounting policies

STATEMENT OF COMPLIANCE
The consolidated accounts have been prepared in accordance with International IFRS Accounting Standards. Since the Parent Company is a company that is active in the EU, only EU-approved IFRS Accounting Standards 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 Accounting Standards 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.

NEW STANDARDS THAT HAVE NOT YET STARTED TO BE APPLIED
Of the EU's other approved new and amended IFRS Accounting Standards and interpretation statements from the IFRIC Interpretations, none is currently deemed to affect Kinnevik's results or financial position to a significant extent. The same applies to Swedish regulations.

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 supports 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 ongoing 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's financial and operational strategies, but not a controlling influence or joint controlling influence over these strategies. A holding of 20-50 percent 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 at 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. Realised and unrealised 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 do not have 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 recognised in equity relating to that particular foreign operation is recognised 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 recognised in the balance sheet when the Company becomes a party to the instrument's contractual terms. Accounts receivable are recognised when the invoice is sent. A liability is recognised 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 derecognised from the balance sheet when the rights in the contract are realised, expired or the Company loses control over them. The same applies for a portion of a financial asset. A financial liability is derecognised 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 realise 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 amortised 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 recognised at fair value (excluding transaction costs). Other financial instruments are initially recognised at cost, which corresponds to the instrument's fair value (including transaction costs.

Financial liabilities are classified as measured at amortised 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 amortised 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 amortised cost. Trade receivables generally have 30 days terms.

Derivatives

Kinnevik may occasionally invest in derivatives in order 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 amortised 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 12 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 measurment
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 estimate 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 given 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-respected 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
Kinnevik's long term incentive programs are based on a structure where the participants signs 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 5 years. Kinnevik has subsidised the subscription price which, including social costs, will be accounted for in accordance with IFRS 2 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 recognised at the time the service is rendered to the customer, after deductions for discounts. Interest - Revenue is recognised as the interest accrues to the net carrying amount of the financial assets.
Dividends received - Dividends received are recognised 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 carryforwards 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. For dividends in kind, the market value of the net assets at the time of distribution is reported as distributed value.

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 recognised. The group will recognise the right-of-use asset separately from other assets in the financial statements. In subsequent periods, the right of use is reported at acquisition value with deductions for depreciation and any write-downs and adjusted for any revaluations of the lease liability. The leasing liability is reported separately from other liabilities. In subsequent periods, the value of the debt is increased by the interest cost for the respective period and reduced by the lease payments. The leasing liability is revalued in the event of changes in, inter alia. lease period, residual value guarantees and any changes in lease payments. Short leasing contracts (12 months or less) and leasing contracts where the underlying asset amounts to a low value are reported linearly over the term in the operating profit.

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 Short-term investments and Cash includes cash, investments in Money Market Funds as well as short term investments with original duration of maximum three months. 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 summarised below.

Matter	Important assessments when applying the Group's accounting principles	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
Matter	**Important sources of uncertainty in estimates**	**See Note**
Deferred tax losses and tax costs	Judgment of possibility to use deferred tax losses against future profits	Note 7
Valuation of uncertain tax positions	Judgment 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

2023	Fair value through profit or loss	Amortised cost	Financial debt, amortised cost	Total book value	Fair value
Financial assets accounted at fair value through profit or loss	41 236	-	-	41 236	41 236
Other current assets	-	60	-	60	60
Derivatives	158	-	-	158	158
Short term investments	9 582	-	-	9 582	9 582
Cash and cash equivalents	-	2 369	-	2 369	2 369
Total financial assets	**50 976**	**2 429**	**-**	**53 405**	**53 405**
Interest-bearing loans	-	-	3 487	3 487	3 487
Trade payables	-	-	20	20	20
Other payables	-	-	749	749	749
Total financial liabilities	**-**	**-**	**4 256**	**4 256**	**4 256**

2022	Fair value through profit or loss	Amortised cost	Financial debt, amortised cost	Total book value	Fair value
Financial assets accounted at fair value through profit or loss	43 385	-	-	43 385	43 385
Other current assets	-	34	-	34	34
Derivatives	286	-	-	286	286
Short term investments	10 738	-	-	10 738	10 738
Cash and cash equivalents	-	3 110	-	3 110	3 110
Total financial assets	**54 409**	**3 144**	**-**	**57 553**	**57 553**
Interest-bearing loans	-	-	3 488	3 488	3 488
Trade payables	-	-	8	8	8
Other payables	-	-	273	273	273
Total financial liabilities	**-**	**-**	**3 769**	**3 769**	**3 769**

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

	Level 1	Level 2	Level 3	2023 Total	Level 1	Level 2	Level 3	2022 Total
Babylon	-	-	-	-	324	-	-	324
Global Fashion Group	166	-	-	166	1 005	-	-	1 005
Recursion	1 032	-	-	1 032	614	-	-	614
Teladoc	-	-	-	-	907	-	-	907
Tele2	11 887	-	-	11 887	11 752	-	-	11 752
Total Listed Assets	**13 084**	**-**	**-**	**13 084**	**14 603**	**-**	**-**	**14 603**
Betterment	-	-	1 391	1 391	-	-	1 438	1 438
Cedar	-	-	1 378	1 378	-	-	1 662	1 662
Cityblock	-	-	2 513	2 513	-	-	2 787	2 787
H2 Green Steel	-	-	1 232	1 232	-	-	278	278
HungryPanda	-	-	466	466	-	-	442	442
Instabee	-	-	823	823	-	-	1 736	1 736
Job&Talent	-	-	1 068	1 068	-	-	1 123	1 123
Lunar	-	-	411	411	-	-	268	268
Mathem	-	-	133	133	-	-	379	379
Mews	-	-	517	517	-	-	445	445
Monese	-	-	-	-	-	-	832	832
Oda	-	-	544	544	-	-	940	940
Omio	-	-	712	712	-	-	736	736
Omnipresent	-	-	86	86	-	-	376	376
Parsley Health	-	-	178	178	-	-	167	167
Pelago	-	-	494	494	-	-	391	391
Pleo	-	-	3 293	3 293	-	-	3 352	3 352
Spring Health	-	-	3 657	3 657	-	-	1 042	1 042
Sure	-	-	504	504	-	-	521	521
Transcarent	-	-	605	605	-	-	625	625
TravelPerk	-	-	2 098	2 098	-	-	1 964	1 964
VillageMD	-	-	3 087	3 087	-	-	4 606	4 606
Vivino	-	-	253	253	-	-	587	587
Early Bets & New Themes	-	-	2 709	2709	-	-	2 073	2 073
Total Unlisted Assets	**-**	**-**	**28 152**	**28 152**	**-**	**-**	**28 770**	**28 770**
Other Contractual Rights	-	-	-	-	-	-	12	12
Short term investments	9 582	-	-	9 582	10 738	-	-	10 738
Total Financial Assets measured at Fair Value through Profit or Loss	**22 666**	**-**	**28 152**	**50 818**	**25 341**	**-**	**28 782**	**54 123**

CHANGE IN FINANCIAL ASSETS IN LEVEL 3

	2023	2022
Opening balance 1 January	28 782	32 641
Investments	4 759	4 612
Disposals / Exit proceeds	-382	-29
Change in fair value	-5 007	-8 442
Closing balance, 31 December	**28 152**	**28 782**

FINANCIAL ASSETS ACCOUNTED AT FAIR VALUE THROUGH PROFIT & LOSS

OUR FRAMEWORK AND PRINCIPLES

In assessing the fair value of our unlisted investments, we adhere to IFRS 13 and the International Private Equity and Venture Capital Valuation Guidelines. Valuation methods primarily center around revenue, GMV, and profit multiples, with due consideration to differences in size, growth, profitability and cost of equity capital. We also consider the strength of a company's financial position, cash runway, and its funding environment. Valuations in recent transactions are not applied as a valuation method, but typically provide important points of reference. When applicable, consideration is given to preferential rights such as liquidation preferences to proceeds in a sale or listing of a business.

The valuation process is led by Kinnevik's CFO, independently from the investment team. Accuracy and reliability of financial information is ensured through continuous contacts with investee management teams and regular reviews of their financial and operational reporting. The valuations are approved by the CEO, after which a proposal is presented and discussed with the Audit & Sustainability Committee and Kinnevik's external auditors. After their scrutiny and potential adjustments, the valuations are approved by the Audit & Sustainability Committee and included in Kinnevik's financial reports.

When establishing the fair value of other financial instruments, methods 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 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, distributed per the below:

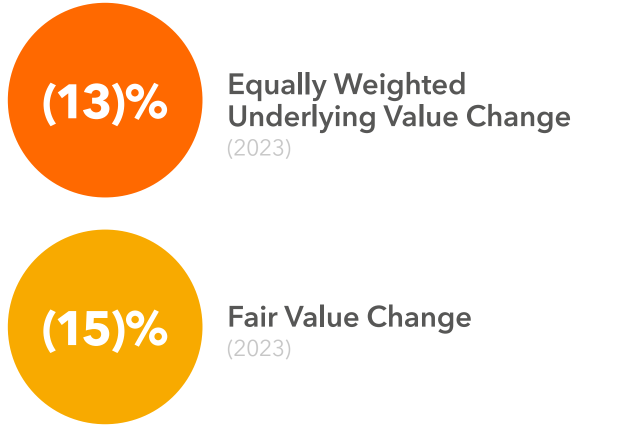
Level 1: Fair value established based on listed prices in an active market for the same instrument.

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.

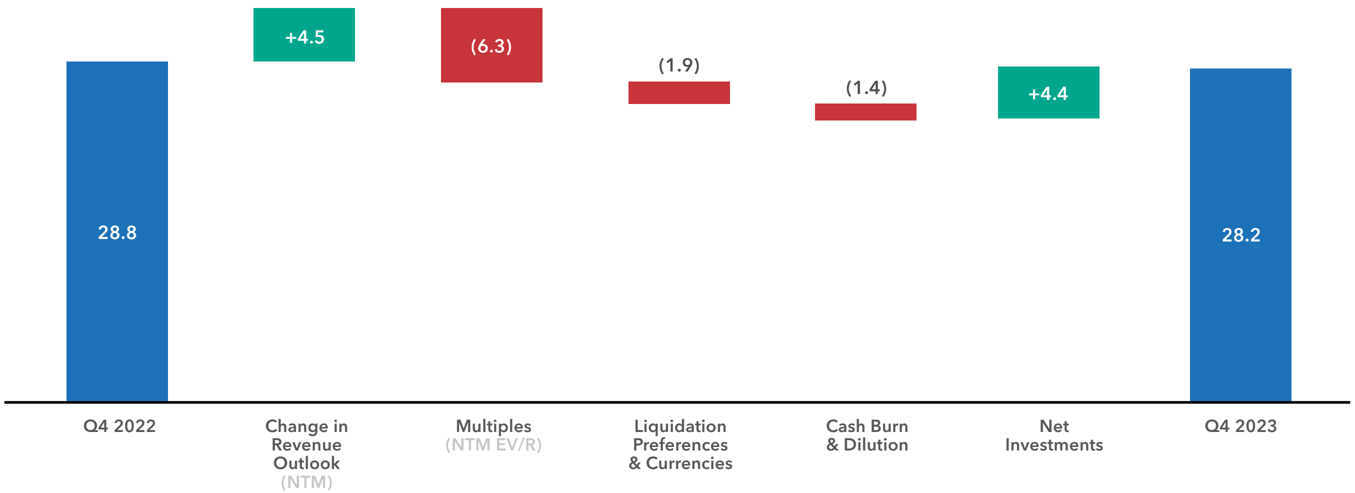
Largest Unlisted Investments	Ownership	% Weight of Unlisted Assets	Fair Value SEKm	Change 2023
Cityblock	8%	9%	2 513	(10)%
VillageMD	2%	11%	3 087	(33)%
Spring Health	12%	13%	3 657	+39%
Instabee	13%	3%	823	(59)%
Job&Talent	5%	4%	1 068	(5)%
Oda/Mathem	23%	2%	677	(61)%
Cedar	8%	5%	1 378	(17)%
Mews	5%	2%	517	+16%
Pleo	14%	12%	3 293	(4)%
TravelPerk	15%	7%	2 098	(2)%
Betterment	13%	5%	1 391	(3)%
H2 Green Steel	3%	4%	1 232	+5%
Value-Based Care		**22%**	**6 205**	**(23)%**
Virtual Care		**15%**	**4 329**	**+28%**
Platforms & Marketplaces		**14%**	**3 999**	**(40)%**
Software		**28%**	**7 876**	**(8)%**
Consumer Finance		**6%**	**1 802**	**(30)%**
Early Bets & New Themes		**14%**	**3 941**	**(2)%**
Total Unlisted Portfolio		**100%**	**28 152**	**(15)%**

