
Recommendations from the Nomination Committee to the 2020 Annual General Meeting in Biotec Pharmacon ASA

1. Nomination Committee

Biotec Pharmacon's (OSE: "Biotec") Nomination Committee consists of Jon Sandberg, Jan Gunnar Hartvig and Arne Handeland. None of the members are employees or serve as members of the Board of Directors.

The committee's main duties and responsibilities are:

- a) to propose shareholder-elected members to the Board, including nominations for Chairman of the Board, alternatively deputy chairman and submit a recommendation to comply with any claim about the representation of employees on the Board;
- b) to propose members and Chairman of the Nomination Committee. The members of the Committee shall be shareholders or representatives for shareholders. At least two of the members shall be independent of the Board of Directors and the company's executive management;
- c) remuneration to the Board of Directors and the Nomination Committee.

The Committee has held several meetings and interviews with board members and management. The discussions have included all aspects of Board composition and recruitment in order to secure competence and a constructive working relationship between the Board and the management. The Committee has ensured that there has been opportunity for all shareholders and others to nominate Directors or to discuss candidates with the Nomination Committee.

2. Election Board of Directors

At the extraordinary general meeting in January 2020, Marit Sjo Lorentzen was elected as a member of the Board. At the AGM, the board consists of the following shareholder and employee elected members:

Marie Ann Roskrow – Chairman of the Board – On election
Marit Sjo Lorentzen – Director – On election
Volker Wedershoven – Director – Not on election

Ingrid Skjæveland – Director employee elected

The Nomination Committee would like to emphasize that the boards composition reflects experience, knowledge and qualifications required to meet the needs of the Company where focus is on driving the company into growth and profitability. In order to keep the current efficient working relationship within the board and between the board and the management the Nomination committee proposes to reduce the number of board members to a minimum of 3 persons, including employee elected board members. The Election Committee intend to propose an extension of the board if and when the company develops as signalled in the new strategy laid out in December 2019.

Based on the current situation of the company, the Nomination Committee proposes the following:

Marie Ann Roskrow – elected for 2 year – Chairman of the Board

After the AGM, the Board will consist of:

Marie Ann Roskrow – Chairman – re-elected for 2 year

Volker Wedershoven – Director – on election in 2021

Director, employee representative, elected for 2 years in May 2020

3. Remuneration for the Board of Directors

The Nomination Committee has reviewed the overall remuneration levels for the Board, also having been asked to do so by some shareholders. As a result, the Nomination Committee proposes that an option scheme is introduced. The cash remuneration for the board is proposed to remain unchanged.

The Nomination Committee has taken into its considerations that we are a small but very advanced and specialized knowledge company with most of our business in international markets. The company is dependent on employees and elected representatives with special expertise and knowledge in several areas. This includes research, production, marketing/sales and M&A as well as technological and financial knowledge from international markets. The board's expertise, experience and networks are key factors and they work partly as a team with the management. The strategy changes at the end of 2019 were largely driven by the current board and very well received by the stock market. The board and the management are now actively working together to achieve the company's goals as set out in December 2019.

The following options arrangement is proposed:

- Option with 5 years to maturity.
- Exercise period after 3 years, i.e. from year 3 to 5.

- If a member withdraws from the board over the next two years (before AGM in 2022), the options shall be declared void and lapse.

The Chairman of the Board Marie Roskrow, who has chaired the Board for 2 years, receives 200,000 options as follows:

- 200 000 options with an exercise price equal to the average closing prices 90 days before the GA

Volker Wedershoven, board member since last year receives 100,000 options

- 100 000 options with an exercise price equal to the average closing prices 90 days before the GA

Board member Marit Sjo Lorentzen receives 15,000 options with an exercise price equal to the average closing prices 90 days before the GA

Proposed cash remuneration:

	Board of Directors	Audit Committee	Election Committee
Chairman	NOK 350,000	NOK 50,000	50,000
Directors/Members	NOK 150,000	NOK 25,000	25,000
Employee elected	50% of Directors	50% of Directors	50% of Directors

4. [Charter for the Nomination Committee](#)

The Nomination committee has reviewed and updated the charter for the Nomination Committee that was last approved in 2014. The charter has been updated to fit with changes and regulations in the market the past 6 years. The revised charter is published on the Company's homepage www.biotec.no

The Nominations Committee proposes that the AGM adopts the charter as proposed.

5. [Election Nomination Committee](#)

At the AGM in 2019, Jon Sandberg and Jan Gunnar Hartvig were elected for 2 years. For the last year, the Committee has consisted of Jon Sandberg (Chairman), Jan Gunnar Hartvig and Arne Handeland. None of the members are employees or as members of the Board of Directors in Biotec.

For the AGM, the Nomination Committee proposes that Arne Handeland is re-elected for 2 years

6. Remuneration Nomination Committee

The Nomination Committee has reviewed remuneration level for the Committee and recommends leaving the remuneration unchanged from previous years.

	Nomination Committee
Chairman	NOK 50,000
Members	NOK 25,000

Oslo 23.04.2020

Jon Sandberg

Jan Gunnar Hartvig

Arne Handeland