

# *Sustainability Report 2021*





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## About the report

*This Statutory Report on Corporate Social Responsibility (CSR), cf. sections 99a, 99b, 99d and 107d of the Danish Financial Statements Act and Article 8 of the EU Taxonomy Regulation, is part of the management's review in the 2021 Annual Report and covers the financial period January 1 - December 31, 2021*

## ESG figures

*In 2021, we have increased the scope of our reporting to include more sustainability indicators. In the tables on page 32-33 consolidated figures are presented by each of the three ESG categories: environment, social and governance. Country-specific figures are presented in the notes on page 34-36.*

## Assurance of data

*The indicators presented on page 34-36 have been assessed by Deloitte Statsautoriseret Revisionspartnerselskab in accordance with the ISAE 3000 standard to obtain limited assurance. The assurance report is found on page 40-41.*

# *Introduction*

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*Letter to our stakeholders*

# *Boosting our efforts*

Two years ago, we embarked on a new journey in Bavarian Nordic. Building on our strengths in vaccine research, development, and manufacturing, we adopted a new strategy with a vision to become one of the largest pure play vaccine companies.

The acquisition of two marketed vaccines in 2019 became the point of departure for our bold ambition and spurred the growth of our organization to include global commercial operations, strengthening of medical, regulatory and pharmacovigilance and a significant expansion of our manufacturing capabilities and capacity. We now span the full value chain from early research and development, manufacturing and supply through marketing and distribution of vaccines globally.

This has created a strong foundation for bringing more novel products to markets, where vaccines remain an important measure to prevent and control disease throughout our lives. There are still unmet medical needs in infectious diseases where vaccines can make a huge impact on global health, for example RSV, a respiratory infection which particularly affects infants and elderly and is considered to have an equally severe impact as influenza. This



*We have set out a new sustainability strategy, which incorporates relevant environmental, social and governance (ESG) matters into our operations and into the performance indicators for our company.*

**Paul Chaplin**

year, we are advancing our RSV vaccine candidate into Phase 3, that has the potential to contribute to the prevention of serious disease in elderly who are at risk in the case of RSV infections.

We are also advancing our COVID-19 vaccine candidate into Phase 3 with potential for approval in 2023. While it will not become the first approved COVID-19 vaccine, we believe it could play a role as a universal booster, providing broader and more sustainable protection for people at risk in the future. The advancement of these projects demonstrates our commitment to making significant investments in improving public health.

Protecting lives is part of our DNA in Bavarian Nordic and is a significant driver of the huge commitment and engagement our employees demonstrate every day at work. Being our most valuable asset, it is essential for us to take good care of our employees, and to empower and enable them to carry out their tasks toward our shared goal of bringing more life-saving vaccines to the market.

Our growing footprint the past years has increased our interactions with patients, healthcare professionals, authorities, suppliers and more. These relationships demand increased attention to the established rules and principles and with the oversight of regulatory institutions all over the world. We believe that transparency and dialogue are essential to ensure a sound business conduct and to maintain trust.

With all this in mind, we have set out a new sustainability strategy, which incorporates relevant environmental, social and governance (ESG) matters into our operations and into the performance indicators for our company. With a strengthened commitment across the Board, Executive Management and throughout our organization, we are taking the first steps towards setting a more ambitious approach going forward to contribute to the global sustainability agenda.

We encourage our stakeholders to support these efforts and welcome the dialogue on our continued path towards sustainable operations.

**Paul Chaplin**

President and CEO

# Our company

**USA**  
Commercial operations

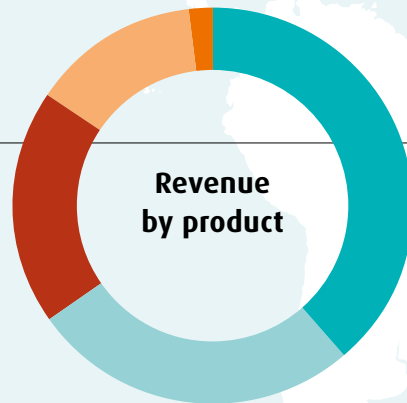
**Denmark**  
Manufacturing  
Corporate Headquarters

**Germany**  
Research and development  
Regulatory affairs

**Switzerland**  
Commercial operations

**Revenue  
2021**

1,898  
mDKK



**Jynneos/ Imvanex**

734 mDKK  
Smallpox vaccine  
sold to government  
stockpiles, mainly USA.

**Rabipur/ RabAvert**

506 mDKK  
Rabies vaccine for  
pre- and post-exposure  
immunization. Marketed  
in US, EU and selected  
other countries.

**Encepur**

363 mDKK  
Tick-borne encephalitis  
vaccine. Marketed in EU  
countries.

**Mvabea**

260 mDKK  
Ebola vaccine which  
is licensed to Janssen.  
Revenue is related to  
manufacturing of the  
vaccine.

**Contract  
work**

35 mDKK

776 employees worldwide



# Sustainability key figures

## Gender diversity

61% women  
39% men



## Gender diversity in management

56% women  
44% men



CO<sub>2</sub> emissions  
total

2,506 tons

CO<sub>2</sub> emissions  
per employee

3.4 tons

Recycling from  
production

55%



# *Sustainability at Bavarian Nordic*

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# Our approach to sustainability

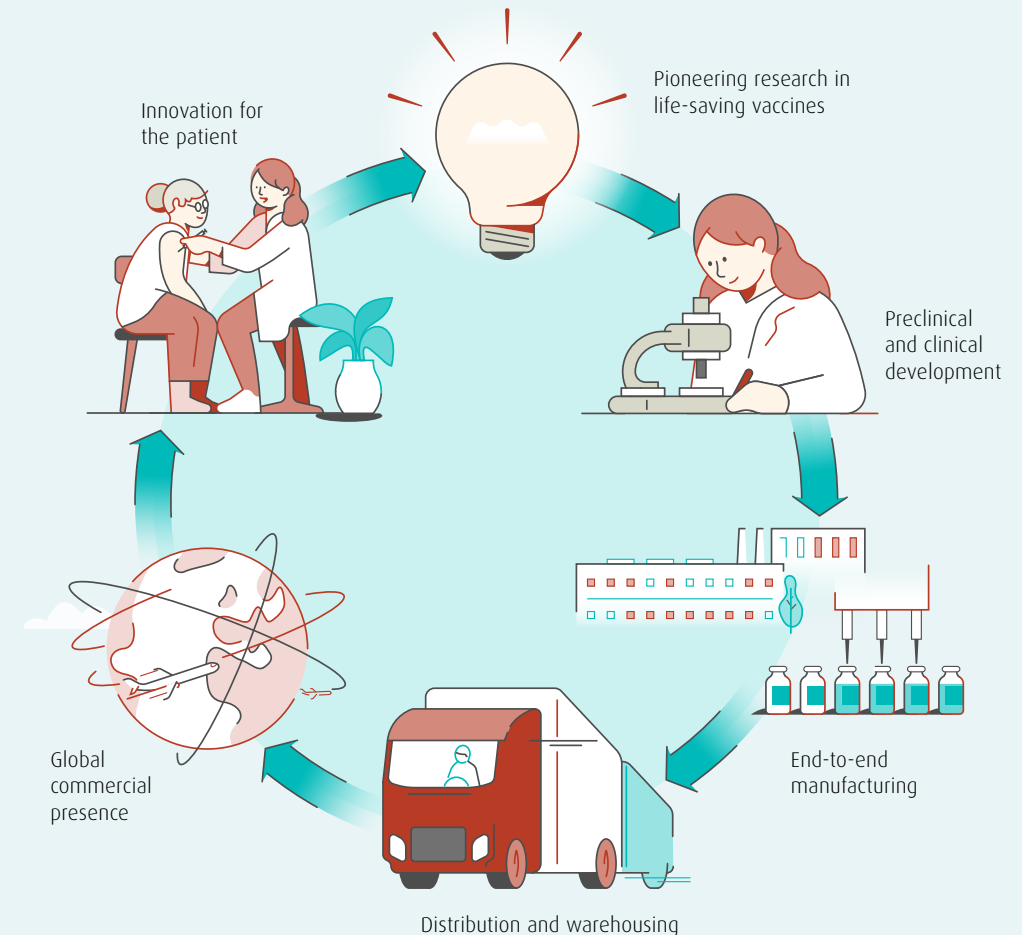
## From purpose to product – impact throughout our value chain

At Bavarian Nordic, we are committed to improving and saving lives through development, manufacturing and commercialization of novel vaccines.

