

Remuneration Report 2023

Bavarian Nordic A/S

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CVR no: 16 27 11 87



BAVARIAN NORDIC

About the report

This remuneration report (the “Report”) provides an overview of the total remuneration received from the Group by each member of the Board of Directors (the “Board”) and of the Executive Management of Bavarian Nordic A/S, CVR no. 16271187, (“Bavarian Nordic” or the “Company”) during the 2023 financial year. The Executive Management consists of executives registered with the Danish Business Authority, namely President & CEO Paul Chaplin and Chief Financial Officer, Henrik Juuel.

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

The information provided in the Report has primarily been derived from the audited annual reports of the Company for the financial years 2019-2023, all available on the Company’s website:

www.bavarian-nordic.com →

Advisory vote on the remuneration report

According to the requirements under section 139b of the Danish Companies Act, the remuneration report will be subject to an advisory vote at the Company’s annual general meeting in 2024. Likewise, the remuneration report for 2022 was dealt with and approved at the annual general meeting in 2023 without comments relevant to the preparation of the current remuneration report.

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Introduction

Remuneration Policy and Objectives

The remuneration principles for the Board and Executive Management are governed by the Remuneration Policy, which has been approved by the Company's shareholders.

Remuneration Policy →

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

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

The remuneration policy was approved by the Company's shareholders at the annual general meeting on March 30, 2023, where the following changes to the policy were adopted:

- For the Chair the remuneration was increased from two and a half (2.5) to three (3.0) times, and the remuneration for the Deputy Chair from one and a half (1.5) to one point eight (1.8) times the annual base fee of the ordinary members of the Board of Directors.
- The maximum amount of cash bonus that members of the Executive Management may be granted was increased from a maximum of six months' current base wage to a maximum of twelve months' current base wage.
- The Board of Directors may from 2023 grant the Executive Management a mix of warrants and performance stock units (PSUs¹) provided that the total combined value of such grant does not, at the time of the grant, exceed a value equal to such person's current fixed annual base wage, and further provided that the value of such

granted restricted stock units cannot make up more than a value of 50% of that person's current fixed annual base wage. The maximum value of one year salary is unchanged from previous years, but until now the grant could only consist of warrants. All such grants are subject to prior fulfilment of certain Key Performance Indicators ("KPI's") as determined by the Board of Directors. The existing cap for warrants will be expanded to apply to the total combined value gained from the shares that can be subscribed by exercise of the warrants and the value of any restricted stock units.

Nomination and Compensation Committee

The Board has established a Nomination and Compensation Committee to assist the Board with all matters related to establishing, implementing, and executing the principles set out in the remuneration policy as well as assisting with the preparation of the remuneration report. The committee consists of four members, appointed for a one-year term. The members are: Luc Debruyne (chair), Frank Verwiel, Peter Kürstein and Anne Louise Eberhard.

The work of the committee is governed by a charter, which can be found along a description of its key activities during 2023 on the Company's website:

Nomination and Compensation Committee →

¹ PSU's are RSU's where vesting is subject to achievement of certain Key Performance Indicators ("KPI's").

Financial performance and business progress

Financial results are based on the Group's consolidated financial information for the year ended December 31, 2023, with comparative 2022 figures for the Group in brackets.

In 2023, we delivered our best financial results ever, driven by strong growth in both business segments. Extraordinary sales of mpox vaccines following the outbreak in 2022 nearly tripled the revenue in Public Preparedness and in Travel Health we saw continued organic growth as global travel continued to rebound, combined with the addition of new products through the acquisition from Emergent BioSolutions in May 2023.

In Public Preparedness, revenue was DKK 5,027 million (DKK 1,730 million) and in Travel Health, revenue was DKK 1,877 million (DKK 1,257 million). Other revenue totaled DKK 158 million (DKK 164 million).

Total revenue was DKK 7,062 million (DKK 3,151 million) compared to the latest guidance of DKK 6,900 million.

The income before interest and taxes (EBIT) was DKK 1,502 million (loss of DKK 71 million) and EBITDA was DKK 2,615 million (DKK 328 million) compared to latest guidance of DKK 2,300 million.

In addition to expanding the product portfolio, the acquisition in May 2023 has also led to further growth of the organization as we took over a production facility in Bern, Switzerland and an R&D facility in San Diego, CA, USA, combined with organic growth in the existing organization. By year-end, we employed 1,379 FTEs (975 FTEs), corresponding to an increase of 41%.

Remuneration of the Board in 2023 totaled DKK 8.4 million (2022: 7.2 million) representing an increase

of 16%, which primarily was caused by the election of new members to the Board in March 2023, thus filling two positions that had remained vacant during 2022. Also, a minor part of the increase was due to higher base and RSU fees for the chair and the deputy chair as well as higher base fees for members and chairs of the board committees as approved at the annual general meeting.

