

# ***CSR REPORT*** ***2020***



BAVARIAN NORDIC

- 03** Growing responsibly
- 04** From research to real-life value
- 06** Our purpose
- 07** Our sustainability framework
- 10** Environment and climate
- 14** Our people
- 19** Our products
- 21** Business ethics
- 22** Independent Auditor's Assurance Report
- 24** Notes to Statements on  
Environmental and Social Performance

#### **About the report**

This Statutory Report on Corporate Social Responsibility (CSR), cf. sections 99a, 99b and 107d of the Danish Financial Statements Act, is part of the management's review in the 2020 Annual Report and covers the financial period January 1 – December 31, 2020.

# CONTENTS

# GROWING RESPONSIBLY

2020 was a transformative year for Bavarian Nordic. We set out for the year with additional products in our portfolio after completing the acquisition of two marketed vaccines against rabies and tick-borne encephalitis from GlaxoSmithKline. These products provide a strategic fit into our current business and are driving the commercial transformation of Bavarian Nordic.

## Global presence

An important task for us in 2020 has been the establishment of the commercial infrastructure to support the sales, marketing and distribution of the vaccines. This was a crucial first step to succeed with the integration of the products into our existing business. Whereas previously our customers were mostly governments, our scope is now health care professionals in nearly 30 countries, requiring global presence across Europe and the USA. To deliver on this, we have increased our workforce by almost 40% in 2020. As we move forward with the integration, we will continue to grow our manufacturing and commercial activities and with that we will see an additional increase in manning over the coming year.

*We set out  
for the year  
with additional  
products in our  
portfolio after  
completing the  
acquisition of  
two marketed  
vaccines*

## Taking control of the full value chain

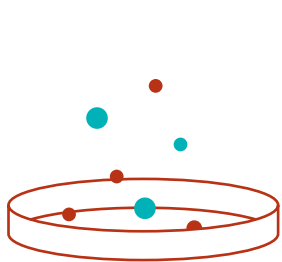
To support the growth and to minimize our dependency on third parties for manufacturing, we are expanding our manufacturing capabilities. In 2021 we will assume the final drug production of our own vaccines in our new fill and finish facility. With this facility, we will obtain full control of the value chain, from development over manufacturing to commercialization.

We have also initiated an expansion of our bulk manufacturing facility to allow for future transfer of the acquired products as well as to increase our capacity for future commercial production. We know that these activities will expand our carbon footprint, but they also allow us to help fulfil the increasing global requirements for vaccine manufacturing capacity. An additional advantage by expanding our in-house capabilities is that it enables us to provide a more accurate reporting of our environmental impact going forward.

Going from a biotech company to becoming a sustainable business with global operations requires attention to many new disciplines and not least responsibility towards our many new stakeholders, whether they are patients, healthcare professionals, partners, authorities, shareholders or employees. We are governing these relations according to established procedures and with the oversight of regulatory institutions all over the world, but more importantly in active dialogue with our stakeholders, whom we encourage to share their opinions about things that matter in our relationship.

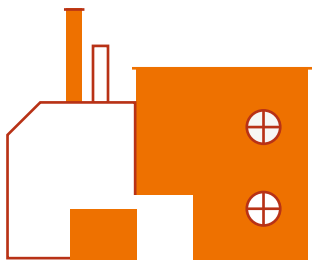
# FROM RESEARCH TO REAL-LIFE VALUE

*We are committed to developing and manufacturing life-saving vaccines*



## PIONEERING RESEARCH AND DEVELOPMENT

We have a strong heritage in vaccine development and with a proven technology, we continue to make innovations to help fight existing and emerging diseases.



## BEST IN CLASS VACCINE MANUFACTURING

We are experts in live virus vaccine manufacturing and with the recent addition of fill and finish capabilities we have enabled end-to-end commercial-scale manufacturing.



## DRIVEN BY COMMERCIAL EXCELLENCE

We have established a commercial infrastructure with presence in key markets in Europe and the USA to drive profitable growth of our expanding portfolio of vaccines.

*Lowering the  
 risk of infectious  
 disease for the  
 greater good of our  
 global community*



