

The Nomination Committee Infant Bacterial Therapeutics AB (publ)

In accordance with the principles decided at the 2019 AGM, the Nomination Committee consists of four persons.

The three largest shareholders as of June 30, 2019 have all appointed a member to the Nomination Committee of Infant Bacterial Therapeutics AB. These are; Per-Erik Andersson appointed by Annwall & Rothschild Investments AB, the largest shareholder as well as the Chairman of the Nomination Committee; Jannis Kitsakis, appointed by the Fourth AP Fund, the second largest shareholder; and Sebastian Jahreskog, who is the third largest shareholder through direct and indirect ownership. In addition, Peter Rothschild is a member of the Nomination Committee as Chairman of the Board of Infant Bacterial Therapeutics AB.

The Nomination Committee's proposal for the Annual General Meeting 2020 in Infant Bacterial Therapeutics AB (publ) and motivated opinion regarding proposals to the Board of Directors and auditors.

It is noted that during the financial year 2019, Lilian Henningson Wikström requested her own resignation from the Board as her work as CEO at Karolinska Institutet Innovations AB led to a potential conflict of interest.

The Nomination Committee proposes re-election of current Board members Margareta Hagman, Eva Idén, Anthon Jahreskog, Kristina Sjöblom Nygren and Peter Rothschild. As Chairman of the Board, Peter Rothschild is proposed for re-election. The Nomination Committee further proposes the election of Robert Molander.

Thus, the Nomination Committee's proposal means that during the coming term of office, the Board shall consist of six (6) elected members without deputies. According to the Articles of Association, the Board shall consist of a minimum of three (3) and a maximum of ten (10) elected members.

Since the election committee was constituted in the latter part of 2019, it has had two physical meetings at which interviews were conducted with both the Board members and the CEO. In addition, the Nomination Committee has held meetings via telephone conferences and communications via mail.

At the first meeting of the Nomination Committee, the Chairman of the Board outlined the phase that the company is currently in, as well as the company's operations, goals and strategies. He also explained how the work was carried out by the Board during the past year. The evaluation carried out regarding the work of the Board of Directors has been reviewed and presented to the Nomination Committee. The evaluation and interviews with the members of the Board confirm the information provided by the Chairman of the Board, Peter Rothschild, regarding how well the Board functioned during the year and that the various competencies of the individual members are valuable to the company and its operations.

The Nomination Committee has made the assessment that, with regard to future phases of the company's development, the Board needs to be supplemented with additional strategic expertise from the pharmaceutical industry in the licensing and marketing area.

The Nomination Committee therefore proposes election of Robert Molander born in 1965. He holds an MBA from Washington University in Marketing and Finance as well as two Bachelors from Miami University in Economics and International Studies. Robert Molander has been working at Trialbee AB since 2018, which has operations in both the US and Sweden, and since 2019 has been sales and marketing manager. Trialbee is a leading company that has developed a unique platform to increase patient safety when recruiting patients and reduces the risk of missed clinical trials. Robert Molander has 25 years of experience as a marketing and sales manager in the US at pharmaceutical companies, including Novartis, Pfizer and Pharmacia.

Information about the members proposed for re-election can be found on the company's website, www.ibtherapeutics.com.

The Nomination Committee's overall assessment is that the work of the Board, which functions very well and is conducted with commitment, will, through the inclusion of Robert Molander, have additional skills that will be of value in the phase in which the company is now entering.

Furthermore, the Nomination Committee notes that the work of the Board is characterized by an open and constructive dialogue and where the cooperation between the Chairman, other members of the Board and the Managing Director and other senior executives works very well.

Through the Nomination Committee's proposal, the Board will, with regard to size, breadth and diversity in terms of competence, age, gender, background and experience, be appropriately composed and fulfill the requirements imposed on the Board, taking into account the company's current and future situation. An assessment has also been made that each individual board member has the opportunity to devote sufficient time and commitment to the board's work.

The Nomination Committee notes that the Board is equal in terms of gender distribution. This exceeds the long-term goal set by the Swedish Corporate Governance Board in terms of gender distribution in boards.

