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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): November 19, 2020**

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**GALECTO, INC.**  
(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-39655**  
(Commission  
File Number)

**37-1957007**  
(I.R.S. Employer  
Identification No.)

**Ole Maaloes Vej 3  
DK-2200 Copenhagen N  
Denmark**  
(Address of principal executive offices, including zip code)

**(+45) 70 70 52 10**  
(Registrant's telephone number, including area code)

**Not Applicable**  
(Former Name or Former Address, if Changed Since Last Report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trade Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.00001 par value per share	GLTO	The Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On November 19, 2020, upon the recommendation of the Nominating and Corporate Governance Committee of the Board of Directors (the “Board”) of Galecto, Inc. (the “Company”), the Board increased its size to eight directors and appointed Dr. Jayson Dallas to join the Board, effective as of November 19, 2020. Dr. Dallas will serve as a Class III director until his term expires at the 2023 annual meeting of stockholders, at which time he is expected to stand for election by the Company’s stockholders. The Board determined that Dr. Dallas is independent under the listing standards of The Nasdaq Global Select Market (“Nasdaq”). Dr. Dallas was also appointed to serve on the Nominating and Corporate Governance Committee of the Board. Effective as of November 19, 2020, the Nominating and Corporate Governance Committee of the Board is composed of Dr. Dallas, Chau Q. Khuong and Søren Møller. The composition of the Audit Committee and the Compensation Committee remains unchanged.

As a non-employee director, Dr. Dallas will receive cash compensation and equity awards for his Board service in accordance with the Company’s Non-Employee Director Compensation Policy, as amended. The equity awards will include an initial grant award and pro rata portion of an annual grant for Dr. Dallas’ service on the Board in 2020. Dr. Dallas is not a party to any transaction with the Company that would require disclosure under Item 404(a) of Regulation S-K, and there are no arrangements or understandings between Dr. Dallas and any other persons pursuant to which he was selected as a director. In addition, Dr. Dallas has entered into an indemnification agreement with the Company consistent with the form of indemnification agreement entered into between the Company and its existing non-employee directors.

On November 23, 2020, the Company issued a press release announcing Dr. Dallas’ appointment to the Board. A copy of this press release is furnished as Exhibit 99.1 to this report on Form 8-K.

The Compensation Committee of the Board approved, effective as of November 19, 2020, an amendment to the Company’s Non-Employee Director Compensation Policy (as amended, the “Amended Compensation Policy”) to clarify the vesting schedule and awards to directors who join Board on a date other than the date of the annual meeting

of the Company's shareholders (the "Annual Meeting"). Under the Amended Compensation Policy, new directors who join the Board on a date other than the date of the Annual Meeting shall be granted an annual award of an option to purchase 18,000 shares of our common stock, prorated for the number of full months of expected service until the next Annual Meeting. Such prorated annual award shall vest in equal monthly installments over the course of the twelve month period following the date on which the new director joins the Board. The Amended Compensation Policy also provides that directors who joined the Board prior to our initial public offering, but did not receive an equity award in 2020, shall be eligible to receive an annual award in 2021. The foregoing description of the Amended Compensation Policy does not purport to be complete and the description of the Amended Compensation Policy is qualified in its entirety by reference to the Company's Non-Employee Director Compensation Policy, which is filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

The Amended Compensation Policy is applicable to each member of the Board who is not also serving as an employee of the Company.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

10.1 [Non-Employee Director Compensation Policy](#)

99.1 [Press Release issued by the Company on November 23, 2020](#)

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**Galecto, Inc.**

Date: November 23, 2020

By: /s/ Hans T. Schambye  
Hans T. Schambye, M.D., Ph.D.  
President and Chief Executive Officer

## GALECTO, INC.

## NON-EMPLOYEE DIRECTOR COMPENSATION POLICY

The purpose of this Non-Employee Director Compensation Policy of Galecto, Inc. (the “Company”), is to provide a total compensation package that enables the Company to attract and retain, on a long- term basis, high-caliber directors who are not employees or officers of the Company or its subsidiaries. In furtherance of the purpose stated above, all non-employee directors shall be paid compensation for services provided to the Company as set forth below:

**Cash Retainers**

Annual Retainer for Board Membership: \$40,000 for general availability and participation in meetings and conference calls of our Board of Directors, to be paid quarterly in arrears, pro-rated based on the number of actual days served by the director during such calendar quarter.

Additional Annual Retainer for Non-Executive Chair of the Board: \$35,000

Additional Retainers for Committee Membership:

Audit Committee Chair:	\$10,000
Audit Committee member:	\$10,000
Compensation Committee Chair:	\$ 7,500
Compensation Committee member:	\$ 7,500
Nomination and Corporate Governance Committee Chair:	\$ 5,000
Nomination and Corporate Governance Committee member:	\$ 5,000

Note: Chair and committee member retainers are in addition to the annual retainer for Board membership.

**Equity Retainers**

Initial Award: An initial, one-time equity award (the “Initial Award”) of an option to purchase 18,000 shares of our common stock to each new non-employee director upon his or her election to the Board of Directors, which shall vest in 36 equal monthly installment from the date of vesting commencement, provided, however, that all vesting shall cease upon the cessation of the director’s service relationship with the Company; provided, however, that the Initial Award shall immediately vest upon a Sale Event (as defined in the 2020 Incentive Plan). This Initial Award applies only to non-employee directors who are first elected to the Board of Directors subsequent to the Company’s initial public offering. Such stock option shall have a per share exercise price equal to the Fair Market Value (as defined in the Company’s 2020 Incentive Plan) of the Company’s common stock on the date of grant.

