



**Notice and agenda of the annual general meeting of shareholders ("Meeting") of Kiadis Pharma N.V. ("Kiadis") to be held on Tuesday 28 June 2016 at 10:00 CEST at the Amsterdam Stock Exchange (Euronext), Beursplein 5, 1012 JW Amsterdam, The Netherlands.**

### **Agenda**

1. Opening and announcements
2. Annual Report for 2015 by the Management Board
3. Implementation Management Board Remuneration Policy in 2015
4. Financial Statements for 2015 (**voting item**)
5.
  - a. Release from liability of the members of the Management Board (**voting item**)
  - b. Release from liability of the members of the Supervisory Board (**voting item**)
6. Appointment of Dr. Robert Soiffer as a member of the Supervisory Board (**voting item**)
7. Appointment of Mr. Berndt Modig as a member of the Supervisory Board (**voting item**)
8. Remuneration Policy for the Management Board which includes the granting of options (**voting item**)
9. Remuneration of the Supervisory Board (**voting item**)
10. Appointment of KPMG Accountants N.V. as Kiadis' external auditor for the financial year 2016 (**voting item**)
11. Authorization of the Management Board to have Kiadis repurchase shares (**voting item**)
12. Any other business
13. Closing

The notice, agenda and explanatory notes to the agenda and other relevant information are available for inspection as of the date hereof. These items can be obtained free of charge at the Kiadis office at Entrada 231-234, 1114 AA Amsterdam-Duivendrecht, The Netherlands, at the Kiadis website: [www.kiadis.com](http://www.kiadis.com) and at the office of Kempen & Co N.V. at Beethovenstraat 300, 1077 WZ Amsterdam, The Netherlands.

### **Record Time and relevant register**

For this Meeting, those entitled to vote and/or attend the Meeting are those who:

- (i) on Tuesday 31 May 2016, after processing of all debit entries and transfers (the "Record Time"), are registered in Kiadis' shareholders register or in the administration of the Intermediaries of Euroclear Nederland (the "Intermediaries") within the meaning of the Securities Giro Act (*Wet Giraal Effectenverkeer*); and
- (ii) have duly registered for participation in the Meeting.

## **Participation in the Meeting**

A shareholder holding shares registered in Kiadis' shareholders register will be informed directly by Kiadis about how they can participate in the Meeting.

A shareholder holding shares in the administration of the Intermediaries and who chooses to participate in the Meeting may apply via his/her bank in writing until 15:00 Central European Summer Time (CEST) on Tuesday 21 June 2016 to Kempen & Co N.V., Beethovenstraat 300, 1077 WZ Amsterdam, The Netherlands (telefax number: +31 (0)20 348 9549 or e-mail address: [proxyvoting@kempen.nl](mailto:proxyvoting@kempen.nl)) at which application a confirmation must be submitted from the Intermediaries that the shares concerned were registered in the name of that holder on the Record Time and indicating the number of shares held on the Record Time by that holder. The acknowledgement of receipt provided by Kempen & Co N.V. will be valid as an attendance card to the Meeting and must be presented when registering for the Meeting. Kempen & Co N.V. shall arrange for deposit of these applications at Kiadis' office address.

## **Proxy and instruction to vote**

A shareholder who chooses to have himself represented at the Meeting by a third party must – in addition to the application requirements stated above – provide Kiadis with a proxy to that effect. For the granting of a proxy, shareholders are required to use a form, which can be obtained via Kempen & Co N.V., (telefax number: +31 (0)20 348 9549 or e-mail address: [proxyvoting@kempen.nl](mailto:proxyvoting@kempen.nl)) or from Kiadis (telephone number: +31 (0)20 314 0250; telefax number: +31 (0)20 314 0251), and which can also be downloaded from Kiadis' website ([www.kiadis.com](http://www.kiadis.com)). The form, duly completed by the shareholder, must have been received by Kempen & Co N.V. or by Kiadis by 15:00 (CEST) on Tuesday 21 June 2016 ultimately. Receipt of proxy forms can be rejected after this time deadline.

