

Unofficial translation of Minutes from the Annual General Meeting of shareholders of Investment AB Kinnevik (publ), company reg. no. 556047-9742, 18 May 2015 at Hotel Rival in Stockholm.

Time: 10.00 - 13.15 CET.

**Present:** Shareholders and proxy holders, Appendix 1, stating the number of shares and votes.

Furthermore, noted as present were the Chairman of the Board Cristina Stenbeck (also the Chairman of the Nomination Committee), Board members Tom Boardman, Vigo Carlund, Wilhelm Klingspor, Erik Mitteregger and John Shakeshaft, the proposed new Board member Anders Borg, the Chief Executive Officer and President Lorenzo Grabau, the Chief Financial Officer Joakim Andersson and the auditor-in-charge Jan Berntsson.

## **§ 1**

### Opening of the Annual General Meeting (agenda item 1)

Cristina Stenbeck opened the Annual General Meeting and welcomed the shareholders.

## **§ 2**

### Election of Chairman of the Annual General Meeting (agenda item 2)

Cristina Stenbeck presented the Nomination Committee's proposal, that the lawyer Wilhelm Lünig should be elected to be Chairman of the Meeting.

It was noted that Thorwald Arvidsson considered that the proposed Chairman of the Meeting was conflicted to lead the Meeting, Thorwald Arvidsson however informed that he did not submit a counter-proposal to the Nomination Committee's proposal for Chairman of the Meeting.

Cristina Stenbeck found that there were no other proposals than the Nomination Committee's regarding Chairman of the Meeting. The Meeting elected the lawyer Wilhelm Lünig as Chairman of the Meeting, in accordance with the Nomination Committee's proposal.

The Chairman informed that Samuel Sjöström had been appointed to act as minutes keeper at the Annual General Meeting, that the Meeting was simultaneously interpreted, that an audio recording for internal use was made in order to facilitate the preparation of the minutes and that other audio or video recording was not permitted.

The Chairman informed the Meeting on the voting procedures with electronic voting devices for such resolutions that the Companies Act specifically provides for a heightened majority requirement, items 19, 20 and 21(a)-(c) on the proposed agenda, and also if voting was requested.

The Meeting resolved that shareholders who had not given notice to attend, invited guests, representatives of media and other persons who were not shareholders were entitled to attend the Meeting, but without the rights to making statements and participate in the Meeting's resolution.

### **§ 3**

#### Preparation and approval of the voting list (agenda item 3)

The Meeting approved the procedure for drawing up the voting list and that the list of shareholders who had given notice to attend and were present at the Meeting, Appendix 1, should be the voting list at the Meeting.

The Chairman informed that a number of foreign funds that were represented at the Meeting had given special voting instructions regarding certain of the proposed resolutions, and that these instructions had been recorded in the electronic voting system. Furthermore, the Chairman informed that the voting instructions were available for review at the Meeting, if any shareholder so wished, and that the voting instructions only should be recorded in the minutes in the event they would have an effect on the Meeting's resolutions.

### **§ 4**

#### Approval of the agenda (agenda item 4)

The Meeting approved the proposed agenda of the Meeting which had been included in the notice to attend the Meeting, with the amendment that the proposal from Thorwald Arvidsson under agenda item 21(f) should be addressed prior to the Meeting's resolution regarding determination of the number of Directors of the Board under agenda item 13.

The Chairman informed that the complete proposals of the Board and Nomination Committee had been included in the notice.

The statements and reports of the Board and the Nomination Committee, as well as the other documents to the Annual General Meeting, which had been held available in accordance with the Swedish Companies Act and the Swedish Corporate Governance Code, were presented.

### **§ 5**

#### Election of one or two persons to check and verify the minutes (agenda item 5)

The Meeting elected Richard Torgerson, representing Folksam, and Mathias Leijon, representing Nordea funds, to check and verify the minutes jointly with the Chairman of the Meeting.

### **§ 6**

#### Determination of whether the Annual General Meeting had been duly convened (agenda item 6)

Notice to attend the Annual General Meeting had been made by way of an announcement in the Swedish Official Gazette on 20 April 2015 and by having made the notice to attend available on the company's website since 16 April 2015, and by the company having announced information that the notice had been made in Svenska Dagbladet on 20 April 2015.

