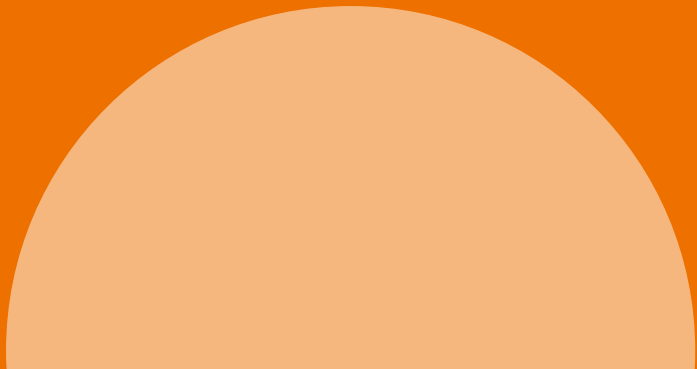


REMUNERATION REPORT 2020



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ABOUT THE REPORT

This remuneration report (the “Report”) provides an overview of the total remuneration received by each member of the Board of Directors (the “Board”) and of the Executive Management of Bavarian Nordic A/S, CVR no. 16271187, (“Bavarian Nordic” or the “Company”) during the 2020 financial year from the Group. The Executive Management consists of all executives registered as executives with the Danish Business Authority. During the 2020 financial year, President & CEO Paul Chaplin was the only registered executive. However, Chief Financial Officer, Henrik Juuel, has also been included in the report for 2020, although not registered as an executive until February 2021.

The Report has been prepared in accordance with section 139b of the Danish Companies Act and the European Commission Guidelines on the standardized presentation of the remuneration report under the Shareholder Rights Directive (SRD) (Directive 2007/36/EC), as amended by SRD II (Directive (EU) 2017/828) as regards the encouragement of long-term shareholder engagement.

The information provided in the Report has primarily been derived from the audited annual reports of the Company for the financial years 2019 and 2020, both available on the Company’s website:

www.bavarian-nordic.com.

INTRODUCTION

1.1 Remuneration Policy and Objectives

The remuneration principles for the Board and Executive Management are governed by the remuneration policy, which has been approved by the Company's shareholders and published on the Company's website: www.bavarian-nordic.com/about/corporate-governance/remuneration-policy.aspx

The objective of the remuneration principles for the Board and Executive Management is to contribute to the Company's business strategy, long-term interests and sustainability by supporting the Company's abilities to recruit, retain and motivate competent and loyal members to the Board and Executive Management. The remuneration must be competitive and comparable to remuneration in comparable Danish and international enterprises.

In the establishment of the principles for the remuneration of Board and Executive Management, the salary and employment conditions of the employees of the Company were taken into account to ensure that the remuneration of the Board and Executive Management in general does not reach an unintended level.

The remuneration policy was amended in 2020 as a consequence of the implementation of SRD II. The amendments, which were approved

by the Company's shareholders at the annual general meeting on June 12, 2020 further include a provision that, if part of Executive Management's annual bonus is converted into restricted stock units (RSUs), matching shares (RSUs) are no longer granted at the discretion of the Board, but are granted automatically after three years.

1.2 Nomination and Compensation Committee

The Board has established a Nomination and Compensation Committee to assist the Board with all matters related to establishing, implementing, and executing the principles set out in the remuneration policy as well as assisting with the preparation of the remuneration report. The committee consists of four members, appointed for a one-year term. The following members were appointed in June 2020, after the Board had constituted itself upon the election by the shareholders at the annual general meeting: Gerard van Odijk (chairman), Anders Gersel Pedersen, Frank Verwiel and Peter Kürstein. Until June 2020, the committee consisted of Gerard van Odijk (chairman), Elizabeth McKee Anderson and Peter Kürstein.