## **Registration at the Meeting**

Registration for admission to the Meeting will take place on 28 June 2016 from one hour prior to the start of the Meeting until the commencement of the Meeting at 10:00 CEST. After this time registration is no longer possible.

Participation in the Meeting can be made dependant on identification of the participants. Participants are therefore requested to bring a valid proof of identity with them.

On the date of the notice for this Meeting, Kiadis had 13,561,242 shares issued, each representing one vote.

Amsterdam-Duivendrecht, The Netherlands, 17 May 2016

**Management Board of Kiadis Pharma N.V.**



**Explanatory notes to the agenda of the annual general meeting of shareholders ("Meeting") of Kiadis Pharma N.V. ("Kiadis") to be held on Tuesday 28 June 2016 at 10:00 CEST at the Amsterdam Stock Exchange (Euronext), Beursplein 5, 1012 JW Amsterdam, The Netherlands.**

**Re 2 - Annual Report for 2015 by the Management Board**

The Management Board will comment on the Report of the Management Board in Kiadis' Annual Report for 2015 (see pages 11 to 13 of the Annual Report for 2015).

Subsequently, those present at the Meeting will be given the opportunity to ask questions or make remarks about the Report of the Management Board for 2015 and the Report of the Supervisory Board (included in the Annual Report for 2015 on pages 40 to 42).

Under this agenda item questions can also be raised, and remarks can be made, on Kiadis' approach to the implementation of the Dutch Corporate Governance Code, which is contained in the Annual Report for 2015.

**Re 3 - Implementation Management Board Remuneration Policy in 2015**

This agenda item provides, pursuant to Section 2:135(5a) of the Dutch Civil Code, for a discussion during the Meeting regarding the implementation in 2015 of the Remuneration Policy for the Management Board, as included in the notes to the Financial Statements in the Annual Report for 2015 on pages 77 to 78.

**Re. 4 - Financial Statements for 2015 (voting item)**

On 14 April 2016, the Supervisory Board approved the Financial Statements for 2015 drawn up by the Management Board. The Financial Statements were published on 15 April 2016 and are now submitted for adoption by the Meeting (see article 20.5 of Kiadis' articles of association).

Under this agenda item the accountant will give a short explanation on the audit of Kiadis' Annual Report for 2015.

**Re. 5.a. - Release from liability of the members of the Management Board (voting item)**

It is proposed to the Meeting that the members of the Management Board be released from liability in respect of their managerial activities (see article 20.6 of Kiadis' articles of association).

**Re. 5.b. - Release from liability of the members of the Supervisory Board (voting item)**

It is proposed to the Meeting that the members of the Supervisory Board be released from liability in respect of their supervisory role (see article 20.6 of Kiadis' articles of association).

**Re. 6 - Appointment of Dr. Robert Soiffer as a member of the Supervisory Board (voting item)**

In accordance with articles 17.5 and 13.2 of Kiadis' articles of association, the Supervisory Board nominates Dr. Soiffer for appointment as a member of the Supervisory Board of Kiadis.

Dr. Soiffer will be an independent member of the Supervisory Board within the meaning of the Dutch Corporate Governance Code. He meets the Supervisory Board profile and holds no shares in Kiadis. The proposed remuneration for Dr. Soiffer shall be as set out in [Appendix IV](#) to this agenda. Dr. Soiffer's CV as well as an explanation of the reasons for his nomination can be found in [Appendix I](#) to this agenda.

It is proposed that the Meeting appoints Dr. Soiffer as a member of the Supervisory Board in accordance with the nomination of the Supervisory Board for a period of four years with effect from the date of the Meeting, ending by close of the annual general meeting to be held in 2020.

**Re. 7. - Appointment of Mr. Berndt Modig as a member of the Supervisory Board (voting item)**

In accordance with articles 17.5 and 13.2 of Kiadis' articles of association, the Supervisory Board nominates Mr. Modig for appointment as a member of the Supervisory Board of Kiadis.