### Our impact on global health

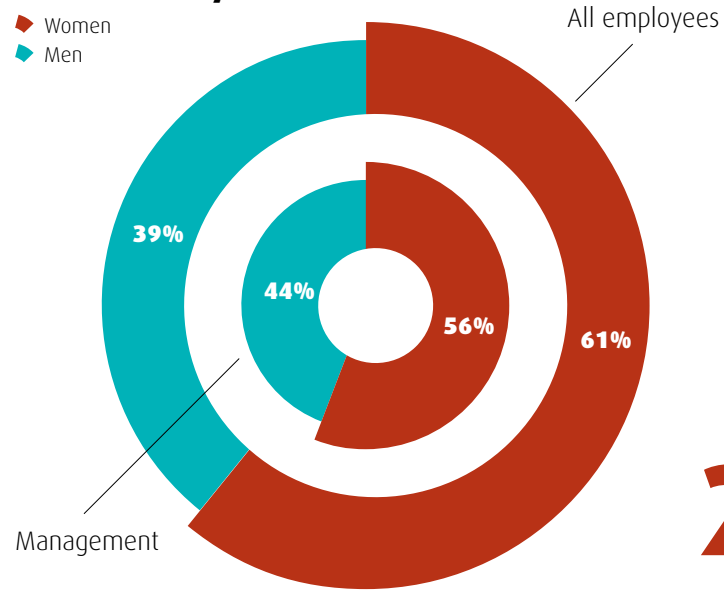
At Bavarian Nordic, we are committed to developing and manufacturing life-saving vaccines. With a growing portfolio of vaccines, we have significantly increased our global impact on good health and well-being, and our vaccines can help combat the negative impact of climate change, which globally results in spreading of diseases into new areas.

**2,556** tons  
**CO<sub>2</sub> EMISSIONS**

**1,852** mDKK  
**REVENUE  
2020**

### Gender Diversity

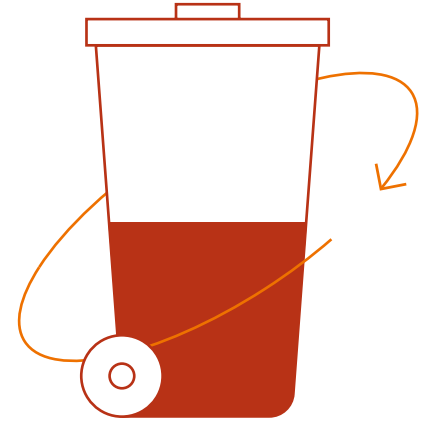
Women  
Men



**2.8**

**WORK  
INJURIES**

per million working hours



**53%**

**RECYCLING FROM  
PRODUCTION**

### EMPLOYEES AT BAVARIAN NORDIC

**700+**

employees by end  
of 2020



0 100 200 300 400 500 600 700

**40%**

growth in employees  
since 2019

# OUR PURPOSE

At Bavarian Nordic, we are committed to developing and manufacturing life-saving vaccines. With a growing portfolio of vaccines, we have significantly increased our global impact on good health and well-being, and our vaccines can help combat the negative impact of climate change, which globally results in spreading of diseases into new areas.

We aspire to establish ourselves as a leader in infectious disease vaccines, thus fulfilling our mission to save and improve lives by unlocking the power of the immune system.

We have embarked on a new era as a commercial vaccine company generating a solid cash flow that will allow us to support the continued investments in our promising pipeline to bring additional life-saving products to the market.



## SDG 3

Ensure healthy lives and promote well-being for all at all ages



## SDG 13

Take urgent action to combat climate change and its impact

*Risk is always present in our world, but the less there is of it, the more there is to experience in life*





# ***OUR SUSTAINABILITY FRAMEWORK***

*While pursuing our vision to become one of the largest pure play vaccines companies, improving and saving lives, we recognize the importance of protecting and taking care of the world around us, and act responsibly in all matters.*

**We aim to do this by:**

- working actively and systematically to minimize our impact on the environment and climate.
- maintaining an active dialog with our stakeholders on a local, national and global level.
- actively supporting and respecting human rights and labor standards.
- providing a safe and healthy working environment for our staff that includes opportunities for professional and personal development.
- conducting business according to highest ethical standards.
- communicating our CSR policy openly and honestly to external collaboration partners, including our suppliers.

These are our guiding principles for working with CSR, upon which we have formulated our policies which are further specified in relevant areas throughout this report. With this we are acting on the basis of principles regarding human rights, labor, environment and anti-corruption, thus adhering to the ten principles of the United Nations Global Compact<sup>1</sup>.

**Reporting framework**

Since the establishment of our production facility at Kvistgaard, Denmark in 2005, we have been subject to annual environmental reporting to the Danish authorities. This has served as a framework for key areas of our sustainability reporting, which has been expanded to include other relevant sustainability indicators as laid out by the Global Reporting Initiative (GRI).

In addition, we have incorporated the Sustainable Development Goals (SDGs) adopted by the United Nations in support of the 2030 Agenda for Sustainable Development. They serve as a framework to highlight the impact of our business in a global perspective and help to raise awareness of the goals among all our stakeholders.

We have identified the following seven SDGs as important and relevant for our business. However, according to Gavi<sup>2</sup>, the Vaccine Alliance, vaccines positively impacts, directly or indirectly, 14 of the 17 SDGs that support the 2030 Agenda for Sustainable Development.

