

Corporate Governance Report 2025

Statutory Annual Corporate Governance Report for 2025,
cf. Section 107b of the Danish Financial Statements Act

Bavarian Nordic A/S

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BAVARIAN NORDIC



About the report

This Statutory Corporate Governance Report forms part of the management's review in the Annual Report for 2025, covering the period January 1 – December 31, 2025 and is prepared pursuant to Article 107b of the Danish Financial Statements Act.

The report includes the recommendations of the Committee on Corporate Governance (Komitéen for god Selskabsledelse) and should be interpreted in accordance with the rules for companies listed on Nasdaq Copenhagen.

These recommendations are found at

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Management of Bavarian Nordic

Bavarian Nordic is managed in a two-tier structure composed of the Board of Directors (the Board) and the Executive Management. The Board is responsible for the overall strategic management and the financial and managerial supervision of Bavarian Nordic (the Company), as well as for regular evaluation of the work of the Executive Management. In addition, the Board supervises the Company in a general sense and ensures that it is managed in an adequate manner and in accordance with applicable law and the Company's articles of association.

The registered Executive Management is appointed by the Board, which lays down their terms and conditions of employment and the framework for their duties. The Executive Management is responsible for the day-to-day management of Bavarian Nordic in compliance with the guidelines and directions issued by the Board. The day-to-day operations do not include transactions of an unusual nature or of material importance to the affairs of Bavarian Nordic.

As of December 31, 2025, the registered Executive Management consisted of Paul Chaplin, President and CEO and Henrik Juuel, Executive Vice President and CFO, both registered with the Danish Business

Authority, assisted by two Executive Vice Presidents who, together with the registered Executive Management, are responsible for the day-to-day operations of Bavarian Nordic (collectively the Executive Management).

The work and composition of the Board

The Board discharges its duties in accordance with the rules of procedure of the Board, which are reviewed and updated by all members of the Board.

As of December 31, 2025, the Board consisted of eight members: five external members and three employee representatives. The Board elects a chair and deputy chair from among its shareholder-elected members. The external members are elected by the shareholders at the annual general meeting (AGM) for terms of one year; retiring members are eligible for re-election. At the AGM on April 9, 2025, six external members were elected by the shareholders, however, one external member retired from the Board in November 2025, before the end of their term. Furthermore, the term for the previously elected employee representatives ended at the AGM on April 9, 2025, where the three newly elected employee representatives replaced the previous employee representatives on the

Board (of which one was reelected)¹. The employee representatives are elected by the employees for a four-year term; the current four-year term expires in 2029. The meeting frequency of the Board was higher in 2025 than in previous years, with a total of seventeen meetings in 2025 compared to eight to nine meetings held annually in recent years. This was due to the increased workload related to the takeover offer published on 28 July 2025 and withdrawn on 6 November 2025.

¹ Following the annual general meeting on April 9, 2025, the number of employee representatives was reduced from four to three due to changes in the number of shareholder-elected board members.

Board committees

To support the Board in its duties, the Board has established and appointed three subcommittees that are charged with reviewing matters pertaining to their respective fields that are due to be considered at Board meetings. The terms of reference which specify the tasks and responsibilities for each of the committees are available on the Company's website.

Board committees →

Below is a report of each committee's main tasks during 2025:

Finance, Risk and Audit Committee

In 2025, the committee held 5 meetings and dealt with the following main matters:

- Reviewed and proposed to the Board for approval the annual report, corporate governance report and sustainability statements for the financial year 2024
- Reviewed and proposed to the Board for approval the quarterly statements for Q1, Q2 and Q3 of 2025
- Reviewed and proposed to the Board for approval the updates to Company financial guidance

- Reviewed and proposed to the Board for approval the auditor's audit book comments and the audit plan
- Monitored and assessed that the integrated annual reporting adequately lived up to ESRS requirements
- Reviewed and assessed the quality and integrity of ESG reporting
- Monitored and controlled the auditors' independence, objectivity and competence
- Reviewed and proposed to the Board the election of the auditors at the next AGM
- Reviewed and proposed to the Board for approval the engagement fees for the audit services
- Reviewed and approved the update of procedure for approval on non-audit services from appointed auditors
- Monitored and reported to the Board about significant accounting policies; significant accounting estimates; related party transactions; and uncertainties and risks, including in relation to the outlook for the current year
- Monitored and reported to the Board about capital resources and structure
- Discussed audit legislation and key audit matters with the auditors
- Monitored the internal currency, counterpart and financing policies