Mr. Modig will be an independent member of the Supervisory Board within the meaning of the Dutch Corporate Governance Code. He meets the Supervisory Board profile and holds no shares in Kiadis. The proposed remuneration for Mr. Modig shall be as set out in [Appendix IV](#) to this agenda. Mr. Modig's CV as well as an explanation of the reasons for his nomination can be found in [Appendix II](#) to this agenda.

It is proposed that the Meeting appoints Mr. Modig as a member of the Supervisory Board in accordance with the nomination of the Supervisory Board for a period of four years with effect from the date of the Meeting, ending by close of the annual general meeting to be held in 2020.

**Re. 8. - Remuneration Policy for the Management Board which includes the granting of options (voting item)**

With reference to article 13.7 of Kiadis' articles of association and Section 2:135(1) and (5) of the Dutch Civil Code, it is proposed to the Meeting to adopt an amended Remuneration Policy for the Management Board to give it more substance, taking into account evolving market practices and reinforcing a performance-oriented culture focused on criteria relevant to Kiadis' strategy.

The Remuneration Policy includes the granting of options to the Management Board and the Policy sets out the maximum number of options that may be granted to the Management Board, the conditions for granting such options and possible amendments thereto.

The proposed amended Remuneration Policy is available as [Appendix III](#) to this agenda.

**Re. 9. - Remuneration of the Supervisory Board (voting item)**

With reference to article 17.12 of Kiadis' articles of association, it is proposed to the Meeting to amend the remuneration of the Supervisory Board to make it in line with market practice.

The proposed amended remuneration of the Supervisory Board can be found in [Appendix IV](#) to this agenda.

**Re. 10. - Appointment of KPMG Accountants N.V. as Kiadis' external auditor for the financial year 2016 (voting item)**

It is proposed to the Meeting to appoint KPMG Accountants N.V. as Kiadis' external auditor for the financial year 2016 in accordance with article 20.3 of Kiadis' articles of association.

**Re. 11. - Authorization of the Management Board to have Kiadis repurchase shares (voting item)**

In accordance with article 7.3 of Kiadis' articles of association, the general meeting, by virtue of the resolution adopted on 30 June 2015, delegated to the Management Board, subject to the approval of the Supervisory Board, the authority to acquire by way of repurchase such number of shares in the capital of Kiadis as is permitted under the terms of Section 2:98(2) of the Dutch Civil Code, in accordance with Kiadis' articles of association and for a consideration of at least EUR 0.01 per share and which may not exceed the average closing price on Euronext Amsterdam and Euronext Brussels during five consecutive trading days preceding the date of repurchase increased by 10%.

This authority was granted to the Management Board for a period of 18 months following 30 June 2015, i.e. up to and including 30 December 2016.

It is proposed that the Meeting authorizes the Management Board, subject to the approval of the Supervisory Board, to acquire shares for a period of 18 months from the date of this Meeting (i.e. up to and including 28 December 2017) by way of repurchase, via the stock exchange or otherwise, up to a maximum of 10% of the issued capital and for a consideration of at least EUR 0.01 per share and which may not exceed the average closing price on Euronext Amsterdam and Euronext Brussels during five consecutive trading days preceding the date of repurchase increased by 10% .

The proposed authorization will replace the authorization granted to the Management Board on 30 June 2015.



**Appendix I – CV/Reasons for nomination Dr. Robert Soiffer**

Name: Dr. Robert J. Soiffer  
Year of birth: 1957  
Nationality: American  
Profession: Medical Oncologist  
Most important previous position: President of the American Society of Blood and Marrow Transplantation (ASBMT)  
Current positions: Professor of Medicine at the Harvard Medical School  
Chief of the Division of Hematologic Malignancies at the Dana-Farber Cancer Institute (part of the Harvard Medical School)  
Co-director of the Adult Stem Cell Transplantation Program at the Dana-Farber Cancer Institute  
Chair Elect of the Advisory Committee of the Center for International Blood and Marrow Transplant Research (CIBMTR)  
Board of Directors for the National Marrow Donor Program Be the Match Registry  
Reasons for nomination: Medical expert with relevant and extensive knowledge and experience, and a broad network, in the field of hematologic malignancies and stem cell/bone marrow transplantations

