



ABOUT US

WALLENBERG

“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 his brother to leave the family’s interests in the railroad industry and focus instead on founding the airline SAS.

WALLENBERG

SINCE 1856

COMMITTED FOR THE LONG TERM

Why would a sea captain, the son of a bishop from Linköping, decide to establish Sweden's first private bransch bank in Stockholm in the year 1856? While traveling the seas, André Oscar Wallenberg became intrigued by the banking business. A.O. envisioned major business opportunities for a bank that could utilize capital funded by private individuals to finance investments that would be important for the development of society and the economy. He purchased books on the Scottish and American banking systems, studying them during the winter when the fleet's ships were icebound in the Gulf of Bothnia and while he served on other vessels. In 1856, A.O. Wallenberg founded SEB, the bank that is the foundation for the activities that our family has been dedicated to ever since. The family business was started with an international perspective, but with Sweden as its base. It was also based on our founder's firm conviction that success could only be achieved by taking risks. These basic beliefs are something that subsequent Wallenberg generations share and have upheld over the years.

You are holding a presentation of the activities and businesses associated with the Wallenberg family of Sweden and how we work in the service of enterprise and research. Our passion is to engage ourselves in the development of companies so

they can reach leading positions internationally. Dividends generated by these companies, through the holding companies Investor AB and FAM AB, are utilized to finance world-class research with grants from the Wallenberg Foundations. All activities of the Foundations are for the betterment of Sweden as a country. This was specified in 1928 in the statutes of the first (and largest) foundation, the Knut and Alice Wallenberg Foundation, founded in 1917. In 2016, Investor celebrated 100 years of operation as a long-term owner of companies, and in 2017, the Knut and Alice Wallenberg Foundation celebrate its founding 100 years ago. The Foundation grants about SEK 1.7 billion annually for Swedish research and education and has distributed a total of SEK 24 billion since it was established.

Today, members of the fifth generation are leading the family's activities. Like the generations before us, we are working on a long-term basis for the betterment of our country. Our base is Sweden, which lies in the far north of the world and has 10 million inhabitants, representing only 0.1 percent of the global population. Through the Wallenberg Foundations we work to give Sweden's researchers and companies a solid platform to compete effectively in a highly competitive global market. We have been entrusted with the governance and

development of what earlier generations of our family have created and we consider this our mission.

Today, the 15 Wallenberg Foundations, which have been established by family members, or in memory of them, are significant private financers of research, granting SEK 2.1 billion in funds annually for research and education in Sweden. The companies in which the Wallenberg Foundations have ownership, either directly or through the holding companies Investor and FAM, have many employees and operations in a large number of countries around the world. This carries a responsibility – a responsibility we are genuinely willing to take on.

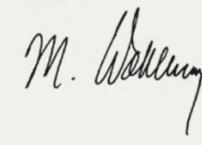
We live in an increasingly complex world that is constantly moving at greater speed. This is why it is more and more

important for us to clarify the core values on which our work is based and to openly describe how we think and act. Like the companies in which we have ownership interests, the Foundations are accounting for their operations in a way that is more and more open and accessible. Our credo, "Esse non videri", adopted by Marcus Wallenberg Sr when he became a Knight and Commander of the Orders of His Majesty the King of Sweden in 1931, has long been associated with our family and it has been misinterpreted for almost as many years. Meaning "to act, not to seem to be", it signifies that we are to move constantly forward in a constructive way while taking responsibility and making every effort to get the job done.

Thanks for taking the time to read about us.



Jacob Wallenberg



Marcus Wallenberg



Peter Wallenberg Jr

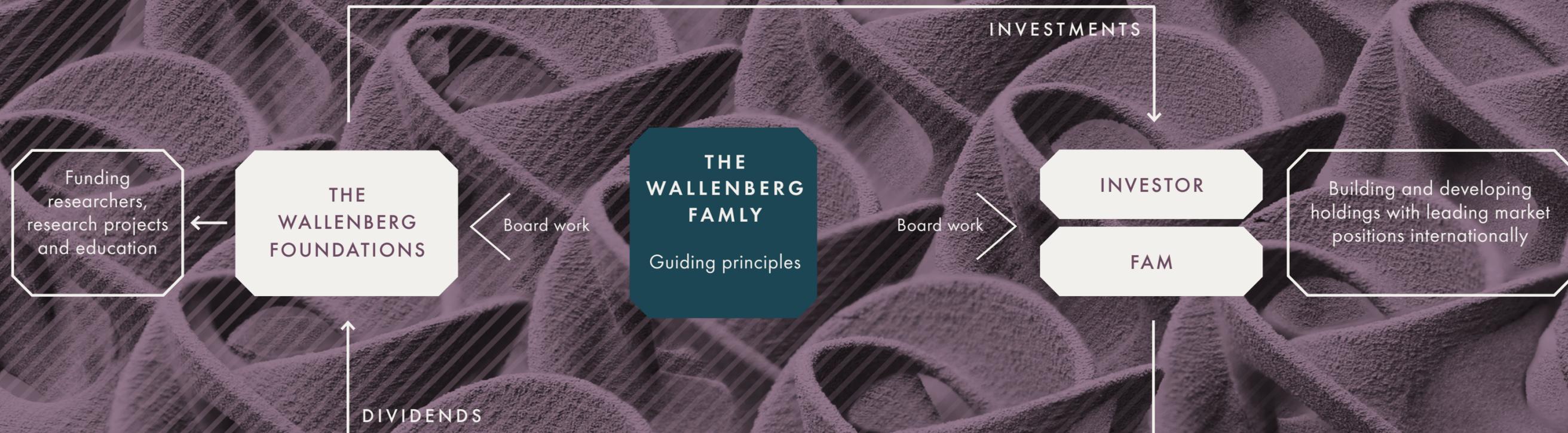


One of our fundamental principles is to constantly develop the companies and activities we are engaged in to enable the next generation to carry on the family's work. We have the approximately 30 members of the sixth generation in mind when we think about our family's future development. Creating the best possible conditions for them to pick up the baton is one of the family's top priorities.



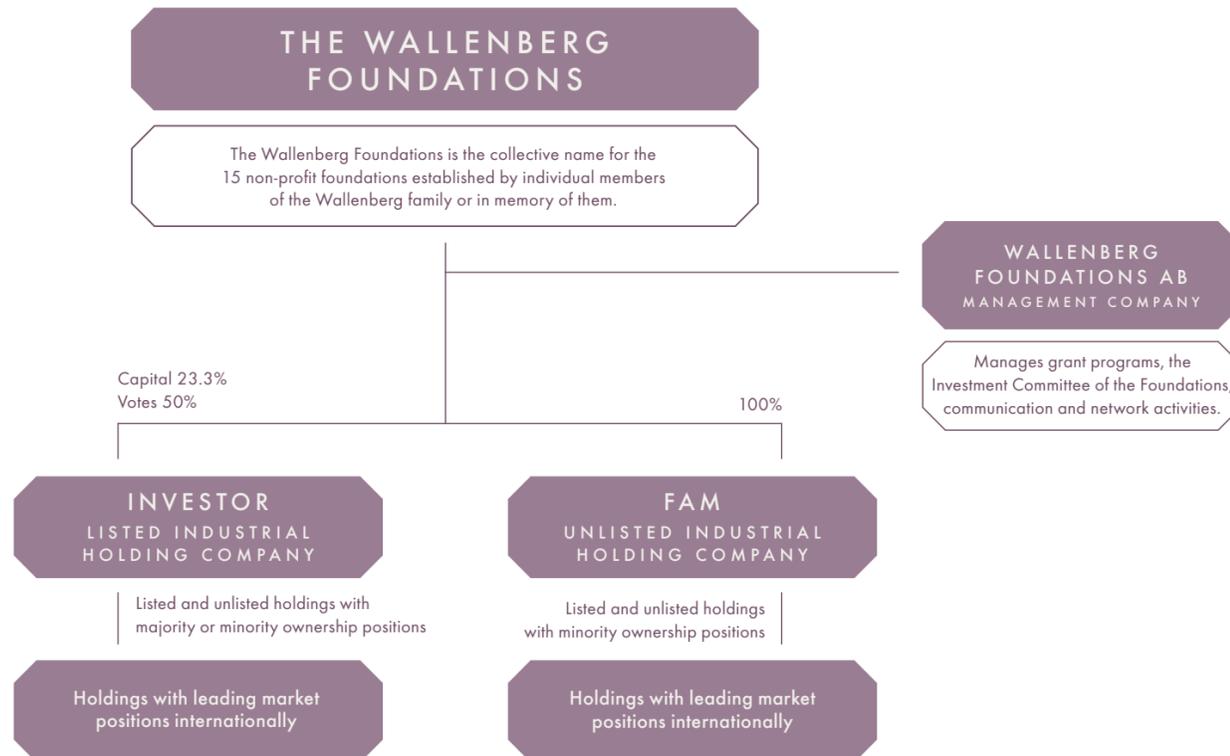
THE WALLENBERG CYCLE

The backbone of the Wallenberg family's activities is the companies in which the Wallenberg Foundations, Investor AB and FAM AB have ownership interests. The family's long-term work with these international corporations – and the successes of each company – enable the Foundations to distribute approximately SEK 2.1 billion annually for research and education in Sweden. This knowledge contributes to insight, ideas and the long-term development of new and innovative products and services that benefit Swedish enterprise, and ultimately, Swedish society. We call this the Wallenberg cycle.



OWNERSHIP STRUCTURE

The Wallenberg Foundations are the ultimate owners of the companies in which the family has an involvement. The Foundations' core holdings consist of the investment and holding companies Investor AB and FAM AB.



THE PILLARS FOR OWNERSHIP RESPONSIBILITY ACROSS MANY GENERATIONS

Holdings are owned through the Foundations – not by individual family members

The holdings are collectively owned through the Wallenberg Foundations. Instead of private ownership, the family's involvement is based on the resolve and responsibility to participate actively in the holdings to develop and grow their operations.

Long-term and transparent ownership responsibility

We take our ownership responsibility seriously. We want to be deeply involved in formulating and developing the long-term strategies of holdings. We take responsibility for safeguarding the best long-term interests of each individual company.

Working through the boards of holdings

The boards of companies are the main forum in which we exercise

our responsibility as a stakeholder. We do not participate in the day-to-day management of companies. We conduct our board work in a professional manner, following the Swedish model and code for corporate governance.

Decisions based on the family's culture, values and history

Our family has been committed owners for a long time. This has given us experience that is formulated in the guiding principles we follow. However, these principles evolve with the times we live in.

Investing capital but also in our name

Representing our family involves broad responsibility on a long-term basis. This fundamental insight constitutes the platform for the way we view our commitments. Everything we do is to be done in the best possible way and it should be done transparently in our name.

WALLENBERG SPHERE IN FIGURES

SEK > 28
BILLION

IN RESEARCH GRANTS
SINCE THE FOUNDATIONS
WERE STARTED

~600 000

EMPLOYEES IN HOLDINGS

EIGHTEEN HUNDRED FIFTY SIX

The year André Oscar Wallenberg founded Stockholms Enskilda Bank (SEB today). Five generations have been actively engaged in the service of enterprise ever since.



SEK > 1400 BILLION

TOTAL ANNUAL SALES OF HOLDINGS

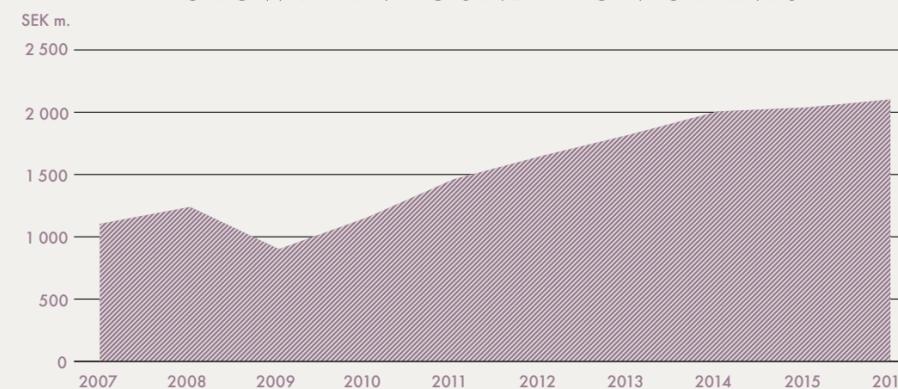
~180

The number of countries
our holdings are active in.

TWO THOUSAND SIXTEEN

INVESTOR CELEBRATED ITS 100TH ANNIVERSARY

GROWTH IN FOUNDATION GRANTS



FROM SEK 20
MILLION TO

90
BILLION

Growth of the Knut and Alice
Wallenberg Foundation's assets during
its first 100 years of operation.

GUIDING PRINCIPLES

The family's activities are based on core values and a number of guiding principles that have evolved over the past 160 years. Striving to achieve what is best for each individual company is the lodestar for all of the family's involvements.

