

## **The Nominating Committee BioGaia AB**

In accordance with the principles adopted at the 2022 Annual General Meeting, the Nominating Committee consists of five members. The four largest shareholders as of 30 June 2022 have each appointed a member to the Nominating Committee of BioGaia AB. These are:

- Per-Erik Andersson (the Chairman of the Nominating Committee), appointed by the largest shareholder, Annwall & Rothschild Investments AB;
- Karl-Johan Sundin appointed by the second largest shareholder, EQT;
- Marianne Flink, appointed by the third largest shareholder, Fjärde AP-fonden; and
- Carlos Moreno, appointed by the fourth largest shareholder, Premier Milton Investors.

In addition, Peter Rothschild is a member of the Nominating Committee in his capacity as Chairman of the Board of BioGaia AB.

## **The Nominating Committee's motivated statement regarding the proposed Board of Directors of BioGaia AB**

Ewa Björling, Christian Bubenheim, Peter Elving and Nicklas Ringby have each declared that they are not available for re-election due to other commitments. All other Board members have declared themselves available for re-election.

The Nominating Committee proposes the re-election of Board members David Dangoor, Bénédicte Flambard, Anthon Jahreskog, Peter Rothschild and Vanessa Rothschild. Peter Rothschild is proposed for re-election as Chairman of the Board. In addition, the Nominating Committee proposes that David Dangoor is re-elected as Vice Chairman of the Board. The Nominating Committee proposes new election of Barbro Fridén, Outi Armstrong and Vesa Koskinen.

The Nominating Committee's proposal therefore means that, during the coming mandate period, the Board of Directors will consist of eight (8) members elected by the General Meeting with no deputies. According to the Articles of Association, the Board of Directors shall consist of not less than five and no more than nine members elected by the General Meeting.

Barbro Fridén, born 1956, is a trained physician at Umeå University and a specialist pediatrician. She has also conducted research at the University of Gothenburg, where she obtained her doctorate in 1999 in obstetrics & gynecology. Barbro Fridén has held several different senior positions within the health care sector, among them as healthcare director at Sahlgrenska University Hospital in Gothenburg. Barbro Fridén is, among other things, a Board member of Getinge, Apoteket and Sophiahemmet. Barbro Fridén does not own any shares in BioGaia.

Outi Armstrong, born 1967, holds a master's degree in Agriculture Economics and has also studied psychology, including in relation to personnel change management. Outi Armstrong has worked with global marketing in senior positions within areas such as life science, nutrition & health, food and agriculture within companies such as SGS and DSM in Switzerland. Outi Armstrong is currently Vice President Strategic Marketing & Development at Halma Plc. Outi Armstrong does not own any shares in BioGaia.

Vesa Koskinen, born 1979, holds a master's degree in economics. Vesa Koskinen is partner and member of EQT's global healthcare team. He is currently a Board member of BHG Group, Vitrolife, Kfzteile24 and Desotec. Previous assignments include Board member of Elevate, Igenomix, Musti Group, Karo Pharma, Terveystalo, Vertu, Roeser Group, Swiss Smile, VTI Technologies and Lundhags. Vesa Koskinen does not own any shares in BioGaia.

Information about the Board members proposed for re-election is available on the company's website [www.biogaia.com](http://www.biogaia.com).

Since it was formed in October 2022, the Nominating Committee has held several meetings, conducted interviews with all Board members and with the CEO, and also had reconciliations via telephone conferences and by e-mail. At the first meeting of the Nominating Committee, the Chairman of the Board presented the company's operations, goals, and strategies, as well as on how the Board of Directors' work was conducted during the preceding year. Furthermore, the Nominating Committee has taken part of a written evaluation of the Board of Directors' work and the individual members' perception of the Board of Directors' work. The evaluation gave a positive result. The Nominating Committee's assessment is, based on the interviews with the Board members and CEO conducted by the Nominating Committee, the information provided by the Chairman of the Board and the evaluation carried out, that the work of the Board of Directors has functioned very well during the year and that it has been conducted with great commitment. The work of the Board of Directors has been characterized by an open and constructive dialogue, where, in the opinion of the Nominating Committee, the cooperation between the Chairman, Vice Chairman, the Board of Directors, the CEO and the Executive Management has functioned well. The Nominating Committee also notes that Board members' attendance rates were high.

Despite this, the Nominating Committee has in its work seen a need to add further competence to the Board of Directors and has endeavored to identify persons who also currently have active roles in business. Through the proposal of the new Board members, Barbro Fridén, Outi Armstrong and Vesa Koskinen, the Nominating Committee considers that the Board of Directors is provided with further competence that correspond to the challenges that BioGaia faces in its continued operations.

Through the Nominating Committee's proposal, the Board of Directors will be suitably composed in terms of size, breadth and diversity of expertise, age, gender, background and experience within, for example, business areas and sustainability issues relevant to the company, and meets the requirements placed on the Board of Directors in view of the company's current and future challenges. An assessment has also been made of each individual Board member's ability to devote sufficient time and commitment to Board duties.

The Nominating Committee notes that half of the proposed Board members are women. This exceeds the long-term target of the Swedish Corporate Governance Board of approximately 40 percent of the less represented gender on company boards. The Nominating Committee will continue to strive going forward for a relevant composition of diversity and breadth regarding the members' competence, experience, background and gender.