Remuneration of Executive Management totaled DKK 35.7 million in 2023 (2022: DKK 31.4 million) representing an increase of 13.7%.

Remuneration of the Board of Directors

Remuneration principles

Members of the Board receive a fixed fee consisting of cash and restricted stock units (RSUs), fixed attendance fee in case of physical attendance (additional if travelling overseas) and reimbursement of travel and certain expenses. Members of the board committees receive an additional cash fee and a fixed attendance fee (in case meetings are on other days than the Board meetings).

At the annual general meeting on March 30, 2023 it was approved to increase the annual base fee to the Chair from two and a half (2.5) times the annual base fee in 2022 to three (3.0) times the annual base fee for Board members in 2023 (DKK 900,000) and for the Deputy Chair from one and a half (1.5) in 2022 to one point eight (1.8) times the annual base

fee for Board members in 2023 (DKK 540,000). The base fee to members of the Board of Directors was maintained as in 2022 (DKK 300,000).

In addition to the base fees RSUs with a value equivalent to 50% of the base fee are granted, cf. table 1. RSUs have a vesting period of three years after the date of grant.

Further it was also approved at the annual general meeting to increase the annual cash fee for members of the three board committees from DKK 100,000 in 2022 to DKK 120,000 in 2023 per committee. The annual cash fee for the Chair of the board committees is two (2.0) times the annual committee fee, thus DKK 240,000 in 2023 (DKK 200,000 in 2022).

Table 1 – Board fees in 2023

DKK thousand	Board		Committees		
	Cash	Restricted Stock Units	Finance, Risk and Audit	Nomination and Compensation	Science, Technology and Investment
Member	300	150	120	120	120
Vice chair	540	270	N/A	N/A	N/A
Chair	900	450	240	240	240

Remuneration 2023

Table 2 – Remuneration of the Board in 2023

DKK thousand	Board fees	Committee fees	RSU fee	Attendance fees	Total 2023	Total 2022
Luc Debruyne, chair ¹	675	270	450	30	1,425	-
Anders Gersel Pedersen, deputy chair	540	270	270	50	1,130	928
Peter Kürstein	300	240	150	50	740	685
Frank Verwiel	300	240	150	140	830	824
Anne Louise Eberhard	300	360	150	50	860	770
Heidi Hunter ²	225	180	150	80	635	-
Johan van Hoof ²	225	180	150	20	575	-
Gerard van Odijk, former chair ¹	225	90	-	5	320	1,440
Linette M. Andersen	300	-	150	25	475	475
Thomas A. Bennekov	300	-	150	25	475	475
Anja Gjøøl	300	-	150	25	475	475
Karen M. Jensen	300	-	150	25	475	475
Former board members, resigned in 2022	-	-	-	-	-	679
Total	3,990	1,830	2,070	525	8,415	7,226

¹ Gerard van Odijk was member and chair of the board until the annual general meeting on March 30, 2023, where he resigned, and Luc Debruyne was appointed as new member and chair of the board.

² Heidi Hunter and Johan van Hoof were elected as new members of the Board at the annual general meeting on March 30, 2023.

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

The attendance fee in 2023 was unchanged, DKK 5,000 per meeting (for board members required to travel overseas to participate in a meeting, the attendance fee was USD 5,000).

Remuneration of the Board of Directors (continued)

