

## **The nomination committee's proposal and motivated opinion for the annual general meeting 2021**

The nomination committee of Xspray Pharma AB (publ) (the "Company" or "Xspray") which consists of Michael Wolff Jensen (chairman of the board), Gillis Cullin (appointed by Östersjöstiftelsen), Johan Gyllenswärd (appointed by Ribbskottet AB) and Caroline Sjösten (appointed by Swedbank Robur Fonder), proposes the following:

- that Dain Hård Nevenon, member of the Swedish Bar Association, shall be appointed chairman of the general meeting,
- that the number of members of the board shall be seven (six) without deputies,
- that an audit firm shall be appointed as auditor,
- that the directors' fees shall be paid with SEK 400,000 (350,000) to the chairman of the board, with SEK 200,000 (175,000) to each of the other ordinary board members, with SEK 100,000 (45,000) to the chairman of the audit committee and SEK 50,000 (20,000) to each of the other members of the audit committee, and with SEK 75,000 (30,000) to the chairman of the remuneration committee and SEK 35,000 (15,000) to each of the other members of the remuneration committee,
- that fee to the auditor shall be paid in accordance with approved statement of costs,
- that the board members Maris Hartmanis, Carl-Johan Spak, Torbjörn Koivisto, Gunnar Gårdemyr and Christine Lind are re-elected, and that Anders Ekblom and Anders Bladh are elected as board members for the period until the end of the next annual general meeting. Michael Wolff Jensen has declined re-election,
- that Anders Ekblom is elected chairman of the board, and
- that KPMG AB is re-elected as audit firm, in accordance with the board's recommendation, whereby KPMG AB has informed that Duane Swanson will be auditor in charge.

### Information on the proposed members

Information regarding the individuals proposed by the nomination committee for re-election is available at the Company's webpage and in the Company's annual report for 2020. Information on the members proposed for new election can be found below.

#### **Anders Bladh**

Anders Bladh (born 1958) is a Swedish citizen and has a degree in International Economics from Uppsala University. Anders Bladh is a board member of Ribbskottet Aktiebolag, DistIT AB and Rimturs Aktiebolag. Anders Bladh is also the CEO of, and a board member of, Intervalor Aktiebolag. Anders Bladh holds 138,666 shares in Xspray and 2,105,000 shares in Xspray through a related legal entity. Anders Bladh is deemed independent in relation to Xspray and its management but is deemed dependent in relation to Xspray's major shareholders.

#### **Anders Ekblom**

Anders Ekblom (born 1954) is a Swedish citizen. Anders Ekblom is a doctor, specialist in anaesthesia and intensive care, a dentist and a senior lecturer in physiology at Karolinska Institutet. Anders Ekblom has long experience of international work in the pharmaceutical industry and has, among other things, acted as global head of research at AstraZeneca and as CEO of AstraZeneca AB Sweden. Anders Ekblom is, among other things, chairman of Elypta AB, vice chairman of LEO Pharma A/S, board member of Alligator Bioscience AB and Mereo Bio Pharma Group Plc. Anders Ekblom holds 3,000 shares in Xspray and is deemed independent in relation to both Xspray and its management, as well as in relation to Xspray's major shareholders.

### The nomination committee's proposal on principles for the appointment of the nomination committee

The nomination committee proposes that the annual general meeting resolves on principles for appointing the nomination committee in accordance with Appendix 1. The principles for appointing the nomination committee is materially unchanged, apart from that the nomination committee shall comprise of the four (previously three) largest shareholders of the company in terms of votes and that the nomination committee's composition shall be based on Euroclear Sweden AB's share register as of 31 August (previously 30 September).

### **The work of the nomination committee and motivated opinion**

The nomination committee has had seven documented meetings ahead of the annual general meeting 2021 and has, in addition thereto, on several occasions had informal contacts. Particular attention has been given to the composition of the board and how the board of directors operates as a group, and the nomination committee has also discussed the evaluation of the board's work. The nomination committee has also evaluated the level of remuneration to the board. The increased remuneration has been proposed in light of that the nomination committee considers that the scope of the board of directors' work justifies an increased remuneration, especially in light of the expected increased work efforts as a result of that Xspray's share will be traded on Nasdaq Stockholm's Mid Cap segment. In addition, the nomination committee has, as stated in the nomination committee's separate proposal for resolution, proposed that the annual general meeting resolves on an incentive program to the proposed chairman of the board.

The nomination committee has, as basis for its work, executed an evaluation of the board of directors and held interviews with all members of the board of directors regarding the board and its work. The size of the board as well as its composition with regard to, inter alia, experience of the industry and qualifications has also been discussed.

