

The Proposal and Statement by the Nomination Committee

The proposal and statement by Karolinska Development's Nomination Committee for the Annual General Meeting 2018.

The Nomination Committee's work

Within the context of its work for the Annual General Meeting 2018, the Nomination Committee (the "Committee") interviewed the current directors and took part of other relevant information to fully understand the company situation, the primary challenges and opportunities. The Committee also reviewed the Board of Directors' internal evaluation of its work. The Committee held three meetings, and minutes have been kept during the meetings.

The Nomination Committee's reasoned statement

What is mentioned in the first section above have formed the basis for the Committee's considerations about the composition of the Board of Directors and main requirements that should be imposed on the members of the Board of Directors. The Committee also paid attention to independence issues, other assignments that the directors have in other companies and gender balance.

The company has during the last year continued the completion of the implementation of its new strategy and to transform the company into an investment company, fully leveraging its strong embeddedness into the Nordic life science innovation system and its strong linkages into Asian growth markets and Asian financial resources

On October 31, 2017, the company announced that Hans-Olov Olsson had decided to resign from the Board of Directors at his own request. The Extraordinary General Meeting on November 28, 2017, resolved to elect Therese Tse as ordinary member of the board of directors until the end of the Annual General Meeting 2018. On December 29, 2017, the company announced that the Chairman of the Board, Niclas Adler, had decided to leave his assignment for personal reasons. Hans Wigzell, Board Director of Karolinska Development since 2006, took over the role as Chairman of the Board.

When determining the proposed members of the Board of Directors suitability as members of the Board of Directors in Karolinska Development, other engagements by the proposed directors as well as potential conflicts of interest have been considered and it is deemed that such issues, if arisen can be addressed and managed through the normal procedures in the Board of Directors' work.

The Committee believes that the proposed Board of Directors, with respect to the company's operations, stage of development and other circumstances, will have an appropriate composition characterized by diversity and breadth in terms of the expertise, experience and background. The Nomination Committee also believes that it is possible for all proposed directors to make available sufficient time for the performance of the assignment.

The formal independent requirements according to the Swedish Code of Corporate Governance are met. The Committee is well aware of the need for improvement of the gender balance in its Board of Directors. However, the Nomination Committee notes that the gender balance has improved through the election of Theresa Tse as ordinary member of the board.

The Nomination Committee proposes:

Re-election of Hans Wigzell, Tse Ping, Vlad Artamonov, Anders Härfstrand, Magnus Persson and Theresa Tse,

Re-election of Hans Wigzell as Chairman of the Board of Directors.

Nomination Committee, Solna in March, 2018