- Reviewed and proposed to the Board a revised Tax Policy to be approved
- Reviewed and assessed the Company's debt and financing structure
- Reviewed and revised the Company's financial investment policy
- Reviewed and assessed the reports on the internal control and risk management systems, including review of cyber risk preparedness
- Reviewed and discussed the Company's risk management process
- Reviewed and assessed the Company's business ethics and compliance programme
- Reviewed the whistle-blower report
- Received regular updates on, reviewed and assessed the Company's strategy for environmental, social and governance (ESG) matters
- Reviewed, assessed and proposed to the Board for approval the Company's insurance coverage
- Met with the auditors without the CFO or other members of the Executive Management
- Assessed the need for an internal audit function
- Conducted a self-evaluation of the committee's work and performance

Nomination and Compensation Committee

In 2025, the committee held 6 meetings and dealt with the following main matters:

- Reviewed and proposed to the Board for approval by the AGM the remuneration levels for 2025 for the Board and its sub-committees
- Reviewed the remuneration levels for 2025 for the Executive Management
- Reviewed the Company's Remuneration Policy to be approved by the AGM
- Reviewed the short and long-term incentive programs for the Executive Management and other members of the senior management and the long-term incentive program for the Board
- Reviewed and proposed the Board for approval the annual remuneration report for the financial year 2024
- Performed a review of the composition of the Board, including desired competences and qualifications required by the Board
- Discussed succession planning and future composition of the Board and the Executive Management
- Discussed diversity at the Board and Company level as well as gender pay ratio and inclusion activities going forward
- Conducted a self-evaluation of the committee's work and performance
- Finalized planning of the 2025 Board evaluation to be executed in early 2026

Board committees (continued)

Science and Technology Committee

In 2025, the committee held 3 meetings and dealt with the following main matters:

- Reviewed the Company's R&D portfolio
- Reviewed and monitored the progress from the Company's clinical programs and regulatory strategies
- Reviewed and monitored the continued integration and transition of the assets acquired from GSK
- Reviewed and monitored the continued integration and transition of the assets acquired from Emergent BioSolutions
- Reviewed and supported Executive Management with the preparations for the Board's review of the Company's strategy
- Reviewed and discussed business development, including M&A strategy
- Reviewed the Company's AI strategy
- Discussed the R&D budget for 2026
- Conducted a self-evaluation of the committee's work and performance

Risk management and internal controls

Bavarian Nordic's risk management processes and internal control framework supports the achievement of the Company's objectives. Risk management focuses on identifying, assessing and managing risks across the organisation, while internal controls are designed to provide reasonable assurance regarding the accuracy, completeness and reliability of financial and sustainability reporting.

Governance structure and responsibilities

The Board and the Executive Management of Bavarian Nordic are responsible for maintaining risk management and internal controls over financial and sustainability reporting. This includes compliance with relevant laws, regulations, and disclosure requirements.

The Board is supported by a Finance, Risk and Audit Committee (FRAC), which oversees accounting practices, audit processes and key reporting risks and engages with the Company's auditors elected at the AGM and the Executive Management in accordance with the working framework of the committee.

FRAC focuses on ensuring that its financial and sustainability statements are in compliance with requirements, policies and practices, and give a correct and reliable view of the Company's opera-

tions, financial position and sustainability performance.

At least annually, the FRAC reviews the enterprise risks, including the effectiveness of internal controls and whether the organizational setup minimizes the possibility of manipulation or misrepresentation. While the Group's internal controls and guidelines provide reasonable assurance, they cannot eliminate all risks of error or fraud. Based on the Company's size and complexity, the Board has decided not to institute an internal audit function at Bavarian Nordic

Risk management

Bavarian Nordic is exposed to various risks across the value chain that could affect the achievement of the Company's objectives. These risks are identified, assessed and managed through the Company's Enterprise Risk Management (ERM) process, which provides a structured and consistent approach to risk management across the organisation. The ERM process incorporates relevant inputs from other risk assessment activities, including the sustainability-related Double Materiality Assessment (DMA). Both processes are described with further detail in the annual report.

Internal controls

Internal controls for financial reporting are anchored in defined policies, procedures and a standardized month-end closing process. Monthly reviews compare actual performance with budgets, forecasts and prior periods, supported by account reconciliations that are prepared, reviewed and documented in a dedicated system. This ensures transparency, traceability and clear accountability for control execution.

Internal controls for sustainability reporting follow a similar structured approach. Sustainability data is collected and validated quarterly, and all reporting inputs must be supported by documentation and recorded in a dedicated system.

Both reporting processes are evaluated to ensure that controls are designed and operate effectively. The assessment considers dependencies on IT systems, the extent of manual data handling, segregation of duties, documentation quality and relevant competencies within the organization.

