

Corporate Governance Report

Immunicum Aktiebolag (publ), corporate identity number 556629-1786, is a Swedish public limited liability company with registered offices in Stockholm. The Company's share is listed on Nasdaq Stockholm, Small Cap, and traded under the ticker IMMU. Corporate governance refers to the rules and decision-making hierarchies that promote efficient and controlled management of the operations of a company.

Immunicum's corporate governance is based on applicable laws, rules and recommendations for listed companies, such as the Swedish Corporate Governance Code (the "Code"), Nasdaq Stockholm's Rulebook for Issuers, the Articles of Association and company-specific rules and guidelines. This report, which is separate from the annual report, pertains to the 2021 financial year and has been reviewed by the Company's auditors.

Deviations from the Code, stock exchange rules or good practice in the Swedish stock market

The Company has not deviated from the Code or stock exchange rules and has not been subject of a decision by Nasdaq Stockholm's Disciplinary Committee or a decision regarding violations of good practice in the stock market by the Swedish Securities Council.

Immunicum's corporate governance

Immunicum's corporate governance aims to create a clear delegation of roles and responsibilities among shareholders, the Board of Directors and senior management. Responsibility for governance, management and control at Immunicum is allocated among the general meeting, the Board of Directors, its elected committees and the CEO.

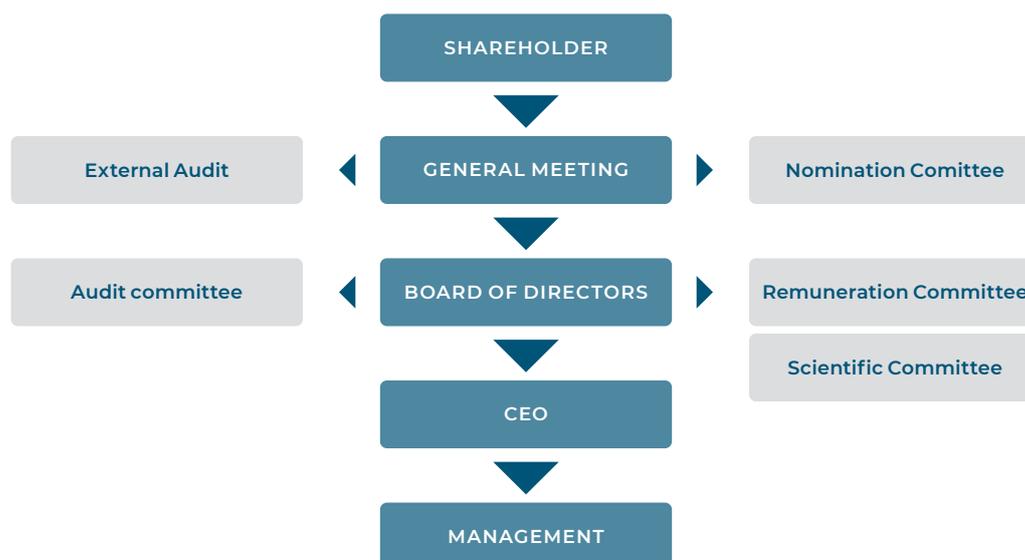
External regulations that impact corporate governance

- » The Swedish Companies Act
- » Regulations for external reporting
- » Nasdaq Stockholm's Rulebook for Issuers
- » The Swedish Corporate Governance Code
- » Other applicable laws and regulations

Important internal regulations and documents

- » Articles of Association
- » Rules of procedure for the Board of Directors, including instructions for the Board's committees
- » CEO instruction, including instructions for financial reporting
- » Guidelines for remuneration to senior executives of the Company
- » IT policy
- » Financial manual
- » Authorization instructions
- » Employee handbook
- » Code of Conduct
- » Information and insider policy

Corporate governance structure



Corporate governance structure

Shareholders and the share

Immunicum is a CSD-registered company, which means that the company's shareholder register is maintained by Euroclear Sweden AB. The share capital of Immunicum consists of one class of share, which entitles the holder to equal voting rights and equal right to the company's assets. Immunicum's share is traded on Nasdaq Stockholm, Small Cap. At the year-end, Immunicum had 9,720 (9,656) shareholders of which 435 (450) were registered as legal entities and 9,206 (9,339) as private individuals. Swedish registered owners hold 51.9 (51.6) percent and foreign registered owner hold 48.4 (48.4) percent of the share capital. For further information regarding shareholders and Immunicum's share, refer to pages 15-16 in the Annual Report and immunicum.com.

