SUSTAINABILITY REPORT

Stockholm 20 March 2020

Statement by the CEO

I am pleased to present Kinnevik AB's Communication on Progress for 2019. Kinnevik is committed to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engage in collaborative projects which advance the broader development goals of the United Nations, particularly the the Global Goals and the 2030 Agenda for Sustainable Development. In this Communication on Progress report, we document the progress within Kinnevik as well as in our portfolio companies. We are making progress in implementing the Global Compact principles, as this report will demonstrate.

Georgi Ganev
Chief Executive Officer
Kinnevik AB

CHIEF EXECUTIVE'S REVIEW

Dear Shareholders, 2019 was characterized by strong performance in our large listed companies and high activity in our portfolio including new and follow-on investments in exciting growth companies. We accelerated our pivot towards growth by distributing Millicom to our shareholders and completing a sell-down of a 5 percent stake in Zalando to finance our continued investment momentum. During the year, we have also increased our efforts to future-proof our companies by supporting the integration of sustainability in their core business models. We enter 2020 with a strong foundation to execute on our strategy.

Full Year Results

Kinnevik's Net Asset Value amounted to SEK 73.3bn, or SEK 265 per share, at the end of 2019, an increase of 31 percent over the year including dividends paid. The NAV development was driven particularly by strong share price performance in Zalando and Tele2.

Our Large Listed Companies

Zalando is our largest holding and a cornerstone of our growth portfolio. While the company's growth has been truly impressive since our first investment almost 10 years ago, we believe Zalando will continue to benefit from its large market opportunity. In September we decreased our stake from 31 to 26 percent to maintain our own pace of investment into private growth companies. Zalando fits squarely with our strategy and we fully support the company's ambition to continue investing in growth to become the starting point for fashion.

Following its 2018 merger with Com Hem, Tele2 is the leading fixed-mobile operator in Sweden and the Baltics, providing connectivity and digital services in our Swedish home market. With its strong cash conversion, disciplined disposals of non-core operations, and focus on maintaining an efficient capital structure, Tele2's shareholder remuneration is fuelling the growth in some of our less mature companies, while providing stability to our portfolio as a whole.

During 2019, we released SEK 9.1bn from our more mature assets through divestments and dividends, corresponding to over 12 percent of the portfolio we entered the year with.

Pivoting our Portfolio Towards Growth

In December, the distribution of our Millicom shareholding to our shareholders was concluded. This significant distribution of value to our investors reinforces our dedication to allocate a larger share of our portfolio to disruptive and technology-enabled growth and venture businesses. Through the distribution, the contribution of these businesses in Kinnevik's portfolio increased materially.

During 2019, we released some SEK 9.1bn from our more mature assets through divestments and dividends, corresponding to over 12 percent of the portfolio we entered the year with. About a third of the capital was re-invested into our existing portfolio and an additional SEK 1.6bn was invested into two new businesses – VillageMD and MatHem. With these transactions, we have improved the makeup of our portfolio, and made it more balanced both in terms of maturity profile and sector exposure.

Doubling Down in Healthcare

The healthcare industry is struggling to deliver accessible, effective and affordable care to all. We are optimistic that consumerization, new technology and innovation in payment models can yield better, more accessible and lower cost care. During the year, we doubled down in our healthcare portfolio with follow on investments in Babylon, Cedar and Livongo, and a new investment in VillageMD, a leading US based provider of primary care. At the end of 2019, the value of our healthcare portfolio amounted to SEK 6.7bn, corresponding to 9 percent of our portfolio compared to 2 percent in

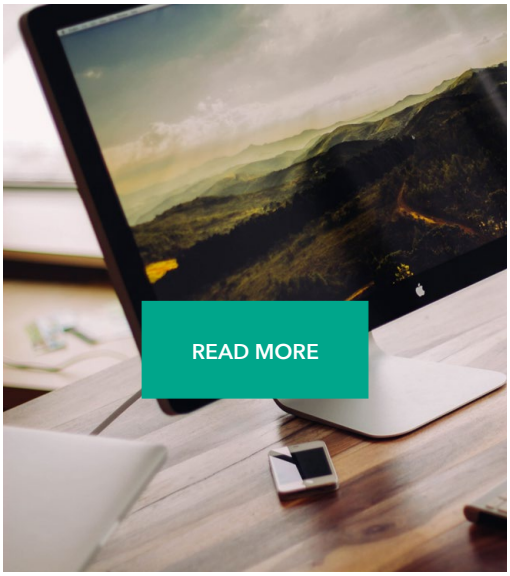
2018, and 0.5 percent in 2017. We are convinced that these companies are only at the beginning of their growth journeys.

Taking On the Nordic Food Market

Another exciting investment theme in 2019 was our newly established leadership position in the Nordic online groceries market. Having been historically dominated by large incumbents with strong market positions, the sector is on the verge of significant transformation. We started with an investment in the largest online grocer in Norway, Kolonial, in 2018 and in the beginning of 2019, we invested SEK 0.9bn into MatHem, the Swedish market leader. During the year, we have materially strengthened MatHem's leadership team, including hiring a new CEO. The team is dedicated to improving the company's customer offering, drive efficiency gains, and steer the company towards a strong, long-term growth trajectory.

Financial Position and Shareholder Renumeration

We ended 2019 with a strong financial position and net debt of SEK 0.9bn or 1.3 percent of portfolio value, enabling us to carry out our capital re-allocation plan for the coming years. As communicated in 2019, rather than paying an ordinary dividend to our shareholders, going forward we will generate shareholder returns primarily through capital appreciation and will seek to return excess capital generated by our investment activities to shareholders through extra dividends. In this context, the dividend in kind of Millicom corresponded to SEK 60 per Kinnevik share when the distribution was completed in the beginning of December.



Doubling Down in Healthcare: Our Healthcare portfolio ended the year at SEK 6.7bn

31%

Our NAV increased by 31% during 2019

We ended 2019 with a strong financial position and net debt of SEK 0.9bn or 1.3 percent of portfolio value, enabling us to carry out our capital re-allocation plan for the coming years.

Future-Proofing Our Portfolio

As consumer behaviours are shifting across the world, Kinnevik believes there is a real opportunity for businesses putting sustainable development at the core of their business model. In May 2019, we adopted a Diversity & Inclusion Framework to drive change within Kinnevik and our portfolio, not only from an equality standpoint but, most importantly, from a business and performance perspective. Read more about the Framework and our four overarching targets on page 18-19.

Something we are very proud to note as an owner, is Zalando's new sustainability strategy launched in 2019. It is an ambitious strategy setting out the company's bold vision of being a sustainable fashion platform with a net-positive impact on people and the planet. Zalando also set new diversity targets for its top leadership levels, emphasizing the need for the company to reflect its customer base. Many of the companies in our portfolio have made significant progress in future-proofing their businesses by integrating sound governance structures, ensuring social responsibility across different aspects and taking measures to reduce their environmental impact. Read more about Kinnevik's and our portfolio companies' efforts in the 2019 Sustainability Report.

Concluding Remarks

With a portfolio consisting of a higher share of growth companies, fewer but larger new investments, significant capital deployed into the healthcare sector, and a bold step into the Nordic food space, we have executed on the priorities that we highlighted at the beginning of the year. Looking forward, we will maintain our pace of investment and deploy our capital systematically into the leading businesses of tomorrow. We expect to invest slightly less capital in 2020 than in 2019, but enough to continue our transformation. Thank you, our shareholders, for your continued support on this exciting journey.

Georgi Ganev
Chief Executive Officer

STATEMENT BY THE CHAIRMAN OF THE BOARD

The consumers are in charge. At Kinnevik, we view sustainability as a business opportunity. In recent years, there has been a significant shift in consumer behaviour towards buying products and services that are produced in a sustainable manner. The increased consumer focus on sustainability creates opportunities for those companies that can meet these increased expectations. It is our responsibility as an active owner to put sustainable business development at the top of the agenda at our investee companies and make sure they seize the opportunities arising from this. We truly believe that to be a long-term successful company, you need to be part of the solution – not the problem.

The Decade of Delivery

2015 marked an inflection point globally as governments across the world agreed on a comprehensive framework for sustainable development, namely Agenda 2030 and the UN's Sustainable Development Goals (the "Global Goals"). They are a shared blueprint for peace and prosperity for people and the planet, now and in the future. With ten years left until 2030, 2020 starts off what has been called the Decade of Delivery.

One central aspect of the Global Goals is that they recognize that long-term sustainable development must go hand-in-hand with strategies that build economic growth. All levels of society are expected to contribute to the goals: governments, civil society and businesses. As an organization, we have defined which role we want to play in 2030 and beyond. We have used the Global Goals as a basis for our sustainability strategy and in our Sustainability Report, we outline our holistic approach to value creation and how we contribute to the Global Goals while creating value for our stakeholders.

Focusing on Diversity & Inclusion to Drive Better Business Outcomes

Diversity and inclusion is a business imperative for Kinnevik. A diverse organisation is able to maintain relevance for customers and at the same time increase productivity, innovation and profitability. During the year, we launched a Diversity & Inclusion Framework for gender equality to drive the important change we want to see at Kinnevik, in our portfolio and in the broader industry. Read more about our efforts to support Global Goal number 5, Gender equality, on page 18-19.

Companies in the top quartile for gender diversity are 21% more likely to outperform on profitability.

McKinsey, 2018

Sustainability Performance 2019

During the year, we have put a lot of effort into developing sustainability roadmaps for the ten companies we invested in during 2018. As for all early stage companies, the challenge is to balance growth with sustainability initiatives. A key focus area has been the implementation of Kinnevik's Diversity & Inclusion Framework and many of our companies have showed clear progress both on diversity and in creating a more inclusive workplace. In response to the climate crisis many companies are also taking decisive action to reduce their climate impact. Environmental aspects will be a key focus area for Kinnevik in 2020 and onwards.

In the fourth quarter of 2019 our portfolio company Quikr, an online classifieds platform operating in India, discovered that certain dealers had placed fictitious or misrepresented transactions on its platform. Kinnevik is working closely with Quikr's board and management to address the effects of this, and to improve the company's internal controls. Read more about the measures taken on page 22.

All Value is Created by People

Kinnevik's purpose is to make people's lives better by providing more and better choice. People are at the centre of what we do, and they are also our greatest asset in creating value for our stakeholders.

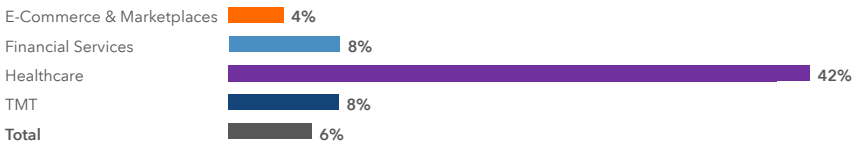
I would like to take this opportunity to thank Kinnevik's senior management team and all employees for all the incredibly hard work during the year. Through the committed teams at Kinnevik and in our investee companies, I am convinced we will continue to build long-term sustainable businesses that leverage disruptive technology to meet the demands of consumers today and in the future.