OPERATING IN A LONG-TERM AND COMMITTED MANNER FOR SWEDEN

Sweden has always been the base of the family's activities. The family's fundamental concept is to support companies of Swedish origin that are growing their operations in the international market – a concept that was established when André Oscar Wallenberg founded Stockholms Enskilda Bank (SEB today) in 1856. The statutes of the Knut and Alice Wallenberg Foundation also specifically state that grants and activities are to be “landsgagneliga”, meaning in Swedish that they are to benefit Sweden as a country. This principle is still valid today.

FOCUSING ON GETTING THE JOB DONE

“Esse non videri” – to act, not to seem to be. Marcus Wallenberg Sr adopted this phrase as his credo in 1931 when he became a Knight and Commander of the Orders of His Majesty the King of Sweden. The phrase illustrates the Wallenberg family's approach to our activities: to focus on moving forward pragmatically and solving the task at hand in a long-term and sustainable manner.

INNOVATION AND RENEWAL

“To move from the old to what is about to come is the only tradition worth keeping”. Marcus (Dodde) Wallenberg wrote in a letter to his brother Jacob in 1946 in an attempt to convince his brother to leave the family's interests in the railroad industry, and to focus instead on starting 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, our goal is to create long-lasting value.

RIGHT PERSON, IN THE RIGHT PLACE, AT THE RIGHT TIME

“No business is so bad that it cannot be put back on its feet with the right leadership, but no business is so good that it cannot be destroyed by a bad leader.” This was one of Marcus Wallenberg Sr's key quotes. It illustrates the family's conviction that strong leadership and competent individuals make a big difference. This is why work is strongly focused on developing and expanding the family's Swedish and international network and to ensure that the best people are appointed to the boards and managements of holdings and to other key positions.

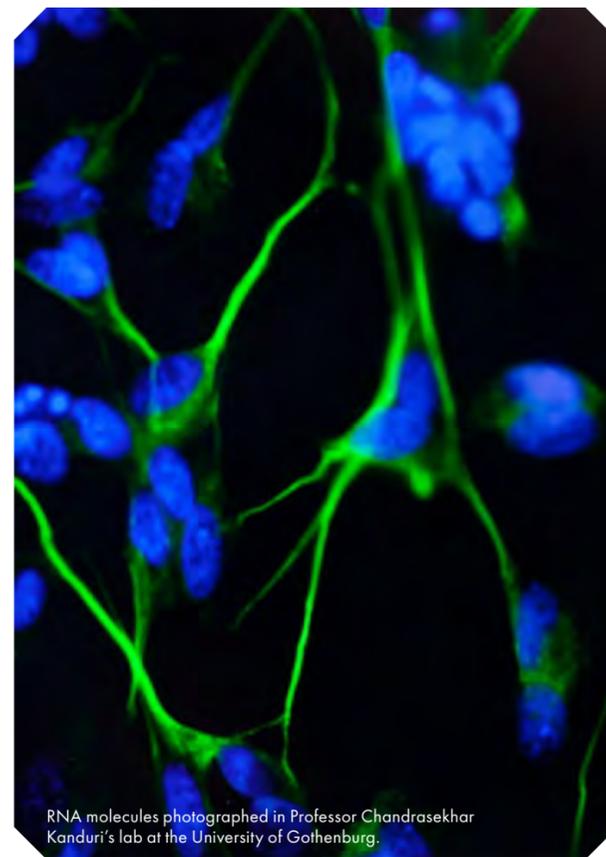
FINANCIAL VIGILANCE

Since 1856, the family has experienced several major financial and economic crises at close hand within companies in Sweden and other parts of the world. The lesson learned from these crises is to always maintain financial vigilance and strong liquidity positions. This will enable freedom of action, allowing companies to control their own destiny and to do what is necessary for long-term success.

When the depression broke out in Sweden in 1879, the founder of Stockholms Enskilda Bank, A.O. Wallenberg, wrote this in a letter: “It is in bad times that good business can be done”.

LEADING COMPANIES AND EXCELLENCE IN RESEARCH

The strategy is to focus on having ownership positions in sound companies that are, or have the potential to become, the leaders in their industry or global leaders. From this platform, active ownership work is focused on supporting the companies to constantly improve. The central focus of the Foundations' grant programs is to achieve excellence. True scientific breakthroughs are accomplished by state-of-the-art projects and by world-class researchers who are given a high degree of independence to perform their research.



FOCUSING ON BOARD WORK

The family bases its ownership philosophy on the Swedish model for corporate governance, in which the owners of company appoint the board, and especially the chairperson, which is significant for securing the right long-term strategy and the right leadership for a company. A number of key principles serve as the platform for the family's involvement in holdings.

PRINCIPAL OWNER

When we are involved in companies, we want to be deeply engaged in devising and developing their long-range strategy. This is why we always strive to have a clear position as the principal owner. We own most of our holdings along with a number of other owners. In our role as principal owner, we put much emphasis on interacting with other stakeholders. This creates a solid foundation for the companies and their long-term focus.

RIGHT BOARD COMPOSITION

The board is the primary forum in which we act. In the Swedish corporate governance model, it is of the greatest importance to ensure that the right chairperson is in place. The entire composition of the board is equally important because of its role to stake out the company's long-term direction and appoint the CEO. We therefore put much effort into helping to find the right blend of competence and experience, and the appropriate professional background, for each director on a board. Nomination committees are the principal channel for this work.

PARTICIPATING IN STRATEGIC ISSUES

We participate in companies on a board level and deal with their ownership issues and major strategic initiatives, not the day-to-day management of their business.

FOCUSING ON EACH INDIVIDUAL COMPANY

The best long-term interests of each individual company are always in focus. We do not work with general checklists, and we do not communicate our views, or comment on our work, through the news media. We also apply this approach to our work within important areas like sustainability, which has to be part of a company's DNA. We would never drive issues that could put a company at a competitive disadvantage to favor one of the other holdings in our sphere.

TIME-TESTED METHOD FOR PROFESSIONAL BOARD WORK

“An owner never sleeps” – this expression says something about our never-ending ambition to obtain a deep level of knowledge about our holdings as an owner. To support our board representatives, we have internal specialists and a network of experienced experts that we respect highly.

FIVE GENERATIONS IN THE SERVICE OF ENTERPRISE

Over the course of Sweden's modern history, the Wallenberg family has been involved in financing, entrepreneurship and philanthropic activities to promote and advance industry, services and globalization.

FIRST GENERATION

The family's history all began with André Oscar Wallenberg (1816–86), who decided to leave his career as a naval officer at the age of 30 to capitalize on the new wave of entrepreneurship that he had witnessed evolving in other countries. He started his new career in the sawmill industry in the Swedish town of Sundsvall. In 1856, André Oscar Wallenberg founded Stockholms Enskilda Bank (SEB) together with a group of people with similar interests. This project was as much political as capitalistic in nature. The new bank, based on a Scottish model, played a major role in reforming the Swedish banking industry, which rarely used savings capital to fund companies. With body and soul, the bank founder also became engaged in the liberal transformation of Swedish society.

This was at a time when new limited liability corporations were replacing traditional Swedish factories and trading houses. It was also an age when the Swedish railroad network was being built with foreign financing. SEB participated successfully in all these developments. But during the major international structural crisis that prevailed for several decades, until 1896, the Swedish bank was dragged down when the economy



Alice and Knut Wallenberg on board the steam yacht "Fujiyama", purchased in 1898.

took a sharp downturn. On several occasions, the bank was faced with the choice of either declaring bankruptcy for the companies it had outstanding loans for, or to become more actively involved in the companies to get them back on their feet. In several cases – Atlas Copco is an example – the bank decided on the latter course and also became a major shareholder in the companies. After that, the bank became an owner of companies and not just a lender. The foundation was laid for the business that later became Investor. This experience would permeate the Wallenberg family's view of consolidation and risk-taking for a long time.

SECOND GENERATION

During this period, André Oscar had become the principal owner of the bank and his son, Knut Agathon (1853–1938), had just joined the bank. The heir soon became a skilled operator in the international capital markets and managed to build up a sizable fortune for the bank and privately during his long management career. He also wrote editorial pieces for Dagens Nyheter (DN), a Swedish daily newspaper, and was actively involved in public debate. Because he was childless, he donated considerable sums of money for construction projects in Stockholm, which had grown to become a capital city of increasingly vital importance. Knut Agathon also founded the Knut and Alice Wallenberg Foundation, which remains one of the cornerstones for all activities revolving around the family. The Foundation's statutes state that donations are to be made for the betterment of Sweden. The family's base became firmly anchored in Sweden, as it still is today, but with the world as its constant workplace. During World War I, Knut Agathon served as Sweden's Minister for Foreign Affairs with the clear objective to prevent Sweden from supporting Germany. Knut Agathon's half-brother Marcus (1864–1943) joined the bank's management. Marcus had a law degree and the title of Circuit Judge. He eventually succeeded Knut Agathon in 1911. With an industrious and enterprising



Marcus Wallenberg and Jacob Wallenberg in SEB's boardroom, 1962.

person to help him, Knut Agathon and the bank were given the opportunity to restructure industry during the new age of engineering, electricity and chemistry. Marcus helped pilot companies like Asea, Norsk Hydro, Atlas Diesel, Papyrus, Stora Kopparberg, Separator and Scania-Vabis through crises and successes. After World War I, he became Europe's leading negotiator and arbitrator for many different international projects that would normalize the economy. A confidant of the family, Joseph Nachmanson, was given the task to school the next generation in day-to-day business.

THIRD GENERATION

Marcus had two sons: Jacob (1892–1980) and Marcus (1899–1982). In 1927, Jacob took over the main responsibility for managing the bank after Nachmanson's death. Although Jacob's career would be characterized by the severe deflationary crisis that prevailed in Sweden as a consequence of the country's gold standard policy, he also learned how to act boldly in the international financial market. Jacob's father was his sounding board and he was involved in decisions until his death. Like his uncle, Knut Agathon, Jacob was one of the most

prominent private bankers in Europe and he built up a considerable fortune for the bank by maintaining a cautious dividend policy and through strong consolidation. The bank's deposits were largely allocated and utilized for the Wallenberg sphere's own projects and SEB eventually became more like a commercial bank or venture capital firm. But the Swedish authorities forced SEB to draw a boundary line between the bank and the business operations of its two holding companies, Investor and Providentia, although Jacob was highly reluctant to accept it.

In the beginning, the younger brother experienced some barriers to getting involved in the bank's business because his elder brother was not inclined to delegate. Instead, Marcus had to devote himself to problems that emerged in connection with the Kreuger Crash. The telecommunications company L M Ericsson was his pet concern during his entire life. In 1946, Marcus took over the key position as CEO of the bank. The brothers, who did not always share a common view of how to develop the bank's business, continued to work together for the best of the family.

During the period between the two wars, the Swedish export companies L M Ericsson and Atlas Copco had grown their operations rapidly around the world, while the bank, SEB, remained in the domestic market to conduct its business. This did not prevent Marcus, the new CEO of the bank, from becoming the most powerful financial networking person in Sweden. He was behind crucial entrepreneurial initiatives that impacted private air traffic services, military aviation, the automotive industry, telecom technology, nuclear power, computer technology and private equity. But not all investments were successful.

FOURTH GENERATION

His son Marc (1924–1971) took over the leadership of the bank in 1958 when his father started to focus more and more of his energy on major corporations in which Investor and Providentia had a controlling interest. With the family bank wealthy but stagnating, Marc set out to put the bank on more equal footing with its client companies and negotiated a merger with competitor

banks. His father's choice fell on Skandinaviska Banken, the largest in Sweden in terms of business volume. When Marc died in 1971, his younger brother Peter (1926–2015) was summoned. Peter had chosen to pursue a career with Atlas Copco, and in 1982, after the decease of Marcus Wallenberg, a new era began with Peter having sole responsibility for the sphere during a phase when the family's power over the new merged bank, Skandinaviska Enskilda Banken, had declined. A series of devaluations of the Swedish krona paved the way for a bull market for the Stockholm Stock Exchange after half a century of stagnation. Peter now had the opportunity to regain lost ground through Investor and Providentia. Major structural changes were carried out within Electrolux, ABB and Stora Kopparberg, among other companies. Astra developed the most attractive pharmaceutical in the world – Losec for treating gastric ulcers – and Ericsson made a revolutionary breakthrough in the mobile telecommunications industry.

In the fall of 1992, a crisis broke out in Sweden when the world's financial markets were allowed to devalue the Swedish krona by approximately 25 percent. Sweden experienced a real estate crisis and recession that was almost disastrous for the bank. During this turbulent period, Investor strengthened its ownership positions and operations were later put back on their feet as a result of intensive efforts.

All curves were trending upwards when Peter, by virtue of his age, exercised his right to step down from active management and handed over the chairmanship of the new Investor, which had taken over the other holding companies in the sphere, to Percy Barnevik, CEO of ABB, in 1997.

But the new global economy was more sensitive to carelessness and crises than it had been for years. New equity funds and politicians recklessly overestimated the profit forecasts for the new and dynamic information technology industry. For example, ABB and Ericsson experienced serious problems and both required substantial capital injections. Investor invested heavily in the companies and their profitability was restored.

