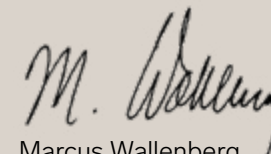
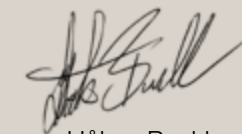


Our strategy as a long-term owner

FAM is a privately owned holding company that manages assets by being an active and engaged owner with a long-term ownership horizon. Ownership focuses on a number of strategic holdings and some alternative investments. What FAM is doing is a continuation of what the Wallenberg family has done since André Oscar Wallenberg founded Stockholms Enskilda Bank in 1856 – to develop companies with Nordic roots to reach international world-class status. With FAM's experience and commitment, we can find unique and attractive investment opportunities together with our network to help our companies achieve their ambitious goals. We have a passion for long-term development, innovation, and social responsibility in everything we do. We are ultimately working to help our owners – the Wallenberg Foundations – and their possibilities to support excellent Swedish research and education. The brochure you are holding in your hands describes our strategy as a long-term and active owner of internationally strong companies.



Marcus Wallenberg
Chair, FAM



Håkan Buskhe
CEO, FAM

FAM

Höganäs →

We develop world-leading companies

FAM is a privately-owned holding company owned by the three largest Wallenberg Foundations. We work actively with the long-term development of our portfolio companies to increase their value and dividend capacity over time.

Mission

FAM is a long-term and active owner of companies that are market-leading in their respective fields. The dividends FAM generates for the Wallenberg Foundations help to finance excellent research and education in Sweden. Our passion lies in developing companies with Nordic roots to reach international world-class status. Our goal is to create returns and real growth in FAM's assets over time by leveraging the experience and competence of FAM's organization in combination with the expertise of our network.

Vision

Our vision is to be one of Sweden's most committed, long-term, value-creating, and respected owners of leading companies to support the Wallenberg Foundations' capacity for grants and for the benefit of Sweden as a country.

Ownership philosophy

We strive to have a significant ownership position in each company we are engaged in. We invest in companies with market-leading positions and the ability and opportunity to become a world leader. We want to be an active long-term owner that works through the board and has close contact with management. We focus on activities that serve the best interests of the companies in the long term.

Goal

FAM's goal is to be a leader in value creation in every sector we are involved in. We shall be the natural manager

of our owners' assets, as well as the most sought-after partner for institutions and private investors.

Our goal is to create real growth in capital over a business cycle while creating the conditions for dividends that are long-term, stable and in line with the stock market's return. All companies shall have the possibility of generating dividends and be allowed to develop at the same time.

Investment strategy

FAM invests in existing holdings or in new companies with manageable risk and with the conditions to achieve FAM's targets. Our investments are focused on companies that operate within our areas of expertise.

The companies we focus on are to:

- Have strong underlying drivers and operate in attractive sectors
- Have organic growth as a base
- Be able to achieve global leadership
- Be able to increase value through FAM's network
- Have a strong team and culture
- Have strong innovation skills
- Have a Nordic corporate governance structure
- Contribute to achieving FAM's financial goals

Our ownership position shall:

- Give FAM strong influence
- Enable us to act as an engaged owner
- Be long-term

Long-term ownership in interesting and challenging times

The need for long-term business owners that are highly committed, and take responsibility and action, has never been greater.

Throughout Swedish modern history, the Wallenberg family has been engaged in Swedish enterprise and steadily worked for globalization. The family has operated in a constantly changing world for five generations and more than 160 years.

The 2020s – an interesting time to be an owner

In the 2020s, business and industry are facing major challenges – climate change, rapid technological development and multipolarization of the global economy. Companies that do not switch to sustainable production will have a hard time gaining the acceptance of customers and the general public and attracting new talents. The degree of digitalization and connectivity will increase exponentially, while the ability to analyze and process large amounts of data will be facilitated by artificial intelligence. Consumer power will increase further as enterprises collecting consumer data are able to channel consumer behavior and opinions into a unified voice. The labor market is changing as the need for traditional administrative and production personnel declines dramatically. At the same time, there will be a growing need for labor in areas that are difficult to automate.

Sustainability – the biggest challenge

We have reached a point where the climate and environment are forcing businesses and society at large to make major changes. Energy production must be transformed and consumption of certain types of

products must decrease or cease altogether. In addition to the actual transitional steps that companies need to make, interest groups, customers and employees are pressuring enterprises for transparency and the ability to change. From a climate perspective, market conditions are changing for most companies, perhaps especially in the vehicle, transportation, and energy sectors, as well as in consumer-related products. From other sustainability perspectives, such as pollution of the seas and drinking water, companies in the plastics and chemicals-related industries are particularly affected. From the perspective of business ethics, all companies are impacted, regardless of industry. We are convinced that being sustainable is profitable at all times for the brand of a company, as well as for its revenue and costs.