The Chairman found that notice had been made in accordance with the provisions in the Articles of Association.

The Meeting resolved to approve the notice procedure and declared the Meeting duly convened.

## § 7

### Remarks by the Chairman of the Board (agenda item 7)

Cristina Stenbeck gave her remarks on the work of the Board and commented on the Board's proposals to the Meeting.

## § 8

### Presentation by the Chief Executive Officer (agenda item 8)

Lorenzo Grabau presented the company's business and development during 2014 and during the first quarter 2015.

## § 9

### Presentation of the Annual Report and Auditor's Report and of the Group Annual Report and the Group Auditor's Report (agenda item 9)

The Annual Report of the parent company and Group Annual Report, including income statements and balance sheets in respect of the financial year 2014, were presented.

Jan Berntsson, Deloitte AB, auditor-in-charge, reported on the audit work and thereafter presented the Auditor's Report in respect of the parent company and the Group for the financial year 2014.

After the Chairman had opened for questions Richard Torgerson, representing Folksam, Albin Rännar, representing Sveriges Aktiesparares Riksförbund, Per Haukaas, Thorwald Arvidsson, Arne Svahn, Gunnar Tjellström and Astrid Langermo addressed the Meeting. The shareholders asked, among other things, questions about Kinnevik's strategy, investment policy, the level of risk in Kinnevik's portfolio of companies following that Kinnevik focuses its investments to the sectors communication and e-commerce & marketplaces, the net asset value and work with keeping the discount of the net asset value at a low level, the divestments of shares in BillerudKorsnäs and Transcom WorldWide, respectively, and new investments in e-services within the health and education sectors. Furthermore, questions were asked regarding ownership and governance in Kinnevik's listed and unlisted holdings, in particular regarding sustainability and compliance on emerging markets, the effects of currency fluctuations and the political situation in Russia, the work with equality between men and women and ethnicity as well as employee and customer satisfaction. Also questions were asked regarding the shareholding of the Directors of the Board. The questions were answered by Cristina Stenbeck and Lorenzo Grabau.

## § 10

### Resolution on the adoption of the income statement and the balance sheet and of the group income statement and the group balance sheet (agenda item 10)

The Meeting adopted the income statements and balance sheets included in the company's Annual Report for the parent company and the Group in respect of the financial year 2014.

## § 11

### Resolution on the proposed treatment of the Company's unappropriated earnings as stated in the adopted balance sheet (agenda item 11)

The Chairman presented the main terms of the Board's proposal regarding distribution of profits pursuant to the Annual Report and noted that the Board of Directors had given a reasoned

statement with respect to the distribution of the disposable funds and that the auditor had endorsed the proposed treatment of the unappropriated earnings.

The Meeting resolved, in accordance with the Board's proposal, that the unappropriated earnings at the Meeting's disposal should be distributed through a dividend of SEK 7.25 per share and that the remaining unappropriated earnings should be carried forward.

The Meeting further determined, in accordance with the Board's proposal, that the record date for entitlement to payment of dividend should be 20 May 2015.

The Chairman informed that the payment of dividend was expected to be made to the shareholders on 27 May 2015.

## **§ 12**

### Resolution on the discharge from liability for the Directors of the Board and the Chief Executive Officer (agenda item 12)

The Meeting discharged the Board and the Chief Executive Officer from liability for the management of the company and its affairs during the financial year 2014.

It was noted that the members of the Board and the Chief Executive Officer did not take part in the resolution and it was recorded that all shareholders attending the Meeting supported the resolution, except for those shareholders that had given special instructions for no and abstain votes.

## **§ 13**

### The Chairman of the Nomination Committees account of the Nomination Committee's work and proposals

Cristina Stenbeck accounted for the Nomination Committee's work to the Meeting and presented the Nomination Committee's motivated proposal regarding the Board and also thanked the resigning Director of the Board, and former CEO and President for Industriförvaltnings AB Kinnevik and after that Investment AB Kinnevik, Vigo Carlund, for his work and commitment to Kinnevik during nearly 50 years.

Vigo Carlund gave a short remark regarding his time at Kinnevik.

## **§ 14**

### Proposal for resolution by shareholder (agenda item 21(f))

Thorwald Arvidsson commented on his proposal according to agenda item 21(f).