The work of the committee is governed by a charter, which can be found along a description of its key activities during 2020 on the Company's website: www.bavarian-nordic.com/about/corporate-governance/board-committees.aspx

FINANCIAL PERFORMANCE AND BUSINESS PROGRESS

2020 was a transformational year for Bavarian Nordic driven by the acquisition of two commercial vaccines from GlaxoSmithKline which have completely altered the business and strategy of the Company. The vaccines have not only become a major contributor to the revenue, but have also entailed an expansion of the Company by adding a global commercial organization and scaling up manufacturing to prepare for integration of the acquired vaccines into Bavarian Nordic's own manufacturing line. This has led to an increase in employees of approximately 40% since 2019, and further scale-up is planned over the coming years.

Bavarian Nordic's existing business, which has predominantly consisted of sale of smallpox vaccines to governments for their national preparedness stockpiles, was expanded to include more than 30 commercial markets across the globe where the Company has expanded its presence, either through local presence or via local sales and distribution networks.

While the markets for the acquired vaccines were impacted by COVID-19, revenue almost tripled in 2020 compared to 2019 and the operating result (EBITDA) turned positive. Revenue was DKK 1,852 million (2019: DKK 662 million) and EBITDA was DKK 740 million (2019: loss of DKK 271 million). This result was in line with the Company's guidance and was achieved despite COVID-19 impact on the new markets, particularly the European rabies vaccine market, which is predominantly a travelers' vaccine market. However, this decline was largely offset by a stronger than expected performance in the Company's smallpox business.

Remuneration of the Board in 2020 was largely unchanged compared to 2019 with a total of DKK 5.172 million (2019: 5.233 million).

Remuneration of Executive Management totalled DKK 21.7 million in 2020 (2019: DKK 18.2 million) representing an increase of 19%.

REMUNERATION OF THE BOARD OF DIRECTORS

3.1 Remuneration principles

Members of the Board receive a fixed fee consisting of cash and restricted stock units (RSUs), reimbursement of certain expenses and an overseas-travel fee or a fixed attendance fee. Members of the board committees receive an additional cash fee.

In 2020, the cash fee for board membership was DKK 300,000. The chairman and deputy chairman receive a fee that is 2.5 times and 1.5 times the cash fee respectively. In addition, RSUs with a value equivalent to 50% of the cash fee are granted, cf. table 1. RSUs have a vesting period of three years after the date of grant.

The cash fee for ordinary members in board committees was DKK 100,000 per committee in 2020. The chairman of each board committee's fee is 1.5 times the fee of the ordinary board committee members.

The remuneration of the Board for 2020 was approved at the Annual General Meeting on June 12, 2020. The fixed fees to the Board and the Board committees and the attendance fee rates were unchanged compared to 2019.

The remuneration of the Board for 2020 was approved on the Annual General Meeting on June 12, 2020

Table 1 – Board fees in 2020

DKK thousand	Board		Committees		
	Cash	Restricted Stock Units	Finance, Risk and Audit	Nomination and Compensation	Science, Technology and Investment
Member	300	150	100	100	100
Deputy chairman	450	225	-	-	-
Chairman	750	375	150	150	150

→ REMUNERATION OF THE BOARD OF DIRECTORS

Table 2 – Remuneration of the Board in 2020

				2020	2019
DKK thousand	Board and committee fees	RSU fee	Attendance fees ¹	Total	Total
Gerard van Odijk, chairman	950	375	-	1,325	1,295
Anders Gersel Pedersen, deputy chairman	600	225	5	830	815
Erik G. Hansen	475	150	15	640	635
Peter Kürstein	450	150	10	610	570
Frank Verwiël	450	150	-	600	716
Elizabeth McKee Anderson	425	150	-	575	684
Anne Louise Eberhard	425	150	20	595	518
Total	3,775	1,350	50	5,175	5,233

¹ Attendance fees in 2020 were significantly lower in 2020 as most Board and committee meetings were held as virtual meetings due to COVID-19.

3.2 Remuneration 2020

The disclosed remuneration for board members excludes reimbursed expenses that board members have incurred in connection with board meetings, such as travel and accommodation, but includes attendance fees.

The attendance fee in 2020 was DKK 5,000 per meeting, however for board members required to travel overseas to participate in a meeting, the attendance fee was USD 5,000.