Rapid technological advances in many areas

Technological advances offer many new opportunities but constantly put new demands on a company’s ability to change. Development can be divided into a few different areas: *Digitalization* is crucial for a company’s internal efficiency, but it is at least as vital at the customer level. Tools such as cloud solutions reduce the lead time for new applications, as well as the cost of operations. *Automation* goes hand-in-hand with product design. The possibility of automation lies in improved designs and better design work, which in turn affects the supply chain. Automation for the aftermarket regarding documentation and service will be a decisive competitive advantage. *Adaptive design*

and construction with new 3D printers make it possible to bring the cost of parts down to the corresponding machining process when it comes to large series. In addition, the design of the product can be made significantly better. *Artificial intelligence* is in the starting blocks and many companies see opportunities for AI applications in their internal and external processes. The relationship to administration, and the processing of data from different sensors, will be pivotal in this area of technology. *Quantum computing technology* will revolutionize the world in the same way as the breakthrough of the binary computer. *Life Science* is developing strongly and already affecting the productivity of businesses and society as a whole.

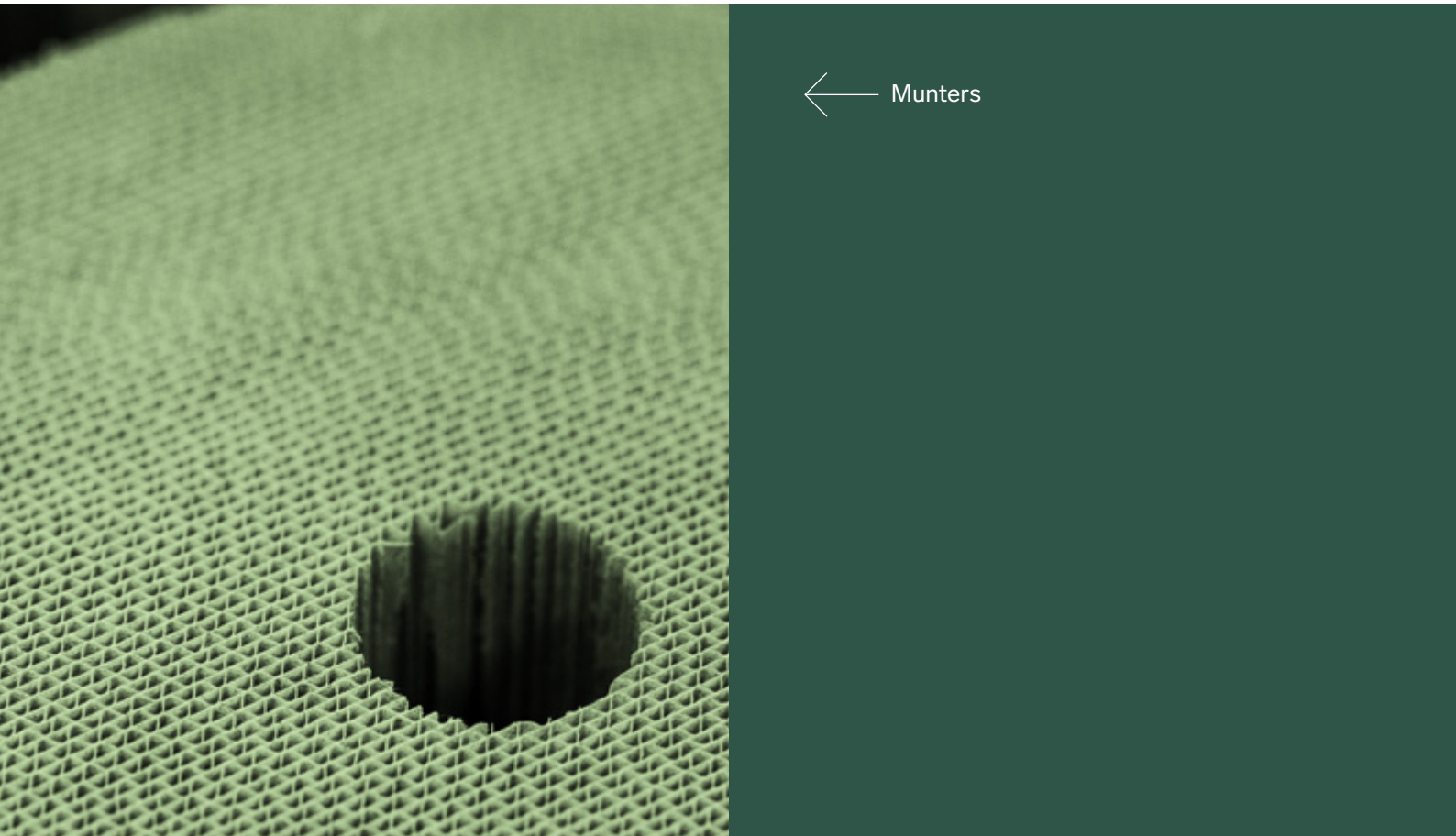
Globalization at a time of growing protectionism and regionalization

The trend of globalization has occurred in waves over the past 400 years, but constantly with an underlying positive development. However, we are in a period driven by increased nationalism, trade wars and a global pandemic, which is spurring demand for regional supply systems – from a political point of view and from OEMs. Regionalization will put severe pressure on subcontractors as companies can hardly accept higher costs, poorer quality or having more capital tied up in their operations.