Dame Amelia Fawcett
Chairman of the Board of Kinnevik

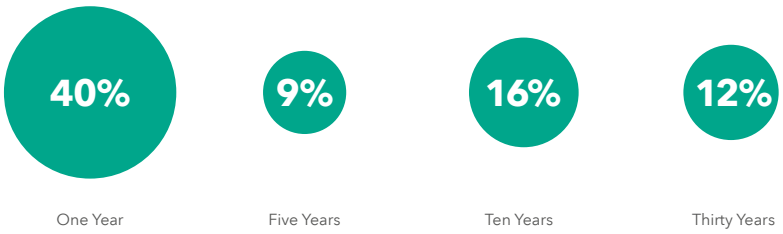
KINNEVIK IN SUMMARY

Kinnevik is an industry focused investment company with an entrepreneurial spirit. Our purpose is to make people's lives better by providing more and better choice. In partnership with talented founders and management teams we build challenger businesses that use disruptive technology to address material, everyday consumer needs. As active owners, we believe in delivering both shareholder and social value by building long-term sustainable businesses that contribute positively to society. We invest in Europe, with a focus on the Nordics, the US, and selectively in other markets. 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.

Five Year Annualized IRR per Sector

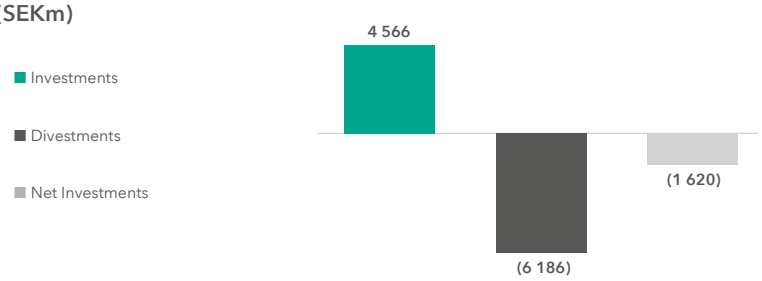


Total Shareholder Return (TSR)

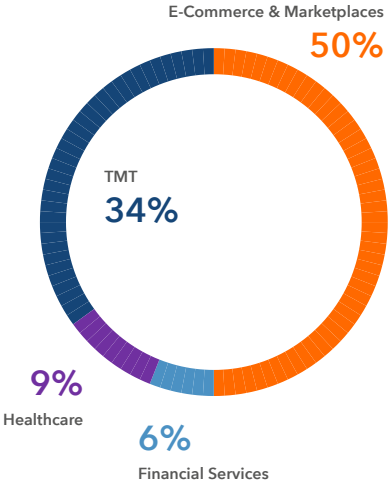


1.3% Leverage to Portfolio Value

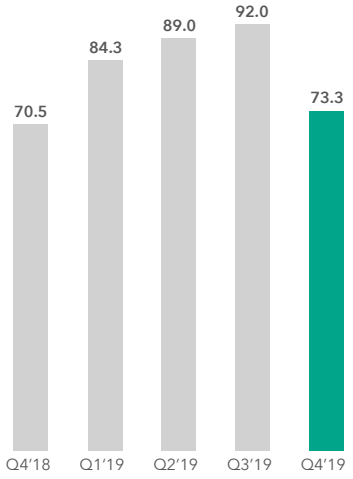
Investment Activity (SEKm)



Portfolio Composition



NAV Development (SEKbn)[1]



[1] During 2019, Kinnevik distributed its entire shareholding in Millicom to its shareholders, corresponding to SEK 16.5bn.

KINNEVIK'S BUSINESS MODEL AND HOW WE CREATE VALUE

OUR VALUE CREATION PROCESS. Kinnevik applies a holistic view on value creation. We are long term business builder that provide hands-on operational support to our companies, as well as a high-level strategic perspective. To create value for our companies as well as other key stakeholder groups, we draw on various types of resources.

Resources We Draw On

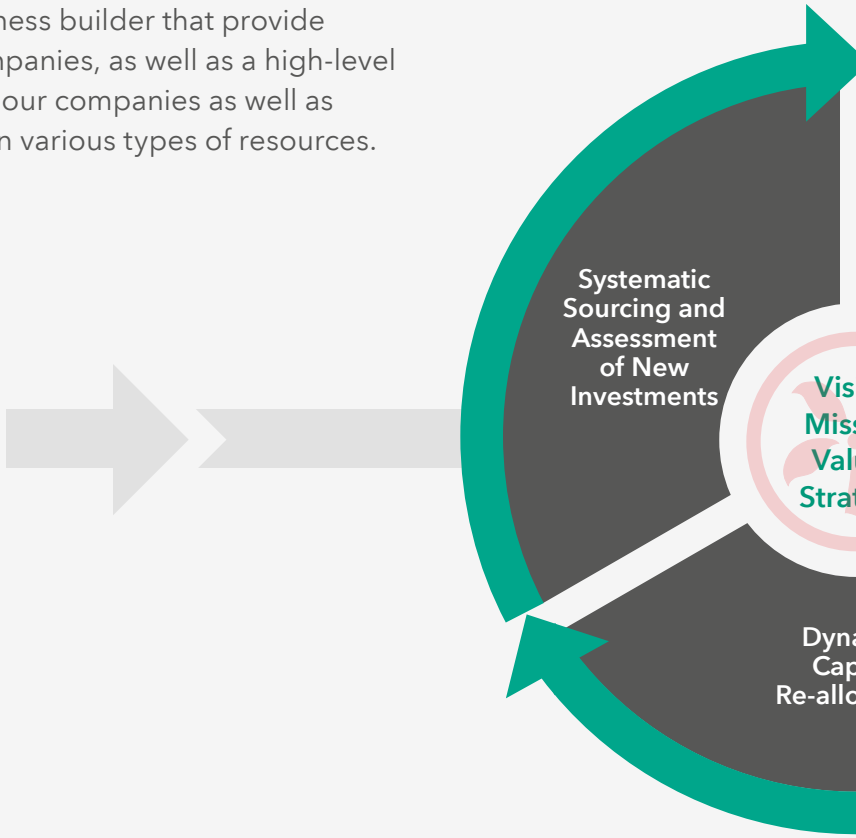
Financial
Funds available through investment management activities, dividends from investee companies and debt financing

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

Human
Our employees' and consultants' competencies, capabilities, experience, loyalty and motivations

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

Natural
Environmental resources we draw on to enable for example business travel and office locations



Our vision and mission identify
Our strategy defines how we ma
resources, and our values guide u
Read more about this and ou

CONNECTION TO THE GLOBAL GOALS

The value we create for our stakeholders through our active ownership is clearly connected to the Global Goals. Read more about our stakeholder dialogue on page 11, and about the most relevant Global Goals for Kinnevik and our portfolio on page 14-15. Furthermore, some of our companies contribute to the Global Goals by virtue of their core business models, read more on page 24.

Shareholders

8.1: Sustainable economic growth

13.2: Integrate climate change measures into policies and planning

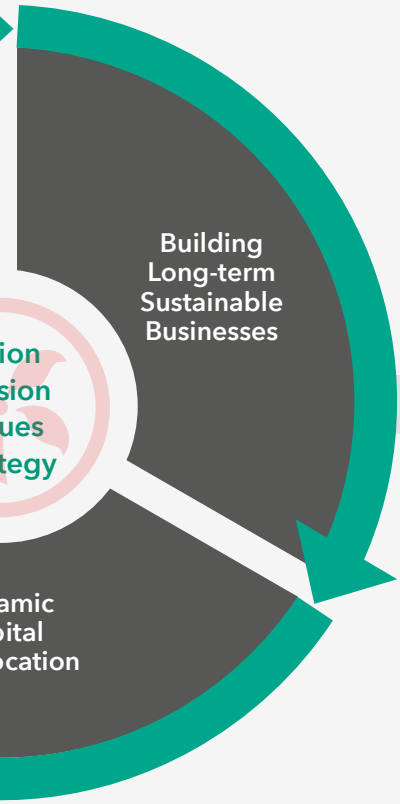
16.5: Substantially reduce corruption and bribery

16.6: Develop effective, accountable and transparent institutions

Employees

5.5: Ensure women's full participation in leadership and decision-making

8.8: Protect labour rights and promote safe working environments



y our purpose as an organization.
aximize opportunities and allocate
us in how to implement our strategy.
ur business model on page 8-9.

Value We Create for Our Stakeholders

Shareholders and the Financial Community
Long-term economic and sustainability performance

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

Portfolio Companies and Entrepreneurs
Economic and sustainability performance, financial and operational support, network and knowledge sharing. Through our portfolio companies we provide consumers with more and better choice

Society and Authorities
Well-governed companies that contribute positively to society. Good corporate citizenship and improved policy landscape

Investee Companies and Entrepreneurs

5.5: Ensure women's full participation in leadership and decision-making

8.1: Sustainable economic growth

8.2: Diversify, innovate and upgrade for economic productivity

8.8: Protect labour rights and promote safe working environments

12.5: Substantially reduce waste generation

12:6: Encourage companies to adopt sustainable practices and sustainability reporting

13.2: Integrate climate change measures into policies and planning

16.5: Substantially reduce corruption and bribery

16.6: Develop effective, accountable and transparent institutions

17.16: Enhance the global partnership for sustainable development

Society and Authorities

16.6: Develop effective, accountable and transparent institutions

17.16: Enhance the global partnership for sustainable development

OUR BUSINESS MODEL

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

We believe that companies that operate in a responsible and ethical manner will be able to offer better products and services that meet the demands of their customers, as well as recruit the best employees, thereby outperforming their competitors in the long run.

Systematic Sourcing and Assessment of New Investments

Kinnevik has a well-defined process to source and assess potential new investments involving the Management Team, Investment Team and the Sustainability Function. Kinnevik's Board of Directors is also involved in the investment process depending on the size of the investment and if the investment goes beyond our strategy execution plan.

In pipeline discussion meetings, the team takes a broader view of our target sectors and maps the opportunities in each sector. A small selection of companies is brought to stage one of the Executive Investment Committee (the "EIC") and evaluated based on Kinnevik's investment criteria. Kinnevik's investment team only brings companies that fit our investment ethos to pipeline discussion meetings and to the EIC.

The most promising opportunities move on to stage two of the EIC. A key evaluation aspect is the quality of the team and the passion, drive and values of the founders. During this stage we also conduct thorough due diligence on the companies across key functions including among others, financial, legal, commercial and sustainability.

In the sustainability due diligence, companies are evaluated based on their performance and structures in relation to economic, social and environmental aspects, and the key risks and opportunities are identified. We use the Kinnevik Standards (read more on page 21) as a basis for the due diligence. It includes, among other aspects, human rights screening and a corruption risk assessment. In instances where potential investments do not adhere to relevant standards or are not considered to be likely to undertake the required improvements, Kinnevik refrains from proceeding with the investment.

When a portfolio company is seeking additional funding, they are evaluated again in stage two of the EIC and a key condition for follow-on investments is that the company has shown clear sustainability progress, including D&I, in accordance with their roadmap. Kinnevik's Board of Directors oversees and conducts an annual evaluation of the EIC process.

During 2019, Kinnevik invested in two new companies, MatHem and VillageMD, both of which were subject to sustainability due diligence. To address identified issues, a roadmap was agreed with both companies and progress is being made.