**Appendix II – CV/Reasons for nomination Mr. Berndt Modig**

Name: Mr. Berndt A.E. Modig  
Year of birth: 1958  
Nationality: Swedish and American  
Profession: Non-Executive Director  
Most important previous position: Chief Financial Officer of Prosensa Holding N.V.  
Chief Financial Officer at Jerini AG  
Current positions: Board Member of Axovant Sciences Ltd.  
Board Member of Auris Medical AG  
Board Member of Affimed N.V.  
CEO of Pharvaris B.V.  
Senior Financial Advisor at Lysogene  
Reasons for nomination: Financial expert with relevant and extensive knowledge and experience of financial administration and accounting for listed companies, including management of financial risks and internal control and audit committee roles



## **Appendix III – Remuneration Policy for the Management Board of Kiadis Pharma N.V.**

### Introduction

The general principles of the current Remuneration Policy for the Management Board of Kiadis were approved by the general meeting in June 2015. These general principles entail an annual fixed salary according to industry standards and a variable salary linked to milestones/performance objectives to be set annually by Kiadis' Supervisory Board, whereby the variable salary could have two components: (a) an annual cash bonus payment according to industry standards; and/or (b) granting of share options and/or performance share awards in accordance with an employee incentive plan to be adopted by Kiadis.

The Supervisory Board is recommending to amend the Remuneration Policy that was approved in 2015 to give it more substance, taking into account evolving market practices and reinforcing a performance-oriented culture focused on criteria relevant to Kiadis' strategy. The amended Remuneration Policy as proposed by the Supervisory Board is set out below. If adopted by the Meeting, this amended Remuneration Policy shall be effective from 1 July 2016.

### I. General principles and objectives

The general principles and objectives of this Remuneration Policy are:

- (a) competitive compensation so as to enable Kiadis to recruit, motivate and retain qualified and expert individuals that Kiadis needs in order to achieve its strategic and operational objectives;
- (b) focus management on the creation of sustainable added value, taking into account the interests of all stakeholders, by having total compensation significantly driven by variable performance dependent income components;
- (c) variable income consisting of short-term (cash bonus) and long-term incentives (share options), whereby the distribution between short-term and long-term incentives aims to achieve a proper balance between short-term results and long-term value creation.

### II. Main items of this Remuneration Policy

The remuneration of the Management Board consists of:

- (a) a fixed annual salary;
- (b) an annual bonus in cash;
- (c) share options;
- (d) pension; and
- (e) severance pay.

### III. Fixed annual salary for the Management Board

The level of the base salary of the Management Board is determined by the Supervisory Board based upon:

- (a) peer analysis against the base salaries of management board members of companies listed on Euronext Amsterdam in the Amsterdam Small Cap Index (AscX);
- (b) remuneration reports; and
- (c) the anticipated cost of replacing a member of the Management Board.

The Supervisory Board will consider on a yearly basis the appropriateness of any change of the base salary in the context of the market environment as well as the salary adjustments for other Kiadis employees

Adjustment of the base salary is at the discretion of the Supervisory Board, taking into account the general principles and objectives of this Remuneration Policy.

#### IV. Annual bonus in cash for the Management Board

The Management Board shall be entitled to an annual cash bonus of up to 30% of the annual base salary based on achieving certain performance targets. The part of the bonus that is related to Kiadis targets accounts for 50% of this bonus and the other 50% of the bonus relates to individual targets.

The Kiadis targets and individual targets are determined each year by the Supervisory Board based on historical performance, the operational and strategic outlook of Kiadis in the short-term and expectations of Kiadis' management and stakeholders, among other things. The performance targets contribute to the realization of the objective of long-term value creation for Kiadis. Kiadis does not disclose the actual targets, as they qualify as commercially sensitive information.