Long-term, committed ownership – the way we strengthen companies

Which companies will succeed in the future? At FAM, we believe it will be those that embrace change and work sustainably in all stages of their activities. Those that adapt to new conditions without locking themselves into an early technology solution. Those that have the ability to understand the customer in real time and can introduce that knowledge into all the company’s processes. Those that have an economic horizon longer than one quarter and the strength to invest in R&D while realizing that failure is part of success. Those companies that develop their human resources to be ahead of, or in step with, technology and have the ability to implement changes.

At FAM, we work to create the right long-term conditions in all these areas for our existing portfolio companies. We are also constantly looking for new companies that can change existing markets with fresh ideas and innovations. We want to be deeply involved in developing and formulating the long-term strategies of our holdings. We take responsibility for the best long-term interests of each individual business. With our experience and commitment, together with the expertise of our network, we believe we have good chances to succeed.



Setting requirements and taking responsibility

Through a close dialogue with our companies, our philosophy is to leverage our proprietary expertise and the competence of our entire network.

Long-term and engaged ownership

FAM's main task is to make sure that every holding always has the right board at the right time. This board, in turn, ensures that the company has the right CEO and management at the right time, which can propose and execute on a relevant measurable strategy. The companies are run by a self-propelled management and organization. We operate by maintaining a continuous dialogue with the chair of the board and the management and do not just focus on board meetings. The long-term growth and distribution capacity of holdings are prioritized – we are long-term in vision but impatient in follow-up.

Professional board work

The boards of our portfolio companies play a central role in the development of the companies and our ambition is to always have a representative on the board. We maintain a close dialogue with the chair and other principal owners and we actively participate in the work of nomination committees. Our network provides a good recruitment base for boards and we strive constantly to have the right mix of competence and experience among board members including a more even gender equality.

Areas of focus

Our ambition is that our portfolio companies shall be leading the way in:

- *Competence Supply & Diversity*: proactive and systematized work to capture, develop and support employee development at all levels, thereby ensuring and developing the access of holdings to a broad palette of knowledge and experience.
- *Business Ethics*: processes, procedures and leadership in our companies that meet the stringent requirements of good business acumen that we as owners demand.
- *Sustainability*: high goals in relation to relevant frameworks such as the UN Global Compact and concrete plans to achieve these targets. We work to make sustainability an important part of each company's strategy.

- *Research & Development*: long-term and active work to continuously increase the degree of innovation and technical level of each holding's product and service offerings. Also, a scientific and network-based approach where collaborations between academia, established companies, entrepreneurs and government agencies are a natural part of innovation work.
- *Digitalization*: active work to exploit existing digital opportunities for more efficient work both internally and towards customers, as well as long-term and proactive work to become a leader in the next generation of digital business opportunities in relevant areas.
- *Financial Management*: internal processes and procedures that ensure that financial information and reporting are reliable and provide a good basis for decision-making.

Return

In our management of holdings, our aim is to develop and help drive the companies forward. The goal is to generate a dividend yield in line with the market. In addition, the focus of our companies should be to maximize their long-term value. To achieve this objective, FAM needs to make new investments on the basis of long-term and reasonable valuations, enabling companies to become sound investments in the management portfolio. Basically, it is the quality of the underlying company that is central.

Summary

- We work to ensure that we have the right management and board in our holdings to realize the strategy of each company.
- We support and challenge management in developing follow-up strategies.
- We push the companies to develop in the area of sustainability.
- We push the companies to develop in digitalization and AI.
- We ensure that the companies have relevant products, (R&D), efficient market organizations and are leaders in cost efficiency.