Bavarian Nordic's IT systems play a central role in maintaining a robust control environment. Many processes are automated, and key decisions and workflows are executed through electronic interfaces. The ERP system enforces segregation of

duties through user-group structures that separate performing, reviewing/approving roles.

The IT department operates procedures that ensure system implementations and changes meet requirements for data integrity and comply with relevant GxP standards where applicable. IT risks are monitored continuously, and security measures are in place to identify and respond to emerging threats.

Monitoring activities

Bavarian Nordic's monitoring activities consist of ongoing reviews and periodic assessments that ensure internal controls and reporting processes remain effective across both financial and sustainability disclosures. For financial reporting, Finance collaborates monthly with the lines of business and functional areas to prepare management reporting that compares actual results with budgets, forecasts and prior periods. Deviations are analyzed, explained and followed by appropriate actions. These insights are consolidated into a monthly group report for Executive Management, and the Board receives an executive summary highlighting key developments and performance.

Monitoring of sustainability reporting follows a similar structured approach but is conducted on a quarterly basis. Sustainability data is collected,

Risk management and internal controls (continued)

validated and compared with historical performance to identify trends, deviations or data quality issues. Findings are discussed with relevant data owners and follow-up actions are implemented to ensure completeness and accuracy of reported information. These insights are presented to Executive Management on a quarterly basis.

In addition to ongoing evaluations, interim financial statements and the annual report are prepared by Group Finance and discussed with the external auditors, providing additional independent assessment of key accounting areas. The annual audit and reporting process follows a strategy approved by the FRAC and involves coordinated planning across Investor Relations, Communications, Group Finance, Group Sustainability and the auditors, ensuring that potential audit findings are addressed within defined timelines.

Monitoring of financial data is supported by a group reporting system integrated with the ERP, which provides timely and transparent data at department and account level. Budget holders have direct access to this information, as well as to a business-intelligence front-end that enables efficient comparison of cost center and project data with budgets and forecasts. These systems strengthen the quality and consistency of monitoring across the Group and ensure that management has the necessary information to identify issues promptly and maintain a robust control environment.

The Corporate Governance Recommendations

The following pages include the recommendations of the Committee on Corporate Governance (Komitéen for god Selskabsledelse) for listed Danish companies.

It is the intention of the Board that Bavarian Nordic shall comply with all recommendations.

The Company complies with all recommendations, except for the following:

- Recommendation 3.4.3: After the retirement of Luc Debruyne, the previous Chair of the Board, in November 2025, Anne Louise Eberhard, who is also the chair of the Finance, Risk and Audit Committee, was elected as the new chair of the Board. Therefore, the Company currently does not comply with the recommendation. The Company expects that it will comply with this recommendation again, after the annual general meeting in 2026, and once the Board has had the opportunity to revisit its composition and potential need for onboarding.

- Recommendation 3.5.2: As a result of the takeover offer, as published in July 2025 and withdrawn in November 2025, and due to a number of other priorities for the Board in Q4 2025, it was decided to postpone the conduct of the 2025 board evaluation till Q1 2026. Therefore, the Company only partially complies with the recommendation 3.5.2. Going forward, the Company expects that it will fully comply with this recommendation again.

Regularly and at least once a year, Executive Management reviews the recommendations in order to ensure the best possible utilization of and compliance with the recommendations and legislation. For each recommendation, comments have been provided to explain how the Company complies with the recommendation or, where relevant, why the Company does not comply with the recommendation.

The Corporate Governance Recommendations (continued)

Recommendation	How does Bavarian Nordic comply?
<p>1. Interaction with the company’s shareholders, investors and other stakeholders</p>	
<p>1.1. Communication with the company’s shareholders, investors and other stakeholders</p>	
<p>1.1.1. The Committee recommends that the management through ongoing dialogue and interaction ensures that shareholders, investors and other stakeholders gain the relevant insight into the company’s affairs, and that the board of directors obtains the possibility of hearing and including their views in its work.</p>	<p>Bavarian Nordic communicates regularly with its shareholders via company announcements on significant matters concerning the Company. Announcements are made in accordance with the regulations of the Copenhagen Stock Exchange and other regulations for listed companies and are made available widely through news wires and media as well as via the Company’s website, social media channels and by e-mail to shareholders and other stakeholders who have requested so.</p> <p>In connection with the publication of full year and interim financial reports, Bavarian Nordic conducts a conference call for investors and analysts, which is preceded by a presentation by the Executive Management. The presentation is being webcast and can be accessed live and on-demand by all stakeholders via the Company’s website: https://www.bavarian-nordic.com/investor/events.aspx</p> <p>The Company further engages in dialogue with investors through meetings, investor conferences and by responding to incoming questions and calls.</p> <p>The Board regularly receives reports from the Executive Management on any significant feedback received from investors and analysts on the Company’s affairs, and furthermore members of the Board are present at the annual general meeting to answer questions and receive feedback from the Company’s shareholders.</p>
<p>1.1.2. The Committee recommends that the company adopts policies on the company’s relationships with its shareholders, investors and if relevant other stakeholders in order to ensure that the various interests are included in the company’s considerations and that such policies are made available on the company’s website.</p>	<p>Bavarian Nordic has published its investor relations policy on its website: https://www.bavarian-nordic.com/investor/ir-policy.aspx</p> <p>Furthermore, the Board has adopted a Code of Conduct, which addresses the Company’s interactions with other stakeholders, such as healthcare professionals, customers, governments and many more. The Code of Conduct is available from the Company’s website: https://www.bavarian-nordic.com/about/business-ethics.aspx</p>