After voting had been requested and completed it was found that the Meeting resolved, with 99.847 per cent of the votes cast, to reject Thorwald Arvidsson's proposal.

Thorwald Arvidsson made a reservation against the resolution.

## **§ 15**

### Determination of the number of Directors of the Board (agenda item 13)

The Meeting resolved that, for the period until the close of the next Annual General Meeting, the Board of Directors shall consist of seven members.

## **§ 16**

### Determination of the remuneration to the Directors of the Board and the auditor (agenda item 14)

The Chairman presented the Nomination Committee's proposals regarding remuneration to the Board and the auditor, which included that, for the period until the next Annual General Meeting, SEK 2,100,000 was proposed to be allocated to the Chairman of the Board, SEK 1,000,000 to the two deputy Chairmen of the Board, SEK 525,000 to each of the other directors of the Board and a total of SEK 850,000 for the work in the committees of the Board. For work within the Audit Committee SEK 175,000 was proposed to be allocated to the Chairman and SEK 85,000 to each of the other two members, for work within the Remuneration Committee SEK 100,000 was proposed to be allocated to the Chairman and SEK 50,000 to each of the other three members and for work within the Investment Committee SEK 85,000 was proposed to be allocated to each of the three Board members. Remuneration to the auditor was proposed to be paid in accordance with approved invoices.

The Meeting resolved in accordance with the proposal.

## **§ 17**

### Election of the Directors of the Board and the Chairman of the Board (agenda item 15)

The Chairman informed the Meeting of the assignments the proposed Directors of the Board held in other companies and that the Nomination Committee's assessment regarding the Directors' independence had changed since the Nomination Committee's motivated statement was disclosed as five of seven Directors now were considered to be independent in relation to major shareholders.

In accordance with the Nomination Committee's proposal the Meeting re-elected Tom Boardman, Dame Amelia Fawcett, Wilhelm Klingspor, Erik Mitteregger, John Shakeshaft and Cristina Stenbeck as Board Directors and elected Anders Borg as new Director of the Board for the period until the end of the next Annual General Meeting. The Meeting re-elected Cristina Stenbeck as Chairman of the Board.

The Chairman informed that the Board at its constituent meeting would appoint Dame Amelia Fawcett and Anders Borg as deputy Chairmen of the Board.

## **§ 18**

### Approval of the procedure of the Nomination Committee (agenda item 16)

The Chairman presented the main terms of the Nomination Committee's proposal in respect of approval of the procedure of the Nomination Committee in accordance with Appendix 2.

Thorwald Arvidsson proposed that the Nomination Committee's proposal should add: "When fulfilling its assignment, the Nomination Committee should pay particular attention to issues connected to gender and ethnicity." as a new next to last paragraph.

After the Nomination Committee's proposal was put against Thorwald Arvidsson's proposal, the Chairman noted that the Meeting resolved in accordance with the Nomination Committee's proposal.

Thorwald Arvidsson made a reservation against the resolution.

## § 19

### Resolution regarding guidelines for remuneration to senior executives (agenda item 17)

Erik Mitteregger, member of the Remuneration Committee, explained the background for, and presented the main terms and conditions of the Board's proposal to resolve on (i) guidelines for remuneration to the senior executives (ii) modification of the 2014 option plans, and (iii) incentive plan.

The Chairman noted that the auditor had made a statement that the guidelines that the previous Annual General Meeting resolved on had been followed by the company.

The Meeting resolved in accordance with the proposal in Appendix 3 regarding guidelines for remuneration to senior executives.

## § 20

### Resolution regarding modification of the 2014 option plans (agenda item 18)

The Meeting resolved in accordance with the proposal in Appendix 4 regarding modification of the 2014 option plans.

## § 21

### Resolution regarding incentive programme (agenda items 19(a) and (b))

The Meeting resolved, with 99.795 per cent of the votes cast and with 94.928 per cent of the shares represented at the Meeting, in accordance with the proposal in Appendix 5, including resolutions regarding (a) adoption of the incentive plan and (b) transfer of own Class B shares.

## § 22

### Resolution to authorise the Board to resolve on repurchase of own shares (agenda item 20)

The Chairman presented the main terms of the Board's proposal to authorise the Board to resolve on repurchase of own shares in accordance with Appendix 6, and further noted that the Board had given a reasoned statement regarding the repurchase proposal.