FAM today



Number of countries in which FAM's companies operate, approximately

130

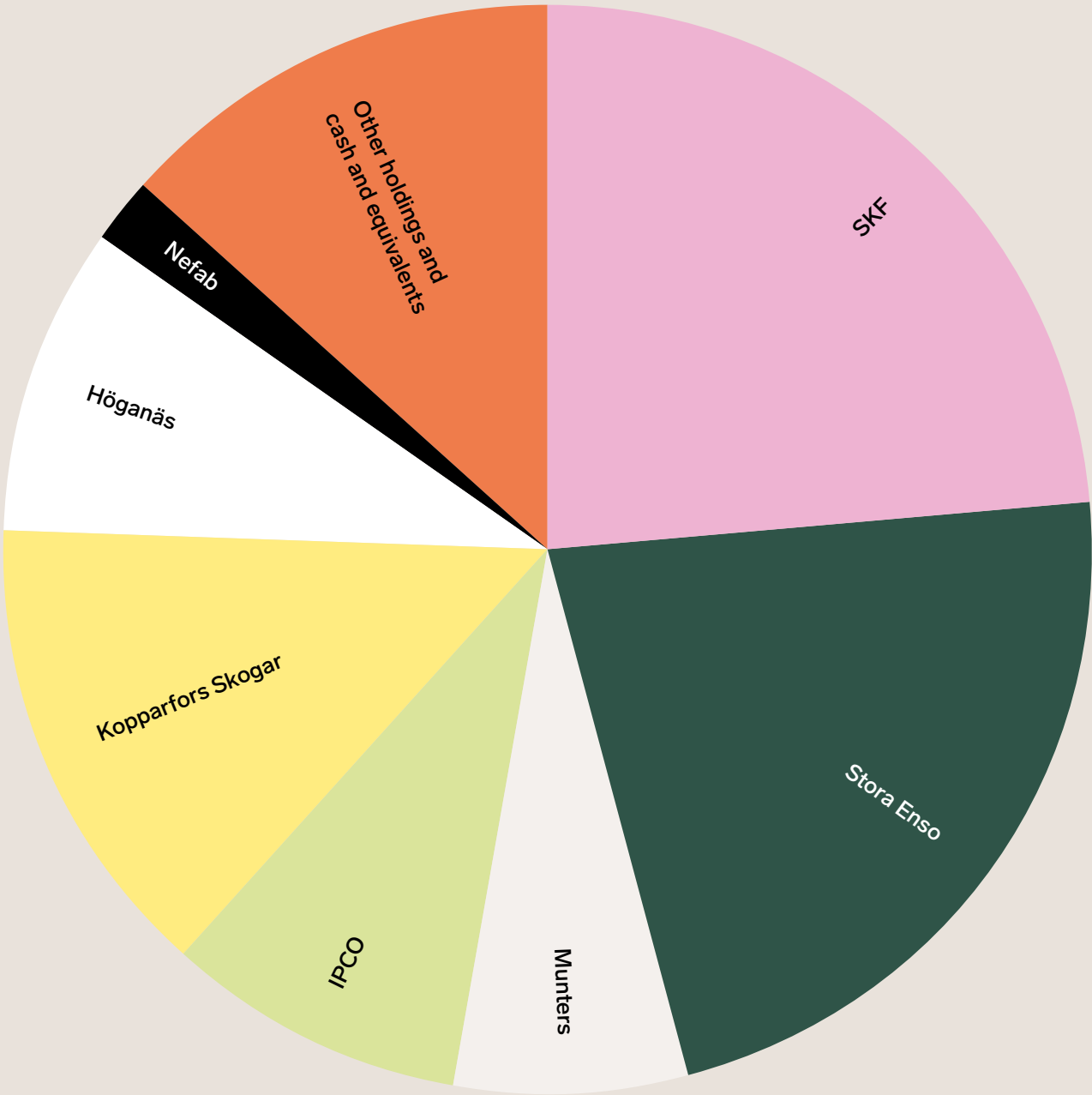
Number of employees in FAM's companies, approximately