With an expanding portfolio of vaccines and a growing presence in the market, we have significantly increased our global impact on good health and prevention of serious diseases. While pursuing our vision to become one of the largest pure play vaccines companies, we recognize the importance of protecting the world around us, and to act responsibly in all matters.

Conscious about the impact we make throughout our value chain, we have identified four core areas that are affected by our activities: patients, our people, environment and climate and business ethics and governance. Within each area, we have established principles governing our approach to sustainability. 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>.

<sup>1</sup> <https://www.unglobalcompact.org/what-is-gc/mission/principles>



## The Sustainable Development Goals (SDGs)

The United Nation's Sustainable Development Goals (SDGs) are widely recognized for their importance for a sustainable future for the world.

To align our work with the global sustainability agenda, we have selected five SDGs that we consider most important for our business and where our activities can contribute to fulfilling the goals.

### How vaccines impact the SDGs

According to Gavi, the Vaccine Alliance, vaccines positively impact, directly or indirectly, 14 of the 17 SDGs that support the 2030 Agenda for Sustainable Development

| Our impact            | Patients   | Our People   | Environment and Climate  | Business Ethics and Governance  |
|-----------------------|--|--|--|---|
| <b>Our principles</b> | <p>We are committed to improving and saving lives through research, development and manufacturing of vaccines.</p> | <ul style="list-style-type: none"> <li>We want to be a diverse and inclusive workplace that offers continuous learning and development</li> <li>We are committed to providing a healthy, safe and engaging work environment.</li> <li>We support and respect human rights and labor standards.</li> <li>We engage our own organization in the sustainability agenda and to help identify and take action on areas where we can optimize our operations.</li> </ul> | <ul style="list-style-type: none"> <li>We work actively and systematically to minimize our impact on the environment and climate.</li> <li>We seek to continuously demonstrate a more efficient use of resources benefitting from synergies and scale in our operation.</li> <li>We aim to reduce our environmental footprint by increasing the use of renewable energy and support a more efficient use of materials and resources</li> </ul> | <ul style="list-style-type: none"> <li>We conduct business according to high ethical standards.</li> <li>We expect our external partners to have similarly high ethical standards and to have a responsible and ethical conduct throughout their business</li> <li>We seek to maintain an active dialog with our stakeholders on a local, national and global level.</li> </ul> |
| <b>SDGs</b>           |                                 |     |    |   |

## How we work with sustainability

Our sustainability efforts aim to mitigate the risks and adverse impacts of our business on society. As with the general risk management, we have anchored the responsibility and oversight of environment, social and governance (ESG) issues with the Finance, Risk and Audit Committee in the Board of Directors.

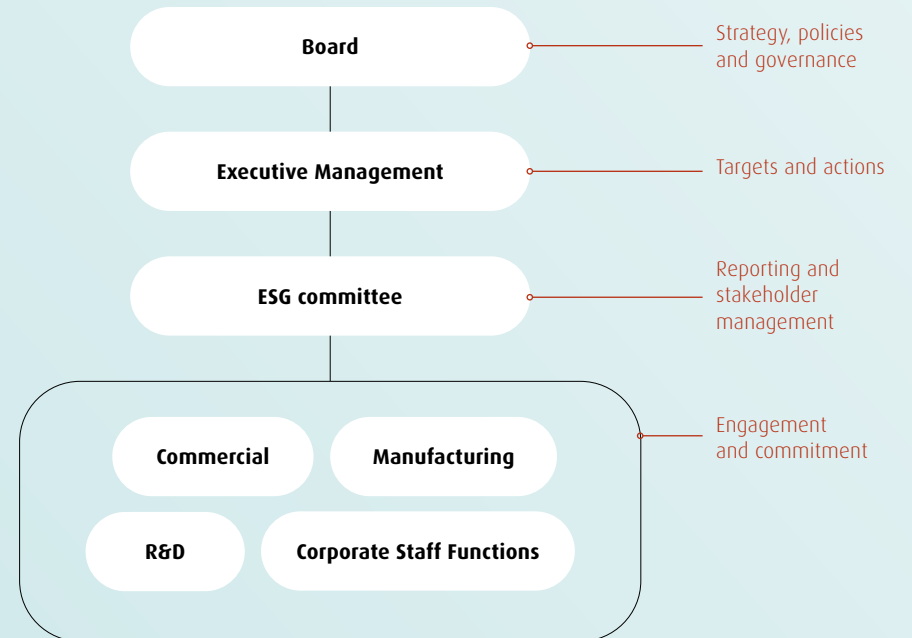
Our Executive Management is responsible for executing the sustainability strategy by setting targets and driving actions in their respective functions. The ESG Committee, which comprises a broad range of specialists from the organization play the role to ensure that activities are aligned and communicated to stakeholders, externally as well as internally. The ESG Committee are also responsible for the consolidation and reporting of data on relevant performance indicators.

## Materiality and risks

Our value chain has expanded significantly over the past years, increasing not only our impact on global health but also increasing our workforce, environmental footprint and our interactions with suppliers, healthcare professionals and other external stakeholders, including our shareholders.

While the requirements for transparency on material issues are largely governed by legislation, we continuously perform assessment of our business impact on the stakeholders by means of quantitative analyses, but also through ongoing dialogue, to align our expectations for a proper disclosure.

## Sustainability Management





The materiality of issues relating to our environmental, social and governance performance are continuously assessed along with the risks associated with the impact we make as a business, either directly or indirectly via third parties. This work is part of the overall risk management which reviewed by Management at least annually and with oversight from the Board of Directors via the Finance, Risk and Audit Committee.

Please refer to the [Risk Management](#) section for more information.

### EU Taxonomy Regulation

We are continuously assessing the activities performed as part of our business and the environmental impact hereof.

We have assessed that the activities performed as part of the business do not currently fall within the business activities covered by the EU Taxonomy Regulation and the technical criteria published so far.

The assessment has been done by screening all activities against the EU Taxonomy Regulation's prioritized sectors, and further how any activities are related to the climate related objectives. It is therefore our conclusion that the taxonomy eligible share of Bavarian Nordics revenue, OPEX and CAPEX in 2021 is zero.

The screening has been done for all activities across revenue generation, cost, and investments. We will monitor the further development and interpretation of the taxonomy going forward.

