

## **The Election Committee's proposal to the Annual General Meeting 2020 in Active Biotech AB (publ) along with information on the proposed Board members and reasoned statement**

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### *The Election Committee's proposal*

The Election Committee, comprising Michael Shalmi (Chairman of the Board), Mats Arnhög (MGA Holding), Angela Langemar Olsson (Nordstjernan) and Per Colleen (Fourth Swedish National Pension Fund), proposes the following:

*Chairman of the Meeting:* attorney-at-law Erik Sjöman.

*Number of members and alternate members of the Board of Directors:* six ordinary members with no alternates.

*Fees payable to the Board of Directors:* unchanged SEK 500,000 to the Chairman of the Board and SEK 200,000 to each of the other Board members who are not employed by the Company. A member of the Board who performs work for the Company outside the scope of the Board work may also receive remuneration on market terms for such work performed.

*Board of Directors:* re-election of Michael Shalmi, Uli Hacksell and Peter Thelin and appointment of Axel Glasmacher, Aleksandar Danilovski and Elaine Sullivan as new members of the Board. The Board member Peter Sjöstrand has declined re-election.

*Chairman of the Board:* re-election of Michael Shalmi.

*Number of auditors and alternate auditors:* one auditor with no alternates.

*Fees payable to the auditor:* in accordance with approved invoices within the scope of the tender.

*Auditors:* re-election of KPMG AB. The proposal regarding auditor is in accordance with the recommendation by the Board of Directors.

*Election Committee:* The Election Committee proposes that the Meeting assign the Chairman of the Board the task of convening an Election Committee, based on the ownership structure at the end of September 2020, comprising the Chairman of the Board and one member appointed by each of the three largest shareholders of the Company. The Election Committee shall remain in place until the following Election Committee has been appointed. If a member of the Election Committee no longer represents one of the three largest shareholders in the Company, the Election Committee is entitled to dismiss the member. In the event that a member of the Election Committee resigns or is dismissed, the Election Committee may appoint another member nominated by the major shareholders to replace such a member. The Election Committee shall perform its duties in accordance with the stipulations for Election Committees stated in the Swedish Code of Corporate Governance.

### *Information on the proposed new Board members*

#### **Axel Glasmacher**

*Born:* 1960.

*Education:* Doctor of Medicine, since 2009 an adjunct professor of medicine at the University of Bonn, Germany.

*Shareholding in the Company:* None.

*Other assignments:* Member of the Clinical Advisory Board of Oncopeptides AB and member of the Board of Cancer Drug Development Forum. In addition, Axel Glasmacher is the Non-Executive Chairperson of the Board of Directors to 4D pharma plc and a member of the Supervisory Board of Selvita S.A. (Ryvü S.A.).

*Previous assignments:* Head of Global Clinical R&D and Senior Vice President for Celgene.

**Aleksandar Danilovski**

*Born:* 1974.

*Education:* Ph.D. in Chemistry from Cambridge University and University of Zagreb.

*Shareholding in the Company:* None.

*Other assignments:* Chief Scientific Officer (CSO) at Xellia Pharmaceuticals, a specialty pharmaceutical company headquartered in Denmark. Board member of Pharmaero ApS and Member of the Scientific Selection Board of Novo Holdings – REPAIR Impact Fund.

*Previous assignments:* Head of European R&D for Barr Laboratories, Inc. and Member of Management Board of PLIVA Pharmaceuticals.

**Elaine Sullivan**

*Born:* 1961.

*Education:* Ph.D. in Molecular Virology from the University of Edinburgh.

*Shareholding in the Company:* None.

*Other assignments:* CEO and Co-Founder of Curadh Therapeutics which she Co-Founded in 2020. She is a Non-Executive Director of the IP Group plc and a Member of the Supervisory Board of Evotec AG.

*Previous assignments:* She was a member of the most senior R&D management teams in Lilly and AstraZeneca. At Lilly she worked as Vice President Global External Research & Development and she held various positions at Astra Zeneca including, Vice President R&D; Head of New Opportunities Therapy Area and Vice President, Science & Technology. She was the Co-founder of Carrick Therapeutics where she served as Chief Executive Officer.

