



Governance

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General principles

Introduction

The Board of Directors of Hansa Biopharma AB (publ) (the “Board”), Company reg. no. 556734-5359 (“Hansa” or the “Company”) hereby submits the 2021 Corporate Governance Report in accordance with the requirements of the Swedish Annual Accounts Act (1995:1554) (Sw. årsredovisningslagen) and the Swedish Code of Corporate Governance (the “Code”); see the Swedish Corporate Governance Board website at <https://www.bolagsstyrning.se/>).

The Company's shares were admitted for trading on Nasdaq Stockholm in November 2015. The Company's shares were previously, since 2007, listed on Nasdaq First North. The Company's corporate governance is mainly regulated by the provisions of the Company's articles of association, the Swedish Companies Act (2005:551) (Sw. aktiebolagslagen) and other Swedish legislation, the Nordic Main Market Rulebook for Issuers of Shares and the Code.

The Corporate Governance Report has been reviewed by the Company's auditors in accordance with the Swedish Annual Accounts Act. It does not constitute a part of the formal annual report documents.

The Group comprises the Parent Company, Hansa Biopharma AB, and its wholly owned subsidiaries Cartela R & D AB, Hansa Biopharma Ltd, Hansa Biopharma Inc, and Hansa Biopharma Australia Pty Ltd.

There are no deviations from the Code to report for the financial year 2021. No infringements of Nasdaq's rules and no breach of good practice on the securities market were reported by the stock exchange's disciplinary committee or the Swedish Securities Council during the financial year 2021.

Shareholders

There are no limitations on the transferability of Hansa Biopharma's shares due to legal restrictions or provisions of the articles of association. To Hansa Biopharma's knowledge, no

agreement has been entered into between any shareholders which might limit the transferability of the shares. As of December 31, 2021, Redmile Group LLC is the only shareholder owning more than 10 percent of the Company's shares, by its shareholdings of 13 percent.

Significant external and internal regulations and policies which affect corporate governance:

Significant internal regulations and policies:

- > Articles of association
- > Instruction for the CEO, including the financial reporting instruction
- > Work procedures for the Board
- > Disclosure policy
- > Insider policy
- > Procurement and expenditure policy
- > Treasury policy
- > Finance policy
- > Risk management policy
- > Financial handbook
- > Staff handbook
- > Executive remuneration policy
- > Code of Conduct
- > Supplier Code
- > Global Data Privacy policy
- > Information policy

Significant external regulations

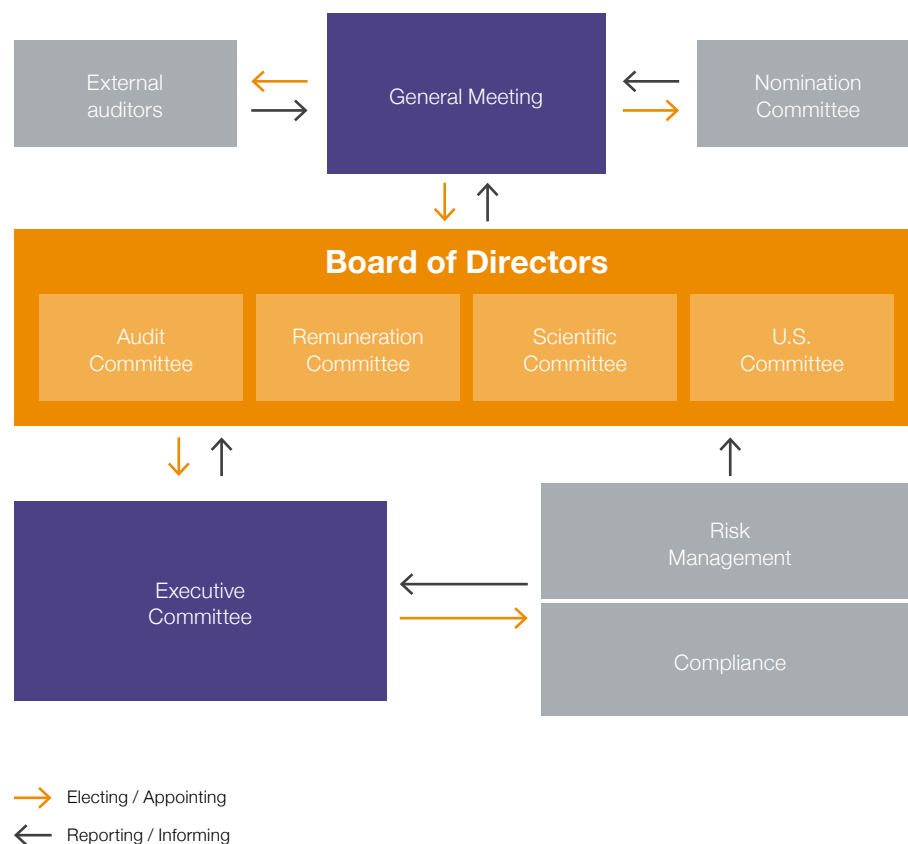
- > Market Abuse Regulation
- > Swedish Companies Act
- > Swedish Accounting Act
- > Swedish Annual Accounts Act
- > International standards for audits and financial reporting (IFRS)
- > Nordic Main Market Rulebook for Issuers of Shares
- > Swedish Code of Corporate Governance



General principles continued

Hansa's corporate governance structure

Overview of Hansa's corporate governance structure during 2021



Information regarding Hansa Biopharma AB shares

The shares in the Company are divided into ordinary shares and C-shares. On December 31, 2021, the total number of shares issued was 46,335,361 with 44,473,452 ordinary shares outstanding and 1,861,909 C-shares, with a quotient value of SEK 1. Each ordinary share carries one vote and each C-share carries one tenth. All C-shares are owned by the Company. Each person entitled to vote may vote for his or her full number of shares.

Each ordinary share confers the right to an equally large percentage of the Company's distributable profits. The C-shares do not entitle to dividends and are subject to a redemption and reclassification clause.

General meeting

The Company's highest decision-making body is the general meeting, where the shareholders' influence over the Company is exercised. In addition to what follows from applicable law regarding shareholders' right to participate at general meetings, shareholders who wish to participate at a general meeting, personally or through a proxy must give notice of their attendance.

Notices to attend general meetings are given through advertisement as well as on the Company's website (www.hansabiopharma.com). The annual general meeting ("AGM") must be held within six months from the close of the financial year. At the AGM, the shareholders adopt resolutions regarding, among other things: the Board and auditors; the procedure for appointing the nomination committee; and discharge from liability for the Board and the CEO in respect of the preceding year. Resolutions are also adopted regarding adoption of the annual report; disposition of profits or treatment of losses; fees for the directors and auditors; and, if applicable, guidelines for remuneration to senior executives.

2021 Annual General Meeting

The 2021 AGM was held on May 12, with participation through advance voting according to sections 20 and 22 in the Act on temporary exemptions in order to facilitate the conduction of general meetings (Sw. lag (2020:198) om tillfälliga undantag för att underlätta genomförandet av bolags- och föreningsstämmor). In total, 20 439 930 of the shares in the Company were represented, meaning that 45.81 percent of the total number of votes and 44.54 percent of the total number of shares in the Company were represented.



General principles continued

The AGM adopted the 2020 annual accounts, adopted a resolution regarding that the members of the Board shall be six with no deputy members, and granted the directors and CEO a discharge from liability. The general meeting resolved that no dividend would be paid. The AGM resolved that Ulf Wiinberg, Anders Gersel Pedersen, Andreas Eggert, Eva Nilsagård and Mats Blom are re-elected as members of the Board, and resolved election of Hilary Malone as new member of the Board, all for the period until the end of the next AGM. Birgit Stattin Norinder, previous member of the Board until the end of the AGM 2021, was not standing for re-election. The AGM further resolved to re-elect Ulf Wiinberg as chairman of the Board for the period until the end of the next AGM. The AGM resolved to re-elect KPMG AB as auditor, with Jonas Nihlberg as the auditor in charge, for the period until the end of the next AGM.