The Meeting resolved, with 99.816 per cent of the votes cast and with 97.189 per cent of the shares represented at the Meeting, in accordance with the proposal.

## § 23

### Resolution on proposals from shareholder (a)-(e) (agenda items 21(a)-(e))

It was noted that the proposal in agenda item 21(f) already had been addressed.

Thorwald Arvidsson commented his proposals in agenda items 21(a)-(e).

Cristina Stenbeck commented Thorwald Arvidsson's proposal under 21(b).

The Chairman informed the Meeting on the rules and majority requirements for resolutions regarding special examination.

The Meeting resolved to reject Thorwald Arvidsson's proposals regarding special examination according to agenda items 21(a)-(c). It was noted that Thorwald Arvidsson's proposal according to agenda item 21(a) was supported by 0.371 per cent of the votes represented at the Meeting and 0.209 per cent of all shares in the company, that Thorwald Arvidsson's proposal according to agenda item 21(b) was supported by 0.372 per cent of the votes represented at the Meeting and 0.210 per

cent of all shares in the company, and that Thorwald Arvidsson's proposal according to agenda item 21(c) was supported by 0.391 per cent of the votes represented at the Meeting and 0.220 per cent of all shares in the company.

The Meeting resolved to reject Thorwald Arvidsson's proposals according to agenda items 21(d)-(e). Thorwald Arvidsson made a reservation against the resolutions.

#### **§ 24**

##### Closing of the Annual General Meeting (agenda item 22)

The Chairman declared the Meeting closed.

---

At the minutes:

Samuel Sjöström

Minutes checkers:

Wilhelm Lüning

Richard Torgerson

Mathias Leijon

**Procedure of the Nomination Committee (item 16 on the agenda)**

---

The Nomination Committee proposes that the work of preparing proposals to the 2016 Annual General Meeting regarding the Board and auditor, in the case that an auditor should be elected, and their remuneration, Chairman of the Annual General Meeting and the procedure for the Nomination Committee shall be performed by a Nomination Committee.

The Nomination Committee will be formed during September 2015 in consultation with the largest shareholders of the company as per 31 August 2015. The Nomination Committee will consist of at least three members appointed by the largest shareholders of the company who have wished to appoint a member. Cristina Stenbeck will be a member of the Committee and will also act as its convener. The members of the Committee will appoint the Committee Chairman at their first meeting.

The Nomination Committee is appointed for a term of office commencing at the time of its formation in September 2015 and ending when a new Nomination Committee is formed. If a member resigns during the Committee term, the Nomination Committee can choose to appoint a new member. The shareholder that appointed the resigning member shall be asked to appoint a new member, provided that the shareholder still is one of the largest shareholders in the company. If that shareholder declines participation on the Nomination Committee, the Committee can choose to ask the next largest qualified shareholder to participate. In the event of changes to the ownership structure of the company, the Committee can choose to change its composition in order to ensure that the Committee reflects the ownership of the company. However, unless there are special circumstances, the composition of the Nomination Committee may remain unchanged following changes in the ownership structure of the company that are either minor or occur less than three months prior to the 2016 Annual General Meeting. In all cases, the Nomination Committee shall consist of at least three members.

The Nomination Committee shall have the right to upon request receive personnel resources such as secretarial services from the company, and to charge the company with costs for recruitment consultants and related travel if deemed necessary.

### **Guidelines for remuneration to senior executives (item 17 on the agenda)**

---

The Board proposes the following guidelines for remuneration to senior executives in Kinnevik. Senior executives covered include the Chief Executive Officer and the other persons in the executive management of Kinnevik (the "**Senior Executives**") as well as Members of the Board to the extent they are remunerated outside their Board duties.

The objectives of Kinnevik's remuneration guidelines are to offer competitive compensation to attract, motivate and retain key employees. The aim is to create incentives for the Senior Executives to execute strategic plans and deliver excellent operating results and to align their incentives with the interests of the shareholders. The intention is that all Senior Executives shall have a significant long-term shareholding in the company. Should Kinnevik establish operations, in the form of a co-investment vehicle or other similar structure, for the purpose of investing third-party capital, Kinnevik and Kinnevik professionals may receive compensation based on the result of such operations.

