

A photograph of a man and a young child sleeping together on a couch. The man is lying on his side, and the child is resting their head on his shoulder. The child is wearing a blue long-sleeved shirt. The background is a textured grey fabric.

Notice convening Annual General Meeting

ALK-Abelló A/S – Wednesday, 15 March 2017 at 16:00 (CET)



To the shareholders of ALK-Abelló A/S

The Board of Directors is pleased to invite you to the Company's Annual General Meeting to be held on

Wednesday, 15 March 2017 at 16:00 (CET)

at ALK-Abelló A/S, 1 Bøge Allé, 2970 Hørsholm, Denmark.

Agenda

1. Report on the activities of the Company

2. Adoption of the annual report and resolution to discharge the Board of Directors and the Board of Management from their obligations

3. Resolution on the allocation of profit

The Board of Directors proposes a distribution of income as stated in the adopted annual report, including the distribution of an ordinary dividend of DKK 5 per A/B share of DKK 10 each.

4. Approval of the remuneration to the Board of Directors for the present year

The Board of Directors proposes that the fees to the Board of Directors shall remain unchanged at DKK 275,000; the Vice Chairman shall receive double, DKK 550,000, and the Chairman shall receive three times the amount, DKK 825,000.

The Board of Directors also proposes that the fees to the board members who are members of a board committee, shall remain unchanged at DKK 100,000. The Chairman of each committee shall receive DKK 150,000 as before.

5. Election of Chairman of the Board of Directors

Pursuant to article 8.2, all members of the Board of Directors are up for election every year.

The Board of Directors proposes the re-election of the incumbent Chairman **Steen Riisgaard** due to his specific expertise within management and board work as well as experience in research and development and sales and marketing in international companies. Steen Riisgaard is recommended as an independent member of the Board in accordance with point 3.2.1 of the Danish Recommendations on Corporate Governance. Steen Riisgaard has been a member of the Board of Directors since 2011.

6. Election of Vice Chairman of the Board of Directors

The Board of Directors proposes the re-election of the incumbent Vice Chairman **Lene Skole** due to her experience in management, financial and economic expertise and skills in strategy and communication in international companies. Lene Skole is CEO of Lundbeckfonden and is recommended as a non-independent member of the Board in accordance with point 3.2.1 of the Danish Recommendations on Corporate Governance. Lene Skole has been a member of the Board of Directors since 2014.

7. Election of other members of the Board of Directors

The Board of Directors proposes re-election of:

Lars Holmqvist

due to his experience in management, finance, sales and marketing in international life science companies, including med-tech and pharmaceutical companies. Lars Holmqvist is on the Board of Lundbeckfonden and is recommended as a non-independent member of the Board in accordance with point 3.2.1 of the Danish Recommendations on Corporate Governance. Lars Holmqvist has been a member of the Board of Directors since 2015.

Anders Gersel Pedersen

due to his specific experience in management, innovation and research and development in the international pharmaceutical industry. Anders Gersel Pedersen is recommended as an independent member of the Board in accordance with point 3.2.1 of the Danish Recommendations on Corporate Governance. Anders Gersel Pedersen has been a member of the Board of Directors since 2005.

Jakob Riis

due to his experience in management, sales and marketing in the international pharmaceutical industry. Jakob Riis is recommended as an independent member of the Board in accordance with point 3.2.1 of the Danish Recommendations on Corporate Governance. Jakob Riis has been a member of the Board of Directors since 2013.

Per Valstorp

due to his considerable experience in global production within the pharmaceutical industry and other sectors. Per Valstorp is recommended as an independent member of the Board in accordance with point 3.2.1 of the Danish Recommendations on Corporate Governance. Per Valstorp has been a member of the Board of Directors since 2015.



For further information about the individual Board members, including their directorships in other commercial enterprises, reference is made to ALK's website and/or the annual report.

Endeavours are made to ensure that the Board of ALK-Abelló A/S is made up of persons with the international managerial, financial, pharmaceutical and production expertise needed to safeguard the interests of the Company and thereby of the shareholders in the best possible way. The Board of Directors believes that the proposed candidates satisfy these criteria.

8. Appointment of auditor

The Board of Directors proposes that Deloitte Statsautoriseret Revisionspartnerselskab be re-appointed. The proposal is based on a recommendation from the Audit Committee and it is not influenced by third parties.