General Meeting of Shareholders

In accordance with the Companies Act, shareholders exercise their influence of the company at the General Meeting of Shareholders, which is the company's highest decision-making body. At the General Meeting, shareholders resolve on key issues, including amendments of the Articles of Association, the adoption of income statements and balance sheets, any dividends and allocation of the company's profit, election of Board members and auditors and their remuneration, as well as discharge from liability of Board members and the CEO. The General Meeting also resolves on guidelines for remuneration of senior executives.

According to the Articles of Association, notice convening an Annual General Meeting (AGM) or an Extraordinary General Meeting (EGM) is to be given in the form of an announcement in the Official Swedish Gazette (Sw. Post och Inrikes Tidningar) and by publishing the notice on the company's website. Simultaneously with the notice, the company shall by way of announcement in Dagens Industri inform that notice has been made. Notice of summons

to the Annual General Meeting and an Extraordinary General Meeting where a matter of amendment of the articles of association shall be resolved shall be made at earliest six and not later than four weeks prior the meeting. Notice of summons to other extraordinary general meetings shall be made at earliest six and not later than three weeks prior to the extraordinary general meeting.

Shareholders who are entered in the shareholders' register in the manner described in the Companies Act and who have notified the company of their participation at the meeting by the date specified in the notice of the Meeting will be entitled to participate in the Meeting. This day may not be on Sunday, any other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve, and may not fall earlier than the fifth weekday prior to the Meeting.

At the AGM, the following matters are to be addressed:

1. Election of a chairperson of the Meeting.
2. Preparation and approval of the voting list.
3. Presentation and approval of the agenda.
4. Appointment of one or two persons to verify the minutes.
5. Determination of whether the Meeting has been duly convened.
6. Presentation of the Annual Report and the Auditor's Report, and, where applicable, the consolidated financial statements and consolidated Auditor's Report.
7. Decisions regarding:
 - a) the adoption of the income statement and the balance sheet and, where applicable, the consolidated income statement and consolidated balance sheet.
 - b) allocation of the Company's profit or loss according to the duly adopted balance sheet.
 - c) discharge from liability for the members of the Board and the CEO.

8. Determination of remuneration and other fees for the members of the Board and the Auditor.
9. Election of members to the Board and appointment of auditors and any deputy auditors.
10. Other matters that are to be addressed at the AGM pursuant to the Companies Act or the Articles of Association.

2021 Annual General Meeting

Immunicum's 2021 AGM was held on Tuesday, May 4 at the IVA Conference Center, Grev Turegatan 16 in Stockholm. Approximately 48.54 percent of the votes were present at the Meeting. Attorney Mats Dahlberg was elected to chair the Meeting. The Meeting resolved on, among other items:

- » Discharge of the Board of Directors and the CEO from liability for the financial year 2020 and that no dividends shall be paid for the financial year 2020.
- » Re-election of Board members Sven Andreasson, Dharminder Chahal, Andrea van Elsas, Christine Lind and Helén Tuveesson. Charlotte Edenius and Steven Glazer had requested to not be re-elected.
- » Hans Preusting was elected as new Board member.
- » Christine Lind was elected as new Chairman of the Board
- » Re-election of the registered audit firm Ernst & Young AB, which had appointed Anna Svanberg as the auditor in charge, as auditor for the period until the end of the next AGM.
- » Principles for the appointment of the Nomination Committee in accordance with the Nomination Committee's proposal.
- » Amendment of guidelines for remuneration to senior executives.
- » Implementation of a performance-based incentive program based on employee stock options for senior executives and key employees and an incentive program based on restricted share units directed to other employees, LTI 2021/2024. With regard to the restricted share unit program, it was decided that it should be linked to the achievement of the company objectives set by the Board annually. The employee stock option program comprised a maximum of 1,678,453 employee stock options and restricted share unit program comprised a maximum of 834,300 restricted share units which could be offered and allocated to participants in the respective program.
- » Authorize the Board of Directors to resolve, for the period until the end of the next AGM, at one or more occasions and with or without deviation from the shareholders' preferential rights, to issue new shares, warrants and/or convertibles. The number of shares, or warrants or convertibles that entitle subscription of a number of shares that may be issued in directed issues shall not exceed 20 percent of the company's registered number of shares. In addition to the limitation of 20 percent for directed issues, the board shall be entitled to issue shares, or warrants or convertibles that entitle subscrip-