***The EU's new Taxonomy Regulation is designed to support the transformation of the EU economy to meet its European Green Deal objectives, including the 2050 climate-neutrality target***



# Targets and actions

## Progress in 2021

| Area              | Focus                   | Our accomplishments   |
|-------------------|-------------------------|---|
| <i>Our People</i> | Employee engagement     | + Completed an employee engagement survey with 82% participation reflecting a high and improved engagement score  |
|                   | Diversity and inclusion | + Maintained equal gender distribution among leaders in line with target<br>+ Adopted a policy on diversity and inclusion   |
|                   | Health and safety       | ✗ Sick leave increased from 2.7% in 2020 to 3.1% in 2021<br>✗ Work-related injuries increased, resulting in LTIFR of 3.9 vs. 2.8 in 2020                                    |
|                   | Employee turnover       | ✗ Employee turnover increased from 9% in 2020 to 14% in 2021, primarily driven by an increase in voluntary turnover (9%) in line with the general trend in the labor market |

| Area                                  | Focus           | Our accomplishments   |
|---------------------------------------|-----------------|---|
| <i>Environment and Climate</i>        | Emissions       | + 2% lower emissions compared to 2020   |
|                                       | Waste           | + Increased recycling rate to 55% in line with target   |
| <i>Business Ethics and Governance</i> | Business ethics | + Launched an updated Code of Conduct for employees and external stakeholders<br>+ Expanded our Ethics Hotline (whistleblower scheme) to also include the option for our external stakeholders to report via the hotline<br>+ All employees were trained in the Code of Conduct |
|                                       | Governance      | + Adopted a policy on data ethics   |

### **A first step towards higher ambitions**

*The launch of an updated sustainability strategy in 2021 is leading our way towards a greater commitment.*



**Launch updated strategy**

**Data enhancement**

**Establish baselines**

**Refine strategy and targets**

### **A stronger foundation for future action**

Significant progress was made in 2021 to strengthen our overall commitment to sustainability and create the foundation for setting a clearer and more ambitious direction for the future. A new governance structure was introduced to strengthen the accountability and oversight from the Board to the Executive Management and throughout the entire organization. This entailed a reinforcement of the ESG Committee with more internal stakeholders to support a broader focus going forward. The Committee has initiated a thorough analysis of the Company's external stakeholders, which has not only helped to better assess the materiality and impact of our operations, but also driven new activities during the year, complementing the targets set for 2021.

Going forward, the strengthened accountability and action will be reflected in the incentive remuneration of the Executive Management, which in part will be linked to short-term ESG goals. The same principle will be extended to all other leaders throughout Bavarian Nordic to facilitate increased awareness and shared accountability for the targets across the organization.

### **Building a long-term sustainability strategy**

With a strengthened commitment and the inclusion of ESG targets in the remuneration principles, we have taken the first steps to build a long-term strategy to support sustainable operations.

To further unfold our ambitions, and enable ourselves to set long-term targets, we will work to enhance our data platform and broaden the scope of our reporting. To facilitate this, we will consider introducing one or more recognized reporting standards in the short- to medium-term. This will also allow us to better demonstrate progress towards our goals.



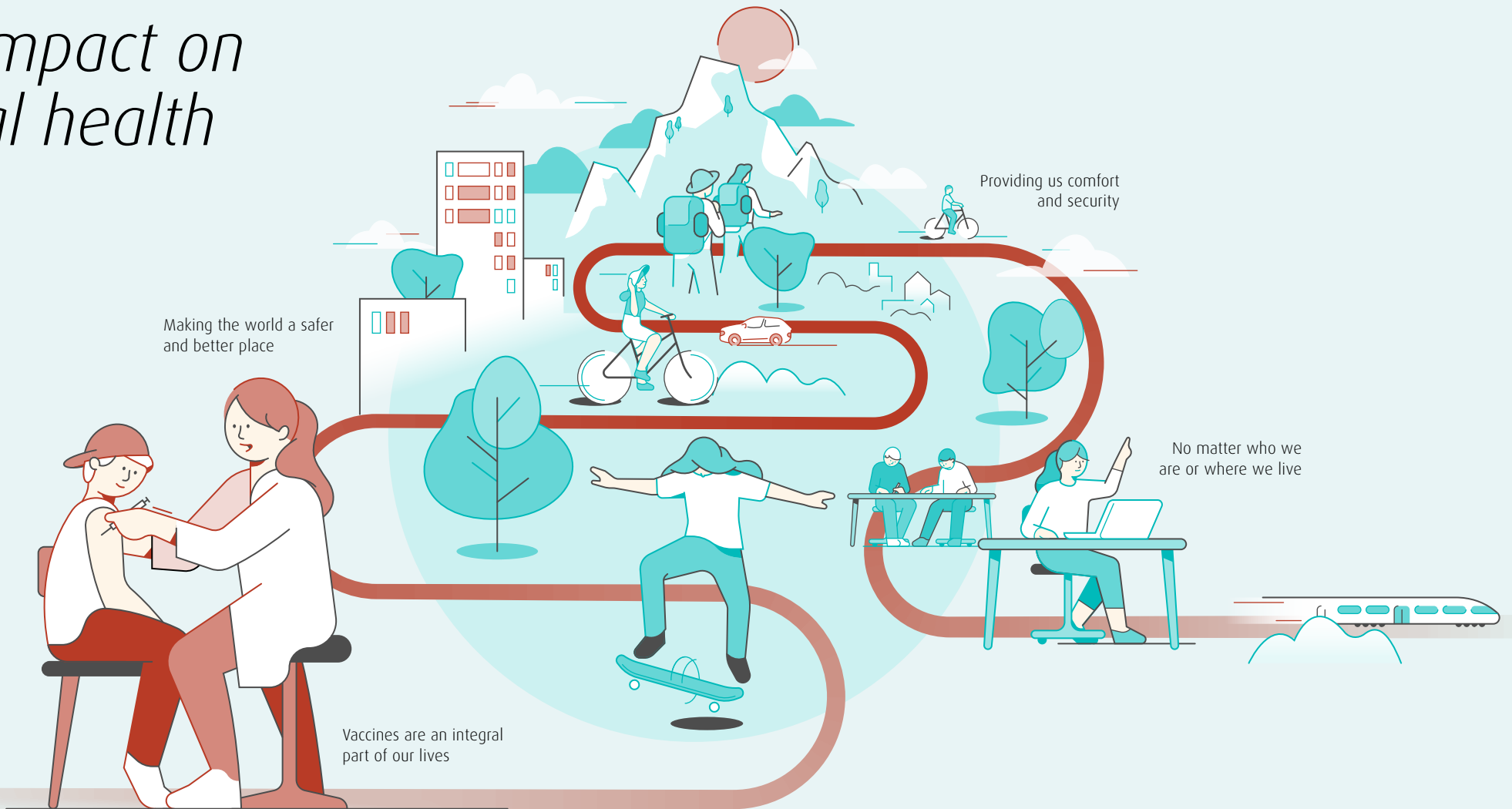
While our long-term ambitions and goals will be subject to further assessment in 2022, we have established our reporting framework and short-term goals based on our initial materiality and impact assessment, which we will conduct annually to ensure our priorities are always aligned.

