



BAVARIAN NORDIC

Company Announcement

Bavarian Nordic A/S - Notice Convening Annual General Meeting

COPENHAGEN, Denmark, March 14, 2022 - Pursuant to Articles 10-14 of the Articles of Association, the shareholders of Bavarian Nordic A/S are hereby convened to the Annual General Meeting to be held on

Tuesday, 5 April 2022, at 4 PM CET

at Comwell Borupgaard, Nørrevej 80, DK-3070 Snekkersten, Denmark with the following agenda:

1. The Board of Directors' report on the Company's activities in the past year.
2. Presentation of the Annual Report for adoption.
3. A proposal from the Board of Directors regarding the application of profit or covering of loss pursuant to the Annual Report as adopted.
4. Presentation of and indicative vote on the Remuneration Report.
5. A resolution to discharge the Board of Directors and the Board of Management from their obligations.
6. Election of members of the Board of Directors.
7. Election of Auditors.
8. Any proposal from the Board of Directors or shareholders.

The Board of Directors has proposed the following resolutions:

- a) Proposal to authorize the Board of Directors in a new Article 5a of the Articles of Association, so that the Board of Directors until 30 June 2023 is authorized to increase the share capital of the Company by nominally DKK 70,468,390, corresponding to 10 % of the Company's share capital.
- b) Proposal to authorize the Board of Directors in a new Article 5c of the Articles of Association, so that the Board of Directors until 31 December 2023 is authorized to issue warrants, which entitle the holders to subscribe for shares in the Company at a nominal value of up to DKK 14,000,000 and to include in the authorization that the number of shares may be higher or lower due to subsequent adjustments of the warrants in accordance with the adjustment clauses determined by the Board of Directors when the warrants are issued. Warrants may only be granted to members of the Executive Management and to employees of the Company or the Company's subsidiaries.
- c) Proposal to amend the Remuneration Policy
- d) Proposal to approve remuneration of the Board of Directors and the Board Committees for the current financial year.
- e) Proposal to authorize the Board of Directors to repurchase own shares.

Elaboration on selected items of the agenda:**Re 4) Presentation of and indicative vote on the Remuneration Report**

The Board proposes that the Remuneration Report for 2021 is adopted.

Re 6) Election of Members of the Board of Directors

The Board of Directors proposes that Gerard van Odijk, Anders Gersel Pedersen, Peter Kürstein, Frank Verwiël, Elizabeth McKee Anderson and Anne Louise Eberhard are re-elected.

Erik G. Hansen has informed the Board of Directors that he is not seeking re-election.

The members of the Board of Directors are as follows:

Gerard van Odijk, MD, Chair

Member of the board since 2008 and chair since 2014. Not independent. Chair of the Nomination and Compensation Committee since 2015 and member of the Science Technology and Investment Committee since 2020. Current term expires in 2022. Dr. van Odijk is a Dutch national, born in 1957.

Independent advisor for the pharmaceutical industry and former president and chief executive officer of Teva Pharmaceuticals Europe B.V.

Current positions: Chair of the supervisory board of Hubrecht Organoid Technology. Member of the supervisory board of Centre for Human Drug Research.

Special competences: Medical qualifications and extensive executive background within publicly traded and private companies in the international healthcare industry.

Anders Gersel Pedersen, MD, PhD

Member of the board since 2010 and deputy chair since 2014. Not independent. Member of the Nomination and Compensation Committee and the Science Technology and Investment Committee since 2020. Current term expires in 2022. Dr. Pedersen is a Danish national, born in 1951.

Former Executive Vice President of Research & Development of H. Lundbeck A/S.

Current positions: Member of the board of Genmab A/S, Hansa Biopharma AB and Bond Avillion 2, an entity of Avillion LLP. Chair of the board of Aelis Farma.

Dr. Pedersen is also the CEO in his private holding company Gerselconsult ApS.

Special competences: Scientific knowledge and large drug development experience within neuroscience and oncology. Extensive board and management experience from publicly traded, international pharmaceutical and biotech companies.

Peter Kürstein, MBA

Member of the board since 2012. Independent. Member of the Nomination and Compensation Committee since 2015 and the Finance, Risk and Audit Committee since 2020. Current term expires in 2022. Mr. Kürstein is a Danish national, born in 1956.

Former president, chief executive officer and Chairman of Radiometer Medical ApS.

Current positions: Chair of the board of Ferrosan Medical Devices Holding A/S. Deputy Chair of the board of FOSS A/S, Experimentarium and American Chamber of Commerce Denmark. Member of the board of N. Foss & Co. A/S and Den Erhvervsdrivende Fond Gl. Strand, Dansk BørneAstma Center and Art Agenda 2030. Member of the executive board of Mijamax ApS.