tion of a number of shares, without deviation from the shareholders' preferential rights up to a maximum of 10 percent of the company's registered number of shares on a fully diluted basis.

Minutes, complete proposals and more detailed information from the 2021 Annual General Meeting is available at www.immunicum.se, under Corporate Governance.

2021 Extraordinary General Meeting

As a result of the merger between Immunicum and DCprime, an Extraordinary General Meeting was held on 22 January 2021 with regard to the election of the Board of Directors, wherein the Meeting, based on the proposal of the major shareholder Van Herk Investments B.V., resolved on election of Dharminder Chahal and Andrea van Elsas as new Board members and that the current Board members Sven Andreasson, Charlotte Edenius, Steven Glazer, Christine Lind and Helén Tuveesson would remain in office. Michael Oredsson announced prior to the AGM that he had decided to resign from the Board, wherein the other Board members decided to appoint Christine Lind as acting Chairman of the Board for the period until the next AGM.

Minutes, complete proposals and more detailed information from the 2021 Extraordinary General Meeting is available at www.immunicum.se, under Corporate Governance.

2022 Annual General Meeting

Immunicum's 2021 AGM will be held at 10:00 a.m. on May 10, at Tändstickspalatset, Västra Trädgårdsgatan, in Stockholm. For more information and the right to participate, refer to page 67 in the Annual Report and the consolidated financial statements or www.immunicum.com. The minutes from the AGM will be available at www.immunicum.com.

Nomination Committee

The Nomination Committee represents Immunicum's shareholders and has the task of preparing the AGM's decisions in regard to election and remuneration matters. According to the instructions adopted by the AGM on May 4, 2021, the Nomination Committee is to be comprised of four members appointed by the four largest shareholders, based on the ownership structure at Euroclear Sweden AB as of August 31, that have accepted the invitation to participate in the Nomination Committee. If any of the four largest shareholders does not exercise its right to participate in the Nomination Committee, the next largest shareholder in terms of the number of votes who has not already had the right to appoint a member of the Nomination Committee is to be offered the opportunity to appoint a member. The Nomination Committee shall appoint one of its members as Chairman of the Committee.

The members of the Nomination Committee are to be presented on the company's website no later than six months prior to the AGM. If four shareholders have not at this time informed of their intention to participate in the Nomination Committee, the Nomination Committee shall be comprised of fewer members. If a change in the

company's ownership structure occurs after August 31 but before the publication of the Nomination Committee's full proposal, and if a shareholder who, after this change has become one of the four largest shareholders in the company in terms of voting rights requests to be included in the Nomination Committee, this shareholder shall have the right to appoint an additional member of the Nomination Committee. The Nomination Committee's mandate period is until a new Nomination Committee has been appointed. Changes to the composition of the Nomination Committee are to be made public as soon as they have occurred.

Shareholders of the company are entitled to present proposals of Board members for consideration by the Nomination Committee. The Nomination Committee is to consider, based on the company's operations and stage of development, etc., that the Board is to have an appropriate composition, and a diverse and broad range of qualifications, experience and backgrounds. Members of the Nomination Committee are not entitled to any remuneration. However, the company shall carry all reasonable costs for the work of the Nomination Committee. If deemed necessary, the Nomination Committee may engage external consultants to identify candidates with relevant experience and the Company shall carry the costs for such consultants. The Company shall also provide resources in the form of personnel if needed to support the Nomination Committee in its work.