Change 2023	Fair Value	Equity Value	Investee Average EV/NTM R	Peer Average EV/NTM R
Value-Based Care	(23)%	(22)%	(19)%	(12)%
Virtual Care	+28%	+48%	(8)%	(7)%
Platforms & Marketplaces	(40)%	(43)%	(17)%	+4%
Software	(8)%	(5)%	(24)%	+21%
Consumer Finance	(30)%	(4)%	(37)%	+11%
Early Bets & New Themes	(2)%	(4)%	-	-
Total Unlisted Portfolio	**(15)%**	**(15)%**	**(21)%**	**+5%**



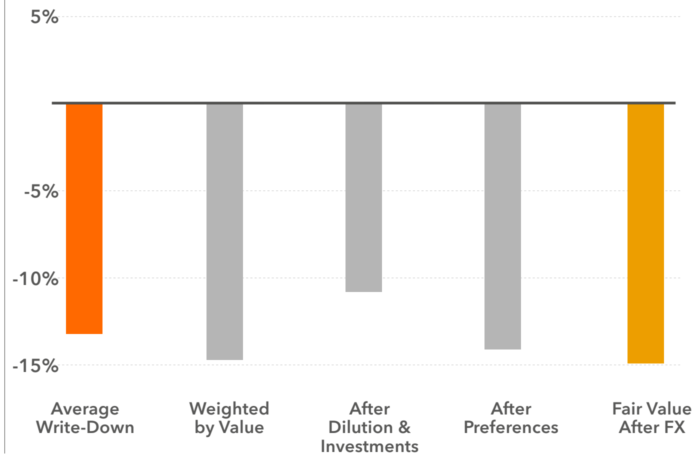
Value Drivers in the Unlisted Portfolio

Q4 2022 - Q4 2023, Illustrative Approximations, SEKbn



Valuation Reassessments to NAV Impact

% 2023 Change



ENDING A CHALLENGING YEAR OF ADJUSTED VALUATION LEVELS

2023 was another challenging year for venture and growth capital markets. Median funding round valuation were 40 percent lower than the case was at peak pandemic exuberance. The share of "down rounds" – funding rounds at a lower valuation than the previous one – quadrupled relative to during the pandemic. "Bridge rounds" – short-term debt-like financing to "bridge" to more favorable funding circumstances or an exit – tripled. Investor-friendly investment terms obscuring companies' true enterprise values also became more prevalent.

The large amounts of capital raised by venture and growth businesses during the pandemic allow many companies to postpone their repricing to current economic circumstances, or in some cases their demise. Our quarterly valuation reassessments have enabled us to provide a consistent mark-to-market view of our portfolio in a private capital market becoming less transparent and more stagnant.

We acknowledge that the 2022-23 correction, and several of our investees failing to meet expectations, has not only caused our assessed valuations to decline during the year. It has also compounded with our challenges in sharing confidential investee financial information and caused uncertainty around many of our valuation levels. Through 2024, our ambition is to help alleviate this uncertainty. In preparing our year-end valuation assessments we have scrutinized and revised down investee company budgets and plans, and we have contracted valuation multiples. We have also made larger downward revisions in carrying values of smaller investments in companies where our long-term conviction lacks strength. During the 2024 financial year, we hope to take further steps in increasing transparency around our investees' performance and our valuation assessments.

OPERATING PERFORMANCE & FINANCIAL RESILIENCE

Relative to our expectations at the beginning of 2023 our investees on average missed on revenue by 9 percent and on EBITDA margins by 6pp. These misses are lower than what was the case in a dramatic 2022 during which many of our businesses pivoted hard away from growth and towards profitability improvements. On average, the private portfolio grew revenues by over 60 percent in 2023, weighed down by sluggish e-commerce. We expect growth to continue to be weighed down by e-commerce in 2024 until the underlying retail market stabilizes and improves, and expect the private portfolio to grow by 40 percent on average before taking into consideration our continued efforts to concentrate the portfolio on our most long-term promising companies.

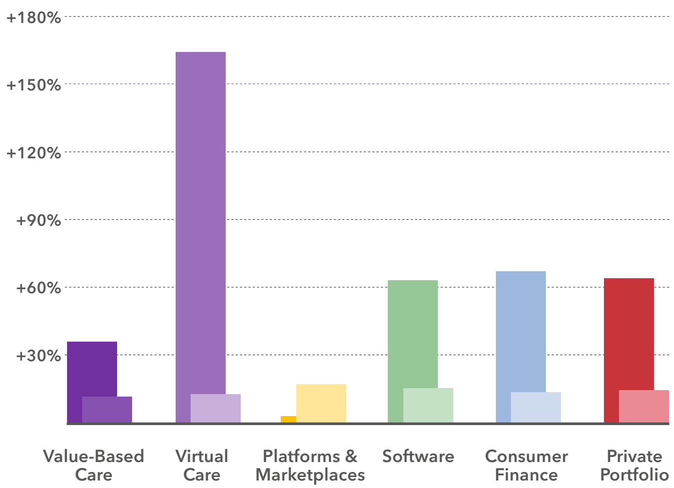
The financial position of this fast-growing portfolio remains robust. Half of the private portfolio by value is expected to reach EBITDA profitability in 2024 on a full-year or end-of-year run-rate basis, and an additional 24 percent are funded to break-even with a buffer. However, companies representing 14 percent of our private portfolio by value are likely to raise new capital during 2024. Upcoming funding needs are to be expected considering the venture and growth character of our portfolio. We see high return potential in participating in the majority of these upcoming funding events. In others, we will seek to help the company solve their financing need through other means and from other sources than our balance sheet.

MULTIPLES, CURRENCIES, PREFERENCES & TRANSACTIONS

Multiples expanded by 5 percent on average in our private portfolio's peer universe in 2023. Our valuations, however, were based on multiples contracting by more than 20 percent. This spread stems mainly from three factors. Firstly, transactions in almost 50 percent of the private portfolio by value were concluded during 2023 at valuation levels that on average were in line with the valuations in each investee's preceding quarter, thereby underpinning unchanged valuations despite public comparables trading up. Implied multiples contract when these investees continue to grow and improve profitability with an unchanged valuation. Secondly, we have recalibrated our valuation multiples in value-based care. To widen the margin of safety to hypothetical public market valuation levels, we have decreased our reliance on the indications from significant premiums ascribed to the formerly public value-base care provider companies that were all delisted through take-over offers in early 2023. Thirdly, we have aimed to decrease valuation multiples in general across all our valuation assessments in the portfolio.

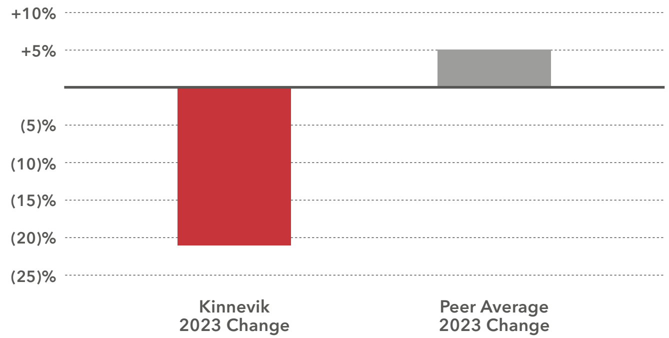
2023 Revenue Growth by NAV Category

Kinnevik Investees vs Public Peers



EV/NTM Revenue

2023 Change, Kinnevik Investees vs Public Peers



Note: All averages are value-weighted unless stated otherwise.

Adding to more careful investee expectations and multiple contraction relative to public comparables, we have sought to make large write-downs or write-offs in our portfolio's long-tail of companies where our conviction has come down. This encompasses a full write-off of Monese, a significant write-down of Omnipresent, and other large percentage downward valuation revisions and write-offs of smaller investments.

The aggregate effect of liquidation preferences amounted to SEK 1.9bn at the end of 2023, down 1.3bn during the year. This aggregate impact now corresponds to 7 percent of the fair value of our unlisted portfolio, down from 11 percent at the end of 2022. We expect this effect to decrease at a similar magnitude in 2024, making for less ambiguous and more dynamic fair values.

Currencies had a negative effect on fair values in 2023. The US dollar depreciated by 3 percent and the Euro was largely unchanged. In aggregate, currencies had a negative SEK 0.6bn impact on our fair values during the year.

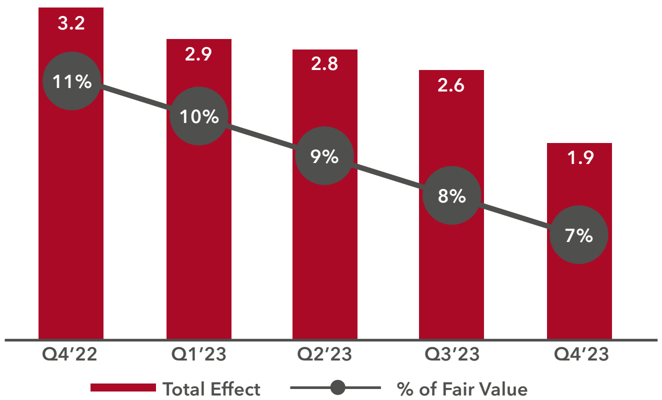
IN SUMMARY

We are entering 2024 with investee expectations commensurate to their performance or underperformance of the past, lower valuation multiples than we started 2023 with, and a large share of carrying values validated by recent transactions. We look forward to further increase the transparency of our valuation assessments in 2024, and to help alleviate past uncertainties.

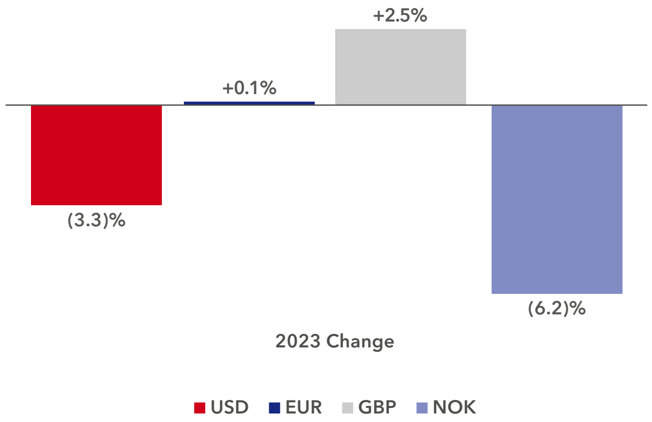
48% Share of Unlisted Portfolio Priced by Transactions in 2023

71% Share of Unlisted Portfolio Profitable or Funded to Break-Even with a Buffer

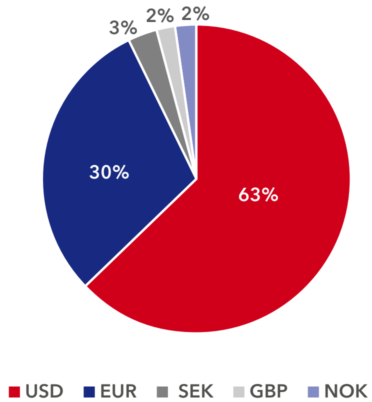
Effect of Liquidation Preferences
Q4 2022 – Q4 2023, SEKbn and % of Unlisted Fair Value



Development of Key Currencies
Against the SEK



Currency Split
% of Unlisted Fair Value



VALUE-BASED CARE

Value-Based Care consists of care delivery companies that take risk on patient health outcomes and are rewarded if they keep their patients healthy and out of the hospital. This stands in contrast to care delivery businesses that charge patients and payers on a fee-for-service basis.

Publicly listed care companies employing a value-based model have historically been valued at premiums to fee-for-service businesses. However, these companies – One Medical (ONEM), Oak Street Health (OSH), and Signify (SGFY) - were all taken private through takeover offers during early 2023. Multiples at which these companies traded are outlined in the scatter chart on the right-hand side. We are mindful of the short expiration date of valuation levels in this market and have therefore consistently decreased our multiples through 2023 relative to the development of more traditional benchmarks. Cityblock and VillageMD are today valued largely in line with what their growth and margins suggest when benchmarking them against more traditional healthcare businesses such as United Health (UNH) and Humana (HUM), and enabler businesses such as Agilon (AGL) and Privia (PRVA).