The nomination committee has, in its work ahead of the annual general meeting, had an objective to ensure that the board, as a group, has the necessary competence and experience with regard to Xspray's operations and developing stage and to be able to continue to lead the Company in a successful manner. The nomination committee has, in particular, taken into account the need for diversity and variety in terms of competence, experience and background, in consideration of, inter alia, the Company's strategic development, governance and control. The nomination committee has also discussed perspectives of diversity, taking the view that such perspectives are material with regard to the composition of the board and that a gender balance shall be strived for. The nomination committee notes that the board, in the event the nomination committee's proposal is adopted by the annual general meeting, will consist of one woman and six men. As regards the composition of the board, what is set forth in section 4.1 of the Swedish Corporate Governance Code (the "Code") has been applied as a diversity policy.

The nomination committee is of the opinion that the proposed board of directors consists of a wide and diversified group of qualified individuals who are motivated and who fit for the work required by a board of Xspray. The nomination committee is also of the opinion that the board members complement each other in terms of competence and experience.

The nomination committee complies with the Code. When assessing the independence of the proposed board members, the nomination committee has found that all proposed board members, except Anders Bladh, are independent. Anders Bladh is deemed independent in relation to Xspray and its management but is deemed dependent in relation to Xspray's major shareholders. The nomination committee's proposed composition of the board of the Company thus fulfils the requirements regarding independence set forth in the Code.

The Nomination Committee  
**Xspray Pharma AB (publ)**

## **The nomination committee's proposal on principles for the appointment of the nomination committee**

The chairman of the board shall contact the four largest shareholders or group of shareholders in the Company in terms of votes, according to Euroclear Sweden AB's share register on 31 August. Each such shareholder shall be offered the opportunity to appoint a member who shall, together with the chairman of the board, form the nomination committee. If any of these shareholders renounce from its right to appoint a representative, the right to appoint such representative shall pass to the largest shareholder in turn in terms of votes which is not already entitled to be represented on the nomination committee. The procedure shall continue until the nomination committee consists of four members, excluding the chairman of the board, if this can be achieved after contacts with the ten largest shareholders and shareholders with a shareholding of three percent or more, as applicable, after which the thereby appointed members shall form the committee. The chairman of the nomination committee shall be the member who represents the largest shareholder in terms of votes, unless the members agree otherwise. The chairman of the board may not be chairman of the nomination committee.

The chairman of the board shall convene the nomination committee to its first meeting and shall, as a part of the nomination committee's work, report to the nomination committee such circumstances regarding the work of the board of directors and the need for special competences etc. that may be of importance for the work of the nomination committee. The composition of the nomination committee shall be announced as soon as the nomination committee has been formed and in all events no later than six months before the next annual general meeting. The members of the nomination committee are appointed for a term starting upon announcement of the composition of the nomination committee and running until a new nomination committee has been appointed.

In the event that the ownership structure of the company is changed after 31 August but before announcement of the nomination committee's complete proposals, and if a shareholder that after this change has become one of the four largest shareholders in the company in terms of votes makes a request to the chairman of the nomination committee to be part of the nomination committee, this shareholder shall have the right to appoint an additional member of the nomination committee. The nomination committee may further resolve that a member who has become significantly smaller than the fourth largest shareholder in the company in terms of votes shall resign from the nomination committee, if deemed appropriate.

If a member of the nomination committee resigns during the term of office or otherwise is unable to continue as member, the nomination committee shall request the shareholder that had appointed that member to, within reasonable time, appoint a new member. If the shareholder renounces its right to appoint a member, the right to appoint such new member shall pass to the largest shareholder in turn in terms of votes which is not already represented on, or has renounced its right to appoint a member to the nomination committee. Changes to the composition of the nomination committee shall be announced as soon as they occur.

The nomination committee shall prepare proposals in respect of the following issues for the next annual general meeting to resolve upon:

- chairman of the annual general meeting,
- members of the board of directors,
- chairman of the board of directors,
- remuneration to the board of directors, distributed between the chairman of the board of directors and the other members of the board of directors,
- remuneration to the members of the remuneration committee and the audit committee, (if applicable),
- election of auditor,
- remuneration to the auditor, and

- in so far as it seems appropriate, changes to the instruction in force for the nomination committee.

Remuneration shall not be paid to the members of the nomination committee. However, the Company shall reimburse any costs that may arise in connection with the nomination committee's work, for example costs related to external consultants, which are deemed necessary by the nomination committee in order for the nomination committee to be able to fulfil its assignment.

These instructions shall remain in force until the annual general meeting resolves otherwise.