Ahead of the 2022 AGM, Christine Lind, Chairman of Immunicum, invited the largest shareholders to form a Nomination Committee. The following members were nominated by the four largest shareholders who accepted the invitation to participate in the Nomination Committee:

- » Erik Esveld, appointed by Van Herk Investments BV
- » Jannis Kitsakis, appointed by The Fourth Swedish National Pension Fund (AP4)
- » Gunnar Hörnsten, appointed by Loggen Invest AB
- » Mats Andersson, appointed by Holger Blomstrand byggnads AB

The Nomination Committee has appointed Erik Esveld as Chairman of the Nomination Committee.

The composition of the Nomination Committee as set out above was announced through a press release on November 3, 2021.

The Nomination Committee's duties include preparing the following proposals to the 2021 AGM: (i) proposal regarding election of the Chair of the AGM; (ii) proposal regarding election of Board members; (iii) proposal regarding election of the Chair of the Board of Directors; (iv) proposal regarding the remuneration to the Board of Directors; (v) proposal regarding election of auditors (if instructed pursuant to Chapter 8, Section 49 b, Paragraph 2 of the Companies Act); (vi) proposal regarding remuneration to the auditors; and (vii) proposal regarding amendment of principles of the nomination process ahead of an AGM (if necessary).

According to the Code, in connection with the announce-

ment of the 2022 AGM, the Nomination Committee is to present a statement on the company's website regarding its proposal of Board members, taking into account the Code's rules on the composition of the Board of Directors, to provide specific reasons for the proposal with respect to the requirements for an even gender distribution and to present a brief description of the Nomination Committee's work. The Nomination Committee shall also present relevant information on the website about new Board members proposed for election and members proposed for re-election, primarily their education and work experience, other significant assignments within and outside the company, and their own and related parties' shareholdings in the company.

The Board of Directors

Composition and independence of the Board of Directors

According to Immunicum's Articles of Association, the Board is to consist of no fewer than three and no more than eight members without deputies. The AGM held on May 4, 2021 elected six ordinary Board members; Christine Lind (Chairman of the Board), Sven Andreasson, Andrea van Elsas, Dharminder Chahal, Hans Preusting and Helén Tuveesson, all of whom will serve until the end of the next AGM. Dharminder Chahal is deemed to be independent in relation to the company and its management but dependent in relation to major shareholders of the company through his assignments for Van Herk Investments B.V. The other Board members are deemed to be independent of the Company and its management as well as the Company's major shareholders. Major shareholder refers to a shareholder who directly or indirectly controls ten percent or more of the shares and votes in the company.

According to the Code, the majority of Board members shall be independent of the company and its management. At least two of the Board members who are independent of the company and its management shall also be independent in relation to the company's major shareholders. In accordance with the above description, Immunicum complies with the requirement of independence of Board members in the Code.

Information on the members of the Board of Directors, including year of birth, year of election to the Board, education, experience, current and previous assignments and shareholdings in the company can be found in the Annual Report 2021 on pages 17-18. Shareholding in the company includes own and/or related parties' holdings.

The work and responsibility of the Board of Directors

The duties of the Board of Directors are regulated by the Companies Act, the Articles of Association and the Code. The Board of Directors has also adopted written rules of procedure that governs the Board of Director's work, delegation of work and responsibility among the Board, committees, Chair of the Board and CEO. Additionally, the rules of procedure includes the number of scheduled Board meetings and items to be addressed at each meeting, the forms for convening meetings, meeting and

decision-making procedures, documentation for Board meetings, the duties of the Chair of the Board, minutes, disqualification and conflicts of interest, mandatory items that the CEO shall submit to the Board of Directors, financial statements and authorized signatories. The Board of Directors' rules of procedure shall be adopted annually. In addition, the Board of Directors has adopted a CEO instruction and other specific policies, such as Code of Conduct, finance policy, authorization instructions and an information and insider policy. In addition to the Board meetings, the Chairman of the Board and the CEO have a continuous dialogue regarding matters significant for the company.

