

INSTRUCTION AND CHARTER FOR THE NOMINATION COMMITTEE

in Alligator Bioscience AB

1. INTRODUCTION

- 1.1. The board of directors of Alligator Bioscience AB (the “Company”) proposes that a Nomination Committee shall be appointed before the coming election and remuneration in the Company.
- 1.2. The purpose of this charter and instruction for the Nomination Committee is to establish principles for appointing the Nomination Committee, the procedure for replacing any member who leaves the Nomination Committee before its work is completed and the Nomination Committee’s responsibilities in accordance with the requirements under the Swedish Corporate Governance Code (the “Code”).

2. APPOINTMENT OF THE NOMINATION COMMITTEE

- 2.1. The Nomination Committee shall consist of four members, representing the three largest shareholders at the last weekday of September, together with the Chairman of the board of directors. The three largest shareholders refer to the registered shareholders or the shareholders who are known in another way at the last weekday of September. Each member of the Nomination Committee is to consider carefully whether there is a conflict of interest before accepting the assignment.
- 2.2. If any of the three largest shareholders refrains to appoint a member of the Nomination Committee, or if such member resigns or relinquishes before completion of the assignment and the shareholder who appointed the member does not appoint a new member, the Chairman of the board of directors shall encourage the next owner in size (i.e. the fourth largest shareholder), up until the tenth largest shareholder, to appoint a shareholder representative within a week from the encouragement. If, despite such encouragements, only three members have been appointed four months prior the annual shareholders’ meeting, the Nomination Committee shall be able to constitute itself with three members and the Nomination Committee shall be able to resolve if the procedure to appoint the fourth member shall proceed or not.
- 2.3. The members of the Nomination Committee shall be announced on the Company’s website no later than six months before the annual shareholders’ meeting. If a substantial change of ownership occurs no later than six weeks before the annual shareholders’ meeting, an additional shareholder representative shall be appointed. The Chairman of the board of directors shall notify the one shareholder of the three largest shareholders who has not yet appointed a shareholder representative and encourage this shareholder to appoint such a representative. When the shareholder has appointed a

shareholder representative, this representative shall be a member of the Nomination Committee and replace the earlier member of the Nomination Committee who no longer represents one of the three largest shareholders.

- 2.4. The Nomination Committee shall fulfill the requirements on composition outlined in the Code. If the larger shareholders entitled to appoint members of the Nomination Committee wish to appoint persons who cause the requirements on Nomination Committee composition according to the Code not to be fulfilled, a larger shareholder shall take precedence for their preferred choice of member ahead of a smaller shareholder on appointing a member based on the regulation in section 2.2 above. On appointing a new member according to the regulations in section 2.3 above, the shareholder appointing a new member shall, when appointing a new member, take the current composition of the Nomination Committee in account.
- 2.5. The Nomination Committee shall appoint the Chairman of the Nomination Committee. The Chairman of the board of directors or another member of the board of directors should not be appointed as Chairman of the Nomination Committee.
- 2.6. The Nomination Committee's term shall run until such time as a new Nomination Committee has been elected.
- 2.7. Fees may be paid to the members of the Nomination Committee after a decision by the shareholders' meeting.

3. DUTIES OF THE NOMINATION COMMITTEE

- 3.1. The Nomination Committee shall submit proposals regarding:
 - a) the Chairman of the annual shareholders' meeting,
 - b) the number of board members elected by the annual shareholders' meeting,
 - c) a Chairman and other board members elected by the annual shareholders' meeting,
 - d) fees and other remuneration for each of the board members elected by the annual shareholders' meeting and for members of board committees,
 - e) the number of auditors,
 - f) the auditors,
 - g) the fee for auditors,

- h) election of a Nomination Committee, or alternatively a decision on principles for appointing a Nomination Committee, as well as instructions for the Nomination Committee, and
 - i) remuneration to the members of the Nomination Committee.
- 3.2. On preparing its proposal regarding the directors of the board, the Nomination Committee shall take part in the board of directors' evaluation of its work and take into account the requirements on board composition in the Swedish Companies Act and, when applicable, listing agreements on the relevant stock market. The Nomination Committee should also consider the requirements of the Code on the size and composition of the board of directors and consider in particular the requirement for diversity and width of the board of directors and the requirement to achieve an equal gender balance.
- 3.3. On preparing its proposal regarding auditors, the Nomination Committee shall take into account the requirements on auditors in the Swedish Companies Act.
- 3.4. On preparing its proposal for a decision on a Nomination Committee, or alternatively a decision on principles for appointing a Nomination Committee and instructions for the Nomination Committee, the Nomination Committee should take into account the requirements which the Code stipulates for such a decision. Moreover, the requirements on the Nomination Committee's composition set out in the Code should also be considered.
- 3.5. Should the Nomination Committee's proposal entail a deviation from the Code, the Nomination Committee should provide the Company with an explanation for the deviation when it submits its proposal.
- 3.6. The Nomination Committee shall, when informing the Company of its proposals, provide the Company with a motivating statement regarding its proposal of directors of the board, taking into account the provisions regarding the composition of the board of directors in the Code and in particular motivate the proposal in light of the requirement in the Code that gender balance should be sought after. The statement should also include a short summary of how the work in the Nomination Committee has been conducted.
- 3.7. The Nomination Committee shall provide the Company with the information relating to its assignment which is necessary for the Company to fulfill its information obligation according to the Code.
- 3.8. At a shareholders' meeting where the election of directors of the board or auditors is to be held, the Nomination Committee is to present a review of how the Nomination Committee has conducted its work, as well as to present and explain its proposals with regard to the requirements in the Code concerning the composition of the board of directors. The Nomination Committee shall specifically motivate its proposals in reference to the requirement to achieve an equal gender balance.

- 3.9. On request by the Nomination Committee, the Company shall provide the Nomination Committee with human resources such as a secretary function in order to facilitate the Nomination Committee's work. The Nomination Committee shall also have the right to, as far as necessary in connection with the future election of a director of the board, obtain data from external consultants on knowledge, experience and profile in reference to suitable candidates, and with the right for the Nomination Committee to charge the Company with reasonable costs for the production of such data.

Lund in March 2016

The board of directors for Alligator Bioscience AB (publ)