During 2023, **Cityblock** has improved margins by dedicating its operations to markets where its care model is proving the strongest health outcomes and financial results. This has been successful, but has weighed on growth, and this combined with the aforementioned caution to the lack of public value-based care providers led to a valuation decreasing by 6 percent in 2023. In 2024 we expect them to be able to grow revenues by around 40 percent on a like-for-like basis with EBITDA margins trending towards break-even around the turn of 2024. Cityblock is fully funded with the company raising nearly USD 600m in 2021.

In its fiscal Q1 2024, Walgreens Boots Alliance ("WBA") reported that **VillageMD** had grown revenues by 14 percent through same clinic growth and additional full-risk lives during the period September through November 2023. WBA also reconfirmed its past guidance of its healthcare segment reaching EBITDA break-even at the midpoint of its guidance for their 2024 fiscal year. During the year, we have revised our valuation downwards by around 30 percent to reflect revised forecasts in early 2023, our lack of influence over the company under WBA's controlling shareholding, and due to the aforementioned caution on multiples.

Value-Based Care	Our Investees	Peer Average	Peer Top Quartile
Revenue Growth (2023E)	36%	13%	9%
Gross Margin (2023E)	10%	26%	33%
EV/NTM R	2.7x	1.5x	2.5x
EV/NTM R (Y/Y Change)	(19)%	(12)%	(8)%
Equity Value (Y/Y Change)	(22)%	Flat	+11%

Note: "Peer Top Quartile" data points are the average metrics of the top quartile peers in terms of revenue multiple
"Revenue Growth (2023E)" pro forma VillageMD's acquisition of Summit Health

22% Unlisted Portfolio Weight

(23)% Fair Value Change (2023)

EV/NTM Revenue and Capital Efficiency (Revenue Growth plus EBITDA Margin)

Key Public Benchmarks as at Year-End

VIRTUAL CARE

Our Virtual Care businesses deliver specialized care services through virtual channels, and leverage technology such as AI to improve the care outcomes for their users. Our previous investee company Livongo pioneered the model, and our current investee companies are disrupting the virtual care incumbents such as Teladoc (TDOC) and Amwell (AMWL). Our businesses are selling to employers and insurers and have a high share of recurring revenues, but as healthcare companies they require higher costs for servicing the end-user of their products than business software companies may do. The appropriate public market benchmark for valuing our virtual care businesses is therefore high-growth SaaS businesses and healthcare technology businesses that share our investments' structurally lower gross margins in the 50-70 percent area.

During 2023, the spread in valuation levels between the two groups has grown, with SaaS companies' forward revenue multiples increasing almost 40 percent, and healthcare technology peers' multiples coming down by a mid-single digit percent, driven primarily by growth and profit downgrades in a handful of healthcare businesses. In reflecting the development of the benchmarks in our valuation assessment of **Spring Health**, we have contracted our valuation multiple over 2023 overall. Continued strong growth and progress on the path to profitability render an increase in our valuation of almost 50 percent in 2023. Spring Health is funded to break-even under its current plan and on track to reach cash flow profitability in late 2024 into early 2025. Since our first investment in late 2021, the company has grown revenues by 6x on an NTM basis and 14x on an LTM basis. On an NTM gross profit multiple basis, reflecting Spring Health's structurally lower gross margins, our valuation marks the business in line with average SaaS peer levels.

Virtual Care	Our Investees	Peer Average	Peer Top Quartile
Revenue Growth (2023E)	164%	14%	12%
Gross Margin (2023E)	51%	62%	82%
EV/NTM R	7.3x	5.0x	9.4x
EV/NTM R (Y/Y Change)	(8)%	(7)%	(7)%
Equity Value (Y/Y Change)	+48%	+7%	+1%

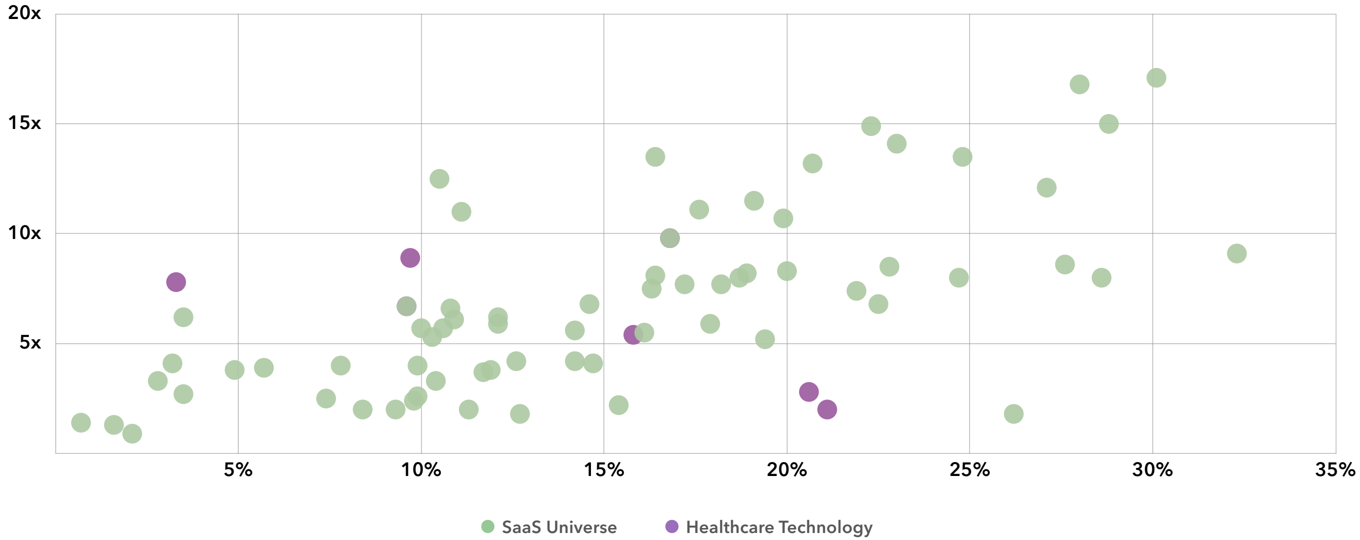
Note: "Peer Top Quartile" data points are the average metrics of the top quartile peers in terms of revenue multiple

15% Unlisted Portfolio Weight

28% Fair Value Change (2023)

EV/NTM Revenue and Revenue Growth

Key Public Benchmarks as at Year-End



PLATFORMS & MARKETPLACES

Our Platform & Marketplaces businesses span online grocers with gross margins in the 30s, to marketplaces with gross margins in the 60-70s. We therefore benchmark our investments against bespoke peer sets. However, these investments all share exposure to consumer spend and e-commerce. These areas and our investees faced significant growth headwinds in 2023, spanning Mathem shrinking in topline to Omio growing at a continued high rate. We expect headwinds to persist in 2024, and our financial projections reflect this. As a result, most of our Platform & Marketplaces investees' share of our private portfolio has declined meaningfully during 2023.

The challenging environment continues to bear an impact on **Instabee**. Growth in 2023 underperformed expectations due to volume declines compounding with price-sensitive customers opting for cheaper, less convenient delivery solutions. This in turn impacted profitability negatively, as the company failed to reach envisaged economies of scale at the expected speed. We benchmark our valuation against a set of businesses spanning last-mile logistics operator InPost (INPST.AS), food delivery marketplace DoorDash (DASH) and e-commerce enabler Shopify (SHOP). During the year, we have written down our valuation by almost 70 percent driven by calibrations against the peer set when relating valuation levels to conservative expectations on near-term growth and profitability. Our valuation now corresponds to a 25 percent discount on multiple to InPost, deepening to 40 percent at less conservative financial expectations. The fair value decrease of our total investment is somewhat muted as our SEK 273m convertible investment is not affected by this underlying write-down.

Job&Talent is benchmarked against job platforms Fiverr (FVRR) and Upwork (UPWK), and marketplaces such as Airbnb (ABNB) and Uber (UBER). Our underlying valuation change is muted by liquidation preferences.

During the fourth quarter of 2023, we supported the merger of **Oda** and **Mathem**. The merger provides an improved financial and operational outlook relative to the stand-alone options. The significantly decreasing valuations of our grocer businesses during the year have come as a result of peer trading and the abovementioned e-commerce headwinds.

Platforms & Marketplaces	Our Investees	Peer Average	Peer Top Quartile
Revenue Growth (2023E)	3%	19%	16%
Gross Margin (2023E)	60%	55%	64%
EV/NTM R	2.8x	2.7x	5.4x
EV/NTM R (Y/Y Change)	(17)%	+4%	+38%
Equity Value (Y/Y Change)	(43)%	+26%	+42%

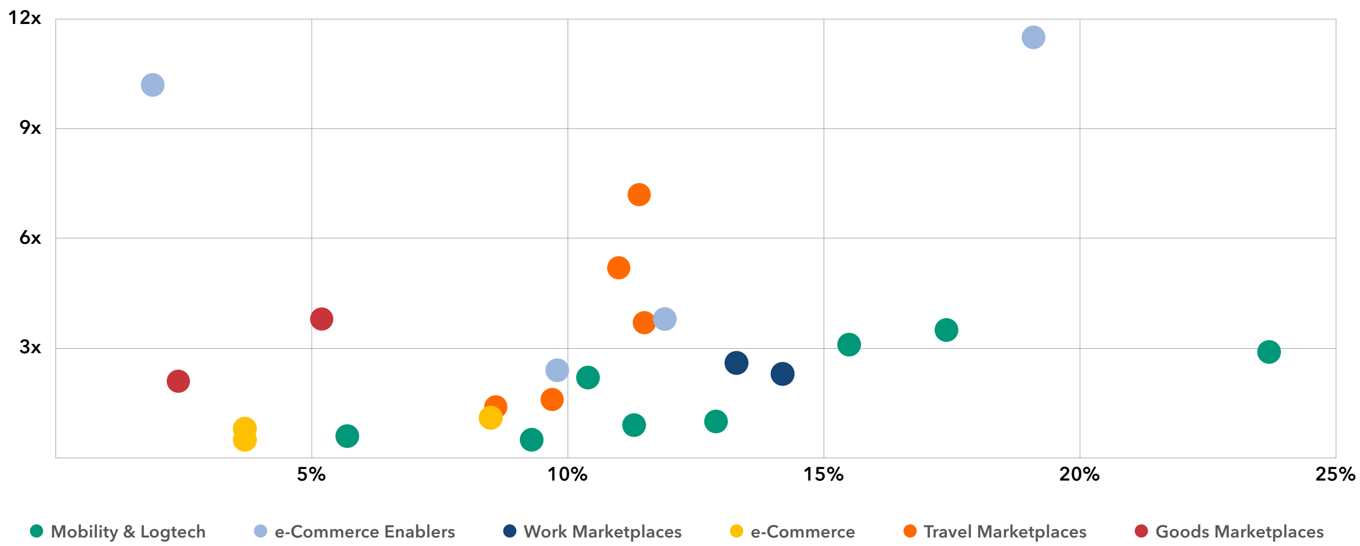
Note: "Peer Top Quartile" data points are the average metrics of the top quartile peers in terms of revenue multiple
"Revenue Growth (2023E)" pro forma Budbee's merger with Instabox

14% Unlisted Portfolio Weight

(40)% Fair Value Change (2023)

EV/NTM Revenue and Revenue Growth

Key Public Benchmarks as at Year-End



SOFTWARE

Our Software businesses are benchmarked against three sets of peers. First, high-growth SaaS companies whose growth profile comes closest to resembling those of our investees. Constituents can differ over time but typically include companies such as Snowflake (SNOW), CrowdStrike (CS), SentinelOne (S) and Cloudflare (NET). Second, companies with a high share of revenue from transactional or usage-based activities rather than strictly recurring streams – and therefore with gross margins similar to many of our investees. These include Shopify (SHOP) and Bill.com (BILL). Finally, we consider vertical-specific peers. These include Veeva (VEEV) and Doximity (DOCS) for Cedar, and Toast (TOST) for Mews.

Growth remains the key driver of multiple levels (typically 1-3x as important as profitability for healthy businesses), and our businesses are valued at or below what is suggested by the correlation between growth and multiples in the public market SaaS universe. Our assessed multiples are also adjusted in consideration of differences in current and expected future gross margins (and thereby also long-term profitability potential), financial strength (length of runway) and the percentage share of recurring revenues (versus more transaction-based revenue).

Our valuation of **Cedar** is down around 10 percent during the year, as a result of continued growth offset by us contracting our valuation multiple to reflect our overall ambition of an increased conservativeness in valuation levels.