Building Long-Term Sustainable Businesses

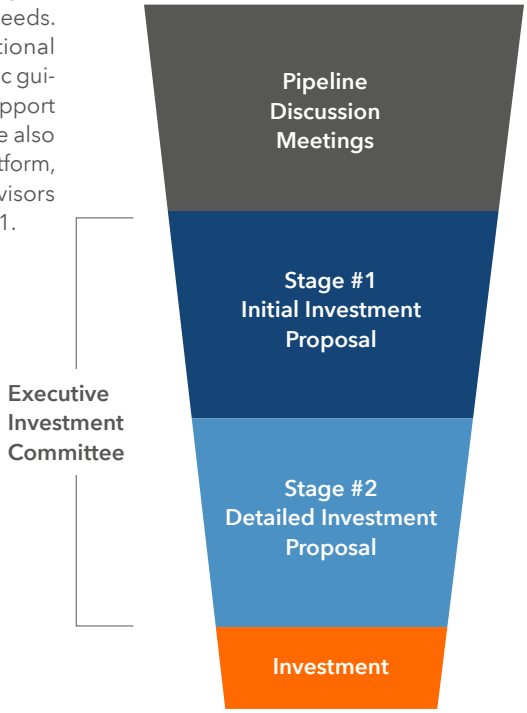
Investing in the best companies is critical, but how we contribute to the development of our companies after investment is key to creating value. We develop a plan for each company depending on each business' characteristics and needs. We can provide hands-on operational support as well as high-level strategic guidance. Read more about how we support our companies on pages 22-23. We also provide access to the Our Group Platform, a global network of companies, advisors and experts, read more on page 21.

We conduct bi-annual investment reviews with all our companies in which our investment team discusses the companies' development across a number of parameters, including sustainability aspects. In addition, Kinnevik's Sustainability Function conducts yearly assessments of all portfolio companies, including implementation of the roadmap, and sets targets and priorities for the coming year. Read more about the assessment process on page 21.

Dynamic Capital Re-Allocation

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

Our Sourcing and Assessment Process



VISION
TO MAKE PEOPLE'S LIVES BETTER BY PROVIDING MORE AND BETTER CHOICE

MISSION
WE BUILD DIGITAL BUSINESSES THAT ADDRESS MATERIAL, EVERYDAY CONSUMER NEEDS

VALUES
INTEGRITY
BOLDNESS
EXCELLENCE

STRATEGY
A LEADING GROWTH INVESTOR

- Backing challenger businesses that use technology to address material, everyday consumer needs
- A bold and long-term business builder, partnering with talented entrepreneurs
- Focusing on Fashion & Food e-Commerce, Online Marketplaces, Financial Services, Healthcare and TMT, 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
- Leveraging our experience and expertise to build leading, long-term sustainable businesses

SUSTAINABLE BUSINESS DEVELOPMENT STRATEGY AND FRAMEWORK

Kinnevik's sustainability strategy and framework is based on the UN 2030 Agenda for Sustainable Development which balances the three dimensions of sustainability: Economy, Society and Environment.

EXTERNAL FRAMEWORKS

Kinnevik is a signatory of the UN Global Compact which is the world's largest corporate sustainability initiative. A part of this initiative's multi-year strategy is to drive business awareness and action in support of achieving the Global Goals by 2030. This Sustainability Report serves as Kinnevik's annual Communication on Progress to the UN Global Compact, containing our implementation of its principles on human rights, labour, environment and anti-corruption. Kinnevik also recognises the special importance of international standards on responsible business conduct, such as the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

The Sustainability Report 2019 is prepared in accordance with the Global Reporting Initiative's ("GRI") Standards: Core option, including the GRI Sector Disclosures for Financial Services. The GRI index is available on page 29-31.

The 2030 Agenda and the Sustainable Development Goals

Sustainable development has been defined by the United Nations 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 for today's leading global framework for international cooperation – the 2030 Agenda for Sustainable Development and its Sustainable Development Goals. Adopted by all United Nations Member States in 2015, the 2030 Agenda is a broad and universal policy agenda with 17 Global Goals split into 169 associated targets to be achieved by 2030. The Global Goals are integrated, indivisible and balance the three dimensions of sustainable development: economy, society and environment.

The UN Sustainable Development Goals

KINNEVIK'S ORGANISATION

The Board of Directors is responsible for Kinnevik's overall strategy, including how we integrate sustainability aspects as part of our value creation. To assist the Board in monitoring the implementation of our sustainability agenda Kinnevik has established a Risk, Compliance & Sustainability Committee, appointed by the Board of Directors. To drive the integration on a day-to-day basis, on a Kinnevik level and in relation to our investee companies, Kinnevik has a dedicated Sustainability Function.

SUSTAINABILITY STRATEGY

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

Kinnevik's purpose is to make people's lives better by providing more and better choice. We work towards that vision by leveraging our experience and expertise to build digital, long-term sustainable businesses that address material, everyday consumer needs.

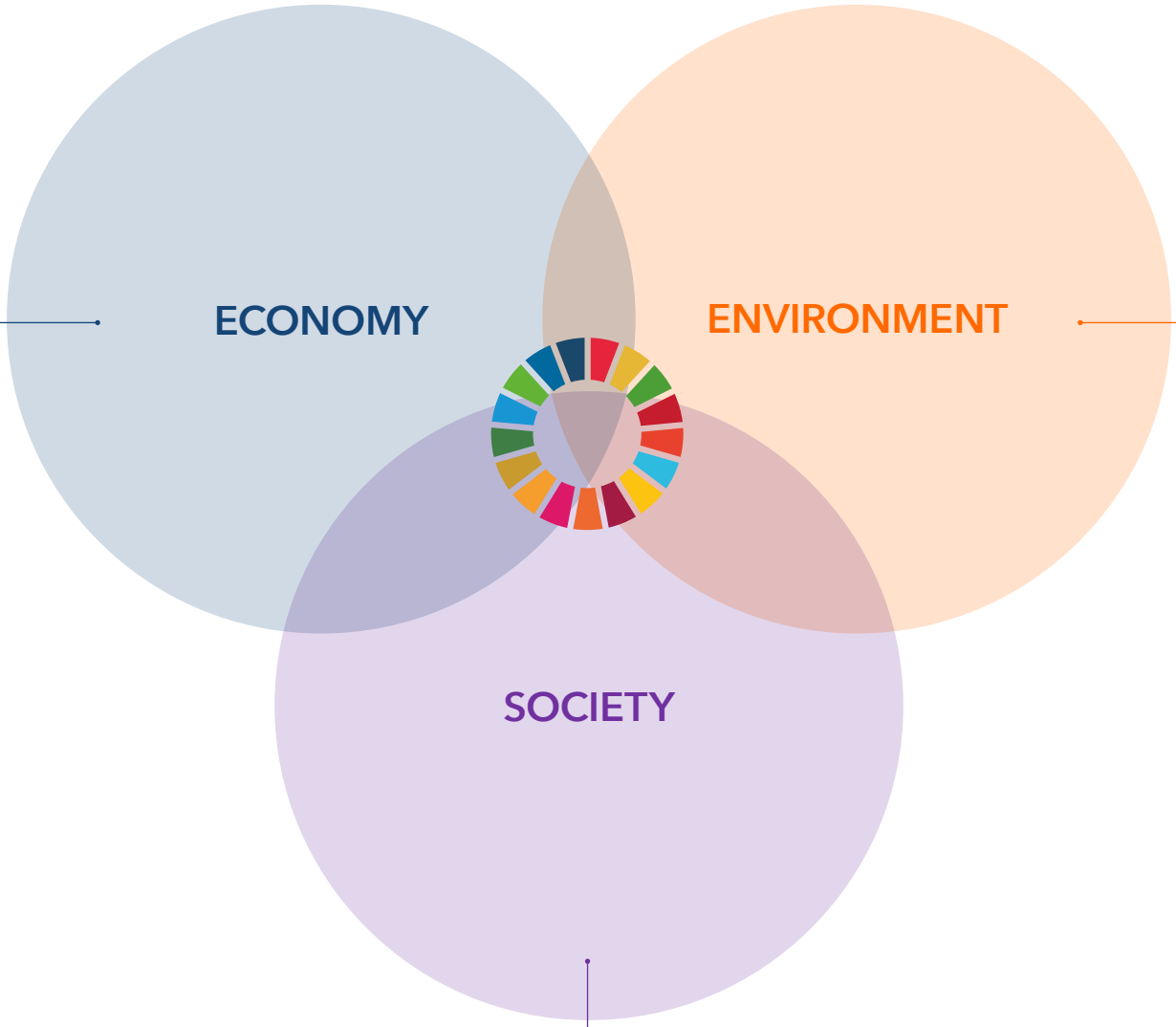
Stakeholder Dialogue

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

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

Material Topics for Kinnevik and Our Portfolio

Across the three dimensions of sustainable development



Sound Governance Structures and Economic Growth

- Corporate Governance
- Risk Management
- Compliance
- Economic Growth

Social Responsibility and Good Corporate Citizenship

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

Reduced Climate Impact

- Greenhouse Gas Emissions
- Use of resources

Material Topics

Kinnevik's material topics are identified through interactive stakeholder dialogues, Board and management discussions, peer benchmarking and industry best practices.

When determining our material topics, we consider topics that are the most important to us and our stakeholders, as well as the significance of Kinnevik's economic, social and environmental impacts. The material topics comprise the key risks and opportunities that we believe are important to focus on, on a Kinnevik and Portfolio level.

The material topics have not changed significantly from last year, but the areas of social responsibility and diversity and inclusion in particular, as well as climate impact have risen in importance.

Kinnevik's material topics:

ECONOMY
Sound Governance Structures and Economic Growth

SOCIETY
Social Responsibility and Good Corporate Citizenship

ENVIRONMENT
Reduced Climate Impact

Targets and KPIs

On the next two pages is an overview of Kinnevik's targets and KPIs for each of our material topics on a Kinnevik and Portfolio level. The KPIs should be seen as quantifiable representations of our sustainability performance and as a tool to measure progress. They do not however cover the full extent of Kinnevik's efforts.

A number of our investee companies are in the early stages of their sustainability development, which is reflected in the outcome of the KPIs on a portfolio level. We cannot expect all companies to fully meet our expectations with regards to sustainability at the point of investment, and we define a clear roadmap for our companies with key priorities each year. In addition, Kinnevik invests primarily in growth and venture companies and the composition of our portfolio changes over time which has an impact on the KPIs.

A full account of the KPIs on a portfolio level, including comparative numbers for 2019 and 2018, is available on page 28.

Scope and Boundaries of Reporting

This report covers the sustainability performance of Kinnevik for the period 1 January to 31 December 2019. Our strategy involves being a lead shareholder in our companies with a sizeable minority shareholding which provides us influence over outcomes. This means that while we can exercise influence over our investee companies mainly through board representation, we do not directly control our investee companies.

The issues identified as relevant for investee companies relate to those organisations at group parent level and does not consider issues which may be relevant for their local operations or subsidiaries.

