

## **REPORT AND RECOMMENDATIONS FROM THE NOMINATION COMMITTEE IN PHOTOCURE TO THE ANNUAL GENERAL MEETING TO BE HELD ON MAY 20<sup>TH</sup>, 2021**

### **1) NOMINATION COMMITTEE MANDATE AND MEMBERSHIP**

The mandate of the Nomination Committee is stipulated in the Articles of Association § 7:

*“The company shall have a Nomination Committee.*

*The Nomination Committee shall make recommendations to the general meeting regarding election of shareholder-elected members of the Board of Directors, remuneration to the members of the Board of Directors, election of members to the Nomination Committee and remuneration to the members of the Nomination Committee.*

*The Nomination Committee shall consist of two to three members out of whom at least two shall be shareholders or representatives of shareholders. The members of the Nomination Committee, including the chairperson of the Nomination Committee, are elected by the general meeting for a term of one year. Remuneration to the members of the Nomination Committee is determined by the general meeting.*

*The general meeting shall resolve the instructions for the Nomination Committee.”*

At the Annual General Meeting (AGM) on June 10<sup>th</sup>, 2020 the Nomination Committee was established as follows: Lars Viksmoen (member); Jónas Einarsson (member); Hans Peter Bøhn (leader)

### **2) THE ACTIVITIES OF THE NOMINATION COMMITTEE**

The Chair of the Nomination Committee met with the Chairman of the Board of Directors (BoD) early December 2020. After this, there have been several teleconferences and exchanges of e-mails. The Committee has interviewed the largest shareholders. Furthermore, the committee has conducted separate telephone interviews with all Board members as well as separate meetings with the CEO. The Committee has also been in dialogue with the Chairman on a continuous basis while evaluating the Board situation.

### **3) PROPOSED COMPOSITION OF THE BOARD OF DIRECTORS**

The BoD appears to function well. The skillsets and experience of the Board members are well matched to the expected need of Photocure over the coming 12 months. The interaction and collaboration between the BoD the Executive Management is also working well. The Nomination Committee believes leaving the BoD unchanged is the best course of action. All Board members are up for election and all have agreed to be nominated for re-election.

The Nomination Committee propose the following:

Jan H. Egberts (chair)	(re-election)
Grannum R. Sant (board member)	(re-election)
Johanna Holldack (board member)	(re-election)
Anders Tuv (board member)	(re-election)
Anne Worsøe (board member)	(re-election)

Anders Tuv represents Radforsk, one of the major shareholders. The remaining candidates are independent. The proposal from the Nomination Committee is based on a careful evaluation of the Board's composition and function versus the company needs. It is our belief that the proposed Board is eminently suited to help meeting the challenges the company faces at present and up to the ordinary AGM in 2022.

#### 4) REMUNERATION OF BOARD MEMBERS

##### 4a) Nominal remuneration

*The term ending at the 2021 AGM has been quite busy for the Board of Directors with meetings held nearly monthly and circulation meetings on top of that. The efforts made by the Board and the Organisation has brought about significant value for the shareholders. At the same time Photocure has made a transition to an international commercial entity with a majority of its Directors residing outside Norway. To remain attractive, also to non-Norwegian Directors, the Nomination Committee sees a need to gradually adjust board remuneration and narrow the gap to the customary international level.*

*With this background the Nomination Committee proposes raising the remuneration by 20% across the Board, to:*

*Chairperson: NOK 620 000 annually*

*Board Member: NOK 360 000 annually*

##### 4b) Compensation for time spent on international travel

As an extra incentive for attracting board members from outside Norway, the Nomination Committee proposed in 2017 to compensate board members for the working hours lost while on international travel. The arrangement pertains to Photocure board members domiciled abroad and is applicable for travels to and from Board meetings.

The Nomination Committee proposes to continue the scheme:

*For each working hour thus spent traveling, Board members domiciled outside Norway are compensated the equivalent of EUR 120.-*

## 5) COMPOSITION OF THE NOMINATION COMMITTEE

All members of the Nomination Committee wish to be re-elected for another period and as follows:

Hans Peter Bøhn (leader)  
Lars Viksmoen (member)  
Jónas Einarsson (member)

## 6) REMUNERATION OF THE NOMINATION COMMITTEE

The Nomination Committee propose to leave the compensation unchanged from that of last year.

I.e., our proposal for remuneration of the Nomination Committee for the period ending at the 2020 AGM will be:

Committee leader: NOK 35,000  
Committee members: NOK 15,000

\* \* \*

The proposals from the Nomination Committee are unanimous.

Oslo, April 28th, 2021

Hans Peter Bøhn  
(Committee Leader)