

Corporate governance report

1. PRINCIPLES OF CORPORATE GOVERNANCE

In addition to provisions in law, regulations and ordinances, the company complies with NGM’s regulations (available on www.ngm.se) and the Swedish Code of Corporate Governance (see below). Furthermore, the Company’s Board of Directors prepares rules of procedure for the Board of Directors each year, a CEO’s instruction and a reporting instruction. However, these documents are not public.

2. SWEDISH CORPORATE GOVERNANCE CODE

The Swedish Corporate Governance Code (version 1 January 2020) contains rules on good practice for corporate governance at Swedish listed companies (available on www.bolagsstyrning.se).

The company applies the code. In some cases, the company has chosen alternative

solutions that deviate from the code’s rules, which are described below.

2.1 Publication of general meeting.

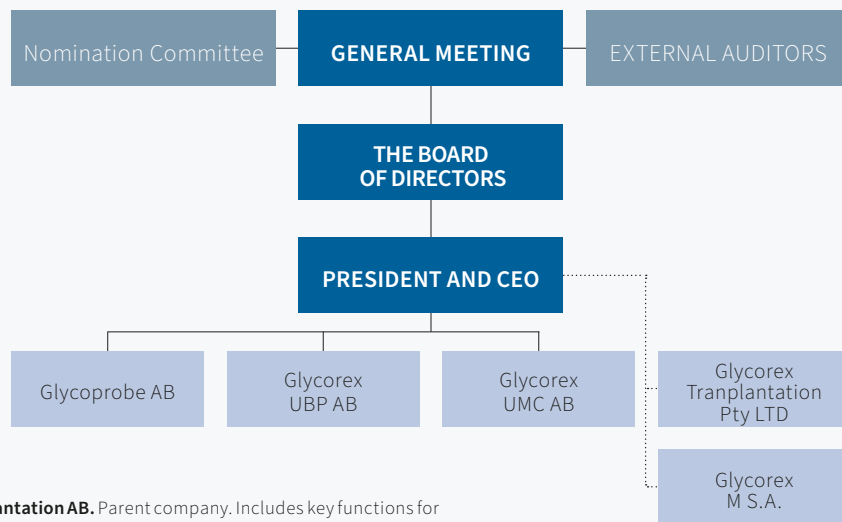
Instead of the code’s rule (item 1.1) that the date and place of the general meeting are published in conjunction with the third quarterly report, the information is published in connection with the year-end report. The Annual General Meeting of the company has so far been held in May or June, which is why information on the date of the meeting in the year-end report is deemed to be sufficient foresight.

2.2 Appointment of the Nomination Committee.

Instead of the provisions of items 2.3 and 2.4 of the Code, the members of the Nomination Committee are appointed as follows: The Nomination Committee shall have at least three members, one of whom shall be appointed Chairman. The Board of Directors determines the three

largest shareholders in terms of votes in the company as of 30 November each financial year. Ownership through companies, related parties, etc. is counted as belonging to an owner. Each owner has the right to appoint one member. If a member resigns, the same owner appoints a new member. Board members may be members of the Nomination Committee. The owners shall strive for the majority of the members of the Nomination Committee to be independent in relation to the company and the company’s management. The company has a large number of smaller shareholders as well as a handful of major active shareholders who represent more than half of the votes in the company. For effective work in the Nomination Committee, proposals submitted by it should be anchored by the active majority of votes at the Meeting. The intention is that the General Meeting shall confirm the guidelines for the appointment of the Nomination Committee

OVERVIEW OF CORPORATE GOVERNANCE IN GLYCOREX TRANSPLANTATION AB



- **Glycorex Transplantation AB.** Parent company. Includes key functions for management, finance, operations and administration
- **Glycprobe AB.** Acquired in 2008. Production of the active components included in Glycosorb-ABO
- **Glycorex UBP AB.** Formed in 2011. Develops products within the UBP project
- **Glycorex UMC AB.** Formed in 2011. The company’s main purpose is to market and establish products in the U.S.
- **Glycorex Transplantation Pty Ltd.** Formed in 2005 with the aim of facilitating registration in Australia
- **Glycorex M S.A.** Formed in 2013 with the aim of facilitating registration in Mexico

as set out above. The Nomination Committee shall perform the tasks that, according to the Swedish Code of Corporate Governance, are the responsibility of a Nomination Committee. No remuneration is paid to the members of the Nomination Committee.