Pleo is growing 2-3x faster than its listed SaaS benchmarks at above average gross margins. The profitability improvement measures that have been initiated over the past year have shown results with significant margin improvements, paving a clear path to EBITDA profitability in the second half of 2025. With the significant capital raised in 2021, this path is fully funded. During the fourth quarter of 2023 we and other existing investors acquired a small amount of secondary shares at a customary discount to our valuation in the third quarter. Our fair value in SEK terms remains virtually flat over the full year.

Our valuation of **TravelPerk** is unchanged in 2023, calibrated to the end of 2023 extension of the funding round in which we invested in the second quarter of 2023. Our valuation, and this funding round, values the business at 8x NTM revenues. The company continues to perform, growing revenues by 70 percent and gross profit by 90 percent during 2023.

Software	Our Investees	Peer Average	Peer Top Quartile
Revenue Growth (2023E)	61%	17%	25%
Gross Margin (2023E)	60%	74%	79%
EV/NTM R	10.6x	6.7x	11.9x
EV/NTM R (Y/Y Change)	(24)%	+21%	+23%
Equity Value (Y/Y Change)	(5)%	+33%	+62%

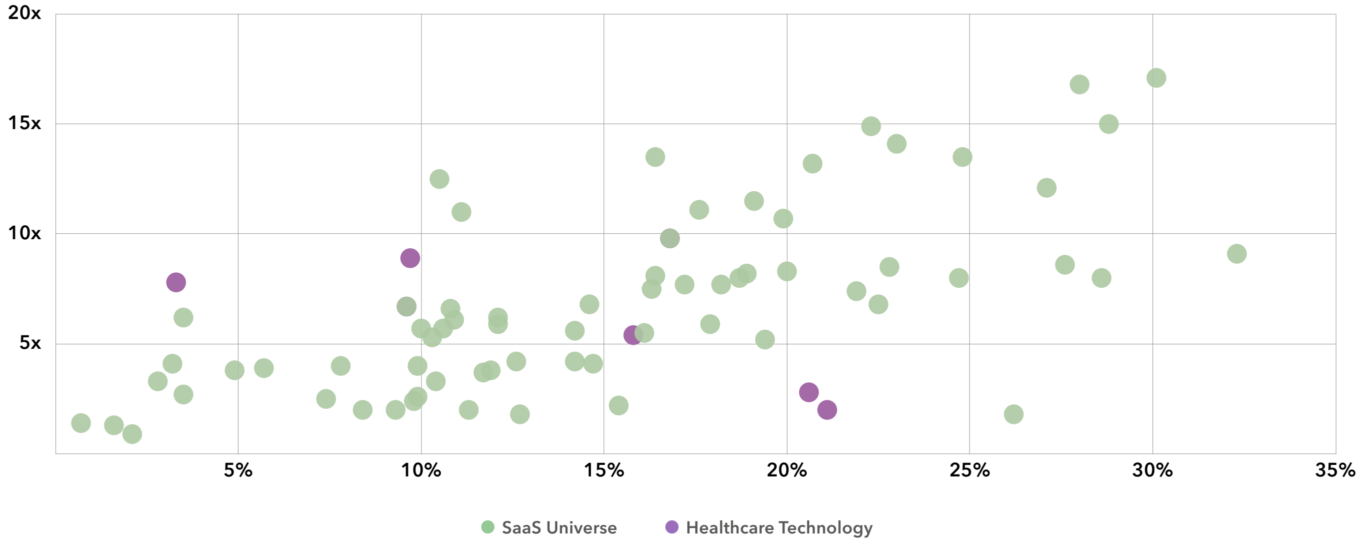
Note: "Peer Top Quartile" data points are the average metrics of the top quartile peers in terms of revenue multiple

28% Unlisted Portfolio Weight

(8)% Fair Value Change (2023)

EV/NTM Revenue and Revenue Growth

Key Public Benchmarks as at Year-End



CONSUMER FINANCE

Our Consumer Finance businesses are benchmarked against different, but in part overlapping, public market benchmarks, reflecting their differences and similarities in business models.

Betterment is primarily benchmarked against digital banks and wealth managers such as Avanza (AZA.ST) and Nordnet (SAVE.ST), as well as the broader public SaaS company universe considering the recurring revenue characteristics of its fee-based assets under management ("AUM") model. AUM grew by 38 percent during 2023 and now exceeds USD 44bn, in part driven by significant growth in its cash deposit product. An underlying write-up due to the company's overperformance and positive market movements is muted by the effect of liquidation preferences during the year.

Lunar is benchmarked against a mix of the aforementioned digital banks and wealth managers with regards to its financial services revenue, and consumer subscription businesses such as Netflix (NFLX) and Match Group (MTCH) as well as a range of B2B SaaS businesses with regards to its subscription revenue considering the similarities in business model (albeit with differences in offerings and consumer markets). Lunar has benefited from a higher interest rate environment and has beaten expectations in 2023 after our significant downward revision in late 2022. Our valuation is up 16 percent during the year, driven by operating performance and expanding market multiples.

In the fourth quarter of 2023, we wrote off the entire carrying value of our investment in **Monese**. While there is still value in the company, the nature of our participation in its future is uncertain. This is what underpins our decision to write off our investment in full.

Consumer Finance	Our Investees	Peer Average	Peer Top Quartile
Revenue Growth (2023E)	67%	15%	24%
Gross Margin (2023E)	58%	64%	65%
EV/NTM R	4.9x	6.7x	9.5x
EV/NTM R (Y/Y Change)	(37)%	+11%	+15%
Equity Value (Y/Y Change)	(4)%	+20%	+29%

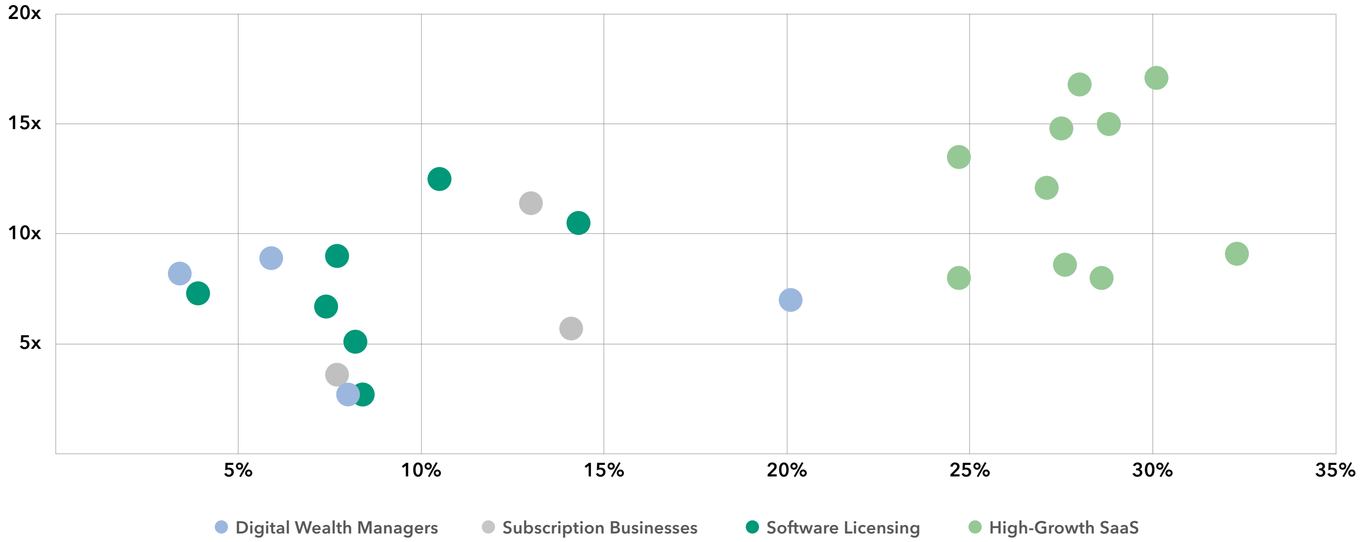
Note: "Peer Top Quartile" data points are the average metrics of the top quartile peers in terms of revenue multiple

6% Unlisted Portfolio Weight

(30)% Fair Value Change (2023)

EV/NTM Revenue and Revenue Growth

Key Public Benchmarks as at Year-End



VALUATION METHODS

	31 Dec 2023	31 Dec 2022
Betterment	EV/R 2024	EV/R 2023
Cedar	EV/R 2024	EV/R 2023
Cityblock	EV/R 2024	EV/R 2023
H2 Green Steel	Milestones	Milestones
HungryPanda	EV/GMV 2024	EV/GMV 2023
Instabee	EV/R 2024	EV/R 2023
Job&Talent	EV/R 2024	EV/R 2023
Lunar	EV/R 2024	EV/R 2023
Mathem	EV/R 2024	EV/R 2023
Mews	EV/R 2024	EV/R 2023
Monese	EV/R 2024	EV/R 2023
Oda	EV/R 2024	EV/R 2023
Omio	EV/R 2024	EV/R 2023
Omnipresent	EV/R 2024	EV/R 2023
Parsley Health	EV/R 2024	EV/R 2023
Pelago	EV/R 2024	EV/R 2023
Pleo	EV/R 2024	EV/R 2023
Spring Health	EV/R 2024	EV/R 2023
Sure	EV/R 2024	EV/R 2023
Transcarent	EV/R 2024	EV/R 2023
TravelPerk	EV/R 2024	EV/R 2023
VillageMD	EV/R 2024	EV/R 2023
Vivino	EV/GMV 2024	EV/GMV 2023

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 2023, Kinnevik had three derivatives outstanding; three interest rate swaps with the purpose of creating a cash flow hedge for the part of the bonds, issued in February 2020 and November 2021 where Kinnevik is paying floating interest rates. The nominal amounts of the swaps on 31 December 2023 were SEK 3,250m (3,250m). Also refer to Note 10 for the Group. For SEK 1,250m the fixed rate is 1.091 percent, expiring in February 2025. For SEK 1,500m the rate is 1.432 percent, expiring in November 2026. For SEK 500m, the rate is 1.763 percent, expiring in November 2028. The derivatives had a market value of SEK 158m (286m) 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.

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. Kinnevik has met one out of three SPTs in 2023, one SPT has not been met and the third will be measured during the first half of 2024 once necessary data has been received (see pages 47-48 for details). In the table below, we have assumed that all SPTs where the outcome is still unknown are met on an annual basis. The effect of not meeting the third SPT for 2023 or any SPTs from 2024 onwards would mean a maximum increase of interest-bearing liabilities due in 2026 by SEK 11m and later than 2027 by SEK 6m.

Maturity structure	2024	2025	2026	2027	Later	Total
Non-interest-bearing receivables	218	-	-	-	-	218
Interest-bearing receivables	157	104	89	25	22	397
Non-interest-bearing liabilities	-749	-	-	-	-	-749
Interest-bearing liabilities	-205	-1 639	-1 620	-36	-540	-4 040
Total as of 31 December 2023	**-580**	**-1 535**	**-1 531**	**-11**	**-518**	**-4 174**

Maturity structure	2023	2024	2025	2026	Later	Total
Non-interest-bearing receivables	320	-	-	-	-	320
Interest-bearing receivables	113	113	75	64	34	398
Non-interest-bearing liabilities	-273	-	-	-	-	-273
Interest-bearing liabilities	-161	-161	-1 609	-1 594	-561	-4 087
Total as of 31 December 2022	**-2**	**-49**	**-1 535**	**-1 530**	**-527**	**-3 641**

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 2022	**34 901**	**32 641**	**67 541**
Investments	1 130	4 612	5 742
Change in fair value	-14 414	-8 442	-22 856
Disposals	-7 014	-29	-7 043
Closing balance, 31 December 2022	**14 603**	**28 782**	**43 385**
Investments	145	4 759	4 904
Change in fair value	-644	-5 007	-5 651
Disposals	-1 020	-382	-1 402
Closing balance, 31 December 2023	**13 084**	**28 152**	**41 236**

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

	2023	2022
Babylon	-	286
Recursion	145	843
Total Listed Assets	**145**	**1 130**
H2 Green Steel	894	275
HungryPanda	15	-
Instabee	273	115
Lunar	23	286
Mathem	187	343
Mews	-	436
Oda	213	691
Omio	-	32
Omnipresent	-	377
Parsley Health	119	-
Pelago	81	89
Pleo	96	-
Spring Health	1 592	-
Transcarent	-	546
TravelPerk	203	54
Other Early Bets & New Themes	1 061	1 356
Emerging Markets & Other	2	12
Total Unlisted Assets	**4 759**	**4 612**
Total	**4 904**	**5 742**

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

	2023	2022
Tele2	-	-6 027
Teladoc	-1 020	-986
Total Listed Assets	**-1 020**	**-7 014**
Raisin	-275	-
Other	-107	-29
Total Unlisted Assets	**-382**	**-29**
Total	**-1 402**	**-7 043**

SENSITIVITY ANALYSIS AGAINST MULTIPLES

Fair Value (SEKm) Change in Multiple	-20%	-10%	Actual	+10%	+20%
Spring Health	2 949	3 304	3 657	4 011	4 365
Pleo	2 645	2 969	3 293	3 618	3 942
VillageMD	2 344	2 716	3 087	3 459	3 830
Total	**7 939**	**8 989**	**10 037**	**11 088**	**12 137**
Effect	-2 098	-1 048	-	1 051	2 100

For companies that are valued based on multiples, an increase in the multiple by 10% and 20% would have increased the assessed fair value by SEK 2,110m and SEK 4,363m, respectively. Similarly, a decrease in the multiple by 10% and 20% would have decreased the assessed fair value by SEK 2,020m and SEK 4,034m, respectively.