The focus of this report is on sustainability performance and initiatives in Kinnevik's own operations. Additional case study material on the investee companies is provided on a summary basis, as well as in the form of case studies on specific initiatives. More information on investee companies' performance can be found on their respective websites.

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

Kinnevik has identified climate impact, and Greenhouse Gas emissions in particular, as our most material environmental topics. In the future, we may include other environmental aspects, such as waste management and water consumption.

SUSTAINABLE BUSINESS DEVELOPMENT FRAMEWORK: KINNEVIK LEVEL

Dimensions of Sustainable Development	ECONOMY	SOCIETY	ENVIRONMENT
Most Relevant Global Goals	**8.1:** Sustainable economic growth **16.5:** Substantially reduce corruption and bribery **16.6:** Develop effective, accountable and transparent institutions	**5.5:** Ensure women's full participation in leadership and decision-making **8.8:** Protect labour rights and promote safe working environments **17.16:** Enhance the global partnership for sustainable development	**13.2:** Integrate climate change measures into policies and planning
Material Topics	Sound Governance Structures and Economic Growth	Social Responsibility and Good Corporate Citizenship	Reduced Climate Impact
Targets	• Maintain sound corporate governance structures including risk management and compliance in Kinnevik's own operations • Deliver an annual total shareholder return of 12-15% over the business cycle • Carry low leverage not exceeding 10% of portfolio value	• Attract, recruit and retain talented employees • Be an attractive employer with diversity & inclusion, well-being and personal development in focus • Contribute to and improve the policy landscape and society as a whole through open dialogues • Community outreach engagement through Reach for Change	• Measure emissions • Reduce climate impact • Offset emissions through an internationally recognized offsetting project
Status	• Yearly review of all policies and handbooks • Dedicated Risk, Compliance & Sustainability Committee (Board) and Risk Committee (management) • Yearly compliance training including Code of Conduct and anti-corruption	• Yearly employee performance reviews and bi-annual objective setting • Personalized career development and training opportunities • Best-in-class parental leave benefits • Launched the Diversity & Inclusion Framework • On-going commitment to Reach for Change	• Conduct a yearly greenhouse gas emission estimate by scope and activity • Offsetting our carbon emissions in full
KPIs	• Net Asset Value development • Economic value generated and distributed • Leverage in relation to Portfolio Value • Annualised Total Shareholder Return (per 30, 10, 5 and 1 year)	• Number of employees split by office and function • Number of nationalities • Age distribution of employees and Board • New hires and employee turnover • Share of women across teams and Board • Parental and sick leave • Number of social entrepreneurs supported, and children helped through Reach for Change	• Carbon dioxide equivalents ("CO2e") emissions in total and per employee • CO2e emissions in Scope 1, 2 and 3 • CO2e emissions per activity and by type of Greenhouse Gas

Note: Read more about the KPIs on a Kinnevik level on page 16-20.

SUSTAINABLE BUSINESS DEVELOPMENT FRAMEWORK: PORTFOLIO LEVEL

Dimensions of Sustainable Development	ECONOMY	SOCIETY	ENVIRONMENT
Most Relevant Global Goals	**8.1:** Sustainable economic growth **8.2:** Diversify, innovate and upgrade for economic productivity **16.5:** Substantially reduce corruption and bribery **16.6:** Develop effective, accountable and transparent institutions	**5.5:** Ensure women's full participation in leadership and decision-making **8.8:** Protect labour rights and promote safe working environments **16.5:** Substantially reduce corruption and bribery **16.6:** Develop effective, accountable and transparent institutions **17.16:** Enhance the global partnership for sustainable development	**12.5:** Substantially reduce waste generation **12:6:** Encourage companies to adopt sustainable practices and sustainability reporting **13.2:** Integrate climate change measures into policies and planning
Material Topics	Sound Governance Structures and Economic Growth	Social Responsibility and Good Corporate Citizenship	Reduced Climate Impact
Targets	• Build companies with sound corporate governance, risk management and compliance structures • Ensure long-term sustainable economic growth across our portfolio companies	• Ensure our companies build responsible business relationships with suppliers, including human rights, business ethics and health & safety considerations • Ensure our companies are attractive employers with human rights, health & safety, diversity & inclusion, well-being and personal development in focus • Ensure our companies have committed community outreach programs	• Ensure our companies measure CO2e emissions • Ensure our companies have implemented concrete measures to reduce their climate impact • Ensure our companies offset emissions through an internationally recognized offsetting project
Status	Read about the sustainability performance of our portfolio companies on page 21-23.		

KPIs

The Portfolio level KPIs are derived from our annual assessment of the portfolio companies based on the Kinnevik Standards, read more on page 21.

	PV	#COs
Has implemented a Code of Conduct across its organisation	92%	69%
Has implemented a Whistleblowing system	94%	54%
Has conducted a risk assessment	87%	46%
Has a defined risk limits statement to monitor risk levels	42%	23%
Conducts regular compliance training	96%	81%
Has incorporated anti-corruption principles in the Company's policies	89%	62%

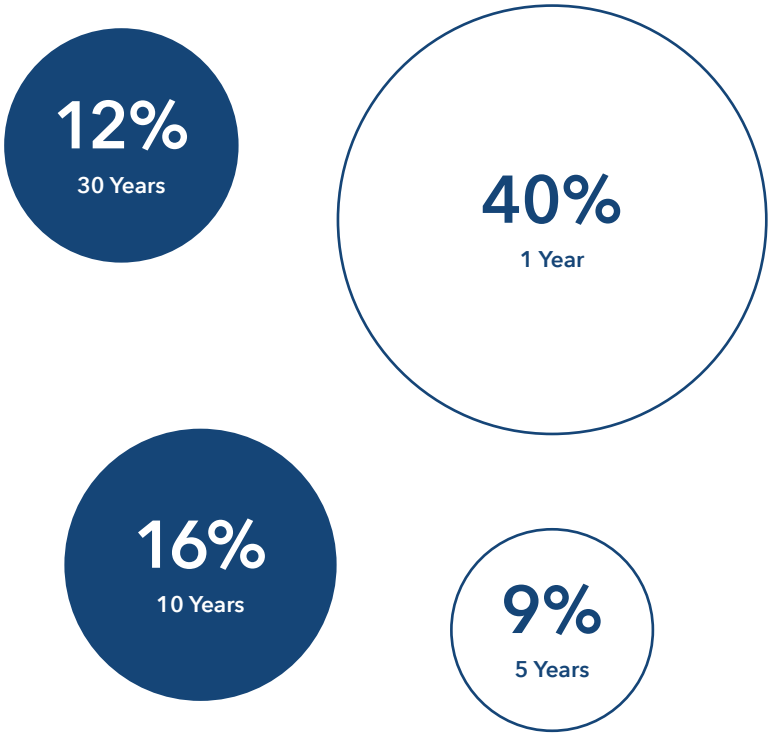
	PV	#COs
Has implemented a Supplier Code of Conduct based on international standards	83%	46%
Conducts periodic employee surveys	94%	77%
Has incorporated anti-discrimination principles in the Company's policies	93%	73%
Has at least 40% of the underrepresented gender in the management team	4%	12%
Has at least 40% of the underrepresented gender in the board	37%	8%
Has implemented a community outreach or philanthropic program	82%	31%

	PV	#COs
Engages in environmental reporting	78%	23%
Has implemented measures to reduce the Company's CO2e emissions	79%	31%

Note: A full account of the Portfolio level KPIs is available on page 28.
PV = % of Portfolio Value, #COs = % of Number of Companies.

KINNEVIK
A RESPONSIBLE COMPANY

As a responsible and active owner, Kinnevik aims to be a role model for our investee companies across economic, social and environmental aspects.



TOTAL SHAREHOLDER RETURN is calculated on the basis of shareholders reinvesting all cash dividends, dividends in kind and mandatory share redemption proceeds into the Kinnevik share.

SOUND GOVERNANCE STRUCTURES AND ECONOMIC GROWTH

For Kinnevik as a company, it is important to have sound governance, risk management and compliance structures in place, including clear structures, policies and processes across functions. Being a financially strong company is imperative to our role as active owners, supporting our portfolio companies towards achieving long-term sustainable and profitable growth.

Governance

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

Kinnevik's Board is responsible for Kinnevik's overall strategy, including sustainability, and is well informed about Kinnevik's policies and procedures. The Board is supported by the Risk, Compliance & Sustainability Committee (a subset of the Board) and the Risk Committee consisting of Kinnevik's management team and investment directors.

The Risk, Compliance & Sustainability 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. More information about Kinnevik's governance bodies and their work is available in the Corporate Governance Report 2019.

Kinnevik's key policies are our Code of Conduct, Whistle-blower Policy, Corporate Responsibility Policy, Supplier Code of Conduct and Lobbying Policy. The policies have been communicated to all employees and members of the Board and are available on our website.

All employees and representatives of Kinnevik are expected to fully comply with the Code of Conduct. Kinnevik has an onboarding process for new employees that introduces them to the Code of Conduct, which includes provisions

on anti-bribery and business ethics, and other key policies and procedures.

As outlined in the Whistle-blower Policy, Kinnevik expects all employees, as well as relevant third parties who deal with the company, 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 antidiscrimination. Kinnevik whistleblowing service is managed by the external party WhistleB. During 2019, Kinnevik did not receive any reports to the whistleblowing service.

A part of the compensation for Kinnevik's investment team is linked to the portfolio companies' sustainability performance.

Risk Management

Kinnevik's Board is responsible for internal control in accordance with the Swedish Companies Act (Swe. Aktiebolagslagen) and the Swedish Corporate Governance Code. Kinnevik's risk framework is outlined in the Risk Management Policy. Kinnevik's management has established a Risk Committee that meets thrice a year to review key risks, developments since the previous meeting, the efficiency of any mitigating actions and our overall risk appetite. The work of the Risk Committee is presented at each meeting of the Risk, Compliance & Sustainability Committee and to the Audit Committee on a periodic basis.

Compliance

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

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

Economic Performance

During 2019, Kinnevik's Net Asset Value increased by 31 percent, adjusted for dividends paid, to SEK 73.3bn (70.5). Total investments for the year amounted to SEK 4.6bn (2.7). Total divestments amounted to SEK 6.2bn (1.6). Kinnevik ended 2019 in a net debt position of SEK 0.9bn (2.9), corresponding to a leverage of 1.3 (4.0) percent of portfolio value.