80 000

Combined sales (in SEK) of FAM's companies in 2020, approximately

185 billion

Distribution of FAM's assets on December 31, 2020

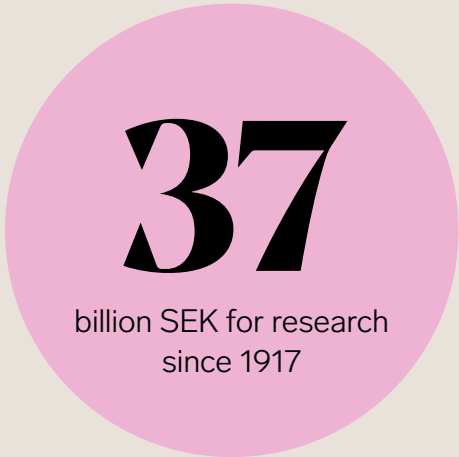
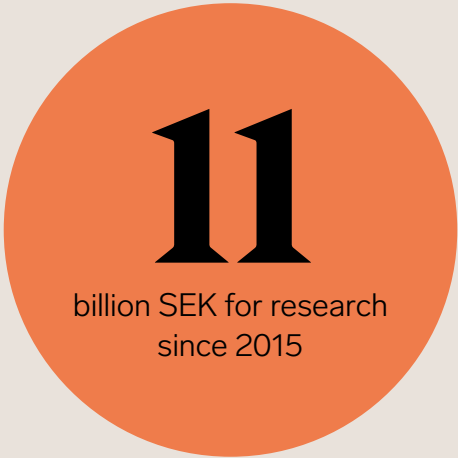
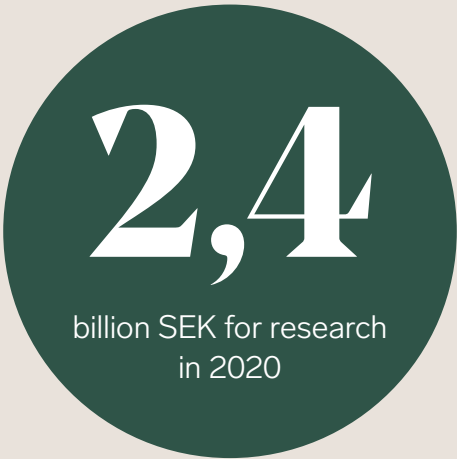


FAM's asset value (in SEK) on December 31, 2020

57 billion

FAM is part of the Wallenberg sphere’s ecosystem

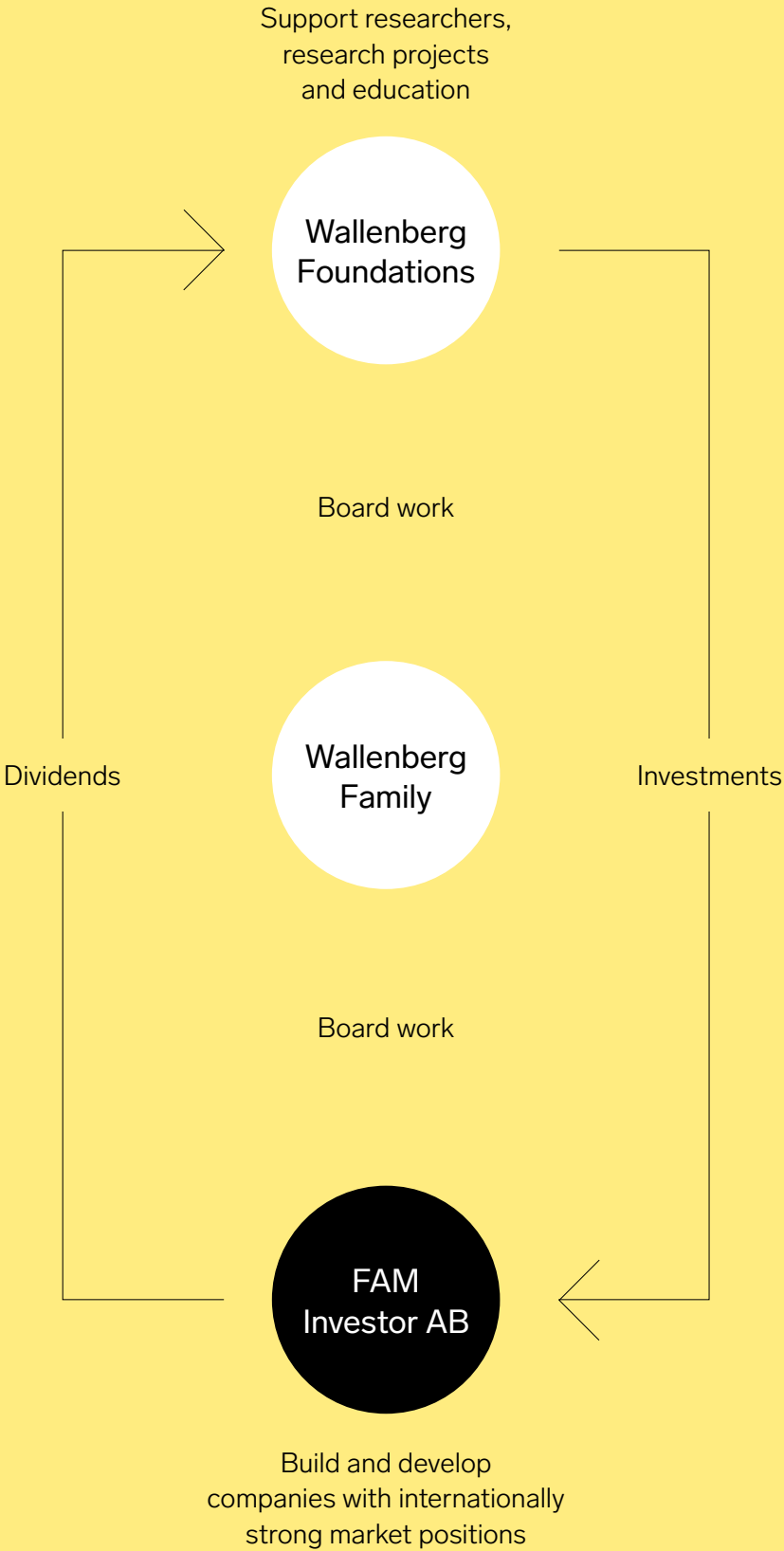
For more than 160 years, the Wallenberg family has worked in a long-term and committed manner in the service of enterprise and research in Sweden and internationally. Today, members of the fifth generation are leading the family’s activities. What is commonly referred to as “the Wallenberg sphere” includes 17 non-profit foundations – the Wallenberg Foundations – and the holding companies FAM (wholly owned) and Investor AB (majority owned) and their respective holdings. Dividends from holdings are utilized for research and education grants that strengthen Sweden over time.



