

Nominating Committee BioGaia AB

The Nominating Committee, in accordance with the principles adopted at the 2020 Annual General Meeting, shall consist of five members. The four largest shareholders in terms of voting rights at 30 June 2020 shall be afforded the opportunity to appoint a member to the Nominating Committee of BioGaia AB. In addition, the Board Chairman shall be a member of the committee. If any of the four largest shareholders should waive this opportunity the invitation shall be issued to the next largest shareholder in terms of size.

In conjunction with the formation of the Nominating Committee at the end of October 2020, one of the four largest shareholders did not respond to the request to appoint a member of the Nominating Committee. The question therefore passed to the fifth largest shareholder who accepted. The Nominating Committee thus consisted of:

Per-Erik Andersson, appointed by Annwall & Rothschild Investments AB, the largest shareholder;

Jannis Kitsakis, appointed by the Fjärde AP-fonden, the third largest shareholder;

Caroline Sjösten, appointed by Swedbank Robur Fonder, the fourth largest shareholder;

Sebastian Jahreskog, who through direct and indirect ownership is the company's fifth largest shareholder; and

Peter Rothschild in his capacity as Board Chairman of BioGaia AB.

After BioGaia AB held an Extraordinary General Meeting on 25 November 2020, a request was received from EQT Public Value (EQT) for a place on the Nominating Committee, supported by the fact that its new shareholding in BioGaia had made them the second largest shareholder. The Nominating Committee decided, since this would not have a negative impact on the work of the Nominating Committee, to allocate a place on the Nominating Committee for EQT. This resulted in Sebastian Jahreskog resigning from the Nominating Committee. The Nominating Committee subsequently consisted with effect from 1 December 2020 of the following people:

Per-Erik Andersson, appointed by Annwall & Rothschild Investments AB, the largest shareholder;

Fredrik Åtting, appointed by EQT, the second largest shareholder;

Jannis Kitsakis, appointed by the Fjärde AP-fonden, the third largest shareholder;

Caroline Sjösten, appointed by Swedbank Robur Fonder, the fourth largest shareholder; and

Peter Rothschild in his capacity as Board Chairman of BioGaia AB.

The Nominating Committee's motivated statement regarding the proposed Board of Directors of BioGaia AB (publ)

The Nominating Committee proposes re-election of Ewa Björling, Maryam Ghahremani, Vanessa Rothschild, David Dangoor, Peter Elving, Anthon Jahreskog, Niklas Ringby and Peter Rothschild and new election of Christian Bubenheim. The Nominating Committee further proposes re-election of Peter Rothschild as Board Chairman and David Dangoor as Vice Chairman.

The Nominating Committee's proposal means that Board of Directors during the coming mandate period will consist of nine members elected by the Annual General Meeting with no deputies. The proposal presupposes that the Articles of Association are amended, which the Board will propose to the Annual General Meeting.

Christian Bubenheim, born 1965, lives in Munich and is an American and German citizen. Christian Bubenheim has a Master of Science in Economics and Engineering from the University of Applied Sciences in Munich, Germany (1991). He has held senior positions within media, telecom and e-commerce at Apple, Intel Mobile, Magellan GPS, Internetstores Europa and Amazon, among others. Through his professional career he has gained sound knowledge of starting up and implementing digitalisation both directly to end customers and to other companies. Christian Bubenheim is a board member of BHG Group, Dunlop Protective Footwear, Unilode AG and Board Chairman of KfzTeil24. He is otherwise active as an independent consultant. Christian Bubenheim holds no shares in BioGaia. Information about the Board members proposed for re-election is available on the company's website www.biogaia.com.

Since October 2020, the Nominating Committee has held several digital meetings, conducted digital interviews with all Board members and the CEO. In addition, the Nominating Committee has conducted digital interviews with potential candidates. At the first meeting, the Board Chairman reported on the company's business operations, goals and strategies and how the work of the Board was conducted during the past year. Furthermore, the results of the evaluation of the work of the Board performed by an external consultant have been presented to the Nominating Committee. The results of this evaluation were overwhelmingly positive. The Nominating Committee's assessment is, based on the interviews conducted by the Nominating Committee, the information provided by Peter Rothschild in his capacity of Board Chairman and the evaluation carried out, that the work of the Board functioned very well during the year and was conducted with the major commitment of all Board members. The work of the Board has been characterised by an open and constructive dialogue, where in the opinion of the Nominating Committee, cooperation has functioned well between the Chairman, Vice Chairman, the Board and the CEO with Executive Management. The Nominating Committee also notes that Board members' attendance rates were high. It is further noted that Board members are committed and assist Executive Management even outside Board meetings.

Despite this, the Nominating Committee, as a result among other things of the interviews, has assessed that strengthening the Board's collective competence in the digital area with a person with direct experience of international e-commerce would be valuable. The Nominating Committee has therefore tried to find people with such experience. With the proposal regarding the new Board member, the Nominating Committee is of the opinion that the Board will be provided with such expertise within an area that is important for BioGaia's continued operations, regardless of the fact that there is already competence within this field on the Board.

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

With regard to the composition of the Board, 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 culminated in the Nominating Committee's proposal to the Annual General Meeting for election of the Board.

Gender distribution in the Board, however, does not meet the Code's goal, which the Nominating Committee intends to achieve over time.

The Nominating Committee proposes unchanged fees to Board members and to the Board members who are members of committees.