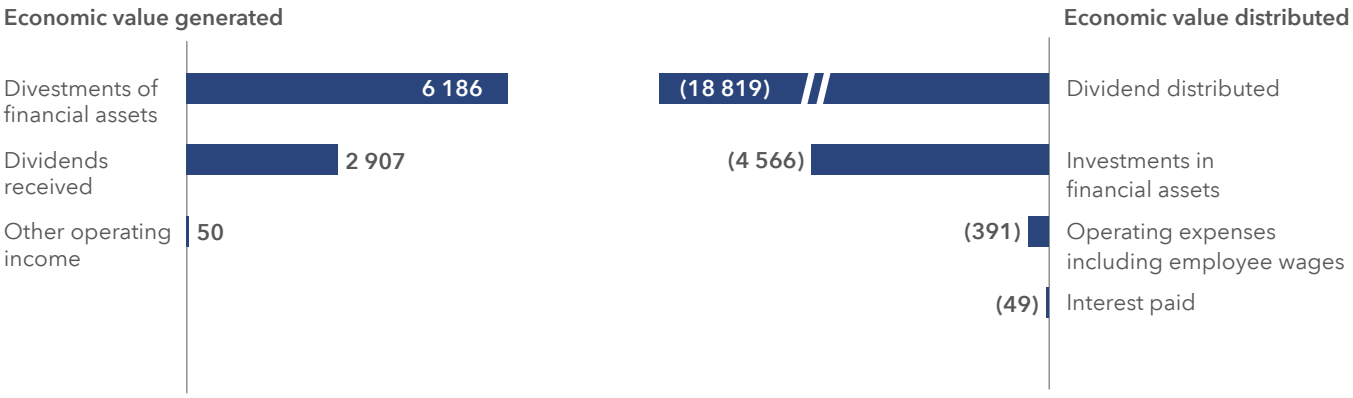
During 2019, Kinnevik divested a 5 percent stake in Zalando, representing 17 percent of our total shareholding in the company, generating gross proceeds of SEK 5.9bn. Kinnevik also distributed its entire shareholding in Millicom to our shareholders, a value transfer of SEK 16.5bn in total.

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

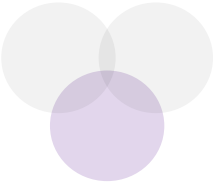
Amended Shareholder Remuneration Policy

For a number of years, Kinnevik aimed to pay an annual dividend growing in line with dividends received from our investee companies, mainly Millicom and Tele2, and the cash flow generated from our investment activities. In light of the distribution of Millicom, and the entailing step change in our portfolio's composition, we amended our shareholder remuneration policy. Going forward, we will cease to pay an ordinary cash dividend and instead use dividends received, primarily from Tele2, to fund and accrete our ownership in the companies we believe are tomorrow's winners in our private portfolio. Further, we will seek to return excess capital to shareholders from successful exits in the form of extra dividends.

Kinnevik's economic value generated and distributed during 2019, SEKm



KINNEVIK
SOCIETY



SOCIAL RESPONSIBILITY AND GOOD CORPORATE CITIZENSHIP

Kinnevik's greatest asset is and has always been our people. As such, attracting and retaining top talent is a key priority. Kinnevik regards diversity and inclusion as core levers for value creation, and we make full use of the opportunities that arise from employing a team with different backgrounds and perspectives. We also have a firm belief in contributing to the wider community, which we have done for many years through the Kinnevik-founded non-profit organisation Reach for Change.

A Small and Diverse Team

While the nature of our work changes frequently, our core values do not. Kinnevik's team members share an entrepreneurial spirit, as well as a belief in building long-term sustainable businesses.

Kinnevik's organisation comprised 40 (37) people on average during 2019 (full-time equivalents "FTE", including wholly owned subsidiaries), with 27 people based in the Stockholm office and 13 people in the London office. The investment management organisation consisted of 12 professionals, whereof eight based in London and four in Stockholm. Moreover, during 2019 Kinnevik employed 28 people across Finance, Legal, Strategy, Sustainability, Corporate Communications, HR and Administration. All employees but four were on permanent contracts. All employees but one were on full-time contracts.

Kinnevik strongly advocates diversity and inclusion. This is reflected in the composition of our organisation, where a total of nine different nationalities are represented. The proportion of women employed across Kinnevik's organisation averaged 49 (44) percent in 2019. The proportion of women in Kinnevik's investment organisation was 27 (17) percent, and on the Board of Directors 50 (43) percent. Our target for 2022 is to achieve a 40/60 gender split across all Kinnevik teams.

Well-Being and Personal Development in Focus

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

Ongoing assessments of employees' performance and success in meeting their objectives are central in order 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.

Kinnevik is committed to promoting a good, safe and healthy work environment for all employees across physical, organisational and social aspects, where the risks of occupational injuries and work-related ill-health are prevented. The goal is to strengthen the employees' motivation, effectiveness, health and well-being.

As stated in Kinnevik's Work Environment Handbook, if an employee is involved in an incident, accident or any other situation of ill-health they immediately need to inform their manager. During 2019, Kinnevik did not report any incidents to the Swedish Work Environment Authority (Swe: Arbetsmiljöverket). The low level of sick leave, below 1 (<1) percent of total working time, highlights Kinnevik's efforts to improve our employees' health through healthcare insurance, fitness subsidies and other initiatives.

In order to assess how employees feel about working for Kinnevik, we conduct yearly employee satisfaction surveys. The results of the employee survey 2019 did not indicate any significant issues with regards to human rights, equal opportunities or work environment.

Out of the 86 percent of employees that responded to Kinnevik's 2019 employee survey, 95 percent said they would refer someone else to work at Kinnevik.

Kinnevik encourages parental leave for both men and women. In 2019, the average parental leave taken was 39 (0) weeks for men and 46 (52) weeks for women. This refers to parental leave that started during 2019 and includes the full number of weeks requested. The leave may therefore be completed during the following year.

In 2019 Kinnevik implemented a new parental leave policy, stipulating that every permanent employee is eligible for nine months paid parental leave with 100 percent of their fixed salary. The policy reflects our ambition to be at the forefront regarding equal opportunities and to promote well-being and a healthy work-family balance.

Kinnevik's Diversity & Inclusion Framework

In May 2019, Kinnevik launched a D&I framework to drive the important change we want to see in our portfolio and the broader industry. Besides our fundamental belief in equal rights for all employees, Kinnevik believes diversity and inclusion brings clear business benefits as it leads to improved financial performance, higher degree of innovation, better decision-making and creation of value over the long-term.

In order to deliver on our vision of providing more and better choice we need to truly understand our customers, which is why it is vital that our organisation and portfolio company teams reflect their customer base. While diversity may be measured by many different characteristics, gender diversity is widely considered to be one of the most significant. Therefore, we have initially chosen to focus our concrete actions on gender diversity.

Kinnevik's Board of Directors and management have agreed on four overarching targets, signifying Kinnevik's ambitions and setting the foundation for Kinnevik's D&I framework.

KINNEVIK SOCIETY

- **40/60 Composition** – by end of 2022 Kinnevik shall have a 40/60 composition (at least 40 percent of the underrepresented gender) in the Management team as well as in the Investment and Corporate teams
- **10% Female Capital** – from 2019 and onwards, at least 10 percent of the annual investment budget shall be reserved for investments in female-founded or led companies. If the 10 percent is not invested in full, the residual will roll over and increase next year's earmarked budget
- **No Follow-Ons** – Kinnevik will only consider making follow-on investments in companies that it believes have made progress in relation to diversity and inclusion
- **Leadership** – all Kinnevik managers are to be measured on diversity and inclusion, and the results will be linked to their remuneration

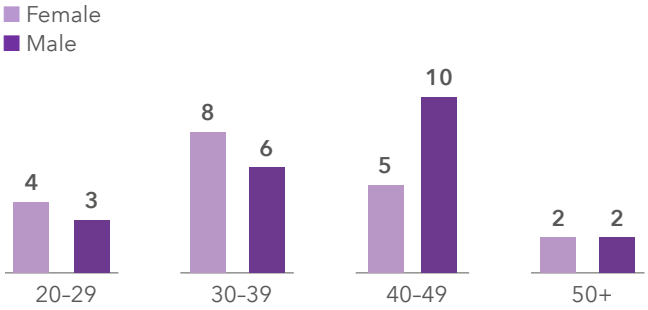
Kinnevik has formed an internal D&I Taskforce to drive our agenda forward by providing input on the D&I Framework and other initiatives, set goals and action plans as well as to track progress. To ensure that multiple perspectives are represented, the Taskforce comprises a group of six employees across different genders, locations, functions and seniority. To further ensure everyone's voice is heard and to avoid group thinking, the composition of the taskforce will rotate after a term of 12 months. The Taskforce provides periodic progress updates to Kinnevik's Board of Directors and management.

To set the agenda for the Taskforce and raise awareness regarding D&I across the organisation, Kinnevik initiated an assessment and education process for employees which included a survey, individual interviews and customized education sessions.

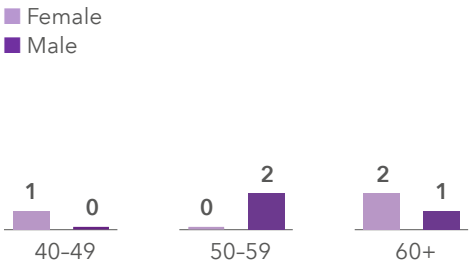
Progress regarding the D&I Framework will be reported annually in connection with Kinnevik's Annual General Meeting.

Read more about Kinnevik's community outreach efforts through Reach for Change on page 27.

Age distribution of employees in 2019 (FTE)



Age distribution of the Board of Directors in 2019 (FTE)



New employee hires and turnover during 2019 (FTE)

New Hires	20-29	30-39	40-49	50+	Total	Rate
Stockholm						
Women	-	-	0.6	-	**0.6**	**1.5%**
Men	-	-	-	-	-	-
London						
Women	0.4	-	-	-	**0.4**	**1.0%**
Men	-	-	-	-	-	-
Total					**1.0**	**2.5%**

Turnover	20-29	30-39	40-49	50+	Total	Rate
Stockholm						
Women	-	-	-	-	-	-
Men	-	-	-	0.9	**0.9**	**2.3%**
London						
Women	0.8	-	-	-	**0.8**	**2.0%**
Men	0.5	-	-	-	**0.5**	**1.3%**
Total					**2.2**	**5.6%**

Note: New hire and turnover rate is stated in FTE equivalents and calculated in relation to the FTE average number of employees in 2019.

KINNEVIK
ENVIRONMENT

REDUCED CLIMATE IMPACT

All businesses have an impact on the environment. An area which has become increasingly important for Kinnevik is measuring, reducing and offsetting our carbon footprint.

Greenhouse Gas Emissions Estimate

Kinnevik conducts a yearly greenhouse gas ("GHG") emissions estimate which quantifies the total direct and indirect greenhouse gas emissions produced by our operations. The estimate provides us with a tool to monitor and reduce our climate impact. The GHG assessment quantifies all seven Kyoto greenhouse gases where applicable and is measured in units of carbon dioxide equivalence, or CO2e. The results of the report are summarized below, and the full Greenhouse Gas Report is available on our website. The report includes Kinnevik AB and Kinnevik Capital Ltd.

Result for 2019

During 2019, Kinnevik generated 659 (645) tonnes of CO2e in total, corresponding to 16.6 (17.6) tonnes per full time equivalent employee. Our largest climate impact was in Scope 3 where business travel (which consists almost entirely of air travel) accounts for 95 (95) percent of Kinnevik's total emissions in 2019.

In 2020, we are aiming to raise our ambition level regarding our climate impact. For example, we are looking to expand Kinnevik's Scope 3 emissions by including the emissions of our total portfolio. The next step is to set overall portfolio targtes to reduce climate impact.

Read more about the conflict between economic growth and reducing carbon emissions at Kinnevik on page 26.