FIFTH GENERATION

Jacob (1956–) and Marcus (1956–) took over responsibility for the sphere at the turn of the millennium. Jacob is Peter's son and Marcus is Marc's son. Peter's second son, Peter Jr (1959–), also became involved in the family business. Today, these three representatives from the fifth generation hold the position of chairman in SEB, Investor, Patricia Industries, FAM and the Wallenberg Foundations. The Wallenberg sphere emerged strong from the global financial crisis in 2008. Today, the goal is the same as it was for the family's founders – to continue to create solid returns for the Foundations without compromising the need to build new companies that are economically sound and capable of operating long-term, which can generate revenue for managing the family's future business.

THE GENERATIONS IN BRIEF

First generation

André Oscar Wallenberg (1816–1886)

Second generation

Knut Agathon Wallenberg (1853–1938)

Marcus Wallenberg Sr ("The Circuit Judge" 1864–1943)

Third generation

Jacob Wallenberg ("Jaju" 1892–1980)

Marcus Wallenberg ("Dodde" 1899–1982)

Fourth generation

Marc Wallenberg ("Boy-boy" 1924–1971)

Peter Wallenberg ("Pirre" 1926–2015)

Fifth generation

Jacob Wallenberg (1956–)

Marcus Wallenberg ("Husky" 1956–)

Peter Wallenberg Jr ("Poker" 1959–)

HIGHLIGHTS OF OUR HISTORY

1878-79
An economic crisis in Sweden causes serious problems for many corporate clients served by SEB. The bank comes to their aid by rescuing a number of them and becoming an active owner, not just a lender.



1856

A. O. Wallenberg founds Stockholms Enskilda Bank, the first private bank in Stockholm and one of the first commercial banks in Sweden.

1864

SEB is the first commercial bank in Sweden to hire two female employees.



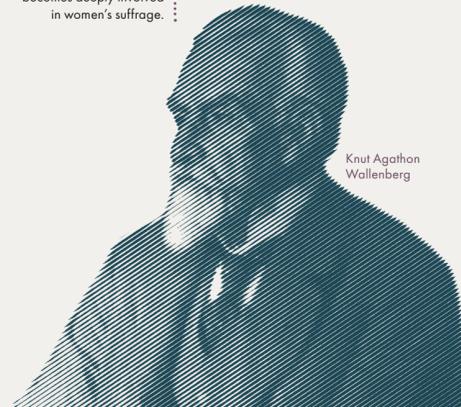
1914-17

K.A. Wallenberg accepts to serve as Sweden's Minister for Foreign Affairs.

1917

1916
Investor is founded when a new Swedish law is introduced to restrict banks from owning shares. Shareholders receive one share in Investor for each share held in SEB, which is listed on the Stockholm Stock Exchange. Investor's holdings include Atlas Copco, SKF and Stora Enso, which remain in the portfolio today.

1917-21
K.A. Wallenberg becomes deeply involved in women's suffrage.



Knut Agathon Wallenberg

K.A. Wallenberg donates most of his personal fortune to a non-profit foundation with the instructions that it is to be used for grants to fund research and education that will benefit Sweden as a country. The Foundation's assets consist primarily of shareholdings in SEB and Investor.

1921
K.A. Wallenberg becomes involved in founding the International Chamber of Commerce (ICC).



1924
A private consortium, of which Jacob Wallenberg is a member, acquires Astra from the Swedish government for the sum of 1 krona and assumes Astra's debts totaling SEK 1 million.



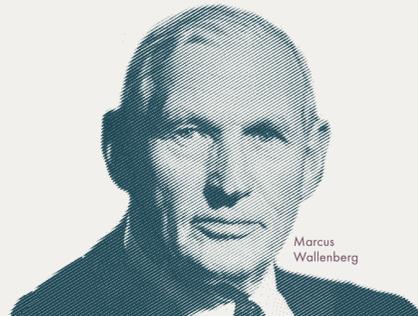
Marcus Wallenberg Sr.

1925
Investor becomes a major shareholder in Asea (ABB) and Marcus Wallenberg Sr is elected Chairman of Investor.

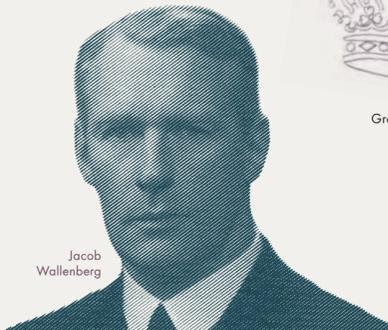
1932
In the wake of the Krueger Crash, I M Ericsson and Svenska Tändsticksaktiebolaget (Swedish Match) become new Wallenberg Group holdings.

1937

Marcus Wallenberg helps establish Svenska Aeroplanaktiebolaget (SAAB) with the Swedish government to give Sweden the capability to develop fighter aircraft.



Marcus Wallenberg



Jacob Wallenberg



1956
Electrolux shares are acquired.



Marc Wallenberg

1958
Marcus's son, Marc Wallenberg, takes over as President and CEO of SEB.

1960

Marcus Wallenberg initiates a buyback of the Ericsson shares held by ITT in the U.S. since the Krueger Crash.



Peter Wallenberg

1969
Saab and Scania-Vabis are merged to form Saab-Scania.

1989
ASEA and Brown Boveri merge to form ABB.



1989
Investor starts to divest SAAB Automobile, selling half of the company to General Motors.

1999

Astra and Zeneca are merged to form Astra-Zeneca.

Stora and Enso merge to form Stora Enso.

Investor and CKHH (formerly Hutchison Whampoa) start the mobile operator 3 Scandinavia.

1994

The private equity firm EQT is established.

1997
A 35-percent stake in Saab Aerospace is sold to British Aerospace.

1992
Investor and Providentia are combined.

1999
Marcus Wallenberg becomes President and CEO of Investor.

1997
Jacob Wallenberg becomes President and CEO of SEB. After the merger with Trygg Hansa the same year, Jacob becomes Chairman of the combined company.

Jacob Wallenberg

Marcus Wallenberg

1984
Excerpt from Peter Wallenberg's speech at the ICC conference in Stockholm.

*PN speaks at dinner for
heads of delegations 19.6.84.
Welcome (in Swedish after seating)
I have great pleasure
particularly would like to address myself
to the former Board Member
the previous president
and the new president*



1967
Grand Hôtel is added to Investor's portfolio.

1963
Incentive is established.

1972
Stockholms Enskilda Bank and Skandinaviska Banken are merged in 1972 to form Skandinaviska Enskilda Banken (S-E-Banken) to deal more effectively with international competition and have the muscle to finance Swedish-based corporations with operations that were expanding rapidly and becoming increasingly global.

1984
Investor and Providentia repurchase Volvo's shares in Atlas Copco and Stora Kopparberg. The acquisition vehicle is Patricia, a company formed for the sole purpose of buying back these shares.



Jacob Wallenberg

Marcus Wallenberg

1943-50

Marcus Wallenberg helps establish Svensk Interkontinental Lufttrafik AB and later the airline SAS. Together with the Swedish government, the Wallenberg Group owns 3/7 of the shares in SAS, making the Group the largest private shareholder.

1960

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Marc Wallenberg

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Jacob Wallenberg

Marcus Wallenberg

2006

Marcus Wallenberg becomes Chairman of SEB.



2008
Investor sells its shares in Scania to Volkswagen.

2007
Mölnlycke Health Care is acquired by Investor and later becomes a wholly owned subsidiary of Patricia Industries.

2007

FAM is established.



2006
Husqvarna is spun out of Electrolux and becomes an independent, listed company.

2016

Grants by the Wallenberg Foundations total SEK 28 billion since 1917, of which the three largest Foundations distribute SEK 2.1 billion in grants in 2016.



Peter Wallenberg Jr.

2015

FAM acquires a 50-percent stake in Nefab.

Patricia Industries is formed to focus on wholly owned subsidiaries.

BraunAbility becomes Patricia Industries' first subsidiary in North America.

2016

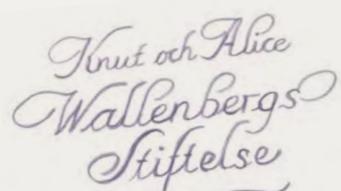
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2016
Investor celebrates 100 years of active ownership.

2016
Laborie becomes Patricia Industries' first subsidiary in Canada.

2017
The first and largest Wallenberg Foundation – the Knut and Alice Wallenberg Foundation – celebrates its 100th anniversary.



100 ÅR AV STÖD TILL EXCELLENT SVENSK FORSKNING OCH UTBILDNING

THE WALLENBERG FOUNDATIONS

The Wallenberg Foundations consist of the 15 non-profit foundations founded by individual members of the Wallenberg family. Wallenberg family members have either donated the endowment of these Foundations, or it has been raised through collections to honor family members.

The Wallenberg Foundations is the collective name for the non-profit foundations established by individual members of the Wallenberg family. The three largest Foundations – the Knut and Alice Wallenberg Foundation, the Marianne and Marcus Wallenberg Foundation, and the Marcus and Amalia Wallenberg Foundation, distributed grants totaling SEK 2.1 billion to Swedish research and education in 2016.

Knut och Alice Wallenbergs Stiftelse

The Foundation supports basic research in the fields of medicine, technology and the natural sciences. It distributes grants in two main areas to fund research projects of high scientific potential and to provide individual support to prominent scientists. The Foundation also provides grants to initiate strategic projects and scholarship programs. Founded by Knut and Alice Wallenberg in 1917.

JACOB WALLENBERGS STIFTELSE SÄRSKILDA FONDEN

The Foundation distributes grants for projects related to culture, the arts and sports. Funding is also provided to promote Swedish trade and industry. Founded by Jacob Wallenberg in 1960.

Tekn. dr Marcus Wallenbergs Stiftelse för utbildning i internationellt industriellt företagande

The Foundation grants mainly scholarships for university studies outside Sweden, primarily on master's degree level. About 50 scholarships are awarded each year. Founded in 1982 in memory of Marcus Wallenberg.

Ruth och Richard Julins Stiftelse

The Foundation provides funding to healthcare providers that are private and non-profit, mainly for institutions providing direct healthcare in facilities with special-purpose furnishings and medical equipment. Established in 1969 by restructuring the Ruth and Richard Julin Memorial Fund, founded by Richard and Ruth Julin in 1951.

Marianne och Marcus Wallenbergs Stiftelse

The Foundation mainly funds research projects of high scientific potential and the Foundation's grant program for researchers. Profile areas are law and the social sciences. Founded by Marcus Wallenberg in 1963.

STIFTELSEN FÖR RÄTTSVETENSKAPLIG FORSKNING

The Foundation promotes the publication of jurisprudential works by granting research scholarships to authors. Grants are also provided for doctoral and post-doctoral positions offered by faculties of law at universities. The Foundation was established in 1995 by restructuring the Institute for Jurisprudential Research in Sweden. The latter was established in 1947 with a donation from the Knut and Alice Wallenberg Foundation.

MARCUS WALLENBERGS STIFTELSE FÖR INTERNATIONELLT VETENSKAPLIGT SAMARBETE

The Foundation provides funding for international scientific symposia in Sweden. Founded in 1976 to honor Marcus Wallenberg.

Stiftelsen för Ekonomisk Historisk Forskning inom Bank och Företagande

The Foundation is an "archives foundation" focusing on the organization and preservation of important archives that are made available for research in banking and enterprise. Founded in 1994 and financed with funds from the Knut and Alice Wallenberg Foundation, the Marianne and Marcus Wallenberg Foundation, and the Marcus and Amalia Wallenberg Foundation.

STIFTELSEN MARCUS OCH AMALIA WALLENBERGS MINNESFOND

The Foundation primarily funds research projects of high scientific potential. Profile areas include the humanities and teaching. The Foundation also provides grants for research focusing on children and youth. Founded by Jacob Wallenberg in 1960.