***Information on the proposed re-elected Board members***

**Michael Shalmi**

Chairman since 2019.

*Born:* 1965.

*Education:* Physician from University of Copenhagen and MBA from Scandinavian International Management Institute in Copenhagen

*Shareholding in the Company:* None. However, Michael Shalmi holds 1,500,000 call options issued by MGA Holding and Nordstjernan on market terms.

*Other assignments:* Director of the Supervisory Board of Evotec AG and Chairman of the Board of Momentum Gruppen A/S. Own consultancy, ACMS.

*Previous assignments:* Managing Director and Head of Principal Investments of Novo Holdings A/S.

**Uli Hacksell**

Board member since 2019.

*Born:* 1950.

*Education:* Pharmacist, Doctor of Pharmaceutical Science and associate Professor at Uppsala University.

*Shareholding in the Company:* None.

*Other assignments:* Acting Chief Executive Officer and member of the Board of Medivir AB. Furthermore, Uli Hacksell is Chairman of the Board of Adhera Therapeutics Inc and member of the Board of Beactica AB, Cerecor Inc, InDex Pharmaceuticals AB and Uppsala University.

*Previous assignments:* Chief Executive Officer of ACADIA Pharmaceuticals and Chief Executive Officer and Chairman of the Board of Cereco.

**Peter Thelin**

Board member since 2011.

*Born:* 1956.

*Education:* Graduate of Stockholm School of Economics.

*Shareholding in the Company:* 2,850,000 shares (privately and through companies).

*Other assignments:* Chief Executive Officer of Carve Capital AB. Board member of Brummer & Partners AB, ELC Fastigheter AB, East Bay AB, Sjunda Gård AB, Carve Intressenter AB, Sjuenda Holding AB and Rebellion Oil AB.

*Previous assignments:* Chairman of the Board of Jemtia AB, SRE Högfors AB and Acrux Entreprenad AB. Board member of CPB Energy AB, Valot Invest Sweden AB, Henvålens Fjällgård AB, Psoriasis + Creams Sweden AB.

Information about the proposed Board members independence in relation to the Company, the executive management and major shareholders in the Company is set out below.

***The Election Committee's reasoned statement in relation to its proposal for Board of Directors, etc.***

The Election Committee has held one formal meeting regarding their work prior to the Annual General Meeting 2020. The members have been in continuous e-mail-and telephone contact in addition thereto. The Election Committee has, as basis for its work, been provided with an evaluation of the Board and its work, performed by the Chairman of the Board. In the evaluation, the members of the Board have provided their views on work methods, Board material, their own and other members' work efforts as well as the scope of the mandate. Based on this information, the Election Committee has assessed what competence and experience a position on the Board requires.

In light of the evaluation described above, the Election Committee has received a positive impression of the Board's work in 2019. However, the Election Committee has assessed that the composition of the Board needs to change to adapt it to the Company's current operations and development stage, with the aim of, among other things, evaluating and utilizing the potential of the Company's project portfolio and the Company's revised focus. It is the Election Committee's opinion that the Board proposed to be appointed at the Annual General Meeting 2020 has a composition well suited to the Company's operations, stage of development and other factors, and that the Board members are characterized by versatility and diversity in their expertise, experience and background.

In relation to the composition of the Board, the provisions of rule 4.1 of the Swedish Corporate Governance Code have been applied as diversity policy and with regard to the objectives of that policy. This has resulted in the Election Committee's proposal on members of the Board to the Annual General Meeting. The gender distribution within the Board is uneven. The Election Committee strives to change this.

None of the proposed members of the Board are members of the executive management, or the management of any subsidiary. It is the Election Committee's assessment that all proposed members are independent vis-à-vis the Company and the executive management. It is further the Election Committee's assessment that all of the proposed members of the Board are independent vis-à-vis the Company's major shareholders.

April 2020

**The Election Committee of Active Biotech AB (publ)**