The AGM resolved that the fees for the Board, for the period until the end of the next AGM, should remain unchanged from the previous year and shall be SEK 900,000 to the chairman of The Board and SEK 300,000 each to the other Board members. It was further resolved that the remuneration to the chair of the Audit Committee should be SEK 150,000 and SEK 75,000 to each other member in the Audit Committee, SEK 40,000 to the chair of the Remuneration Committee and SEK 25,000 to each other member in the Remuneration Committee, and SEK 25,000 to each board member in the Scientific Committee. For the chair of the new U.S. Committee the remuneration should be USD 20,000. It was further resolved that the remuneration to the auditor shall be paid as per approved current account.

The AGM further resolved, in accordance with the Board's proposal, to adopt new guidelines for executive remuneration, to amend the articles of association, adopt a long-term incentive program based on performance-based share rights for employees at Hansa Biopharma, adopt a long-term incentive program based on employee stock options for employees in Hansa Biopharma and to amend the terms of the long-term incentive programs based on employee stock options adopted in 2019 and 2020.

It was further resolved, in accordance with the Board's proposal, to authorize the Board, for the period up to the next AGM, to adopt decisions, whether on one or several occasions and whether with or without pre-emptive rights for the shareholders, to issue new ordinary shares, and warrants and/or convertibles; provided however that such issues, or number of shares created in connection with conversion of warrants and/or convertibles, in aggregate, may not

correspond to a dilution of more than 20 per cent of the total number of shares outstanding after full exercise of the authorization. It should also be possible to make such an issue resolution stipulating payment in cash, in kind payment, the right to offset debt or other conditions. The purpose of the authorization is to increase the financial flexibility of the Company and the acting scope of the Board as well as to potentially broaden the shareholder base.

Minutes from the AGM 2021 are available at Hansa Biopharma's website (www.hansabiopharma.com). The 2022 AGM will take place on 16 June 2022.

Remuneration to senior executives

The remuneration guidelines for senior executives adopted by the 2021 AGM, amending the 2020 guidelines, entail those senior executives are offered remuneration which is competitive and on market terms. The level of the remuneration for the individual senior executive shall be based on factors such as position, expertise, experience and performance. The remuneration consists of a fixed base salary and pension benefits and, in addition, may consist of a variable cash remuneration (including STI), share-based long-term incentive programs (LTIP) as resolved by the AGM, severance remuneration, and other benefits. The variable salary shall be on market terms and be based on the achievement of quantitative and qualitative targets and should not exceed 75 percent of the annual fixed base salary.

The variable cash remuneration is intended to support recruitment or retention of key personnel or to reward extraordinary performance beyond the individual's ordinary responsibilities and shall not exceed 30 percent of the annual fixed base salary. Contributions to pension plans shall not exceed 30 percent of the annual fixed base salary. Salary during the notice of termination period and severance remuneration shall be possible in a total maximum amount of 18 monthly base salaries.

If notice of termination is made by the Company, the notice period may not exceed six months and the fixed cash salary during the period of notice and severance pay may together not exceed an amount equivalent to the fixed cash salary for 18 months for the CEO, and, for other senior executives, may not exceed an amount equivalent to the fixed cash salary for 6 months, and in exceptional cases, 12 months. When termination is made by the senior executive, the period of notice may not exceed six months and no severance pay will be paid.



General principles continued

Share and share based long-term incentive programs shall be decided by the Annual General Meeting. For information regarding the adopted ongoing long-term incentive programs, please refer to the Directors Report and Note 2 and Note 14 to the Consolidated Financial Statements elsewhere in this Annual Report 2021.

The Board of Directors may temporarily resolve to derogate from the executive remuneration guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability.

Please refer to Note 14 to the Financial Statements of the Parent Company and the Remuneration report in this Annual Report 2021 for further information on the 2021 guidelines.

The Board of Directors will propose an amendment to the current guidelines at the 2022 AGM by which a tailored employee incentive program that balances individual achievement and organisational contribution is to be implemented in which it is proposed that the performance criteria for the "Annual Short-Term Incentive ("STI") shall include both corporate and individual objectives. Furthermore, it is proposed that the performance criteria, weighting and targets for the individual objectives under the STI are to be proposed, evaluated and approved annually CEO as manager for members of the executive committee or, if it is not the CEO, then the respective manager for such members of the executive committee, and for the CEO the Remuneration Committee. The proposed adjustments have been reflected in these guidelines which will be subject to the shareholders' approval at the annual general meeting 2022 and are appended to this document as an appendix to this Corporate Governance Section.

During 2021, neither the Remuneration Committee nor the Board of Directors received any comments or questions from the shareholders on the remuneration guidelines adopted at the 2021 AGM.

Nomination Committee

Prior to the 2022 AGM, Hansa's Nomination Committee comprises of Laura Feinleib (temporary replacement for Natalie Berner and representing Redmile Group), Lotta Sjöberg (representing Handelsbanken Fonder), and Jannis Kitsakis (chair of the Nomination Committee and representing AP4). Ulf Wiinberg (chairman of the Board) is the convenor of the Nomination Committee.

According to the Code, Hansa is required to have a Nomination Committee, which is not a standing committee of the Board. The AGM shall appoint the members of the Nomination Committee or resolve on procedures for appointing the members. Such procedures were adopted by the 2021 AGM. The Nomination Committee shall, pursuant to the Code, consist of at least three members of which a majority shall be independent in relation to Hansa Biopharma and its management. In addition, at least one member of the Nomination Committee shall be independent in relation to the largest shareholder in terms of voting rights or group of shareholders who cooperates in terms of Hansa's management.

The Nomination Committee's responsibilities include preparing a proposal for the number of directors and persons to be elected as directors, including the chairman of the Board, and a proposal for remuneration to the chairman and the other Board members, as well as a proposal for remuneration for the Board members' committee work. The Nomination Committee also proposes election of a chairman of the annual general meeting, and election of auditors including remuneration to the auditor. Finally, the Nomination Committee proposes principles for the Nomination Committee prior to the AGM 2023. The proposals will be published in connection with the notice to the 2022 AGM.

External auditors

The external audit of the accounts of the Parent Company and the Group, as well as of the management by the Board and the CEO, was carried out in accordance with generally accepted accounting standards in Sweden. The auditor participates in at least one Board meeting per year, going through the accounts for the year and leading a discussion with the directors without the CEO or any other senior executive present.

Pursuant to the articles of association, Hansa must have a registered accounting firm as its external auditor. The accounting firm KPMG AB has been the auditor of the Company since the 2014 AGM. As from the 2018 AGM certified public accountant Jonas Nihlberg is auditor in charge. From the 2014 AGM up to and including the 2018 AGM, certified public accountant Dan Kjellqvist was auditor in charge. Dan Kjellqvist personally was the Company's auditor commencing at the time of the 2014 AGM up to and including the 2015 AGM. Jonas Nihlberg and Dan Kjellqvist are members of the Swedish Institute of Authorized Public Accountants. For information regarding fees paid to the auditors, please refer to Note 29 to the Financial Statements of the Parent Company elsewhere in this 2021 annual report.



The Board

The overall task of the Board is to manage the affairs of the Company in the best possible manner on behalf of the shareholders.