RSU overview

Table 3 – Board member RSU holdings and details

	Program	Grant date	Vesting date	No of instruments beginning of 2023	No of instruments granted 2023	No of instruments vested 2023	No of instruments end of 2023	Share price at grant (DKK)	Value at grant (mDKK)	Value at vesting (mDKK)	Value at year-end 2023 (mDKK)
Luc Debruyne <i>Chair</i>	RSU 2023	March 2023	March 2026	-	2,313	-	2,313	194	0.5	-	0.4
Anders Gersel Pedersen <i>Deputy chair</i>	RSU 2020	June 2020	June 2023	1,185	-	1,185	-	190	0.2	0.3	-
	RSU 2021	April 2021	April 2024	823	-	-	823	273	0.2	-	0.1
	RSU 2022	April 2022	April 2025	1,474	-	-	1,474	153	0.2	-	0.3
	RSU 2023	March 2023	March 2026	-	1,388	-	1,388	194	0.3	-	0.2
Peter Kürstein	RSU 2020	June 2020	June 2023	790	-	790	-	190	0.2	0.2	-
	RSU 2021	April 2021	April 2024	548	-	-	548	273	0.2	-	0.1
	RSU 2022	April 2022	April 2025	983	-	-	983	153	0.2	-	0.2
	RSU 2023	March 2023	March 2026	-	771	-	771	194	0.2	-	0.1
Frank Verwiël	RSU 2020	June 2020	June 2023	790	-	790	-	190	0.2	0.2	-
	RSU 2021	April 2021	April 2024	548	-	-	548	273	0.2	-	0.1
	RSU 2022	April 2022	April 2025	983	-	-	983	153	0.2	-	0.2
	RSU 2023	March 2023	March 2026	-	771	-	771	194	0.2	-	0.1
Anne Louise Eberhard	RSU 2020	June 2020	June 2023	790	-	790	-	190	0.2	0.2	-
	RSU 2021	April 2021	April 2024	548	-	-	548	273	0.2	-	0.1
	RSU 2022	April 2022	April 2025	983	-	-	983	153	0.2	-	0.2
	RSU 2023	March 2023	March 2026	-	771	-	771	194	0.2	-	0.1
Heidi Hunter	RSU 2023	March 2023	March 2026	-	771	-	771	194	0.2	-	0.1
Johan van Hoof	RSU 2023	March 2023	March 2026	-	771	-	771	194	0.2	-	0.1

Remuneration of the Board of Directors (continued)

Table 3 – Board member RSU holdings and details (continued)

	Program	Grant date	Vesting date	No of instruments beginning of 2023	No of instruments granted 2023	No of instruments vested 2023	No of instruments end of 2023	Share price at grant (DKK)	Value at grant (mDKK)	Value at vesting (mDKK)	Value at year-end 2023 (mDKK)
Linette M. Andersen <i>Employee-elected</i>	RSU 2021	April 2021	April 2024	548	-	-	548	273	0.2	-	0.1
	RSU 2022	April 2022	April 2025	983	-	-	983	153	0.2	-	0.2
	RSU 2023	March 2023	March 2026	-	771	-	771	194	0.2	-	0.1
Thomas A. Bennekov <i>Employee-elected</i>	RSU 2021	April 2021	April 2024	548	-	-	548	273	0.2	-	0.1
	RSU 2022	April 2022	April 2025	983	-	-	983	153	0.2	-	0.2
	RSU 2023	March 2023	March 2026	-	771	-	771	194	0.2	-	0.1
Anja Gjøøl <i>Employee-elected</i>	RSU 2021	April 2021	April 2024	548	-	-	548	273	0.2	-	0.1
	RSU 2022	April 2022	April 2025	983	-	-	983	153	0.2	-	0.2
	RSU 2023	March 2023	March 2026	-	771	-	771	194	0.2	-	0.1
Karen M. Jensen <i>Employee-elected</i>	RSU 2021	April 2021	April 2024	548	-	-	548	273	0.2	-	0.1
	RSU 2022	April 2022	April 2025	983	-	-	983	153	0.2	-	0.2
	RSU 2023	March 2023	March 2026	-	771	-	771	194	0.2	-	0.1
Resigned board members											
Gerard van Odijk <i>Chair</i>	RSU 2020	June 2020	June 2023	1,976	-	1,976	-	190	0.4	0.4	-
	RSU 2021	April 2021	April 2024	1,372	-	-	1,372	273	0.4	.	0.2
	RSU 2022	April 2022	April 2025	2,457	-	-	2,457	153	0.4	.	0.4

Remuneration of the Board of Directors (continued)

Board shareholdings

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

Table 4 – Board member shareholdings

	Holding as of January 1, 2023	Additions during the year	Sold during the year	Net change	Holding as of December 31, 2023
Luc Debruyne, chair ¹	-	4,800	-	4,800	4,800
Anders Gersel Pedersen	16,959	1,185	-	1,185	18,144
Peter Kürstein	19,222	790	-	790	20,012
Frank Verwiël	2,972	790	-	790	3,762
Anne Louise Eberhard	1,371	790	-	790	2,161
Heidi Hunter ²	-	-	-	-	-
Johan van Hoof ²	-	-	-	-	-
Gerard van Odijk, former chair ¹	28,433	1,976	-	(30,409)	N/A ¹
Linette M. Andersen (employee-elected)	-	-	-	-	-
Thomas A. Bennekov (employee-elected)	1,313	-	-	-	1,313
Anja Gjøøl (employee-elected)	-	-	-	-	-
Karen M. Jensen (employee-elected)	139	-	-	-	139

¹ Gerard van Odijk was member and chair of the Board until the annual general meeting on March 30, 2023, where he resigned, and Luc Debruyne was appointed as new member and chair of the Board.