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

	Dividends received	Change in fair value	2023 Total	Dividends received	Change in fair value	2022 Total
Babylon	-	-324	-324	-	-2862	-2 862
Global Fashion Group	-	-840	-840	-	-2 607	-2 607
Recursion	-	273	273	-	-229	-229
Teladoc	-	113	113	-	-2 255	-2 255
Tele2	936	135	1 071	3 538	-6 460	-2 922
Total Listed Assets	**936**	**-644**	**292**	**3 538**	**-14 414**	**-10 876**
Betterment	-	-47	-47	-	-148	-148
Cedar	-	-284	-284	-	-863	-863
Cityblock	-	-274	-274	-	-1 249	-1 249
H2 Green Steel	-	60	60	-	3	3
HungryPanda	-	9	9	-	-131	-131
Instabee	-	-1 186	-1 186	-	312	312
Job&Talent	-	-55	-55	-	83	83
Lunar	-	120	120	-	-544	-544
Mathem	-	-433	-433	-	-1 218	-1 218
Mews	-	72	72	-	9	9
Monese	-	-832	-832	-	298	298
Oda	-	-609	-609	-	-1 355	-1 355

	Dividends received	Change in fair value	2023 Total	Dividends received	Change in fair value	2022 Total
Omio	-	-24	-24	-	277	277
Omnipresent	-	-290	-290	-	-1	-1
Parsley Health	-	-108	-108	-	-41	-41
Pelago	-	22	22	-	30	´30
Pleo	-	-155	-155	-	-2 532	-2 532
Spring Health	-	1 023	1 023	-	137	137
Sure	-	-17	-17	-	68	68
Transcarent	-	-20	-20	-	79	79
TravelPerk	-	-49	-49	-	242	242
VillageMD	-	-1 519	-1 519	-	-52	-52
Vivino	-	-334	-334	-	77	77
Other Early Bets & New Themes	-	-150	-150	-	-697	-697
Emerging Markets and Other	-	85	85	-	-1 031	-1 031
Total Unlisted Assets	**-**	**-4 995**	**-4 995**	**-**	**-8 247**	**-8 247**
Other Contractual Rights	-	-12	-12	-	-195	-195
Total	**936**	**-5 651**	**-4 715**	**3 538**	**-22 856**	**-19 318**
Whereof unrealized gains/losses for assets in Level 3	-	*-5 247*	*-5 247*	-	*-8 442*	*-8 442*

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

Trade Name	Company Name	Registered Office	Number of Shares	Capital/votes (%) 2023	Capital/votes (%) 2022	Book value 2023	Book value 2022
Babylon	Babylon Holdings Ltd	United Kingdom	-	-	18.6/18.6	-	324
Global Fashion Group	Global Fashion Group S.A.	Luxembourg	79 093 454	35.4/35.4	36.0/36.0	166	1 005
Recursion	Recursion Pharmaceuticals, Inc.	USA	10 405 668	4.8/4.8	4.0/4.0	1 032	614
Teladoc	Teladoc Health Inc.	USA	-	-	2.3/2.3	-	907
Tele2	Tele2 AB	Sweden	137 613 119	19.9/36.3	19.9/36.3	11 887	11 752
Total Listed Assets						**13 084**	**14 603**
Betterment	Betterment Holdings, Inc.	USA		13/13	13/13	1 391	1 438
Cedar	Cedar Cares, Inc.	USA		8/8	8/8	1 378	1 662
Cityblock	Cityblock Health Inc.	USA		8/8	8/8	2 513	2 787
H2 Green Steel	H2GS AB	Sweden		3/3	2/2	1 232	278
HungryPanda	HungryPanda Ltd	United Kingdom		11/11	11/11	466	442
Instabee	Instabee Holding AB	Sweden		13/13	13/13	823	1 736
Job&Talent	Job and Talent Holding Ltd	United Kingdom		5/5	5/5	1 068	1 123
Lunar	Lunar Group A/S	Denmark		8/8	6/6	411	268
Mathem	Mathem Holding AB	Sweden		23/23	31/31	133	379
Mews	Mews Systems B.V.	The Netherlands		5/5	5/5	517	445
Monese	Monese Ltd	United Kingdom		21/21	21/21	-	832
Oda	Oda Group Holding AS	Norway		23/23	28/28	544	940
Omio	GoEuro Corp.	USA		6/6	7/7	712	736
Omnipresent	Omnipresent Group Limited	United Kingdom		6/6	6/6	86	376
Parsley Health	Parsley Health Inc.	USA		16/16	11/11	178	167
Pelago	Digital Therapeutics Inc.	USA		14/14	15/15	494	391
Pleo	Pleo Holding ApS	Denmark		14/14	14/14	3 293	3 352

Trade Name	Company Name	Registered Office	Number of Shares	Capital/votes (%) 2023	Capital/votes (%) 2022	Book value 2023	Book value 2022
Spring Health	Spring Care Inc.	USA		12/12	5/5	3 657	1 042
Sure	Sure Inc.	USA		9/9	9/9	504	521
Transcarent	Transcarent, Inc.	USA		3/3	3/3	605	625
TravelPerk	Travelperk, Inc.	USA		15/15	15/15	2 098	1 964
VillageMD	VillageMD, Inc.	USA		2/2	2/2	3 087	4 606
Vivino	Vivino Inc.	USA		11/11	11/11	253	587
Other Early Bets & New Themes						2 709	2 073
Total Unlisted Assets						**28 152**	**28 770**
Other Contractual Rights						-	12
Total						**41 236**	**43 385**

Note 4 Financial income and expenses

	2023	2022
Interest income, bank	166	47
Interest income financial assets accounted at fair value	53	19
Exchange differences	28	-
Valuation of swap	-	280
Result from short-term investments	348	-
Total interest income and other financial income	**595**	**346**
Interest expenses, loans from credit institutions	-44	-55
Exchange differences	-20	-71
Valuation of swap	-128	-
Result from short-term investments	-	-46
Other financial expenses	-45	-14
Total interest cost and other financial expenses	**-238**	**-186**
Net financial income/expenses	**357**	**160**

Note 5 Earnings per share

Earnings per share are calculated by dividing profit/loss for the year attributable to holders of shares in the Parent Company by a weighted average number of shares outstanding, including outstanding incentive shares. 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, including incentive shares, during the year. In the event of a negative result the dilution has no effect on earnings per share.

	2023	2022
Net profit for the year	-4 766	-19 519
Average number of shares outstanding	280 996 647	279 503 330
Earnings per share before dilution	-16.96	-69.83
Number of shares outstanding after dilution	280 996 647	279 503 330
Earnings per share after dilution	-16.96	-69.83

Note 6 Supplementary cash flow information

	2023	2022
INTEREST-BEARING LOANS		
Opening balance 1 January	3 488	4 694
Amortization of loans	-	-1 210
Accrued borrowing costs	-1	4
Closing balance 31 December	**3 487**	**3 488**

	2023	2022
Investments in shares and other securities, see Note 3	-4 904	-5 742
Current year investment, not yet paid	598	237
Prior year investments, paid in current year	-38	-443
Exchange differences, unpaid investments	-	-6
Cash flow from investments in shares and other securities	**-4 344**	**-5 954**
Sale of shares and other securities		
Tele2	-	6 027
Raisin	275	-
Teladoc	1 020	986
Other	107	30
Cash flow from sale of shares and other securities	**1 402**	**7 043**
Paid on divestments earlier periods	102	292
Cash flow from sale of shares and other securities	**1 504**	**7 335**

Note 7 Taxes

	2023	2022
Current tax expense		
Tax expense for the period	0	0
Total	**0**	**0**

RECONCILIATION OF EFFECTIVE TAX RATE

	2023	%	2022	%
Profit/loss before tax	-4 766		-19 519	
Income tax at statutory rate of Parent Company	982	-20.6%	4 021	-20.6%
Change in fair value of financial assets	-1 164	24.4%	-4 708	24.1%
Non-taxable dividends received	193	-4.0%	729	-3.7%
Change in not recognized tax loss carry forwards	-11	0.2%	-41	0.2%
Effective tax/tax rate	**0**	**0.0%**	**0**	**0.0%**

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 may be of a different opinion and may 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 2.6bn (2.5) at 31 December 2023. No deferred tax carried forward is accounted for.

Note 8 Short-term investments and cash

	2023	2022
Short-term investments, Money Market funds	8 082	7 738
Short-term investments, deposits	1 500	3 000
Cash and cash equivalents	2 369	3 110
Total	**11 951**	**13 848**

Deposits are made at a fixed interest rate with the large Nordic banks.

In addition to cash and cash equivalents reported above, the Group had undrawn credit facilities of SEK 4,230m (5,130), see Note 10.

Note 9 Shareholders' equity

SHARE CAPITAL
Share capital refers to the Parent Company's share capital.

OTHER CONTRIBUTED CAPITAL
Other contributed capital consists 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

	2023	2022
Interest-bearing long-term loans		
Capital markets financing		
Maturity February 2025	1 500	1 500
Maturity November 2026	1 500	1 500
Maturity November 2028	500	500
Accrued borrowing costs	-13	-12
	3 487	**3 488**

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 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 percent. and SEK 250m bearing a fixed rate coupon of 1.058 percent.

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 percent. and a SEK 0.5bn tranche with a final maturity of seven years, bearing a floating rate coupon of three months STIBOR + 0.90 percent. 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. More information about the SPTs can be found in Kinnevik's Sustainability-Linked Financing Framework on Kinnevik's website.

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 158m (286) at the end of the year 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 2023, the average interest rate for outstanding senior unsecured bonds amounted to 1.3 percent and the weighted average remaining tenor for all Kinnevik's credit facilities amounted to 2.9 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. One SEK 2,500m facility provided by a group of six banks – Danske Bank, DNB, Nordea, SEB, Svenska Handelsbanken and Swedbank – maturing in May 2026 and one SEK 1,600m facility provided by a group of five banks - Danske Bank, DNB, Nordea, SEB, and Svenska Handelsbanken – maturing in November 2028.

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

	2023	2022
Other long-term liabilities	45	-
Total other long-term liabilities	**45**	**-**
Accrued interest expenses	17	21
Accrued personnel expenses	70	65
Debt unpaid investments	742	259
Other debt	47	46
Total other short-term liabilities	**876**	**391**

Note 12 Auditors' fees

	2023	2022
KPMG		
Audit assignments	1.4	1.9
Other assignments	0.0	0.1

Audit assignments refer to statutory audits of the annual and consolidated accounts and accounting, and 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 2023, 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 in consideration of 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 2010-2023.

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 is recognised as external interest income through profit and loss. The following is a summary of Kinnevik's total interest income and receivables at year-end to and from related parties.

SUMMARY OF RELATED PARTY TRANSACTIONS

	Associated companies		Other related companies	
	2023	2022	2023	2022
Interest on Loans	4	14	23	-
Financial Receivables	26	214	-	-

All transactions with related parties have taken place on an arm's length basis, i.e. in market conditions. 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.

During the third quarter, non-immaterial related party transactions encompassed a loan of EUR 20m to H2 Green Steel (which is deemed a related party due to Harald Mix both exercising control over the company at the time of the loan and being a board director in Kinnevik) and a loan of NOK 50m to Oda (which is deemed a related party due to being associated company of Kinnevik). Both loans were converted into shares during the fourth quarter. During the fourth quarter, non-immaterial related party transactions encompassed an additional loan of NOK 30m to Oda, which was converted into shares during the same quarter.