The Board must continuously evaluate the Group's operations, development and financial situation, as well as the operative management including identifying how sustainability issues impact risks to and business opportunities for the Group. The Board decides upon, among other things: issues concerning the Group's strategic focus and organization; business plans; financial plans and budget; significant agreements; major investments and commitments; and finance, disclosure, and risk management policies. The Board must also ensure that the Company prepares insider instructions. The Board works according to rules of procedure which are adopted annually, and which govern the frequency and agenda of Board meetings, distribution of materials for meetings, and matters to be presented to the Board for information or for a decision. The rules of procedure also govern how the Board work is allocated among the Board and its committees. The Board has also adopted CEO instructions which govern the allocation of work among the Board, the chairman, and the CEO, and which defines the CEO's authority.

The Board, including the chairman, is elected by the shareholders at the AGM up until the end of the next AGM, with the possibility of re-election. In addition, the Company's employees may, pursuant to statutory rules regarding the representation of employees on the Board, elect employee representatives to the Board. Currently, the Board has no employee representatives. All current Board members are considered to be independent under the corporate governance standards of the Code and Nasdaq Stockholm. The chairman must keep himself well informed about, and monitor, the Company's business. The chairman is responsible for ensuring that the Board's work is carried out efficiently and that the Board fulfils its obligations in accordance with applicable laws and regulations, the Code, the articles of association, resolutions of the general meeting, and the Board's own rules of procedure. The chairman is also responsible for ensuring that the Board carries out the decisions that are made and that their work is evaluated. Further on, the chairman is also responsible for ensuring that the directors regularly update their knowledge about the Company and that new directors receive necessary introductory training.

The chairman represents the Company in ownership questions and is responsible for the day-to-day contact with the CEO and senior executives. The chairman must also approve remuneration and other employment terms and conditions for senior executives. The chairman is also responsible for the Company's archives, in which minutes from all Directors' meetings and general meetings must be saved.

The chairman prepares Board meetings together with the CEO. The notice of the meeting and the agenda are sent to the directors only after they have been approved by the chairman. After this, the notice is sent together with sufficient decision-making documentation to the directors. As the case may be, a Board meeting includes a review of the business, including development and advances within research and development, business development, consolidated earnings and financial position, financial reports, and forecasts.

Pursuant to the articles of association, the Board must comprise not less than three and not more than ten directors elected by the general meeting. The Board is quorate when more than half of the directors are present. The articles of association do not contain any provisions regarding appointment or dismissal of directors or regarding amendment of the articles of association.

Directors' fees were set at the 2021 AGM for a period up to and including the next AGM. The fees for the Board's work in 2021 were set as follows: The chairman is paid SEK 900,000, and each other director is paid SEK 300,000. Further, SEK 150,000 is paid to the chairman and SEK 75,000 is paid to each other board member in the Audit Committee, SEK 40,000 is paid to the chairman and SEK 25,000 is paid to each other board member in the Remuneration Committee and SEK 25,000 is paid to each board member in the Scientific Committee. For the U.S. Committee, which was adopted in 2021, USD 20,000 is paid to the chairman. No remuneration other than the abovementioned fees have been paid to the Board except for travel cost reimbursements. The Board members are not entitled to any share-based compensation.

No pension premiums or similar benefits were paid to directors. None of the directors are entitled to benefits after completion of their duties. Please see the Remuneration Report and Note 14 to the Financial Statements of the Parent company elsewhere in this 2021 annual report for additional information regarding employment terms and conditions for the Board and senior executives.

Directors

The Board currently comprises six individuals, including the chairman.

The 2021 AGM re-elected Ulf Wiinberg, Anders Gersel Pedersen, Andreas Eggert, Eva Nilsagård, and Mats Blom as members of the Board. Further, Hilary Malone was elected as new member of the Board. Birgit Stattin Norinder, previous member of the Board, was not standing for re-election. The AGM further resolved to re-elect Ulf Wiinberg as chairman of the Board. Each director's term continues until the end of the next AGM.

Prior to the 2021 AGM, the Nomination Committee announced that it had applied the provisions of rule 4.1 of the Code as Board diversity policy. The aim is that the Board as a collective should possess the required mix in terms of background and knowledge, whereby an even gender distribution is taken into account. The result of the Nomination Committee's application of the diversity policy is a Board that represents a mix of both professional experience and knowledge as well as geographical and cultural backgrounds. One third (1/3) of the board members elected by the AGM are women.



The Board continued

The following is a list of the directors, containing information regarding their years of birth and election to the Board, education, work experience, engagement in the Company and other significant engagements and holdings in the Company as of 31 December 2021. Holdings in the Company includes one's own holdings as well as those of closely related persons.

Tenure (years)

5

LONGEST

1

SHORTEST

Gender diversity

33%

FEMALE

67%

MALE

Meetings

11

BOARD MEETINGS

98%

ATTENDANCE



Ulf Wiinberg

Member and Chairman of the Board since 2016.
Member of the Board and acting CEO from November 9, 2017 until March 20, 2018.

Shareholding: 124,350 shares

Ulf Wiinberg has served as the chairman of the Board since May 2016. Ulf also served as the acting Chief Executive Officer from November 2017 until March 2018. Ulf is an experienced healthcare industry professional with over 40 years of experience, and has served on the boards of several healthcare industry associations. He serves as the Chief Executive Officer of X-Vax Technology, Inc., a company seeking to develop a vaccine against herpes, since April 2017. Ulf also served as Chief Executive Officer of H. Lundbeck A/S (CSE: LUN), a pharmaceutical company specialized in psychiatric and neurological disorders, from June 2008 to December 2014. Prior to that, he held multiple executive roles at Wyeth, LLC (acquired by Pfizer Inc. (NYSE: PFE)), serving as worldwide President from 2002 to 2005 and President of the European, Middle Eastern and African region from February 2002 to June 2008, and has also been President of the Global consumer health care business. Ulf also serves as a non-executive member of the board of Alfa Laval AB (STO: ALFA), Agenus Inc. (NASDAQ: AGEN), MiNK Therapeutics, Inc. (NASDAQ: INKT), a clinical-stage precision oncology company developing cell therapies for cancer and other immune-mediated diseases (subsidiary of Agenus Inc.), and at the Belgian pharmaceutical Company Union Chimique Belge (UCB) (Euronext: UCB). He is also chairman of the board of Sigrid Therapeutics AB. He was born in 1958.

Ulf is member of Hansa's Remuneration Committee, Scientific Committee and U.S. Committee.

Independent of Hansa and its executive management.

Independent of major shareholders of Hansa.



Eva Nilsagård

Member of the Board since 2019.

Shareholding: 3,000 shares

Eva Nilsagård has served as a member of the Board and chair of the Audit Committee since May 2019. Since July 2015, Eva has served as the founder and Chief Executive Officer of Nilsagård Consulting AB. She previously served as interim Chief Financial Officer of various companies, including OptiGroup AB from January 2019 to October 2019 and April 2020 to December 2020, Plastal from September 2016 to September 2017, and Vitrolife AB (STO: VITR) from March 2009 to August 2010. She also served in various senior positions at the Volvo Group, or Volvo (STO: VOLV), including Senior Vice President Strategy & Business Development from September 2010 to June 2014. Earlier in her career, Eva also held senior positions in finance and business development at AstraZeneca plc (LSE: AZN) and AB SKF (STO: SKF). She is a board member and chair of the audit committee of SEK (Swedish Export Credit Company), AddLife (STO: ALIF), Bufab Group (STO: BUFAB), Irras AB (STO: IRRAS), Nimbus Group AB (STO: BOAT), Nanexa (STO: NANEXA) and Xbrane Biopharma (STO: XBRANE), the chair of Spermotens AB (Spotlight: SPERM) and Diagonal Bio AB (STO: DIABIO), and a board member of eEducation Albert AB (STO: ALBERT). Eva has more than ten years of experience as a mentor for young female managers with high potential. She holds an Executive M.B.A. in Economics and a B.Sc. in accounting and finance from School of Business, Economics and Law in Gothenburg. She was born in 1964.

