

The Board's proposal to the 2020 Annual General Meeting

The Company's Articles of Association, item 7 Auditors, shall be amended as follows:

The Company shall have at least one (1) and a maximum of two (2) auditors with or without deputies. An authorized public accountant or a registered public accounting firm shall be appointed to serve as auditor.

The Board of Directors' proposal for remuneration guidelines for senior executives

These guidelines concern remuneration and other terms of employment for the Chief Executive Officer and senior executives. The guidelines are forward-looking and applicable to remuneration already agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the 2020 Annual General Meeting. These guidelines do not apply to any remuneration decided or approved by the general meeting.

Promotion of the company's business strategy, long-term interests and sustainability

A prerequisite for the successful implementation of the Genovis Group'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. These guidelines enable Genovis to offer senior executives a competitive total remuneration package. For more information about the company's business strategy: <https://investor.genovis.com/sv/bolagsoversikt/>

Types of remuneration

The Genovis Group's remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. The Annual General Meeting may also – regardless of these guidelines – adopt remuneration based on, for example, share and share-price-related incentive schemes.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one or several years. The variable cash remuneration shall be capped at a maximum of 25 per cent of the annual fixed cash salary.

Further variable remuneration may be awarded in extraordinary circumstances, provided that such extraordinary arrangements are limited in time and only made on an individual basis, either for the purpose of recruiting or retaining senior executives, or as remuneration for extraordinary performance beyond the individual's ordinary tasks. Such remuneration may not exceed an amount corresponding to 35 percent of the fixed annual cash salary and may not be paid more than once each year per individual. Any resolution on such remuneration shall be made by the Board.

For the CEO, pension benefits, including health insurance (Sw: *sjukförsäkring*), shall be defined-contribution schemes. Variable cash remuneration shall be pensionable. The pension premiums to defined-contribution schemes shall amount to not more than 35 percent of the fixed annual cash salary. Other benefits may include, for example, life insurance, medical insurance (Sw: *sjukvårdsförsäkring*), and company cars. Such benefits may amount to not more than 10 percent of the fixed annual cash salary.

For other senior executives, pension benefits, including health insurance, shall be defined-contribution schemes, to the extent that the executive is not covered by a defined benefit pension under compulsory collective contract provisions. Variable cash remuneration shall be pensionable. The pension premiums to defined-contribution schemes shall amount to not more than 30 percent of the fixed annual cash salary.

Other benefits may include, for example, life insurance, medical insurance (*Sw: sjukvårdsförsäkring*), and company cars. Such benefits may amount to not more than 15 percent of the fixed annual cash salary.

For employments governed by rules other than Swedish rules, pension benefits and other 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 these guidelines.

Termination of employment

For notice of termination served by the company, the maximum notice period is twelve months. Fixed cash salary during the notice period and severance pay may together not exceed an amount corresponding to fixed cash salary for eighteen months for the Chief Executive Officer and one year for other members of senior executives. For notice of termination served by the executive, the maximum notice period is six months, without right to severance pay.

Additionally, remuneration may be paid for non-compete undertakings. Such remuneration shall only be paid to compensate for loss of income in so far as the previously employed Group Management member is not entitled to severance pay. The remuneration shall be based on the fixed cash salary at the time of termination of employment, amount to not more than 60 percent of the monthly income at the time of termination of employment and be paid during the time the noncompete undertaking applies, however not for more than nine months following termination of employment

Criteria for awarding variable cash remuneration, etc.

The variable cash remuneration shall be linked to predetermined and measurable criteria which can be financial or non-financial. They may also be individualized, quantitative or qualitative objectives. The criteria shall be designed so as to promote the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or promoting the long-term development of the executive.

The extent to which the criteria for awarding variable cash remuneration have been satisfied shall be determined when the measurement period has ended. The Board is responsible for the evaluation so far as it concerns variable remuneration to the Chief Executive Officer. The Chief Executive Officer is responsible for evaluation regarding variable cash remuneration to other senior executives. For financial objectives, the evaluation shall be based on the latest financial information made public by the company.

Salary and terms of employment for employees

In preparation of the Board's proposal for these remuneration guidelines, salaries and terms of employment for the company's employees were taken into account in that information about employees' total remuneration, the remuneration components, the increase in remuneration and the rate of the increase over time formed a part of the decision basis used by the Board to evaluate whether the guidelines and the limitations set out herein were reasonable.

Decision-making process to determine, review and implement the guidelines

The Board of Directors shall prepare proposals for new guidelines at least every four years and submit the proposal to the Annual General Meeting for resolution. The guidelines shall be in force until new guidelines are adopted by the general meeting. The Board shall also monitor and evaluate programs for variable remuneration for the senior executives, the application of the guidelines for senior executive remuneration, as well as the current remuneration structures and compensation levels in the company. The Chief Executive Officer and other members of the senior executives do not participate in the Board's processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Derogation from the guidelines

The Board of Directors may resolve to derogate from the 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 long-term interests of the company, including its sustainability, or to ensure the financial viability of the company.

Due to new legislation passed in 2019, the proposed guidelines for executive remuneration submitted to the AGM 2020 annual general meeting are more detailed than before.

The Board's proposal for a motion on the authorization to issue new shares

The Board proposes that the Meeting authorize the Board, on one or more occasions until the next annual meeting, with or without preferential rights for shareholders, to issue new shares, convertible bonds or warrants. New shares may be paid for in cash and/or in kind or set-off or on other terms. This decision would mean that the share capital is increased up to a maximum total of SEK 1,625,000 through the issuance of a maximum total of 6,500,000 shares at full subscription. When deciding on issuances without preferential rights for shareholders, the subscription shall be market-based at the time of the issue resolution.

The reason for the possible deviation from shareholders' preferential rights is to broaden the ownership group, acquire, or facilitate the raising of working capital, increase the liquidity of shares, carry out acquisitions, or procure or permit the raising of capital for acquisitions.