The Corporate Governance Recommendations (continued)

Recommendation	How does Bavarian Nordic comply?
1.1.3. The Committee recommends that the company publishes quarterly reports.	Bavarian Nordic publishes quarterly reports, which are distributed to the stock exchange, news wires, media, analysts and all shareholders who have requested so. The quarterly reports are also available on the Company's website: https://www.bavarian-nordic.com/investor/financials.aspx
1.2. The general meeting	
1.2.1. The Committee recommends that the board of directors organises the company's general meeting in a manner that allows shareholders, who are unable to attend the meeting in person or are represented by proxy at the general meeting, to vote and raise questions to the management prior to or at the general meeting. The Committee recommends that the board of directors ensures that shareholders can observe the general meeting via webcast or other digital transmission.	All shareholders of Bavarian Nordic, regardless of attending the general meeting in person or not, are provided the opportunity to vote by letter or by proxy and may raise questions to the management in advance of the meeting. Shareholders attending the meeting in person may also raise questions during the meeting. General meetings are transmitted live via webcast to registered shareholders.
1.2.2. The Committee recommends that proxies and postal votes to be used at the general meeting enable the shareholders to consider each individual item on the agenda.	Proxies and votes by post may be given to the Board in general or with respect to each individual item on the agenda for the general meeting.
1.3. Takeover bids	
1.3.1. The Committee recommends that the company has a procedure in place in the event of takeover bids, containing a "road map" covering matters for the board of directors to consider in the event of a takeover bid, or if the board of directors obtains reasonable grounds to suspect that a takeover bid may be submitted. In addition, it is recommended that it appears from the procedure that the board of directors abstains from countering any takeover bids by taking actions that seek to prevent the shareholders from deciding on the takeover bid, without the approval of the general meeting.	Bavarian Nordic has procedures in place for handling takeover bids. The procedures were reviewed in 2024, and the procedures were applied in connection with the takeover offer published on 28 July 2025. If a takeover bid is made, the Board will consider the bid with due consideration to the Danish Companies Act and the Issuer Rules of NASDAQ Copenhagen A/S.
1.4. Corporate Social Responsibility	
1.4.1. The Committee recommends that the board of directors adopts a policy for the company's corporate social responsibility, including social responsibility and sustainability, and that the policy is available in the management commentary and/or on the company's website. The Committee recommends that the board of directors ensures compliance with the policy.	The Board has adopted policies for matters relevant to the Company's corporate social responsibility and is regularly reviewing and assessing the Company's strategy for environmental, social and governance matters. The policies are available in the sustainability statements in the Company's annual report and on the website: https://www.bavarian-nordic.com/about/sustainability.aspx

The Corporate Governance Recommendations (continued)

Recommendation	How does Bavarian Nordic comply?
1.4.2. The Committee recommends that the board of directors adopts a tax policy to be made available on the company's website.	A tax policy has been adopted by the Board and is reviewed annually. The policy is published on the Company's website: https://www.bavarian-nordic.com/investor/governance/tax-policy.aspx