*Our vision is to become one of the largest pure play vaccines companies*

<sup>1</sup> [www.unglobalcompact.org/what-is-gc/mission/principles](http://www.unglobalcompact.org/what-is-gc/mission/principles)

<sup>2</sup> [www.gavi.org/about/ghd/sdg/](http://www.gavi.org/about/ghd/sdg/)





**SDG 3**  
Ensure healthy lives and promote well-being for all at all ages



**SDG 4**  
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



**SDG 5**  
Achieve gender equality and empower all women and girls



**SDG 8**  
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



**SDG 12**  
Ensure sustainable consumption and production patterns



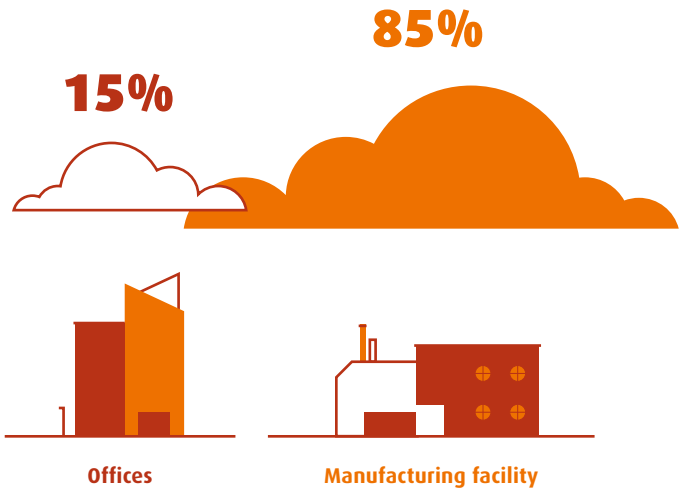
**SDG 13**  
Take urgent action to combat climate change and its impact



**SDG 16**  
Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

## SCOPE OF OUR REPORTING

Our manufacturing facility at Kvistgaard, Denmark is one of the chief sources of our environmental impact, and we seek to provide a high degree of transparency by reporting our carbon emissions and additional environmental data from this site. Furthermore, it represents approximately two thirds of our employees. In addition, we have included our headquarters in Copenhagen, Denmark, research and development facilities in Germany, and offices in Switzerland and the USA, which collectively represent the last third of employees and contribute to our global emissions by approximately 15%.



# ***ENVIRONMENT AND CLIMATE***



Our primary impact on the environment and climate is derived from our vaccine production at Kvistgaard, Denmark, and we endeavor to reduce this impact by improving our manufacturing efficiency and processes to optimize energy consumption and to minimize emissions and waste.

We wish to be at the forefront of environmental work, and we seek to be so by maintaining a high degree of compliance and systematization in our organization, in accordance with the principles in the ISO 14001:2015 standard for environmental management.

We seek to involve and commit our employees to raise awareness and ensure a proactive approach to the environmental work throughout the company.

### Non-financial key figures, environment and climate

The presented key figures relate to our production facility at Kvistgaard, Denmark. However, we also present our global emissions, which include all other company locations. See [notes 1-4](#) for more detailed information.

	Unit	Note	2020	2019	2018	2017	2016
<b>CO<sub>2</sub></b>							
CO <sub>2</sub> emissions, total	metric tons	1	2,556	2,087	2,361	2,641	2,695
– of which is related to production	metric tons	1	2,174	1,718	1,935	1,975	1,995
<b>Energy</b>							
Energy used in production	mWh	2	12,530	9,483	9,035	8,916	9,602
<b>Water</b>							
Waste water from production	m <sup>3</sup>	3	15,601	10,556	8,543	7,486	8,689
<b>Waste</b>							
Waste from production	metric tons	4	196	159	130	151	154
Recycling			53%	50%	42%	40%	43%



### SDG 12

Ensure sustainable consumption and production patterns

## 2020 DEVELOPMENTS

Manufacturing activities in 2020 were primarily related to bulk manufacturing of smallpox vaccine under our ongoing contracts with the US government and small-scale manufacturing of vaccines for clinical trials.

Additionally, we have focused on validation activities in our newly built fill and finish facility, which will assume commercial manufacturing in 2021. With this new facility, we will obtain full control of the value chain, from development over manufacturing to commercialization, which enables us to provide a more accurate reporting of our environmental impact going forward.

To support the transfer of our acquired products, we have initiated construction work to expand our existing bulk manufacturing and thus have maintained a higher level of activity on the site together with an increase in staff and external workers, which has contributed to a higher consumption of energy and water.

There were no breaches of the environmental permit for the facility in 2020.

### Emissions

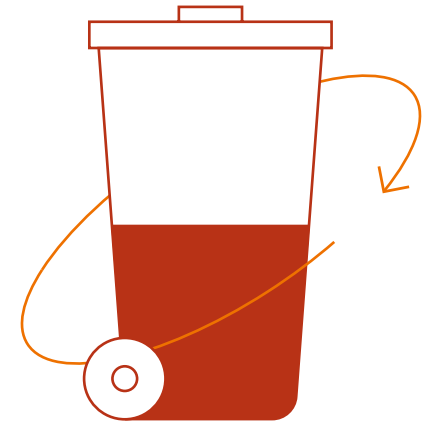
Our emissions increased by 22%, which was expected due to the significant scale up of activities in production, primarily related to the new fill and finish facility. As part of our acquisition of two commercial vaccines which will be transferred to our manufacturing facility as well as insourcing of fill and finish activities, we expect our resource consumption and manufacturing output to continue to increase over the next years. See also [note 1](#).

