

## The Proposal and Statement by the Nomination Committee

The Nomination Committee has consisted of Peter Lundkvist (chairman), appointed by Tredje AP-fonden (Third Swedish National Pension Fund), Jack Li appointed by Sino Biopharmaceutical; Yan Cheng appointed by Worldwide International Investments Ltd; Hans Möller, appointed by Karolinska Institutet Holding AB and Torgny Wännström, appointed by Insamlingsstiftelsen för främjande och utveckling av medicinsk forskning vid KI.

### **The Nomination Committee's work**

At an Extra General Meeting on February 19, 2021, it was resolved, in accordance with the Nomination Committee's proposal, to elect Anna Lefevre Skjöldebrand and Ben Toogood as new directors, and to elect Björn Cochlovius as new chairman of the Board of Directors. As only a short time has elapsed since the decision at the Extraordinary General Meeting, the Nomination Committee proposes an unchanged composition of the Board.

### **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. 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 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 proposal by the Committee meets the requirements in the Swedish Code of Corporate Governance and the Swedish Corporate Governance board's ambition to achieve even gender distribution in the listed companies.

### **The Nomination Committee's proposal**

The Nomination Committee proposes that the Annual General Meeting resolves as follows:

- Lawyer Johan Hessius (Cirio Law Firm) is appointed to chair the Annual General Meeting or in his absence, a person appointed by the Board of Directors.
- The number of directors will be five and no deputies will be appointed.
- The number of auditors will be one and no deputy auditor will be appointed.
- The chairman will be paid a fixed amount of SEK 400,000 to be paid out in proportion to board meetings attended. All other directors will be paid a fixed amount of SEK 200,000 to be paid out in proportion to board meetings attended. The fees to the directors remain unchanged compared to previous year. The auditors will be paid as per invoice.
- Re-election of the directors Björn Cochlovius, Tse Ping, Theresa Tse, Anna Lefevre Skjöldebrand and Ben Toogood. Re-election of Björn Cochlovius as Chairman of the Board of Directors. The Nomination Committee proposes that voting shall take place individually.

- Re-election of Ernst & Young Aktiebolag as auditor in accordance with the audit committee's recommendation, currently with Oskar Wall as auditor in charge, for the time until the end of the 2022 Annual General Meeting.
- The Nomination Committee shall have five members. Every year, the five largest owners (voting power, as set forth in the share register kept by Euroclear Sweden AB as of the last banking day in August) shall appoint one member each. The chairman of the Board of Directors shall convene the first meeting. If a shareholder does not exercise its right to appoint a member, the shareholder next in order of voting power, who has not already appointed a member or has a right to appoint a member, shall have the right to appoint a member to the Nominating Committee. The members of the Nomination Committee shall be made public as soon as the members have been appointed, and in no case later than six months prior to the Annual General Meeting. The members shall among themselves appoint the chairman of the committee. If a member resigns or is prevented from pursuing his/her assignment, the shareholder that has appointed such member shall appoint a new member. In the event that the shareholding in the Company is materially changed, before the Nomination Committee has completed its assignment, the Nomination Committee may decide to change the composition of the Nomination Committee, as determined by the Nomination Committee (considering the principles applicable for the appointment of the Nomination Committee). Any change in the composition of the Nomination Committee shall be announced as soon as possible. No fees shall be paid to the members of the Nomination Committee. Out of pocket expenses shall be reimbursed by the Company. The mandate of the committee shall be until the members of the succeeding committee have been announced.

The Nomination Committee is to make proposals to the Annual General Meeting regarding the election of Chair of the Annual General Meeting, number of board members, Chair of the Board and other board members and remuneration to the board members. The Nomination Committee is also to make proposals regarding the company's auditor, remuneration to the company's auditor and election of members of the Nomination Committee or principles for the selection of a Nomination Committee. The Nomination Committee shall conduct an annual evaluation of this instruction and when necessary propose to amend it to the Annual General Meeting. The Nomination Committee shall otherwise carry out the tasks that, according to the Swedish Corporate Governance Code, are the responsibility of the Nomination Committee.

The Nomination Committee, Solna in March 2021