Special competences: Extensive board and management experience from publicly traded, international healthcare companies.

Frank Verwiël, MD, MBA

Member of the board since 2016. Independent. Member of the Finance, Risk and Audit Committee since 2016 and the Nomination and Compensation Committee since 2020. Current term expires in 2022.

Dr. Verwiël is a Dutch national, now resident of the USA, born in 1962.

Former president and chief executive officer of Aptalis Pharma, Inc.

Current positions: Chair of the board of ObsEva SA and Intellia Therapeutics, Inc.

Special competences: Extensive strategic, operational and international experience within the pharmaceutical industry.

Elizabeth McKee Anderson, MBA

Member of the board since 2017. Independent. Chair of the Science Technology and Investment Committee since 2020. Current term expires in 2022. Ms. Anderson is an American national, born in 1957.

Former worldwide vice president, Global Strategic Marketing and Market Access, Infectious Diseases and Vaccines for Johnson&Johnson. Former member of Huntsworth plc, and Context Therapeutics LLC,

Current positions: Member of the board of Revolution Medicines Inc., BioMarin Pharmaceutical Inc., Insmad Inc., Aro Biotherapeutics Company and a member of the advisory Board of NAXION, Inc. Trustee of The Wistar Institute and principal of PureSight Advisory, LLC.

Special competences: Extensive strategic, operational and international experience within the pharmaceutical industry.

Anne Louise Eberhard, MSc Law, and BSc Informatics and Management Accounting

Member of the board since 2019. Independent. Chair of the Finance, Risk and Audit Committee since 2020. Current term expires in 2022. Ms. Eberhard is a Danish national, born in 1963.

Former Senior Executive Vice President and Global Head of Corporate & Institutional Banking at Danske Bank A/S, and Chief Commercial Officer at Intrum AB.

Current positions: Member of the board of FLSmidt & Co. A/S and its subsidiary FLSmidt A/S, Topdanmark A/S and its subsidiary Topdanmark Forsikring A/S, Knud Højgaard's Fond and two of its three subsidiaries, VL 52 ApS and Oterra A/S, its holding company Spring Topco ApS, and three other group companies. Chair of the board of Moneyflow Group A/S and its subsidiary Moneyflow 1 A/S. Deputy Chair of the board of Finansiell Stabilitet SOE. Member of the executive board of EA Advice ApS. Faculty Member at Copenhagen Business School, Board Educations.

Special competences: Extensive finance, risk management and ESG experience as well as board experience from publicly listed companies.

Re 7) Election of Auditors

The Board of Directors proposes that Deloitte is re-elected as the Company's auditor. The proposal from the Board is made in accordance with the recommendation of the Finance, Risk and Audit Committee. The Finance, Risk and Audit Committee has been free from influence by a third party and has not been subject to any contract with a third party restricting the choice by the general meeting on the selection of a statutory auditor or an audit firm.

Re 8a) Proposal to authorize the Board of Directors in a new Article 5a to increase the share capital

The Board of Directors proposes to authorize the Board of Directors in a new Article 5a of the Articles of Association, so that the Board of Directors until 30 June 2023 is authorized to increase the share capital of the Company in one or more issues by a total of nominally DKK 70,468,390, corresponding to 10 % of the Company's share capital. The proposal entails adding a new Article 5a of the Articles of Association as follows:

"Subsection 1

For the period ending on 30 June 2023, the Board of Directors shall be authorized to increase the Company's share capital in one or more issues with a total of nominally DKK 70,468,390 (7,046,839 shares of DKK 10 each)

by the subscription of new shares. The existing shareholders shall have pre-emption rights to subscribe for the amount by which the share capital is increased, proportional to their shareholdings. The share capital shall be increased by cash payment at a subscription price which may be lower than the value of the shares.

The terms and conditions of the subscription for shares shall be determined by the Board of Directors.

The new shares shall be negotiable instruments, shall be registered in the names of the holders and shall be entered in the Company's register of shareholders. No restrictions shall apply to the transferability of the new shares, and no shareholder shall be obliged to have his shares redeemed - in whole or in part. The shares shall carry the right to dividend as from the date fixed by the Board of Directors, but not later than the first financial year following the capital increase.

Subsection 2

For the period ending on 30 June 2023, the Board of Directors shall be authorized to increase the Company's share capital in one or more issues with a total of nominally DKK 70,468,390 (7,046,839 shares of DKK 10 each) by the subscription of new shares. The existing shareholders shall not have pre-emption rights to subscribe for the amount by which the share capital is increased.