The Board is responsible for the company's organization and the administration of its affairs, the company's overall business plan, material organizational changes, changes to the focus of the company's operations and the income statement and balance sheet. The Board of Directors shall also make decisions on investments, acquisitions or divestments of material assets, shares or operations, loans and credit facilities, guarantees provided, and signing and amending material contracts or contracts between the company and the shareholders. Furthermore, the Board of Directors is to address matters referred to the Board of Directors by the CEO. The Board of Directors assumes overall responsibility for ensuring that the company's organization is designed so that accounting, asset management and the company's financial circumstances are controlled in a satisfactory manner and is responsible for continuously assessing the CEO's work. The Board of Directors is also responsible for ensuring the quality of the financial reporting, including monitoring systems and the internal control of the company's financial reporting and position. In addition, the Board is responsible for ensuring that the information the company discloses externally is transparent, correct, relevant and clear. The Board of Directors is responsible for preparing the required guidelines and other policy documents.

The Chairman leads the Board of Directors' work and has special responsibility for ensuring that the Board of Directors' work is well organized and effectively implemented. The Chairman, in consultation with the Company's CEO, is responsible for ensuring that Board members receive an agenda for every meeting and the necessary documentation in sufficient time prior to each Board meeting. The Chairman is also to ensure that each Board member continuously updates and broadens their knowledge of the company and that new Board members receive the necessary introductory training and any other training that the Chairman and the new member deem appropriate. The Chairman is responsible for contact with shareholders in owner-related matters and forwarding shareholders' opinions to the Board of Directors, and also for ensuring that the Board of Directors' work is evaluated every year following a systematic and structured process aimed at developing the Board of Directors' work forms and methods. The results of the evaluation are to be presented to the Nomination Committee

Work of the Board and important events during 2021

The Board normally meets six times per year. Additional

meetings may be held to address issues which cannot be referred to an ordinary meeting. The Board of Directors held ten (10) meetings during 2021 where minutes were recorded, excluding those held per *capsulam*. Members' attendance at Board meetings is shown in the table on page 63. In 2021, the Board has managed the following matters:

- » The Company's strategic direction and the acquisition of DCP Prime BV
- » Product development
- » Risk management and risk assessment
- » Governing documents
- » Evaluation of the CEO
- » Financial reports including reporting from external auditors

The Board of Directors has planned six (6) meetings for 2022.

Board committees

The Board of Directors has established three committees: The Audit Committee, the Scientific Committee and the Remuneration Committee, which work according to the established instructions from the Board of Directors.

Audit Committee

The Board of Directors has appointed an Audit Committee comprising the board members Dharminder Chahal (Chairman of the Audit Committee), Sven Andreasson and Christine Lind. The Committee fulfils the Companies Act's requirements for independence as well as accounting and auditing expertise.

The Board is to establish instructions for the tasks of the Audit Committee on an annual basis. The instructions to the Audit Committee state that the Audit Committee is, without impacting the responsibility and tasks of the Board in general, to monitor the company's financial reporting, monitor the effectiveness of the company's internal control and risk management in respect of the financial reporting, keep themselves informed regarding the audit of the annual accounts and other financial reports, scrutinize and monitor the impartiality and independence of the auditor, and be particularly observant in the event that the auditor provides additional services to audit services to the company. The Audit Committee is also to meet with the auditor on an annual basis to be informed about the scope and direction of the auditor's audit, as well as the auditor's observations during the work with the audit. Furthermore, the Audit Committee is to evaluate the audit work and assist in the preparation of proposals for the General Meeting's decisions on the election of auditors. In addition, the Audit Committee shall, among other tasks, together with the company's auditor review related party transactions and significant accounting policies in connection with interim reports and annual reports. The Audit Committee is to hold at least four meetings per year and the Chairman of the Audit Committee is to present a report of matters discussed at the latest meeting of the Audit Committee at board meetings. The Audit Committee has met four (4) times during the year to discuss the period's financial information, risks, internal controls, accounting principles,

the auditors' review of the company and the financial statements.

Scientific Committee

The Board of Directors has appointed a Scientific Committee comprising Helen Tuvésson (Chairman of the Scientific Committee), Andrea van Elsas and Hans Preusting. None of the aforementioned Board members are employed by the Company.

The Board shall annually establish instructions for the work of the Scientific Committee. The Chairman of the Scientific Committee and one other member of the Scientific Committee must be members of the Board and neither of these may be employed in the Company. The Company's Chief Scientific Officer and/or the CEO is to prepare the meetings of the Scientific Committee. The Scientific Committee may, if the need arises, seek external advice or advice from the Company's Scientific Advisory Board. The Chairman of the Scientific Committee is to inform the Board of the Committee's work and evaluate its work and compliance with the articles on an annual basis.