2. The duties and responsibilities of the board of directors

2.1. Overall tasks and responsibilities

2.1.1. The Committee recommends that the board of directors in support of the company's statutory objects according to its articles of association and the long-term value creation considers the company's purpose and ensures and promotes a good culture and sound values in the company. The company should provide an account thereof in the management commentary and/or on the company's website.	Bavarian Nordic's purpose is intrinsic in its products and the activities which the company are undertaking in discovering, developing, and manufacturing life-saving vaccines. This is communicated widely in the Company's annual report, website and other communication material. Likewise, the purpose is reflected in the Company's values (The Bavarian Nordic DNA) which have been discussed with and commented upon by the Board and which are used as guiding principles for employees, not only for internal use, but also for the Company's interactions with customers, partners, and shareholders. These values are represented on the Company's website.
2.1.2. The Committee recommends that the board of directors at least once a year discusses and on a regular basis follows up on the company's overall strategic targets in order to ensure the value creation in the company.	The Board discusses the strategy and the value creation on an ongoing basis at the Board meetings. At least once a year, the Board discusses and assesses the Company's overall strategy.
2.1.3. The Committee recommends that the board of directors on a continuously basis takes steps to examine whether the company's share and capital structure supports the strategy and the long-term value creation in the interest of the company as well as the shareholders. The Committee recommends that the company gives an account thereof in the management commentary.	The Board assesses on an ongoing basis whether the capital structure and resources of the Company are reasonable taking into account the operations of the Company and the interests of the shareholders. Please refer to note 23 in the annual report for more details.
2.1.4. The Committee recommends that the board of directors prepares and on an annual basis reviews guidelines for the executive management, including requirements in respect of the reporting to the board of directors.	At least once annually, the Board discusses and reviews requirements in terms of reporting by Executive Management to the Board.

2.2. Members of the board of directors

2.2.1. The Committee recommends that the board of directors, in addition to a chairperson, appoints a vice chairperson, who can step in if the chairperson is absent and who can generally act as the chairperson's close sparring partner.	According to article 18 in the Company's articles of association and the rules of procedure of the Board, the Board elects its chair and deputy chair among its members.
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The Corporate Governance Recommendations (continued)

Recommendation	How does Bavarian Nordic comply?
<p>2.2.2. The Committee recommends that the chairperson in cooperation with the individual members of the board of directors ensures that the members up-date and supplement their knowledge of relevant matters, and that the members' special knowledge and qualifications are applied in the best possible manner.</p>	<p>The chair annually – typically in connection with Board evaluations – conducts annual 1:1 meetings with all board members to discuss and ensure that all board members update and supplement their knowledge of relevant matters and that the board members' special knowledge and qualifications are applied where it best serves the Company.</p>
<p>2.2.3. The Committee recommends that if the board of directors, in exceptional cases, requests a member of the board of directors to take on special duties for the company, for instance, for a short period to take part in the daily management of the company, the board of directors should approve this in order to ensure that the board of directors maintains its independent overall management and control function. It is recommended that the company publishes any decision on allowing a member of the board of directors to take part in the daily management, including the expected duration thereof.</p>	<p>The situation has so far not occurred. Should the Board ask a member of the Board to take on special duties for the Company, Bavarian Nordic intends to comply with the recommendation.</p>

3. The composition, organisation and evaluation of the board of directors

3.1. Composition

<p>3.1.1. The Committee recommends that the board of directors on an annual basis reviews and in the management commentary and/or on the company's website states</p> <ul style="list-style-type: none"> • which qualifications the board of directors should possess, collectively and individually, in order to perform its duties in the best possible manner, and • the composition of and diversity on the board of directors. 	<p>At least once annually, the Board reviews its composition, including diversity, as well as the collective and individual qualifications of the Board. An overview is available in the Company's annual report and on the Company's website.</p>
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The Corporate Governance Recommendations (continued)

Recommendation	How does Bavarian Nordic comply?
<p>3.1.2. The Committee recommends that the board of directors on an annual basis discusses the company's activities in order to ensure relevant diversity at the different management levels of the company and adopts a diversity policy, which is included in the management commentary and/or available on the company's website.</p>	<p>The Board discusses annually the Company's activities to ensure diversity at all management levels and has adopted a diversity policy, which sets out ambitions to create a workforce and composition of the management that reflects the diverse backgrounds and perspectives stemming from an increasingly global and specialized organization.</p> <p>The policy is available on the Company's website: https://www.bavarian-nordic.com/careers/working-with-us/diversity-and-inclusion-policy.aspx</p> <p>A report on diversity and targets associated with this is included in the sustainability statements in the Company's annual report, which can also be downloaded on the Company's website: https://www.bavarian-nordic.com/investor/annual-report-2025.aspx</p>
<p>3.1.3. The committee recommends that candidates for the board of directors are recruited based on a thorough process approved by the board of directors. The Committee recommends that in assessing candidates for the board of directors – in addition to individual competencies and qualifications – the need for continuity, renewal and diversity is also considered.</p>	<p>The Board has established a joint Nomination and Compensation Committee. This Committee prepares recommendations regarding election of new candidates for the Board and, as part hereof, also takes into account the need for continuity, renewal and diversity.</p>
<p>3.1.4. The Committee recommends that the notice convening general meetings, where election of members to the board of directors is on the agenda – in addition to the statutory items – also includes a description of the proposed candidates'</p> <ul style="list-style-type: none"> • qualifications, • other managerial duties in commercial undertakings, including board committees, • demanding organisational assignments and independence. 	<p>The notice convening the annual general meeting, where election of members of the Board takes place, contains the full agenda, including a description of the proposed candidates' qualifications, other managerial duties and demanding organizational assignments, if any. The description furthermore states whether the candidate is regarded independent.</p>
<p>3.1.5. The Committee recommends that members to the board of directors elected by the general meeting stand for election every year at the annual general meeting, and that the members are nominated and elected individually.</p>	<p>According to article 17 in the Company's articles of association, members of the Board elected by the general meeting are elected for a term of one year. Board members are nominated and elected individually.</p>