### Water

Water consumption at our Kvistgaard facility increased in 2020, primarily due to activities related to validation activities in the new fill and finish facility.

### Waste and recycling

While the overall amount of waste increased in 2020, mainly as result of the work with the fill and finish facility, as well as new construction work being initiated, we saw a further increase in the recycling of waste, going from 50% in 2019 to 53% in 2020. See also [note 4](#).



# 53%

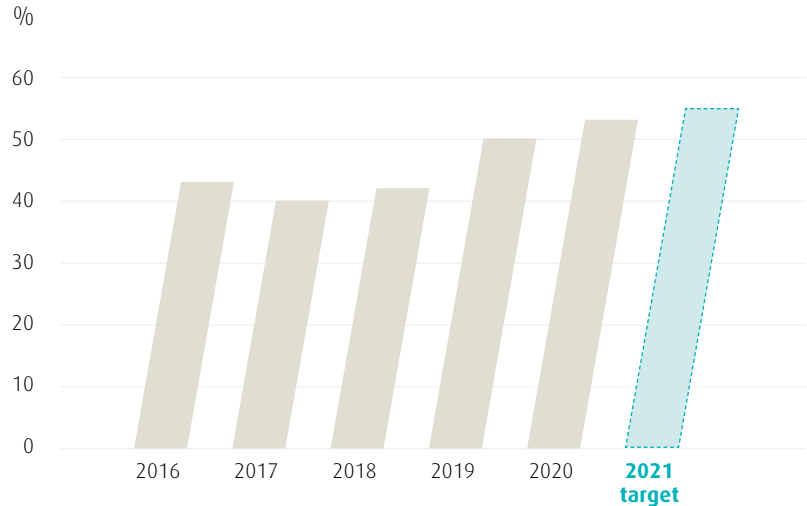
### Recycling from production

Continued efforts, particularly focusing on cardboard, paper and plastic have increased the recycling rate in 2020.

## GOALS AND PRIORITIES

We will continue our efforts to increase recycling with a particular focus on making further reductions of combustible waste fractions by increasing recycling of cardboard, paper and plastic. Our goal for 2021 is to increase the overall recycling rate to a minimum of 55%, compared to 53% in 2020.

### Recycling from production



## RISKS

We perform regular assessments of any risks associated with all our manufacturing activities and their impact on the environment, and from the initial phase of any new project. We work closely together with all relevant authorities to ensure that we have all the necessary approvals and that any impact on the surrounding environment is minimized as much as possible.

Our vaccines are based on live viruses and are handled in a contained environment which has been designed to avoid viruses to escape into the indoor or outdoor environment through the air, waste, or wastewater.

We work continuously on improvements in connection with the identified areas of risks or opportunities.



# OUR PEOPLE





*Attracting and engaging highly qualified employees is key for our success as an innovative and knowledge-based company with the ambition to grow in size and revenue. To do this we want to offer a healthy and inspiring working environment that provides an opportunity to learn and develop for our employees.*

As we are becoming an increasingly global and diverse organization, we wish to build an inclusive workplace that offers an opportunity to contribute to our aspiration – regardless of gender, age, educational background, ethnicity, physical impairment, religion or sexual orientation. And we do not accept any kind of discriminatory behavior – neither verbal nor physical. We focus on health and wellbeing and want to offer a safe work environment for everyone employed in Bavarian Nordic. To oversee this, we have established a formal organization with oversight of all issues pertaining to health and safety, proactively working to ensure that we comply with relevant requirements as defined by the authorities.

We systematically map both the physical and psychosocial working environment so that the necessary preventive steps can be taken, for the benefit of both individual employees and the Company as a whole. We do so in a close dialogue between management and employees, both in the normal day to day engagements and through a number of established committees, including local works councils and a health

and safety committee, which receives regular education and training in relevant areas. We act in accordance with the ISO 45001 standard for an occupational health and safety (OH&S) management system.



**SDG 3**  
Ensure healthy lives and promote well-being for all at all ages



**SDG 4**  
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



**SDG 5**  
Achieve gender equality and empower all women and girls



**SDG 8**  
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

## 2020 DEVELOPMENTS

In order to deliver on our commercialization strategy and prepare for the expansion of our manufacturing the number of employees has increased by almost 40% in 2020. In 2021 we will continue to grow our manufacturing and commercial activities and with that we will see an additional increase in manning over the coming year.