Berit Wallenbergs Stiftelse

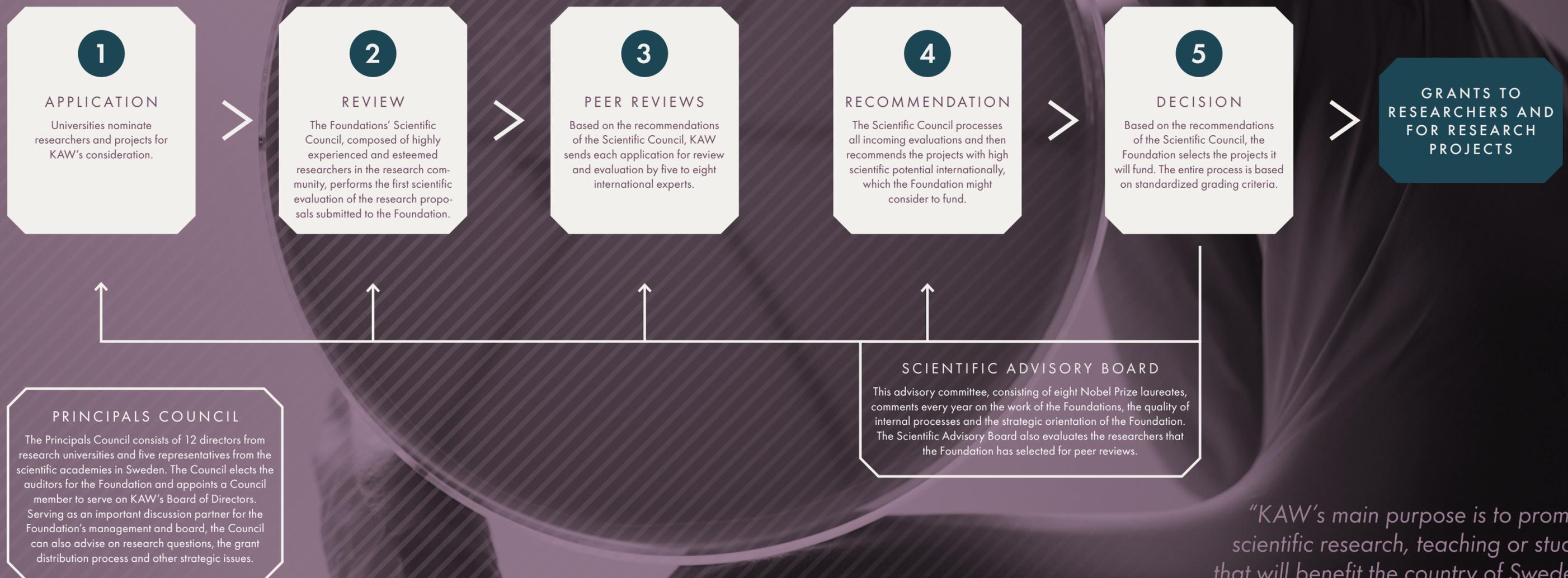
The Foundation provides grants for Ph.D. studies and scientific projects promoting research in archeology and art history. Grants are given mainly for research concerning Sweden and the Nordic region. Founded by Berit Wallenberg in 1955.

Ekon. dr Peter Wallenbergs Stiftelse för Ekonomi och Teknik

The purpose of the Foundation is to promote scientific research and support teaching or education related to economics and technology, mainly in Sweden but also in Finland. Founded in 1996 to honor Peter Wallenberg.

THE PROCESS FOR AWARDING GRANTS – FOCUSING ON PROMINENT RESEARCH AND PROJECTS

Over the years, the Wallenberg Foundations have developed a rigorous process to ensure that grants are distributed to internationally prominent researchers and research projects. The process is illustrated here for the Knut and Alice Wallenberg Foundation (KAW). The starting point is to achieve excellence in funded research and the Foundations' internal processes. Key words are freedom of research for world-leading individuals and peer reviews that are academically tested and thorough in nature.



"KAW's main purpose is to promote scientific research, teaching or studies that will benefit the country of Sweden."

Knut och Alice Wallenbergs Stiftelse

100 ÅR AV STÖD TILL EXCELLENT SVENSK FORSKNING OCH UTBILDNING

Basic research about diseases such as cancer and Alzheimer's, new sources of energy, secrets of the universe, new and environmentally friendly materials, the importance and influence of genes, robotics and automation, climate changes, and the origin and evolution of man, are all examples of scientific research and education projects beneficial to Sweden that the Knut and Alice Wallenberg Foundation has funded.

The Foundation's aim is to benefit Sweden by supporting Swedish basic research and education, mainly in the natural sciences, technology and medicine. This is achieved through long-term grants to excellent researchers and projects.

Over the past 100 years, the Knut and Alice Wallenberg Foundation has awarded SEK 24 billion in grants in support of excellent Swedish research and education. In recent years, SEK 1.7 billion in grants have been distributed annually, making the Foundation one of the largest private funders of scientific research in Europe.

ESTABLISHED IN 1917

Over the years, Knut and Alice Wallenberg had built up a sizable fortune. Even before they established their Foundation, they had financed various construction and public development projects in Sweden. The Foundation was set up in 1917 to organize their donations.

The Foundation's original endowment consisted of shares in SEB and Investor worth SEK 20 million, equivalent to SEK 593 million in today's value. Even though the Foundation has awarded SEK 24 billion in grants over the past century, assets have grown to SEK 90 billion thanks to successful capital management.

Knut and Alice Wallenberg were keen on supporting projects beneficial to Sweden that would help the country develop into a research and education nation of high class.

"If wealthy people only realized what a pleasure it is to be able to help our country and its people by supporting useful enterprises, then they would not hesitate to arrange for legacies to be bequeathed in their wills, which would benefit and please others. Maybe it is egotistical to give while one is still alive but oh, what fun it is". K.A. Wallenberg, in a letter to Sweden's Crown Prince Gustaf Adolf in 1937.

EXCELLENT RESEARCH BENEFICIAL TO SWEDEN

In the beginning, the Foundation mainly funded buildings to provide premises for research and education. Later, the principal grant area gradually shifted to financing the equipment needed for research. In addition to funding research and awarding strategic donations, a top priority in recent years has been to support prominent researchers through the Wallenberg Scholars, Wallenberg Clinical Scholars for senior researchers, and Wallenberg Academy Fellows programs for outstanding young researchers.

JUBILEE DONATION IN 2017

In 2017, the Foundation will celebrate its 100th anniversary and make special donations to science centers in Sweden. A total of SEK 150 million in grants will be distributed to the Visualization Center C in Norrköping, Umevatoriet in Umeå, Science Center Malmö Museer, the Swedish National Museum of Science and Technology in Stockholm, and Universeum in Gothenburg. The aim is to create technically advanced science centers with innovative features where spectacular presentations can be made in a dome environment. These centers will also have interactive installations to make the world, technology, research and social development more understandable.



Knut Wallenberg



Alice Wallenberg

A SELECTION OF STRATEGIC GRANTS MADE BY THE KNUT AND ALICE WALLENBERG FOUNDATION

WALLENBERG AUTONOMOUS SYSTEMS AND SOFTWARE PROGRAM

The term autonomous systems signifies independent devices and systems that operate autonomously in combination with advanced software, complex data, and sometimes, human interaction. The technology is expected to lead to radical changes, just like the Industrial Revolution did in the 1800s.

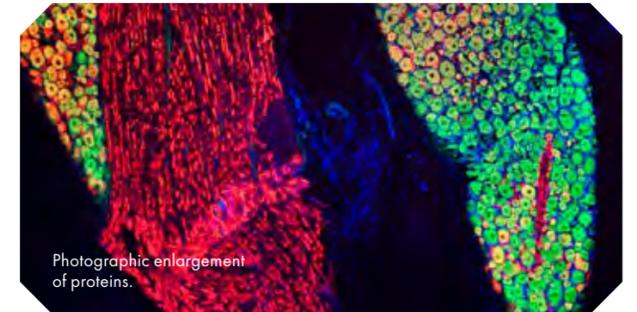
Examples of autonomous systems under development include smart energy systems, automated mine operation, intelligent traffic systems, or systems that find the right bolt for the right product in a manufacturing process. The technology will also be of significance for rescue operations in inaccessible disaster areas.

In 2015, the Knut and Alice Wallenberg Foundation launched a ten-year grant program through the Wallenberg Autonomous Systems and Software Program. The initiative indicates how important it is for Sweden, as a research and industrial nation, to build a platform that will enable the country to capture a leading international position in this technology area.

The program is a powerful investment to support basic research, the education of researchers and recruitment in the field. An important aspect of the program is building a base for academic research and education that can foster interaction with Swedish industry. Enabling an effective transfer of knowledge to industry for research purposes, and the further development of autonomous systems, is one of the cornerstones of the program. An example is the researcher school operated in collaboration with Swedish companies.

Most of the researchers are based at Chalmers, the KTH Royal Institute of Technology, Linköping University and Lund University, although research groups from other universities are also involved in the program.

A total of SEK 1.8 billion is being invested in the program, of which the Foundation is contributing SEK 1.3 billion. Participating universities and Swedish manufacturing companies will provide the remaining SEK 500 million in funding.



Photographic enlargement of proteins.

WALLENBERG CENTER FOR PROTEIN RESEARCH

Biopharmaceuticals made with human proteins have revolutionized medicine and made it possible to treat advanced diseases in new ways. At the center, basic research is combined with applications, primarily to develop production methods for biopharmaceuticals.

While there are several different types of proteins, the center's focus is on antibodies. The use of antibodies for cancer therapies and autoimmune diseases is a rapidly developing field. In the future, it is expected that many more diseases will be treated using biological molecules that are mainly based on antibodies.

The center is collaborating with small research companies and large pharmaceutical producers.

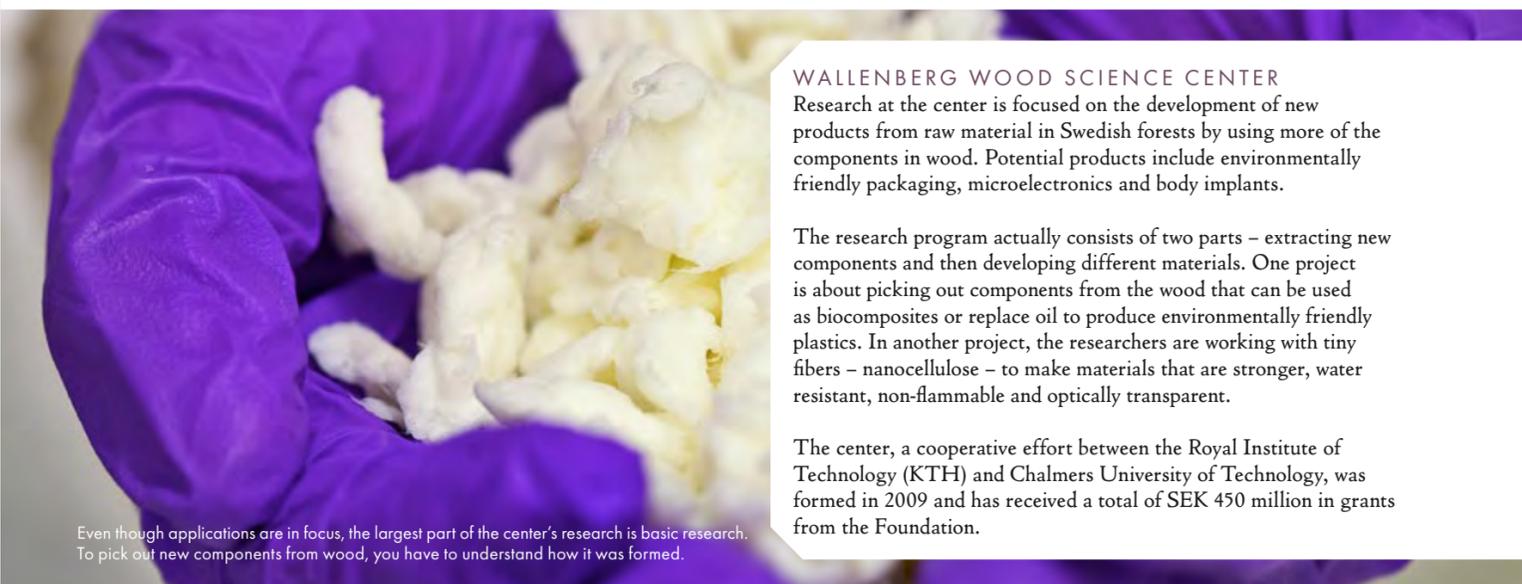
Combined with the financial commitments made by the universities involved – Uppsala University, the KTH Royal Institute of Technology and Chalmers University of Technology, along with AstraZeneca, a total of SEK 510 million will be invested in the center during 2016–2023, of which the Foundation has granted SEK 320 million.

WALLENBERG WOOD SCIENCE CENTER

Research at the center is focused on the development of new products from raw material in Swedish forests by using more of the components in wood. Potential products include environmentally friendly packaging, microelectronics and body implants.

The research program actually consists of two parts – extracting new components and then developing different materials. One project is about picking out components from the wood that can be used as biocomposites or replace oil to produce environmentally friendly plastics. In another project, the researchers are working with tiny fibers – nanocellulose – to make materials that are stronger, water resistant, non-flammable and optically transparent.

The center, a cooperative effort between the Royal Institute of Technology (KTH) and Chalmers University of Technology, was formed in 2009 and has received a total of SEK 450 million in grants from the Foundation.



Even though applications are in focus, the largest part of the center's research is basic research. To pick out new components from wood, you have to understand how it was formed.

A SELECTION OF RESEARCHERS AND RESEARCH PROJECTS FUNDED BY THE WALLENBERG FOUNDATIONS

The Foundations fund research projects of high scientific potential and provide individual funding to prominent researchers. Grants are primarily used to fund research in the natural sciences, technology and medicine. Grants are also awarded for research in other fields, including the social sciences and the humanities. A few examples of current research projects, individual funding and international collaboration are presented on the following pages.



Jacob and Marcus Wallenberg outside Wallenberg Hall at Stanford University.