### 2022 targets

| Area              | Focus                   | Target   |
|-------------------|-------------------------|--|
| <i>Our People</i> | Employee engagement     | ○ Maintain high engagement by completing actions based on the feedback from the engagement survey 2021 |
|                   | Diversity and inclusion | ○ Maintain gender equality among leaders   |
|                   | Health and safety       | ○ Sick leave ≤ 2021 levels<br>○ Work-related injuries ≤ 2021 levels.                                   |

| Area                                  | Focus      | Target   |
|---------------------------------------|------------|--|
| <i>Environment and Climate</i>        | Emissions  | ○ Develop baseline for energy consumption in production                                      |
|                                       | Waste      | ○ Waste recycling rate ≥ 2021 levels   |
| <i>Business Ethics and Governance</i> | Governance | ○ Implement enhanced process for third party due diligence process for anti-bribery purposes |

# *Our impact on global health*



As a company, our commitment to saving and improving lives by unlocking the power of the immune system is strong. While our vaccines are yet a small contribution to improving public health around the globe, our accomplishments in 2021 clearly demonstrate our commitment and ability to transform our knowledge, expertise and capabilities into life-saving vaccines with a future greater global impact.

### **Making a difference in current and future public health**

For many years, we were defined by our role in the development and supply of countermeasures to governments, particularly via our smallpox vaccine contracts with the U.S. government. This remains an important part of our business today, but we have expanded our portfolio to include vaccines against several life-threatening diseases that affect people globally every day, namely a vaccine against rabies and a vaccine against tick-borne encephalitis.

Our large investments in research and development aim to ensure we can continue to expand our impact by providing novel vaccines to fight infectious diseases with unmet medical needs. Specifically in 2021, we advanced our two most promising vaccine candidates in the pipeline; a vaccine for the elderly against RSV for which there are no approved vaccines, and a booster vaccine against COVID-19 to fulfil the expected future demand for recurring vaccinations of populations at risk. Both programs are set to enter Phase 3 in 2022 and could reach the market in few years, if successful.



**Our accomplishments in 2021 clearly demonstrate our commitment and ability to transform our knowledge, expertise and capabilities into life-saving vaccines with a future greater global impact.**



## Ebola

The large outbreak of Ebola in West Africa in 2014-2016, which caused the death of more than 11,000 people, led to a then unprecedented global effort by governments and the pharmaceutical industry to develop and supply countermeasures to fight the virus. Our Ebola vaccine, MVA-BN Filo, which at the time had already been in development for some years, was licensed to Johnson & Johnson for use in a prime-boost vaccine regimen together with their adenovirus-based vaccine candidate. Following an extensive development program, the vaccine regimen was approved by the European Commission in 2020, marking the second approval of a program from our pipeline.

Over the years, Johnson & Johnson has remained committed to the fight against Ebola, specifically by providing vaccines to regions in West Africa, where outbreaks have been common in recent years. This was also the case in 2021, where they made a donation of 200,000 courses of the vaccine regimen, and we have continued to provide manufacturing support to ensure vaccine availability.

In 2021, the vaccine regimen received Prequalification from the WHO, which will help accelerate its registration in countries where Ebola is a persistent public health threat and facilitate broader access to people at risk of exposure to this virus.

## Engaging with society

Our commitment to saving lives goes beyond delivering vaccines. We see it as part of our obligation to also raise awareness of life-threatening viruses and how they can be prevented among the general public. To support this, we have launched a global website

with the purpose of educating and informing about diseases like rabies and tick-borne encephalitis: [www.loweringtherisk.com](http://www.loweringtherisk.com)

We work closely with healthcare and patient organizations through various activities and campaigns to raise awareness and share our expertise and insights. The following examples highlight our engagement in specific disease areas.

### Rabies

*For the second consecutive year, we supported World Rabies Day by helping to raise global awareness about rabies and prevention of the disease. Facilitated by the Global Alliance for Rabies Control (GARC), World Rabies Day is an annual commemoration on September 28, which is the anniversary of the death of Louis Pasteur who invented the rabies vaccine.*

*In this connection we engaged with our audience on social media by providing educational information and facts on rabies aiming to dispel misconceptions and to counter key current global issues that also affect rabies elimination, which was an overarching theme for this year's World Rabies Day.*

*Finally, we have made a donation to GARC to support them in their continuous efforts to increase awareness and prevention of rabies.*



### **Tick-borne encephalitis (TBE)**

*Encephalitis or inflammation of the brain can stem from different types of viral infections, some of which are transferred from insects, like the tick-borne encephalitis or TBE.*

*Climate changes have expanded the habitats for ticks throughout Europe to places where no or only little awareness of the TBE virus exists.*

*During 2021, we have engaged with experts, facilitating educational sessions for healthcare professionals to help raise the awareness of TBE in both existing and emerging areas. We participated in World Encephalitis Day (WED) through a campaign on our social media channels and by engaging our employees globally to take part in the campaign.*



### **Our response to the COVID-19 pandemic**

Vaccines have played a significant role in the fight against COVID-19. Yet, breakthrough infections in vaccinated persons and the emergence of new variants have highlighted the need to develop improved vaccines. Our COVID-19 vaccine candidate, ABNCov2, is being developed as a universal booster vaccine with potential to generate a longer-lasting response to SARS-CoV2 without the need for adapting to new mutations of the virus.

Encouraged by new results from a preclinical study, we made a firm commitment during 2021 to further advance the vaccine through Phase 2 and secured a funding agreement with the Danish Ministry of Health to support the further development towards regulatory approval. Specifically, we are planning to conduct a Phase 3 trial in 2022, which, if successful, could lead to approval in 2023 and help fulfil the expected demand for recurring booster vaccinations in populations at risk.

*Safeguarding a healthy and inclusive workplace*

# Our people

## Protecting lives is part of our DNA

In line with our transformation into a full-fledged and global vaccines player and with our aspiration to become one of the largest pure play vaccine companies, we have relooked at our culture and values during 2021.

Our heritage and the science on which we have founded our company has taken us far, and the pioneering spirit and agile mindset are still core attributes of our people. However, with an organizational growth of more than 50% over the last two years, primarily driven by our enhanced commercial focus and the expansion of our manufacturing capacity, combined

with our strengthened commitment to developing new lifesaving vaccines, a renewed culture platform has been needed to unite the organization around clearer and common values to help guide collaboration, actions, and decisions.

The purpose of the new culture, which we call “Our DNA” is also to help bridge different groups of employees across functions, geographies, and level of seniority. Through internal interviews, workshops, and a survey, we have formulated four fundamental value statements that serve as cornerstones for our culture.

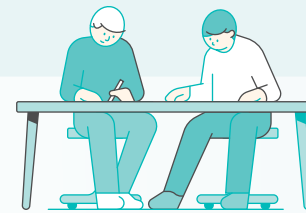


**Our DNA**

**Persistent pioneers**



**Embracing change**



**Boosted by the team**



**Protecting lives every day**

Our DNA, along with our vision and strategy, is what allows us to achieve our goal of enhancing and saving lives. Persistence, collaboration, and curiosity, as well as being open-minded and embracing change and protecting lives, are key attributes that represent who we are, how we do things, and what is needed to accomplish our objectives.

### Employee engagement

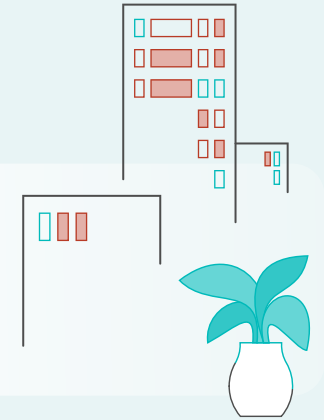
In line with our targets, we conducted an engagement survey in 2021. We recorded a response rate of 82%, demonstrating a level of understanding and commitment to the purpose and strategy. The overall engagement increased from 75% to 80% since the last survey conducted in 2019 and the results are also strong compared to other life science companies.