### Engagement

In 2019 an employee engagement survey among all employees in Bavarian Nordic demonstrated an overall level of engagement surpassing engagement levels within the industry.

In 2020 employee engagement has been colored by COVID-19 and the need for new ways of maintaining a sense of belonging, shared direction and commitment with most employees working remotely over longer periods of time. Thanks to the high level of engagement as a starting point and the flexibility of our leaders and all employees, we have successfully managed to deliver on complex projects and objectives even under the challenging circumstances.

In 2021 we will follow up on the engagement in the organization by running a new survey as well as integrating our learnings from COVID-19 into a more flexible way of working going forward.

### Health and safety

The absence rate was 2.7% in 2020 (2019: 2.8%) and thus we met our target to maintain the rate below 4%. We will continue our efforts around dialog-based absence management and aim to maintain a low rate of illness-related absence. See also [note 5](#).

We recorded three occupational accidents in 2020, resulting in injury-related absence of a total of 90 days (one of the accidents resulted in long-term absence of 82 days). This translates into a lost time injury accident frequency rate (LTIFR) of 2.8 accidents per million working hours compared to 2.5 in 2019. There were no fatal injuries. See also [note 5](#).

### Diversity

We strive to maintain an equal gender distribution among our leaders in Bavarian Nordic. We want to work against biases in our selection and promotion processes and maintain a focus on the talent and qualifications of the candidates rather than gender – or other demographic factors.



# 2.7%

**The absence rate was 2.7%** in 2020 corresponding to 6 days per full-time employee.

In 2020, we maintained an equal distribution of men and women in managerial positions and we have female representation at all leadership levels in the organization, including in our Executive Management team, where we welcomed two new female members during the year.

Our Board of Directors has a representation of two women among the shareholder-elected members, corresponding to 28%, which is above the current target of 15%. The target is being reassessed in 2021. Bavarian Nordic favors that the composition of its Board and Management is diverse in terms of experiences, competencies, nationality and gender. Until now this has not been articulated in a separate policy, however in the coming year, a separate diversity policy will be published and included in next year's annual report to formalize our focus on diversity in Executive Management and the Board of Directors.

### Privacy and data protection

Since the EU General Data Protection Regulation (GDPR) came into force in 2018, we have maintained a strong focus on the processing of personal data and securing the privacy of internal and external stakeholders by introduction of proper procedures and guidelines which employees are regularly being trained in.

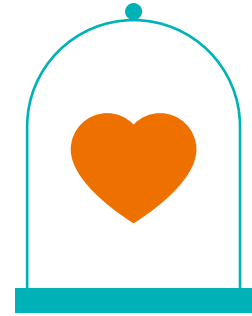


### Human rights

We support and respect human rights. This area is widely covered by our health and safety policies, our Code of Conduct and our adherence to national labor and anti-discrimination laws in the countries in which we operate. In 2020, we have not received any reports of violation of human rights within our company.

While our efforts are mainly directed towards our own employees, we seek to conduct business with third parties that are in compliance with the U.N. Global Compact principles as well. We have previously assessed the impact of our business on human rights, and it indicated no actual adverse impacts. We will continue to monitor for potential adverse impacts, in order to determine if additional actions are required.

As part of our procurement policies, we perform regular audits of our suppliers, whom we encourage to act responsibly in all matters, including observing international human rights. Also, we conduct our clinical trials in a manner that recognizes the importance of protecting the safety of and respecting the research participants. We do this by applying the highest legal, ethical and scientific standards, in addition to complying with applicable laws and regulations.



*In 2020, we have not received any reports of violation of human rights within our company*

*We will follow-up on employee engagement in a survey during 2021*

## GOALS AND PRIORITIES

- We will follow-up on employee engagement in a survey during 2021
- We want to ensure a healthy and engaging working environment and aim to maintain sick leave and voluntary turnover at a low level.
- We will continue our high focus on the physical work environment and maintain our goal for the Lost Time Injury Frequency Rate (LTIFR) at 2.9

## RISKS

As a knowledge-based company, it is critical for us to attract and retain sufficient talent in order to perform at high standards and stay competitive. To mitigate this risk, we have established our operations in areas with high intensity of skilled labor, relevant for the biotech industry.

We operate in countries with a high labor standard, regulated by labor laws and are therefore at low risk of violations in this area. Our suppliers are also located in highly regulated countries, thus with a perceived low risk of labor and human rights violations.

With our manufacturing and associated activities, we are aware of the risks associated with handling of viruses and chemicals as well as handling of goods and production equipment. These risks are mitigated on a daily basis through proactive and systematic work in our EHS organization.