² Heidi Hunter and Johan van Hoof were elected as new members of the Board at the annual general meeting on March 30, 2023.

Remuneration of the Executive Management

Remuneration principles

Members of the Executive Management are entitled to an annual remuneration in accordance with the Remuneration Policy which may consist of the fixed and variable remuneration components shown in the table. In addition, the Remuneration Policy contains provisions for post-employment compensation.

Claw back

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

No recovery of variable remuneration occurred during 2023.

Termination agreements etc.

Contracts with members of Executive Management are open-ended until the age of 70 years for the CEO. The termination period on the part of the Company is 18 months towards the CEO and may be prolonged to up to 24 months in case of change

Component	Description
Base wage	Fixed annual salary.
Pension	Pension contribution, 14% of base wage.
Short-term incentives (STI)	<p>Cash bonus related to annual performance against financial, strategic and sustainability targets. The maximum cash bonus corresponds to twelve months' current base wage.</p> <p>In exceptional cases, separate agreements may be entered, which can result in payment of a bonus of up to an additional one year's base wage.</p> <p>The cash bonus may, at the discretion of the Board, be deferred in full or in part by conversion into restricted stock units (RSUs). In such a case, matching shares corresponding to 50% of the RSUs are granted free of charge as compensation for deferral of the bonus.</p>
Long-term incentives (LTI)	<p>Share-based incentive to promote long-term goals, strategies, and sustainability. Granted as a mix of warrants and PSUs with a vesting period of minimum three years. The maximum combined value of the grant corresponds to one year's base wage, at the time of grant and the value of granted PSUs cannot make up more than a value of 50% of one year's base wage.</p> <p>In exceptional cases, separate agreements may be entered, which can result in a grant of warrants with a value up to an additional one year's base wage, at the time of grant.</p> <p>For warrants granted in December 2022 and onwards, vesting is subject to achievement of certain Key Performance Indicators ("KPI's") as determined by the Board of Directors and exercise price is established based on market price. For warrants granted before December 2022, no performance criteria have been applied, however the exercise price is established based on market price plus a premium of 15%. For PSUs vesting is subject to achievement of same KPI's as for warrants.</p> <p>Grant of warrants and PSUs includes a cap ensuring that the combined value gained from exercising the warrants and the value of any restricted stock units 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.</p>
Other benefits	Company car, relocation expenses, housing allowance and certain other benefits-

Remuneration of the Executive Management (continued)

of control situations, and periods during which severance payment can be made may be up to 12 months, provided, however, that the total period for payment of termination pay and severance pay may not exceed 24 months. The termination period on the part of the Company is 12 months towards the CFO and may be prolonged to up to 16 months in case of change of control situations, and periods during which severance payments can be made equal a lump sum of additional 4 months base salary. The termination periods on the part of the Executive Management towards the Company are 6 months for the CEO and 6 months for the CFO. If the CEO passes away during his employment, the

Company shall pay salary for the remaining month plus 12 additional months post-employment benefit to the CEO's cohabiting spouse/partner and secondarily to the Executive's children.

Retention scheme for Paul Chaplin

In 2021, the Board decided to establish a retention scheme for Paul Chaplin in order to secure his continued service as CEO of the Company. The scheme was established in accordance with the remuneration policy, which in such cases allows for grant of bonus of up to an additional annual base wage per calendar year. Under this scheme, Paul Chaplin received 35,053 warrants in November 2021

corresponding to 50% of his annual base wage and 25,663 RSUs in April 2022, also corresponding to 50% of his annual base wage, both subject to a three-year vesting period and conditioned by his continued employment. Paul Chaplin will furthermore receive a cash bonus in 2024 equivalent to one year's base wage. All grants under the scheme are based on his annual base wage for 2021.

Remuneration 2023

The remuneration level of the Executive Management, including the composition and balancing of remuneration components, is assessed on an ongoing basis, taking into account remuneration in

other Danish and international enterprises which the Company naturally compares to.

According to benchmark data, the salary of the CEO and the CFO in Bavarian Nordic is at the low end compared to similar roles in Danish C25 and Large Cap companies.

As a result, the salary has been increased by 13% for the CEO and 16% for the CFO in 2023 compared to 2022.

Table 5 – Executive Management remuneration in 2023

DKK thousand	Fixed remuneration					Variable remuneration							Total	
	Salary	Pension	Other benefits	Total	%	Bonus cash ²	Bonus RSU ³	Matching shares ⁴	PSU ⁵	Warrants ⁶	Total	%	2023	2022
Paul Chaplin, CEO	7,204	1,009	584	8,797	38%	2,911	2,911	1,455	3,677	3,677	14,631	62%	23,428	22,265
Henrik Juuel, CFO	4,126	565	121	4,812	39%	1,641	1,641	820	1,658	1,658	7,418	61%	12,230	9,112
Total				13,609	38%						22,049	62%	35,658	31,377

¹ Deloitte, Remuneration in Danish Large Cap Companies 2022, Remuneration reports and specific market benchmark from Radford and Mercer for comparable positions determined by the Board of Directors.