This means the following fees to Board members:

- SEK 650,000 to the Board Chairman,
- SEK 450,000 to the Board Vice Chairman; and
- SEK 250,000 each to the other Board members elected by the Annual General Meeting.

To members of the Audit Committee:

- SEK 100,000 to the chairman; and
- SEK 50,000 to each of the other members of the committee.

To members of the Remuneration Committee:

- SEK 40,000 to the chairman; and
- SEK 20,000 to each of the other members of the committee.

Board Members may also be entitled to reasonable travel costs for their participation.

The Nominating Committee's assessment is that a continued, significant operational involvement within both R&D and business development, albeit decreasing, by Peter Rothschild, with his unique and valuable expertise, will be of great benefit to BioGaia and will make a significant contribution with continued knowledge transfer to BioGaia and its continued future development. Peter Rothschild's working duties will therefore, in the opinion of the Nominating Committee, go far beyond what is customary for a Board Chairman and place very high demands on his availability. The Nominating Committee therefore proposes that the Annual General Meeting resolves to approve that Peter Rothschild, for services as set out above, according to separate agreement and the Board's detailed decision, should receive remuneration in a maximum amount of SEK 50,000 per month (previously SEK 75,000/month).

In accordance with the requirements in the Swedish Corporate Governance Code regarding Board independence, the Nominating Committee states that Peter Rothschild is not independent neither in relation to Annwall & Rothschild Investments AB, which is the largest shareholder in BioGaia, nor in relation to the company and its management. Niklas Ringby is not independent in relation to EQT, which is the second largest shareholder in BioGaia, but is independent in relation to the company and its management. Anthon Jahreskog is not independent in relation to shareholder, Sebastian Jahreskog, but is independent in relation to the company and its management. The Nominating Committee notes that neither EQT nor Sebastian Jahreskog are counted as major shareholders according to the Swedish Corporate Governance Code and that Niklas Ringby and Anthon Jahreskog are therefore also independent in relation to major shareholders. 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. Other Board members are totally independent.

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

- that attorney Erik Sjöman – or, if he is prevented from attending, the person appointed by the Board – be appointed to chair the Annual General Meeting;

- that Deloitte AB be re-elected as the company's auditors for the period until the 2022 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 meet reasonable costs that the Nominating Committee deems necessary for the committee to be able to carry out its assignment; and
- that the following principles shall apply to convening a Nominating Committee ahead of the 2022 Annual General Meeting:

The Board Chairman shall convene the four largest shareholders in the company in terms of voting power, each of which has the right to appoint a member to form part of the Nominating Committee together with the Board Chairman. In determining the composition of the Nominating Committee, the largest shareholders in terms of voting power shall be based on the ownership situation at 30 June 2021. The Nominating Committee shall be chaired by the member representing the largest shareholder in terms of voting power on that date. If any of the four largest shareholders should waive its right to appoint a member to the Nominating Committee, the next largest shareholder shall be given the opportunity to appoint a member. The names of the four members shall be made public as soon as they have been appointed, but no later than six months before the 2022 AGM. The term of office shall extend until a new Nominating Committee has been appointed.

In the event that the shareholder represented by a member is no longer one of the four largest shareholders in terms of voting power, and if the Nominating Committee deems it appropriate, the member shall leave and a representative for the next largest shareholder in order of voting power be given the opportunity to replace this member. In the event that an appointed member of the Nominating Committee resigns from the Nominating Committee for some other reason, the shareholder who has appointed the member in question has the right to appoint a new member to the Committee. If this shareholder waives its right to appoint a new representative, the Nominating Committee, if it deems so appropriate in respect of the remaining mandate period, shall ask the next largest shareholder in terms of voting power if it wishes to appoint a representative to the Nominating Committee.

The Nominating Committee shall prepare proposals for the following matters to be put before the 2022 AGM for resolution:

- a) appointment of the Chairman of the AGM*
- b) election of the Board of Directors*
- c) election of the Board Chairman*
- d) fees for members of the Board*
- e) election of auditors*
- f) fees for the auditors*
- g) reasonable costs for the Nominating Committee*
- h) appointment of the Nominating Committee ahead of the 2023 AGM.*

It was taken to the minutes that all the Nominating Committee's decisions were unanimous and that Peter Rothschild did not participate in decisions that concern him personally nor did he take part in interviews with the CEO and Board members. On the other hand, Peter Rothschild participated in all other work.

Finally, the Nominating Committee, in view of the fact that this year's Annual General Meeting will be held without physical presence, would like to provide the following statement from Christian Bubenheim:

"Together with my wife Pam we live in Munich and whenever time allows enjoy our second home in Barcelona. Our Children Max and Jessica are in their final year MSc. Programs in Lund Sweden and Barcelona respectively. Whenever possible I love to travel and explore nature with my wife and friends.

I am very excited about my nomination to join the Board of BioGaia. Built on its exciting history, leading R&D and global business success BioGaia is improving the lives of so many people around the world every day. My passion is to inspire, connect and collaborate with teams to build businesses that combine commercial success with a measurable positive impact to people and planet. Joining BioGaia's passionate team to support creating the next major growth phase is an opportunity that I am very much looking forward to."

March 2021

Nominating Committee BioGaia AB (publ)

Per-Erik Andersson

Fredrik Åtting

Jannis Kitsakis

Caroline Sjösten

Peter Rothschild