STANFORD UNIVERSITY

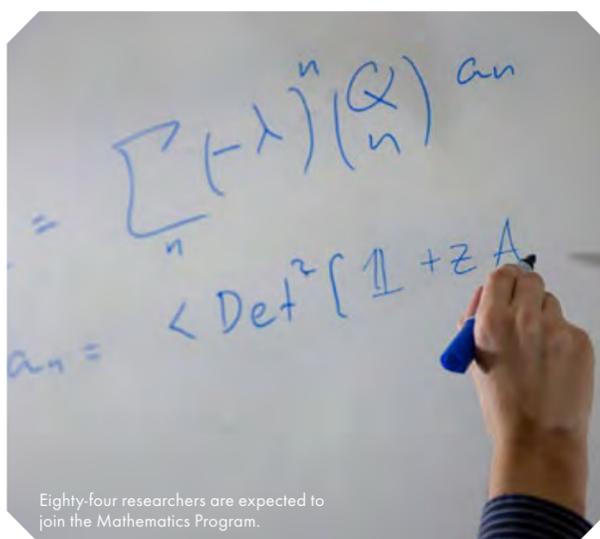
The Wallenberg Foundations established a solid base at Stanford University as early as 1994 to promote collaboration between Swedish universities and Stanford in the fields of teaching, learning and research. This base was later expanded with the establishment of the Wallenberg Research Link (WRL), a contact center with offices in Wallenberg Hall. In addition to being the Foundations' contact at Stanford, WRL serves as a network for Swedish students, mainly postdoctoral fellows who are doing research at Stanford. WRL also monitors the development of research-related policies and political issues that are of importance to the Foundations.

From 1995 to 2013 the Wallenberg Foundations funded a number of collaboration projects between Swedish seats of learning and Stanford.

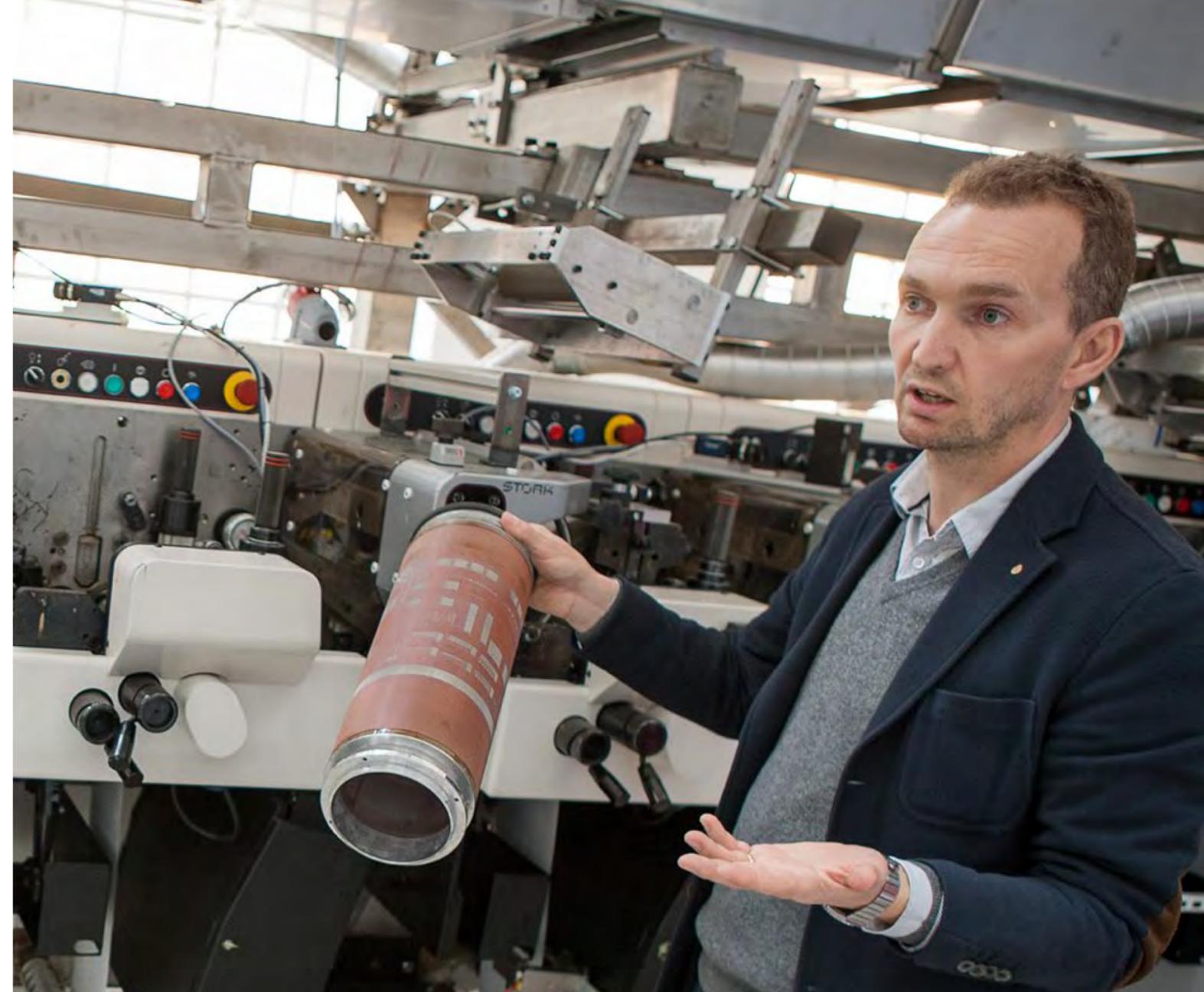
In 2008, the Foundations established the first postdoctoral program at Stanford within all scientific disciplines. Approximately 20 young Swedish researchers are currently at Stanford, where they are conducting research in various laboratories and participating in network activities through WRL.

SWEDEN WANTS TO BE #1 IN MATH – THE MATHEMATICS PROGRAM

The goal of the program is to enable Sweden to recover its cutting-edge position in mathematics internationally. The subject is of utmost importance for the future development of Sweden since it constitutes the basis for many medical purposes and basically all scientific and technical applications. Sweden has been traditionally known for having internationally prominent mathematicians. Many Swedish students also want to pursue a research career in mathematics. Furthermore, there is a huge demand for mathematicians with doctoral degrees. Despite these developments, Swedish research in mathematics has lost ground. The Knut and Alice Wallenberg Foundation has therefore decided to grant SEK 160 million from 2014 to 2022 to give the best young mathematicians international experience and to recruit both young and experienced mathematicians to Sweden. Institut Mittag-Leffler, operating under the auspices of the Royal Swedish Academy of Sciences and one of the top-ten mathematics research institutes in the world, has also received a grant of SEK 40 million to strengthen its position as an international meeting place for prominent mathematicians.



Eighty-four researchers are expected to join the Mathematics Program.



FROM PULP TO TREATING SPINAL MARROW INJURIES – WALLENBERG SCHOLAR MAGNUS BERGGREN

Magnus Berggren, a professor at Linköping University, researches in futuristic fields such as printed-paper electronics and organic electronics. In the latter area, the goal is to control cells in the human body using electronic components to treat diseases and injuries in the brain and spinal marrow. There are applications in a number of other medical areas, but also in plant biology, paper-based electronics, and in the long term, even energy conversion.

Berggren and his team started to make a breakthrough at the end of the 1990s when they began to use ion-based electrochemistry instead of silicon-based. By applying the same basic technology, they have developed organic bioelectronics to open up new opportunities for treatment and diagnostics in healthcare.

The research team has developed an electronic ion pump for treatment of epilepsy and Parkinson's disease. Their research has also resulted in a kind of chemical volume control that will hopefully be able to be used as prosthesis for hearing damage in the future.

Magnus Berggren's research began in the field of paper-based electronics. Printed organic electronics is an area that he wants to take to the next level by integrating electronics in paper pulp. Smart packaging and labels, sensors that warn about everything from soured milk to moisture damage, everyday items that can be connected to the Internet, cardboard that folds itself and printed solar cells – the basic research behind these applications will open many new doors to the future.

Magnus Berggren, Professor in Organic Electronics at Linköping University and recipient of the Marcus Wallenberg Prize in 2014.



The MAX IV Lab was officially opened in 2016.

MAX IV – WITH THE MISSION TO MAKE THE INVISIBLE VISIBLE

The MAX Laboratory in Lund is Sweden’s national synchrotron radiation facility to support research in three areas: accelerator physics, research based on the use of synchrotron radiation, and nuclear physics utilizing energy-rich electrons. The facility is mainly doing basic research on materials and molecules but will also have applications to develop new pharmaceuticals, batteries and solar cells in the environmental and nanotechnology fields.

The first storage ring, MAX I, was built in the beginning of the 1980s. To date, the Knut and Alice Wallenberg Foundation has provided the MAX Lab project with more than SEK 1 billion in funding. MAX IV was officially opened in the summer of 2016. More than 2,000 visiting researchers will conduct their experiments at the facility each year.

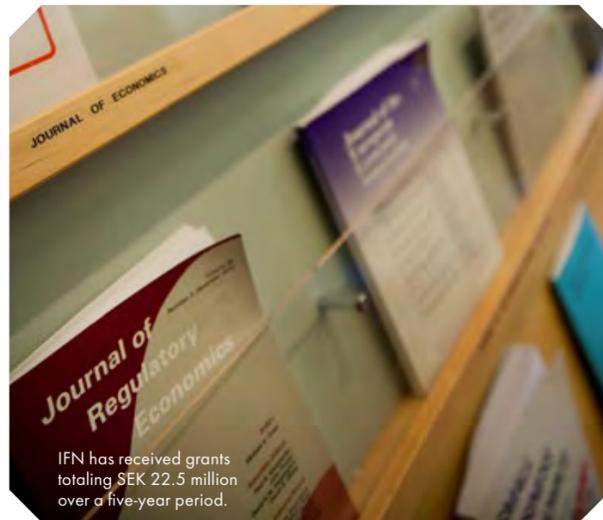


STUDYING THE IMPORTANCE OF NEW IMMUNE CELLS IN GASTROINTESTINAL DISEASE- WALLENBERG ACADEMY FELLOW JENNY MJÖSBERG

Ulcerative colitis and Crohn’s disease often affect young people and add to the risk of developing colon cancer. At the Karolinska Institute, Jenny Mjösberg is examining how a new type of lymphocyte discovered in our immune system influences development of inflammatory bowel disease (IBD).

Jenny Mjösberg’s research team is studying a kind of white blood cell called innate lymphoid cells (ILCs), and the role they play in IBD and CRC. Jenny adds that the field is of particular interest since so much of the immune system is located in the stomach. There are also many parallels between IBD and other immunological diseases such as psoriasis and rheumatoid arthritis. Jenny Mjösberg’s discoveries may ultimately lead to several new treatments.

IBD is a growing problem, often affecting quite young people. IBD usually begins between the ages of 15 and 35, and may cause severe disability. IBD-inflicted patients also have a higher risk of developing colorectal cancer (CRC).



IFN has received grants totaling SEK 22.5 million over a five-year period.

GLOBALIZATION’S IMPACT ON TRADE AND INDUSTRY – THE RESEARCH INSTITUTE OF INDUSTRIAL ECONOMICS

IFN, the Research Institute of Industrial Economics in Sweden, has been built up over a period of 70 years and is one of Sweden’s leading research environments in the field of economics today. The Marianne and Marcus Wallenberg Foundation has funded IFN to promote international collaboration since 1975, when the Institute received a ten-year donation in connection with Marcus Wallenberg stepping down as IFN chairman after 25 years of service. This organization is very important for Sweden and Swedish research, and the Wallenberg family has been highly involved in IFN since the start.

Cultivating promising academics is one of the main purposes of the Institute. Another is to contribute to diversity in research and offer groundbreaking and exciting research to benefit trade and industry. IFN focuses on several research programs: globalization’s impact on trade and industry, the growing service sector and entrepreneurship.

INVESTMENT ACTIVITIES

In Sweden and internationally, the Wallenberg family has actively worked long-term in the service of enterprise ever since André Oscar Wallenberg founded Stockholms Enskilda Bank. The investment activities of the Wallenberg sphere comprise the investment and industrial holding companies Investor AB and FAM AB and their respective holdings. The latter include some of the largest and most important blue-chip corporations in Scandinavia.

THE FOUNDATIONS' INVESTMENT COMMITTEE HAS THE ULTIMATE CORPORATE GOVERNANCE RESPONSIBILITY

The Wallenberg Foundations are the ultimate owners of holdings. To ensure that they can focus fully on their research evaluations and grant programs, responsibility for the important management of assets and corporate governance issues has been delegated to the Foundations' Investment Committee. The committee is the key decision-making body for strategic issues and determining the focus of the Foundations.



From left: Hans Wibom, Jacob Wallenberg, Michael Treschow (Chairman), Peter Wallenberg Jr, Marcus Wallenberg and Claes Dahlbäck.

The assets of the Wallenberg Foundations are managed by means of committed and active ownership, a Wallenberg family tradition since the founding of Stockholms Enskilda Bank in 1856. Foundation assets are primarily managed through direct or indirect long-term holdings in companies with leading market positions internationally. The Foundations are to concentrate completely on evaluating grant applications and their research funding. Management of all assets of the Wallenberg Foundations, and the administration of grant programs, is to be as efficient and professional as possible. Responsibility for assets management and corporate governance has therefore been delegated to the Foundations' Investment Committee, while the administration of grant and foundation activities has been assigned to the wholly owned subsidiary Wallenberg Foundations AB.