Despite the challenges posed by COVID-19, the results reflected the employees' strong commitment to Bavarian Nordic and our purpose. Specifically, the ability to make an impact and the buy-in to our strategic focus and purpose are key engagement drivers, while working efficiently and creating a stronger link between performance and reward are areas for development.

### Introducing a new and flexible way of working

COVID-19 has had an impact on what a typical workday in most companies looks like. To keep employees safe and to safeguard business continuity, remote working has become the new normal practice. As a result, we have embraced a flexible way of working, allowing leaders and employees to make individual agreements for how to plan and execute work in alignment with the individual role performed. The opportunity for remote working has

***We have been refurbishing our offices in 2021 to provide a more dynamic, modern, and appealing working environment***



increased the flexibility for employees and helped strengthen the digital mindset in the organization via the added use of digital technology and tools to work smarter.

As a result, we have been refurbishing our offices in 2021 to provide a more dynamic, modern, and appealing working environment with a special focus on establishing a welcoming, collaborative, and knowledge-sharing environment.

### Diversity and inclusion

At Bavarian Nordic, we strive to foster workplace diversity across different dimensions, educational, cultural, national, age, and gender dimensions. We believe that a diverse workforce is a prerequisite for our continued innovation and success. We are committed to diversity at all levels of the company and strive to minimize biases when recruiting employees focusing on the right skills and competences, regardless of gender, age, ethnicity and other differences.



During 2021, we have adopted a separate diversity policy that supports and underlines our understanding of diversity and inclusion and represents a guideline for our actions. The policy sets out a number of ambitions for our work with diversity across the company:

- Have a balanced gender distribution in all managerial positions and at all levels in the organization.
- Seek an age-diverse workforce that brings new perspectives, knowledge, and experiences.
- Develop a workplace that embrace the diverse backgrounds and perspectives stemming from an increasingly global and specialized organization.
- Ensure that the composition of our Board and Management is diverse in terms of experience, competencies, nationality, and gender.

In line with our target, we maintained an equal distribution of men and women in managerial positions in 2021, and we have female representation at all leadership levels in the organization, including in our Executive Management team. The Board currently has a representation of two female members out of a total of seven members elected by the shareholders, thus adhering to the guidelines from the Danish Business Authority on equal gender distribution on the Board.

In line with anti-harassment policy, we do not accept any kind of discrimination. We promote an inclusive work environment in which everyone is given equal opportunities for development and advancement and is treated with fairness and respect. Further, the

collaboration with our Works Councils, help support that workplace decisions are made in the shared interests of both employees and Bavarian Nordic.

### Health and safety

Creating a healthy and safe working environment continues to be a strong focus for Bavarian Nordic. In 2021, we received a green smiley from the Danish Working Environment Authority for all our Danish sites, which is a certification of our compliance with local working environment regulations.

With the ongoing expansions and changes to our work life and work environment it is key to evaluate and secure healthy and safe working conditions. Thus, we remain committed to increase the focus on detection and prevention of absence due to sick leave and occupational accidents. In both cases we saw a minor increase compared to 2020 level (absence 3.1% in 2021 vs to 2.7% in 2020 and accident frequency 3.9 in 2021 vs. 2.8 in 2020). With a growing organization and the changes to our manufacturing facility, we will continue to put focus on training of leaders and employees and assessment of the working environment.

### 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 2021, we have not received any reports of violation of human rights within our company.

*Growing with care*

# Environment and climate

With our growth and ambition to become one of the world's largest pure play vaccine companies, we recognize our responsibility towards ensure sustainable operations and contribute to reducing our impact on the environment and climate.

We are in a transition period, significantly growing our organization and expanding our operations to enable future growth. This entails a greater use of energy and natural resources, however with an aim to make a larger impact on global health through the supply of novel vaccines.

## Our position

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

We wish to continuously strengthen our environmental work, and we seek to do 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.

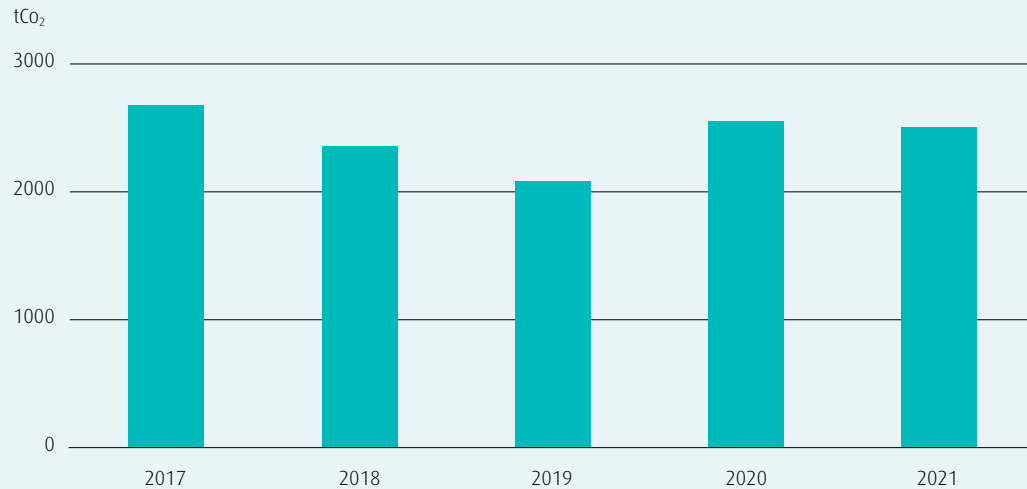


As part of our recycling efforts, we are investigating ways to recycle glass from discarded vaccine vials.

## Emissions slightly lower, but expected to increase

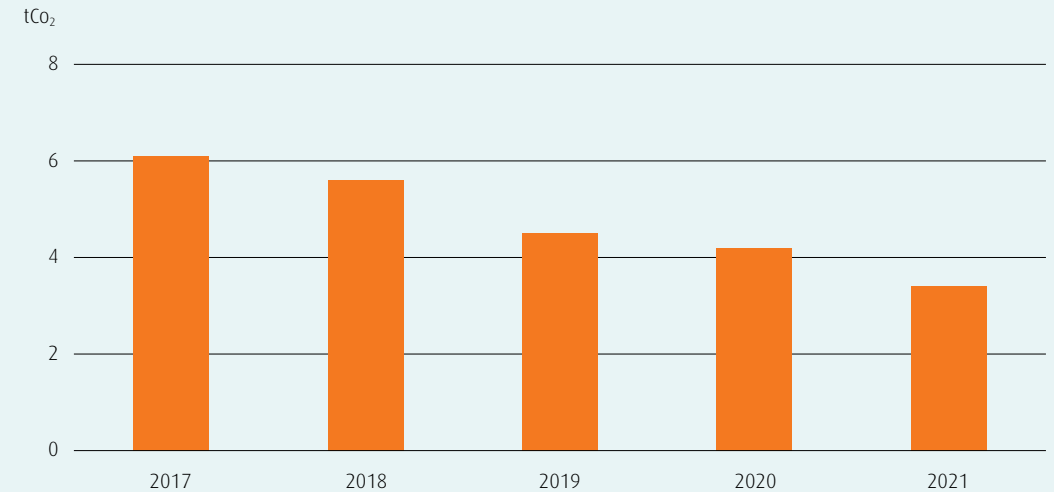
After an increase in our emissions in 2020 as result of scaling up activities in production, primarily related to the new fill and finish facility, we saw a slight decrease of 2% in 2021.