3.3 RSU overview

Table 3 – Board member RSU holdings and details

	Program	Grant date	Vesting date	No of instruments beginning of 2020	Adjustment rights issue 2020	No of instruments granted 2020	No of instruments vested 2020	No of instruments end of 2020	Share price at grant date (DKK)	Value at grant (mDKK)	Value at vesting (mDKK)	Value at year-end 2020 (mDKK)
Gerard van Odijk, chairman	RSU 2017	April 2017	April 2020	1,027	271	-	(1,298)	-	365	0.4	0.2	-
	RSU 2018	April 2018	April 2021	2,143	566	-	-	2,709	175	0.4	-	0.5
	RSU 2019	April 2019	April 2022	2,713	716	-	-	3,429	138	0.4	-	0.6
	RSU 2020	June 2020	June 2023	-	-	1,976	-	1,976	190	0.4	-	0.4
Anders Gersel Pedersen, deputy chairman	RSU 2017	April 2017	April 2020	616	162	-	(778)	-	365	0.2	0.1	-
	RSU 2018	April 2018	April 2021	1,286	339	-	-	1,625	175	0.2	-	0.3
	RSU 2019	April 2019	April 2022	1,627	429	-	-	2,056	138	0.2	-	0.4
	RSU 2020	June 2020	June 2023	-	-	1,185	-	1,185	190	0.2	-	0.2
Erik G. Hansen	RSU 2017	April 2017	April 2020	410	108	-	(518)	-	365	0.2	0.1	-
	RSU 2018	April 2018	April 2021	857	226	-	-	1,083	175	0.2	-	0.2
	RSU 2019	April 2019	April 2022	1,085	286	-	-	1,371	138	0.2	-	0.3
	RSU 2020	June 2020	June 2023	-	-	790	-	790	190	0.2	-	0.1
Peter Kürstein	RSU 2017	April 2017	April 2020	410	108	-	(518)	-	365	0.2	0.1	-
	RSU 2018	April 2018	April 2021	857	226	-	-	1,083	175	0.2	-	0.2
	RSU 2019	April 2019	April 2022	1,085	286	-	-	1,371	138	0.2	-	0.3
	RSU 2020	June 2020	June 2023	-	-	790	-	790	190	0.2	-	0.1
Frank Verwiel	RSU 2017	April 2017	April 2020	410	108	-	(518)	-	365	0.2	0.1	-
	RSU 2018	April 2018	April 2021	857	226	-	-	1,083	175	0.2	-	0.2
	RSU 2019	April 2019	April 2022	1,085	286	-	-	1,371	138	0.2	-	0.3
	RSU 2020	June 2020	June 2023	-	-	790	-	790	190	0.2	-	0.1
Elizabeth McKee Anderson	RSU 2017	April 2017	April 2020	410	108	-	(518)	-	365	0.2	0.1	-
	RSU 2018	April 2018	April 2021	857	226	-	-	1,083	175	0.2	-	0.2
	RSU 2019	April 2019	April 2022	1,085	286	-	-	1,371	138	0.2	-	0.3
	RSU 2020	June 2020	June 2023	-	-	790	-	790	190	0.2	-	0.1
Anne Louise Eberhard	RSU 2019	April 2019	April 2022	1,085	286	-	-	1,371	138	0.2	-	0.3
	RSU 2020	June 2020	June 2023	-	-	790	-	790	190	0.2	-	0.1

3.4 Board shareholdings

There are no shareholding requirements for members of the Board. However, with a view to aligning the interests of the Company's shareholders and the Board, part of the fixed fee for members of the Board consists of restricted stock units (RSUs) as shown in table 3, which have a three-year vesting period from the time of grant.

Table 4 – Board member shareholdings

	Holding as of January 1, 2020	Additions during the year	Sold during the year	Holding as of December 31, 2020
Gerard van Odijk	16,000	9,298	-	25,298
Anders Gersel Pedersen	8,500	4,778	-	13,278
Erik Gregers Hansen	34,000	27,718	-	61,718
Peter Kürstein	16,250	518	-	16,768
Frank Verwiël	-	518	-	518
Elizabeth McKee Anderson	-	518	-	518
Anne Louise Eberhard	-	-	-	-

Includes shares held by members of the Board personally or legal entities controlled by them, as well as persons closely associated with them.