² Bonus related to current year's performance – paid out in the following year.

³ Bonus related to current year's performance – granted as RSU in the following year.

⁴ 50% matching shares related to granted RSU for achieved bonus.

⁵ Calculation is based on salary in month of December 2023. No matching shares applies. The value of PSU is based on the share price at grant.

⁶ Calculation is based on salary in month of December 2023. The valuation of warrants is based on the Black-Scholes formula and further adjusted for the application of performance criteria.

Remuneration of the Executive Management (continued)

Short-term incentive (STI) program

To promote specific and measurable results within the business area and business strategy within a short timeline, incentive remuneration in the form of cash bonus is offered to the Executive Management. Such results may be linked to inter alia financial, strategic and sustainability performance criteria targets. From 2024 the weight of financial targets alone will be 50% and the total of strategic and sustainability will weigh the other 50%. The performance criteria and related bonus targets are set by the Board in the fourth quarter for the following year but can, in exceptional cases, be linked to targets, which extend over a longer period of time.

The maximum cash bonus that can be achieved corresponds to twelve months' base wage. The size of the bonus is determined annually by measuring the achievement of the performance criteria set by the Board based on the financial results and other key strategic objectives delivered during the year.

The performance criteria for 2023 and the level of achievement are explained in table 6.

50% of the payment of the cash bonus has been deferred for three years, converting the bonus into restricted stock units (RSUs). At the same time, the members of the Executive Management will receive a premium of 50% of the deferred bonus by grant of additional RSUs free of charge on expiry of the three years (so-called "matching shares").

In exceptional cases, separate agreements may be entered, which can result in payment of a bonus of up to an additional one year's base wage.

Table 6 - Performance criteria and applicable short-term incentive remuneration in 2023

	Targets achieved ¹	Weight ²	Paul Chaplin, CEO	Henrik Juuel, CFO
			Score	Score
Financial targets	3 out of 3	40%	100	100
Revenue, EBITDA and cash preparedness according to target				
Strategic business targets, covering key focus areas:	11 out of 16	50%	61	61
• Timely supply of products				
• Completion of tech transfer milestones for rabies vaccine production				
• Achieve key milestones to secure future delivery of smallpox and mpox vaccine				
• Completion of Phase 3 studies (RSV, COVID-19 and chikungunya)				
• Secure market positions for vaccines against TBE, rabies and sales of cholera and typhoid fever.				
• Prepare for regulatory submission and launch of chikungunya.				
• Integration of acquired business and employees joining from Emergent BioSolutions.				
Sustainability targets, covering the following:	4 out of 6	10%	80	80
• Implement energy-saving solutions				
• Achieve >50% waste recycling				
• Reduce employee turnover.				
• Maintain 40/60 diversity in management				
• Maintain a safe working environment				
• Deliver on Scope 1,2 & 3 reporting				
Target achievement of maximum pay-out			79%	79%
Total bonus achieved (DKK thousand)			5,822	3,282
- pay out in cash			2,911	1,641
- deferred pay out (conversion to RSUs)			2,911	1,641

¹ The listed key strategic focus areas include a total of 16 sub-targets e.g., related to different products. The targets can have different weight.

² From 2024 financial targets will have a weight of 50%.

Remuneration of the Executive Management (continued)

Long-term incentive (LTI) program

To promote and achieve targets that support the Company's long-term strategy, incentive remuneration in the form of share-based schemes is offered to the Executive Management. Share-based schemes consist of either grant of warrants, restricted stock units (RSUs) or performance stock units (PSUs). RSUs can also be granted in connection with the postponement of payment of a cash bonus.

Members of Executive Management may annually receive a mix of warrants and PSUs with a total value at grant corresponding to their fixed annual base wage. The value of each warrant is calculated using the Black-Scholes formula and further adjusted for the application of performance criteria. The value at grant of PSUs is determined as the average market price of the Company's shares over a period of 15 business days prior to grant. Furthermore, a cap is applied so that the net value at the time of exercise and vesting does not exceed an amount equivalent to DKK 50 million for the CEO and DKK 30 million for the CFO.

To ensure alignment with the Company's financial and non-financial targets, including sustainability targets, vesting of warrants and PSUs is subject to prior fulfilment of certain Key Performance Indicators ("KPI's") as determined by the Board of Directors. Both warrants and PSU's have a vesting period of 3 years. The exercise price for the warrants has been established as the market price at the time of grant.