The remuneration to the Senior Executives shall consist of an annual fixed salary, short-term variable remuneration paid in cash, the possibility to participate in long-term share or share-price related incentive programmes, pension and other customary benefits.

- The fixed salary is revised each year and based on the Senior Executive's competence and area of responsibility.
- The short-term variable remuneration paid in cash (STI) shall be based on performance in relation to established targets. The targets shall be individual and measurable as well as linked to specific performances, processes and transactions. The STI can amount to a maximum of 100 percent of the fixed salary and a part of the STI shall be invested in Kinnevik's shares.
- Should Kinnevik establish operations, in the form of a co-investment vehicle or other similar structure, Kinnevik professionals (including members of the executive management), subject to making a co-investment, may receive additional variable remuneration paid in cash. Such remuneration will be a function of the amount of third-party capital raised and will be payable only if the returns generated on such third party capital exceed certain pre-determined minimum thresholds. The remuneration will be capped in relation to the return received by Kinnevik.
- The long-term share or share-price related incentive programmes (LTI) shall be linked to certain pre-determined financial and / or share or share-price related performance criteria and shall ensure a long-term commitment to the development of the company.
- Other benefits may include a company car, housing benefits for expatriated Senior Executives for a limited period of time, as well as other customary benefits. Other benefits shall not constitute a significant part of total remuneration. The Senior Executives also may be offered health care insurances.
- The Senior Executives are offered defined contribution pension solutions, with premiums amounting to a maximum of 30 percent of the fixed salary, these premiums are paid to insurance companies. Senior Executives that are non-Swedish residents may be offered, if it is approved by the Board, cash-based pension solutions corresponding to the premiums that otherwise would have been paid to insurance companies.
- In the event of notice of termination of employment being served by the company, the Chief Executive Officer is entitled to salary for a period of a maximum of 18 months and the other Senior Executives are entitled to salary for a period of a maximum of 12 months.

Board Members, elected at General Meetings, in certain cases may receive a fee for services performed within their respective areas of expertise, outside of their Board duties. Compensation for these services shall be paid at market terms and be approved by the Board.

In special circumstances, the Board may deviate from the above guidelines. In such case, the Board is obligated to give account for the appearance of, and the reason for, the deviation at the following Annual General Meeting.

### **Modification of the 2014 option plans (item 18 on the agenda)**

---

The 2014 Annual General Meeting resolved to adopt two inter-linked option plans which included payment of cash subsidies: a call option plan for all employees in Kinnevik and a synthetic call option plan for certain persons in the executive management and other key persons in Kinnevik working with Kinnevik's investments in unlisted companies (the "**Option Plans**"). For the reasons described in its Report according to the Swedish Corporate Governance Code 9.1 and 10.3, the Board has resolved not to launch the Option Plans. Accordingly, the Board has, subject to the approval of the Annual General Meeting, resolved on an alternative remuneration model for the employees that were entitled to participate in the Option Plans. This alternative model retains the economic characteristics of the Option Plans, but now provides that the participants receive cash compensation from Kinnevik which is conditional upon the employee making an investment in Kinnevik shares, instead of options issued under the Option Plans ("**LTI 2014**"). Such shares shall be acquired on Nasdaq Stockholm, shall be allocated to LTI 2014 and may not be shares already held by the employee. In addition the terms and conditions for LTI 2014 are as follows:

- The cash compensation, net after taxes, will correspond to 50 percent of the price paid for the Kinnevik shares that the participant has acquired and allocated to LTI 2014.
- The maximum amount to be paid to each participant will be based on competence and area of responsibility, in accordance with the principles that were established by the 2014 Annual General Meeting, and remain unchanged from the Option Plans.
- The cash compensation will be paid in three equal instalments over three (3) years, provided that, at the time each instalment is paid, the participant is still employed by Kinnevik, or an associated company, and has not sold the shares acquired and allocated to LTI 2014.

The total estimated cost to Kinnevik remains unchanged compared to the Option Plans and could give rise to a maximum cost of SEK 21.1 million, including social security costs.

Referring to the description above the Board proposes that the Annual General Meeting approves LTI 2014.