Eva is Chair of Hansa's Audit Committee.

Independent of Hansa and its executive management.

Independent of major shareholders of Hansa.



Mats Blom

Member of the Board since 2019.

Shareholding: 1,000 shares

Mats Blom has served as a member of the Board since May 2019. Mats has served as the Chief Financial Officer of NorthSea Therapeutics B.V. since September 2019. Prior to that, he served as Chief Financial Officer of Modus Therapeutics AB (STO: MODTX) from April 2019 to July 2019, Zealand Pharma A/S (CSE: ZELA) from March 2010 to March 2019, and Swedish Orphan International AB (acquired by BioVitrum, now Swedish Orphan Biovitrum AB (publ) (STO:SOBI)) from October 2007 to March 2010. Mats also served as Chief Financial Officer at Active Biotech AB (publ) (STO:ACTI) and Anoto Group AB (STO: ANOT). Earlier in his career, he also served as a management consultant at Gemini Consulting and Ernst & Young. Mats is a board member of Egetis Therapeutics AB (STO: EGTX), Altamira Therapeutics Ltd. (NASDAQ: CYTO) and Pephexia Therapeutics ApS. He holds a B.A. in Business Administration and Economics from the University of Lund and an M.B.A. from the IESE University of Navarra, Barcelona. He was born in 1965.

Mats is member of Hansa's Audit Committee.

Independent of Hansa and its executive management.

Independent of major shareholders of Hansa.



The Board continued



Andreas Eggert

Member of the Board since 2018.

Shareholding: 5,500 shares

Andreas Eggert has served as a member of the Board since May 2018. Andreas has over 25 years of cross-functional leadership experience including commercial operations, launch and portfolio management, brand strategy, market access, and strategic consulting. He has served as the Chief Operating Officer at X-Vax Technology Inc. in the U.S. since October 2018. Previously, he served as Senior Group Vice President, Global Product Strategy & Portfolio Development, and Member of the Corporate Management Committee at H. Lundbeck A/S (CSE: LUN) in Denmark from November 2010 to June 2015, where he was responsible for multiple new product launches and the commercial leadership for shaping the product portfolio and development pipeline. Previously, Andreas served in various senior commercial roles at Wyeth, LLC (acquired by Pfizer Inc. (NYSE: PFE)) in the U.S., Japan and in Germany from 1999 to 2010, including as Vice President & Global Business Manager from September 2005 to April 2010. Earlier in his career, Andreas also was a Management Consultant at A.T. Kearney. He holds an M.B.A. from Azusa Pacific University. He was born in 1967.

Andreas is Chair of Hansa's Remuneration Committee, and member of the Audit Committee and Scientific Committee.

Independent of Hansa and its executive management.

Independent of major shareholders of Hansa.



Anders Gersel Pedersen

Member of the Board since 2018.

Shareholding: 2,500 shares

Anders Gersel Pedersen, M.D., Ph.D., has served as a member of the Board since May 2018. Anders has over 32 years of experience in the international pharmaceutical industry. From January 2000 to December 2018, he served in various roles at H. Lundbeck A/S in Denmark (CSE: LUN), including most recently as Executive Vice President of Research & Development, where he was responsible for the discovery and development of the product pipeline from preclinical activities to post-launch marketing studies. Prior to that, he served in various roles at Eli Lilly and Company (NYSE: LLY) from August 1988 to December 1999, including most recently as a director overseeing worldwide clinical research in oncology. He is a member of the European Society of Medical Oncology, the International Association for the Study of Lung Cancer and the American Society of Clinical Oncology. Anders serves on the supervisory boards of Avillion LLP, Bavarian Nordic A/S (CSE: BAVA), and Genmab A/S (CSE: GMAB). He received his medical degree and a doctoral degree in neuro-oncology from the University of Copenhagen and a B.Sc. in Business Administration from Copenhagen Business School. He was born in 1951.

Anders is Chair of Hansa's Scientific Committee, and member of the Remuneration Committee.

Independent of Hansa and its executive management.

Independent of major shareholders of Hansa.



Hilary Malone

Member of the Board since 2021.

Shareholding: –

Hilary M. Malone, Ph.D., has served as a member of the Board since May 2021. Hilary has over 25 years of experience in global drug development, regulatory and government affairs, manufacturing and commercialization within the pharmaceutical industry. She has served as Chief Executive Officer of a private life sciences company in start-up phase since November 2021. She previously served as Chief Operating Officer and Executive Vice President at Valo Health Inc. from January 2020 to September 2021. Prior to that, Hilary served as the Chief Regulatory Officer and Senior Vice President & Head of Global Regulatory Affairs at Sanofi Inc. (subsidiary of Sanofi SA (Euronext: SAN)). Her previous experience also includes senior regulatory and drug development roles at Reata Pharmaceuticals, Inc. (NASDAQ: RETA), Pfizer Inc. (NYSE:PFE), Wyeth, LLC (acquired by Pfizer Inc.), AstraZeneca plc (LSE: AZN) and GlaxoSmithKline plc (LSE: GSK). Hilary served on the board of Inhibikase Therapeutics (NASDAQ: IKT) from 2016 to 2019. She holds a Ph.D. in Molecular Neuropharmacology and a B.Sc. in Physiology from the University of Dundee, Scotland. She was born in 1965 and is a U.S., U.K., and Irish citizen.

Hilary is Chair of Hansa's U.S. Committee and member of the Scientific Committee.

Independent of Hansa and its executive management.

Independent of major shareholders of Hansa.



The Board continued

The Board of Directors' work in 2021

During 2021, the Board has held 11 meetings, all of which were held via Teams, of which one was the inauguration meeting and one was a combined board meeting and remuneration committee meeting. The Board has also made resolutions per capsulam at four occasions.

At the Board meetings held during the 2021 financial year, the directors were present as set forth below. The number of meetings and the maximum number of meetings each director could have been present at during the financial year are stated in parentheses.”

Evaluation of the Board of Directors' work

Pursuant to the Code, the Board is to evaluate its work annually, using a systematic and structured process, with the aim of developing the Board's working methods and efficiency. The evaluation has been carried out by the chairman of the Board by an independent evaluation company, in the end of 2021, interviewing the directors with questions about the work of the Board. The result of the responses has been verbally declared to the directors and the members of the nomination committee.

Board members and meeting presence for the reporting period, 1 January – 31 December 2021¹

Board member	Elected	Present at meetings of the Board	Present at meetings of the Remuneration Committee	Present at meetings of the Audit Committee	Present at meetings of the Scientific Committee	Independent in relation to the Company and Executive management	Independent in relation to the Company's largest shareholders
Ulf Wiinberg ¹	2016	11(11)	4(4)	–	2(2)	Yes	Yes
Hilary Malone ^{1,2}	2021	6(6)	–	–	2(2)	Yes	Yes
Anders Gersel Pedersen	2018	10(11)	4(4)	–	2(2)	Yes	Yes
Birgit Stättin Norinder ³	2012	5(5)	2(2)	–	–	Yes	Yes
Andreas Eggert ⁴	2018	11(11)	2(2)	7(7)	2(2)	Yes	Yes
Eva Nilsagård	2019	11(11)	–	7(7)	–	Yes	Yes
Mats Blom	2019	11(11)	–	7(7)	–	Yes	Yes

¹ The U.S. Committee did not have any separate meetings, as U.S. topics were discussed during regular Board meetings.