The Scientific Committee met four (4) times during the year. At these meetings, the Committee mainly discussed the development of the company's two candidates, Ilixia-dencel and DCPone. The Committee has also discussed the preclinical studies and has had an ongoing dialogue with the company's CMO and CSO.

Remuneration Committee

The Board of Directors has appointed a Remuneration

Committee comprising Christine Lind (Chairman of the Remuneration Committee) Hans Preusting and Helén Tuvésson. The Committee is assessed as fulfilling the Code's requirements for independence as well as for the necessary knowledge and experience in remuneration of senior executives.

The main tasks of the Remuneration Committee are to prepare the Board's decisions in matters of remuneration principles, including preparing proposals for the AGM's decisions regarding guidelines for remuneration to senior executives of the company, remuneration and other employment terms for the Company's CEO and other senior executives, follow and evaluate variable remuneration for senior management and to follow and evaluate the application of guidelines for remuneration to senior executives and current remuneration structures and levels within the company. The Remuneration Committee is further tasked with monitoring and regularly evaluating current and concluded programs for variable remuneration to senior executives and with process questions on proposals for any incentive programs. The Remuneration Committee met four (4) times during the year. At these meetings, the Committee has discussed existing compensation systems in the company, proposals for guidelines for the CEO and senior executives as well as the ongoing incentive program.

For information about salaries and remuneration to the CEO and senior executives, refer to Note 7 in the 2021 Annual Report.

	Independence in relation to the			Compensation, KSEK				
	Function	Company	Owners	Board fees	Audit Committee	Remuneration Committee	Scientific Committee	Total
Christine Lind ¹⁾	Chairman	x	x	600	40	35		675
Helén Tuvésson	Board member	x	x	275		20	50	345
Sven Andreasson	Board member	x	x	275	40			315
Dharminder Chahal ³⁾	Board member	x		275	70			345
Andrea van Elsas ³⁾	Board member	x	x	275			25	300
Hans Preusting ⁴⁾	Board member	x	x	275		20	25	320
Michael Oredsson ⁵⁾	Board member	x	x					
Charlotte Edenius ⁶⁾	Board member	x	x					
Steven Glazer ⁶⁾	Board member	x	x					
				1,975	150	75	100	2,300

	Attendance			
	Board ²⁾	Audit Committee	Remuneration Committee	Scientific Committee
Christine Lind ¹⁾	10/10	4/4	4/4	-
Helén Tuvésson	10/10	-	4/4	4/4
Sven Andreasson	8/10	4/4	2/2	-
Dharminder Chahal ³⁾	10/10	4/4	-	-
Andrea van Elsas ³⁾	9/10	-	-	4/4
Hans Preusting ⁴⁾	7/7	-	2/2	4/4
Michael Oredsson ⁵⁾	-	-	-	-
Charlotte Edenius ⁶⁾	2/3	-	-	-
Steven Glazer ⁶⁾	2/3	-	-	1/1

CEO and management

The company's CEO is responsible for the ongoing management and development of Immunicum in accordance with applicable legislation and rules, including Nasdaq Stockholm's Rulebook for Issuers, the Code and the guidelines, instructions and strategies established by the Board of Directors. The CEO shall ensure that the Board of Directors has the necessary factual and relevant information to take well-informed decisions. The CEO also monitors compliance with Immunicum's objectives, policies and strategic plans established by the Board of Directors and is responsible for informing the Board of Directors about Immunicum's development between Board meetings.

Sven Rohman has been the company's CEO until Erik Manting was appointed CEO on March 16, 2021. The CEO leads the work of the management team, which is responsible for the overall development of the company's operations and business. In addition to the CEO, the management team has during the year consisted of Immunicum's

Chief Financial Officer (CFO), Chief Medical Officer (CMO) and Chief Scientific Officer (CSO) (a total of four people). Until March 16, the management team also comprised of the Head of CMC, the Head of Regulatory Affairs and Quality Assurance, and the Chief Operating Officer (a total of seven people).

A presentation of the CEO and other members of the management team can be found on page 18 of the Annual Report and the consolidated financial statements.