Methodology and Assumptions

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

All use of company owned cars during 2019 has been included in the assessment, although they are primarily used by employees outside of work and for personal purposes. Petrol is subject to fringe benefits tax. District heating in the Stockholm office is already subject to a carbon offsetting program directly through the supplier.

Compensating Our Carbon Emissions

In order to take responsibility for our carbon footprint, we compensate by offsetting our emissions in full. For 2019 emissions, we have continued our partnership with a community-based reforestation initiative in the municipality of San Juan de Limay in Nicaragua. The initiative is designed and verified to the Plan Vivo Standard, the oldest standard for certification of climate protection projects in the field of land usage. The projects must pursue a holistic approach, fighting deforestation and poverty while focussing on reforestation.

Kinnevik's 2019 emissions Summary by Greenhouse Gas

Greenhouse Gas	Global Warming Potential (IPCC 2007)	Tonnes CO_2e
Carbon dioxide (CO_2)	1	582
Methane (CH_4)	25	0.77
Nitrous oxide (N_2O)	298	2.95
Other gases	1	72.9
TOTAL		**659**

Kinnevik's 2019 emissions Summary by Activity

Activity	Tonnes CO_2e	
Business travel	625	95%
Premises	12	2%
Company-owned/leased vehicles	21	3%
Materials purchased	1	0%
TOTAL	**659**	**100%**

Kinnevik's 2019 emissions Summary by Scope

Scope	Tonnes CO_2e	
1. Direct emissions	18	3%
2. Indirect Emissions - Energy	10	1%
3. Indirect Emissions - Other	631	96%
TOTAL	**659**	**100%**

PORTFOLIO
OUR ACTIVE OWNERSHIP

Kinnevik has significant influence over our investee companies through capital allocation, board representation and the operational support we provide. Driving an ambitious sustainability agenda in our companies is central in Kinnevik's role as an active owner.

THE KINNEVIK STANDARDS

Kinnevik's general expectations in relation to our investee companies' sustainability performance is outlined in our Corporate Responsibility Policy. As we invest across different sectors and geographies, and in companies at different stages of development, the maturity of our investee companies' sustainable business development practices vary.

Kinnevik has developed a structured framework to define best practices for our companies, to measure performance and to set priorities and roadmaps, called the Kinnevik Standards (the "Standards"). They were developed based on stakeholder dialogues, peer benchmarking and industry best practice.

Kinnevik's investment team, supported by the Sustainability Function, is responsible for implementing the Standards in our investee companies. At its core, the Sustainability Function is a business development function with the purpose of supporting our companies to put the necessary structures, processes and culture in place to be successful over the long term.

The Standards mirror our material topics and comprise 64 standards across the three dimensions of sustainable development: economy, society and environment.

Example of Content in the Standards

ECONOMY
- Code of Conduct
- Board membership and committees
- Whistleblowing system
- Risk framework and organisation
- Business ethics and anti-corruption
- Data privacy and protection

SOCIETY
- Supply chain compliance
- Human rights
- Health & Safety
- Diversity & Inclusion
- Employee development and well-being
- Community outreach programs

ENVIRONMENT
- Emissions reporting
- Reducing climate impact

The Scoring Process

Kinnevik performs a yearly assessment of all our material investee companies, public and private, based on the Standards. Material companies are defined as those stated separately in our NAV reporting, or with a fair value exceeding SEK 100m per 31 December the previous calendar year. Following the completion of the assessment, Kinnevik scores the investee companies on their fulfilment of each standard. The development of the scores can be tracked over time for the total portfolio and for individual companies. The assessments are performed through interviews with the investee companies and our board representatives and by the Sustainability Function's periodic visits to the companies.

The assessment for 2019 included 26 (24) companies, 6 (6) public and 20 (18) private, corresponding to circa 100 (99) percent of Kinnevik's portfolio value per 31 December 2019.

Assessment Process

Our public investee companies perform a yearly self-assessment to evaluate their fulfilment of the Standards. The self-assessment is compared to Kinnevik's assessment and any material gaps are addressed. The company's management team, together with Kinnevik's representative on the board and the Sustainability Function, identify key risks and set priorities for the coming year. Following approval by the company's board or audit committee, the agreed sustainability agenda is implemented and followed up by management.

Private investee companies at an earlier stage of development generally benefit from active support on a management level to implement the Standards. Their performance is assessed yearly by Kinnevik's Sustainability Function together with the company's management. Based on the priorities for the coming year, a roadmap is defined and adopted by the company's board where Kinnevik is represented.

Kinnevik's Risk, Compliance and Sustainability Committee review the companies' assessments once a year and track progress regularly during the year.

Our Group Platform

The Kinnevik Group forms a network of companies and people that we believe can learn from each other. In order to create opportunities for knowledge sharing and networking, Kinnevik organises a number of events and conferences.

During 2019, in connection with Brilliant Minds we organised the Kinnevik Summit, a day of inspirational speakers and interactive discussions for the companies' CEOs. We also hosted events for subject matter experts in the portfolio; in Stockholm for Legal and Internal Audit professionals, and in New York for Risk and Compliance experts. These events were designed to be a forum to share best practice, discuss trends and to inspire. In addition, we organised a program of workshops for HR Managers, a series of sessions for our Young Talents Network and social events for the Kinnevik Group Alumni. The events have been well-received and in 2020 we aim to expand our platform-building efforts.

SUSTAINABILITY PERFORMANCE IN OUR PORTFOLIO COMPANIES 2019

A cornerstone of our sustainability work is the active dialogue with our companies. Kinnevik provides high-level strategic as well as hands-on assistance. For example, we have provided some of our companies with concrete input and recommendations on the content and design of their Code of Conduct and internal control environment. We have invited our portfolio companies to two Our Group platform events focusing on sustainability performance, read more on the previous page. We have also assisted in building best practice frameworks to identify, mitigate and manage risks and to build strong governance structures. We aided some companies in identifying sound whistleblowing systems and in developing strong information security structures. Following the roll-out our D&I framework, we have assisted our companies in implementing diversity and inclusion aspects in key policies and provided support and examples of how to create a more inclusive work culture.

ECONOMY

A key focus area in 2019 was to develop sustainability roadmaps in companies we invested in during 2018. Most of the companies were in early stages of their journey and did not have structured workstreams around sustainability initiatives. Most new companies with regulated businesses created sub-committees of the board to oversee the development of initiatives across different aspects. Kinnevik also assisted the companies to set up internal governance structures such as risk groups and governance committees, responsible for driving the development in the respective companies. One of the main challenges for our early stage companies is balancing growth with sustainable business development.

In the fourth quarter of 2019 our portfolio company Quikr, an online classifieds platform operating in India which Kinnevik invested in in 2014, discovered that certain dealers and vendors within their managed rentals and cars segments had placed fictitious or misrepresented transactions on its platform. This means that the value of revenue generated in these categories may be overstated, and there is a risk that some receivables may not be entirely recoverable. As a response, the company has reduced its footprint in the concerned segments, is managing its overall cost base and is pursuing criminal action against those responsible. An independent review of the internal control process has also been initiated. Kinnevik is working closely with Quikr's board and management to strengthen the company's internal controls and improve its overall governance, risk management and compliance structures. While we are very disappointed with what has been uncovered, we believe that the measures that are being taken are forceful and proportionate.

Examples of Our Companies Developing Their Governance, Risk and Compliance Structures

Tele2
After the merger with Com Hem in 2018, one of the key focus areas for the business was to deliver on the business plan of the combined entity in a sustainable manner. Kinnevik as the largest shareholder of Tele2 supported this agenda through an active dialogue with the management team. A portion of the variable compensation of the senior management team members within Tele2 for 2019 included their performance on sustainability initiatives.

Livongo
Since Kinnevik's first investment in Livongo in 2017, through our board representation and the Sustainability Function, we have worked closely with the management team to develop Livongo into a long-term sustainable business. Among other initiatives in 2019, Kinnevik actively assisted the Board of Directors to recruit an independent Chairman to the Audit Committee to improve independence and governance structures within the business.

Monese
Kinnevik invested at a very early stage in Monese in 2018. At the time of investment, Monese met basic levels of compliance required by the regulators. Kinnevik together with the management team recruited subject matter experts to drive specific sustainability initiatives. We worked closely with the Board to set up a Risk and Audit Committee to oversee the development. Kinnevik also worked closely with the management team to set up an internal cross functional risk committee to oversee the 'on-the-ground' development.

SOCIETY

A key focus area during 2019 has been diversity and inclusion. In line with Kinnevik's highly set expectations outlined in our D&I Framework, many of our companies have made strong progress by implemneting key policies and setting up training for employees, among other initiatives. As a result, many have become more attractive employers with equal opportunities and well-being in focus. D&I is a long-term commitment and many companies have plenty of room for improvement and this will continue to be an important issue in the coming years.

Examples of Our Companies Taking the Lead on Diversity & Inclusion

Zalando
The company believes that the diversity of people, lifestyles, opinions and attitudes are crucial drivers of innovation and success. In October 2019, Zalando announced new diversity targets for its top leadership levels. The company aims for a balanced representation of women and men on its top six management levels by the end of 2023, meaning at least 40 percent of the underrepresented gender. The new targets are part of a general revision of the company's D&I strategy, in which Zalando aims to diversify its workforce across several metrics including gender nationality and educational background.

"During the past 11 years, we have been very focused on establishing and growing our business, and we didn't put enough effort into countering structural imbalances that have evolved. We acknowledge that today we lack diversity in our senior management, and we are committed to changing this. We strongly believe that only a diverse and inclusive culture will ensure that we have the best talent on board and can truly serve our customer base", says Rubin Ritter,Co-CEO of Zalando.

Betterment
Betterment sits at the intersection of two industries; finance and technology – both with large historical gender gaps and underrepresented populations. Betterment is working hard to change this by building a company of passionate individuals who reflect their customers and brings new and different perspectives. To achieve a better gender balance, the company has an internal D&I Committee to celebrate the many backgrounds and experiences of its employees. In 2018, the Women of Betterment group launched SHARE (Support, Hire, Aspire, Relate, Empower), a network of diverse individuals aimed at fostering deeper connections among women in the fintech community.

Global Fashion Group
GFG believes that having a truly dynamic and diverse workforce enables it to develop the deep local knowledge and expertise required to succeed within its markets. Since its foundation in 2014, GFG has increased the percentage of women in its management team from zero to 50 percent in December 2019. The same trend is seen on the board, which is headed up by a female chairman and where the percentage of women has increased from none in 2014 to 50 percent in December 2019, demonstrating GFG's commitment to gender diversity.

ENVIRONMENT

As the climate crisis escalates, Kinnevik and our portfolio companies are responding. With our active support, our companies are increasingly taking action to reduce their environmental impact. In addition to the examples below, many of our companies are running initiatives with a general trend being that companies that are more mature have the more mature climate initiatives. During 2020, Kinnevik will continue to engage with our portfolio companies to support, encourage and influence them on their journey towards environmental responsibility, focusing on those companies with the greatest carbon footprints.

Examples of Our Companies Taking Responsibility for Environmental Issues

Zalando
Aiming to be net-positive for people and planet, Zalando launched its do.MORE sustainability strategy in October 2019 and already has net zero emissions for its own operations through off-setting. Zalando's dedicated sustainability team is leading the work to set Science-Based Targets in line with the Paris Agreement during 2020.