The Nomination Committee shall be presented in the manner set out in item 2.5 of the Code, but no later than four months before the Annual General Meeting. Four months before the meeting is deemed to provide sufficient time for shareholders to submit proposals to the Nomination Committee.

2.3 Board of Directors. Instead of the provision in section 4.2 of the Code, the company may appoint one or more deputies to the Board of Directors. The reason for this change is that the Annual General Meeting 2012-06-14 resolved to appoint an alternate member to the Board of Directors in addition to ordinary members.

2.4 Audit Committee. Instead of the law's rule on a separate audit committee, the Board of Directors shall at least once a year at a Board meeting deal with audit issues and perform the tasks that the Audit Committee would otherwise have done. Compared to other listed companies, the company's operations are of limited scope. The deviation aims to create an effective organization without too much administration.

2.5 Remuneration Committee. Instead of the Code's rule (items 9.1 and 9.2) regarding a separate remuneration committee, the Board of Directors shall at least once a year at a Board meeting deal with issues relating to remuneration and other terms of employment for the Company's management. The Board's tasks include (i) preparing resolutions regarding remuneration principles, remuneration and other terms of employment for the company's management, (ii) following and evaluating ongoing and evaluated ongoing and completed programs for variable remuneration for the company's management during the year, and (iii) follow and evaluate the application of the guidelines for remuneration to senior executives that the Annual General Meeting is required by law to resolve on and current remuneration structures and levels in the company.

Board members who are part of the executive management do not participate in any treatment of their own remuneration.

Compared to other listed companies, the company's operations are of limited scope. The deviation aims to create an effective organization without too much administration.

3. GOVERNANCE OF THE COMPANY IN 2021

3.1 Nomination Committee. The Nomination Committee for the Annual General Meeting 2022 was appointed in accordance with the principles adopted by the Annual General Meeting 2021. The Nomination Committee shall consist of one representative from the three largest shareholders in the company as of November 30, 2021. Prior to the Annual General Meeting 2022, the Nomination Committee has consisted of the following persons: Kurt Nilsson is appointed by the largest owner in the company Kurt Nilsson including related family members and own companies. Tomas Westergren is appointed and represents his own holding and the shareholding that exists within the Wendt family. At the time of publication of the Annual Report, the other owners have not yet appointed a representative to the Nomination Committee.

3.2 General Meeting. Notice of general meeting is made in accordance with the articles of association in Post- och Inrikes Tidningar and on the website. The fact that the notice has been issued is also advertised in DI. The notice is also sent out through a press release. Shareholders who wish to participate in the meeting must register themselves and any assistants no later than five working days before the meeting. At a general meeting of the company, each owner can vote for the full number of votes that his shares represent without any restrictions. The Annual General Meeting shall decide on the determination of the balance sheet and income statement, disposition of the profit for the year and discharge from liability for the Board of Directors and the CEO. According to the Articles of Association, the Annual General Meeting shall also appoint at least three and not more than seven members of the Board of Directors and resolve on board fees. The

Articles of Association are amended by resolution at the General Meeting in accordance with the provisions of the Swedish Companies Act. The Annual General Meeting 2021 decided on an authorization for the Board of Directors to decide on a new issue of 7,000,000 Class B shares. The authorization has not been used.

3.3 The Board of Directors. The members of the Board of Directors are presented in the Annual Report on page 55. Kurt Nilsson has been chairman of the Board. The other members have been Christer Ahlberg, Nils Siegbahn, Leni von Bonsdorff and Torbjörn Axelsson and Tomas Westergren as deputy.

Member Kurt Nilsson has previously been CEO and is a major shareholder. He now works full-time as a development manager in the company. Deputy Tomas Westergren is related to major shareholders. The other members are independent in relation to the company's management and to major shareholders. The board's work is led by the chairman but otherwise takes place without permanent division of duties. As stated above, separate remuneration and audit committees have not been appointed. Instead, the Board has fulfilled these tasks. Since the Annual General Meeting 2021, the Board of Directors has met on six occasions.