The Investment Committee's task is to make the overall, long-term decisions of strategic nature that concern the management of the Foundations' assets and how the Foundations' role as an owner is to be carried out and developed in holdings over time. The committee is also responsible for seeing that assets are managed in a way that increases their value, which enables the Foundations to gradually increase their grants. This responsibility includes ensuring that the right people are appointed to boards and management positions; it

also covers cash management and the management of assets that are currently not invested in long-term holdings. Within the framework of the Investment Committee, a special Investment Council also manages assets actively to ensure the availability of annual grants distributed by the smallest foundations. Individual decisions made by Investor AB and FAM AB are the responsibility of their respective boards, while the Investment Committee focuses more on general issues concerning the assets of the Wallenberg Foundations. However, the Investment Committee develops the Foundations' ownership strategy for their holdings in FAM and Investor.

The Investment Committee does not only take responsibility for their pro-rata shares of holdings – it also takes overall responsibility from an investment and ownership standpoint. As the representative for a long-term and responsible owner, the Investment Committee will strive to develop and strengthen each company in a manner that benefits all shareholders. This is an important starting point for the committee's work.

The Investment Committee's members are Michael Treschow (Chairman), Claes Dahlbäck, Hans Wibom, Jacob Wallenberg, Marcus Wallenberg, and Peter Wallenberg Jr.

OUR OWNERSHIP UNIVERSE AND RESPONSIBILITIES

The assets of the Wallenberg Foundations are actively owned and managed for value creation on a long-term basis, mainly through direct or indirect holdings in companies that have leading market positions internationally. The Wallenberg Foundations have delegated the responsibility for corporate governance to the Investment Committee.

FAM AB is a privately owned holding company that manages assets as an active owner with a long-term ownership horizon. The three largest Wallenberg Foundations own FAM – the Knut and Alice Wallenberg Foundation, the Marianne and Marcus Wallenberg Foundation, and the Marcus and Amalia Wallenberg Foundation. FAM's goal is to generate real growth in its assets over time.



Holding: 100%

WALLENBERG FOUNDATIONS
 The **Investment Committee** is responsible for the management of the Foundations' holdings and long-term strategy. It also focuses on ensuring that the holdings have the right boards and appoint the right CEO.

UNLISTED INDUSTRIAL HOLDING COMPANY
 Through FAM, a wholly owned company, it is possible to capture attractive investment opportunities that arise, such as acquisitions of stakes in listed companies or unlisted companies. The unlisted environment provides opportunities for investments close to the family and in companies that are actively searching for an unlisted partner. However, investments can also be made in large, listed companies.

A dedicated team works operatively with cash management and the shorter-term portfolio. In addition to generating returns, the team is responsible for ensuring that funds are available for making investments and the Foundations' grants when needed. The team also compiles business intelligence about capital markets for the Investment Committee.



LIQUID FUNDS
 Active and professional management of liquid funds generates healthy returns and cash that can be used at the right time for new investments and/or grants by the Wallenberg Foundations. Liquid funds are placed mainly in Swedish securities, interest-bearing funds and other instruments.

Patricia Industries is a separate division of Investor focusing on wholly owned subsidiaries and unlisted companies.



Capital 23.3%
 Votes 50%

LISTED INDUSTRIAL HOLDING COMPANY
 Investor is listed on the Stockholm Stock Exchange and has more than 180,000 shareholders. The company operates independently and flexibly by owning and developing listed companies and wholly owned companies that are unlisted. The listed environment involves high visibility, transparency and major requirements for a clearly communicated strategy and viewpoints. Although the Wallenberg Foundations have a controlling interest in Investor, the perspective of all the company's shareholders is given careful consideration.

Investor AB, a listed industrial holding company based in the Nordic region, owns significant minority or majority interests in high-quality companies. Through its participation on the boards of directors, Investor works for continuous improvement of the performance of its holdings. With its industrial experience, broad network and financial strength, Investor strives to make its companies best-in-class.



Holding: 7.6%

PRIVATE EQUITY
 Through the holding in EQT, it is possible to act on investment opportunities that are appropriate for the private equity ownership model. In some situations, active and clear ownership over a limited time horizon is a very strong model for developing a company further. EQT is one of the most respected private equity firms in the world.

Holding in the management company EQT Holdings AB: 19%
 Holdings in funds: 6-38%



EQT's funds invest in companies all over the world with the mission to develop them into great and sustainable companies. By providing access to ownership skills and operational expertise, EQT can help acquired companies grow and prosper. Investor was one of the founders of EQT Partners in 1994 and has been a sponsor of EQT funds ever since.



1: The Wärtsilä 31 has achieved a Guinness World Records title for being the most efficient 4-stroke diesel engine.

2: An Aquarius Next urodynamic system from Laborie, used by urologists to diagnosing urinary incontinence with patients. Laborie is the global market leader in urodynamic systems.

3: Husqvarna is a world leader in the rapidly growing market for robotic lawn mowers.

4: More than 40 percent of the world's mobile traffic passes through Ericsson networks today.

5: Stora Enso's Innovation Center in Stockholm conducts research to develop new biomaterials and renewable products from forests.

6: A wheelchair accessible Ford Explorer modified by BraunAbility, built to accommodate mobility constrained people in accessing and driving the vehicle independently. BraunAbility is committed to improving the quality of life for disabled people around the world.



IN THESE HOLDINGS, THE WALLEMBERG FAMILY IS REPRESENTED ON THE FOLLOWING BOARDS:

Jacob Wallenberg:
Chairman, Investor
Vice Chairman, ABB, Ericsson, FAM, Patricia Industries and SAS

Marcus Wallenberg:
Chairman, FAM, Patricia Industries, Saab AB and SEB
Vice Chairman, Investor
Director, AstraZeneca

Peter Wallenberg Jr:
Chairman, The Grand Group
Director, Aleris, Atlas Copco and EQT

SAS The holding in SAS is directly owned by the Knut and Alice Wallenberg Foundation.



INVESTMENT AND HOLDING COMPANIES



Investor AB, founded by the Wallenberg family in 1916, is a leading owner of high-quality international companies based in the Nordic region. The company is partly owned by the three largest Wallenberg Foundations (capital 23.3%, votes 50%). Through boards, Investor actively works for continuous improvement of the performance of its holdings. Investor strives to make and keep its portfolio companies best-in-class by utilizing its industrial experience, financial strength and the broad network around the companies and the Wallenberg family.

The heart of Investor's business model is to be a long-term owner that focuses on maximizing the core value of holdings – the present value of all future cash flows – which is decisive for Investor's success as a world-class owner. Investor's cash flow allows the company to support strategic initiatives in its companies, capture investment opportunities and provide shareholders with a dividend.

In 2015, Investor evolved its organization and now has three clear divisions – one focusing on active ownership in listed core investments, one (Patricia Industries) focusing on the development and expansion of the portfolio of wholly-owned subsidiaries, and the investment in EQT. Investor has generated a total annual return of 15 percent over the past 20 years.

Patricia Industries is a part of Investor AB that invests in wholly owned, leading companies with strong market positions, brand names and corporate cultures in attractive industries offering long-term market growth. The goal is to be the sole owner together with strong management groups and boards. Patricia Industries has an unlimited investment horizon and focuses on creating long-term value and leveraging organic and non-organic growth opportunities. Patricia Industries has offices in Stockholm, New York and Palo Alto.

PATRICIA INDUSTRIES' LARGEST HOLDINGS:



INVESTOR'S LARGEST HOLDINGS:



FAM

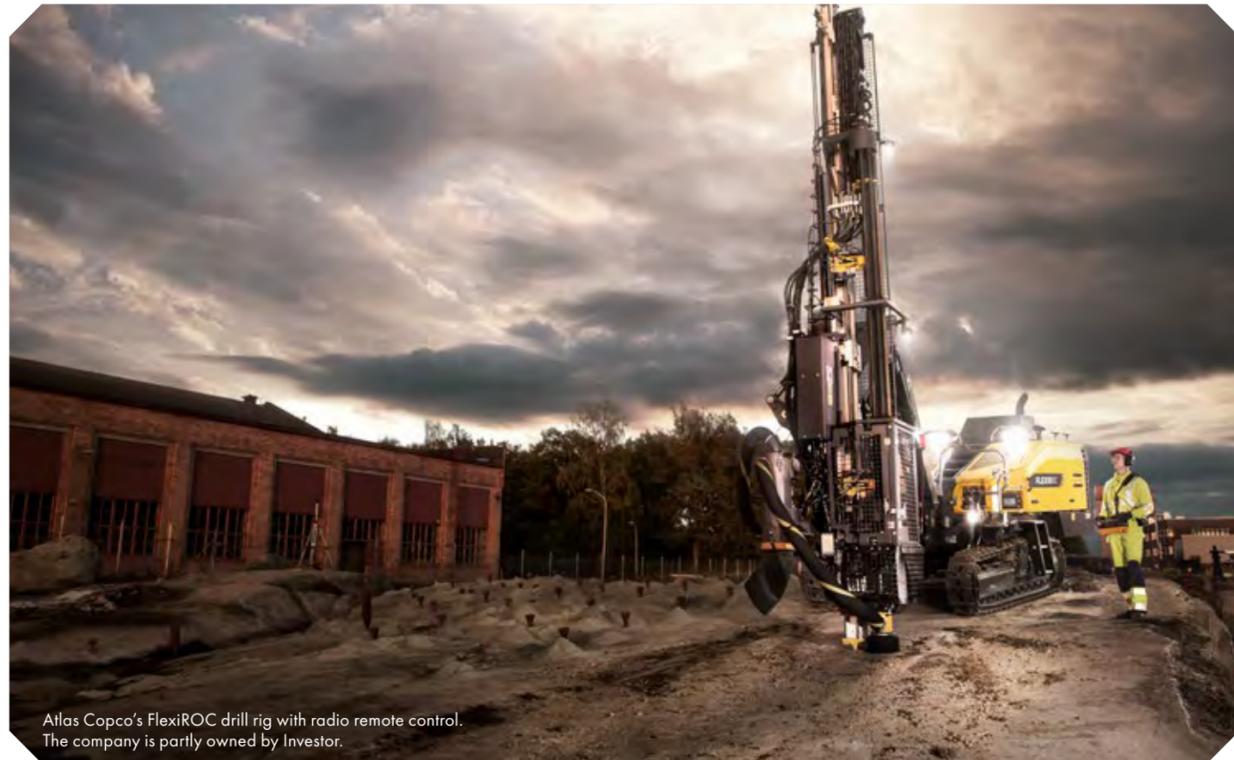
FAM AB, owned by the three largest Wallenberg Foundations, is a privately owned holding company that manages assets as an active owner with a long-term ownership horizon. FAM focuses its ownership on a number of strategic holdings and several alternative investments. By actively contributing to the long-term growth of holdings, their dividend capacity and value can increase over time. With its experience and expertise as an unlisted company, FAM, together with the Wallenberg family network, can find unique and attractive investment opportunities and further develop existing holdings. FAM has generated a total annual return of 5 percent since its establishment in 2007.

FAM'S LARGEST HOLDINGS:



A SELECTION OF HOLDINGS OF WHICH FAM AND INVESTOR ARE MAJOR OWNERS

Investor AB and FAM AB have minority and majority holdings in a number of leading companies with international operations. A few of them are highlighted on the following pages. These companies all have a different business focus and size.



Atlas Copco's FlexiROC drill rig with radio remote control. The company is partly owned by Investor.