REMUNERATION OF THE EXECUTIVE MANAGEMENT

4.1 Remuneration principles

Members of the Executive Management are entitled to an annual remuneration in accordance with the Remuneration Policy which may consist of the following fixed and variable remuneration components (see box).

In addition, the Remuneration Policy contains provisions for post-employment compensation.

Claw back

Variable remuneration in the form of cash bonus or share-based incentives (including restricted stock units, matching shares and warrants) may be subject to recovery or "claw back" by the Company, provided the variable remuneration was paid on the basis of data which the Board subsequently finds to have been incorrect and provided this is in accordance with Danish law.

No recovery of variable remuneration occurred during 2020.

Component	Description
Base wage	Fixed annual salary.
Pension¹	Contribution-based pension scheme.
Short-term incentives (STI)	<p>Cash bonus linked to specific and measurable short-term results The maximum cash bonus corresponds to six months' base wage.</p> <p>In exceptional cases, separate agreements may be entered, which can result in payment of a bonus of up to an additional one year's basic wage.</p> <p>The cash bonus may, at the discretion of the Board, be deferred in full or in part by conversion into restricted stock units (RSUs). In such case, matching shares corresponding to 50% of the RSUs are granted free of charge as compensation for deferral of the bonus.</p>
Long-term incentives (LTI)	<p>Share-based incentive to promote long-term goals, strategies, and sustainability. Granted as warrants free of charge with a vesting period of minimum three years. The maximum grant corresponds to one year's base wage, at the time of grant.</p> <p>In exceptional cases, separate agreements may be entered, which can result in grant of warrants with a value up to an additional one year's base wage.</p>
Other benefits	Company car, relocation expenses, housing allowance and certain other benefits.

¹ President & CEO Paul Chaplin does not receive pension contribution as part of his remuneration.

→ REMUNERATION OF THE EXECUTIVE MANAGEMENT

Termination agreements etc.

Contracts with members of Executive Management are open ended until the age of 70 years for the CEO. The termination period on the part of the Company is 18 months towards the CEO and may be prolonged to up to 24 months in case of change of control situations, and periods during which severance payment can be made may be up to 12 months, provided, however, that the total period for payment of termination pay and severance pay may not exceed 24 months. The termination period on the part of the Company is 8 months towards the CFO, and periods during which severance payments can be made equal a lump sum of additional 4 months base salary. The termination periods on the part of the Executive Management towards the Company are 6 months for the CEO and 3 months for the CFO. If the CEO passes away during his employment, the Company shall pay salary for the remaining month plus 12 additional months post-employment benefit to the CEO's cohabiting spouse/partner and secondarily to the Executive's children.

4.2 Remuneration 2020

Table 5 – Executive Management remuneration in 2020

DKK thousand	Fixed remuneration					Variable remuneration						Total	
	Salary	Pension	Other benefits	Total	%	Bonus cash ¹	Bonus RSU ²	RSU matching shares ³	Warrants ⁴	Total	%	Total 2020	Total 2019
Paul Chaplin, CEO	5,186	-	576	5,762	41%	1,224	1,224	612	5,068	8,128	59%	13,890	11,806
Henrik Juuel, CFO	3,102 ⁵	414	149	3,665	47%	740	740	370	2,304	4,154	53%	7,819	6,428
Total				9,427	43%					12,282	57%	21,709	18,234

¹ Bonus related to current year's performance – paid out in the following year

² Bonus related to current year's performance – granted as RSU in the following year

³ 50% matching shares related to granted RSU for achieved bonus

⁴ Value of granted warrants during the year

⁵ Includes DKK 143 thousand in holiday supplement and payout of the 6th holiday week

4.3 Short-term incentive (STI) program

To promote specific and measurable results within the business area and business strategy within a short timeline, incentive remuneration in the form of cash bonus is offered to the Executive Management. Such results may be linked to inter alia financial, non-financial, operational and/or strategic performance criteria targets. The performance criteria and related bonus targets are set by the Board in the fourth quarter for the following year but can, in exceptional cases, be linked to targets, which extend over a longer period of time, e.g. to contribute to the Company's business strategy, long-term interests and/or sustainability.