² Board member since AGM 2021.

³ Board member until AGM 2021.

⁴ Member of Remuneration Committee since AGM 2021.



The Board continued

Board committees

Audit Committee

After the 2021 AGM, the Audit Committee consisted of Eva Nilsagård, chair, Mats Blom and Andreas Eggert. The Audit Committee is obligated to keep minutes of its meetings and make the minutes available to the Board. The Audit Committee shall perform the duties incumbent upon audit committees as required by law and the Code.

The Audit Committee assists the Board in overseeing the Company's accounting and financial reporting processes. The Audit Committee consists exclusively of members of the Board who are financially literate and are each considered an "audit committee financial expert" as defined by applicable SEC rules and has the requisite financial sophistication as defined under the applicable Nasdaq rules and regulations. The Board has determined that all of the members of the Audit Committee satisfy the "independence" requirements set forth in Rule 10A-3 under the Exchange Act. The Audit Committee is governed by a charter that complies with Nasdaq rules.

The primary duties of the Audit Committee are to:

- > Assist the Board in overseeing the Company's financial position, performance, and reporting;
- > With respect to the financial reporting, monitor the effectiveness of the Company's internal control system, internal audit and risk management;
- > Keep itself informed of the audit of the annual accounts and consolidated accounts;
- > Review and monitor the auditor's impartiality and independence, and, in this context, particularly monitor whether the auditor is providing the Company with services other than auditing services; and
- > Take decisions regarding guidelines for services other than the auditing services which the external auditor can provide.

Remuneration Committee

After the 2021 AGM, the Remuneration Committee has consisted of Andreas Eggert, chair, Ulf Wiinberg and Anders Gersel Pedersen. The Remuneration Committee is charged with performing the duties set forth in the Swedish Corporate Governance Code. The Remuneration Committee is obligated to keep minutes of its meetings and make the minutes available to the Board.

The primary duties of the Remuneration Committee are to:

- > Propose guidelines and principles for remuneration and other terms of employment of the Chief Executive Officer and senior executives;
- > Monitor and evaluate any programs pending or adopted during the year for variable remuneration for senior executives;
- > Monitor and evaluate the implementation of the guidelines for remuneration of senior executives adopted by the AGM, as well as applicable remuneration structures and levels for the Company;
- > Oversee and administer the Company's employee share option scheme or equity incentive plans in operation from time to time.

Scientific Committee

After the 2021 AGM, the Scientific Committee consists of Anders Gersel Pedersen, chair, Andreas Eggert, Ulf Wiinberg and Hilary Malone. The committee is obligated to keep minutes of its meetings and make the minutes available to the Board.

The primary duties of the Scientific Committee are to:

- > Assist the Board with recommendations regarding the Company's research and development strategies and possibilities;
- > Perform such other duties as are considered necessary and appropriate in conjunction with the work set forth above and perform such other duties as instructed by the Board from time to time.

U.S. Committee

The rules of procedure for the U.S. Committee was adopted by the Board at a meeting held on July 14, 2021. After the 2021 AGM, the U.S. Committee consists of Hilary Malone, chair, and Ulf Wiinberg. The U.S. Committee is obligated to keep minutes of its meetings and make the minutes available to the Board.

The primary duties of the U.S. Committee are to:

- > Discuss and provide input to significant issues and aspects related to the Company's U. S. operations and environment, including R&D, regulatory and commercial aspects; and
- > Provide advice and proposals for resolutions, subject to final approval by the Board or the CEO, as the case may be, regarding matters related to the Company's and the group's U.S. operations and development.



Executive management

The Board appoints a CEO to manage the Company. In addition to the CEO, there are five individuals who together make up Company executive management:

- > President and Chief Executive Officer
- > Senior Vice President, Chief Financial Officer
- > Senior Vice President, Chief Commercial Officer
- > Senior Vice President, Chief Scientific Officer and Chief Operating Officer
- > Senior Vice President, Chief Human Resources Officer
- > Senior Vice President, Chief Medical Officer

The executive management holds meetings every month to discuss the Group's earnings and financial position, the status of research and development projects, operational and strategic issues, and follow-up on budgets and forecasts.

The CEO's responsibility

The CEO is responsible for managing the Company's day-to-day operations pursuant to the Board's guidelines and instructions. The CEO is also responsible, in accordance with the Board's written instructions, for preparing and presenting to the Board issues which fall beyond the scope of day-to-day management, and he must act in accordance with the instructions to the CEO adopted by the Board, the decisions of the Board and the general meeting, and in the best interests of all shareholders.

He must also respect the fiduciary duty and duty of confidentiality which apply to affairs and circumstances which might cause damage to the Company if disclosed, as well as the duty to report matters and circumstances which are material to the Company.

In accordance with the Board's instructions, the CEO must take any and all measures which are necessary to ensure that the Company's bookkeeping is legally compliant and to ensure that funds are managed in a satisfactory manner. Accordingly, it is the CEO's responsibility to ensure that the Company has good internal management and routines to ensure application of the adopted principles for financial reporting and internal control.

Further, the CEO shall each month (with the exception of January and July) compile a report regarding the Company's financial situation. He is responsible for ensuring that the Company complies with applicable laws and guidelines, including Swedish law, the Nordic Main Market

Rulebook for Issuers of Shares and the Code. The CEO must ensure, at a minimum, that the six-month report or the nine-month report is reviewed by an auditor. The CEO also has specific responsibility to ensure the competitive supply of all purchases of goods or services exceeding SEK 1 m. The CEO must provide the Board with all necessary background information and documentation, both before and between Board meetings. The CEO must attend Board meetings unless the chairman informs him that he need not to attend.

The CEO must also attend all general meetings of the Company, including both AGM's and extraordinary general meetings. The CEO may not have any engagements outside of the Company without the Board's approval.

The CEO is also responsible for implementing the strategy approved by the Board and to propose such other strategies and operational measures to the Board which he deems appropriate. The CEO is responsible for the Company's internal organization, but must obtain the Board's approval prior to major organizational changes. The CEO is responsible for issuing and maintaining instructions for delegation to senior executives of the Company. He is also responsible for entering into or terminating employment agreements and for other employment terms and conditions; however the chairman of the Board's approval is necessary for such issues in respect of senior executives.

In a crisis situation, it is the CEO's responsibility to inform the Board immediately and, if necessary, to form and instruct a crisis committee and to prepare a contingency plan for the business. The CEO must immediately report any event or procedure which he suspects may be significantly adverse to the business or the Company's financial position, e.g. a liquidity crisis, to the chairman of the Board.

Information regarding the CEO's age, primary education, work experience, significant engagements outside of Hansa Biopharma, and his holdings of shares in the Company and those of closely related persons are set forth below.

Senior executives

Hansa Biopharma's senior executives currently comprise six individuals: President and CEO Søren Tulstrup; Senior Vice President, Chief Scientific Officer and Chief Operating Officer



Executive management continued

Christian Kjellman; Senior Vice President, Chief Financial Officer Donato Spota; Senior Vice President, Chief Commercial Officer Henk Doude van Troostwijk; Senior Vice President, Chief Medical Officer Achim Kaufhold and Senior Vice President, Chief Human Resources Officer Anne Säfström Lanner.

Hansa Biopharma's current senior executives, the years when they assumed their positions, their years of birth, education, work experience, significant engagements outside the Company and holdings in Hansa Biopharma as of 31 December 2021 are listed further below in this Corporate Governance report.

Holdings in the Company includes both one's own holdings and/or those of closely related persons.

