

## **Resolution on adoption of a long-term incentive program for the company's management and key personnel (item 20)**

The Board of Directors of Calliditas Therapeutics proposes the introduction of a long-term incentive program for the company's management and key personnel (including employees and consultants) in accordance with the following.

The Board of Directors proposes that the annual general meeting resolves to implement a long-term incentive program for management and key personnel (including employees and consultants) in Calliditas Therapeutics ("**ESOP 2024**") in accordance with items 20a – 20b below.

The resolutions under items 20a – 20b below are proposed to be conditional upon each other. Should the majority requirement for item 20b below not be met, the Board of Directors proposes that Calliditas Therapeutics shall be able to enter into an equity swap agreement with a third party in accordance with item 20c below and resolutions under items 20a and 20c shall then be conditional upon each other.

ESOP 2024 is a program under which the participants will be granted, free of charge, stock options to acquire ordinary shares in Calliditas Therapeutics ("**Options**"), subject to vesting over a three-year period in accordance with the below. The Board of Directors proposes that a maximum of 2,000,000 Options are allocated to the participants.

### *Proposal regarding adoption of a long-term incentive program for the company's management and key personnel (item 20a)*

#### *The rationale for the proposal*

ESOP 2024 is intended for members of management and key personnel (including employees and consultants) in Calliditas Therapeutics. The Board of Directors of Calliditas Therapeutics believes that an equity-based incentive program in the form of stock options is a central part of an attractive and competitive remuneration package in order to attract, retain and motivate competent members of management and key personnel (including employees and consultants) in Calliditas Therapeutics, and to focus the participants on delivering exceptional performance which contributes to value creation for all shareholders.

The proposed program is key for the company's ability to attract, retain and motivate competent key persons in the United States as well as in Europe in the company's operations and commercial functions scaling up the market launch of TARPEYO in the United States and the development of the company's pipeline assets. During the fourth quarter of 2021, the company received accelerated approval for TARPEYO in the United States and since January 2022, the company commercializes TARPEYO in the United States. TARPEYO received full approval by the FDA in December 2023. When recruiting and maintaining experienced commercial personnel in the United States and other key employees in the United States and Europe, it is important for Calliditas Therapeutics to be able to offer attractive compensation terms. A competitive equity-based incentive program is a key component in order to be able to attract and retain highly skilled and experienced individuals across clinical development, supply and regulatory areas, as well as relevant capabilities related to Calliditas Therapeutics' continuous commercialization of TARPEYO in the United States.

The Board of Directors of Calliditas Therapeutics believes that ESOP 2024 will fortify the alignment of the interests of the participants and the interests of the shareholders. ESOP 2024 is adapted to the current position and needs of Calliditas Therapeutics. The Board of Directors is of the opinion that ESOP 2024 will increase and strengthen the participants' dedication to Calliditas Therapeutics' operations, improve company loyalty and that ESOP 2024 will be beneficial to both the shareholders and Calliditas Therapeutics.

#### *Conditions for Options*

The following conditions shall apply for the Options.

- The Options shall be granted free of charge to the participants.

- The Board of Directors shall resolve upon the allocation of Options between the date of the annual general meeting 2024 and the date of the annual general meeting 2025 (with each respective granting falling on a “**Grant Date**”).
- Each Option entitles the holder to acquire one share in Calliditas Therapeutics for a pre-determined exercise price. The exercise price will correspond to 115 percent of the volume weighted average price of the Calliditas Therapeutics share on Nasdaq Stockholm during the ten trading days preceding the Grant Date (the “**Exercise Price**”).
- ESOP 2024 shall be settled by using a net share-settlement method, as further described below.
- The Options shall vest over a three-year period, with 20 percent on the first anniversary of the Grant Date, with an annual vesting of 40 percent during the second year after the Grant Date, and with an annual vesting of 40 percent during the third year after the Grant Date, and thereafter be exercisable, provided that the holder, with certain exceptions, still is employed by Calliditas Therapeutics (or, in the case of consultants, still provides services to Calliditas Therapeutics).
- Following the expiry of the vesting period, the Options may be exercised during a one-year period.
- The number of Options shall be subject to customary re-calculation, for example in the event that changes occur in Calliditas Therapeutics’ equity capital structure, such as a bonus issue, merger, rights issue, share split or reverse share split, reduction of the share capital or similar measures.
- The Options are non-transferable and may not be pledged.
- The Options may be granted by the parent company as well as any other company within the Calliditas Therapeutics group.
- In the event of a public take-over offer, asset sale, liquidation, merger or any other such transaction affecting Calliditas Therapeutics, the Options will vest in their entirety following the completion of a change of control.