# ***OUR PRODUCTS***



# OUR PRODUCTS

With the acquisition of two commercial vaccines from GlaxoSmith-Kline, Bavarian Nordic has entered the commercial market by having a portfolio of vaccines against several life-threatening diseases affecting people globally. We assumed ownership of the vaccines as per January 1, 2020 and during 2020 we took over marketing authorizations and distribution in key markets. Remaining markets will be taken over during 2021, and later we will also assume manufacturing of the vaccines. While our customer base has changed significantly, our responsibility remains to ensure that our products meet the necessary requirements as set out by the authorities such as the FDA and EMA

## Product safety

Product safety is crucial in our business, and quality and responsibility are important elements of our corporate culture. Vaccine development is a highly regulated area, in which a strong regulatory regime of inspections and approvals sets a high standard for all areas of our disciplines.

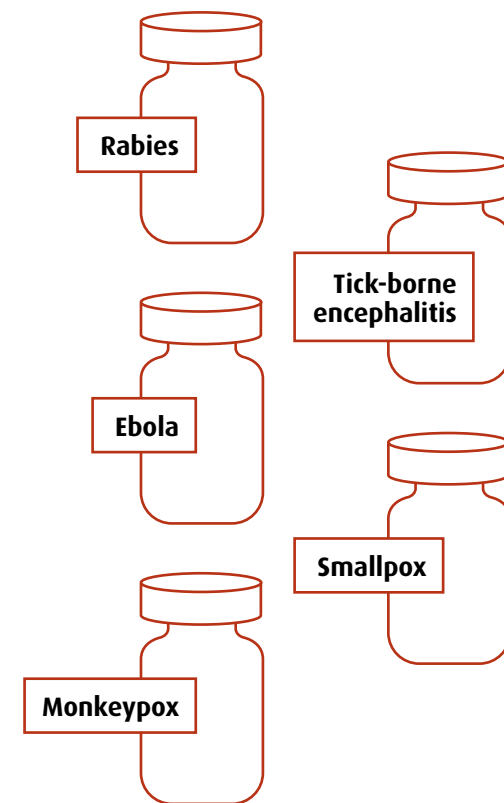
We work according to Good Manufacturing Practice (GMP), which are rules laid down by the European and U.S. health authorities. GMP includes strict requirements with respect to a product's traceability,

quality and purity, which means that quality management is built into each step of the manufacturing process.

## Responsible procurement

In accordance with both GMP and our own supplier management system, we perform a risk assessment of all new suppliers of critical materials and equipment used in our production and laboratories. Suppliers whose products are considered to have a material impact on our products' quality and safety, will undergo an initial audit, followed by an evaluation every third year as a minimum, either by way of a visit or a questionnaire, depending on the situation. The structured audit process helps us to gauge the quality mindset as well as the social and environmental responsibility of our suppliers.

Our suppliers of raw materials are mainly located in North America and the EU, which are areas with a high level of regulation of social and environmental parameters in place.





# BUSINESS ETHICS

Bavarian Nordic prioritizes business ethics as a natural part of its underlying business concept. We want to be seen as credible and reliable by all our stakeholders, and we are committed to work actively against bribery and corruption in all its forms as well as to ensure a high level of IT-security.

Our Code of Business Conduct and Ethics (“the Code”) describes the ethical requirements for all employees’ and the Board of Directors’ behavior in relation to customers, employees, shareholders, society, suppliers and partners. The Code includes the rules and regulations in the Foreign Corrupt Practices Act (FCPA) and the Truth in Negotiations Act (TINA) that are relevant in connection with the Company's business transactions and negotiations in the United States, but equally relevant in other markets, where the Company operates.

In 2020, all employees were trained in the Code, and new employees will receive training as part of their introductory program. Thus, the observation of the Code rests upon all employees and all employees are encouraged to report issues, concerns and any breach of the Code. For this purpose, the Company has established a whistleblower system, which provides our employees with an opportunity to file reports in a secure and confidential manner.

In 2020, the Company received one report through the whistleblower system which has been investigated and handled in accordance with the internal procedures for whistleblower cases. The investigation is completed and the case has been closed.

## RISKS

The main risk associated with our activities relates to the potential legal and/or financial consequences deriving from violations by our employees of our Code of Business Conduct.

The overall risk for Bavarian Nordic in this area however is considered low. We primarily do business in countries and regions which typically are perceived at low-risk with respect to corruption, and we also make frequent assessments of our suppliers to mitigate any such risks.



### SDG 16

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

# INDEPENDENT AUDITOR'S ASSURANCE REPORT

## TO MANAGEMENT AND BROADER STAKEHOLDERS OF BAVARIAN NORDIC A/S

We have assessed Bavarian Nordic A/S' 2020 CSR Report ("the Report") to provide limited assurance that the data provided in notes 1-5 to the Report has been prepared in accordance with the reporting practice described. The Report covers Bavarian Nordic A/S' international activities from January 1, to December 31, 2020.

We express a conclusion providing limited assurance.

### **Management's responsibility**

The Management of Bavarian Nordic A/S is responsible for collecting, analyzing, aggregating and presenting the information in the Report, ensuring that the Report is free from material misstatement, whether due to fraud or error. Bavarian Nordic A/S' reporting practice contains Management's defined reporting scope for each data type.