The number of share rights refers to the maximum number of ordinary shares which the executive may obtain as a result of the implementation of the incentive programs LTIP2018, LTIP2019, LTIP2020, and LTIP2021. Following the maturity of the incentive programs and provided that certain performance conditions have been fulfilled, the share rights will entitle the holder to receive a certain number of ordinary shares free of charge. Allocation of shares could be lower or zero depending on the share price development and whether or not performance conditions are met.



Søren Tulstrup
CEO

Shareholding: 15,000
Share rights: 172,429
ESOPs: 315,107

Søren Tulstrup has served as President and Chief Executive Officer since March 2018. He has extensive experience as a senior executive in the global biopharma industry. Prior to joining Hansa, he served as Chief Executive Officer of Vifor Pharma AG (SIX: VIFN), (now part of CSL Behring), a Glattbrugg, Switzerland-based global pharmaceutical company. Søren also previously served as Chief Executive Officer of Santaris Pharma A/S (now part of F. Hoffmann-La Roche AG, or Roche (SIX: ROG)), a leading clinical stage biopharmaceutical Company developing RNA-targeted drugs for various therapeutic areas including rare genetic diseases. Furthermore, Søren has served in several senior general management and commercial roles within Shire Pharmaceuticals (now The Takeda Pharmaceutical Company Limited (TSE: 4502)), Merck & Co., Inc. (NYSE: MRK) and Sandoz Pharma AG (now Novartis AG, or Novartis (NYSE: NVS)) in both Europe and the United States. He holds a Master of Science, Economics and Business Administration from Copenhagen Business School. He was born in 1965.



Christian Kjellman
Senior Vice President, Chief Scientific Officer and Chief Operating Officer

Shareholding: –
Share rights: 94,356
ESOPs: 134,380

Christian Kjellman has served as Chief Scientific Officer since January 2008 and Chief Operating Officer since January 2020. Prior to joining Hansa, he served as Principal Scientist at Biolnvent AB (STO: BINV) from 2007 to 2008, where he focused on novel target evaluation and antibody technology. Prior to that, Christian served as Head of Research at the biopharmaceutical development company Cartela AB from 2004 to 2007, mainly focusing on novel drug target evaluation. He has extensive research experience in cell and molecular biology and as an Assistant Professor in Molecular Genetics at Lund University. Christian holds a M.Sc. in Chemical Biology and a Ph.D. in Tumour Immunology from Lund University. He was born in 1967.



Donato Spota
Senior Vice President, Chief Financial Officer

Shareholding: –
Share rights: 102,073
ESOP's: 176,842

Donato Spota has served as Chief Financial Officer since May 2019. Donato brings more than 20 years of pharmaceutical industry experience in international environments, including strategic finance, business development, investor relations and international capital markets transactions to the Company. Prior to joining Hansa, he served in various roles at Basilea Pharmaceutica AG, or Basilea (SIX: BSLN), including as Chief Financial Officer from November 2013 to April 2019. He holds a B.A. in Information Technology from the Swiss BBT (Bundesamt für Berufsbildung und Technologie) and an M.B.A. from the Hochschule für Wirtschaft und Umwelt Nürtingen-Geislingen. He was born in 1971.



Executive management continued

The number of ESOP's refers to the number of employee stock options which the executive holds following the implementation of the incentive programs LTIP2019, LTIP2020 and LTIP2021. In LTIP2019, each employee stock option entitles the holder to subscribe for one new ordinary share at a subscription price corresponding to 110 per cent of the volume weighted average share price during the ten (10) trading days immediately prior to the offer to subscribe for the employee stock options. In LTIP2020 and LTIP2021, each employee stock option entitles the holder to subscribe for one new ordinary share at an exercise price corresponding to the higher of (i) 125 per cent of the volume weighted average share price during the 10 and 30 trading days, respectively, immediately preceding the respective allotment of the employee stock options. The employee stock options were allotted free of charge and have a vesting period of three years.



Henk Doude van Troostwijk
Senior Vice President, Chief Commercial Officer

Shareholding: –
Share rights: 71,717
ESOPs: 91,231

Henk Doude van Troostwijk has served as Senior Vice President and Chief Commercial Officer since June 2019. In addition, Henk served as Hansa's Vice President Global Commercial Operations from March 2016 to June 2019. Prior to joining Hansa, he served as General Manager of European Commercial Operations and Emerging Markets at Raptor Pharmaceutical Corp. (acquired by Horizon Pharma plc (NASDAQ: HZNP)), an orphan disease focused global biopharma company based in the U.S., from April 2012 to March 2016. Prior to that, he served as Business Unit Director Oncology and Transplantation at Genzyme Europe B.V. (acquired by Sanofi S.A. (Euronext: SAN)) from January 2008 to April 2012. Henk holds an M.B.A. from Henley Management College at the University of Reading, UK. He was born in 1965.



Anne Säfström Lanner
Senior Vice President,
Chief Human Resources Officer

Shareholding: 610
Share rights: 89,618
ESOPs: 70,000

Anne Säfström Lanner has served as Chief Human Resources Officer since June 2020. In addition, Anne served as Hansa's Vice President Global Human Resources from January 2019 to June 2020. She brings 18 years of human resources experience in international environments. Prior to joining Hansa, she served in various senior roles at the European Spallation Source, a European multi-disciplinary research facility, from August 2011 to January 2019, including Head of Resourcing from January 2017 to January 2019. Prior to that, Anne served as Head of Human Resources at Cellavision AB (STO:CEVI), a provider of digital solutions for medical microscopy within hematology, from April 2010 to August 2011. She has held positions both as Head of HR, Head of Resourcing, HR Manager & Deputy Head of HR and has extensive experience from fast growing start-up international companies. Anne holds a Bachelor of Social Science in Human Resource Management, focusing on strategic organizational development & leadership, from Lund University. She was born in 1969.



Achim Kaufhold
Senior Vice President, Chief Medical Officer

Shareholding: –
Share rights: 60,000
ESOP's: 70,000

Achim Kaufhold has served as Chief Medical Officer since June 2020. He is a highly experienced senior leader in immunology, infectious diseases and oncology. Achim has over 25 years of international experience within the biotechnology and pharmaceutical industry and has a successful track record in taking products from early discovery through development and to the market. Prior to joining Hansa, Achim served in various senior executive positions in general management, product and business development. He served as Chief Executive Officer of Affitech AS in 2009 and Pharmexa A/S in 2008 (which companies merged), Chief Medical Officer of Basilea Pharmaceutica AG, or Basilea (SIX: BSLN) from February 2010 to December 2017, Pharmexa A/S from 2007 to 2008, Chiron (acquired by Novartis (NYSE: NVS)) from 2005 to 2006 and Berna Biotech AG (now Johnson & Johnson (LSE: JNJ)) from 2001 to 2005. Prior to that, he headed the worldwide clinical development of the pediatric vaccine portfolio of GlaxoSmithKline plc (LSE: GSK). He currently also serves on the board of directors of Biosergen AB (STO: BIOSGN). Achim graduated as a Doctor of Medicine from the University of Cologne and holds a professorship in Medical Microbiology and Infectious Diseases at the University of Aachen, Germany. He was born in 1957.



Internal controls and risk management in respect of the financial reporting

Introduction

The following description is based on guidelines issued in 2008 by the Confederation of Swedish Enterprise and FAR.

The Company's internal control procedures in respect of the financial reporting have been formulated to ensure, with reasonable certainty, quality, and accuracy in the reporting. The procedures are designed to ensure that the reporting is prepared in accordance with applicable laws and regulations as well as the requirements which are imposed on companies with shares admitted for trading on a regulated market in Sweden. The important prerequisites for achieving this are: (i) the existence of a satisfactory control environment; (ii) the execution of reliable risk assessments; (iii) the existence of established control structures and control activities; and (iv) satisfactory information, communications, and follow-up.