1. Chairman since January 22, 2021
2. Excluding board meetings per capsulam
3. Board member since the Extraordinary General Meeting on January 22, 2021
4. Board member since the Annual General Meeting on May 4, 2021
5. Chairman and member until 22 January 2021
6. Member until and including the Annual General Meeting on May 4, 2021

Remuneration

Remuneration to the members of the Board of Directors

The Nomination Committee, which is appointed according to the principles approved by the AGM, provides its proposals for fees to the Board of Directors. Fees to the Board are payable pursuant to the resolution by the AGM and are presented in the table on page 63.

Remuneration to senior management

Remuneration matters for senior executives are addressed by the Board of Directors' Remuneration Committee. The Board of Directors decides the CEO's remuneration based on the proposal from the Remuneration Committee. Remuneration and terms for senior executives are to be based on market conditions and a balanced mix of a fixed annual salary, variable salary, pension benefits, other benefits and terms upon termination of employment.

Guidelines for remuneration to senior executives

According to the guidelines for remuneration to senior executives that were adopted at the AGM on May 4, 2021, Immunicum shall offer a total compensation package at market level that enables the recruitment and retention of qualified senior executives. Compensation to the senior executives shall be comprised of a fixed salary, variable salary based on the individual's achievement of objectives and other benefits. If the Board of Directors considers that new share-based incentive schemes – for example, employee stock options – should be introduced, the Board of Directors shall propose that such schemes are resolved upon by the General Meeting. The Board annually prepares a remuneration report regarding the implementation of the company's remuneration guidelines.

Fixed salary

The fixed salary shall take into account the individual's performance of its position considering the areas of responsibility and experience. Evaluation and re-consideration are normally made annually.

Variable salary

The variable salary shall, if applicable, be based on the individual's achievement of qualitative and quantitative goals. The variable part of the salary may, for the CEO and other senior executives, amount to a maximum of 50 percent of the fixed annual salary.

Pension

Pension benefits shall be premium-based. The pension premium for the CEO and other senior executives may not exceed 30 percent of the annual fixed salary.

Severance pay, etc.

The notice period for senior executives shall be a maximum of twelve months. In the event of termination by the company, severance pay corresponding to a maximum of twelve months' fixed salary may be paid.

Other benefits

Other benefits, which may include travel and medical insurance, shall be in line with market conditions and represent only a limited part, not exceeding 15 percent of the fixed annual salary, of the total remuneration.

Preparation and decision-making process

The CEO's compensation shall be prepared and resolved on by the Board of Directors. Other senior executives' remuneration shall be prepared by the CEO who shall propose remuneration to the Board of Directors for approval. The Board of Directors is entitled to deviate from the aforementioned guidelines if justified due to special circumstances in the individual case.

Deviation from guidelines

The Board of Directors may decide to deviate from the guidelines, in whole or in part, if there are specific reasons in an individual case and a deviation is necessary to meet the long-term interests of the Company or to ensure the financial viability of the Company. The Board has not deviated from the guidelines in 2021.

External auditor

The Company's auditor is elected by the AGM. Immunicum's auditor is the registered accounting firm Ernst & Young AB. Authorized public accountant Charlotte Holmstrand is the auditor in charge.

The external audit plan and risk management are discussed with the Audit Committee. The auditors perform a general review of the quarterly report for the third quarter and audit the annual accounts. The auditors also express an opinion as to whether this Corporate Governance Report has been prepared and whether certain information contained within it is compatible with the annual accounts. The Auditors report the result of their audit of the annual accounts and their review of the Corporate Governance Report in the audit report and the Corporate Governance Report as well as in a special opinion on compliance with remuneration of senior executives, which are presented to the AGM. In addition, the Auditors submit accounts of performed reviews to the Audit Committee and to the Board of Directors in its entirety.

The fees invoiced by the auditors for the last two financial years are reported in Note 6 in the 2021 Annual Report.

Internal control and risk management

The overall purpose of the internal control is to ensure to a reasonable degree that the company's operative strategies and goals are followed up and that the owners' investments are protected. The internal control is also to ensure that the external financial reporting is to a reasonable degree reliable and prepared in accordance with good accounting practice, that applicable laws and regulations are followed, and that the demands made on listed companies are met. At Immunicum, internal control of the financial reporting is, for example, directed at ensuring an effective and reliable handling and reporting of accrued costs.