### **Auditor's responsibility**

Our responsibility is to express a limited assurance conclusion on the data presented in notes 1-5 of the Report based on our engagement with Management and in accordance with the agreed scope of work.

We have conducted our work in accordance with ISAE 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, and additional requirements under Danish audit regulation to obtain limited assurance as to whether data in notes 1-5 is free from material misstatement.

Deloitte Statsautoriseret Revisionspartnerselskab is subject to International Standard on Quality Control (ISQC) 1 and, accordingly, applies a comprehensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by FSR - Danish Auditors (Code of Ethics for Professional Accountants), which are based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

## → **INDEPENDENT AUDITOR'S ASSURANCE REPORT**

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Considering the risk of material misstatement, we planned and performed our work to obtain all information and explanations necessary to support our conclusion.

We performed our data review in February and March 2021. Our work included interviews with key functions at Bavarian Nordic A/S, inquiries about procedures and methods to ensure that data and information have been presented in accordance with the reporting practice. We have assessed the processes, tools, systems and controls for gathering, consolidating and aggregating data, performed analytical review procedures and tested data prepared for consistency with underlying documentation.

We have not performed site visits or interviewed external stakeholders, nor have we performed any assurance procedures on baseline data or forward-looking statements such as targets and expectations. Consequently, we draw no conclusion on these statements.

### **Conclusion**

Based on our work, nothing has come to our attention causing us to believe that the data in notes 1-5 to the 2020 CSR Report has not been prepared in accordance with the reporting practice described.

Copenhagen, March 12, 2021

### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
Business Registration No 33 96 35 56

  
**Martin Norin Faalborg**

State-Authorized Public Accountant  
MNE no mnr29395

  
**Marie Voldby**  
Lead Reviewer

# ***NOTES TO STATEMENTS ON ENVIRONMENTAL AND SOCIAL PERFORMANCE***

*The reporting practices have been consistently applied for the financial year and for the comparative figures.*

Note 1

**CO<sub>2</sub> emissions** All sites

tCO <sub>2</sub>	Production	2020	Production	2019	Production	2018
		Total		Total		Total
Direct emissions (Scope 1)						
Heating	1,288	1,288	821	821	865	865
Electricity generation	16	16	24	24	7	7
Fugitive emissions	18	18	15	15	30	31
Transport in company-owned cars	33	59	38	48	51	61
Indirect emissions (Scope 2)						
Electricity, purchased	820	1,115	820	1,078	981	1,280
Heating, purchased	-	60	-	100	-	118
Emissions, total	2,174	2,556	1,718	2,087	1,935	2,361

**Reporting practice**

Calculations of CO<sub>2</sub>-emissions are based on the Corporate Standard of the Greenhouse Gas Protocol Initiative<sup>4</sup> and include the greenhouse gases addressed by the UNFCCC<sup>5</sup> / Kyoto Protocol (CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub> and NF<sub>3</sub>) calculated in metric tons of CO<sub>2</sub> equivalents when possible.

Our reporting covers scope 1 (emissions from sources that are owned or controlled by the Company) and scope 2 (emissions from purchased electricity), thus adhering to the Corporate Standard.

Numbers have been rounded for presentation purposes.

<sup>4</sup> www.ghgprotocol.org

<sup>5</sup> United Nations Framework Convention on Climate Change

Note 2

**Energy** Kvistgaard site

	2020	2019	2018
<b>Energy, total (mWh)</b>	<b>12,530</b>	<b>9,483</b>	<b>9,035</b>
<b>Energy, total (GJ)</b>	<b>45,110</b>	<b>34,137</b>	<b>32,527</b>

**Reporting practice**

Energy consumption is calculated for the entire Kvistgaard facility, including laboratories and administrative functions. The figure includes purchased electricity, purchased diesel oil used for power generators, and consumption of natural gas which is used for heating.

**Emission factors**

In calculating CO<sub>2</sub> emissions, specific emission factors based on emissions type and geographic location were used. CO<sub>2</sub> emissions from the combustion of natural gas, oil, gasoline, diesel fuel and liquefied pressurized gas and from fugitive emissions were deemed to have a general global effect with minor local differences. Emission factors from these sources are based on data provided by the Danish Energy Agency, Department for Environment, Food & Rural Affairs (DEFRA) and Linde. Emissions for locally purchased electricity were determined on the basis of local conditions. Emission calculations for electrical power in USA are based on emission factors provided by Duke Energy. Emission calculations for electrical power purchased in Germany are based on historical German emission factors; emission calculations for district heating purchased in Germany are based on emission factors collected from local district heating companies.