Attendance at the meetings has been as follows:

Christer Ahlberg.....	6/6
Nils Siegbahn.....	6/6
Leni von Bonsdorff	6/6
Torbjörn Axelsson	6/6
Kurt Nilsson	6/6
Tomas Westergren (deputy)	6/6
Johan Nilsson (acting CEO from 15 June)	3/6
Geert Nygaard (CEO from December 15)..	2/6

An annual evaluation of the Board's work is made and the Nomination Committee receives the assessments. During 2022, an evaluation has been carried out, where all board members have been asked to provide comments and proposals in writing and rate, among other things, the board's composition and working methods. The evaluation has

been presented to the Board of Directors.

3.4 CEO. CEO Geert Nygaard is presented in the Annual Report on page 55.

3.5 Internal control, risk management regarding financial reporting etc. The company has two active and three dormant group subsidiaries. The information below relates to both the company and its subsidiaries. The company's turnover for 2021 amounted to approximately SEK 28.2 million. The number of employees during the year was 24 people at one workplace at the company's premises in Lund. For each financial year, the Board adopts a budget, which sets the framework for the CEO and the company's operations. The Company's CEO has worked daily in the business and continuously monitored revenue and expense development. Staff within the Group have worked with financial frameworks for investments and purchases. Major investments and costs have always been approved by the CEO. The CEO has had direct insight into orders for the company's products and deliveries to the company's customers. The CEO's financial reporting to the Board of Directors has been done as follows. The Board of Directors has carefully reviewed the company's finances and operations in connection with the processing of this year's four reports to the stock market (three quarterly reports and one year-end report).

The CEO has sent a short status report for finances and development on a monthly basis. Furthermore, the CEO has been responsible for reporting to the Chairman immediately major deviations from the budget and business plan as well as major unforeseen costs, in accordance with the guidelines in the Board's rules of procedure and CEO instructions. In 2021, there has been no major deviation in the company's financial development that has motivated an extraordinary board meeting. The Board of Directors has also been in contact with the auditor.

The Board of Directors has discussed the need for internal audit. For the following reasons, a special internal audit is not established in the company or group. The size of the company (turnover, number of establishments and staff) as well as the group structure (no foreign subsidiaries with extensive operations) do not justify a specific internal audit. The Board's control of operations

consists, in addition to what is stated above, of the work on the audit committee's tasks, the chairman's contact with the financial manager of the company and the board's contact with the auditor during the year.

Final production of the company's products sold on the market is done according to quality systems established and controlled in accordance with the applicable rules for medical devices.

The company regularly hires a lawyer for assessment and advice on legal matters related to the business.

3.6 Direct and indirect holdings in the company. An account of the company's direct and indirect holdings of shares representing at least one tenth of the voting rights can be found on page 26.

Lund, April 25, 2022

Board of Directors of Glycorex Transplantation AB

AUDITOR'S STATEMENT ON THE CORPORATE GOVERNANCE REPORT

To the Annual General Meeting of Glycorex Transplantation AB (publ), org. no. 556519-7372

ASSIGNMENT AND DIVISION OF RESPONSIBILITIES

The Board of Directors is responsible for the Corporate Governance Report for 2021 on pages 52-54 and for its being prepared in accordance with the Annual Accounts Act.

SCOPE AND SCOPE OF THE REVIEW

Our review has been conducted in accordance with FAR's recommendation RevR 16 Auditor's Review of the Corporate Governance Report. This means that our review of the corporate governance report has a different focus and a significantly smaller scope compared to the focus and scope of an audit in accordance with International Standards on Auditing and good auditing practice in Sweden. We believe that this review provides us with sufficient basis for our statements.

STATEMENT

A corporate governance report has been drawn up. Information in accordance with Chapter 6. Paragraph 6(2), points 2 to 6 of the Annual Accounts Act and Chapter 7. Section 31, second paragraph, of the same Act is compatible with the annual accounts and consolidated accounts and is in accordance with the Annual Accounts Act.

Malmö, April 29, 2022

Ernst & Young AB

Ola Larsmon

Chartered Accountant