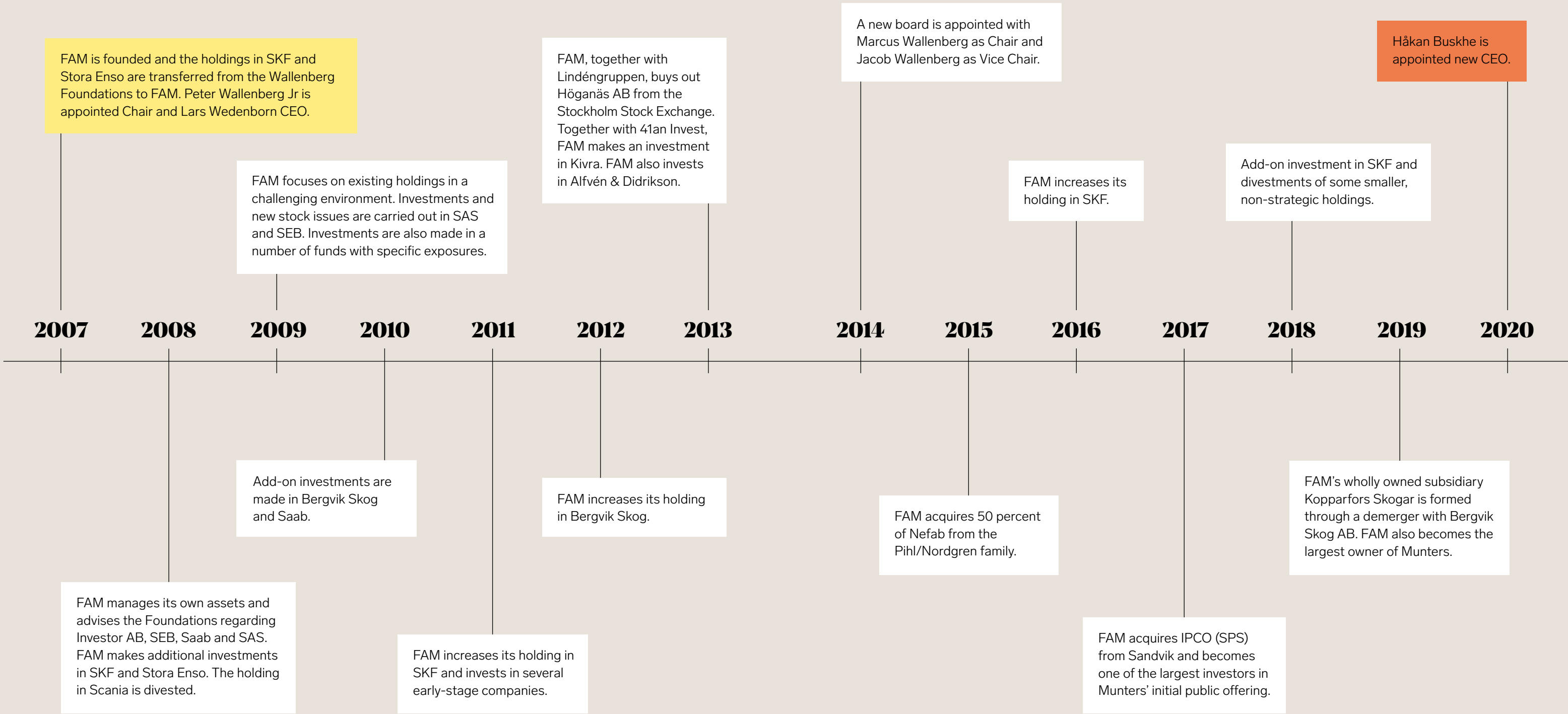
The Wallenberg Foundations is the collective name for the non-profit foundations established and funded with donations that individual members of the Wallenberg family have either given or raised in honor or memory of family members.