With regard to the composition of the Board of Directors, and in view of the contents of the diversity policy and the goals contained therein, the Nominating Committee has applied the provisions set out in item 4.1 of the Swedish Corporate Governance Code, which has led to

the Nominating Committee's proposal to the Annual General Meeting for election of the Board of Directors.

The Nominating Committee proposes a fee of SEK 710,000 (previously 685,000) to the Chairman of the Board, SEK 490,000 (previously 475,000) to the Vice Chairman of the Board, and SEK 275,000 (previously 265,000) each to the other members elected by the General Meeting. This corresponds to an increase of approximately 4 percent. For members of the Audit Committee, the proposal is unchanged fees of SEK 110,000 to the Chairman and SEK 55,000 to each of the other members of the committee. Also, for members of the Remuneration Committee, the proposal is unchanged fees of SEK 45,000 to the Chairman and SEK 20,000 to each of the other members of the committee. The Board members may be eligible to compensation for reasonable travel expenses for their participation in the board- and committee work.

Peter Rothschild will continue to be engaged in BioGaia's long-term strategic planning in both R&D and business development. According to the Nominating Committee's assessment, Peter Rothschild's reported work tasks will extend far beyond that which is standard for a Board Chairman and place high demands on availability. The Nominating Committee's assessment is that a continued, significant operational involvement by Peter Rothschild, with his unique and valuable expertise, will be of great benefit to BioGaia and significantly contribute to BioGaia's continued positive development. The Nominating Committee therefore proposes that the Annual General Meeting resolves to approve that Peter Rothschild, for services as set out above, according to a separate agreement and the Board of Directors' detailed decision, should receive an unchanged remuneration in a maximum amount of SEK 50,000 per month.

In accordance with the requirements set out in the Swedish Corporate Governance Code regarding Board independence, the Nominating Committee can conclude that Peter Rothschild is not independent, either in relation to Annwall & Rothschild Investments AB, which is the largest shareholder in BioGaia, nor to the company and its management. Vanessa Rothschild is not independent in relation to the largest shareholder, Annwall & Rothschild Investments AB, but is independent in relation to the company and its management. Vesa Koskinen is not independent in relation to the second largest shareholder, EQT, but is independent in relation to the company and its management. The other Board members are independent in relation to major shareholders and the company and its management.

In addition to the proposals for the Board of Directors and the Board fees, the Nominating Committee proposes the following:

- that Erik Sjöman, Advokatfirman Vinge, is elected Chairman of the Annual General Meeting;
- that Deloitte AB is re-elected as the company's auditors for the period until the 2024 Annual General Meeting has been held. The Audit Committee's recommendation regarding election of auditors is consistent with the Nominating Committee's proposal. The Nominating Committee proposes that fees to auditors be paid according to approved account;
- No fee shall be paid to the Nominating Committee, but BioGaia shall be responsible for reasonable costs deemed necessary by the Nominating Committee to be able to carry out its assignment; and

- that the following principles shall apply to convening a Nominating Committee ahead of the 2024 Annual General Meeting:

*The Chairman of the Board shall convene the four, in terms of voting rights, largest shareholders in the company, each of which shall appoint a representative to be a member of the Nominating Committee together with the Chairman of the Board. Composing the Nominating Committee, the ownership structure as per June 30, 2023, will determine who are the largest shareholders in terms of voting rights. The Nominating Committee shall be chaired by the member representing the largest shareholder as determined by voting rights on this date. If any of the four largest shareholders should waive its right to appoint a member of the Nominating Committee, this right shall be vested in the shareholder that, after these shareholders, has the largest shareholding. The names of the four owner's representatives shall be published as soon as they have been appointed, but no later than six months before the 2024 Annual General Meeting. The Nominating Committee's term of office extends until the new Nominating Committee is appointed.*

*In the event that the shareholder the Nominating Committee member represents no longer constitutes one of the four largest shareholders in terms of voting rights, the Nominating Committee, if it finds it appropriate, may dismiss that member and give a representative of the shareholder that is next in terms or voting power the opportunity to be elected. In the event that a nominated member of the Nominating Committee for other reason resigns from the Nominating Committee, the shareholder who appointed the member in question shall be entitled to appoint a new representative in the Nominating Committee. If such shareholder declines to appoint a new representative, the Nominating Committee shall, if it considers it appropriate with regard to the remaining term of office, request that the shareholder that is next in terms of voting power determine, if it wishes to appoint a representative to the Nominating Committee.*

*No remuneration shall be paid to the members of the Nominating Committee. Any expenses for the Nominating Committee's work shall be assumed by the company.*

*The Nominating Committee shall prepare proposals for the following matters to be submitted to the 2024 Annual General Meeting for resolution:*

- a) proposal for election of the Chairman of the Annual General Meeting*
- b) proposal for election of Board members*
- c) proposal for election of the Chairman of the Board and Vice Chairman of the Board, if any*
- d) proposal for determination of Board fees*
- e) proposal for election of Auditor*
- f) proposal for determination of Auditor fees*
- g) proposal for a resolution regarding the Nominating Committee prior to the 2025 Annual General Meeting*

The Nominating Committee's decisions were adopted unanimously. Peter Rothschild did not participate in decisions related to him personally, nor did he participate in the interviews with the CEO and the Board members except for the proposed new Board members.

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Stockholm, April 2023

Per-Erik Andersson

Karl Johan Sundin

Marianne Flink

Carlos Moreno

Peter Rothschild