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

An overview of the warrants granted to Executive Management under the 2023 annual program and previous programs is shown in table 7. For programs established before December 2022, different terms apply than described above, such as vesting not

being linked to performance criteria and exercise price established based on market price plus a premium of 15%. Furthermore, caps are not applied to the net value at exercise. Granted PSUs under the 2023 annual program are shown in table 8 together with all granted RSUs.

Remuneration of the Executive Management (continued)

Table 7 – Executive Management warrant holdings and details

Name and position	Program	Grant date	Earliest vesting date	Exercise price (DKK)	No. of instruments beginning of 2023	No. of instruments granted 2023	No. of instruments exercised 2023	No. of instruments ultimo 2023	Value at grant per instrument (DKK)	Value at grant (mDKK)	Value at exercise (mDKK)	Value at year-end 2023 (mDKK)
Paul Chaplin, CEO	2018	November 2018 ¹	March 2022	142.00	73,001	-	73,001	-	51.59	3.0	1.9	-
	2019	November 2019 ¹	March 2023	146.60	98,855	-	-	98,855	45.47	3.6	-	3.0
	2020	November 2020	March 2024	206.82	123,645	-	-	123,645	40.99	5.1	-	-
	2021	November 2021 ²	March 2025	353.06	105,159	-	-	105,159	76.05	8.0	-	-
	2022	December 2022	March 2026	224.70	88,325	-	-	88,325	73.04	6.5	-	-
	2023	December 2023	March 2027	172.40	-	57,836	-	57,836	63.58	3.7	-	0.3
Henrik Juuel, CFO	2018	November 2018 ¹	March 2022	142.00	67,788	-	67,788	-	51.59	2.8	1.8	-
	2019	November 2019 ¹	March 2023	146.60	42,916	-	-	42,916	45.47	1.5	-	1.3
	2020	November 2020	March 2024	206.82	56,210	-	-	56,210	40.99	2.3	-	-
	2021	November 2021	March 2025	353.06	31,871	-	-	31,871	76.05	2.4	-	-
	2022	December 2022	March 2026	224.70	38,162	-	-	38,162	73.04	2.8	-	-
	2023	December 2023	March 2027	172.40	-	26,085	-	26,085	63.58	1.7	-	0.1

¹ Number of warrants granted in November 2018 and November 2019 was adjusted in March 2020 to compensate for the dilution as a result of the rights issue. The 'Value at grant' is based on the original grant.

² 35,053 warrants under this program were granted as part of retention scheme established for Paul Chaplin in November 2021. See page 10 for additional information.

Remuneration of the Executive Management (continued)

RSU and PSU overview

Table 8 – Executive Management RSU and PSU holdings and details

Name and position	Program	Grant date	Vesting date	No. of instruments beginning of 2023	No. of instruments granted 2023	No. of instruments vested 2023	No. of instruments end of 2023	Share price at grant (DKK)	Value at grant (mDKK)	Value at vesting (mDKK)	Value at year-end 2023 (mDKK)
Paul Chaplin, CEO	RSU 2020 ¹	-	-	-	-	-	-	-	-	-	-
	RSU 2021	March 2021	March 2024	8,258	-	-	8,258	222	1.8	-	1.5
	RSU 2022	March 2022	March 2025	12,543	-	-	12,543	163	2.0	-	2.2
	RSU 2022 ²	April 2022	April 2025	25,663	-	-	25,663	156	4.0	-	4.6
	RSU 2023	March 2023	March 2026	-	10,642	-	10,642	227	2.4	-	1.9
	PSU 2023	December 2023	December 2026	-	22,073	-	22,073	167	3.7	-	3.9
Henrik Juuel, CFO	RSU 2020	February 2020	February 2023	5,845	-	5,845	-	240	1.1	1.4	-
	RSU 2021	March 2021	March 2024	4,992	-	-	4,992	222	1.1	-	0.9
	RSU 2022	March 2022	March 2025	6,480	-	-	6,480	163	1.1	-	1.1
	RSU 2023	March 2023	March 2026	-	5,748	-	5,748	227	1.3	-	1.0
	PSU 2023	December 2023	December 2026	-	9,955	-	9,955	167	1.7	-	1.8

¹ Paul Chaplin has no RSUs under the 2020 program, as his bonus for 2019 was paid full in cash.

² Part of retention scheme.

Remuneration of the Executive Management (continued)

For warrants granted from 2022 and PSUs granted from 2023 there will be a yearly assessment by the Board of Directors after completing the next year to ensure that the yearly agreed KPI's has been fulfilled satisfactorily. Based on this the annual vesting will be determined.

