

# The Nominating Committee in the Biotage AB 2020 Annual General Meeting proposal

## Background

At the Annual General Meeting (hereinafter also referred to as “AGM”) on April 24, 2019, Biotage (hereinafter also referred to as “Company”) shareholders voted in favor of appointing a Nominating Committee (hereinafter also referred to as “Committee”) consisting of four members. The members shall consist of one representative for each of the three largest shareholders in terms of votes that choose to appoint a representative and the Chairman, who shall summon the Nominating Committee’s members to the first meeting. The Committee shall perform the duties incumbent upon it in accordance with the Corporate Governance Code. The Committee’s term of office shall extend until the time a new Nominating Committee is appointed.

The composition of the Committee shall be based on shareholder statistics from Euroclear Sweden AB from the last banking day in August as well as other reliable ownership data available to the Company at the present time. When it comes to assessing the identity of the three largest shareholders in terms of votes, a group of shareholders shall be deemed to comprise one common owner if they (i) are classified as one owner in the Euroclear system or (ii) publicized and announced to the Company that they have signed a written agreement adopting a long-term unified position on issues relating to the Company’s management through a coordinated exercise of their voting rights. The Nominating Committee shall appoint one of its members to the role of Chairman. This cannot be the Company’s Chairman of the Board. Unless the Committee decides otherwise, this Chairman shall be the member representing the single largest owner in terms of votes. The names of the representatives appointed to the Committee, along with the shareholders they represent, shall be publicized immediately following their appointment.

If during their term of office, one or more shareholders who have appointed members to the Committee no longer constitute one of the three largest shareholders in terms of votes, then their appointed members shall agree to vacate their posts, and the new owner(s) now constituting one of the three largest shareholders in terms of votes shall be entitled to appoint one representative each. In the event a member resigns from the Committee before the end of his or her term of office, the shareholder who appointed the individual shall appoint a new member. If the shareholder no longer constitutes one of the three largest shareholders in terms of votes, then a new member shall be appointed according to the procedure above. Unless special circumstances exist, no changes shall be made to the composition of the Committee if the distribution of voting rights has only changed marginally or has changed within three months of the AGM. However, shareholders who have become one of the three largest owners in terms of votes due to a significant shift in voting rights within three months of the AGM shall have the right to co-opt a representative for appointment to the Committee. Shareholders who have appointed a representative to serve as a member on the Committee shall be entitled to dismiss that member and appoint a new representative. Any changes to the composition of the Committee must be publicized immediately.

A Nominating Committee consisting of shareholder representatives and a Chairman has been appointed for Biotage AB.

The Committee’s representatives include:

- Marianne Flink, Chairman of the Committee, appointed by Swedbank Robur Fonder AB;
- Vegard Søråunet, appointed by ODIN Fonder (replacing Ove Mattson after shareholders Ann-Charlotte Bergström, Eva Forsberg, Lena Westergren, Jonas Lenman, Ove Mattsson, and Susanne Wetterlin, who agreed to coordinate the exercise of their voting rights, no longer hold a large enough overall share of ownership to qualify as a member of the Committee);
- Christian Petersen, appointed by Vind AS;
- Torben Jörgensen, Chairman of the Board of Biotage AB since November 7, 2019.

The tasks of the Nominating Committee include laying the groundwork for the election of an auditor, Chairman and Directors, and moderator at the Annual General Meeting as well as examining honorariums and related issues in advance of the 2020 AGM. The Committee has held two meetings, documented by minutes, following the Extraordinary General Meeting (hereinafter also referred to as "EGM") of November 7, 2019 as well as ongoing coordination meetings by phone.

These meetings and teleconferences have primarily been devoted to evaluating the work of the current Board and discussing the number of directors and need to recruit new members, prospective new directors, and Board honorariums.

### **The reasoned opinion of the Nominating Committee**

To evaluate the requirements that will be imposed on the Board, based on the company's current situation and future direction, the Committee has discussed the Board's composition in terms of, for example, experience in the industry and KSAs. An important fundamental tenet has been that the Board's composition should reflect and accommodate the wide variety of expertise and experience required by the Company. Biotage is a multinational company in the strictest sense of the word. Sweden accounts for less than one percent of sales. Therefore, the Committee's goal is to find members with an international perspective as well as experience with the company's markets and product lines. Furthermore, the Committee has paid particular attention to the recommendations for a diversity policy found in paragraph 4.1 of the Swedish Corporate Governance Code and adopted them in its work when, e.g., presenting proposals to the Board of Directors, with the express goal of arriving at an appropriate composition, whereby members elected at the Annual General Meeting reflect a diverse, broad spectrum of expertise, experience, and background. Following the 2019 AGM, the share of women on the Board was unsatisfactory. For this reason, the Committee continued to work on the recruitment of a woman with the right profile, and Åsa Hedin, who was elected at the November 7, 2019 EGM, was added to the Board. As announced previously, Torben Jörgensen was also elected at this EGM as Chairman of the Board.

Evaluation of the current Board of Directors included Chairman Torben Jörgensen's submission of a report to the Nominating Committee describing the work of the Board. The Committee also interviewed each of the proposed directors. In the Committee's opinion, the Board's work has been satisfactory.

The Committee proposes that all of the members be re-elected, and each of the following members has confirmed his or her availability: Torben Jörgensen, Thomas Eklund, Karolina Lawitz, Peter Ehrenheim, Mark Bradley, and Åsa Hedin.

Torben Jörgensen is once again proposed as Chairman of the Board.