Other business dealings during 2023 of a non-immaterial nature involving associated and otherwise related companies include Kinnevik's EUR 31.25m investment into Aira during the third quarter, Kinnevik's SEK 187m investment into Mathem during the second quarter, Kinnevik's NOK 23m and NOK 110m investments into Oda during the first and fourth quarter, respectively, and Kinnevik's EUR 16m investment into H2 Green Steel in the fourth quarter forming part of our commitment to invest EUR 75m into the company as announced on 7 September 2023.

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

Note 16 Personnel

AVERAGE NUMBER OF EMPLOYEES

	2023		2022	
	Men	Women	Men	Women
Sweden	14	17	13	17
UK	6	9	6	8
Total Number of Employees	**20**	**26**	**19**	**25**

AVERAGE DISTRIBUTION OF WOMEN AND MEN AMONGST THE BOARD AND SENIOR EXECUTIVES

	2023		2022	
	Men	Women	Men	Women
Board Members	2	3	2	3
CEO	1	-	1	-
Other Senior Executives	3	3	3	3
Total	**6**	**6**	**6**	**6**

SALARIES, OTHER REMUNERATION, AND SOCIAL SECURITY EXPENSES

	2023		2022	
(SEK 000s)	Board, CEO & Senior Executives	Other Employees	Board, CEO & Senior Executives	Other Employees
Salaries & Other Remuneration	49 338	95 072	55 444	75 380
Social Security	14 948	21 804	15 755	18 283
Pension Contributions & Expenses	5 788	6 015	5 991	4 358
Costs for Share-Based Remuneration [1)]	32 408	51 447	26 930	34 497
Total	**102 481**	**174 339**	**104 120**	**132 517**

[1)] Includes social security costs and subsidies received by participants at the launch of long-term incentive plans. See further under Incentive plans and share based remuneration.

GUIDELINES FOR REMUNERATION TO SENIOR EXECUTIVES

The guidelines applicable for remuneration to Senior Executives in 2023 were approved by the Annual General Meeting 2020 and are presented below. The Board's proposals for the Annual General Meeting 2024 to resolve on updated guidelines for remuneration to Senior Executives are presented in the Board of Directors' report. The guidelines 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 fulfilment 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.

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.

Decision-making process to determine, review and implement 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 000s)	2023 CEO	2023 Other Senior Executives [1]	2022 CEO	2022 Other Senior Executives [1]
Fixed Salaries	8 928	17 075	8 000	17 421
Variable Compensation	4 393	11 579	5 920	11 862
Extraordinary Variable Compensation	-	-	-	5 049
Benefits	200	618	138	509
Pension Contributions	2 669	3 119	2 435	3 556
Costs for Share-Based Remuneration [2]	6 482	18 813	5 900	14 596
Total	**22 672**	**51 204**	**22 393**	**52 993**

[1] Other Senior Executives consisted of 6 (6) persons during 2023.

[2] Includes social security costs and subsidies received at the launch of LTIPs

In addition to remuneration paid by Kinnevik specified in the table on the left-hand side, the CEO received board fees from one associated company during 2023 amounting to a total of SEK 0.7m (1.5). No other senior executive has received any board fees from associated companies during 2023 or 2022. For the CEO and other senior executives, pension contributions of no more than 30% of their respective fixed salary were paid. Pension contributions are typically paid directly to insurance companies.

INCENTIVE PLANS AND SHARE-BASED REMUNERATION

Kinnevik invites all its employees to participate in long-term incentive plans (the "LTIPs" and each an "LTIP"). The LTIPs require participants to invest and hold shares in Kinnevik, and to remain employed with Kinnevik, for a period of three years. The LTIPs use a structure where participants receive instruments ("Incentive Shares") that are reclassified into disposable Kinnevik Class B shares to an extent determined by value creation performance criteria over an extended period of time. In order to align LTIP participants' economic interests with those of Kinnevik's shareholders, participants are compensated for dividends paid to shareholders during an LTIP. This compensation is made in accordance with Swedish market practice for dividend adjustments in incentive plans and is only paid if and to the extent the performance criteria for the relevant Incentive Shares have been fulfilled.

LTIPs that were launched in 2019-20 measured three-year TSR and NAV development as well as the five-year IRR of Kinnevik's private portfolio or growth portfolio. LTIPs launched from 2021 and onwards measure five-year TSR and NAV development.

While each participant is required to invest a significant amount of capital into Kinnevik shares in order to participate in the LTIPs, the Incentive Shares received in the LTIPs are themselves transferred to participants free of charge. In addition, LTIP 2021-23 provides for Kinnevik's Chief Executive Officer and certain members of the investment team to acquire additional Incentive Shares at their own expense at fair market value.

The valuation of the Incentive Shares is based on a Monte Carlo simulation and is provided by an independent third-party valuer. The fair market value of the Incentive Shares is accounted for linearly over a three-year vesting period in accordance with IFRS 2. Taxes due on the value of the Incentive Shares at launch of an LTIP are borne by Kinnevik through the payment of cash directly to relevant tax authorities. The cost of these taxes, including social security costs, is expensed when it is paid. The potential reclassification of any Incentive Shares into Kinnevik Class B shares does not result in any costs for Kinnevik, and any capital gains or dividend taxes due are borne solely by the LTIP participants.

Details of each outstanding LTIP as of 31 December 2023, and LTIPs ended in 2023, are provided on the following pages.

OUTSTANDING INCENTIVE PLANS: TERMS AND ALLOCATIONS

	LTIP 2019	LTIP 2020	LTIP 2021		LTIP 2022		LTIP 2023	
Length of Measurement Period	5 years	5 years	5 years	5 years	5 years	5 years	5 years	5 years
Performance Measurement	8-25% IRR Private Portfolio	8-25% IRR Growth Portfolio	8-25% TSR Kinnevik B Share	8-25% IRR NAV	8-25% TSR Kinnevik B Share	8-25% IRR NAV	8-25% TSR Kinnevik B Share	8-25% IRR NAV
% Vesting at Entry Level	20%	20%	0%	0%	0%	0%	10%	10%
Reference Share Price, NAV Subset or NAV, SEKm	14 234 [1)]	16 862	330	75 844	258	67 859	158	55 460
Vesting Date	31 March 2024	31 March 2025	30 September 2026	30 September 2026	31 March 2027	31 March 2027	31 March 2028	31 March 2028
CEO Allocation, # of Shares	36 000	62 400	35 000	35 000	43 000	43 000	70 290	70 290
CEO Acquisition, # of Shares	-	-	12 250	12 250	21 500	21 500	35 145	35 145
Senior Executives Allocation, # of Shares	72 350	119 700	105 000	105 000	134 000	134 000	217 380	217 380
Senior Executives Acquisition, # of Shares	-	-	21 000	21 000	36 000	36 000	41 425	41 425
Other Employees Allocation, # of Shares	270 962	436 715	216 500	216 500	299 400	299 400	490 580	490 580
Other Employees Acquisition, # of Shares	-	-	15 050	15 050	18 855	18 855	7 377	7 377
Total Allocation and Acquisition, # of Shares	**379 312**	**618 815**	**404 800**	**404 800**	**552 755**	**552 755**	**862 197**	**862 197**
Total Cost including Social Security, SEKm	98 [2)]	160 [2)]	57		39		100	
Maximum Dilution at Launch	0.34% [2)]	0.44% [2)]	0.31%		0.44%		0.60%	
Maximum Dilution 2023 End, including Dividends [3)]	0.31%	0.38%	0.29%		0.40%		0.62%	
Maximum Value per Share (SEK)	723	554	1 403		1 096		671	

[1)] Private portfolio for LTIP 2019 includes holdings listed after start date.
[2)] Includes already vested part for LTIP 2019 andf LTIP 2020.
[3)] Maximum remaining shares vesting including dividend compensation in relation to total outstanding Kinnevik Class A and Class B shares.

OUTSTANDING INCENTIVE PLANS: PERFORMANCE LEVELS AS AT 31 DECEMBER 2022

	LTIP 2019	LTIP 2020	LTIP 2021		LTIP 2022		LTIP 2023	
Performance Measurement	8-25% IRR Private Portfolio	8-25% IRR Growth Portfolio	8-25% TSR Kinnevik B Share	8-25% IRR NAV	8-25% TSR Kinnevik B Share	8-25% IRR NAV	8-25% TSR Kinnevik B Share	8-25% IRR NAV
Performance to Date, Annualized	2%	5%	-39%	-24%	-39%	-25%	-40%	-33%
Value Change Needed to Reach Entry Level	14%	7%	350%	170%	351%	142%	115%	98%
Value Change Needed to Reach Stretch Level	121%	110%	834%	461%	630%	402%	346%	310%
Current Vesting Level, %	0%	0%	0%	0%	0%	0%	0%	0%
Dividend Adjustment, %	124%	71%	0%	0%	0%	0%	0%	0%
Current Vesting for CEO, # of Shares	0	0	0	0	0	0	0	0
Current Dividend for CEO, # of Shares	0	0	0	0	0	0	0	0
Current Vesting for CEO, SEKm	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Vesting for Senior Executives, # of Shares	0	0	0	0	0	0	0	0
Current Dividend for Senior Executives, # of Shares	0	0	0	0	0	0	0	0
Current Vesting for Senior Executives, SEKm	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Vesting for Rest of Team, # of Shares	0	0	0	0	0	0	0	0
Current Dividend for Rest of Team, # of Shares	0	0	0	0	0	0	0	0
Current Vesting for Rest of Team, SEKm	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Current Vesting, # of Shares	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Current Dividend, # of Shares	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Current Vesting, SEKm	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Total Current Dilution [1)]	**0%**	**0%**	**0%**		**0%**		**0%**	

[1)] Number of shares that would vest at achieved level including dividend compensation in relation to actual outstanding Kinnevik Class A and Class B shares.

LTIP 2019 (ending in 2024)

Incentive Shares	Number of Participants	5-Year Shares Allocated
CEO	1	36 000
Other Senior Executives	4	72 350
Other Employees	14	270 962
Total	**19**	**379 312**

The five-year portion of LTIP 2019 runs until 31 March 2024. Maximum monetary outcomes are limited to SEK 723 per Incentive Share, including any dividend compensation (three times the average price of Kinnevik Class B shares during March 2019). The fair market value of the Incentive Shares, including social security costs, amounted to SEK 44m and was expensed over 2019-22. The cost for taxes borne by Kinnevik, including social security costs, amounted to SEK 54m and was expensed upon payment in 2019. The total cost for LTIP 2019 amounted to SEK 98m.

LTIP 2020 (ending in 2023 and 2025)

The three-year portion of LTIP 2020 reached full vesting in 2023 due to a three-year annualized TSR of 15 percent. All Incentive Shares measuring three-year performance were converted into Kinnevik Class B shares in 2023. In conjunction with this conversion, a dividend of Kinnevik Class B shares was paid to participants corresponding to 0.5 shares and SEK 31.90 per Incentive Share.

Incentive Shares	Number of Participants	3-Year Shares Allocated	3-year Shares Vested	Dividend shares	Dividend cash (SEK 000s)
CEO	1	61 100	61 100	30 550	1 949
Other Senior Executives	6	96 450	96 450	48 225	3 077
Other Employees	28	198 122	198 122	99 061	6 320
Total	**35**	**355 672**	**355 672**	**177 836**	**11 346**

Incentive Shares	Number of Participants	5-Year Shares Allocated	IFRS2 Costs (2023, SEK 000s)[1]
CEO	1	62 400	737
Other Senior Executives	6	119 700	1 217
Other Employees	28	436 715	2 798
Total	**35**	**618 815**	**4 753**

The five-year portion of LTIP 2020 runs until 31 March 2025. Maximum monetary outcomes are limited to SEK 554 per Incentive Share, including any dividend compensation (three times the average price of Kinnevik Class B shares during March 2020). The fair market value of the Incentive Shares, including social security costs, amounted to SEK 81m and was expensed over 2020-23. The cost for taxes borne by Kinnevik, including social security costs, amounted to SEK 79m and was expensed upon payment in 2020. The total cost for LTIP 2020 amounted to SEK 160m, of which SEK 5m (30) was expensed in 2023. Costs in the table above excludes social security costs.