The amount of the bonus shall be determined by the Supervisory Board through comparing actual performance against the set targets.

#### V. Share options for the Management Board

The Management Board may be granted options to ordinary Kiadis shares in accordance with Kiadis' option plan, the main elements of which are the following:

- (a) The options are options to acquire ordinary Kiadis shares, whereby one option gives the right to acquire one ordinary share.
- (b) The option exercise price shall be the closing sales price at which ordinary Kiadis shares are traded on the day prior to the day the option is granted.
- (c) Two days per year (July 1 and January 1) have been identified as possible option grant dates to prevent insider issues. In addition, solely for a newly employed or contracted person, options may be granted on the 15<sup>th</sup> day of the month following the date in which that person commenced employment or services for Kiadis. Should any of the days referenced above be in a so-called closed period according to Kiadis' Insider Trading Policy, the granting date shall be amended for such occasion to be the 15<sup>th</sup> day after the closed period has terminated.
- (d) Vesting of options may take place on one date or in part over time.
- (e) It may be determined that options which have vested may nevertheless not be exercised for a certain period of time after their grant date.
- (f) It may be determined that Kiadis shares that shall be received upon the exercise of options shall be subject to a lock-up for a certain period of time.
- (g) A so-called good leaver (continued ill health, death, retirement, dismissal without cause, giving notice) shall remain entitled to vested options, such options to be exercised within one year. The Supervisory Board may however, if this rule would produce an unfair result for the good leaver, determine otherwise.
- (h) A so-called bad leaver (termination with cause) shall lose all options, whether vested or not.
- (i) There shall be accelerated vesting of non-vested options amongst other in case of a change of control of Kiadis.
- (j) Options for the Management Board may be settled in cash.
- (k) The number of shares in respect of which options may be granted under the option plan on any grant date when added to:
  - the number of shares comprised in outstanding options granted pursuant to the option plan; and

- the number of shares which have been issued on the exercise of options that have been granted pursuant to the option plan; shall not exceed 3.5% of the number of ordinary shares in issue immediately prior to such grant date.

(l) The option plan has a maximum duration of ten years.

The Supervisory Board shall in its discretion determine whether options shall be granted to the members of the Management Board and determine the number of options to be granted to the relevant member. Within the option pool of 3.5% as set out above, the Management Board may in total be granted options to at most 2% of Kiadis' outstanding ordinary share capital from time to time.

Options granted to the Management Board shall vest in three equal parts:

- one third of the number of options granted shall vest one year after the date the options are granted;
- one third of the number of options granted shall vest two years after the date the options are granted; and
- one third of the number of options granted shall vest three years after the date the options are granted.

If the Dutch Corporate Governance Code so provides, the Management Board may not exercise any options which have vested within the first three years after the date the options were granted.

The number of options that may be granted to the Management Board shall be related to the performance targets set out above under paragraph (IV) “Annual bonus in cash for the Management Board” as the achievement of these targets shall contribute not only to short-term Kiadis results but also to long-term value creation for Kiadis.

#### VI. Pension for the Management Board

The Management Board participates in the Dutch pension scheme for Kiadis.

#### VII. Severance pay for the Management Board

The service contracts of the Management Board include an exit-arrangement provision which is a sum equivalent to the fixed annual base salary.

#### VIII. Loans for the Management Board

Kiadis does not provide any loans to the Management Board.



#### **Appendix IV – Remuneration of the Supervisory Board**

The Supervisory Board proposes to the Meeting to amend the remuneration of the Supervisory Board as follows:

- (a) annual fixed honorarium for each independent member: EUR 40,000;
  - (b) annual fixed honorarium for the Chairman, if independent: EUR 50,000;
  - (c) no separate (additional) remuneration for membership/chair of the audit committee, remuneration committee or selection and appointment committee; and
  - (d) no remuneration for members of the Supervisory Board who are not independent;
- whereby “independence” shall be within the meaning of the Dutch Corporate Governance Code.

If adopted by the Meeting, the amended remuneration shall be effective from 1 July 2016.