## **Incentive plan (items 19(a) and (b) on the agenda)**

---

The Board proposes a share-based incentive plan for all employees in Kinnevik ("LTI 2015") as follows.

### ***Adoption of an incentive plan (item 19(a))***

#### *LTI 2015 in brief*

The objective of LTI 2015 is to link a part of the employees' remuneration to the long-term value growth of Kinnevik and the Kinnevik share and, thereby, align the employees' interests with those of shareholders. In addition, LTI 2015 will be an important program for Kinnevik to recruit, motivate and retain the best talent for Kinnevik; this is vital in order for Kinnevik to achieve long-term value-growth for the shareholders. LTI 2015 is based on the same structure as the share based incentive plans adopted during 2008-2013.

All employees in Kinnevik will be entitled to participate in LTI 2015. In order to participate employees will be required to invest in Kinnevik shares. Based on competence, area of responsibility and personal investment in Kinnevik shares, the participants will be granted rights to receive Kinnevik Class B shares, free of charge, subject to the terms and conditions of LTI 2015 (the "**Share Awards**"). If the participant after the release of Kinnevik's interim financial report for the period January-March 2018 (i) is still employed by Kinnevik or an associated company, (ii) has retained the Kinnevik shares, and (iii) the performance-based conditions for the Share Awards during 1 April 2015 - 31 March 2018 (the "**Measurement Period**") have been reached, Kinnevik will award the participants Kinnevik Class B shares.

The maximum numbers of Kinnevik Class B shares that may vest under LTI 2015 will be limited to 280,000, including compensation for paid dividends; this represents approximately 0.10 percent of the outstanding shares and 0.04 percent of the outstanding votes.

#### *Participants in LTI 2015*

All employees in Kinnevik (maximum 40 persons) will be entitled to participate in LTI 2015.

#### *Personal investment in Kinnevik shares*

In order to participate in LTI 2015, the employees will be required to personally own Kinnevik shares and to allocate such shares to LTI 2015 (the "**Investment Shares**"). The Investment Shares may either be shares acquired for LTI 2015 or shares already held (which are not allocated to the 2013 long-term incentive plan or which already have been acquired and allocated to LTI 2014). If the participant has inside information and, therefore, is prevented from purchasing Kinnevik shares in connection with giving notice of participation in the LTI 2015, acquisition of shares shall take place as soon as possible but no later than the 2016 Annual General Meeting.

#### *Terms and conditions for the Share Awards*

All Share Awards shall be governed by the following terms and conditions:

- Share Awards are granted free of charge after the 2015 Annual General Meeting and will vest after the release of Kinnevik's interim financial report for the period January-March 2018 (the "**Vesting Period**").
- One (1) Share Award entitles the participant to receive one (1) Kinnevik Class B share, as long as the participant (i) is employed by Kinnevik or an associated company, (ii) has retained the Investment Shares at the close of the Vesting Period, and (iii) the relevant performance conditions for the Share Awards have been reached. Exceptions to the condition that the participant must be employed throughout the Vesting Period can be approved by the Board in certain cases, including, but not limited to, death, disability, retirement, divestiture by

Kinnevik of the company in which the participant is employed and if the participant's age (years) and term of employment (years) in aggregate exceed 60.

- Share Awards may not be transferred or pledged.
- In order to align the participants' and shareholders' interests Kinnevik will pay compensation for dividends paid by increasing the number of shares that each Share Award entitles the employee to receive.

The Share Awards are divided into Series A (the "**Matching Share Awards**") and Series B and C ("**Performance Share Awards**"). The number of shares that vest is based on the participant's competence and area of responsibility and on the level of fulfilment of the following defined performance conditions applicable for the Share Awards:

*Series A* Kinnevik's total return on the Class B share (TSR) during the Measurement Period exceeding 0 percent as entry level.

*Series B* Kinnevik's average annual total return on the Class B share (TSR) during the Measurement Period being 10 percent as entry level and 15 percent or higher as the stretch target.

*Series C* Average annual net asset value development, inclusive of dividend payments, during the Measurement Period being 10 percent as entry level and 15 percent or higher as the stretch target.