### Total emissions



We expect our emissions to increase as we expand our facility to insource manufacturing of new vaccines over the next couple of years. While we have not yet established a baseline for setting a long-term target to reduce our emissions, we can report a year-over-year decrease in the relative emissions per employee.

### Emissions per employee



## Strengthened focus on energy optimization

As a starting point for our ambitions to reduce our climate impact, we will set a baseline for our energy consumption in 2022. Initiatives aimed towards increased use of renewable energy and reduction of the energy consumption will be identified during 2022. In the short term, we will change our company car policy towards cars that run wholly or partially on electricity. To support this initiative and to encourage the transition to electric cars in general, we plan to install charging stations, starting with our manufacturing site in 2022. Further options will be investigated throughout the year in support of our long-term ambition.

## Protecting the water environment

Water is an important resource in our production where it is used throughout our manufacturing process, in particular for generation of steam which is used for sterilizing equipment. Before discharging wastewater from the process into the public sewer system, it is heat-inactivated, cooled and pH adjusted to ensure that all vaccine remnants are rendered harmless. This treatment ensures that the discharged wastewater complies with the requirements in our permit to use the public sewer system.

An analysis of the wastewater from our manufacturing facility in 2021 showed a deviation of the pH-value outside the accepted range. A new, improved system for wastewater inactivation is being introduced in connection with the current expansion of the facility while it is shut down during the first half of 2022.

Improvements like these may help over time to reduce our water consumption by e.g., allowing for reuse of water from our manufacturing process for other purposes, such as sanitary purposes. In 2022, we will further assess the feasibility of doing so.

## Recycling continues to improve

The establishment of new manufacturing processes, and in particular the commissioning of the new fill and finish facility has contributed to a 25% increase in waste from our production. However, in line with our targets, we increased the recycling rate from 53% in 2020 to 55% in 2021.

We continue to explore options to further increase recycling from our production with several initiatives being assessed during 2022. Specifically, we are looking into recycling options for mixed plastics, which is widely used in our processes, and recycling of glass from vaccine vials that have been discarded.

Furthermore, throughout our facilities in Denmark, we will introduce collection of 10 waste fractions during 2022 in accordance with local legislation, which is expected to further contribute to increased recycling.

**Recycling rate  
increased to**

55%





*Trust and transparency with our stakeholders*

# Business ethics and governance

*At Bavarian Nordic, we believe that a commitment to honesty, integrity and ethical conduct is essential to build trust with our patients, customers, suppliers, collaboration partners, employees, shareholders, and the communities in which we operate.*

## Code of conduct

Our [Code of Conduct](#) describes the ethical principles that characterize our Company and the expectations to our employees, our Executive Management, and our Board of Directors. The Code of Conduct is available on our website, and it helps us communicate to our employees, to our managers, and to our external stakeholders the values and ethical mind-set that we apply in our decision-making throughout the organization.



All employees have been trained in the Code of Conduct in 2021. In addition, we have global and local procedures in place to help ensure that our interactions and activities comply with all applicable laws and regulations, and in particular employees who have interactions with healthcare professionals, healthcare organizations or government officials are regularly trained in applicable legal requirements and the Company's procedures.

To ensure a corporate oversight with the Company's global business ethics compliance risks, we have a Business Ethics Compliance Committee who represents Executive Management and relevant business functions and who meets regularly to review and assess risks, training, and the levels of compliance. The Business Ethics Compliance Committee provides regular updates at meetings in the Finance, Risk and Audit Committee.

### Open and honest culture

At Bavarian Nordic, we encourage an open and honest culture, and we take violations of the Code or applicable laws and regulations very seriously.

Employees are instructed to seek guidance from their manager, and if employees face or become aware of a situation that may violate or lead to a violation of the Company's Code of Conduct or applicable laws and regulations, they are instructed to report their concern to their manager, to the legal department, to a member of Executive Management or the Business Ethics Compliance Committee, or via the Company's [Ethics Hotline](#) (whistleblower scheme).

The Ethics Hotline provides employees and our external stakeholders the opportunity to report serious violations of the law or the Code of Conduct, or suspicion thereof, in a confidential manner.

In 2021, the Company received no reports through the Ethics Hotline.

### Our interactions with healthcare professionals

Our entry into the commercial vaccine market over the past two years has significantly increased our interactions with customers and healthcare professionals globally. We believe that such interactions, including those we conduct with healthcare organizations and patient organizations are essential to the quality of patient treatment and future innovations. All our interactions are based on a legitimate business purpose and are conducted in compliance with all applicable laws and regulations. We never give or offer anything of value to healthcare professionals and healthcare organizations that could unduly influence their prescribing or purchasing decisions, and any transfer of value (including provision of meals, travel, and accommodation, as well as fees for services) is proportionate to the legitimate need and is provided or offered only if permitted under local laws and regulations and only in accordance with our policies and procedures.

We report and disclose payments (transfers of value) made to healthcare professionals and healthcare organizations when required by local laws.

### Patient 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 high standards for our work, from early development, clinical trials, product approval, commercial manufacturing through distribution.

We have robust procedures in place for reporting adverse events and product quality complaints, and all our employees are trained in proper handling of information, should they become aware of an adverse event or other potential safety issue related to our products.

### Data ethics policy

In 2021, we carried out a number of initiatives to support our continued commitment to maintain strong data ethics. We reviewed and improved a number of our internal procedures, such as our data retention policies and deletion procedures to ensure that we do not store personal data longer than is strictly necessary, and a series of documented data protection awareness training activities were carried out for all relevant employees.

We recognize that we also have an obligation to ensure the protection of the rights and privacy of employees, patients, customers, healthcare professionals and partners when utilizing new technologies for the processing of data. Therefore, we developed a policy on data ethics based on eight concrete principles which supplements our general procedures and policies for processing of personal data.

### ***Our data ethics policy is based on 8 principles:***

- 1. Our Executive Management is dedicated to ensuring and maintaining a high standard of data ethics*
- 2. We ensure accountability for data processing*
- 3. We require an appropriate level of data ethics for processing activities carried out by third parties*
- 4. We ensure that the processing activities carried out provide value to the data subjects, and is transparent and secure*
- 5. We train our employees and monitor processing activities*
- 6. We maintain an Ethics Hotline, where violations of data protection laws can be reported by internal and external stakeholders*
- 7. We identify and monitor the use of new technologies for processing of data*
- 8. We carry out internal controls ●*



**More than 3,000 direct suppliers will initially be assessed in a new supplier qualification program.**

### **Taking a step further to ensure responsible procurement**

In accordance with GMP and our 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 of our suppliers.

While our suppliers are mainly located in North America and the EU, which are areas with a high level of regulation of environmental, social and governance matters, we wish to improve the transparency in our business relationships and are therefore planning to develop a supplier qualification program in 2022. The aim of this program is to ensure a high level of compliance and business ethics and keep oversight of the conduct of our direct and indirect suppliers and partners.

Starting with the development and implementation of the qualification process for our more than 3,000 direct suppliers in 2022, the program will span multiple years to allow for evaluation of the process and result, before extending the program to include indirect suppliers.