9. Proposals from the Board of Directors

(a) Remuneration of the Board of Management and the Board of Directors

(i) Adoption of Guidelines for incentive pay for Board of Directors and Board of Management

The Board of Directors proposes that the amended Guidelines for incentive pay for the Board of Management are adopted. One of the reasons for the amendment is that the existing Guidelines for remuneration are split into two documents named Guidelines for incentive pay for Board of Directors and Board of Management and Remuneration Guidelines, respectively, cf. item 9(a)(ii) of the agenda below. The proposal is based on a wish that elements of the remuneration that are incentive-based are treated in one document in accordance with section 139 of the Danish Companies Act, while the rest are treated in another document in accordance with the Danish Recommendations on Corporate Governance.

In addition, it is proposed to make a number of amendments which are primarily linguistic, and to amend the Guidelines in the following respects:

- In future, the value of share options granted and shares granted may not separately exceed 25% of the recipient's base salary, whereas previously they could not exceed 15% of the base salary of the Board of Management plus pension at the date of grant.
- In future, share options granted will lapse after 5 years, whereas they previously lapsed after 7 years.
- The objectives for achieving the short-term incentive pay are no longer split into 50% financial and 50% non-financial goals. However, both financial and non-financial goals are still included in the criteria for achieving the short-term incentive pay.
- In future, long-term incentive pay will be conditional upon achievement of predefined thresholds in relation to certain financial indicators. If a specific threshold is not achieved, no share options or performance shares will be received. If the result achieved exceeds the defined thresholds, a predefined multiple may increase the incentive pay by up to 100%.

The proposal for the revised Guidelines for incentive pay can be found on the ALK website <http://ir.alk.net/agm.cfm>

(ii) Adoption of Remuneration Guidelines for Board of Directors and Board of Management

The Board of Directors proposes that the amended Remuneration Guidelines for Board of Directors and Board of Management are adopted for the reasons stated in (i) above. In addition to a number of amendments which are primarily linguistic, the Board of Directors proposes amendment of the guidelines in the following respects:

- In future, the fixed remuneration will constitute 40-60% of the total remuneration, whereas it previously constituted 50-60% of the total remuneration.

The proposal for the Remuneration Guidelines can be found on the ALK website <http://ir.alk.net/agm.cfm>

(iii) Approval of sign on fee for the new President & CEO Carsten Hellmann

The Board of Directors proposes that a sign on fee for the new President & CEO Carsten Hellmann is approved. The sign on fee, which has a value of DKK 10.8m, comprises the following:

- Possibility of granting a cash bonus of DKK 1.5m.
- Possibility of granting share options and conditional shares under the 2014 and 2015 programmes to the Board of Management and executives on the same terms and conditions that applied to the former CEO, who no longer participates in the programmes. President & CEO Carsten Hellmann will be granted 1,125 conditional shares in relation to the conditional share programme for 2014, 6,800 options in relation to the share option programme for 2014, 1,140 conditional shares in relation to the conditional share programme for 2015 and 5,900 options in relation to the share option programme for 2015. Among other things, this will entail that the share options in question are exercisable in 2017 (as regards the 2014 programme) and in 2018 (as regards the 2015 programme), respectively, and that the exercise price and expiry date will be the same as under the relevant programme.
- Possibility of offering President & CEO Carsten Hellmann a further 17,068 share options. These options will be granted with effect from 1 January 2017 and will be exercisable from 1 January 2018. The exercise price will be 924 and the expiry date will be 1 January 2024.

(b) Authorisation to the chairman of the meeting

The Board of Directors proposes that the general meeting authorises the chairman of the meeting, with power of delegation, to make such changes in and supplements to the resolutions adopted at the general meeting and to the notification hereof as may be required by the Danish Business Authority or other authorities in connection with the registration of the amendments adopted, and to continuously make and notify linguistic and other amendments with no impact on content in the Company's Articles of Association.



Majority requirements

Resolutions on all proposals on the agenda must be passed by a simple majority of votes.

Record date

A shareholder's right to attend and vote at the Annual General Meeting is determined relative to the shares held by the shareholder on the record date, which is **Wednesday, 8 March 2017 at 23:59 (CET)**.