With regard to the composition of the Board of Directors, a diversity policy, and with respect to its objectives, has been applied in accordance with clause 4.1 of the Corporate Governance Code, which has resulted in the Nomination Committee's proposal for the Annual General Meeting for the election of the Board of Directors.

The Nomination Committee proposes an increase in the remuneration to the members of the Board of Directors of SEK 25,000 (25,000) and to the Chairman of SEK 50,000 (50,000). This means a fee to the board member of SEK one hundred and twenty-five thousand (125,000) and to the chairman a fee of SEK two hundred and fifty thousand (250,000). For members of the remuneration committee, a fee of forty thousand (40,000) is proposed to the chairman and twenty thousand (20,000) to each of the other members of the committee. Furthermore, the Nomination Committee proposes that an unchanged additional fee be paid to the Chairman in his capacity as a working Chairman of the Board of SEK 400,000 (400,000). This is in view of the work that the Chairman is carrying out in the company, which may be considered to be in addition to the work of the Chairman of the Board. In addition, the Board members may be entitled to reasonable travel expenses for their participation in Board activities.

In accordance with the requirements set by the Swedish Code of Corporate Governance regarding the independence of the Board, the Nomination Committee can conclude that the proposal means that Peter Rothschild is dependent in relation to Annwall & Rothschild Investments AB, which is the largest shareholder in the company and dependent in relation to the company and company management. Anthon Jahreskog is dependent in relation to the second largest shareholder Sebastian Jahreskog but independent in relation to the company and company management. Other Board members are independent both in relation to major shareholders and to the company and company management.

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

- that Peter Rothschild is elected chairman at the AGM;
- that Deloitte AB is re-elected as auditor for the period until the end of the Annual General Meeting 2021. In Infant Bacterial Therapeutics AB, the Board fulfills the duties of an audit committee. The Board's recommendation regarding the election of an auditor is consistent with the nomination committee's proposal. The Nomination Committee proposes that fees to the auditor be paid in accordance with approved invoices;
- No fees shall be paid to the Nomination Committee, but the Company shall bear reasonable costs which are deemed necessary by the Nomination Committee in order for the Nomination Committee to fulfill its mandate; and

that the following principles shall apply to the convening of the Nomination Committee for the Annual General Meeting 2021.

The Chairman of the Board shall convene the three (3) of the largest shareholders in the company based on voting rights, which each shall appoint a member who together with the Chairman of the Board shall constitute the Nomination Committee. At the composition of the nomination committee, the ownership conditions as of June 30, 2020 will determine which are the largest shareholders in terms of the number of votes. A member appointed by the largest shareholder in the nomination committee at this time shall be the chairman of the nomination committee. If one of the three largest shareholders waives their right to appoint a member to the nomination committee, the next largest shareholder will be given the opportunity to appoint a member to the nomination committee. The names of the three members shall be published as soon as they are appointed, but no later than six months before the Annual General Meeting 2021. The term of office of the Nomination Committee extends until a new Nomination Committee is appointed.

In the event that the shareholder appointed by the member no longer constitutes one of the three largest shareholders based on voting rights, such member may be dismissed, and a member of the shareholder who is the next largest shareholder based on voting rights is next in turn and prepared to take part in the nomination committee. In the event that a nominated member of the nomination committee resigns from the nomination committee for other reasons, the shareholder who appointed the member in question must have the right to appoint a new member of the nomination committee. If he refrains from appointing a new member, the nomination committee shall, if it considers it appropriate in view of the remaining term of office, ask the shareholder who is the next largest based on voting rights next in turn if he wishes to appoint a member of the nomination committee.

The Nomination Committee shall prepare proposals on the following issues to be submitted to the Annual General Meeting 2021 for resolution:

- a) proposal for Chairman of the Meeting*
- b) proposal for Board*
- c) proposal for Chairman of the Board*
- d) proposal for Board fees*
- e) proposal for auditor*
- f) proposal for auditor fee*
- g) proposal regarding reasonable costs for the Nomination Committee*
- g) proposals regarding Nomination Committee for the 2022 Annual General Meeting*

It is noted that all the Nomination Committee's decisions were taken unanimously and that Peter Rothschild did not participate in the decisions that affect him personally.