# Risk management

| Risk area                               | How we mitigate the risk  |
|---|---|
| <i>Environment</i>                      | <p>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.</p> <p>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.</p> <p>We work continuously on improvements in connection with the identified areas of risks or opportunities.</p> |
| <i>Talent acquisition and retention</i> | <p>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 continuously monitor the employee engagement and work actively to identify actions that support retention of key employees.</p>   |

| Risk area                | How we mitigate the risk   |
|--------------------------|--|
| <i>Human rights</i>      | <p>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 mainly located in highly regulated countries, thus with a perceived low risk of labor and human rights violations.</p>   |
| <i>Health and safety</i> | <p>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.</p>  |
| <i>Business ethics</i>   | <p>The main consequences associated with potential non-compliance with anti-bribery laws and regulations or with our Code of Conduct include fines and reputational damage to the Company.</p> <p>The overall risk for Bavarian Nordic is considered low as we primarily do business in countries and regions which are typically perceived at low risk with respect to corruption. We mitigate the risk by continuous training, in particular training of all customer-facing personnel, and by carefully select and assess our partners.</p> |

# ESG figures

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# ESG figures

*Consolidated figures on environmental, social and governance indicators are presented in the following tables.*

Additional disclosures, including to some extent disclosures of country-specific numbers are found in the [Notes section](#).

The principles used for assembling and calculating data are further described in the [Reporting Practices](#) section and have been consistently applied for the financial year and for the comparative figures.

| <b>Environmental data</b>            | Unit           | Note              | <b>2021</b> | 2020   | 2019   | 2018   | 2017   |
|--------------------------------------|----------------|-------------------|-------------|--------|--------|--------|--------|
| <b>Emissions</b>                     |                |                   |             |        |        |        |        |
| CO <sub>2</sub> e, scope 1           | Metric tons    | <a href="#">1</a> | 1,422       | 1,381  | 909    | 964    | 992    |
| CO <sub>2</sub> e, scope 2           | Metric tons    | <a href="#">1</a> | 1,085       | 1,175  | 1,178  | 1,398  | 1,686  |
| CO <sub>2</sub> e, total             | Metric tons    | <a href="#">1</a> | 2,506       | 2,556  | 2,087  | 2,361  | 2,677  |
| CO <sub>2</sub> e per employee (FTE) | Metric tons    | <a href="#">1</a> | 3.4         | 4.2    | 4.5    | 5.6    | 6.1    |
| <b>Energy</b>                        |                |                   |             |        |        |        |        |
| Energy consumption                   | GJ             | <a href="#">2</a> | 42,577      | 45,110 | 34,137 | 32,527 | 32,099 |
| <b>Water</b>                         |                |                   |             |        |        |        |        |
| Water consumption                    | m <sup>3</sup> | <a href="#">3</a> | 17,023      | 19,170 | 14,770 | 11,610 | 10,877 |
| <b>Waste</b>                         |                |                   |             |        |        |        |        |
| Waste, total                         | Metric tons    | <a href="#">4</a> | 245         | 196    | 159    | 130    | 151    |
| Recycling rate                       | %              | <a href="#">4</a> | 55          | 53     | 50     | 42     | 40     |
| Environmental incidents              |                |                   | 2           | 0      | 0      | 0      | 0      |

| <b>Social data</b>                        | Unit         | Note | <b>2021</b> | 2020 | 2019 | 2018 | 2017 |
|---|--------------|------|-------------|------|------|------|------|
| Full-Time Workforce                       | FTE          | 5    | 734         | 607  | 465  | 421  | 439  |
| Gender diversity <sup>1</sup>             | %            | 5    | 61          | 61   | N/A  | N/A  | N/A  |
| Gender diversity, All management          | %            | 5    | 56          | 56   | 51   | 50   | 49   |
| Gender diversity, Executive Management    | %            | 5    | 33          | 28   | 0    | 0    | 0    |
| Employee turnover ratio                   | %            | 5    | 14          | 9    | 10   | 13   | 18   |
| Sickness absence                          | %            | 5    | 3.1         | 2.7  | 2.8  | 2.9  | 3.7  |
| Sickness absence <sup>2</sup>             | Days per FTE | 5    | 7           | 6    | 6    | 6    | 8    |
| Occupational injuries, LTIFR <sup>3</sup> |              | 5    | 3.9         | 2.8  | 2.5  | 2.7  | 3.9  |

<sup>1</sup> Data not collected before 2020.

<sup>2</sup> Sickness absence does not include offices in the USA.

<sup>3</sup> LTIFR: Lost Time Injury Frequency Rate.

| <b>Governance data</b>                     | Unit  | <b>2021</b> | 2020 | 2019 | 2018 | 2017 |
|--|-------|-------------|------|------|------|------|
| Gender diversity, Board <sup>1</sup>       | %     | 29          | 29   | 29   | 14   | 14   |
| Board meeting attendance rate <sup>1</sup> | %     | 99          | 97   | 98   | 97   | N/A  |
| CEO pay ratio <sup>1</sup>                 | Times | 16          | 16   | 15   | N/A  | N/A  |

<sup>1</sup> Data derived from the Company's Annual Reports 2017-2021, except for CEO pay ratio, which is presented in the Remuneration Report 2021.



# Notes

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

## Note 1 – Emissions

| Total, tCO <sub>2</sub>             | 2021         | 2020         | 2019         |
|-------------------------------------|--------------|--------------|--------------|
| <b>Direct emissions (Scope 1)</b>   |              |              |              |
| Heating                             | 1,301        | 1,288        | 821          |
| Electricity generation              | 14           | 16           | 24           |
| Fugitive emissions                  | 16           | 18           | 15           |
| Transport in company-owned cars     | 91           | 59           | 48           |
| <b>Indirect emissions (Scope 2)</b> |              |              |              |
| Electricity, purchased              | 1,020        | 1,115        | 1,078        |
| Heating, purchased                  | 65           | 60           | 100          |
| <b>Emissions, total</b>             | <b>2,506</b> | <b>2,556</b> | <b>2,087</b> |

| Production, tCO <sub>2</sub>                 | 2021         | 2020         | 2019         |
|--|--------------|--------------|--------------|
| <b>Direct emissions (Scope 1)</b>            |              |              |              |
| Heating                                      | 1,301        | 1,288        | 821          |
| Electricity generation                       | 14           | 16           | 24           |
| Fugitive emissions                           | 16           | 18           | 15           |
| Transport in company-owned cars <sup>1</sup> | 37           | 33           | 38           |
| <b>Indirect emissions (Scope 2)</b>          |              |              |              |
| Electricity, purchased                       | 747          | 820          | 820          |
| Heating, purchased                           | -            | -            | -            |
| <b>Emissions, total</b>                      | <b>2,114</b> | <b>2,174</b> | <b>1,718</b> |

<sup>1</sup> Covers transport for all sites in Denmark.