**Annual Award:** On each date of the Company's Annual Meeting of Stockholders (the "Annual Meeting"), each new and continuing non-employee member of the Board of Directors will receive an annual equity award (the "Annual Award") of an option to purchase 18,000 shares of our common stock, which shall vest in 12 equal monthly installments commencing on the date of grant such that the Annual Award shall be fully vested upon the first anniversary of the date of grant; provided, however, that the Annual Award shall immediately vest upon a Sale Event (as defined in the 2020 Incentive Plan); provided, further, that all vesting shall cease if the director resigns from the Board of Directors or otherwise ceases to serve as a director, unless the Board of Directors determines that the circumstances warrant continuation or acceleration of vesting. New directors who join the Board of Directors on a date that is not the date of the Annual Meeting shall be granted an Annual Award prorated for the number of full months of expected service until the next Annual Meeting; such options shall vest in 12 equal monthly installments commencing on the date of grant. Notwithstanding the above and for the avoidance of doubt, a non-employee director who was a non-employee director of the Company and who received an equity grant in 2020 prior to the effectiveness of the Company's Registration Statement on Form S-1 shall not be eligible for an Annual Award in 2021. The Annual Award shall have a per share exercise price equal to the Fair Market Value (as defined in the Company's 2020 Incentive Plan) of the Company's common stock on the date of grant.

**Expenses**

The Company will reimburse all reasonable out-of-pocket expenses incurred by non-employee directors in attending meetings of the Board or any Committee.

Adopted October 20, 2020, subject to effectiveness of the Company's Registration Statement on Form S-1, and revised November 19, 2020.



### **Galecto Appoints Experienced Healthcare Executive Jayson Dallas to Board of Directors**

- Has extensive experience in pharma and biotech in U.S., Europe and globally
- Galecto completed U.S. initial public offering and plans to initiate three Phase 2 trials in the coming months

**Boston, MA/Copenhagen, Denmark, November 23, 2020** - Galecto, Inc. (NASDAQ: GLTO), a clinical stage biotechnology company focused on the development of novel treatments for fibrosis and cancer, today announced that senior healthcare executive Jayson Dallas has joined its Board of Directors, effective November 19.

Jayson Dallas has extensive experience in both pharmaceutical and biotech industries in the U.S., Europe and globally, most recently as Chief Executive Officer of the California-based Aimmune Therapeutics, acquired by Nestlé Health Science this year. He is a member of the Board of Directors of Arena Pharmaceuticals and has previously served in senior roles for companies including Pfizer, Novartis, Roche and Ultragenyx Pharmaceuticals. His experience spans multiple therapeutic categories and covers new product launches, licensing and managing product portfolios.

Hans Schambye, CEO of Galecto, said: "I am delighted to welcome Jayson to the Galecto Board of Directors. His expertise in all aspects of the healthcare industry, from biotech to big pharma and drug development to commercialization, will be an important source of knowledge and guidance for Galecto as we continue through an exciting period of growth. Following our successful initial public offering in the U.S., we are well positioned to continue advancing our promising GB0139 product candidate and expand our clinical development pipeline with the initiation of three Phase 2 studies for other product candidates in the coming months."

Jayson Dallas said: "It is an honor to join the Board of Directors of Galecto at such an important and dynamic moment in its history. I look forward to leveraging my industry experience to assist as Galecto advances its exciting products through clinical development and potentially to market, in order to address significant unmet medical needs."

#### **About Galecto**

Galecto is a clinical stage biotechnology company with advanced programs in fibrosis and cancer centered on galectin-3 and LOXL2. The company's pipeline includes an inhaled galectin-3 modulator currently in phase 2b for the potential treatment of idiopathic pulmonary fibrosis, as well as two assets about to move into phase 2 targeting myelofibrosis, NASH and oncology. The company is incorporated in the U.S. and has its operating headquarters in Copenhagen, Denmark. Further information can be found at [www.galecto.com](http://www.galecto.com).

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## **Forward-Looking Statements**

Certain statements in this press release are forward-looking statements that involve a number of risks and uncertainties. Such forward-looking statements include statements about Galecto's clinical trial plans, the significance and participation of a new board member, Galecto's growth, and Galecto's products and pipeline. The words "may," "will," "could," "would," "should," "expect," "plan," "anticipate," "intend," "believe," "estimate," "predict," "project," "potential," "continue," "target" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. For such statements, Galecto claims the protection of the Private Securities Litigation Reform Act of 1995. Actual events or results may differ materially from Galecto's expectations. Factors that could cause actual results to differ materially from the forward-looking statements include risks and uncertainties related to the development of Galecto's product candidates and their therapeutic potential, having adequate funds and their use, and those disclosed in Galecto's filings with the Securities and Exchange Commission, including its Registration Statement on Form S-1. These forward-looking statements represent Galecto's judgment as of the time of this release. Galecto disclaims any intent or obligation to update these forward-looking statements, other than as may be required under applicable law.

For more information, contact:

### **Galecto Inc.**

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