LTIP 2021 (ending in 2026)

Incentive Shares	Number of Participants	Shares Allocated	IFRS2 Costs (2023, SEK 000s)	Shares Acquired
CEO	1	70 000	730	24 500
Other Senior Executives	6	210 000	2191	42 000
Other Employees	28	433 000	5 184	30 100
Total	**35**	**713 000**	**8 105**	**96 600**

LTIP 2021 runs until 30 September 2026. Maximum monetary outcomes are limited to SEK 1,403 per share, including any dividend compensation (4.25 times the average price of Kinnevik Class B shares during September 2021). The fair market value of the Incentive Shares, including social security costs, amounted to SEK 29m and is expensed over 2021-24. The cost for taxes borne by Kinnevik, including social security costs, amounted to SEK 29m and was expensed upon payment in 2021. The total cost for LTIP 2021 amounted to SEK 57m, of which SEK 8m (10) was expensed in 2023. Costs in the table above excludes social security costs.

In addition to shares allocated free of charge, the CEO and senior members of Kinnevik's investment team had the opportunity to acquire additional Incentive Shares at their own expense and at zero cost to Kinnevik at an average fair market value of SEK 31.30 per Incentive Share. Kinnevik has the right to repurchase these Incentive Shares at the acquisition price (i) if the participant terminates his or her employment within 18 months from the acquisition date, or (ii) in the event Kinnevik has legal grounds to terminate the participant's employment contract with immediate effect prior to reclassification, or (iii) in case a repurchase is necessary to ensure that LTIP 2021 is compliant with laws and regulations.

LTIP 2022 (ending in 2027)

Incentive Shares	Number of Participants	Shares Allocated	IFRS2 Costs (2023, SEK 000s)	Shares Acquired
CEO	1	86 000	468	43 000
Other Senior Executives	6	268 000	1457	72 000
Other Employees	28	598 800	3 294	37 710
Total	**35**	**952 800**	**5 219**	**152 710**

LTIP 2022 runs until 31 March 2027. Maximum monetary outcomes are limited to SEK 1,096 per share, including any dividend compensation (4.25 times the average price of Kinnevik Class B shares during Q1 2022). The fair market value of the Incentive Shares, including social security costs, amounted to SEK 19m and is expensed over 2022-25. The cost for taxes borne by Kinnevik, including social security costs, amounted to SEK 20m and was expensed upon payment in 2022. The total cost for LTIP 2022 amounted to SEK 39m, of which SEK 5m (25) was expensed in 2023. Costs in the table above excludes social security costs.

In addition to shares allocated free of charge, the CEO and senior members of Kinnevik's investment team had the opportunity to acquire additional Incentive Shares at their own expense and at zero cost to Kinnevik at an average fair market value of SEK 16.30 per Incentive Share. Kinnevik has the right to repurchase these Incentive Shares at the acquisition price (i) if the participant terminates his or her employment within 18 months from the acquisition date, or (ii) in the event Kinnevik has legal grounds to terminate the participant's employment contract with immediate effect prior to reclassification, or (iii) in case a repurchase is necessary to ensure that LTIP 2022 is compliant with laws and regulations; and at market value if the participant terminates his or her employment during the period after the 18 months referred to in (i) above until 31 March 2027.

LTIP 2023 (ending in 2028)

Incentive Shares	Number of Participants	Shares Allocated	IFRS2 Costs (2023, SEK 000s)	Tax Costs (2023, SEK 000s)	Shares Acquired
CEO	1	140 580	909	3 638	70 290
Other Senior Executives	6	434 760	2812	11 136	82 850
Other Employees	32	981 160	6 250	24 413	14 754
Total	**39**	**1 556 500**	**9 971**	**39 186**	**167 894**

LTIP 2023 runs until 31 March 2028. Maximum monetary outcomes are limited to SEK 592 per share, including any dividend compensation (3.75 times the average price of Kinnevik Class B shares during Q1 2023). The fair market value of the Incentive Shares, including social security costs, amounted to SEK 50m and is expensed over 2023-26. The cost for taxes borne by Kinnevik, including social security costs, amounted to SEK 50m and was expensed upon payment in 2023. The total cost for LTIP 2023 amounted to SEK 100m, of which SEK 61m was expensed in 2023. Costs in the table above excludes social security costs.

In addition to shares allocated free of charge, the CEO and senior members of Kinnevik's investment team had the opportunity to acquire additional Incentive Shares at their own expense and at zero cost to Kinnevik at an average fair market value of SEK 25.90 per Incentive Share. Kinnevik has the right to repurchase these Incentive Shares at the acquisition price (i) if the participant terminates his or her employment within 18 months from the acquisition date, or (ii) in the event Kinnevik has legal grounds to terminate the participant's employment contract with immediate effect prior to reclassification, or (iii) in case a repurchase is necessary to ensure that LTIP 2023 is compliant with laws and regulations; and at market value if the participant terminates his or her employment during the period after the 18 months referred to in (i) above until 31 March 2028.

Plan costs and liability for social security contributions

The total cost for all outstanding LTIPs amounted to SEK 84m (60) in 2023. There are no outstanding social security liabilities as these are paid at the start of the LTIPs and expensed over three years.

Change in total outstanding incentive shares

Incentive Shares	Start of 2023	Vested 2023	Allocation 2023	Redeemed	Change	Shares Acquired	End of 2023
CEO	411 000	-61 100	140 580	-28 000	51 480	70 290	532 770
Other Senior Executives	927 800	-96 450	434 760	-47 300	291 010	82 850	1 301 660
Other Employees	2 227 367	-198 122	981 160	-221 958	561 080	14 754	2 803 201
Total	**3 566 167**	**-355 672**	**1 556 500**	**-297 258**	**903 570**	**167 894**	**4 637 631**

BOARD FEES AND OTHER FEES PAID TO THE DIRECTORS OF THE PARENT COMPANY

	2023		2022	
	Board Fees at Parent Company	Fees for Assign-ments	Board Fees at Parent Company	Fees for Assign-ments
James Anderson (Chairman)	2 555	-	2 705	-
Susanna Campbell	1 075	-	1 030	-
Harald Mix	875	-	840	-
Cecilia Quist	935	-	905	-
Charlotte Strömberg	1 105	-	1 065	-
	6 545	**-**	**6 545**	**-**

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 significantly due to a wide array of different factors.

On 31 December 2023, 32 percent (34 percent) of Kinnevik's portfolio value was invested in listed investee companies and 68 percent (66 percent) 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 percent change in the prices of all listed shareholdings at 31 December 2023 would have affected the Group's earnings and shareholders' equity by SEK 1.3bn (1.5bn).

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 takes numerous factors into consideration. These include 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 and can negatively impact Kinnevik's net asset value. For the companies that are valued based on multiples an increase in the multiple by 10 percent on 31 December 2023 would have increased the aggregate assessed fair value by SEK 2.1bn (2.1bn). Similarly, a decrease in the multiple by 10 percent would have decreased the aggregate assessed fair value by SEK 2.0bn (1.9bn).

LIQUIDITY AND FINANCING RISK

Kinnevik's liquidity and financing risk is limited considering its substantial net cash position and material shareholding in Tele2. 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 primarily on capital reallocation and/or debt financing to secure the funding of its operations and maintain its targeted financial position.

On 31 December 2023, Kinnevik had cash and cash equivalents amounting to SEK 11,951m (13,848m) and committed but not utilized credit facilities amounting to SEK 4,230m (5,130m).

Financing risk covers the eventuality that Kinnevik is not be able to obtain financing, or that financing can only be obtained at considerable cost. As mentioned above, Kinnevik's financing risk is limited in consideration of its substantial net cash position and material shareholding in Tele2. 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 2023, the total amount of committed financing was SEK 7,730m (8,630m) with an average remaining facility duration of 2.9 (2.2) 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 virtually entirely 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 2023, 46 percent (44 percent) of Kinnevik's portfolio value, corresponding to a value of SEK 18.8bn (19.1bn), pertained to investments denominated in USD. The corresponding share of Kinnevik's portfolio value for investments denominated in EUR was 20 percent (17 percent), corresponding to a value of SEK 8.1bn (7.5bn). An appreciation or depreciation of the basket of currencies in which Kinnevik's investments are denominated of 10 percent compared to the SEK would have increased/decreased the total portfolio value by SEK 2.8bn (2.9bn).

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 2023, none of Kinnevik's interest-bearing liabilities, SEK 3.5bn (3.5bn), were exposed to interest rate changes. SEK 3.25bn (3.25bn) out of Kinnevik's SEK 3.5bn (3.5bn) 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 2023, these swaps had a market value of SEK 158 (286m). An increase of 1.00 percent in interest rates at the reporting date would have increased the market value of the swaps by SEK 71m. Similarly, a decrease in interest rates of the equivalent amount would have decreased the market value of the swaps by SEK 76m.

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

Note 18 Significant events after the reporting period

On 26 February 2024, Kinnevik announced that it has agreed to sell its entire shareholding in Tele2 AB (publ) ("Tele2") to Freya Investissement, an investment vehicle jointly controlled by the European telecommunications group iliad and its Chairman and founder Xavier Niel through NJJ Holding ("iliad/NJJ") for a total consideration of SEK 13bn. The transaction is expected to be completed during the third quarter 2024.

As a result of the transaction, Kinnevik's cash position will be significantly strengthened, and Kinnevik's Board of Directors will undertake a capital structure review in consultation with major shareholders.

PARENT COMPANY FINANCIAL STATEMENTS

PARENT COMPANY INCOME STATEMENT FOR THE PERIOD 1 JANUARY–31 DECEMBER (SEKm)

	Note	2023	2022
Administration costs	5,16	-381	-331
Other operating income		7	5
Operating loss		**-374**	**-326**
Dividends received	2	153	45 399
Loss from financial assets, associated companies and other	4	-586	-2 083
Loss from financial assets, subsidiaries	4	-3 794	-59 891
Interest income and other financial income	3	515	330
Interest expenses and other financial expenses	3	-191	-113
Profit/loss after financial items		**-4 277**	**-16 684**
Appropriations			
Group contributions, paid		-21	-5
Group contributions, received		42	31
Profit/loss before tax		**-4 256**	**-16 658**
Taxes	6	-	-
Net profit/loss for the year [1)]		**-4 256**	**-16 658**

[1)] Net profit/loss corresponds with total comprehensive income.

PARENT COMPANY BALANCE SHEET AS AT 31 DECEMBER (SEKm)

	Note	2023	2022
Tangible fixed assets			
Equipment	7	11	4
Shares and participations in Group companies	9	32 273	32 748
Shares and participations in associated companies and other companies	8	3 892	4 449
Receivables from Group companies		5 175	6 154
Other long-term receivables		-	129
Total fixed assets		**41 351**	**43 484**
Current assets			
Receivables from Group companies		42	36
Other receivables		166	295
Accrued income and prepayments		29	11
Short-term investments		9 582	10 738
Cash and bank		2 265	2 961
Total current assets		**12 084**	**14 041**
TOTAL ASSETS		**53 435**	**57 525**

	Note	2023	2022
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders equity	10,15		
Restricted equity			
Share capital (280,154,247 shares of SEK 0.10)		28	28
Premium reserve		6 868	6 868
Unrestricted equity			
Share premium		1 616	1 616
Retained earnings		45 266	61 904
Net result for the year		-4 256	-16 658
Total shareholders' equity		**49 522**	**53 758**
Liabilities	13		
Provisions			
Provisions for pensions		13	13
Other provisions		3	3
Total provisions		**16**	**16**
Long-term liabilities			
External interest-bearing loans	11	3 487	3 487
Total long-term liabilities		**3 487**	**3 487**
Short-term liabilities			
External interest-bearing loans	11	-	-
Trade creditors		7	5
Liabilities to Group companies		331	185
Other liabilities		3	3
Accrued expenses	12	69	71
Total short-term liabilities		**410**	**264**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**53 435**	**57 525**

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

	2023	2022
Cash flow from operating costs	-327	-311
Cash flow from operations before interest net and income taxes	**-327**	**-311**
Interest received	161	44
Interest paid	-65	-66
Income taxes paid	0	0
Cash flow from operations	**-231**	**-333**
Investment in financial assets	0	0
Sale of shares and other securities	103	292
Cash flow from investing activities	**103**	**292**
Borrowing	-	-
Amortisation of loans	-	-1 210
Dividend paid	-11	-
Change in intra-group balances [1]	-2 056	4 766
Cash flow from financing activities	**-2 067**	**3 556**
Cash flow for the year	**-2 195**	**3 515**
Short-term investments and cash and bank, opening balance	13 699	10 230
Revaluation of short-term investments	343	-46
Short-term investments and cash and bank, closing balance	11 847	13 699

[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 (SEKm)

	Share capital	Premium reserve	Unrestricted equity	Total
Opening balance, 1 January 2022	**28**	**6 868**	**63 487**	**70 383**
Effect of employee share saving programme			34	34
Net result		-	-16 658	-16 658
Closing balance, 31 December 2022	**28**	**6 868**	**46 862**	**53 758**
Cash dividend [1]			-11	-11
Effect of employee share saving programme			31	31
Net result			-4 256	-4 256
Closing balance, 31 December 2023	**28**	**6 868**	**42 626**	**49 522**

[1] The AGM 2023 resolved in favour of paying cash dividend compensation to the participants in Kinnevik's long-term incentive programe from 2020.