Internal audit

The Board has evaluated the need for an internal audit function and has concluded that it is not warranted for Hansa due to the scope and size of the operations and because the Board's follow-up of the internal control is deemed sufficient to ensure that the internal control is effective. The Board will review the need in the event of changes which may give rise to re-evaluation and at least once annually.

Control environment

Internal control is based on Hansa's control environment, which comprises the values and ethics from which the Board, the Audit Committee, the CEO, the Executive Committee, and other employees communicate and operate. The control environment also includes the Company's organizational structure, leadership, decisional structure, decision-making authority, responsibility, and employee proficiency.

Risk assessment

Risk identification and evaluation are carried out in a manner to also include risks regarding financial reporting. As part of this procedure, items in the income statement and statement of financial position entailing a great risk of significant error are identified. For Hansa, accrued project costs in the Company's clinical projects have, at various times, involved significant amounts. The size of these is based, to great extent, on management's assessment of the degree of completion. More recently, product sales, contract revenue and inventory valuation became items which could include an elevated risk of significant error as they may involve significant amount of judgement and estimates. Further, cash and equivalents, as well as current investments, comprise a significant percentage of the Company's total assets and are therefore deemed to give rise to a risk in the financial reporting. Moreover, the fact that Hansa's administration is handled by a relatively small number of individuals is listed as a risk since the dependency on a small number of key individuals becomes great and the possibility to allocate tasks and responsibility becomes limited. The Company's risk management policy, financial handbook and further policies include controls to prevent and detect shortcomings in these and other areas.

Control structure and control activities

The Board's rules of procedure and the instructions for the CEO and Board committees ensure a clear allocation of roles and responsibility. The Board has overall responsibility for internal controls. The CEO is responsible for the development of the system of routines, procedures, and controls for the day-to-day operations. This includes, among other things, guidelines, and role descriptions for the various decision-makers as well as regular reporting to the Board based on established routines. Policies, procedures, routines, instructions and templates for the financial reporting and the day-to-day administrative financial operations and financial issues are documented in Hansa's policies. Routines and

activities have been designed to manage and rectify significant risks which are related to the financial reporting, and which are identified in the risk analysis. The most significant, overall, group-wide corporate governance documents are the work procedures for the Board, instructions for the CEO, financial handbook, disclosure policy, insider policy, risk management policy, and Code of Conduct.

The primary purpose of control activities is the prevention and early-stage detection of errors in the financial reporting so that they can be addressed and corrected. The Group has implemented entity level controls as well as process controls. Access to IT systems is limited and controlled in accordance with powers and authorization. Manual and automated control steps are incorporated throughout the accounting, financial closing and financial reporting process. The CFO compiles monthly financial reports which, among other things, are to report earnings and cash flow for the preceding period and state budget deviations. These reports, and above all the budget deviations, are analysed and commented upon by Company management. Follow-up takes place through regular meetings for review of these reports and analyses with the various managers and project managers. The work involved with annual accounts and annual reports are processes which pose additional risks for errors in the financial reports. This work is of a less repetitive nature and contains more evaluative elements. Important control activities include, among other things, external confirmations (e.g. bank statements or 3rd party vendor confirmations) as well as ensuring that there is a properly functioning reporting structure in which the various managers and project managers report pursuant to standardized templates, and that important income statement and statement of financial position items are analyzed and commented upon.



Internal controls and risk management in respect of the financial reporting continued

Information and communication

The informational activities are governed by an information policy. There are guidelines for external communications which ensure that the Company meets high standards for providing correct information to the shareholders and the financial market. Hansa's communications must be characterized by transparency and must be correct, relevant, reliable and clear; they may not be misleading. A uniform strategy for external communications reduces the risk of erroneous information, rumours, and misunderstandings. All communications must take place in accordance with Nasdaq Stockholm's Issuer Rules, the Swedish Code of Corporate Governance, and the laws and requirements imposed on Swedish companies whose shares are admitted for trading on a regulated market. The policy applies to all employees and directors of Hansa Biopharma and applies to both oral and written information.

The Board releases annual reports, financial statements and interim reports. All financial reports are published on the website (www.hansabiopharma.com) after having first been published pursuant to Nasdaq Stockholm's rules and regulations. The annual report is made available on the website and is provided as a hard copy to those shareholders who so wish.

Follow-up

The Board's follow-up on internal controls in respect of the financial reporting takes place, among other things, through follow-up by and through the Audit Committee, on the work and reports of the CFO and the external auditors. The work includes ensuring that measures are taken in respect of the shortcomings and proposed measures generated in conjunction with the external audit. The focus of the follow-up is Hansa compliance with policies, rules and guidelines; and the existence of efficient and suitable processes for risk management, operational management, and internal control. Each year, the external auditor follows up on the selected elements of the internal control within the scope of the statutory audit.

The auditor reports the results of the examination to the Audit Committee and Company management. Significant observations are reported, where applicable, directly to the Board.

The CEO is responsible for compiling all experience from the Company's risk management work and, following discussions with Company management, proposing any changes which the CEO deems necessary or applicable. The Board will decide on any changes.



Compliance

Hansa has adopted a Code of Conduct for all of its directors, officers, and associates which sets forth the standards for business behaviours that apply throughout the Company and describes the expectations Hansa has for its business partners, and those acting on behalf of the Company.

The Code contains guidance in the areas of personal and corporate integrity, responsibility toward the Company, its associates and the community as well as responsible and comprehensive compliance management.

Aligned with the Code of Conduct, Hansa has established a global compliance framework. This compliance framework includes, but is not limited to, compliance and business unit policies and procedure documents, compliance risk mitigation and violation reporting processes, data privacy precautions as well as internal auditing and monitoring activities.



Executive Remuneration – to be approved by AGM'22

The senior executives, the CEO and members of the executive committee, fall within the provisions of this policy. To the extent a board member conducts work for the Company, in addition to the board work, consulting fees and other compensation for such work may be paid. The policy is forward looking, i.e. applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the policy by the annual general meeting in 2022.

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain qualified personnel, consequently, it is necessary that the company offers market competitive remuneration.

For information regarding Hansa Biopharma's strategic priorities, please visit <https://hansabiopharma.com/this-is-hansa/our-commitment/>

For information regarding Hansa Biopharma's equity story, please visit <https://investors.hansabiopharma.com/English/our-equity-story/default.aspx>

Long-term (share-based) incentive programs have been implemented in the company. Such programs have been resolved by the general meeting and are therefore excluded from these guidelines. The program include, among others, the CEO and other senior executives in the company. The performance criteria used to assess the outcome of the plans are distinctly linked to the business strategy and thereby to the company's long-term value creation, including its sustainability.

For more information regarding these incentive programs, including the criteria which the outcome depends on, please see <https://hansabiopharma.com/this-is-hansa/corporate-governance/>.

This policy enables the company to offer senior executives a competitive remuneration. The remuneration shall be on market terms and may consist of the following components: fixed base salary, variable cash remuneration (including STI), pension benefits and other benefits. The components, their purpose and link to the company's business strategy are described below.

The decision-making process to determine, review and implement the policy

The Board of Directors has established a Committee within the Board (the Remuneration Committee), with the tasks of preparing, within the Board of Directors, the policy for remuneration for senior executives. The Board of Directors shall propose a revised policy at least every fourth

year and submit it to the general meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration for senior executives, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the company. The members of the Remuneration Committee are independent of the company and its executive management.