Request for admission tickets

Admission tickets will be issued to anyone who, according to the register of shareholders, is registered as a shareholder on the record date, or from whom the Company has received due notice as of the record date for entry into the register of shareholders.

Pursuant to the Articles of Association, requests for admission tickets and voting papers for the Annual General Meeting must be made **no later than Friday, 10 March 2017 at 23:59 (CET)**. Admission tickets and voting papers may be requested in one of the following ways:

- by electronic registration at ALK's InvestorPortal: <http://ir.alk.net/agm.cfm> or on the website of VP Investor Services A/S: www.vp.dk/agm (please remember to state your VP custody account number. The number is pre-printed on the registration form); or
- by sending the registration form duly filled in and signed by mail to VP Investor Services A/S, Weidekampsgade 14, DK-2300 Copenhagen S, Denmark or by returning a scanned copy of the registration form by e-mail to vpinvestor@vp.dk; or
- by calling VP Investor Services A/S on tel +45 4358 8891. Please remember to have your VP custody account number ready before making the call.

Any admission tickets requested will be sent before the Annual General Meeting to the address recorded in the Company's register of shareholders.

From this year it will also be possible to receive admission tickets by e-mail. If you wish to receive your admission ticket by e-mail, please state so when sending your request. When you have registered, you will receive an electronic admission ticket. Please bring the electronic admission ticket on your smartphone or tablet. You can also bring a printout of the admission ticket if you prefer so.

If you have forgotten to bring your admission ticket, you can gain access to the Annual General Meeting by presenting proof of identity. You will receive voting papers upon registration of your arrival at the Annual General Meeting.

Admission tickets requested that have not been received by ordinary mail or electronically may be picked up as of Wednesday, 15 March 2017 at 15:00 (CET) at the venue of the Annual General Meeting.

Proxy form/postal vote form

Shareholders who are unable to attend the Annual General Meeting may vote by proxy or by postal vote as follows:

- by appointing **a named third party as your proxy**. Your proxy will then receive an admission ticket from VP Investor Services A/S, which must be brought to the Annual General Meeting; or
- by Appointing **the Board of Directors as your proxy**. In that case, your votes will be used in accordance with the recommendations of the Board of Directors; or
- by appointing **the Board of Directors as your proxy to vote as indicated by you** by ticking how you want your votes to be cast; or
- by casting a **postal vote**.

For our international shareholders in particular, we would like to point out that the right to attend and to vote by proxy must be duly demonstrated. If due documentation cannot be produced at the Annual General Meeting itself, access and/or voting rights may be denied according to the circumstances.

If you choose to appoint a proxy or cast a postal vote, the proxy form or the postal vote form must be sent by mail to VP Investor Services A/S, Weidekampsgade 14, DK-2300 Copenhagen S, Denmark or scanned and sent by e-mail to vpinvestor@vp.dk to be received by VP Investor Services A/S **no later than Friday, 10 March 2017 at 23:59 (CET)**. Please note that you can vote *either* by proxy *or* by postal vote; you cannot do both.

If, instead, you wish to **appoint a proxy or cast a postal vote online**, you can go to www.vp.dk/agm belonging to VP Investor Services A/S or to <http://ir.alk.net/agm.cfm> and appoint your proxy or cast your postal vote **on or before Friday, 10 March 2017 at 23:59 (CET)**. Please note that to appoint a proxy or cast a postal vote online, you must already have access to netbanking services in Denmark or use a VP-ID with a VP code.

Shareholder information

The share capital of the Company has a total nominal value of DKK 101,283,600, of which DKK 9,207,600 is in A shares and DKK 92,076,000 is in B shares.

The Company's share capital is divided into shares with a nominal value of DKK 10 each. Each A share of DKK 10 nominal value carries ten votes, and each B share of DKK 10 nominal value carries one vote.

Any dividend adopted by the Annual General Meeting will be paid on **Monday, 20 March 2017** to A shareholders at their registered addresses in the register of shareholders. Dividend to B shareholders will be transferred directly to the shareholders' accounts in their own depository banks on the same day.