#### *Allocation*

The right to receive Options shall accrue to up to 250 employees or consultants of the company. The Board of Directors may grant Options, on one or several occasions, between the date of the annual general meeting 2024 and the date of the annual general meeting 2025. The maximum number of Options that may be allocated to the participants under ESOP 2024 is 2,000,000.

The maximum allocation per individual in each category shall be 300,000 Options for Category 1 (CEO), 250,000 Options for Category 2 (Management) and 100,000 Options for Category 3 (Other key personnel and consultants).

#### *Net share-settlement for ESOP 2024*

ESOP 2024 shall be settled by using a net share-settlement method (“**Net share-settlement**”). The Net share-settlement entails that Options are settled by delivering a number of ordinary shares corresponding to the Option Value (as defined below) to the participants free of charge without any payment of the Exercise Price. The number of ordinary shares to be delivered is calculated by deducting the Exercise Price of the exercised Options from the prevailing share price of the Calliditas ordinary shares on the stock market at the time of exercise (“**Market Price**”) (the “**Option Value**”) and dividing the Option Value with the Market Price.

#### *Illustrative example of Net share-settlement*

A participant in ESOP 2024 holds 100 Options with Market Price of the ordinary shares of SEK 75 and Exercise Price of SEK 50. The difference between the Market Price and the Exercise Price is SEK 25 per option (“**Option Value**”). Instead of the participant paying the Exercise Price (number of options (100) multiplied by the Exercise Price (SEK 50)) and the company delivering 100 ordinary shares worth 75 SEK each (Market Price), the company

would use Net-settlement by delivering ordinary shares in an amount corresponding to the Option Value divided with the Market Price  $((25*100)/75)$  – i.e. the company would deliver 33.33 ordinary shares meaning 33 ordinary shares and SEK 25 in cash. In this example, dilution is therefore reduced by 67 percent.

To enable Net share-settlement, the company intends to issue warrants in accordance with item 20b below.

#### *Preparation, administration and the right to amend the terms of the Options*

The Board of Directors is responsible for preparing the detailed terms and conditions of ESOP 2024, in accordance with the above-mentioned terms and guidelines. To this end, the Board of Directors shall be entitled to make adjustments to meet foreign regulations or market conditions, including resolving on cash or other settlement if deemed favorable for Calliditas Therapeutics based on foreign tax regulations. The Board of Directors may also make other adjustments if significant changes in Calliditas Therapeutics or its environment would result in a situation where the adopted terms and conditions of ESOP 2024 no longer serve their purpose.

#### *Preparation of the proposal*

ESOP 2024 has been initiated by the Board of Directors of Calliditas Therapeutics and has been structured based on an evaluation of prior incentive programs and market practice for comparable European (including Swedish) and American listed companies. ESOP 2024 has been prepared by the Remuneration Committee and reviewed by the Board of Directors.

#### *Dilution*

Subject to certain recalculation conditions, the maximum number of ordinary shares that may be issued under ESOP 2024 is 2,000,000 which corresponds to a dilution of approximately 3.25 percent on a fully diluted basis. Taking into account also the ordinary shares which may be issued pursuant to already allocated warrants under the company's outstanding incentive programs, the maximum dilution amounts to approximately 12.57 percent on a fully diluted basis.

Accounting for the use of the Net share-settlement method, the dilution for ESOP 2024 is expected to be no more than 65 percent of the total program size, representing a dilution of approximately 2.14 percent. Taking into account also the ordinary shares which may be issued pursuant to already allocated warrants under the company's outstanding incentive programs, including the use of estimated effect of 65 percent of the total program size using the Net share-settlement method for ESOP 2020, 2021, 2022 and 2023, the maximum dilution is expected to approximately 8.59 percent on a fully diluted basis.

Information about Calliditas Therapeutics' existing incentive programs can be found on Calliditas Therapeutics' website, [www.calliditas.se/en/](http://www.calliditas.se/en/), under "Remuneration" as well as in the company's annual report.