The Corporate Governance Recommendations (continued)

Recommendation	How does Bavarian Nordic comply?
<p>3.2. The board of director's independence</p>	
<p>3.2.1. The Committee recommends that at least half of the members of the board of directors elected in general meeting are independent in order for the board of directors to be able to act independently avoiding conflicts of interests.</p> <p>In order to be independent, the member in question may not:</p> <ul style="list-style-type: none"> • be or within the past five years have been a member of the executive management or an executive employee in the company, a subsidiary or a group company, • within the past five years have received large emoluments from the company/group, a subsidiary or a group company in another capacity than as member of the board of directors, • represent or be associated with a controlling shareholder, • within the past year have had a business relationship (e.g. personally or indirectly as a partner or an employee, shareholder, customer, supplier or member of a governing body in companies with similar relations) with the company, a subsidiary or a group company, which is significant for the company and/or the business relationship, • be or within the past three years have been employed with or a partner in the same company as the company's auditor elected in general meeting, • be a CEO in a company with cross-memberships in the company's management, • have been a member of the board of directors for more than twelve years, or • be closely related to persons, who are not independent, cf. the above-stated criteria. <p>Even if a member of the board of directors does not fall within the above-stated criteria, the board of directors may for other reasons decide that the member in question is not independent.</p>	<p>At the annual general meeting in 2025, six members were elected to the Board, of which all elected members were considered independent according to the recommendations.</p>
<p>3.2.2. The Committee recommends that members of the executive management are not members of the board of directors and that members retiring from the executive management does not join the board of directors immediately thereafter.</p>	<p>None of the members of the Executive Management are members of the Board, and none of the board members have previously been a member of the Executive Management of the Company. Bavarian Nordic intends to continue to comply with the recommendation.</p>

The Corporate Governance Recommendations (continued)

Recommendation	How does Bavarian Nordic comply?
3.3. Members of the board of directors and the number of other managerial duties	
<p>3.3.1. The Committee recommends that the board of directors and each of the members on the board of directors, in connection with the annual evaluation, cf. recommendation 3.5.1., assesses how much time is required to perform the board duties. The aim is for the individual member of the board of directors not to take on more managerial duties than the board member in question is able to perform in a satisfactory manner.</p>	<p>The Nomination and Compensation Committee assesses how much time is required to perform the board duties. Before new board members take on a duty as board member with the Company, and in connection with the annual evaluation, the individual board members make an individual assessment of the time required to perform their board duties.</p>
<p>3.3.2. The Committee recommends that the management commentary, in addition to the statutory requirements, contains the following information on the individual members of the board of directors:</p> <ul style="list-style-type: none"> • position, age and gender, • competencies and qualifications relevant to the company, • independence, • year of joining the board of directors, • year of expiry of the current election period, • participation in meetings of the board of directors and committee meetings, • managerial duties in other commercial undertakings, including board committees, and demanding organisational assignments, and • the number of shares, options, warrants, etc. that the member holds in the company and its group companies and any changes in such holdings during the financial year. 	<p>The management commentary contains a thorough presentation of all members of the Board in accordance with this recommendation. Similarly, the Company's website is updated with the same information: https://www.bavarian-nordic.com/about/leadership.aspx</p> <p>The holding of shares and restricted stock units of each board member and any changes in the holdings during the past financial year are presented in the remuneration report: https://www.bavarian-nordic.com/investor/governance/remuneration-reports.aspx</p>

The Corporate Governance Recommendations (continued)

Recommendation	How does Bavarian Nordic comply?
3.4. Board committees	
<p>3.4.1. The Committee recommends that the management describes in the management commentary:</p> <ul style="list-style-type: none"> • the board committees’ most significant activities and number of meetings in the past year, and • the members on the individual board committees, including the chairperson and the independence of the members of the committee in question. <p>In addition, it is recommended that the board committees’ terms of reference are published on the company’s website.</p>	<p>The Board has established three committees: the Finance, Risk and Audit Committee, the Nomination and Compensation Committee, and the Science and Technology Committee (previously the Science, Technology and Investment Committee).</p> <p>A report on the board committees’ composition and most significant activities, including number of meetings in the past year, is found in the beginning of this document, which constitutes a part of the management commentary.</p> <p>The terms of reference for all board committees are published on the Company’s website: https://www.bavarian-nordic.com/investor/governance/board.aspx</p>
<p>3.4.2. The Committee recommends that board committees solely consist of members of the board of directors and that the majority of the members of the board committees are independent.</p>	<p>The Board has established and appointed three board committees which are only composed of members of the Board, and with a majority of independent board members, as laid out in the terms of reference for the committees.</p>