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, except for SWAPs, 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

	2023	2022
Dividends received from subsidiaries	153	45 399
	153	**45 399**

Note 3 Financial income and expenses

	2023	2022
Result from short-term investment	348	-
Interest income from bank	166	47
Marketvaluation swap	-	280
Exchange-rate differences	1	3
Interest income and other financial income	**515**	**330**
Result from short-term investment	-	-46
Interest expenses to credit institutions	-44	-54
Other financial expenses	-19	-13
Marketvaluation swap	-128	-
Interest expenses and other financial expenses	**-191**	**-113**
Net financial income/expenses	**324**	**217**

Note 4 Earnings from financial assets

	2023	2022
Sale of shares in associated companies	-28	29
Write-down of shares in associated companies	-558	-2 112
Total profit/loss from associated companies and other	**-586**	**-2 083**
Sale of shares in subsidaries	-	43
Write-down of shares in subsidiaries	-4 865	-59 934
Reverse write down in subsidiaries	1 071	-
Total profit/loss from subsidiaries	**-3 794**	**-59 891**

The write-downs of subsidiaries are mainly attributable to reductions in the value of the subsidiaries' portfolio companies.

Note 5 Auditors' fees

	2023	2022
To KPMG		
Audit assignments	1.4	1.9
Other services	-	0.1
Total	**1.4**	**2.0**

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 6 Taxes

	2023	2022
Tax expenses for the period	0	0
	0	**0**

RECONCILIATION OF EFFECTIVE TAX RATE

	2023	%	2022	%
Profit/loss before tax	-4 256		-16 658	
Income tax at statutory rate of Parent Company	877	-20.6%	3 432	-20.6%
Earnings from participations in associated companies	-115	2.7%	15	-0.1%
Non-taxable dividends received	31	-0.7%	9 352	-56.1%
Result from shares in subsidiaries	-782	18.4%	-12 782	76.7%
Other non-taxable expenses	-28	0.6%	-14	0.1%
Other taxable income	65	-1.5%	63	-0.4%
Charge non-capitalised loss carry-forward	-50	1.2%	-67	0.4%
Effective tax/tax rate	**0**	**0.0%**	**0**	**0.0%**

Note 7 Tangible fixed assets

	2023	2022
Opening acquisition values	9	9
Disposals/scrapping for the year	-2	-1
Investments for the year	10	1
Closing acquisition values	**17**	**9**
Opening accumulated depreciation	-5	-5
Disposals/scrapping for the year	1	1
Depreciation for the year	-2	-1
Closing accumulated depreciation	**-6**	**-5**
Closing book value	**11**	**4**

Note 8 Shares and participations

				2023		2022	
Associated companies and other companies	Reg no	Registered office	Number of shares	Capital/ votes (%)	Book value	Capital/ voting (%)	Book value
Altlorenscheurerhof S.A.	B51332	Luxembourg	625	33	0	33	0
Cedar Cares, Inc.	812461266	USA	1 159 607	8	1 378	8	1 662
Cityblock Health Inc.	5208873	USA	6 281 141	8	2 513	8	2 787
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					**3 892**		**4 449**

Change in book value, shares and participations in associated companies

	2023	2022
Opening acquisition value 1 January	4 449	6 561
Write-down	-558	-2 112
Closing book value 31 December	**3 892**	**4 449**

Note 9 Shares and participations in Group companies

SHARES AND PARTICIPATIONS IN DIRECTLY OWNED SUBSIDIARIES

	Reg no	Registered office	Number of shares	Capital/ votes (%)	2023	2022
Invik & Co. AB	556051-6238	Stockholm	295 384	100/100	0	0
Invik S.A.	B138554	Luxembourg	551 252	100/100	1 053	2 763
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	120	120
Kinnevik East AB	556930-5666	Stockholm	50 000	100/100	11	10
Kinnevik US Holdings AB	559109-4239	Stockholm	500	100/100	117	85
Kinnevik US Holding, LLC	84-2742351	USA	1 265 603	59/59	3 087	4 606
Kinnevik Media Holding AB	556880-1590	Stockholm	50 000	100/100	1	4
Kinnevik New Ventures AB	556736-2412	Stockholm	100	100/100	1	90
Kinnevik Online AB	556815-4958	Stockholm	50 000	100/100	21 000	19 257
Kinnevik Sweden Holding AB	559109-4221	Stockholm	500	100/100	6 715	5 645
Book value					**32 273**	**32 748**

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

	2023	2022
Opening acquisition value, 1 January	93 008	144 279
Shareholders' contribution	4 344	6 033
Repaid shareholders´ contribution	-1 024	-945
Sale	-584	-56 360
Closing acquisition value, 31 December	**95 744**	**93 008**
Opening write-down, 1 January	-60 257	-56 683
Write-down	-4 865	-59 934
Reversed write-down	1 071	-
Sale	580	56 360
Closing write-down, 31 December	**-63 472**	**-60 257**
Closing book value, 31 December	**32 273**	**32 748**

Note 10 Shareholders' equity

Changes 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 2023 was SEK 28,189,612.40 distributed among 281,896,124 shares with a par value of SEK 0.10 per share.

The share capital is divided into A shares with 10 votes each, B shares with 1 vote each and a number of different subordinated, convertible incentive shares with 1 vote each linked to Kinnevik's long-term incentive programme.

	Number of shares	Number of votes	Par value (SEK 000s)
Class A shares	33 755 432	337 554 320	3 376
Class B shares	243 217 232	243 217 232	24 322
Class G shares LTIP 2019	379 312	379 312	38
Class D Shares LTIP 2020	618 815	618 815	62
Class C-D Shares LTIP 2021	809 600	809 600	81
Class C-D Shares LTIP 2022	1 105 510	1 105 510	111
Class C-D Shares LTIP 2023	1 724 394	1 724 394	172
Total outstanding shares	**281 610 295**	**585 409 183**	**28 161**
Class B shares in own custody	1	1	0
Class C-D shares LTIP 2023 in own custody	285 828	285 828	29
Registered number of shares	**281 896 124**	**585 695 012**	**28 190**

During the year, 355,672 incentive shares were converted from Kinnevik's long-term share incentive programme 2020 (LTIP 2020) to B shares and 177,703 B shares were issued to cover dividend compensation for the same programme. A total of 446,048 outstanding Incentive Shares from 2018 to 2022 were redeemed as a result of unfulfilled conditions.

A new issue of 2,010,222 reclassifiable, subordinated, incentive shares, divided into two classes, to the participants in Kinnevik's long-term share incentive plan resolved on by the AGM on 8 May 2023 were registered by the Swedish Companies Registration Office (Sw. Bolagsverket) during June 2023.

There are no outstanding convertibles or warrants.

Regarding share-based long-term incentive programmes, see Note 16 for the Group.

Note 11 Interest-bearing loans

	2023	2022
Interest-bearing long-term loans		
Capital markets financing	3 500	3 500
Accrued borrowing costs	-13	-13
	3 487	**3 487**

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

	2023	2022
Accrued personnel expenses	41	37
Accrued interest expenses	18	21
Other	10	13
Total	**69**	**71**

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 in consideration of 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 2010-2023.

In the Group, a reservation has been made of EUR 83m for a potential capital tax cost for a former subsidiary, 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 in the Parent Company amounted to SEK 4 (4) million.

The Parent Company and its Swedish subsidiary have their liquidity coordinated through a number of central accounts in different currencies. In addition, there are a number of loans from subsidiaries. All transactions are charged with market interest.

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:

	2023
Retained earnings	41 010 771 537
Share premium	1 615 929 594
Total	**42 626 701 131**

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 2023.

In accordance with § 4 of the Articles of Association and the terms of Kinnevik's long-term incentive plans for 2019, 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, of SEK 137.87 per share of Class G 2019 for which the performance condition has been fulfilled during 1 April 2019 – 31 March 2024. The size of such compensation will amount to in total SEK 52.3m, assuming maximum fulfillment of the performance conditions.

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

Note 16 Personnel

Average number of employees	2023 men	women	2022 men	women
Stockholm	10	16	9	15

AVERAGE DISTRIBUTION OF WOMEN AND MEN AMONGST THE BOARD AND SENIOR EXECUTIVES

	2023 Men	Women	2022 Men	Women
Board Members	2	3	2	3
CEO	1	-	1	-
Other Senior Executives	3	2	3	2
Total	**6**	**5**	**6**	**5**

Salaries, other remuneration and social security expenses	2023 Board, CEO and Senior Executives	Other employees	2022 Board, CEO and Senior Executives	Other employees
Salaries and other remuneration	38 734	40 964	41 509	27 407
Social security expenses	13 431	14 175	14 373	9 872
Pension expenses	5 199	4 253	5 486	3 387
Provision for share-based remuneration including social securities expense [1)]	26 793	27 663	24 451	17 340
	84 157	**87 055**	**85 818**	**58 006**

[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, 4 April 2024

James Anderson
Chairman of the Board

Susanna Campbell
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 4 April 2024
KPMG AB

Mårten Asplund
Authorised Public Accountant, Principal

Johanna Hagström Jerkeryd
Authorised Public Accountant

AUDIT REPORT

TO THE GENERAL MEETING OF THE SHAREHOLDERS OF KINNEVIK AB (PUBL) , CORP. ID 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 2023, except for the corporate governance statement on pages 63-68. The annual accounts and consolidated accounts of the company are included on pages 58-117 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 2023 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 2023 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages X-X. 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.

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 pages XX 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 28 152 million as of December 31, 2023.

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 in 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 exampel 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 X-X and X-X. 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 Accounting Standards 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 2023 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 appropriations 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 2023.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report 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 International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable 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 validation that the Esef report has been prepared in a valid XHTML format 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 consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

THE AUDITOR'S EXAMINATION OF THE CORPORATE GOVERNANCE STATEMENT

The Board of Directors is responsible for that the corporate governance statement on pages 63-66 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR´s 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 9 May 2023. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2021.

Stockholm, April 4 2024
KPMG AB

Mårten Asplund
Authorized Public Accountant

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 and reconciliations 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

Note: Net profit/loss per share before and after dilution is also a measurement defined by IFRS.

OTHER

2024 ANNUAL GENERAL MEETING

DATE AND VENUE

The Annual General Meeting will be held on Monday 3 June 2024 at 10:00 a.m. at Hotel At Six, Brunkebergstorg 6 in Stockholm. Registration will commence at 9:30 a.m. The shareholders may also exercise their voting rights at the Annual General Meeting by postal voting in advance.

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 24 May 2024, and;
- give notice of participation no later than Tuesday 28 May 2024.

Shareholders who wish to attend the meeting venue in person or by proxy must give notice of participation to Kinnevik no later than Tuesday 28 May 2024. Notice of participation may be given via Euroclear Sweden AB's website at https://anmalan.vpc.se/euroclearproxy, 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.

Shareholders who wish to participate in the Annual General Meeting by postal voting must give notice of participation by casting their postal vote so that it is received by Euroclear Sweden AB no later than Tuesday 28 May 2024. A special form shall be used for postal voting, available 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. Please note that a notice of participation only through postal voting is not sufficient for shareholders who wish to attend the meeting venue.

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 24 May 2024. Such re-registration may be temporary (voting rights registration).

NOMINATION COMMITTEE

In accordance with the resolution by the Annual General Meeting 2023, the Nomination Committee ahead of the Annual General Meeting 2024 comprises Hugo Stenbeck, nominated by Alces Maximus LLC, Lawrence Burns, nominated by Baillie Gifford, Erik Brändström, nominated by Spiltan Fonder, Marie Klingspor, nominated by herself and her siblings, and the Chairman of the Board James Anderson. Lawrence Burns is the Chairman of the Committee. Information about the work of the Nomination Committee can be found on our website www.kinnevik.com.

FINANCIAL INFORMATION

18 April	Interim Report January-March 2024
9 July	Interim Report January-June 2024
16 October	Interim Report January-September 2024

BACKING CHALLENGERS SINCE 1936

KINNEVIK

For an in-depth description
of Kinnevik including our strategy,
team and investee companies,
please refer to www.kinnevik.com