Note 3

### Water Kvistgaard site

m <sup>3</sup>	2020	2019	2018
Sanitary water	3,569	4,214	3,067
Process water	15,601	10,556	8,543
<b>Total water consumption</b>	<b>19,170</b>	<b>14,770</b>	<b>11,610</b>

Process wastewater is heat-inactivated, cooled and pH adjusted before being discharged into the public sewer system. Inactivation is a procedure that ensures that all vaccine remnants are rendered 100% harmless, and the system is checked for operational problems before discharge. This treatment ensures that the discharged wastewater complies with the requirements in the Company's permit to use the municipal sewer system.

**Reporting practice**

Water consumption is measured for the entire Kvistgaard facility, including laboratories and administrative functions.

Note 4

### Waste Kvistgaard site

	2020		2019		2018	
	metric tons	%	metric tons	%	metric tons	%
Combustible	77	39%	63	40%	58	45%
Recyclable	103	53%	80	50%	54	42%
Hazardous waste	16	8%	13	8%	17	13%
Waste for deposition	-	-	3	2%	-	-
<b>Total waste</b>	<b>196</b>		<b>159</b>		<b>130</b>	

Waste consists primarily of disposable process equipment (production bags, tubing and other disposable equipment) and egg waste. Paper, egg waste, metal, electronics and pallets are being recycled.

Hazardous waste includes organic solvents, acids, bases, hazardous clinical waste, etc.

**Reporting practice**

Waste volumes are calculated for the entire Kvistgaard facility and are based on annual statements from approved waste carriers handling ordinary and hazardous waste.



Note 5

## Employees

Full-time employees (FTE)	2020	2019	2018
Denmark	408	298	252
Germany	154	137	143
Switzerland	8	N/A <sup>1</sup>	N/A <sup>1</sup>
USA	38	30	26
<b>Total full-time employees (FTE), average over the year</b>	<b>607</b>	<b>465</b>	<b>421</b>

<sup>1</sup> Office in Switzerland was opened in 2020

Turnover	2020	2019	2018
Denmark	10.4%	7.9%	9.7%
Germany	7.1%	12.5%	16.1%
Switzerland	0.0%	N/A <sup>1</sup>	N/A <sup>1</sup>
USA	8.0%	16.8%	18.9%
<b>Turnover, total</b>	<b>9.3%</b>	<b>9.8%</b>	<b>12.5%</b>
<b>Turnover, voluntary</b>	<b>6.5%</b>	<b>8.2%</b>	<b>8.7%</b>

<sup>1</sup> Office in Switzerland was opened in 2020

Absence (sickness)	2020	2019	2018
Denmark	2.8%	2.3%	2.6%
Germany	2.5%	4.0%	3.4%
Switzerland	0.2%	N/A <sup>1</sup>	N/A <sup>1</sup>
USA	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>
<b>Absence, total</b>	<b>2.7%</b>	<b>2.8%</b>	<b>2.9%</b>
<b>Absence, days per FTE</b>	<b>6</b>	<b>6</b>	<b>6</b>

<sup>1</sup> Office in Switzerland was opened in 2020

<sup>2</sup> Sickness is not recorded in the U.S.

Occupational injuries	2020	2019	2018
Injuries with absence, number	3	2	2
Absence days per injury, average	30	1.5	10.5
Lost Time Injury Frequency Rate (LTIFR)	2.8	2.5	2.7

Gender diversity	2020	2019	2018
Gender Diversity, All employees	61%	N/A <sup>1</sup>	N/A <sup>1</sup>
Gender Diversity, Management	56%	51%	50%

<sup>1</sup> Gender diversity among all employees has not been measured before 2020.

### Reporting practice

Unless otherwise stated, the presented figures cover all Bavarian Nordic sites and employees.

### FTE

Number of employees calculated as the equivalent number of full-time employees.

### Employee turnover rate

The turnover rate expresses the ratio of all employees who have left the company during a year. Employees with fixed-term contracts are not included. The calculation is based on the average number of employees over the year. Voluntary turnover rate expresses the ratio of employees who voluntarily have left the company.

### Absence

Absence data includes recorded staff sick days and child sick days for employees in Denmark, Germany and Switzerland only. Leave – also parental leave – is not

included in these figures. The absence rate calculation is based on the average number of full-time employees for the year and the number of effective workdays in the calendar year, i.e. vacation days are excluded.

### Occupational injuries

Occupational injury data relates to injuries resulting in at least one day of absence, in addition to the day of injury. Absence days per injury expresses the average number of working days lost as result of the injury, measured as an average of all injuries occurred. The lost time injury frequency rate (LTIFR) is the number of occupational injuries per one million effective working hours.

### Gender diversity

Gender diversity expresses the ratio of women to men among all employees. Gender diversity in management expresses the ratio of women to men among all managers with staff responsibility.

**Bavarian Nordic A/S**

Philip Heymans Alle 3  
DK-2900 Hellerup  
Denmark

CVR no: 16 27 11 87

[www.bavarian-nordic.com](http://www.bavarian-nordic.com)

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