

Remuneration report 2021

Introduction

This report provides information on remuneration to the Chief Executive Officer and the Company's two deputy Chief Executive Officers. The report also describes how the guidelines for executive remuneration of Bactiguard Holding AB, adopted by the Annual General Meeting 2020, were implemented in 2021. The report has been prepared in accordance with the Swedish Companies Act and "Rules on Remuneration of the Board and Executive Management and on Incentive Programs" issued by the Swedish Corporate Governance Board.

Number of employees, salaries, other remuneration and social security costs for the Board of Directors, CEO, other executives and other employees are available in note 9 in the annual report 2021. Information about the remuneration committee's work during 2021 is available on page 37 in the annual report 2021.

Remuneration of directors is not covered by this report. Such remuneration is resolved annually by the Annual General Meeting.

The company's development 2021 in summary

Information on the company's development 2021 is available in the annual report for 2021 which will be published on the web site www.bactiguard.com. The CEO summarizes the company's overall development in his report on pages 6–7 in the 2021 annual report.

Anders Göransson took up the position as CEO on October 1, 2021 when he succeeded Cecilia Edström as CEO.

Remuneration guidelines

A prerequisite for the successful implementation of Bactiguard's business strategy and the safeguarding of its long-term interests, including its sustainability, is for the company to recruit and retain qualified employees. This requires the company to offer competitive remuneration.

The total remuneration from Bactiguard to executive management shall be at market terms, reasonable and appropriate, and may consist of the following components: fixed salary, variable salary, pension and other benefits.

Executive management shall be offered a fixed salary at market terms, which shall be determined based on the individual's area of responsibility and experience and shall be reviewed on an annual basis. Executive management may, from time to time, be offered a variable salary at market terms. Such a variable salary must be designed with the purpose of promoting Bactiguard's business strategy, long-term interests, including its sustainability, and linked to predetermined and measurable criteria.

The guidelines are available on pages 38–40 in the annual report 2021. During 2021, the company has complied with the applicable remuneration guidelines adopted by the general meeting. No deviations from the guidelines have been decided and no derogations from the procedure for implementation of the guidelines have been made. The auditor's report regarding the company's compliance with the guidelines will be available on the web site www.bactiguard.com. No remuneration has been reclaimed.

Total remuneration to CEO and deputy CEOs in 2021							
SEK thousand							
	Fixed remuneration		Variable remuneration	Extraordinary items	Pension expense ²	Total remuneration	Proportion fixed/variable remuneration, %
Name of executive (position)	Base salary ¹	Other benefits	One-year variable				
Anders Göransson, CEO from 1 October, 2021	750 000	992	n/a		153 750	904 742	100/0
Cecilia Edström, CEO until 1 October 2021	1 940 282	3 697	n/a		369 000	2 312 979	100/0
Gabriella Björknert Caracciolo, deputy CEO, CFO	2 128 200	3 944	n/a		403 052	2 535 196	100/0
Stefan Grass, deputy, Chief Medical Officer	1 701 573	4 222	n/a		342 387	2 048 182	100/0

¹ Including holiday pay to Anders Göransson of 0 thousand Cecilia Edström of SEK 38,4 thousand, Gabriella Björknert Caracciolo of SEK 27,2 thousand and Stefan Grass of SEK 27,6 thousand.

² Pension expense which in its entirety relates to Base salary and is premium defined, has been counted entirely as fixed remuneration.

Application of performance criteria

The performance measures for the CEO's variable remuneration have been selected to deliver the company's strategy and to encourage behavior which is in the long-term interest of the company. In the selection of performance measures, the strategic objectives and short-term and long-term business priorities for 2021 have been considered. The non-financial performance criteria further contribute to adaptation to sustainability and the company's values. No variable cash compensation was paid in 2021.

Comparative information on the change of remuneration and company performance

Change of remuneration and company performance over the last five reported financial years						
SEK thousand						
	Amount 2021	Change 2021 - 2020	Change 2020 - 2019	Change 2019 - 2018	Change 2018 - 2017	Change 2017 - 2016
CEO remuneration ¹	2 918	+300 (+10%)	+788 (+37%)	-338 (-14%)	-167 (-6%)	-46 (-2%)
Group EBITDA	-7 183	-33 838 (-127%)	-34,985 (-57%)	39,486 (+178%)	-12,278 (-36%)	19,325 (+128%)
Average remuneration on a full-time equivalent basis of employees of Swedish subsidiaries ²	762	-275	-127	123	-82	104

¹ Remuneration to the CEO has been converted to full-year remuneration

² Excluding members of the Group Executive Management. Only employees of Swedish subsidiaries are included as the acquisition of Vigilenz in 2020 makes Group numbers non comparable between years.

The comparative information includes only the CEO since the company have not had deputy CEOs before 2020.

The Board of Directors of Bactiguard Holding AB (publ)
Stockholm in March 2022