If the entry level is reached, the number of Share Awards that vest is proposed to be 100 percent for Series A and 20 percent for Series B and C. If the stretch target is met for Series B or C all Share Awards shall vest in that series. Where the level of fulfilment for Share Awards of Series B or C is between the entry level and stretch target, vesting of Class B shares will occur on a linear basis. If the entry level is not reached for a certain series, all Share Awards in that series shall lapse.

Information about the outcome of LTI 2015 will be presented in the 2018 annual report.

#### *Allocation*

LTI 2015 is proposed to comprise up to 47,000 Investment Shares entitling employees to receive, in aggregate, up to 248,000 Share Awards, of which 47,000 are Matching Share Awards and 201,000 are Performance Share Awards (100,500 Performance Share Awards of Series B and C, respectively). In accordance with the above principles and assumptions, LTI 2015 in principle will comprise up to the following number of Investment Shares and Share Awards for different participants:

- the Chief Executive Officer of Kinnevik can allocate up to 5,000 Investment Shares. Each Investment Share entitles the Chief Executive to receive 1 Matching Share Award of Series A and 3 Performance Share Awards of Series B and C, respectively. In total 7 Share Awards for each Investment Share;
- approximately 9 employees in Kinnevik can allocate up to 2,000 Investment Shares. Each Investment Share entitles these employees to receive 1 Matching Share Award of Series A and 2.25 Performance Share Awards of Series B and C, respectively. In total 5.5 Share Awards for each Investment Share;
- approximately 8 employees in Kinnevik can allocate up to 1,500 Investment Shares. Each Investment Share entitles these employees to receive 1 Matching Share Award of Series A and 2.25 Performance Share Awards of Series B and C, respectively. In total 5.5 Share Awards for each Investment Share;
- approximately 12 employees of Kinnevik can allocate up to 700 Investment Shares. Each Investment Share entitles these employees to receive 1 Matching Share Award of Series A and 1.5 Performance Share Awards of Series B and C, respectively. In total 4 Share Awards for each Investment Share; and
- approximately 9 employees of Kinnevik can allocate up to 400 Investment Shares. Each Investment Share entitles these employees to receive 1 Matching Share Award of Series A

and 1.5 Performance Share Awards of Series B and C, respectively. In total 4 Share Awards for each Investment Share.

*Scope, costs and effects on important key ratios*

LTI 2015 will be accounted for in accordance with IFRS 2 which stipulates that the Share Awards are to be recorded as a personnel expense in the income statement during the Vesting Period. Based on the assumptions of a share price of SEK 288.10 (closing share price of the Kinnevik Class B share on 31 March 2015), a maximum participation, an annual employee turnover of 10 percent, an average fulfilment of performance conditions (Series B and C) of approximately 50 percent and full vesting of the Matching Share Awards of Series A, the cost for the Plan, excluding social security costs, is estimated to be approximately SEK 26.4 million. The cost will be allocated over the years 2015 – 2018.

The estimated social security costs also will be recorded as a personnel expense by current reservations. The social security costs are estimated at around SEK 8.5 million using the assumptions set out above, an average social security tax rate of approximately 20 percent and an annual share price increase of 10 percent on the Kinnevik Class B share during the Vesting Period.

Recalculation of final allotments of shares to the participants shall take place in the event of an intervening bonus issue, reversed split, split, rights issue and/or other similar events.

The participant's maximum profit per Share Award is limited to SEK 820 (including possible compensation that the participants receive for dividends paid to shareholders). This maximum profit corresponds to approximately three times the average closing share price of the Kinnevik Class B share during February 2015. If the value of the Kinnevik Class B share at vesting exceeds SEK 820, the number of shares each Share Award entitles the participant to receive will be reduced accordingly.

The maximum dilution is no more than 0.10 percent in terms of shares outstanding, 0.04 percent in terms of votes and 0.06 percent in terms of costs for LTI 2015 as defined in IFRS 2 in relation to Kinnevik's market capitalisation.

If the maximum profit of SEK 820 per Share Award is reached, all Investment Shares retained and the fulfilment of the performance conditions is 100 percent, the maximum cost of LTI 2015 as defined in IFRS 2 is approximately SEK 47.1 million, and the maximum social security cost is approximately SEK 40.7 million.

The costs and dilution are expected to have only a marginal effect on key ratios of the Kinnevik Group.