WORLD-LEADING PROVIDER OF SUSTAINABLE PRODUCTIVITY SOLUTIONS

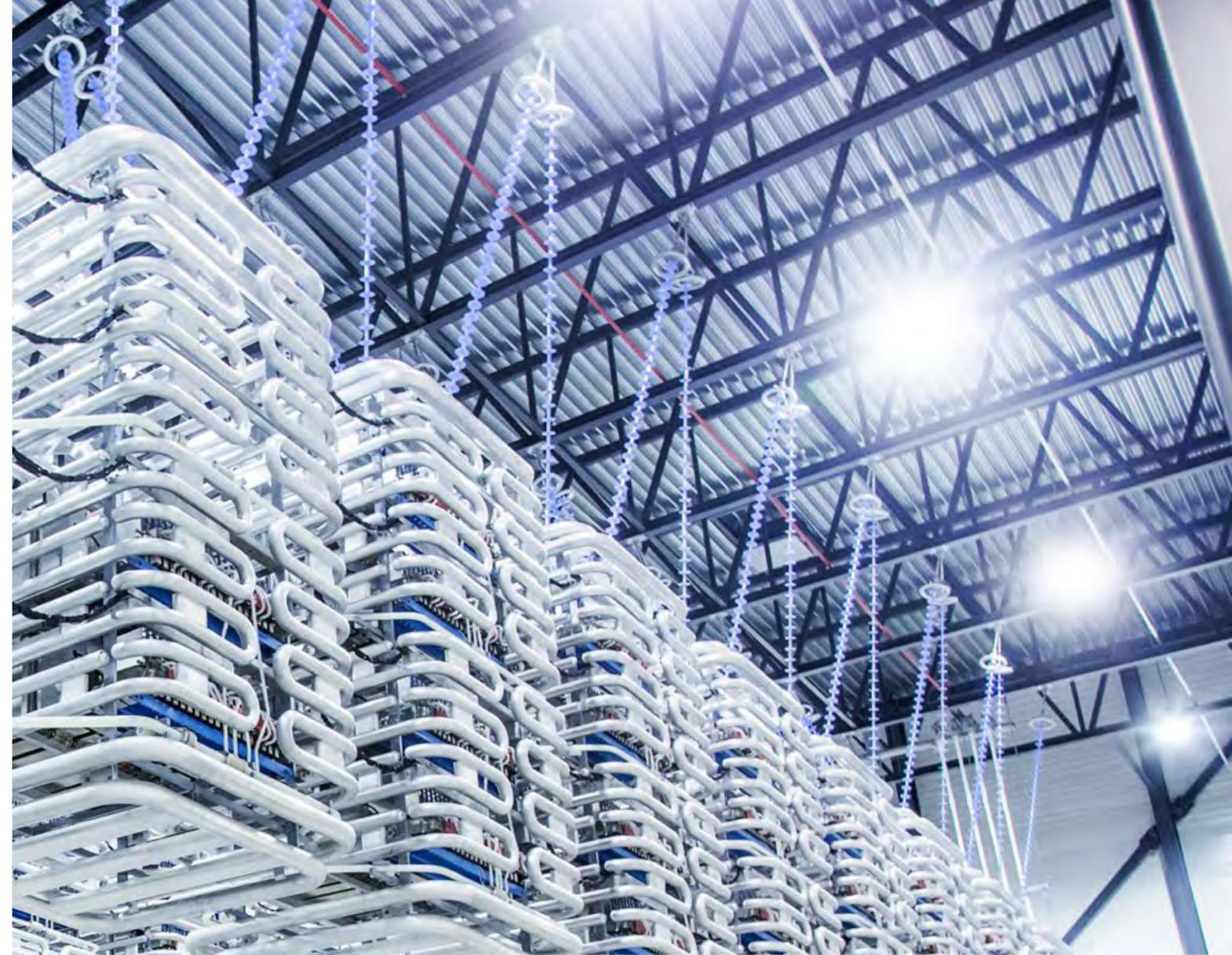


Listed and partly owned by Investor since 1916. Holding: 16.9% of the capital and 22.3% of the votes.

Atlas Copco is a world-leading provider of products and services focused on productivity, energy efficiency, safety and ergonomics. The Group serves customers with innovative compressors, vacuum solutions and air treatment systems, construction and mining equipment, power tools and assembly systems. The company was founded in 1873, is headquartered in Stockholm, and has customers in more than 180 countries. In 2016, Atlas Copco had revenues of SEK 101 billion and about 43,000 employees.

In January 2017, the company announced plans to separate its business for mining and construction customers into a new company, Epiroc, that will be distributed to Atlas Copco's shareholders. Atlas Copco is being split into two focused companies with strong platforms for continued profitable growth that are world leaders in their respective areas. As a long-term and leading owner of Atlas Copco, Investor fully supports this proposal. After completion of the split, expected in 2018, both companies will be listed core investments within Investor.

Peter Wallenberg Jr is a member of Atlas Copco's board.



GLOBAL LEADER IN POWER AND AUTOMATION TECHNOLOGIES



Listed and partly owned by Investor since 1925. Holding: 10.5%.

ABB is a global leader in power and automation technologies. The company took its present form when Asea (Sweden) merged with Brown Boveri (Switzerland) in 1989. ABB employs about 130,000 people and operates in approximately 100 countries. In the beginning of the 2000s, the company experienced a crisis and Investor doubled the size of its holding to become the clear major owner. ABB's success is due to its strong focus on research and development. The company is well positioned for emerging

markets and structural growth as electricity grids are expanded around the globe, and as energy efficiency and productivity improvements become increasingly in demand. The company has seven R&D centers around the world, and much of the technology used by modern society today – from high-voltage direct-current power transmission to a revolutionary approach to ship propulsion – has been developed or commercialized by ABB. Today, ABB is the world's largest supplier of industrial motors and drives, wind power generators and power grids.

Jacob Wallenberg is Vice Chairman of ABB.

ABB introduced High Voltage Direct Current (HVDC) Light technology 20 years ago. With HVDC Light technology, power from renewable energy and other power sources can be transmitted efficiently over long distances, with minimal losses, while increasing the reliability of the power grid.

THE LEADING CORPORATE BANK IN THE NORDIC REGION



Founded by the Wallenberg family in 1856.
Holding: 20.8%.

Stockholms Enskilda Bank (SEB today) was established in 1856 to finance Sweden's emerging growth companies and pioneered the Swedish banking industry as the country's first commercial bank. The bank became the foundation for the activities of the Wallenberg family and has constantly been an important hub for financing the strong Nordic-based business community, which has always been global in its perspective. SEB has played – and plays – a central role for the Wallenberg family.

As the leading corporate bank in the Nordic region, SEB has an international outlook and a strong financial position. The bank has always valued close long-term relationships, entrepreneurship and

the ability to provide financial services when they are best needed. In Sweden and the Baltic countries, the bank offers a broad range of financial and advisory services. In Denmark, Finland, Norway and Germany, SEB's operations are strongly focused on full-service offerings for corporate customers and institutions. These clients are served through an international network operating in approximately 20 countries.

Over the years, SEB's entrepreneurial spirit has created a number of innovative financial services such as bank buses, telephone banking, Internet banking, electronic trading and mobile banking services. SEB also helped develop the green bond concept with the World Bank.

Marcus Wallenberg is Chairman of SEB.

WORLD LEADER IN COMMUNICATIONS TECHNOLOGY



Listed and partly owned by Investor since 1950.
Holding: 5.9% of the capital and 21.8% of the votes.

Ericsson has been a world-leading provider in the rapidly changing communications technology and services industry for 140 years. Today, over 40 percent of the world's mobile traffic passes through Ericsson networks. The company has customers in more than 180 countries and employs about 110,000 people, of whom 24,000 are dedicated to R&D. Ericsson has one of the strongest patent portfolios in the industry (39,000 patents) and is a leader in the development of 5G. This technology will improve speeds in mobile networks and

enable new application areas such as autonomous vehicles and the development of the Internet of Things (IoT). Mobile data traffic will continue to grow considerably and Ericsson is well positioned to help telecom operators manage it.

The company became part of Investor's portfolio in 1950 and has been one of the company's core investments ever since. In January 2017, Börje Ekholm, formerly CEO of Patricia Industries and Investor, was appointed Ericsson's new CEO.

Jacob Wallenberg is Vice Chairman of Ericsson.

PRIVATE EQUITY FIRM WITH INVESTMENTS IN EUROPE, THE U.S. AND ASIA



Unlisted and co-founded by Investor in 1994.
Holding: 19% in EQT and 6-38% in funds.

EQT is one of Europe's leading private equity firms. The company has SEK 334 billion in raised capital across 22 funds and about 400 institutional investors. EQT has three overall investment strategies: Private Capital (including Equity, Mid Market and Ventures), Real Assets (including Infrastructure and Real Estate) and Credit. Since the company was started, a total of SEK 201 billion has been invested in around 170 companies in a wide variety of industries

around the world. EQT has about 500 employees at 14 offices in Europe, the U.S. and Asia. EQT's annual investment return (IRR) has reached 30% since the start and 22% the last ten years.

EQT shares the Wallenberg family's values for responsible, long-term ownership and industrial development. Most of the value creation in EQT's portfolio is attributable to operational improvements such as increased sales and efficiency improvements.

Peter Wallenberg Jr is a member of EQT's board.

WHOLLY OWNED, STRONG CASH FLOW AND GROWTH



Initial investment 2007, wholly owned since 2010.

For 150 years, **Mölnlycke** has been a world-leading manufacturer of advanced single-use medical products and solutions that help healthcare professionals achieve the best patient, clinical and economic outcomes. The company designs and supplies products for use in wound treatment, pressure ulcer and infection prevention, and surgery. Mölnlycke is headquartered in Gothenburg, has 7,500 employees and is present in 98 countries.

Investor has owned Mölnlycke through Patricia Industries since 2007. Mölnlycke's market positions are global and very strong in the growing single-use surgical and wound care products sectors. The company's robust cash flow allows a continued sharp focus on product innovation and expansion in both existing and new markets.

U.S. MANUFACTURER OF WHEELCHAIR-ACCESSIBLE VEHICLES AND WHEELCHAIR LIFTS



Wholly owned by Patricia Industries since 2015.

BraunAbility was founded by Ralph Braun in Winamac, Indiana almost 50 years ago with the spirit to improve the lives of people with disabilities, especially because he had been unable to walk by the age of 15 due to spinal muscular dystrophy. Today, the

company is a leader in the U.S. market for wheelchair-accessible vehicles and wheelchair lifts. In 2015, BraunAbility became Patricia Industries' first American subsidiary. The first wheelchair-accessible SUV was launched in 2015 – the Ford Explorer MXV – which was positively received by customers.

A SCANDINAVIAN MOBILE OPERATOR WITH LEADING TECHNOLOGY STARTED IN PARTNERSHIP WITH CKHH



Unlisted and founded by Investor and CKHH in 1999.
Holding: 40%.

3 Scandinavia was started in 1999 by Investor and CKHH (formerly Hutchison Whampoa) with the vision to create a brand-new platform for mobile communications. In 2000, the company was awarded a 3G license in Sweden and a second license later in Denmark. 3 Scandinavia has steadily grown to capture market shares in Sweden and Denmark.

The company always strives to put customer needs first and invests in building and maintaining its subscriber base. Investments in state-of-the-art networks, including spectrum, continue to be crucial for creating attractive customer offerings. 3 Scandinavia has consistently won awards for having the best and most innovative data services and has expanded its customer base from zero to more than 3 million subscribers, and sales from zero to more than SEK 10 billion. The company now generates regular dividends for its owners.

OWNED IN PARTNERSHIP WITH THE LINDÉN FAMILY



50-percent-owned by FAM since 2013.

Höganäs is the world's largest producer of metal powders used in a wide range of different applications, including the production of components for the automotive industry. In 2013, FAM and the former main owner, the Lindén Group, bought out Höganäs from the Stockholm Stock Exchange. Since the buyout, a new CEO has

been appointed and a new organization launched. As a privately held company, Höganäs's main business has continued to develop well. Höganäs has also been able to accelerate the development of metal powders in new application areas – one of the main reasons for acquiring the company. Surface coating and water treatment technology are examples.

DIGITAL INFRASTRUCTURE



Partly owned by FAM since 2013.

Kivra provides Sweden's leading digital mailboxes. FAM purchased a 20-percent stake in the company when it was in an early entrepreneurial stage and has worked closely with the company's management and largest owner, 41an Invest, to support Kivra and

enable the company to quickly outdistance competitors in Sweden. Kivra's platform is a substitute for physical paper-based mail and allows senders to actively communicate with customers. Parallel with the close and beneficial cooperation with other owners and management, FAM has gradually increased its ownership in Kivra to approximately one-third of the company.

NETWORKS AND ADDITIONAL ENGAGEMENTS

Openness, exchange and collaboration between nations are central for a small country like Sweden. In the same way, free trade, open markets and predictable rules are fundamentally necessary for companies to grow. This is why we participate continuously in the activities of a number of organizations and forums.

The agendas of all these organizations are international in nature and focused on cooperation and promotion of trade and commerce. As members, we gain a deeper understanding of the international business environment and global trends. These organizations drive issues concerning increased trade, commercial law, global value creation and economic development, and the conditions for competitiveness with an international perspective. Sustainability and climate change, education and development, and innovation and research are other examples of topics addressed by these organizations.

● Chambers of commerce and bilateral business councils.