The Foundations grant funding to researchers, research projects and education of excellence that are beneficial to the country of Sweden. Grants have totaled SEK 11 billion over the past five years and slightly more than SEK 37 billion since the first Foundation was established in 1917. The three largest Foundations granted nearly SEK 2.4 billion in 2020.

The Wallenberg Foundations focus mainly on research in medicine, technology, and the natural sciences, but they also support research related to the social sciences, the humanities and archeology.



FAM’s history



FAM was founded in 2007 but has centuries-old roots

← Kopparfors Skogar

1288

The first recorded documentation of Stora Enso's operations dates as far back as 1288, when the company mined copper in the Falu Gruva mine, making Stora Enso one of the oldest listed companies in the world.

1797

Höganäs AB has its origins in the old Höganäs factory in Skåne, southwest Sweden, where the King Gustaf IV Adolf's Coal Works was founded in 1797.

1856

André Oscar Wallenberg establishes Stockholms Enskilda Bank, today SEB, and lays the foundation for the Wallenberg sphere.

1907

The Swedish ball-bearing manufacturer Svenska Kullagerfabriken (SKF) is started in Gothenburg, Sweden as a spin-off of the industrial company Gamlestadens Fabriker.

1916

The holding company Investor AB is founded by the Wallenberg family when new legislation in Sweden makes it not possible for Stockholms Enskilda Bank to own shares in industrial companies.

1917

The first Wallenberg Foundation is established – the Knut and Alice Wallenberg Foundation – Sweden's largest private financier of research.

Our holdings

Asset value of holdings and ownership stake on December 31, 2020.



World-leading manufacturer of ball bearings and other related products.

The Wallenberg family, through FAM and Investor AB, has been an owner of SKF for more than 100 years and the holding is part of FAM's portfolio today. In 2020, SKF had sales of approximately SEK 75 billion. The company has around 40,000 employees and operates in 130 countries.

Investment year	2007
Headquarters	Gothenburg, Sweden
Asset value of holding (SEK)	13,4 B
Board representative	Håkan Buskhe
Ownership stake (capital/votes, %)	13,8/29,5



One of the largest forestry companies in Sweden.

Kopparfors Skogar owns more than 283,000 hectares of land in Sweden, of which approximately 230,000 are productive forest land. The company supports the transition to an increased share of renewable energy by actively contributing to the development of new wind parks and leasing out land for wind turbines. Today, there are 145 wind power stations on the company's land. The Group has 24 employees.

Investment year	2019
Headquarters	Falun, Sweden
Asset value of holding (SEK)	Unlisted
Board representatives	Håkan Buskhe and Magnus Fernström
Ownership stake (capital/votes, %)	100



Global leading provider of renewable solutions in pack-aging, biomaterials, wood constructions and paper.

The Wallenberg family, via FAM and Investor AB, has been an owner of Stora Enso for more than 100 years and the holding is part of the FAM portfolio today. In 2020, Stora Enso had sales of approximately SEK 90 billion. The company has around 23,000 employees and operates worldwide, mainly in Europe and Asia.

Investment year	2007
Headquarters	Helsinki, Finland and Stockholm, Sweden
Asset value of holding (SEK)	12,7 B
Board representatives	Håkan Buskhe and Richard Nilsson
Ownership stake (capital/votes, %)	10,2/27,3



World-leading supplier of metal powders.

Höganäs is the world's largest supplier of iron and metal powders with an annual capacity of 500,000 metric tons. These powders are used in a number of areas for automotive components, brazing, electric motors, additive manufacturing, and water treatment. The company was founded in 1797 and has been owned since 2013 by Lindéngruppen and FAM through Höganäs Holding AB. Höganäs has some 2,500 employees in 17 countries.

Investment year	2013
Headquarters	Höganäs, Sweden
Asset value of holding (SEK)	Unlisted
Board representative	Kristian Sildeby
Ownership stake (capital/votes, %)	50/50



World-leading supplier of sustainable climate solutions for mission-critical processes in industry and agriculture.

With its innovative technologies, Munters creates the perfect climate for mission-critical processes within industry, of which the largest business segments are food, pharmaceuticals, and agriculture. In 2020, Munters had sales amounting to SEK 7 billion. The company has approximately 3,100 employees and 18 manufacturing plants.

Investment year	2017
Headquarters	Kista (Stockholm), Sweden
Asset value of holding (SEK)	4.0 B
Board representatives	Håkan Buskhe and Kristian Sildeby
Ownership stake (capital/votes, %)	26.0/26.0



Customized packaging solutions that reduce total cost and environmental impact.

The Nefab Group is a global packaging supplier that specializes in developing, producing, and providing complete packaging and logistics solutions that reduce total cost in the industrial supply chains of customers and minimize their environmental impact. Nefab was founded in Alfta in Sweden but is now active worldwide. The company is owned by the Nordgren/Pihl family and FAM.

