

## **The Nomination Committee of Hansa Biopharma AB (publ) explanatory statement to the Annual General Meeting 2019**

The Nomination Committee's task is to prepare and present, for the Annual General Meeting, proposals for the number of Board members to be elected at the meeting, the election of the Chairman and other members of the Board, fees and any remuneration for committee work, election of Chairman of the meeting, election of auditor and audit fees, and proposal for rules for the appointment of the Nomination Committee for the Annual General Meeting 2020.

When the Nomination Committee contemplates the composition of the Board of Directors, it considers, among other things, the experience and competence needed in the Board and its Committees, and at the same time puts value of diversity in age, gender and cultural/geographic background. The Nomination Committee also assesses the appropriateness of the number of members of the Board and whether the members of the Board can devote the necessary time required to fulfil their tasks as members of the Board of Hansa Biopharma. The Nomination Committee primarily searches for potential board member candidates for the upcoming mandate period but also consider future competence needs.

In its appraisal of qualifications and performance of the individual members of the Board, the Nomination Committee takes the competence and experience of each individual member into account and the individual member's contribution to the work in the Board as a whole as well as in the committees. The Nomination Committee has further informed itself of the results from the board work evaluation as well as the work of the Board and work of its individual members. The Nomination Committee believes that it is of great importance that the composition of the Board of Directors is resolved so it includes members who, in terms of experience and competence, complement each other in a way to make it possible for the Board to contribute to a positive development of Hansa Biopharma AB.

The Nomination Committee is of the opinion that the current Board and its work are functioning well. Further, the Nomination Committee is of the opinion that the Board, as a whole, fulfils high expectations in terms of composition, and that the Board and its individual members fulfil high expectations in terms of expertise. Stina Gestrelus and Angelica Loskog have declined re-election whilst all other members of the Board have confirmed that they are eligible for re-election. Therefore, the Nomination Committee proposes new members to the Board of Directors who will complement the competences of the current members of the Board of Directors. The members of the Board of Directors that are proposed for re-election are presented on the Company's webpage as well as in the annual report, and a presentation of the persons proposed for new election is presented separately.

The Nomination Committee has continued to strive for an equal gender distribution, and one third (1/3) of the proposed members of the Board of Directors, to be elected by the Annual General Meeting, are women.

All members of the Board are deemed to be independent of the Company and its executive management. Furthermore, all members of the Board, both current and those proposed for new elections, are deemed to be independent in relation to the Company's major shareholders.

Furthermore, the Nomination Committee has received the Audit Committee's recommendation to the Board of Directors regarding the election of auditor. The Nomination Committee proposes, in accordance with the Audit Committee's recommendation, re-election of the audit firm KPMG AB.

### **Description of the Nomination Committee's work before the Annual General Meeting 2019**

The Nomination Committee consists of the following members: Erika Kjellberg Eriksson representing Nexttobe AB, Astrid Samuelsson representing Handelsbanken Funds, Sven Sandberg representing Thomas Olausson as well as the chairman of the Board of Directors, Ulf Wiinberg, as convener.

The shareholders represented in the Nomination Committee together represents 21.9 per cent of the votes in the Company. All members of the Nomination Committee are independent of the Company and its executive management. Erika Kjellberg Eriksson and Astrid Samuelsson are dependent of the Company's major shareholder. The Nomination Committee started its work by going through the duties of the Nomination Committee under the Swedish Corporate Governance Code (the "Code") and the Instruction for the Nomination Committee resolved by the Annual General Meeting in 2018.

The Nomination Committee further informed itself thoroughly of the results from the evaluation of the Board work, which also included the chairman of the Board of Director's performance and the Committee has also been in contact with CEO. On this basis, the Nomination Committee has assessed the competence and experience required of Hansa Biopharma's members of the Board, and the Nomination Committee has evaluated the need for an increased diversity of the Board of Directors in terms of age, gender and cultural/geographic background. The Nomination Committee has, in this regard, applied section 4.1 of the Code as diversity policy.