*Preparation and administration*

The Board, or the Remuneration Committee, shall be responsible for preparing the detailed terms and conditions of LTI 2015, in accordance with the terms and guidelines set out above. In connection therewith, the Board shall be entitled to make adjustments to meet foreign regulations or market conditions and, in connection with delivery of shares to participants in Sweden, offer cash-settlement in order to cover the participant's Swedish taxation costs upon vesting. The Board also may make certain other adjustments, including deciding to reduce the allotment of shares for all employees, or for certain categories of employees, covered by the LTI 2015, if material changes occur within the Kinnevik or in the market that, in the Board's assessment, mean that the terms and conditions for the allotment of shares under LTI 2015 no longer fulfil the main objectives of LTI 2015.

*Delivery of shares to the participants under LTI 2015*

Delivery of Kinnevik shares, subject to the terms and conditions of LTI 2015, will be made by transfer, free-of-charge, of Class B shares held by the company to the participants during 2018 in accordance with item 19(b). The Board does not currently propose any other method for securing the undertakings to deliver shares to the participants.

### *Preparation of the proposal*

Kinnevik's Remuneration Committee has prepared LTI 2015 in consultation with external advisors and major shareholders. LTI 2015 has been reviewed at meetings of the Board during the end of 2014 and the first months of 2015.

### *Information regarding other incentive programmes in Kinnevik*

Please refer to the 2014 Annual Report, note 25, and the company's website [www.kinnevik.se](http://www.kinnevik.se), for information regarding Kinnevik's on-going share or share price-related incentive programmes.

### ***Transfer of own Class B shares (item 19(b))***

The Board proposes that up to 280,000 Class B shares held by Kinnevik may be transferred, free of charge, to the participants, subject to the terms and conditions of LTI 2015, including compensation for paid dividends.

The number of shares that may be transferred to the participants shall be subject to recalculation in the event of an intervening bonus issue, reversed split, split, rights issue and/or other similar events.

### **Other information**

#### Special majority requirements

A valid resolution to adopt the proposed LTI 2015 under item 19(a) requires that the proposal is supported by a simple majority of the votes cast. A valid resolution regarding the proposed transfer of own B-shares under item 19(b) requires that the proposal is supported by shareholders holding at least nine-tenths of both the votes cast and the shares represented at the Annual General Meeting. The resolutions under items 19(a) and (b) are conditional upon each other.

**Authorisation for the Board to resolve on repurchase of own shares (item 20 on the agenda)**

Authorisation for the Board to resolve on repurchase of own shares (item 20)

The Board proposes that the Board is authorised to pass a resolution on repurchasing the company's own shares if the purpose is to retire shares through a decrease of the share capital in accordance with the following conditions:

- The repurchase of Class A shares and/or Class B shares shall take place on the Nasdaq Stockholm following the rules set out by Nasdaq Stockholm regarding re-purchase of own shares.
- The repurchase of Class A shares and/or Class B shares may take place on one or more occasions for the period up until the next Annual General Meeting.
- So many Class A shares and/or Class B shares may, at the most, be repurchased so that the company's holding does not at any time exceed 10 percent of the total number of shares in the company.
- The repurchase of Class A shares and/or Class B shares at the Nasdaq Stockholm may occur at a price per share within the share price interval registered at that time, where share price interval means the difference between the highest buying price and the lowest selling price.
- It is the from time to time the lowest-priced, available, shares that shall be repurchased by the company.
- Payment for the shares shall be in cash.

The purpose of the authorisation is to give the Board more options in its efforts to deliver long-term shareholder value and total return.

**Other information**

Special majority requirements

A valid resolution to authorise the Board to re-purchase own shares under item 20 requires support by shareholders holding not less than two-thirds of both the votes cast and the shares represented at the Annual General Meeting.

Documentation

The reasoned statement of the Board pursuant to Ch 19 Sec 22 of the Swedish Companies is available at the company's website [www.kinnevik.se](http://www.kinnevik.se), at the company's office at Skeppsbron 18 in Stockholm and will be sent to those shareholders who so request and state their postal address or email address. The documentation can be ordered at phone +46 (0)771-246 400 or by mail to Investment AB Kinnevik c/o Computershare AB, P.O. Box 610, SE-182 16 Danderyd, Sweden.