Table 9 – Performance criteria and applicable final warrant/PSU allocation per year

	Metrics	Performance 2023 ¹	Performance 2024	Performance 2025
Financial targets	Yearly financials against targets	Above target		
Strategic business and sustainability targets	Yearly achievement of selected strategic and sustainability initiatives	Above target		
Tracking		Above target		
Final allocation		100%		

¹ Some selected targets allow for overperformance but final allocation is capped at 100%.

Executive Management shareholdings

There are no shareholding requirements for members of the Executive Management. However, with a view to aligning the interests of the Company's shareholders and the Executive Management, part of the remuneration of the Executive Management consists of warrants as shown in table 7, which have a three-year vesting period from the

time of grant. Furthermore, RSUs are granted, either by conversion of the annual cash bonus in part or in full, or as a sign-on compensation in accordance with the remuneration policy. The RSUs also have a three-year vesting period. From 2023 also PSUs with a three-year vesting period are granted as part of the remuneration of the Executive Management.

Table 10 – Executive Management shareholdings

	Holding beginning of 2023	Additions during the year	Sold during the year	Net change	Holding end of 2023
Paul Chaplin, CEO	141,527	73,001	73,001	-	141,527
Henrik Juuel, CFO	12,366	77,008	65,999	11,009	23,375

Comparison of remuneration and performance

This is the fourth year of reporting under this framework and thus Bavarian Nordic has included relevant comparative figures for the financial years 2019-2022 in accordance with the transitional relief provided in the guidelines from the Danish Business Authority. Prospectively and year-on-year, Bavarian Nordic will build up five years of comparative figures for the annual change in remuneration, in company performance, and in average remuneration based on full-time equivalents ("FTEs") of employees other than Executive Management members are presented below.

Table 11 – Total remuneration of the Board, year-over-year change

DKK thousand	2023	Change %	2022	Change %	2021	Change %	2020	Change %	2019
Luc Debruyne, chair	1,425	-	-	-	-	-	-	-	-
Anders Gersel Pedersen, deputy chair	1,130	21.8%	928	5.5%	880	6.0%	830	1.8%	815
Peter Kürstein	740	8.0%	685	3.8%	660	8.2%	610	7.0%	570
Frank Verwiël ¹	830	0.7%	824	20.8%	682	13.7%	600	16.2%	716
Anne Louise Eberhard ²	860	11.7%	770	15.8%	665	11.8%	595	1.7%	518
Heidi Hunter	635	-	-	-	-	-	-	-	-
Johan van Hoof	575	-	-	-	-	-	-	-	-
Linette M. Andersen (employee-elected) ³	475	0.0%	475	4.4%	380	-	-	-	-
Thomas A. Bennekov (employee-elected) ³	475	0.0%	475	4.4%	380	-	-	-	-
Anja Gjøøl (employee-elected) ³	475	0.0%	475	4.4%	380	-	-	-	-
Karen M. Jensen (employee-elected) ³	475	0.0%	475	4.4%	380	-	-	-	-
Resigned board members									
Gerard van Odijk, former chair ⁴	320	20,1%	1,440	0.7%	1,430	7.9%	1,325	2.3%	1,295

¹ Decrease in fee from 2019 to 2020 due to COVID-19 and no physical presence at Board meetings in 2020 (entitled to USD 5,000 attendance fee per meeting).

² Was elected at the General Meeting 2019. Adjusted 'Change %' 2019 - 2020 to reflect full year fee for 2019 if member the whole year.

³ Was elected at the General Meeting 2021. Adjusted 'Change %' 2021 - 2022 to reflect full year fee for 2021 if member the whole year.

⁴ Resigned at the General Meeting 2023. Adjusted 'Change %' 2022 - 2023 to reflect full year fee for 2023 if stayed in the Board.

Table 12 – Total remuneration of the Executive Management, year-over-year change¹

DKK thousand	2023	Change %	2022	Change %	2021	Change %	2020	Change %	2019
Paul Chaplin, CEO	23,428	5.2% ²	22,265	21.7%	18,293	25.2%	14,616	22.6%	11,925
Henrik Juuel, CFO	12,230	34.2%	9,112	16.2%	7,841	0.3%	7,819	21.6%	6,428

¹ Total remuneration as included in table 5 above.

² Total remuneration for Paul Chaplin in 2021 and 2022 was impacted by grants of additional warrants and RSUs respectively as part of his retention scheme, which explains the low increase in 2023.

