

*The English text is an unofficial translation. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.*

## **THE NOMINATION COMMITTEE'S PROPOSAL AND REASONED STATEMENT REGARDING ITS PROPOSAL FOR BOARD MEMBERS INCLUDING A REPORT ON THE NOMINATION COMMITTEE'S WORK**

### **1. BACKGROUND**

- 1.1. At the annual shareholders' meeting in Alligator Bioscience AB on 26 April 2018, it was resolved to adopt an instruction and charter for the Nomination Committee according to which the Nomination Committee shall consist of four members representing the three largest shareholders as per the last weekday of June, together with the Chairman of the board. The largest shareholders refers to the registered shareholders or otherwise known shareholders on the last weekday of June.
- 1.2. In accordance with the adopted instruction, a Nomination Committee for the annual shareholders' meeting of 2019 has been constituted consisting of Lars Bergkvist (Chairman) representing Lars Spånberg, Kirsten Drejer representing Sunstone Life Science Ventures Fund II K/S and Jonas Sjögren representing Jonas Sjögren, as well as the Chairman of the board, Peter Benson. The composition of the Nomination Committee was announced on 6 November 2018.

### **2. THE NOMINATION COMMITTEE'S PROPOSAL FOR BOARD MEMBERS**

- 2.1. The Nomination Committee proposes;
  - that the board shall consist of eight ordinary board members,
  - that Graham Dixon and Kirsten Drejer are elected as new board members,
  - that Peter Benson, Carl Borrebaeck, Ulrika Danielsson, Anders Ekblom, Kenth Petersson and Jonas Sjögren are re-elected as board members, and
  - that Peter Benson is re-elected as Chairman of the board.

Information on the persons proposed for new elections:

Graham Dixon – born 1961, has a PhD in biochemistry from Swansea University and is the head of R&D for the Zaluvida group, and CEO of its subsidiary Neem Biotech. Dixon has extensive experience in discovering and developing novel drugs, with applications for both orphan and mainstream disease indications. Previous experiences include inter alia head of R&D and CSO of Onxeo, Galapagos, Sensorion Pharma and Addex Therapeutics.

*Other current positions:* Chairman of the board of HepaRegeniX GmbH and board member of SAB InterRNA BV.

*Shareholding in Alligator Bioscience AB:* 0

*Independency:* Considered as independent in relation to the company and its senior management as well as in relation to major shareholders.

Kirsten Drejer – born 1956, has a PhD in pharmacology from Copenhagen University. Drejer is co-founder of Symphogen and served as its CEO for more than sixteen years. Previous experiences include inter alia several scientific and managerial positions at Novo Nordisk including Director of Diabetes Discovery and Corporate Facilitator. *Other current positions:* Chairman of the board of Antag Therapeutics, Bioneer and ResoTher Pharma, vice Chairman of the board of Zealand Pharma and board member of BioPorto and Lyhne & Co.

*Shareholding in Alligator Bioscience AB:* 0

*Independency:* Considered as independent in relation to the company and its senior management as well as in relation to major shareholders.

### **3. THE NOMINATION COMMITTEE'S REASONED STATEMENT**

- 3.1. The Nomination Committee has been constituted with regard to the shares and votes in the company as per 29 June 2019. The Nomination Committee has held five formal meetings and has had continuous contacts by telephone.
- 3.2. The company's shareholders have been informed that it has been possible to submit proposals for board members no later than 31 January 2019. No such proposals have been received.
- 3.3. The aim of the Nomination Committee's work has primarily been to create an appropriate composition of the board, through which the members combined expertise and experience creates a broad base that conforms well to the company's activity, stage of development and other conditions in general. The board shall be characterized by diversity and width with reference to the members' skills, experience and background.
- 3.4. The Nomination Committee has noted the evaluation of the board and has considered what competences and qualities the members of the board should have. The Nomination Committee is of the opinion that the work of the board is well-functioning and that the composition and competence of the board meet the set requirements well. However, the Nomination Committee has considered that the board members proposed for new elections will add valuable complementary knowledge and experience to the board. Based on the information provided, the Nomination Committee has also assessed the proposed board members possibilities to set aside the time required for the assignment.
- 3.5. The Nomination Committee has made the assessment that the proposed composition of eight members of the board meets well with the company's needs as well as the requirements of the Swedish Code of Corporate Governance (*Sw. Svensk kod för bolagsstyrning*).
- 3.6. The Nomination Committee has considered the requirements of the Swedish Code of Corporate Governance that an even gender balance shall be strived for. The Nomination Committee has applied Rule 4.1 of the Swedish Corporate Governance as diversity policy, which states that the composition of the board shall be characterized by diversity and breadth with respect to qualifications, experience and background of the board members and that an even gender balance shall be strived for. The Nomination Committee has considered the question regarding an even gender balance and the Nomination Committee can, unfortunately, conclude that the proposed composition of the board will not correspond to the level of ambition of which 40 percent of the board members shall represent the underrepresented sex. However, the Nomination

Committee notes in connection herewith, that the employee representative who has been appointed to the board is a woman. The Nomination Committee's ambition is that the gender balance shall increase further over time, and at least correspond to the levels expressed by the Swedish Corporate Governance Board.

- 3.7. The Nomination Committee also considers that the proposed composition of the board fulfills the requirements of the Swedish Code of Corporate Governance regarding the independence of the members of the board. According to the Nomination Committee, all proposed board members, except Carl Borrebaeck, are to be considered independent in relation to the company, its senior management and larger shareholders. Carl Borrebaeck is to be considered non-independent in relation to the company and its senior management, but independent in relation to major shareholders.
- 3.8. Information on the board members who are proposed for new elections is stated above. Information on the board members who are proposed for re-election can be found at the company's website and in the Annual Report (see [www.alligatorbioscience.com](http://www.alligatorbioscience.com)).

#### **4. THE NOMINATION COMMITTEE'S OTHER PROPOSALS FOR THE ANNUAL SHAREHOLDERS' MEETING OF 2019**

- 4.1. The Nomination Committee proposes that the Chairman of the board, Peter Benson, is elected as Chairman of the meeting.
- 4.2. The Nomination Committee proposes, in accordance with the recommendation from the Audit Committee, that one registered public accounting firm without deputy is appointed, and that Ernst Young AB is re-elected as auditor. Ernst & Young AB has informed that the authorized public accountant Johan Thuresson will continue to be appointed as the responsible auditor. Remuneration for the auditor is proposed to be paid in accordance with customary norms and approved invoice.
- 4.3. The Nomination Committee proposes that remuneration shall be paid with SEK 550,000 to the Chairman of the board (SEK 550,000 previous year) and with SEK 300,000 to each of the other board members who are not employed by the company (SEK 300,000 previous year). Furthermore, remuneration is proposed for committee work with SEK 125,000 to be paid to the Chairman of the Audit Committee (SEK 125,000 previous year), SEK 30,000 to each of the other members of the Audit Committee (SEK 30,000 previous year) and SEK 25,000 to the Chairman of the Remuneration Committee (SEK 25,000 previous year). For other members of the Remuneration Committee, it is proposed that no remuneration should continue to be paid.
- 4.4. Finally, regarding the instruction and charter for the next year's Nomination Committee, the Nomination Committee proposes that an instruction and charter shall be adopted in accordance with the [schedule](#).

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Lund in April 2019

The Nomination Committee in Alligator Bioscience AB (publ)