The maximum cash bonus that can be achieved corresponds to six months' basic wage. The size of the bonus is determined annually by measuring the achievement of the performance criteria set by the Board on the basis of the financial results for the year and on the basis of other data relevant to the Board's decision, e.g. internal or external reports regarding the level of achievement of the specific performance criteria.

The performance criteria for 2020 and the level of achievement are explained in table 6.

Table 6 – Performance criteria and applicable remuneration in 2020

	Paul Chaplin CEO	Henrik Juuel CFO	
Value driver and performance measures	Weight	Weight	Score
Financial			
Revenue, EBITDA and cash (preparedness) compared to target	22%	30%	100%
Commercial business			
Deliver profitable growth according to targets	13%		70%
Business operations			
Advance pipeline according to plans and budget			
Complete distribution transfer of acquired products in major markets			
Establish commercial infrastructure for acquired products	15%	20%	100%
Organization, strategy and IR			
Develop and expand the organization to support the commercial transformation according to plan			
Adapt and develop systems to support a new commercial infrastructure			
Secure funding for upfront portion of consideration for acquired products	37%	50%	100%
Manufacturing			
Progress Fill-and-Finish construction and qualification according to plan and budget			
Progress tech-transfer project and initiate manufacturing expansion for acquired products according to plan and budget			
Progress process development activities to support pipeline according to plan and budget	13%		85%
Total performance (%)	94%	100%	
Total bonus award (DKK thousand)	2,447	1,479	

The Board has decided to defer for three years 50% of the payment of the cash bonus, converting the bonus into restricted stock units (RSUs). In compensation, the member of the Executive Management will receive a premium of 50% of the deferred bonus by grant of additional RSUs free of charge on expiry of the three years (so-called "matching shares").

4.4 Long-term incentive (LTI) program

To promote and achieve long-term goals and strategies for the Company, as well as sustainability, and thereby contributing to the Company's development and growth, incentive remuneration in the form of share-based schemes are offered to the Executive Management. Share-based schemes consist of either grant of warrants free of charge or grant of restricted stock units in connection with the postponement of payment of a cash bonus.

To ensure that the value of warrants does not reach an unintended level in relation to other remuneration of Executive Management, the value of the warrants at the time of the grant may not exceed the value of the fixed annual base wage. The value of the warrants is calculated using the Black-Scholes formula.

In exceptional cases, separate agreements may be entered into with Executive Management, which can result in grant of warrants with a value at the time of grant of up to an additional one year's fixed annual base wage, e.g. as a sign-on compensation.

An overview of the warrants granted to Executive Management under the 2020 program and previous programs are shown in table 7, including information on programs that have vested in 2020.

Table 7 – Executive Management warrant holdings and details

Name and position	Program	Grant date	Earliest vesting date	Exercise price (DKK)	No of instruments beginning of 2020	Adjustment rights issue 2020	No of instruments granted 2020	No of instruments exercised 2020	No of instruments terminated 2020	No of instruments ultimo 2020	Value at grant date per instrument (DKK)	Value at grant (mDKK)	Value at exercise date (mDKK)	Value at year-end 2020 (mDKK)
Paul Chaplin, CEO	2014	August 2014	November 2017	103.90	50,000	13,205	-	(63,205)	-	-	29.10	1.5	6.5	-
	2015	December 2015	March 2019	290.20	41,005	10,830	-	-	(51,835)	-	115.01	4.7	-	-
	2016	December 2016	March 2020	205.80	58,100	15,345	-	-	-	73,445	54.22	3.2	-	-
	2017	November 2017	March 2021	239.60	55,736	14,720	-	-	-	70,456	80.18	4.5	-	-
	2018	November 2018	March 2022	142.00	57,749	15,252	-	-	-	73,001	51.59	3.0	-	3.3
	2019	November 2019	March 2023	146.60	78,201	20,654	-	-	-	98,855	45.47	3.6	-	4.0
	2020	November 2020	March 2024	206.82	-	-	123,645	-	-	123,645	40.99	5.1	-	-
Henrik Juuel, CFO	2018	November 2018	March 2022	142.00	53,625	14,163	-	-	-	67,788	51.59	2.8	-	3.1
	2019	November 2019	March 2023	146.60	33,950	8,966	-	-	-	42,916	45.47	1.5	-	1.7
	2020	November 2020	March 2024	206.82	-	-	56,210	-	-	56,210	40.99	2.3	-	-