The Corporate Governance Recommendations (continued)

Recommendation	How does Bavarian Nordic comply?
<p>3.4.3. The Committee recommends that the board of directors establishes an audit committee and appoints a chairperson of the audit committee, who is not the chairperson of the board of directors. The Committee recommends that the audit committee, in addition to its statutory duties, assists the board of directors in:</p> <ul style="list-style-type: none"> • supervising the correctness of the published financial information, including accounting practices in significant areas, significant accounting estimates and related party transactions, • reviewing internal control and risk areas in order to ensure management of significant risks, including in relation to the announced financial outlook, • assessing the need for internal audit, • performing the evaluation of the auditor elected by the general meeting, • reviewing the auditor fee for the auditor elected by the general meeting, • supervising the scope of the non-audit services performed by the auditor elected by the general meeting, and • ensuring regular interaction between the auditor elected by the general meeting and the board of directors, for instance, that the board of directors and the audit committee at least once a year meet with the auditor without the executive management being present. <p>If the board of directors, based on a recommendation from the audit committee, decides to set up an internal audit function, the audit committee must:</p> <ul style="list-style-type: none"> • prepare terms of reference and recommendations on the nomination, employment and dismissal of the head of the internal audit function and on the budget for the department, • ensure that the internal audit function has sufficient resources and competencies to perform its role, and • supervise the executive management’s follow-up on the conclusions and recommendations of the internal audit function. 	<p>The Board has established the Finance, Risk and Audit Committee under the supervision of the Board in accordance with the rules of procedure of the Board. The chair of the Finance, Risk and Audit Committee is currently also the chair of the Board. Following the retirement of former chair of the Board, Luc Debruyne, on 13 November 2025, Anne Louise Eberhard was elected among the members of the Board as the new chair of the Board. In addition to this role, Anne Louise Eberhard continued to serve as chair of the Finance, Risk and Audit Committee.</p> <p>The Board determined that it would not be in the Company’s best interest to implement simultaneous changes to the management of both the Board and the Finance, Risk and Audit Committee. Instead, the Board determined that adjustments to the management of the Finance, Risk and Audit Committee should be carefully evaluated before being introduced.</p> <p>It should be noted that, prior to Luc Debruyne’s retirement on 13 November 2025, the Finance, Risk and Audit Committee and the Board were not chaired by the same individual.</p> <p>The committee’s duties and responsibilities are detailed in the terms of reference of the committee, which is available on the Company’s website: https://www.bavarian-nordic.com/investor/governance/board.aspx</p> <p>The Board has decided not to institute an internal audit function at the Company, based on its assessment that the Company’s size and complexity does not necessitate such a function.</p>

The Corporate Governance Recommendations (continued)

Recommendation	How does Bavarian Nordic comply?
<p>3.4.4. The Committee recommends that the board of directors establishes a nomination committee to perform at least the following preparatory tasks:</p> <ul style="list-style-type: none"> • describing the required qualifications for a given member of the board of directors and the executive management, the estimated time required for performing the duties of this member of the board of directors and the competencies, knowledge and experience that is or should be represented in the two management bodies, • on an annual basis evaluating the board of directors and the executive management’s structure, size, composition and results and preparing recommendations for the board of directors for any changes, • in cooperation with the chairperson handling the annual evaluation of the board of directors and assessing the individual management members’ competencies, knowledge, experience and succession as well as reporting on it to the board of directors, • handling the recruitment of new members to the board of directors and the executive management and nominating candidates for the board of directors' approval, • ensuring that a succession plan for the executive management is in place, • supervising executive managements’ policy for the engagement of executive employees, and • supervising the preparation of a diversity policy for the board of directors’ approval. 	<p>The Board has established the Nomination and Compensation Committee under the supervision of the Board in accordance with the rules of procedure of the Board.</p> <p>The committee’s tasks and responsibilities are detailed in the terms of reference of the committee, which is available on the Company’s website: https://www.bavarian-nordic.com/investor/governance/board.aspx</p>
<p>3.4.5. The Committee recommends that the board of directors establishes a remuneration committee to perform at least the following preparatory tasks:</p> <ul style="list-style-type: none"> • preparing a draft remuneration policy for the board of directors’ approval prior to the presentation at the general meeting, • providing a proposal to the board of directors on the remuneration of the members of the executive management, • providing a proposal to the board of directors on the remuneration of the board of directors prior to the presentation at the general meeting, • ensuring that the management’s actual remuneration complies with the company’s remuneration policy and the evaluation of the individual member’s performance, and • assisting in the preparation of the annual remuneration report for the board of directors’ approval prior to the presentation for the general meeting's advisory vote. 	<p>The Board has established the Nomination and Compensation Committee under the supervision of the Board in accordance with the rules of procedure of the Board.</p> <p>The committee’s tasks and responsibilities are detailed in the terms of reference of the committee, which is available on the Company’s website: https://www.bavarian-nordic.com/investor/governance/board.aspx</p>

