

The Nomination Committee's proposals and reasoned statement for the annual general meeting 2021

1. Background

In accordance with the guidelines adopted by the annual general meeting in Ascelia Pharma AB (the "Company") on 14 November 2019, a Nomination Committee has been appointed and announced. The Nomination Committee has consisted of Jørgen Thorball, appointed by Sunstone Life Science Ventures II K/S, Anna Sundberg, appointed by Handelsbanken Fonder AB, Håkan Nelson, appointed by Øresund-Healthcare Capital K/S, and Peter Benson, chairman of the board of directors. Jørgen Thorball has been the chairman of the Nomination Committee. Nils Lorentzen, appointed by CMC SPV of 3 April 2017 AB was originally a member of the Nomination Committee but was replaced by Anna Sundberg in February 2021 due to that CMC SPV of 3 April 2017 AB divested all its shares in the Company in January 2021.

2. The Nomination Committee's proposals for the annual general meeting 2021

The Nomination Committee submits the following proposals for resolutions:

Item 1: Election of chairman of the meeting

The Nomination Committee proposes that lawyer Ola Grahn is elected as chairman of the meeting or, in his absence, the person appointed by the Nomination Committee instead.

Item 8 a: Determination of the number of members of the board of directors

The Nomination Committee proposes that the board of directors shall be composed of 7 members.

Item 8 b: Determination of the number of auditors and deputy auditors

The Nomination Committee proposes, in accordance with the recommendation from the Audit Committee, that one registered accounting firm is appointed as auditor.

Item 9 a: Determination of remuneration for the members of the board of directors

The Nomination Committee proposes that board remuneration shall be paid with SEK 500,000 to the chairman of the board (SEK 400,000 previous year) and with SEK 250,000 to each of the other board members who are not employed by the Company (SEK 200,000 previous year). It is further proposed that remuneration for committee work shall be paid with SEK 100,000 to the chairman of the Audit Committee (unchanged since previous year), with SEK 25,000 to each of the other members of

the Audit Committee (unchanged since previous year), with SEK 100,000 to the chairman of the Commercialization Committee (unchanged since previous year) and with SEK 25,000 to each of the other members of the Commercialization Committee (unchanged since previous year). No separate remuneration shall be paid for work in the Remuneration Committee. It is finally proposed that, in addition to the above, board members residing outside of Europe shall be paid additional board remuneration with SEK 10,000 per physical board meeting attended (unchanged since previous year).

Item 9 b: Determination of remuneration for the auditors

The Nomination Committee proposes, in accordance with the recommendation from the Audit Committee, that remuneration for the auditor shall be paid in accordance with customary norms and approved invoice.

Item 10: Election of members of the board of directors and chairman of the board of directors

The Nomination Committee proposes that Peter Benson, Niels Mengel, Bo Jesper Hansen, René Spogård, Helena Wennerström, Hans Maier and Lauren Barnes are re-elected as ordinary board members, and that Peter Benson is re-elected as chairman of the board of directors.

Information on the board members proposed for re-election can be found at the Company website (www.ascelia.com) and in the annual report.

Item 11: Election of auditors

The Nomination Committee proposes, in accordance with the recommendation from the audit committee, that Öhrlings PricewaterhouseCoopers AB is re-elected as accounting firm. Öhrlings PricewaterhouseCoopers AB has informed that authorized public accountant Carl Fogelberg will continue to be the auditor in charge.

3. Description of the Nomination Committee's work and the Nomination Committee's reasoned statement

- 3.1 The Nomination Committee has held one meeting but has also had additional contacts. The Nomination Committee has applied the instruction for the Nomination Committee which was adopted by the annual general meeting on 14 November 2019.
- 3.2 The Company's shareholders have been informed on the Company website, that it has been possible to submit proposals to the Nomination Committee. No such proposals have been submitted.
- 3.3 The Nomination Committee has oriented itself with regard to how the work in the board of directors has been conducted and how it works as well as with regard to the Company's strategy and future challenges. The Nomination Committee has furthermore evaluated which competence and experience the members of the board should

possess, which has served as guidance for the Nomination Committee's work. The chairman of the board has ensured that the Nomination Committee has received relevant information about the board work during the year, as well as the board evaluation which has been carried out by the members of the board.

- 3.4 The Nomination Committee has made the assessment that the board has been well functioning during the period and that the members of the board of directors possess adequate competence and the qualifications required to lead the Company's continued development. According to the Nomination Committee's assessment, continuity in the board work is of large importance for the Company. In the view hereof, the Nomination Committee has proposed re-election of all board members.
- 3.5 The proposed board of directors is, with regard to the Company's activity, stage of development and other conditions in general, considered as an adequate board composition in relation to the qualifications, experience and background of the proposed board members. The Nomination Committee has specifically considered the demand that the board of directors shall be characterized by diversity and width. The proposed board composition is also adequate in order to meet the needs, which the Company is facing and will be facing in relation to the Company's activities.
- 3.6 The Nomination Committee also considers that the proposed composition of the board of directors fulfills the requirements of the Swedish Code of Corporate Governance regarding the independence of the members of the board of directors. According to the Nomination Committee, all proposed board members are to be considered independent in relation to the Company and its senior management and all proposed board members except Peter Benson are also to be considered as independent in relation to major shareholders. In regards to Hans Maier, it is noted that he has previously been considered as not being independent in relation to the Company and its senior management due to that he is the Managing Director and a major shareholder of BGM Associates GmbH that previously provided consultancy services to the Company. The consultancy agreement was however terminated in the beginning of 2020 and the Nomination Committee has hence reached the conclusion that Hans Maier is now to be considered as independent in relation to the Company and its senior management.
- 3.7 According to the Swedish Code of Corporate Governance, an even gender balance of the board of directors shall be strived for. The Nomination Committee has resolved to apply Rule 4.1 of the Swedish Corporate Governance as its diversity policy, which states that the composition of the board shall be characterized by diversity and breadth with respect to qualifications, experience and background of the board members and that an even gender balance shall be strived for. The Nomination Committee has considered the question regarding an even gender balance but can conclude that the proposed composition of the board of directors will consist of 2 women and 5 men. The gender diversity is thus 29 % / 71 %, which, in the Nomination Committee's

opinion, is not consistent with the requirement of an equal gender balance. The Nomination Committee's ambition is that the gender balance shall increase further over time, and at least correspond to the levels expressed by the Swedish Corporate Governance Board.

March 2021

The Nomination Committee of Ascelia Pharma AB (publ)