4.5 RSU overview

Table 8 – Executive Management RSU holdings and details

Name and position	Program	Grant date	Vesting date	No of instruments start of 2020	Adjustment rights issue 2020	No of instruments granted 2020	No of instruments vested 2020	No of instruments end of 2020	Share price at grant date (DKK)	Value at grant (mDKK)	Value at vesting (mDKK)	Value at year-end 2020 (mDKK)
Paul Chaplin, CEO	RSU 2017	March 2017	March 2020	4,971	-	-	(4,971)	-	292	1.5	0.6	-
	RSU 2018	March 2018	March 2021	6,095	1,609	-	-	7,704	244	1.5	-	1.4
	RSU 2019	March 2019	March 2022	9,065	2,393	-	-	11,458	144	1.3	-	2.1
Henrik Juuel, CFO	Sign-on	November 2018	March 2020	10,150	2,681	-	-	12,831	156	1.1	-	2.4
	RSU 2019	March 2019	March 2022	765	201	-	-	966	144	0.1	-	0.2
	RSU 2020	March 2020	March 2023	4,625	1,220	-	-	5,845	240	1.1	-	1.1

Paul Chaplin has no RSUs under the 2020 program, as his bonus for 2019 was paid full in cash.

4.6 Executive Management shareholdings

There are no shareholding requirements for members of the Executive Management. However, with a view to aligning the interests of the Company's shareholders and the Executive Management, part of the remuneration of the Executive Management consists of warrants as shown in table 7, which have a three-year vesting period from the time of grant. Furthermore, RSUs are granted, either by conversion of the annual cash bonus in part or in full, or as a sign-on compensation in accordance with the remuneration policy. The RSUs also have a three-year vesting period.

Table 9 – Executive Management shareholdings

	Holding beginning of 2020	Additions during the year	Sold during the year	Holding end of 2020
Paul Chaplin, CEO	76,346	96,821	50,802	122,365
Henrik Juuel, CFO	2,500	2,500	-	5,000

Includes shares held by members of the Executive Management personally as well as persons closely associated with them.

COMPARISON OF REMUNERATION AND PERFORMANCE

This is the first year of reporting under this new framework and Bavarian Nordic has chosen to include relevant comparative figures for 2019 only in accordance with the transitional relief provided in the guidelines from the Danish Business Authority from November 2020. Prospectively and year-on-year, Bavarian Nordic will build up the five years of comparative figures for the annual change in remuneration, in company performance, and in average remuneration based on full-time equivalents ("FTEs") of employees other than Executive Management members.

Table 10 – Total remuneration of the Board in 2020 vs. 2019

DKK thousand	2020	change	2019
Gerard van Odijk, chairman	1,325	2.3%	1,295
Anders Gersel Pedersen, deputy chairman	830	1.8%	815
Erik Gregers Hansen	640	0.8%	635
Peter Kürstein	610	7.0%	570
Frank Verwiël	600	-16.2%	716
Elizabeth McKee Anderson	575	-15.9%	684
Anne Louise Eberhard	595	14.9%	518

Table 11 – Total remuneration of the Executive Management in 2020 vs. 2019¹

DKK thousand	2020	change	2019
Paul Chaplin, CEO	13,890	18%	11,806
Henrik Juuel, CFO	7,819	22%	6,428