Tele2
Carbon neutral across its own operations, Tele2 is engaging external advisers to measure its upstream and downstream emissions in 2020 with the aim of setting Science-Based Targets. As a large user of energy, Tele2 continues to work to source clean power for its operations in each market.

Kolonial
Food waste has halved each year for past 3 years at Kolonial and it is zero waste in bakery because all products are baked to order. In December 2019 Kolonial switched from plastic bags for deliveries to recyclable cardboard boxes. Most of Kolonial's delivery fleet runs on biofuels and the company plans to increase the number of electric vehicles in 2020.

OUR COMPANIES ARE CONTRIBUTING TO THE GLOBAL GOALS

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

ECONOMY

GOAL 1.4: Equal rights to ownership, basic services, technology and economic resources
By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including micro-finance.

- **Bayport:** Financial solutions to formally and informally employed individuals in emerging markets
- **BIMA:** Affordable and uniquely designed life and health insurance products via mobile phones
- **Monese:** Fully mobile current account service with a technically advanced KYC solution that enables people to open a UK account within minutes

SOCIETY

GOAL 3.7: Universal access to sexual and reproductive care, family planning and education
By 2030, ensure universal access to sexual and reproductive health-care services, including for family planning, information and education, and the integration of reproductive health into national strategies and programmes.

- **Livongo:** Pregnancy and Early Parenting program, an evidence-based behavioural health program offering personalized digital support

GOAL 3.8: Achieve universal health coverage
Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.

- **Livongo:** Consumer digital health company that empowers people with chronic conditions to live better and healthier lives
- **Babylon:** Digital healthcare service company. Combining mobile tech and artificial intelligence with medical expertise, Babylon's mission is to make healthcare more accessible and affordable for people everywhere
- **VillageMD:** Provider of primary care and a pioneer in the delivery of value-based care. The company transforms the healthcare experience for consumers by enabling primary care physicians to operate higher quality, risk bearing clinical models

ENVIRONMENT

GOAL 12.3: Halve global per capita food waste
By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.

- **Karma:** Marketplace platform that connects consumers with local restaurants and grocery stores that have surplus food. By letting customers buy unsold food at a discount through the app, Karma is reducing food waste

KINNEVIK'S NEGATIVE CONTRIBUTIONS TO THE GLOBAL GOALS

Sustainable development is about doing good while doing no harm. The contributions of businesses across the globe is critical in reaching the Global Goals by 2030. While this report focuses on Kinnevik's positive contributions to the Global Goals, we are also mindful of our actual or potential negative contributions.

The below should not be seen as a comprehensive overview but a representation of Kinnevik's key areas of actual or potential negative contributions. Kinnevik focuses its investments primarily in Europe and the US and our exposure to emerging markets has decreased significantly in recent years. As such, risks relating to political changes or instability, human rights and business ethics across the portfolio have generally become less prominent.

Actual or Potential Negative Contribution	Method of Mitigation
ECONOMY	
Kinnevik's economic performance may be negatively affected by: • Portfolio concentration in terms of the size of specific companies and sectors, and share of private companies in relation to public companies in the portfolio • Liquidity risks including financing and availability of funding	Through our investment management activities and a dynamic allocation of capital, Kinnevik seeks to maintain a balanced portfolio across stages and tenures, sectors, share of public vs. private and geographies. Over the business cycle, Kinnevik relies on our investment management activities as well as dividends received from investee companies to cover our funding needs. In addition, in line with Kinnevik's financial target we can carry debt up to 10% of portfolio value. Our financial targets are available in full on our website. During 2019, we amended our shareholder remuneration policy (see page 17). Management of financial risks is conducted on the basis of our finance policy, read more in Note 17 of the Annual Report 2019.
SOCIETY	
Kinnevik's efforts to drive a diversity and inclusion agenda may be negatively affected by: • Inability to find female-founded or female-led companies to reach the target of 10 percent capital allocation • Inability to source female talent to investee companies' boards and management teams	Kinnevik is actively working to expand the existing pipeline of potential investments. The EIC (see page 8) has mandated the investment team to find and present female founded and led businesses. We are also working to broaden our network and exposure to female founded and led businesses through conferences and sponsorships. The Nomination Committees in our public companies have an extensive pipeline of potential board candidates and works with recruitment firms ensuring the right fit for the companies. Kinnevik's investment team are mandated to source potential board and management candidates for the unlisted companies. Read more about diversity initiatives in our investee companies on page 22-23.

Actual or Potential Negative Contribution	Method of Mitigation
SOCIETY	
For some of Kinnevik's companies, particularly in fashion e-commerce and food, certain employee group's work environment is characterized by more monotonous tasks and a lower level of influence. Therefore, some employee groups are at higher risk of psychosocial health issues, for example in warehouse operations. In addition to the moral and ethical aspects, this also pose a reputational risk for Kinnevik.	Our portfolio companies have structured onboarding programs for new employees and periodic mandatory health and safety training. Hours worked are actively monitored and the companies have inbuilt controls to ensure that employees are not overworked. Middle and lower level managers are offered leadership development programs. Most of our companies have active whistle-blower hotlines where employees can address issues that are being overlooked by their immediate managers. Kinnevik continuously works with portfolio companies to keep health and safety on the agenda of the Board and Management teams.
Some of Kinnevik's companies, particularly in fashion e-commerce, due to the global nature of their operations have an elevated risk of human rights violations in their supply chain. In addition to the moral and ethical aspects, this also pose a reputational risk for Kinnevik.	All Kinnevik's companies are in the process of rolling out, or already have in place, supplier Code of Conducts. In addition, all companies are performing a risk-based audit of compliance with the Code of Conduct. For high risk suppliers where portfolio companies have significant influence over practices within the supply chain (for example with private label suppliers), the suppliers are audited periodically to ensure that they comply with the Company's Code of Conduct. Corrective Action Plans (CAPs) are put in place for material gaps that are identified during such audits which are followed-up periodically by the supply chain compliance team. Commercial agreements are terminated if suppliers are unable to demonstrate satisfactory progress.
ENVIRONMENT	
Kinnevik has a negative impact on the climate through business travel, primarily by air travel, which accounted for 95 percent of emissions in 2019.	We compensate for our emissions including business travel through a reforestation initiative, read more on page 20. Kinnevik's investment focus on Europe and the US means we will likely invest more in those regions in the coming years. We believe being physically present is important in active ownership and that the benefits of actively driving our sustainable business development agenda on site outweighs the negative impact of business travel. Read more about our work to help our portfolio companies mitigate sustainability risks on page 22-23.
Some of Kinnevik's companies in the e-Commerce & Marketplaces sector, particularly within fashion and food, as well as the TMT sector have relatively higher environmental impacts. This may be because of the nature of their operations and/or due to their relative size in our portfolio. For the fashion companies, the major sources of impact are the manufacturing processes, transports and packaging. For the food companies, the production of food as well as transports and food waste are the main causes of negative environmental impact. For TMT, electricity consumption is a major source of emissions of greenhouse gases.	For 2020, we are looking into ways of measuring our portfolio's aggregated climate impact. The next step is to set overall portfolio targets to reduce climate impact. Read more about climate initiatives in our investee companies on page 23.

Reach for Change

UNLEASHING THE POWER OF SOCIAL ENTREPRENEURSHIP

Kinnevik is a proud founding partner of Reach for Change, a non-profit organisation that runs development programs for social entrepreneurs. Together we help scale innovations that create a better world for children and youth.

During 2019 we helped support

120

social entrepreneurs

who improved

501 987

lives of children and youth in 11 countries

ADVISOR PROGRAM

In 2019, the second edition of the **Kinnevik Advisor Program was launched.** A one year program where employees shared their expertise with Change Leaders in e.g. sales, business modeling, scaling and HR. **100 %** of the advisors stated that being an advisor made **their work feel more meaningful.**

CHANGE LEADER CASE: INICIO

Mikaela Illanes, the founder of Inicio, joined Reach for Change's incubator in 2019. Inicio works to improve digital knowledge and offer everyone the same opportunities to participate and contribute to sustainable and smart societies. Inicio have recieved strategic support from Reach for Change and through the Kinnevik advisor program during 2019. This year they **scaled to one more municipality** and improved lives of nearly 500 children and youth.

96% report that they would have developed **less** without the support from Reach for Change

90% of the Change Leaders found the **connections** to people and/or opportunities gained through Reach for Change useful

87% of the Change Leaders are satisfied with the **support** provided through the incubator in 2019

PORTFOLIO LEVEL KPIs

The 2019 and 2018 Actual KPIs include the companies in Kinnevik's portfolio per 31 December 2019 and 2018 respectively, excluding Millicom, Westwing and Nelly. The 2019 Comparable KPIs excludes Mathem and VillageMD as Kinnevik invested in the companies during 2019 and Nelly as it was not rated as a separate entity during 2018.

	% of Portfolio Value				% of Number of Companie			
	2019 Actual	2019 Comp	2018 Actual	2018 Comp	2019 Actual	2019 Comp	2018 Actual	2018 Comp
ECONOMY								
Has implemented a Code of Conduct across its organisation	92%	94%	95%	94%	69%	70%	60%	61%
Has implemented a Whistleblowing system	94%	95%	95%	94%	54%	57%	48%	48%
Has conducted a risk assessment including rating risks based on likelihood and impact	87%	89%	62%	48%	46%	48%	32%	30%
Has a defined risk limits statement to monitor risk levels	42%	43%	64%	49%	23%	26%	24%	22%
Conducts regular compliance training	96%	97%	89%	85%	81%	78%	56%	57%
Has incorporated anti-corruption principles in the Company's policies	89%	91%	96%	96%	62%	61%	56%	57%
SOCIETY								
Has implemented a Supplier Code of Conduct based on international standards	83%	85%	92%	90%	46%	43%	40%	39%
Conducts periodic employee surveys	94%	96%	92%	88%	77%	78%	64%	61%
Has incorporated anti-discrimination principles in the Company's policies	93%	96%	96%	96%	73%	74%	56%	57%
Has at least 40% of the underrepresented gender in the management team	4%	4%	34%	7%	12%	13%	16%	13%
Has at least 40% of the underrepresented gender in the board	37%	38%	29%	41%	8%	9%	8%	9%
Has implemented a community outreach or philanthropic program	82%	84%	88%	84%	31%	26%	28%	26%
ENVIRONMENT								
Engages in environmental reporting	78%	79%	60%	44%	23%	22%	20%	17%
Has implemented measures to reduce the Company's carbon emissions	79%	81%	84%	79%	31%	30%	24%	22%

GRI INDEX

Kinnevik's Sustainability Report refers to the calendar year 2019 and is prepared in accordance with the GRI Standards: Core option, including the GRI Sector Disclosures for Financial Services. A description of how we identified the Material Topics is available on page 12-13.

The Sustainability Report 2019 has been subject to a limited assurance review, see statement on page 32. Kinnevik intends to continue our sustainability reporting in accordance with the GRI Standards on an annual basis.