The share capital may be increased by cash payment or in other ways, such as by conversion of debts or in payment of a contribution in kind. The share capital shall in any event be increased at a subscription price, which is not lower than market value.

The terms and conditions of the subscription for shares shall be determined by the Board of Directors.

The new shares shall be negotiable instruments, shall be registered in the names of the holders and shall be entered in the Company's register of shareholders. No restrictions shall apply to the transferability of the new shares, and no shareholder shall be obliged to have his shares redeemed - in whole or in part. The shares shall carry the right to dividend as from the date fixed by the Board of Directors, but not later than the first financial year following the capital increase.

Subsection 3

When exercising the authorizations given in Articles 5a(1) and 5a(2) the Board of Directors is overall authorized to increase the share capital of the Company with a total of nominally DKK 70,468,390 (7,046,839 shares of DKK 10 each)."

Re 8b) Proposal to authorize the Board of Directors in a new Article 5c of the Articles of Association, so that the Board of Directors is authorized to issue warrants

The Board of Directors proposes to authorize the Board of Directors in a new Article 5c of the Articles of Association, so that the Board of Directors until 31 December 2023 is authorized to issue warrants, which entitle the holders to subscribe for shares in the Company at a nominal value of up to DKK 14,000,000. The Board of Directors also proposes to authorize the Board of Directors to reuse or reissue any lapsed and unexercised warrants under the terms and within the time limitations set out in this authorization. The proposal entails authorizing the Board of Directors to increase the share capital of the Company as a consequence of the issuance of warrants until 1 April 2027. Consequently, Article 5c of the Articles of Association is amended as follows:

"During the period ending 31 December 2023, the Company may issue warrants, in one or more portions by resolution of the Board of Directors. The warrants may be issued to the management and employees of the Company or its subsidiaries for the subscription of a nominal value of up to DKK 14,000,000 (1,400,000 shares of DKK 10 each), however, the number of shares may be higher or lower due to subsequent adjustments of the warrants in accordance with the adjustment clauses determined by the Board of Directors when the warrants are issued. The warrants can be exercised by cash contribution at a subscription price and on such other terms as the Board of Directors may determine. Any issuance of warrants to the management shall be made in accordance with the Company's Remuneration Policy. Warrants may not be granted to members of the Company's Board of Directors (except for employee representatives (if such may have been elected) who receive warrants in their capacity as employees of the Company or of the Company's subsidiaries).

Holders of warrants shall have pre-emption right to subscribe for the shares issued based on the warrants, meaning that the pre-emption rights to subscribe to warrants and new shares for existing shareholders are deviated from.

As a consequence of the exercise of awarded warrants, the Board of Directors is authorized during the period until 1 April 2027 to increase the share capital by a nominal value of up to DKK 14,000,000 (1,400,000 shares of DKK 10 each) in one or more portions by resolution of the Board of Directors by cash contribution at a subscription price and on such other terms as the Board of Directors may determine without pre-emption right for the existing shareholders, however, the number of shares by which the share capital may be increased may be higher or lower if the number of warrants is increased in accordance with the adjustment clauses determined by the Board of Directors when the warrants are issued.

The new shares issued based on warrants shall have the same rights as existing shares according to the Articles of Association. The new shares shall be negotiable instruments, shall be registered in the names of the holders and shall be entered in the Company's register of shareholders. No restrictions shall apply to the transferability of the new shares and no shareholder shall be obliged to have his shares redeemed - in whole or in part. The new shares shall carry the right to dividend from the time of subscription.

Subject to the rules in force at any time, the Board of Directors may reuse or reissue lapsed and unexercised warrants if any, provided that the reuse or reissue occurs under the terms and within the time limitations set out in this authorization. Reuse is to be construed as the Board of Directors' entitlement to let another party enter into an existing agreement on warrants. Reissue is to be construed as the Board of Directors' option to reissue new warrants, under the same authorization, if previously issued warrants have lapsed."

Re 8c) Proposal to amend the Remuneration Policy

The Board proposes that the Remuneration Policy is amended as follows:

In section 2.2.3.1 it is introduced that exercise of warrants to Executive Management are conditional and subject to fulfilment of KPI's. It is also a condition that warrants shall be issued with an exercise price equivalent to market price at the time of grant. It is further clarified that "exceptional cases" also include that warrants may be granted to retain members of Executive Management for continued employment. Also, grants of warrants to a member of the Executive Management in a given year shall include a cap in order that the total value of the shares that can be subscribed by exercise of the warrants covered by such grants less the price paid to subscribe for the shares covered by such grants (the net value) does not at the time of exercise exceed an amount equivalent to DKK 50 million for the CEO and DKK 30 million for the CFO. Caps not exceeding DKK 30 million apply to warrant programs for non-registered Executive Management members. If the net value exceeds the cap, the number of warrants that can be exercised shall be reduced in order that the net value of such grants is within the cap.