¹ Total remuneration as included in table 5 above

→ COMPARISON OF REMUNERATION AND PERFORMANCE

Table 12 – Financial Measures (Parent)

	2020	change	2019
Revenue (DKK ^m)	1,883	184.9%	661
EBITDA (DKK ^m)	766	n/a	(347)
Number of FTE's (excl. Executive Management)	404	37.4%	294
Average total remuneration for company employees (DKK) ¹	839,804	-0.5% ³	844,218
CEO Pay Ratio ²	15		14

¹ "Staff costs" minus "Total management remuneration" divided by FTE's excl. Executive Management (Annual Report 2020, note 4 in Parent)

² Total CEO remuneration expensed cf. Annual Report 2020, note 4 in Parent, over average total remuneration expensed for company employees

³ Increase in number of contract employees to operate the new fill and finish facility

Table 13 – Financial Measures (Group)

	2020	change	2019
Revenue (DKK ^m)	1,852	179.8%	662
EBITDA (DKK ^m)	740	n/a	(271)
Number of FTE's (excl. Executive Management)	601	30.4%	461
Average total remuneration for Group employees (DKK) ¹	837,606	4.0%	805,471
CEO Pay Ratio ²	15		15

¹ "Staff costs" minus "Total management remuneration" divided by FTE's excl. Executive Management (Annual Report 2020, note 8 in Group)

² Total CEO remuneration expensed cf. Annual Report 2020, note 8 in Group, over average total remuneration expensed for Group employees

COMPLIANCE WITH THE REMUNERATION POLICY

The remuneration of members of the Board and Executive Management for the 2020 is consistent with the scope of the remuneration policy. There has been no deviation or derogation from the framework provided by the remuneration policy.

STATEMENT BY THE BOARD OF DIRECTORS

The Board of Directors has today considered and approved the remuneration report of Bavarian Nordic A/S for the financial year January 1 – December 31, 2020.

The remuneration report has been prepared in accordance with section 139b of the Danish Companies Act.

In our opinion, the remuneration report is in accordance with the remuneration policy adopted at the Annual General Meeting, and is free from material misstatement and omissions, whether due to fraud or error.

The remuneration report will be presented for an advisory vote at the Annual General Meeting.

Copenhagen, March 12, 2021

Board of Directors



Gerard W.M. van Odijk
Chairman of the Board



Anders Gersel Pedersen
Deputy chairman



Erik Gregers Hansen



Peter H. Kürstein-Jensen



Frank A.G.M. Verwiel



Elizabeth McKee Anderson



Anne Louise Eberhard

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF BAVARIAN NORDIC A/S

We have examined whether Management has fulfilled its obligations to disclose the information required by section 139b(3) of the Danish Companies Act in the company's remuneration report for 2020.

Management's responsibility

Management is responsible for the preparation of the remuneration report in accordance with section 139b of the Danish Companies Act and the remuneration policy adopted at the Annual General Meeting.

Further Management is responsible for the internal control that the Board of Directors considers needed to prepare the remuneration report that is free from material misstatement and omissions, whether due to fraud or error.

Auditor's responsibility

It is our responsibility to express a conclusion on whether Management has fulfilled its obligations to disclose the information required by section 139b(3) of the Danish Companies Act in the company's remuneration report.

We have conducted our examinations 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 reasonable assurance about our conclusion.

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 behaviour.

→ **INDEPENDENT AUDITOR'S REPORT**

Our examinations included an examination of whether the remuneration report, to the extent relevant, includes the disclosures required by section 139b(3), items 1-6, of the Danish Companies Act for the remuneration of each member of Management.

Our examinations have not included an examination of accuracy and completeness of the disclosures, and we do not express any conclusion on this.

Conclusion

It is our opinion that Management has fulfilled its obligations to disclose, in all material respects, the information required by section 139b(3) of the Danish Companies Act in the company's remuneration report for 2020.

Copenhagen, March 12, 2021

Deloitte

Statsautoriseret Revisionspartnerselskab
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