MANAGEMENT APPROACH DISCLOSURES

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

Economy
(GRI Material Topics; Sound Governance Structures and Economic Growth)

We believe it is important for any company to have sound governance, risk management and compliance structures in place, including clear structures, policies and processes across functions. Being a financially strong company is imperative for Kinnevik in being active owners and supporting our portfolio companies towards achieving long-term sustainable and profitable growth.

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

Kinnevik's risk framework is outlined in the Risk Management Policy. Kinnevik's management has established a Risk Committee that meets thrice a year to review key risks, developments since the previous meeting, the efficiency of any mitigating actions and our overall risk appetite.

A compliance review in relation to the laws and regulations that govern Swedish listed companies is performed annually to ensure full compliance and identify potential areas for improvement.

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

Kinnevik recognizes that the key to long term successful business development is ensuring we operate in a sustainable manner. Equally we believe that good sustainability performance is a prerequisite for good economic performance.

Social
(GRI Material Topics; Social Responsibility and Good Corporate Citizenship)

Our greatest asset is and has always been our people, within Kinnevik and in our companies. As such, attracting and retaining top talent is a key priority. Kinnevik regards diversity and inclusion as core levers for value creation, and we make full use of the opportunities that arise from employing a team with different backgrounds and perspectives. We also have a firm belief in contributing to the wider community through community outreach or philantropic programs.

Kinnevik offers our employees continuous opportunities for personal and professional growth in order to develop their skill set and to take increasing responsibility for value creation at Kinnevik and our investee companies. Ongoing assessments of employees' performance and success in meeting their objectives are central in order 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.

Kinnevik is committed to promote a good, safe and healthy work environment for all employees across physical, organisational and social aspects, where the risks of occupational injuries and work-related ill-health is prevented. In order to assess how employees feel about working for Kinnevik, we conduct yearly employee satisfaction surveys.

In May 2019, Kinnevik launched a D&I framework to drive the important change we want to see in our portfolio and the broader industry. Besides our fundamental belief in equal rights for all employees, Kinnevik believes diversity and inclusion brings clear business benefits by promoting efficiency, innovation and financial performance, empowering good decision-making and attracting top talent.

Our Code of Conduct, Whistle-blower Policy, Talent Management Policy and Employee Handbook set out both our commitments and expectations towards our employees in the way we do business.

Environment
(GRI Material Topics; Reduced Climate Impact)

All businesses have an impact on the environment. An area which has become increasingly important for Kinnevik is measuring, reducing and offsetting our carbon footprint.

Kinnevik conducts a yearly greenhouse gas emission estimate which quantifies the total greenhouse gases produced directly and indirectly by our own operations. This is Kinnevik's fourth yearly estimate and it provides us with a tool to monitor, raise awareness and reduce our climate change impacts. More information about our emissions is available on Kinnevik's website where you can also download our Greenhouse Gas Protocol Report for 2019 and previous years.

GRI DISCLOSURES		REPORTED (Y/N)	COMMENT	PAGE
GRI 102-1	Name of the organisation (2016)	Y		34
GRI 102-2	Activities, brands, products, and services (2016)	Y		34
GRI 102-3	Location of headquarters (2016)	Y		34
GRI 102-4	Location of operations (2016)	Y		59, 71-72
GRI 102-5	Ownership and legal form (2016)	Y		34-36
GRI 102-6	Markets served (2016)	Y		34
GRI 102-7	Scale of the organisation (2016)	Y		18-19, 34, 54
GRI 102-8	Information on employees and other workers (2016)	Y	Four employees are on temporary contracts and one employee is on a part-time contract.	18-19
GRI 102-9	Supply chain (2016)	Y	Kinnevik's purchases include services and products to office operations in Stockholm and London and consultancy services in relation to the acquisition and sales processes as well as development procedures. Suppliers operate primarily in the Nordic countries and the UK.	-
GRI 102-10	Significant changes to the organization and its supply chain (2016)	Y	No significant changes this year.	-
GRI 102-11	Precautionary Principle or approach (2016)	Y	See Kinnevik's Corporate Responsibility Policy on www.kinnevik.com.	-
GRI 102-12	External initiatives (2016)	Y	UN Global Compact, GRI Standards: core option and Our Impacts.	-
GRI 102-13	Memberships of associations (2016)	Y	Stockholm Chamber of Commerce, Stockholm School of Economics, Brilliant Minds, Di Female Founders, Nine Muses Festival, Innovate Finance and Reach for Change.	-
GRI 102-14	Statement from senior decision-maker (2016)	Y		2-4
GRI 102-16	Values, principles, standards and norms of behavior (2016)	Y		8-9, 16-17, 21, 29
GRI 102-18	Governance structure (2016)	Y		39-40
GRI 102-40	List of stakeholder groups (2016)	Y		6-7, 11
GRI 102-41	Collective bargaining agreements (2016)	Y	No (zero) employees are covered by such agreements. However, freedom of assembly and association is clearly stated in our Code of Conduct.	-
GRI 102-42	Identifying and selecting stakeholders (2016)	Y		11
GRI 102-43	Approach to stakeholder engagement (2016)	Y	Stakeholders have not been specifically consulted in preparation of the Sustainability Report 2019.	11
GRI 102-44	Key topics and concerns raised (2016)	Y		11
GRI 102-45	Entities included in the consolidated financial statements (2016)	Y		71
GRI 102-46	Defining report content and topic boundaries (2016)	Y		11-13, 29
GRI 102-47	List of material topics (2016)	Y		12-13
GRI 102-48	Restatements of information (2016)	Y	No restatements have been made.	-
GRI 102-49	Changes in reporting (2016)	Y	No significant changes have been made.	-
GRI 102-50	Reporting period (2016)	Y		13, 29
GRI 102-51	Date of most recent report (2016)	Y	The Sustainability Report 2018 covers the sustainability performance of Kinnevik for the period 1 January to 31 December 2018.	-

Note: Publication year is indicated in parenthesis.

GRI DISCLOSURES		REPORTED (Y/N)	COMMENT	PAGE
GRI 102-52	Reporting cycle (2016)	Y		13, 29
GRI 102-53	Contact point for questions regarding the report (2016)	Y	Torun Litzen, Director of Corporate Communications: +46 8 562 000 83.	-
GRI 102-54	Claims of reporting in accordance with the GRI Standards (2016)	Y		29
GRI 102-55	GRI content index (2016)	Y		30-31
GRI 102-56	External assurance (2016)	Y	The Sustainability Report 2019 has been subject to a limited assurance review.	32
ECONOMIC				
GRI 103-1	Explanation of the material topic and its Boundary (2016)	Y	All topics concern Kinnevik's own operations as well as our portfolio and contributions and actions in relation to such.	12-13, 29
GRI 103-2	The management approach and its components (2016)	Y	Given the nature of Kinnevik's material topics, we have not implemented any specific grievance mechanisms for such. To the extent relevant components are applicable to Kinnevik's material topics these have been included under the respective sections describing each topic.	16-17, 21-22
GRI 103-3	Evaluation of the management approach (2016)	Y		29
GRI 201-1	Direct economic value generated and distributed (2016)	Y		17
GRI 205-1	Operations assessed for risks related to corruption (2016)	Y	All Kinnevik's larger investee companies are covered by the Kinnevik Standards.	21
GRI 205-2	Communication and education about anti-corruption policies and procedures (2016)	Y	The Code of Conduct covers anti-corruption and is communicated to all employees and Board members. Kinnevik conducts mandatory annual Code of Conduct training for all employees. Given Kinnevik's verly limited proprietary operations we only engage with very few but well-known suppliers and therefore do not currently communicate our anti-corruption policies and procedures to such suppliers. From 2020 onwards, relevant suppliers will be covered by our Code of Conduct. There is no data accessible on how many employees in the portfolio companies that have received anti-corruption training.	17
SOCIAL				
GRI 103-1	Explanation of the material topic and its Boundary (2016)	Y	All topics concern Kinnevik's own operations as well as our portfolio and contributions and actions in relation to such.	12-13, 29
GRI 103-2	The management approach and its components (2016)	Y	Given the nature of Kinnevik's material topics, we have not implemented any specific grievance mechanisms for such. To the extent relevant components are applicable to Kinnevik's material topics these have been included under the respective sections describing each topic.	18-19, 21-23
GRI 103-3	Evaluation of the management approach (2016)	Y		29
GRI 401-1	New employee hires and employee turnover (2016)	Y		18-19
GRI 404-3	Percentage of employees receiving regular performance and career development reviews (2016)	Y	100% of employees.	18
GRI 405-1	Diversity of governance bodies and employees (2016)	Y		18-19, 41-43
GRI 412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening (2016)	Y	All Kinnevik's new investments in private companies are subject to a sustainability due diligence process based on the Kinnevik Standards which includes compliance with relevant human rights laws.	8
GRI 419-1	Non-compliance with laws and regulations in the social and economic area (2016)	Y	No fines or non-moneraty sanctions were received during 2019.	-
GRI-FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	Y	All Kinnevik's larger investee companies are covered by the Kinnevik Standards.	21-23
ENVIRONMENTAL				
GRI 103-1	Explanation of the material topic and its Boundary (2016)	Y	All topics concern Kinnevik's own operations as well as our portfolio and contributions and actions in relation to such.	12-13, 29
GRI 103-2	The management approach and its components (2016)	Y	Given the nature of Kinnevik's material topics, we have not implemented any specific grievance mechanisms for such. To the extent relevant components are applicable to Kinnevik's material topics these have been included under the respective sections describing each topic.	20-21, 23, 29
GRI 103-3	Evaluation of the management approach (2016)	Y		29
GRI 305-1	Direct (Scope 1) GHG emissions (2016)	Y	Company-owned or long-term leased vehicles.	20
GRI 305-2	Energy indirect (Scope 2) GHG emissions (2016)	Y	Power consumption and district heating.	20
GRI 305-3	Other indirect (Scope 3) GHG emissions (2016)	Y	Business trips by plane, train and taxi, office material/paper consumption and waste from properties.	20

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

This is the translation of the auditor's report in Swedish.

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

Introduction
We have been engaged by the Board of Directors of Kinnevik AB (publ) ("Kinnevik AB") to undertake a limited assurance engagement of the Kinnevik AB Sustainability Report for the year 2019. The Company has defined the scope of the Sustainability Report on page 29-31 in this document.

Responsibilities of the Board of Directors and the Executive Management for the Sustainability Report
The Board of Directors and the Executive Management are responsible for the preparation of the Sustainability Report in accordance with the applicable criteria, as explained on page 29 in the Annual Report, and are the parts of the Sustainability Reporting Guidelines published by GRI (Global Reporting Initiative) which are applicable to the Sustainability Report, as well as the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

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

We conducted our limited assurance engagement in accordance with ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other limited assurance procedures. The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, a reasonable assurance engagement conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden.

The firm applies ISQC 1 (International Standard on Quality Control) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. 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 procedures performed consequently do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement.

Accordingly, the conclusion of the procedures performed do not express a reasonable assurance conclusion.

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

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

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

Stockholm 26 March 2020

Deloitte AB

Jan Berntsson
Authorized Public Accountant

Lennart Nordqvist
Expert Member of FAR