Comparison of remuneration and performance (continued)

Table 13 - Financial Measures (Parent)

	2023	Change %	2022	Change %	2021	Change %	2020	Change %	2019
Revenue (DKKkM)	6,932	135.9%	2,939	51.7%	1,938	2.9%	1,883	184.9%	661
EBITDA (DKKkM)	2,338	1,546%	142	-1.4%	144	-81.2%	766	N/A	-347
Number of FTE's (excl. Executive Management)	758	26.3%	600	18.4%	507	25.5%	404	37.4%	294
Average total remuneration for company employees (DKK) ¹	902,030	2.0%	884,325	3.2%	857,281	2.1%	839,804	-0.5% ³	844,218
CEO Pay Ratio ^{2/3}	22		22		16		16		14

¹ "Staff costs" minus "Total management remuneration" divided by FTE's excl. Executive Management (Annual Report 2023, note 4 in Parent).

² Total CEO remuneration expensed cf. Annual Report 2023, note 4 in Parent, over average total remuneration expensed for company employees.

³ Increase in number of contract employees to operate the new fill and finish facility decreased the average remuneration per employee.

Table 14 - Financial Measures (Group)

	2023	Change %	2022	Change %	2021	Change %	2020	Change %	2019
Revenue (DKKkM)	7,062	124.1%	3,151	66.0%	1,898	2.5%	1,852	179.8%	662
EBITDA (DKKkM)	2,615	696.3%	328	339.0%	75	-89.9%	740	N/A	-271
Number of FTE's (excl. Executive Management)	1,249	43.9%	868	19.2%	728	21.1%	601	30.4%	461
Average total remuneration for Group employees (DKK) ¹	962,357	8.3%	888,616	2.7%	865,430	3.3%	837,606	4.0%	805,471
CEO Pay Ratio ²	21		22		16		16		15

¹ "Staff costs" minus "Total management remuneration" divided by FTE's excl. Executive Management (Annual Report 2023, note 8 in Group).

² Total CEO remuneration expensed cf. Annual Report 2023, note 8 in Group, over average total remuneration expensed for Group employees.

Compliance with the Remuneration Policy

The remuneration of members of the Board and Executive Management for 2023 is consistent with the scope of the remuneration policy. There has been no deviation or derogation from the framework provided by the remuneration policy.

Statement by the Board of Directors

The Board of Directors has today considered and approved the remuneration report of Bavarian Nordic A/S for the financial year January 1 – December 31, 2023.

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

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

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

Copenhagen, March 6, 2024

Board of Directors



Luc Debruyne
Chairman of the Board



Anders Gersel Pedersen
Deputy chairman



Peter H. Kürstein-Jensen



Frank A.G.M. Verwiel



Anne Louise Eberhard



Heidi Hunter



Johan van Hoof



Thomas Alex Bennekov
Employee-elected



Anja Gjøl
Employee-elected



Karen Merete Jensen
Employee-elected



Linette Munksgaard Andersen
Employee-elected

Independent Auditor's Report on the Company's Remuneration Report

To the shareholders of Bavarian Nordic A/S

We have examined whether the remuneration report for Bavarian Nordic A/S for the financial year 01.01.2023 - 31.12.2023 contains the information required by section 139b(3) of the Danish Companies Act.

We express a conclusion providing reasonable assurance.

The Board of Directors' responsibility

The Board of Directors is responsible for the preparation of the remuneration report in accordance with section 139b(3) of the Danish Companies Act and the remuneration policy adopted at the Annual General Meeting.

Further, the Board of Directors is responsible for the internal control that the Board of Directors considers necessary to prepare the remuneration report without material misstatement and omissions, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the remuneration report based on our examinations.

We conducted our examinations in accordance with ISAE 3000, Assurance Engagements Other than Audits or reviews of Historical Financial Information, and additional requirements under Danish audit regulation to obtain reasonable assurance about our conclusion.

Deloitte Statsautoriseret Revisionspartnerselskab applies International Standard on Quality Management 1, ISQM 1, which requires the firm to design, implement and operate a system of quality management including policies or 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.

As part of our examinations, we have checked whether the remuneration report, to the extent relevant, includes the information required by section 139b(3), items 1-6, of the Danish Companies Act for the remuneration of each member of the Executive Management and the Board of Directors.

We believe that the procedures performed provide a sufficient basis for our conclusion.

Our examinations have not included an examination to verify the accuracy and completeness of the information provided in the remuneration report, and therefore we do not express any conclusion in this regard.

Conclusion

In our opinion the remuneration report contains, in all material respects, the information required by section 139b(3) of the Danish Companies Act.

Copenhagen, 6 March, 2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556



Kirsten Aaskov Mikkelsen

State-Authorised Public Accountant
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Eskild Nørregaard Jakobsen

State-Authorised Public Accountant
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