Unless otherwise stated herein, the Board of Directors shall resolve on matters regarding remuneration and employment provisions for all other senior executives. The CEO may decide upon Variable Cash Remuneration, including STI, for the other senior executives. The Remuneration Committee and the CEO, as applicable, shall continuously report to the Board of Directors. The CEO and the other senior executives shall not be present when their respective remuneration terms are decided.

Additionally, the general meeting may – irrespective of this policy – resolve on, among other things, share-related or share price-related remuneration.

Purpose and link to strategy	Supports the attraction and retention of the best talent. Ensures competitiveness while controlling fixed costs to maximise efficiency.
Operational Details	<ul style="list-style-type: none"> > Normally reviewed annually and increases will usually be effective from 1 April or following a change in responsibilities. > The Remuneration Committee will consider, among other things, the following parameters when reviewing fixed base salary: <ul style="list-style-type: none"> – Economic and salary conditions and trends – The individual's performance and responsibilities – Base salaries and total remuneration at other companies that operate in the same markets, typically benchmarked against similar roles.

Variable Cash Remuneration

A portion of the total remuneration for the senior executives are linked to business performance so that total remuneration will increase or decrease in line with performance, thus promoting the company's business strategy and long-term interests (see "Annual Short-Term Incentive (STI)" below).

For retention or recruitment purposes or extraordinary performance beyond the individual's ordinary tasks the Remuneration Committee, based on proposal of CEO, may, on an individual



Executive Remuneration – to be approved by AGM'22 continued

basis, decide on an additional variable cash remuneration. Such remuneration may not exceed an annual amount corresponding to 30 percent of the total fixed annual cash salary and may not be paid more than once each year per individual.

Annual Short-Term Incentive (STI)

Purpose and link to strategy	Supports the attraction and retention of the best talent. Ensures competitiveness while controlling fixed costs to maximise efficiency.
Operational Details	<ul style="list-style-type: none"> > The performance criteria, weighting and targets for the corporate objectives are to be proposed by the Remuneration Committee annually, evaluated and approved by the Board of Directors. Stretched targets shall be set by reference to the company's operating plan and historical and projected performance. > The performance criteria, weighting and targets for the individual objectives are to be proposed, evaluated and approved annually by the CEO as manager for members of the executive committee or, if it is not the CEO, then the respective manager for such members of the executive committee, and for the CEO the Remuneration Committee. > The outcome of criteria for awarding STI is to be measured over a period of one year and depend on the degree of fulfilment of predetermined targets. > The Board of Directors shall have the possibility, under applicable law or contractual provisions, subject to the restrictions that may apply under law or contract, to reclaim in whole or in part STI paid on incorrect grounds (claw-back).
Opportunity Levels	<p>The maximum opportunity for STI can amount up to max 75 percent of fixed base salary.</p> <p>The Remuneration Committee shall have the possibility to review the opportunity levels in order to ensure market competitiveness.</p>
Performance criteria	<p>The STI plan awards shall be based on corporate objectives and individual objectives and be linked to predetermined and measurable criteria.</p> <p>The criteria shall be designed so as to contribute to the company's business strategy and long-term interests.</p> <p>For financial objectives, the evaluation shall be based on the latest financial information made public by the company.</p>

Pension Benefits

Purpose and link to strategy	Provide competitive and cost-effective benefits.
Operational Details	<ul style="list-style-type: none"> > Other benefits may include but is not limited to life insurance, survivor benefit, accidental death and disability insurance, medical insurance/cover (Sw.: sjukvårdsförsäkring), and a company car or car allowance. > For executive officers governed by rules other than Swedish, benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of this policy. > Executive officers who are international assignees (for example expatriates) to or from Sweden may receive additional remuneration and other benefits to the extent reasonable in light of the special circumstances associated with the international assignment arrangement, taking into account, to the extent possible, the overall purpose of this policy.
Opportunity Levels	<p>Other benefits may amount to not more than 10 percent of the fixed annual cash salary and shall be set at a level which the Remuneration Committee considers to:</p> <ul style="list-style-type: none"> > provide the relevant level of benefit depending on role and the individual circumstances, > be in line with comparable roles in companies with similar size and complexity in the relevant market, and > be appropriate compared to the benefits offered to the wider workforce in the relevant market.

Other Benefits

Purpose and link to strategy	Provide competitive and cost-effective benefits.
Operational Details	<ul style="list-style-type: none"> > Other benefits may include but is not limited to life insurance, survivor benefit, accidental death and disability insurance, medical insurance/cover (Sw.: sjukvårdsförsäkring), and a company car or car allowance. > For executive officers governed by rules other than Swedish, benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of this policy. > Executive officers who are international assignees (for example expatriates) to or from Sweden may receive additional remuneration and other benefits to the extent reasonable in light of the special circumstances associated with the international assignment arrangement, taking into account, to the extent possible, the overall purpose of this policy.



Executive Remuneration – to be approved by AGM'22 continued

Opportunity Levels	<p>Other benefits may amount to not more than 10 percent of the fixed annual cash salary and shall be set at a level which the Remuneration Committee considers to:</p> <ul style="list-style-type: none"> > provide the relevant level of benefit depending on role and the individual circumstances, > be in line with comparable roles in companies with similar size and complexity in the relevant market, and > be appropriate compared to the benefits offered to the wider workforce in the relevant market.
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Termination of employment

Details	<ul style="list-style-type: none"> > If notice of termination of employment is made by the company: <ul style="list-style-type: none"> – The notice period may not exceed six months. – Fixed cash salary during the period of notice and severance pay may together not exceed an amount equivalent to the fixed cash salary for 18 months for the CEO, i.e. 6 + 12 months. – Fixed cash salary during the period of notice and severance pay may together not exceed an amount equivalent to the fixed cash salary for 6 months, and in exceptional cases, 12 months for the other senior executives. > When termination is made by the senior executive the period of notice may not exceed six months. No severance pay will be paid. > Repatriation – If the senior executive is an international assignee the company may reimburse reasonable cost for the repatriation of good leavers, taking into account, to the extent possible, the overall purpose of this policy.
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For senior executives governed by rules other than Swedish, payments in connection with termination may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of this policy.

Salary and employment conditions for employees

In the preparation of the Board of Directors' proposal for this remuneration policy, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time.

Derogation from the policy

The Board of Directors may temporarily resolve to derogate from the policy, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the Remuneration Committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the policy.

Additional information regarding executive remuneration is available in the Hansa Biopharma Annual Report.

Description of material changes to the guidelines and how the views of shareholders' have been taken into consideration (this informative element to be removed once approved by AGM'22)

In order to drive the business outcomes through a tailored employee incentive program that balances individual achievement and organisational contribution it is proposed that the performance criteria for the "Annual Short-Term Incentive ("STI") shall include both corporate and individual objectives. Furthermore, it is proposed that the performance criteria, weighting and targets for the individual objectives under the STI are to be proposed, evaluated and approved annually CEO as manager for members of the executive committee or, if it is not the CEO, then the respective manager for such members of the executive committee, and for the CEO the Remuneration Committee. The proposed adjustments have been reflected in these guidelines which will be subject to the shareholders' approval at the annual general meeting 2022.

During 2021, neither the Remuneration Committee nor the Board of Directors received any comments or questions from the shareholders on the remuneration guidelines adopted at the annual general meeting 2021.



Auditor statement on the corporate governance report

To the general meeting of the shareholders in Hansa Biopharma AB, corporate identity number 556734-5359

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the year 2021 on pages 127-145 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevU 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Malmö 7 April 2022

KPMG AB

Jonas Nihlberg

Authorized public accountant



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