#### *Scope and costs of the program*

ESOP 2024 will be accounted for in accordance with "IFRS 2 – Share-based payments". IFRS 2 stipulates that the Options shall be expensed as personnel costs over the vesting period. Personnel costs in accordance with IFRS 2 do not affect the company's cash flow. Social security costs will be expensed in the income statement according to UFR 7 during the vesting period.

Assuming a share price at the time of allocation of Options of SEK 110, an annual increase in the share price of 10 percent and that all Options are allocated up-front under the assumptions set out under "Dilution" above, the average annual cost for Calliditas Therapeutics according to IFRS 2 is estimated to approximately SEK 31.4 million per year before tax. The average annual social security costs over the vesting period are estimated to approximately a total of SEK 2.3 million, based on the above assumptions, that all Options are fully vested, a vesting period for all Options of three years and social security costs of 17 percent. If necessary, social security

costs will be covered by hedging measures through the issue of warrants (see item 20b below) which would be exercised by a financial intermediary in connection with the exercise of the Options. The social security costs associated with ESOP 2024 will be fully covered and will hence not affect the company's cash flow.

The total cost of ESOP 2024, including all social security costs, is estimated to amount to approximately SEK 101.3 million under the above assumptions.

#### *Delivery of ordinary shares under ESOP 2024*

In order to ensure the delivery of ordinary shares under ESOP 2024 and if necessary for hedging of social security costs, the Board of Directors proposes that the annual general meeting resolves to issue and use warrants in accordance with item 20b below.

#### *Proposal regarding issue of warrants (item 20b)*

In order to ensure the delivery of ordinary shares under ESOP 2024, and, if necessary, for hedging of social security costs, the Board of Directors proposes that the annual general meeting resolves to issue not more than 1,300,000 warrants (which includes warrants to potentially hedge social security costs), whereby the company's share capital could be increased by not more than SEK 52,000.

The right to subscribe for the warrants shall, with deviation from the shareholders' pre-emptive rights, only be granted Nefecon AB, a wholly owned subsidiary of Calliditas Therapeutics. The reason for the deviation from the shareholders' pre-emptive rights is the implementation of ESOP 2024. Nefecon AB shall be entitled to transfer the warrants to participants or a financial intermediary in connection with exercise.

The warrants shall be issued free of charge. The exercise price for subscription for ordinary shares based on the warrants shall correspond to the share's quota value.

The full terms and conditions for the warrants are presented in [Appendix A](#) and [Appendix B](#).

#### *Equity swap agreement with a third party (item 20c)*

Should the majority requirement for item 20b above not be met, the Board of Directors proposes that the annual general meeting resolves that ESOP 2024 instead shall be hedged through an equity swap agreement with a third party on terms in accordance with market practice, whereby the third party in its own name shall be entitled to acquire and transfer ordinary shares of Calliditas Therapeutics to the participants.

#### *Majority requirements*

Resolution in accordance with item 20b above requires approval of at least nine tenths (9/10) of the shares represented and votes cast at the annual general meeting.

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**Resolution to issue warrants**

In order to ensure the delivery of ordinary shares under ESOP 2024 and, if necessary, for hedging of social security costs, the Board of Directors proposes that the annual general meeting resolves to issue not more than 1,300,000 warrants (which includes warrants for potential hedging of social security costs), whereupon the company's share capital may be increased by not more than SEK 52,000 in accordance with the following:

1. The right to subscribe for the warrants shall, with deviation from the shareholders' pre-emptive rights, only vest with Nefecon AB, a wholly owned subsidiary of Calliditas Therapeutics AB (publ). The reason for the deviation from the shareholders' pre-emptive rights is the implementation of ESOP 2024. Nefecon AB shall be entitled to transfer the warrants to participants or a financial intermediary in connection with exercise.
2. The warrants shall be issued free of charge and shall be subscribed for by 31 July 2023. The Board of Directors shall have the right to extend the subscription period.
3. The warrants shall in all other respects be governed by the terms and conditions set forth in Appendix B.
4. The exercise price for subscription for ordinary shares based on the warrants shall correspond to the share's quota value.
5. The company's CEO shall be authorized to make such minor adjustments that may be necessary in connection with the registration of the new issue.
6. Notification of subscription of ordinary shares by the exercise of Warrants can be made from and including the day of registration of the Warrants with the Swedish Companies' Office until and including 30 June 2028.

*[attached separately]*