The Committee believes that the proposed board is appropriately constituted to meet the requirements of the Company's business with respect to its operations, stage of development, and other conditions. The Committee has paid particular attention to the Company's strategic development, management, and control systems as well as the requirements that these impose on the expertise and composition of the Board.

The Committee also discussed honorarium levels for Biotage board work in relation to those of companies with a comparable market capitalization, concluding that the tasks of the Company's Board of Directors are highly complex due to the Company's international scope and market coverage as well as its product segments. In the Committee's opinion, it is important for board honorariums to be set at a level capable of attracting the right expertise to the Board. Nevertheless, the Committee came to the conclusion that it is difficult to attract foreign expertise with the honorariums that are typical for Nordic companies. The honorarium for the Chairman of the Board was also discussed in detail, and a conclusion was reached that the difference between the Chairman and ordinary directors was inadequate in relation to the greater amount of responsibility and work the Chairman assumes. The Committee agreed that the difference between these two honorariums should be increased over time. Taking into consideration the corona pandemic (COVID-19) and the great uncertainties about the

effects thereof, the Committee will therefore propose that the honorariums be left unadjusted from the levels set at the 2019 AGM.

All of the directors were deemed to be independent of the Company and the Company's management with the exception of Torben Jörgensen, who previously served as the Company's CEO. All directors were also deemed to be independent of the Company's larger shareholders with respect to the Swedish Corporate Governance Code's requirements pertaining to the independence of corporate Boards of Directors.

Ahead of the 2020 AGM, the Board's Audit Committee, along with the rest of the Board, evaluated the current audit assignment awarded to Deloitte, concluding that there was no reason to change the supplier of these services at the moment. Based on the recommendation of the Audit Committee, the Nominating Committee proposes that the audit firm Deloitte AB, which has recommended Jonas Ståhlberg as Lead Auditor, be re-elected at the AGM. This appointment shall furthermore be for a one-year period.

The Biotage Nominating Committee will be presenting the following proposals at the Company's Annual General Meeting:

***Committee's proposal concerning a moderator for the AGM***

The Committee proposes that Torben Jörgensen be the moderator at the AGM.

***Committee's proposal concerning the numbers of directors and alternates***

The Committee proposes six directors and no alternates.

***Committee's proposal concerning Board honorariums***

The Committee proposes unadjusted honorarium: A fixed Board honorarium of SEK 1,625,000 shall be set for the period up to and including the end of the 2021 AGM, to be allocated in the following manner: the Chairman of the Board shall be awarded SEK 500,000 and all other non-employee members shall be awarded SEK 225,000 each.

In addition, the Committee proposes that the members of the Audit Committee shall be awarded no more than SEK 145,000 whereof the Chairman of the Audit Committee be awarded SEK 75,000 and the two other members of the Audit Committee be awarded SEK 35,000 each. Similarly, the Committee proposes that the Compensation Committee shall be awarded no more than SEK 110,000 whereof the Chairman of the Compensation Committee be awarded SEK 60,000 and the two other members of the Compensation Committee be awarded SEK 25,000 each.

***Committee's proposal concerning auditor's fees***

The Committee proposes that auditor's fees for the period up to and including the end of the 2021 AGM shall remain unchanged, based on an approved invoice.

***Committee's proposal concerning the appointment of an auditor***

The Committee proposes that the audit firm Deloitte AB, which has recommended Jonas Ståhlberg as Lead Auditor, be appointed as the Company's auditor.

***Committee's proposal concerning the election of directors***

The Committee proposes that the following members be re-elected: Torben Jörgensen, Thomas Eklund, Karolina Lawitz, Peter Ehrenheim, Mark Bradley, and Åsa Hedin. Information about the proposed directors appears below:

**Torben Jørgensen**

Chairman of the Board

Education: Bachelor of Business Administration

Born: 1952

Board service (years): 1

Shares: 520,200

Other posts: Chairman of the Board of Atlas Antibodies AB; Director of Intervacc AB and Micropos Medical AB.

**Thomas Eklund**

Director

Education: MBA, Stockholm School of Economics

Born: 1967

Occupation: Independent Adviser, Consultant, and Director

Other posts: Chairman of the Board of Sedana Medical AB; Director of Boule Diagnostics AB, Memira AB, Rodebjer Form AB, Bio-Works Technologies AB, Immedica AB, and Surgical Science AB.

Board service (years): 14

Shares: 111,538 shares, including shares owned through endowment and retirement policies.

**Peter Ehrenheim**

Director

Education: Master of Science in Mechanical Engineering, KTH Royal Institute of Technology, Stockholm

Born: 1955

Occupation: Entrepreneur

Other posts: Chairman of the Board of Boule Diagnostics AB, Medcap AB, Bio-Works Technologies AB, Sophion A/S, Grönsöo Säteri AB, and Färjsundet Industri AB.

Board service (years): 7

Shares: 0

**Karolina Lawitz**

Director

Education: Master of Science, Uppsala University

Born: 1956

Occupation: Director

Other posts: Director of PeptiCore AB and Red Glead Discovery AB

Board service (years): 7

Shares: 19,500

**Åsa Hedin**

Director

Education: Biophysics Civil Engineer, University of Minnesota

Born: 1962

Occupation: Non-Employee Director, Investor, Adviser

Other posts: Chairman of the Board of Artificial Solutions AB; Director of Nolato AB, Tobii AB, Cellavision AB, C-Rad AB, Industrifonden, and the Swedish Tennis Association.

Board service (years): Appointed on November 7, 2019

Shares: 0

**Mark Bradley**

Director

Education: Master of Arts, Doctor of Philosophy

Born: 1962

Occupation: Professor

Other posts: Academic

Board service (years): 1

Shares: 0