Investment year	2015
Headquarters	Kista (Stockholm), Sweden
Asset value of holding (SEK)	Unlisted
Board representative	Magnus Fernström and Kristian Sildeby
Ownership stake (capital/votes, %)	50/50



A global provider of industrial process solutions.

IPCO has been wholly owned by FAM since 2017. IPCO is based in Sandviken but operates in about 30 countries and has a total of 600 employees. Produc-tion is located in Asia, Europe and North America.

Investment year	2017
Headquarters	Sandviken, Sweden
Asset value of holding (SEK)	Unlisted
Board representatives	Håkan Buskhe and Richard Nilsson
Ownership stake (capital/votes, %)	100



Sweden's leading digital mailbox.

Kivra's digital platform replaces physical paper mail and receipts and allows senders to communicate actively with their customers. Today, around four million people in Sweden use Kivra and tens of thou-sands of companies and public agencies send mail through the service. Kivra is owned by 41an Invest (Karl-Johan Persson and Stefan Krook) and by FAM, Kivra board members and employees.

Investment year	2013
Headquarters	Stockholm, Sweden
Asset value of holding (SEK)	Unlisted
Board representative	Kristian Sildeby
Ownership stake (capital/votes, %)	37.3/37.3

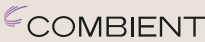
Our holdings



An active and long-term investor in entrepreneurs with international growth ambitions.

Since 2010, Alfvén & Didrikson has invested in rapid growth companies like Trustly, Quinyx, Mentimeter, Acast, PE Accounting, Ftrack, Joint Academy, Transfer Galaxy and Airmee.

Investment year	2013
Headquarters	Stockholm, Sweden



Innovation, collaboration, and development network for digitalization within industry.

Combient is a cross-industry collaboration network of large, leading enterprises in the Nordics that have the common objective to speed up the digital transformation process. Combient comprises 29 companies with more than 700,000 employees.

Investment year	2014
Headquarters	Stockholm, Sweden



Design, certification, and training services for additive manufacturing technologies.

Amexci AB is a joint-venture research and development company in the field of additive manufacturing (3D printing). The company's goal is to accelerate industrial use of the technology and contribute to a more sustainable and competitive manufacturing industry in the Nordic region.

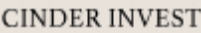
Investment year	2017
Headquarters	Karlskoga, Sweden



Sweden's leading developer of digital platforms for AI applications.

Peltarion enables companies and organizations to get started quickly with artificial intelligence (AI) in order to streamline, scale and quality assure products and services through the Peltarion platform.

Investment year	2018
Headquarters	Stockholm, Sweden



Cinder Invest supports Swedish companies that have been negatively affected by Covid-19.

The founder's purpose with Cinder Invest is to make good investments in well-run Swedish companies with a turnover of at least SEK 300 million, and a long-term and profitable business model.

Investment year	2020
Headquarters	Stockholm, Sweden



Develops hardware solutions for quantum computing.

Seeqc is developing the first digital quantum computing platform for global businesses. Seeqc combines classical and quantum technologies to address the efficiency, stability, and cost issues endemic to quantum computing systems. Seeqc is based in Elmsford, NY.

Investment year	2020
Headquarters	Elmsford, New York, USA

Board of Directors

FAM’s Board of Directors has the overall responsibility to establish FAM’s objectives and strategy, evaluate operational management and ensure follow-up and control systems – all with the best interests of the company and its owners in mind.



Marcus Wallenberg
Chair



Jacob Wallenberg
Vice Chair



Danica Kragic Jensfelt
Director



Håkan Buskhe
CEO and Director



Magnus Nicolin
Director



Jerker Johansson
Director

Rickard Gustafson will leave the board in the second quarter of 2021 to become CEO of SKF.

Rickard Gustafson
Director

Organization

From the head office in Stockholm, the team at FAM actively works to develop and support the holdings to achieve their goals and strategies under FAM’s ownership.



Håkan Buskhe
CEO



Laura Bergtoft
Head of Communication



Magnus Fernström
Investment Manager



Christoffer Hild
Head of Finance and Administration



Alva Isgren
Receptionist and Coordinator



Richard Nilsson
Investment Manager



Liselotte Ray
Executive Assistant



Kristian Sildeby
Investment Manager

“To move from the old to what is about to come is the only tradition worth keeping”

Marcus “Dodde” Wallenberg wrote this in a letter to his brother Jacob in 1946 in an attempt to convince him to leave the family’s interests in the railroad industry and focus instead on founding the airline SAS. This phrase illustrates the concept of renewal and focusing on the future through innovation, research, and new markets, and through new products and ideas that are steadily needed for companies to develop and grow successfully over time. Using this approach, we aim to create sustainable values.