In section 2.2.3.2 it is proposed to include the possibility to grant restricted stock units and matching shares to Executive Management in exceptional cases, e.g. in connection with continued employment or sign-on compensation. This amendment will enable the Board to grant restricted stock units to CEO Paul Chaplin as part of the retention scheme announced on 12 November 2021 in the Company's interim results for Q3 2021.

In section 3.1 it is clarified that payment of termination pay and severance pay may not exceed an amount equivalent to 2 years' remuneration including all remuneration elements.

The Remuneration Policy with all of the changes proposed above can be downloaded from www.bavarian-nordic.com/agm.

Re 8d) Proposal to approve remuneration of the Board of Directors and the Board Committees for the current financial year

The Board of Directors proposes to maintain the level of the annual base fee to the members of the Board of Directors for the financial year 2022; (i) the annual base fee to members of the Board of Directors will be DKK 300,000; (ii) the remuneration to the Chairman will be two and a half times the annual base fee DKK 750,000; and (iii) the remuneration to the Deputy Chairman will be one and a half times the annual base fee DKK 450,000.

In addition to the base fee to the Board of Directors, the Board proposes that the Board as part of the remuneration receives Restricted Stock Units equal to 50% of the annual base fee of DKK 300,000 (for the Chairman, however, equivalent to 50% of two and a half times the annual base fee and the Deputy Chairman equivalent to 50% of one and a half of the base annual fee) in accordance with the Company's remuneration policy.

The Board of Directors proposes that the members of the 3 board committees will receive an additional annual committee fee of DKK 100,000 per committee. The remuneration to the Chairmen of the board committees will, however, be two times the annual committee fee DKK 200,000. The Board of Directors has established an audit and risk committee, a nomination and compensation committee and a science, technology and investment committee.

Further, the Board of Directors proposes that each member of the Board of Directors receives (i) an attendance fee of DKK 5,000 for each board and/or committee meeting he/she attends to, which in no event can exceed DKK 5,000 per day or (ii) for members of the Board of Directors, who travel overseas in order to participate, a fee of USD 5,000. Furthermore, the Company pays the travelling expenses incurred by the board members in connection with board- and/or committee meetings, and any social costs associated with the remuneration of the Board of Directors and the board committees (e.g. mandatory contributions to social security in other countries).

Re 8e) Proposal to authorize the Board of Directors to purchase own shares

The Board of Directors proposes that the Board of Directors is authorized on behalf of the Company to acquire own shares in the Company.

It is therefore proposed that the following authorization is granted to the Company's Board of Directors pursuant to Article 198 of the Danish Companies Act:

"The General Meeting hereby authorizes the Board of Directors to acquire own shares on behalf of the Company in accordance with Article 198 of the Danish Companies Act. The Company may only acquire own shares for a total nominal value of up to 10 % of the Company's share capital for the time being. The remuneration paid in connection with the acquisition of own shares may not deviate by more than 10% from the price of the Company's shares on Nasdaq Copenhagen at the time of acquisition. This authorization is granted to the Company's Board of Directors for the period until 31 December 2023."

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Majority requirements

Adoption of the proposals referred to in items 1, 2, 3, 4, 5, 6, 7, 8c, 8d, 8e, requires a simple majority of votes.

Adoption of the proposals referred to in items 8a and 8b, requires a special majority, cf. Section 106 of the Danish Companies Act and Article 16 of the Articles of Association. According to this, the adoption of such proposals requires the affirmative votes of at least two-thirds of the votes cast as well as at least two-thirds of the votes represented at the General Meeting.

Participation, admission cards and voting rights

Shareholders who wish to attend the General Meeting must order admission cards no later than on 1 April 2022 at 11:59 PM CET in accordance with Article 11 of the Articles of Association. Please be informed that attendance requires ordering an admission card prior to the General Meeting.

Admission cards will be provided to shareholders who are entitled to attend and vote at the General Meeting. Anyone who is registered as a shareholder in the register of shareholders on the date of registration, Tuesday 29 March 2022, or who has made a request to such effect by that date is entitled to attend and vote at the General Meeting.