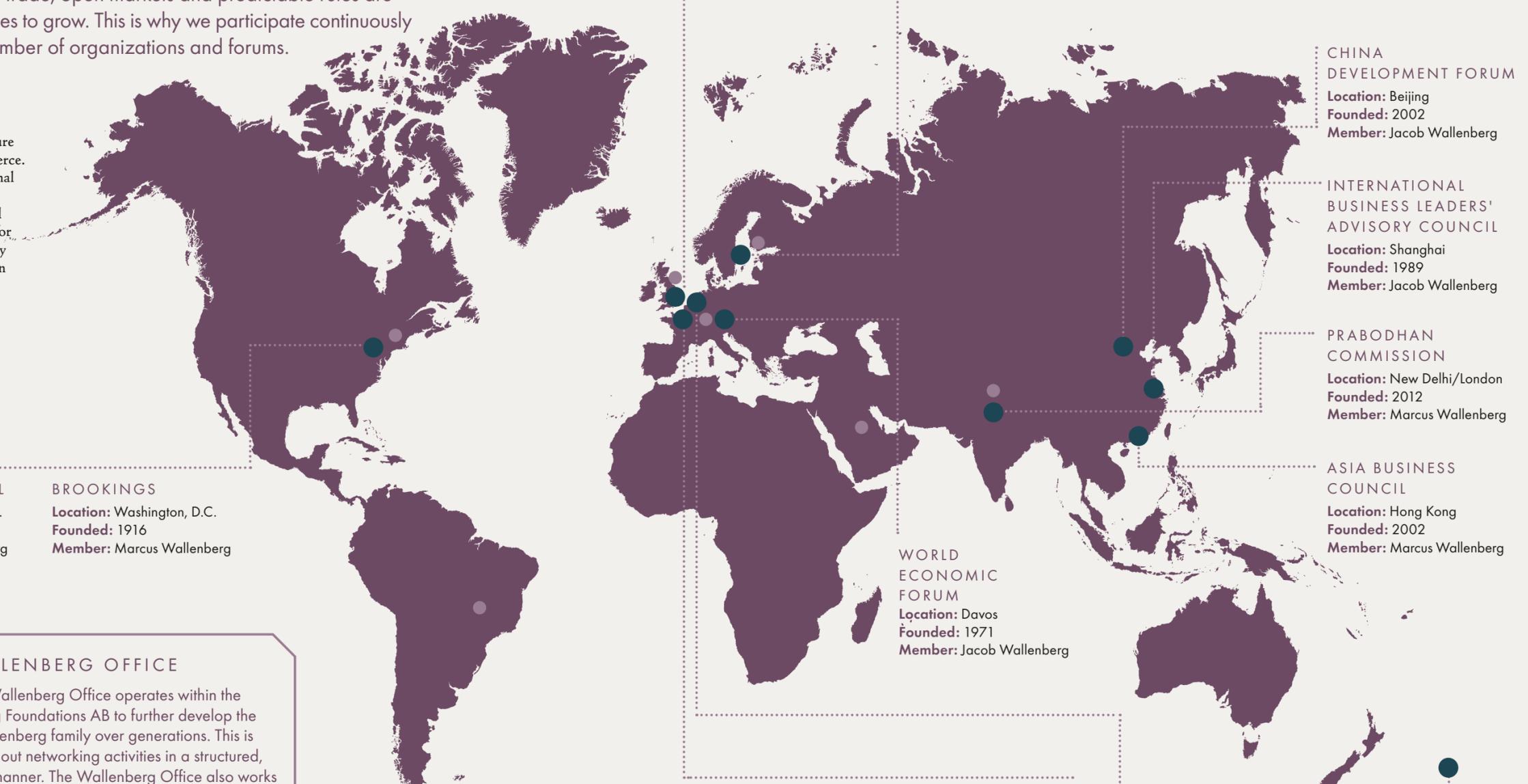
GERMAN MARSHALL FUND
Location: Washington, D.C.
Founded: 1972
Member: Peter Wallenberg Jr

ATLANTIC COUNCIL
Location: Washington, D.C.
Founded: 1961
Member: Jacob Wallenberg

BROOKINGS
Location: Washington, D.C.
Founded: 1916
Member: Marcus Wallenberg

THE WALLENBERG OFFICE

A function called the Wallenberg Office operates within the framework of Wallenberg Foundations AB to further develop the network built by the Wallenberg family over generations. This is accomplished by carrying out networking activities in a structured, coordinated and proactive manner. The Wallenberg Office also works with managing and developing the Wallenberg name, which is closely linked with the ability to develop the network. The Wallenberg Office also supports activities to inspire and educate the next generation of the Wallenberg family. The program for the next generation is financed by the fifth generation.



INTERNATIONAL INSTITUTE FOR STRATEGIC STUDIES
Location: London
Founded: 1958
Member: Marcus Wallenberg

CONNECT SWEDEN
Location: Stockholm
Founded: 2013
Member: Jacob Wallenberg

FORUM FÖR VÄLFÄRD
Location: Stockholm
Founded: 2013
Member: Peter Wallenberg Jr

CONFERENCE BOARD
Location: Stockholm
Founded: 1916
Member: Marcus Wallenberg

CHINA DEVELOPMENT FORUM
Location: Beijing
Founded: 2002
Member: Jacob Wallenberg

INTERNATIONAL BUSINESS LEADERS' ADVISORY COUNCIL
Location: Shanghai
Founded: 1989
Member: Jacob Wallenberg

PRABODHAN COMMISSION
Location: New Delhi/London
Founded: 2012
Member: Marcus Wallenberg

ASIA BUSINESS COUNCIL
Location: Hong Kong
Founded: 2002
Member: Marcus Wallenberg

WORLD ECONOMIC FORUM
Location: Davos
Founded: 1971
Member: Jacob Wallenberg

INTERNATIONAL CHAMBER OF COMMERCE
Location: Paris
Founded: 1919
Member: Marcus Wallenberg

TRILATERAL COMMISSION
Location: Washington/Paris/Tokyo
Founded: 1973
Member: Jacob Wallenberg

EUROPEAN ROUNDTABLE OF INDUSTRIALISTS
Location: Brussels
Founded: 1983
Member: Jacob Wallenberg

BILDERBERG
Location: Varying host countries
Founded: 1954
Member: Marcus Wallenberg

KEY PERSONS

Since André Oscar Wallenberg stepped down from his role as founder and representative of the family's activities, several other family members have continued to work in the service of enterprise and research to benefit Sweden as a country.



JACOB WALLENBERG
Chairman of Investor AB, Vice Chairman of FAM AB and Patricia Industries, and a Director on a number of Wallenberg Foundation boards. Jacob is also actively involved in the airline industry, the telecommunications industry, and the power and automation technology industry as Vice Chairman of SAS, Ericsson and ABB.



MARCUS WALLENBERG
Chairman of FAM AB and Patricia Industries, and Vice Chairman of Investor AB and Knut and Alice Wallenberg Foundation. Marcus is also involved in banking and finance, the defense industry and the pharmaceutical industry as Chairman of SEB and Saab AB, and as a Director on AstraZeneca's board.



PETER WALLENBERG JR
Chairman of the Knut and Alice Wallenberg Foundation, the Marianne and Marcus Wallenberg Foundation, and Wallenberg Foundations AB. Peter Jr is also involved in the engineering industry, the healthcare sector, private equity and the hotel business as a Director on the boards of Atlas Copco, Scania, Aleris and EQT, and as Chairman of The Grand Group.



CAROLINE ANKARCRONA
Director on the boards of the Knut and Alice Wallenberg Foundation and the Marcus and Amalia Wallenberg Foundation.



ANDREA GANDET
Director on the board of the Marcus and Amalia Wallenberg Foundation.



MARIANA RISBERG
Director on the board of the Marianne and Marcus Wallenberg Foundation.



CELIA PILKINGTON
Shares the main responsibility with Peter Wallenberg Jr to work with the next generation.

NEXT GENERATION

Today, there is a long-term program to enable the approximately 30 members of the sixth generation to learn more about the activities associated with the family and increase their involvement. The program aims to create a solid platform for the next generation to take over the baton, which is being given top priority by the family. These

activities are financed by the fifth generation. As the first step, seven family members from the sixth generation have been given the opportunity to serve as deputy board members in a number of Wallenberg Foundations.

DID YOU KNOW THAT...

5200 The total number of grant applications submitted to the Wallenberg Foundations over the past five years.

In 1924, the pharmaceutical company Astra (AstraZeneca) was acquired for **SEK 1**



In 1864, SEB became the first commercial bank in Sweden to hire **two female employees.**

36 YEARS the average age of researchers funded within the Wallenberg Academy Fellows program.

In 2016, when Jacob and Marcus Wallenberg turned 60, the Stockholm School of Economics established **The Jacob and Marcus Wallenberg Chair in Innovative and Sustainable Business Development.** The center is researching how companies can help solve many of the great social challenges of our times through innovation. It was started with donations from the Wallenberg Foundations and is also funded by SEB, EQT, FAM, Investor, Atlas Copco, Stora Enso, Mölnlycke, Aleris, McKinsey and Morgan Stanley.

1920 ♀ **~one thousand** researchers are financed by **KAW** at any given point of time.
The year KAW awarded its first grant to a woman researcher.

A.O. Wallenberg's father, **Marcus Wallenberg (1774-1833)**, translated the first versions of Homer's Iliad and Odyssey – the two oldest masterpieces in Western European literature – from Greek into Swedish during his first year as Bishop of Linköping.



GLOBAL 100 HAS RANKED ATLAS COPCO AS THE MOST SUSTAINABLE ENGINEERING COMPANY.

“We will discover things we didn’t even know we were looking for.”

When discussing the 100th anniversary of the Knut and Alice Wallenberg Foundation, Peter, Jacob and Marcus Wallenberg noted that this quote – from astronomer Sofia Feltzing – captures the essence of free research in an excellent way and reflects what the Foundation hopes its grants will lead to.

In a project funded by the Knut and Alice Wallenberg Foundation, Karl Tryggvason is investigating why some diabetics suffer severe damage to their kidneys and eyes while others are unaffected. The photo was taken in his lab at Karolinska Institutet.

PHOTO CREDITS

Photographer Magnus Bergström (page 1, 10, 18, 20-21, 23-28, 36, 38, 40, 42-44)

Photographer Jeppe Wikström (page 4-5, 11, 29)

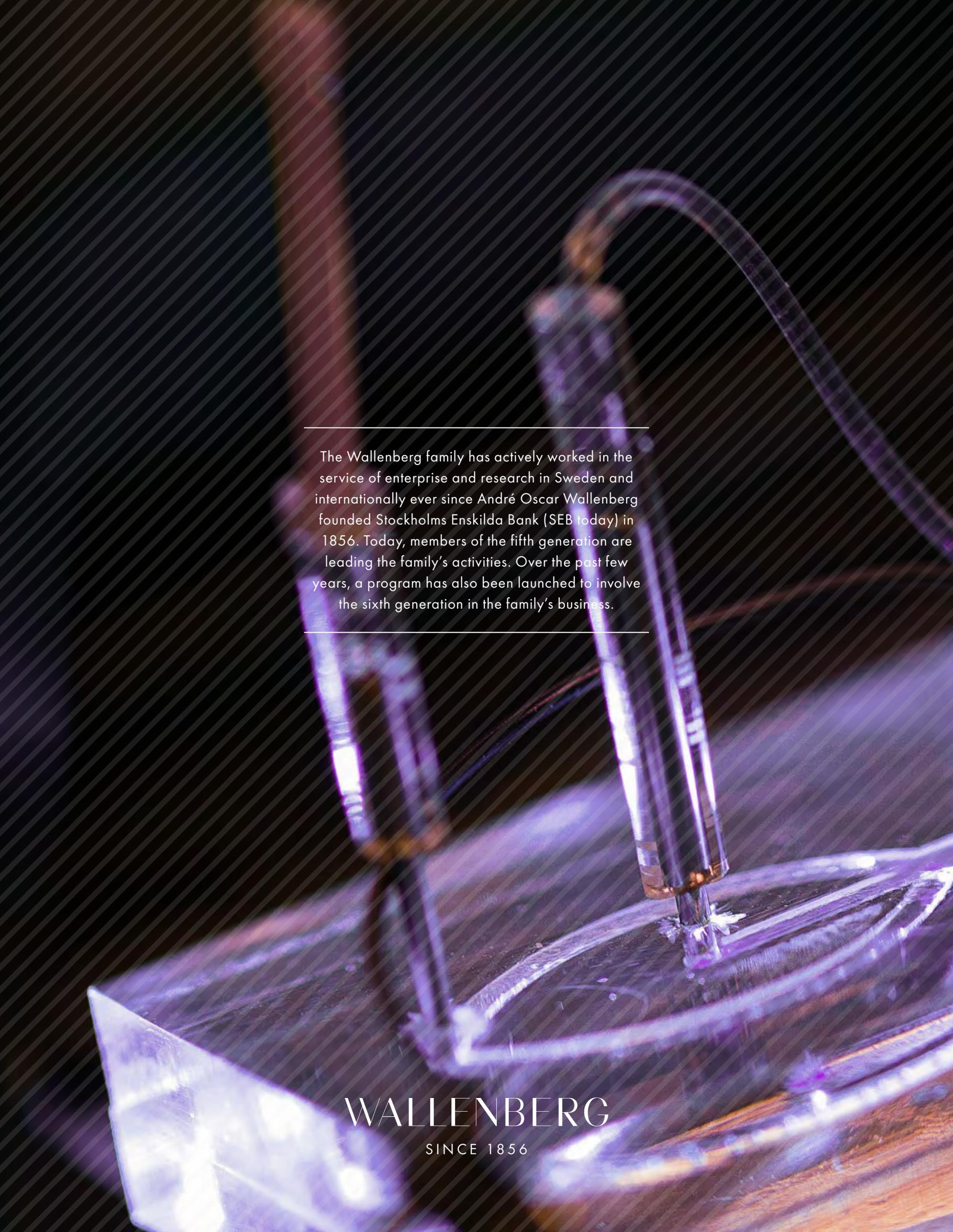
Photographer Thomas Engström (page 24)

Product photos from ABB, Atlas Copco, BraunAbility, Ericsson, Husqvarna, Höganäs, Laborie, Stora Enso and Wärtsilä.

And photos from the Wallenberg family’s archives and The Foundation for Economic History Research within Banking and Enterprise.

PAPER

Tom&Otto Silk (Stora Enso)



The Wallenberg family has actively worked in the service of enterprise and research in Sweden and internationally ever since André Oscar Wallenberg founded Stockholms Enskilda Bank (SEB today) in 1856. Today, members of the fifth generation are leading the family's activities. Over the past few years, a program has also been launched to involve the sixth generation in the family's business.

WALLENBERG

SINCE 1856