**Note 2 – Energy**

| Production                   | 2021   | 2020   | 2019   |
|------------------------------|--------|--------|--------|
| Energy, total (GJ)           | 42,577 | 45,110 | 34,137 |
| Energy, total (MWh)          | 11,827 | 12,530 | 9,483  |
| - electricity (MWh)          | 5,259  | 6,028  | 5,359  |
| - other energy sources (MWh) | 6,568  | 6,503  | 4,124  |

**Note 3 – Water**

| Production, m³                 | 2021          | 2020          | 2019          |
|--------------------------------|---------------|---------------|---------------|
| Sanitary water                 | 3,638         | 3,569         | 4,214         |
| Process water                  | 13,385        | 15,601        | 10,556        |
| <b>Total water consumption</b> | <b>17,023</b> | <b>19,170</b> | <b>14,770</b> |

**Note 4 – Waste**

| Production, metric tons | 2021       | 2020       | 2019       |
|-------------------------|------------|------------|------------|
| Combustible             | 89         | 77         | 63         |
| Recyclable              | 136        | 103        | 80         |
| Hazardous waste         | 19         | 16         | 13         |
| Waste for deposition    | 1          | -          | 3          |
| <b>Total waste</b>      | <b>245</b> | <b>196</b> | <b>159</b> |
| <b>Recycling rate</b>   | <b>55%</b> | <b>53%</b> | <b>50%</b> |

**Note 5 – Employees**

| <b>Full-time employees (FTE)</b>                              | 2021       | 2020       | 2019       |
|---|------------|------------|------------|
| Denmark   | 511        | 408        | 298        |
| Germany   | 169        | 154        | 137        |
| Switzerland   | 17         | 8          | N/A¹       |
| USA   | 37         | 38         | 30         |
| <b>Total full-time employees (FTE), average over the year</b> | <b>734</b> | <b>607</b> | <b>465</b> |

**Note 5 – Employees (continued)**

| <b>Turnover</b>            | <b>2021</b>  | 2020        | 2019             |
|----------------------------|--------------|-------------|------------------|
| Denmark                    | 14.0%        | 10.4%       | 7.9%             |
| Germany                    | 12.0%        | 7.1%        | 12.5%            |
| Switzerland                | 11.5%        | 0.0%        | N/A <sup>1</sup> |
| USA                        | 32.4%        | 8.0%        | 16.8%            |
| <b>Turnover, total</b>     | <b>14.4%</b> | <b>9.3%</b> | <b>9.8%</b>      |
| <b>Turnover, voluntary</b> | <b>10.5%</b> | <b>6.5%</b> | <b>8.2%</b>      |

| <b>Absence (sick leave)</b>  | <b>2021</b>      | 2020             | 2019             |
|------------------------------|------------------|------------------|------------------|
| Denmark                      | 3.1%             | 2.8%             | 2.3%             |
| Germany                      | 3.3%             | 2.5%             | 4.0%             |
| Switzerland                  | 1.3%             | 0.2%             | 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>3.1%</b>      | <b>2.7%</b>      | <b>2.8%</b>      |
| <b>Absence, days per FTE</b> | <b>7</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.<sup>3</sup> Gender diversity among all employees has not been measured before 2020.<sup>4</sup> Age diversity has not been measured before 2021.

| <b>Occupational injuries</b>            | <b>2021</b> | 2020 | 2019           |
|---|-------------|------|----------------|
| Injuries with absence, number           | 5           | 3    | 2              |
| Absence days per injury, average        | 4.6         | 30.0 | 1.5            |
| Lost Time Injury Frequency Rate (LTIFR) | 3.9         | 2.8  | <sup>2.5</sup> |

| <b>Gender diversity</b>                | <b>2021</b> | 2020 | 2019             |
|--|-------------|------|------------------|
| Gender diversity, All employees        | 61%         | 61%  | N/A <sup>3</sup> |
| Gender diversity, All management       | 56%         | 56%  | 51%              |
| Gender diversity, Executive Management | 33%         | 28%  | 0%               |
| Gender diversity, Board of Directors   | 29%         | 29%  | 29%              |

| <b>Age diversity</b> | <b>2021</b> | 2020             | 2019             |
|----------------------|-------------|------------------|------------------|
| < 20 years           | 0%          | N/A <sup>4</sup> | N/A <sup>4</sup> |
| 20-29 years          | 8%          | N/A <sup>4</sup> | N/A <sup>4</sup> |
| 30-39 years          | 28%         | N/A <sup>4</sup> | N/A <sup>4</sup> |
| 40-49 years          | 29%         | N/A <sup>4</sup> | N/A <sup>4</sup> |
| 50-59 years          | 30%         | N/A <sup>4</sup> | N/A <sup>4</sup> |
| 60-69 years          | 5%          | N/A <sup>4</sup> | N/A <sup>4</sup> |
| ≥ 70 years           | 0%          | N/A <sup>4</sup> | N/A <sup>4</sup> |

# Reporting practices

## Emissions

Calculations of CO<sub>2</sub>-emissions are based on the Corporate Standard of the Greenhouse Gas Protocol Initiative<sup>1</sup> and include the greenhouse gasses addressed by the UNFCCC<sup>2</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.

Numbers have been rounded for presentation purposes.

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

### Scope 1

Direct emissions under scope 1 include the following:

- Heating; this accounts entirely for heating at our manufacturing site, as all other sites are leased facilities which use district heating, reported under scope 2. Natural gas is used for heating of the manufacturing site and consumption is based on monthly readings.
- Electricity generation; this accounts entirely for consumption of diesel oil for power generators at the manufacturing site and is based on the volume purchased during the year.

- Fugitive emissions; these relate to CO<sub>2</sub> from the use of dry ice and CO<sub>2</sub> gas, as well as emissions from cooling systems at the manufacturing site, and are based on invoices and supplier statements.
- Transport in company-owned cars; this is predominantly related to company cars and is based on either consumption of petrol and diesel, or kilometers driven.

### Scope 2

Indirect emissions under scope 2 include emissions from purchased electricity and heating which are based on meter readings and supplier statements.

### 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.

<sup>1</sup> [www.ghgprotocol.org](http://www.ghgprotocol.org)

<sup>2</sup> United Nations Framework Convention on Climate Change.

## Energy

Energy consumption is calculated for the entire manufacturing site, 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.

## Electricity

Electricity is stated as part of the energy consumption for the entire manufacturing site (as indicated above) but is also presented separately and includes purchased electricity.

## Water

Water consumption is measured for the entire manufacturing site, including laboratories and administrative functions.

## Waste

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

## Environmental incidents

Environmental incidents include accidental or unintentional release of substance with potential for adverse impact on the external environment and incidents where the environmental permit is breached, which in both cases are subject to reporting to the authorities.

## 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 and retiring employees 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 based on total headcounts at year-end. Gender diversity for all management expresses the ratio of women to men among all managers with staff responsibility. Gender diversity for the Executive Management and Board of Directors expresses ratio of women to men among members in respective groups at year-end.

### *Age diversity*

Age diversity is presented in 10-year brackets based on total headcounts and age at year-end.

## **Governance**

### *Board meeting attendance rate*

The attendance rate is calculated as the ratio between the sum of all board meetings attended per board member and the sum of all board meetings multiplied with the number of board members.

### *CEO pay ratio*

The CEO pay ratio expresses the ration between the expensed total remuneration of the CEO in the calendar year and the expensed average total remuneration for all employees in the company.

## *Independent auditor's assurance report*

### **To Management and broader stakeholders of Bavarian Nordic A/S**

We have assessed Bavarian Nordic A/S' 2021 Sustainability 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 de-scribed. The Report covers Bavarian Nordic A/S' international activities from January 1, to December 31, 2021. 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 requirements for independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, and ethical requirements applicable in Denmark.

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 2022. 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 Sustainability Report 2021 has not been prepared in accordance with the reporting practice described.

Copenhagen, March 4, 2022

Deloitte

Statsautoriseret Revisionspartnerselskab

Business Registration No 33 96 35 56



**Eskild Nørregaard Jakobsen**

State-Authorized Public Accountant

MNE no mne11681



**Marie Voldby**

Lead Reviewer

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