Admission cards may be ordered electronically from www.bavarian-nordic.com/agm via the Shareholder Portal or by downloading and printing the order form, which is available on the Company's website. A duly completed request form may also be submitted to Bavarian Nordic A/S' Shareholder Register, Computershare A/S, e-mail:

gf@computershare.dk or by ordinary mail to Computershare A/S, Lottenborgvej 26D 1 sal, 2800 Kgs. Lyngby, Denmark. A request to participate may also be given to Computershare A/S, by telephone: +45 45 46 09 97.

Admission cards will be sent to the email address specified in the shareholder portal upon registration. The admission card must be presented at the General Meeting either electronically on a smartphone/tablet or printed.

Shareholders who have ordered admission cards without specifying their e-mail address can pick up the admission card at the entrance of the General Meeting upon presentation of ID (for example a passport or driver's license).

Ballots for voting at the General Meeting will be handed out at the entrance.

Voting by proxy

Shareholders may vote by proxy. An instrument of proxy issued to the Board of Directors of the Company may only concern a specific General Meeting with an agenda that is known in advance. Shareholders may notify the Company electronically of the appointment of a proxy at www.bavarian-nordic.com/agm or by completing and submitting a written proxy form that can be downloaded on the Company's website. The form may be submitted as mentioned above and must be received by the Company no later than 1 April 2022 at 11:59 PM CET. The proxy holder may also provide a written and dated instrument of proxy at the General Meeting.

Postal voting

It is also possible for shareholders to vote by post. Postal votes can be submitted electronically via www.bavarian-nordic.com/agm or by completing and submitting a postal voting form that can be downloaded on the Company's website. The form may be submitted as mentioned above and must be received by the Company no later than 1 April 2022 at 11:59 PM CET. Once the postal vote has been received by the Company, the vote cannot be revoked by the shareholder.

Written questions

Shareholders may submit questions in writing to the Company regarding the agenda, the documents to be presented at the General Meeting or the general position of the Company. Questions may be submitted by post or e-mail to info@bavarian-nordic.com. Questions will be answered at the General Meeting.

Language

Representatives of the Company will conduct the General Meeting in English. Shareholders may choose whether to communicate in Danish or in English. During the meeting, simultaneous interpretation from English to Danish and Danish to English will be available.

Webcast

The Annual General Meeting will be transmitted to shareholders via webcast on the Shareholder portal, www.bavarian-nordic.com/agm. Shareholders who wish to follow the webcast do not need to order admittance card.

Information on the website

The following documents and information will be available on the Company's website at www.bavarian-nordic.com/agm, 14 March - 5 April 2022 (both days included): 1) The notice convening the General Meeting; 2) The total number of shares and voting rights as at the date of the convening notice; 3) All documents to be submitted to the General Meeting, including the annual report for 2021 containing the audited annual and consolidated accounts etc.; 4) The agenda and the full text of all proposals to be submitted to the General Meeting; and 5) Postal and proxy voting forms.

Share capital

The Company's share capital amounts to DKK 704,683,930 divided into shares in the denomination of DKK 1 and multiples thereof. Each share of a nominal value of DKK 10 gives one vote.

Personal data

With regards to Bavarian Nordic's processing of personal data in connection with general meetings, reference is made to Bavarian Nordic's [Privacy Policy](#) which is available on the Company's website www.bavarian-nordic.com.

About Bavarian Nordic

Bavarian Nordic is a fully integrated vaccine company focused on the development, manufacturing and commercialization of life-saving vaccines. We are a global leader in smallpox vaccines and have been a long-term supplier to the U.S. Government of a non-replicating smallpox vaccine, which has been approved by the FDA, also for the protection against monkeypox. The vaccine is approved as a smallpox vaccine in Europe and Canada. Our commercial product portfolio furthermore contains market-leading vaccines against rabies and tick-borne encephalitis. Using our live virus vaccine platform technology, MVA-BN[®], we have created a diverse portfolio of proprietary and partnered product candidates designed to save and improve lives by unlocking the power of the immune system, including an Ebola vaccine, which is licensed to the Janssen Pharmaceutical Companies of Johnson & Johnson. We are also committed to the development of a next generation COVID-19 vaccine. For more information visit www.bavarian-nordic.com.

Forward-looking statements

This announcement includes forward-looking statements that involve risks, uncertainties and other factors, many of which are outside of our control, that could cause actual results to differ materially from the results discussed in the forward-looking statements. Forward-looking statements include statements concerning our plans, objectives, goals, future events, performance and/or other information that is not historical information. All such forward-looking statements are expressly qualified by these cautionary statements and any other cautionary statements which may accompany the forward-looking statements. We undertake no obligation to publicly update or revise forward-looking statements to reflect subsequent events or circumstances after the date made, except as required by law.

Contacts

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Company Announcement no. 05 / 2022