The internal control environment is largely comprised of the following five elements: control environment, risk assessment, control activities, information and communication, and follow-up.

Control environment

The control environment at Immunicum constitutes the frame for the direction and culture communicated to the organization by the company's Board and management. Internal management and control in accordance with accepted frameworks are a prioritized area of the management work. Immunicum's Board and management define and shape decision pathways, powers and responsibilities which are clearly defined and communicated in the organization. The company's Board also strives to ensure that steering documents such as internal instructions and policies cover identified significant areas and that they provide the right guidance to the different senior executives in their work at the company.

Risk assessment

Immunicum's Board works continuously and systematically with risk assessments in order to identify risks and take appropriate measures in respect of these. The company has an annual risk process in place where risks are identified from a company perspective to provide an overview of the most important risks for Immunicum, which are followed up by the management team during the year. Each identified risk is to be documented with a potential action plan to reduce the risk whenever possible. The risk assessment is also designed to identify such risks that significantly impact the internal control of the financial reporting.

Control activities

The primary purpose of the control activities is to prevent, discover and rectify errors in the financial reporting. Routines and activities have been designed to manage and deal with significant risks which are related to the financial reporting. The activities include analytical follow-up and comparison of earnings trends or items, reconciliation of accounts and balance sheet specifications, as well as approval of all bank transactions and cooperation agreements, powers of attorney and authorization instructions, and accounting and valuation principles. Access to financial systems is restricted according to authority, responsibility and role.

Information and communication

In addition to the very high demands of Nasdaq Stockholm and supervisory authorities regarding the scope and accuracy of information, Immunicum has internal control functions for information and communication in place to ensure that correct financial and other company information is communicated to co-workers and other stakeholders.

The company's internal instructions and policies are available to all co-workers and give detailed information about routines that apply in all parts of the company and describe the control functions and how they are implemented.

The security around all information that can affect the company's market value and ensuring that such information is communicated externally in a correct and timely manner are cornerstones in the company's commitment as a listed company. These two factors and the routines for managing them ensure that the financial reports are received by the financial market's actors at the same time and present a true and fair view of the company's financial result and position.

Follow-up

Compliance with internal policies, directives, guidelines and codes, and the suitability for purpose and functionality of established control activities are followed up continuously. Measures and routines in respect of the financial reporting are subjected to continuous follow-up. The CEO ensures that the Board of Directors constantly receives reports on the development of the company's operations, including the development of the company's results and position as well as information about important events including research results and important agreements. The Board reviews the Annual Report and interim reports prior to their publication. The Board meets the company's auditors once a year to discuss the internal control and the financial reporting.

Special assessment of the need for internal audit

Immunicum has no special scrutinizing function (internal audit). The company has an uncomplicated legal and operative structure in which the Board continually follows up the company's internal control in conjunction with external and internal financial reporting. In addition, the Audit Committee monitors the efficiency of the internal control and the risk management of the financial reporting. In light of the foregoing, the Board of Directors has decided not to establish a separate internal audit function but shall evaluate the matter annually.

External audit

The company's auditor is appointed by the AGM for the period until the end of the next AGM. The auditor shall review the Annual Report and financial accounts and the management by the Board of Directors and the CEO. Following each financial year, the Auditor is to submit an audit report to the AGM. Every year, the company's Auditors report their findings and their assessments of the company's internal controls to the Board of Directors.

Stockholm, April 12, 2022

Christine Lind

Chairman

Hans Preusting

Board member

Sven Andreasson

Board member

Helén Tuve

Board member

Andrea Van Elsas

Board member

Erik Manting

Chief Executive Officer

Dharminder Chahal

Board member

Auditor's report on the corporate governance statement

To the Annual General Meeting of Immunicum AB (publ), corporate identity number 556629-1786.

Engagement and responsibility

It is the Board of Directors who is responsible for the corporate governance statement for the year 2021 on pages 58–66 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement

is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm on the day shown in our electronic signature
ERNST & YOUNG AB

Charlotte Holmstrand

Authorized Public Accountant