The following material will be available for inspection at the Company's offices and will be sent to all registered shareholders who have so requested not later than three weeks before the date of the Annual General Meeting:

- The notice convening the general meeting
- The total number of shares and votes as at the date the general meeting is convened, including the total number for each share class
- The documents to be presented at the general meeting, including the latest audited annual report
- The agenda and the complete proposals
- Forms to be used for voting by proxy and by postal vote

During the same period, the material will also be available on the Company's website: <http://ir.alk.net/agm.cfm>

Questions from the shareholders

Shareholders may ask questions about the agenda or documents etc. for use at the Annual General Meeting up to the date of the meeting by writing to ALK-Abelló A/S, Bøge Allé 6-8, 2970 Hørsholm, Denmark or e-mailing cntdk@alk.net and hksdk@alk.net.

The Annual General Meeting will be conducted in Danish.

Light refreshments will be served after the meeting.

Hørsholm, 14 February 2017

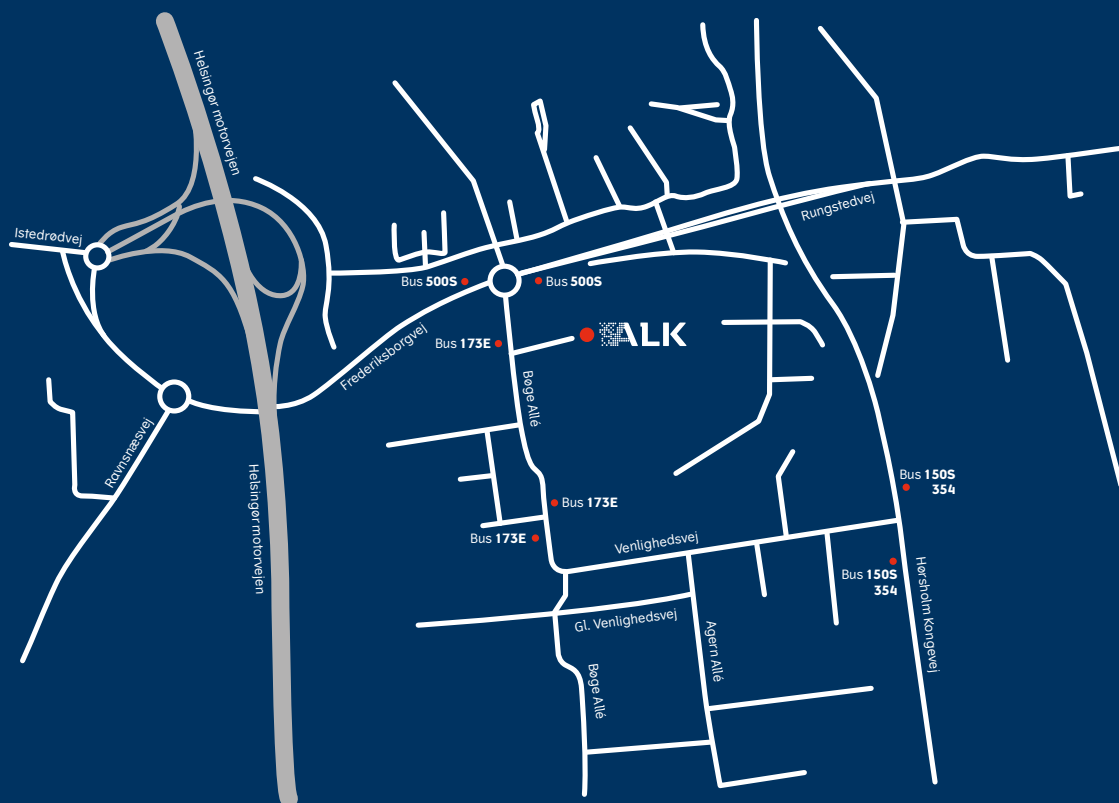
The Board of Directors of ALK-Abelló A/S

Practical information

If you arrive by car, there is free parking in the parking lot in front of ALK's premises at Bøge Allé 1 in Hørsholm.

The following busses stop near ALK:

- **Bus line 173E stops at Bøge Allé.**
The bus stop is approximately 150 m from the venue.
- **Bus line 500S stops on Frederiksborgvej by Mariehøj Allé.**
The bus stop is approximately 200 m from the venue.
- **Bus lines 150S and 354 stop on Hørsholm Kongevej by Venlighedsvej.**
The bus stop is approximately 900 m from the venue.



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+45 4574 7506 – Shareholder Secretariat

Website: www.alk.net
CVR no.: 63 71 79 16