The Corporate Governance Recommendations (continued)

Recommendation	How does Bavarian Nordic comply?
3.5. Evaluation of the board of directors and the executive management	
<p>3.5.1. The Committee recommends that the board of directors once a year evaluates the board of directors and at least every three years engages external assistance in the evaluation. The Committee recommends that the evaluation focuses on the recommendations on the board of directors' work, efficiency, composition and organisation, cf. recommendations 3.1.-3.4. above, and that the evaluation as a minimum always includes the following topics:</p> <ul style="list-style-type: none"> • the composition of the board of directors with focus on competencies and diversity • the board of directors and the individual member's contribution and results, • the cooperation on the board of directors and between the board of directors and the executive management, • the chairperson's leadership of the board of directors, • the committee structure and the work in the committees, • the organisation of the work of the board of directors and the quality of the material provided to the board of directors, and • the board members' preparation for and active participation in the meetings of the board of directors. 	<p>Each year, the Board and its subcommittees conduct an evaluation of the Board's and subcommittee's work, accomplishments and composition. The chair heads the annual evaluation, which is conducted at least every third year with external assistance. The process, whether it is facilitated internally or by external consultants, evaluates topics such as board dynamics, board agenda, quality of the material that is submitted to the Board, discussions at the board meetings, the chair's leadership of the Board, strategy, board composition and board competencies.</p> <p>In 2025, a takeover offer was published on 28 July 2025, and the offer was withdrawn on 6 November 2025. Due to a number of other priorities for the Board in Q4 2025, it was decided to postpone the conduct of the 2025 board evaluation till Q1 2026.</p> <p>The evaluation was performed in January 2026 through completion of a detailed questionnaire with the assistance of an external advisor.</p>
<p>3.5.2. The Committee recommends that the entire board of directors discusses the result of the evaluation of the board of directors and that the procedure for the evaluation and the general conclusions of the evaluation are described in the management commentary, on the company's website and at the company's general meeting.</p>	<p>The annual evaluation of the Board for 2025 was postponed till Q1 of 2026. The evaluation was performed in January 2026 through completion of a detailed questionnaire with the assistance of an external advisor.</p> <p>The results of the evaluation will be discussed at a board meeting in early 2026.</p>
<p>3.5.3. The Committee recommends that the board of directors at least once a year evaluates the work and results of the executive management according to pre-established criteria, and that the chairperson reviews the evaluation together with the executive management. In addition, the board of directors should on a continuous basis assess the need for changes in the structure and composition of the executive management, including in respect of diversity, succession planning and risks, in light of the company's strategy.</p>	<p>The Nomination and Compensation Committee regularly evaluates the performance of the Executive Management, and whether the Executive Management has the required qualifications and experiences, and as part hereof, the Committee assesses the need for changes in the structure and composition of the Executive Management. The chair discusses and reviews the evaluation with the Executive Management at least annually.</p>

The Corporate Governance Recommendations (continued)

Recommendation	How does Bavarian Nordic comply?
<h3>4. Remuneration of management</h3>	
<h4>4.1. Remuneration of the board of directors and the executive management</h4>	
<p>4.1.1. The Committee recommends that the remuneration for the board of directors and the executive management and the other terms of employment/service is considered competitive and consistent with the company's long-term shareholder interests.</p>	<p>The principles and terms for remuneration of the Board and the Executive Management are laid out in the Company's remuneration policy, which is approved by the general meeting.</p> <p>The objects of the remuneration policy are 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 policy of the Company is that remuneration of the Board and Executive Management must be competitive and comparable to remuneration in other Danish and international enterprises which the Company naturally compares to.</p>
<p>4.1.2. The Committee recommends that share-based incentive schemes are revolving, i.e. that they are periodically granted, and that they primarily consist of long-term schemes with a vesting or maturity period of at least three years.</p>	<p>Share-based incentive schemes in the form of restricted stock units (RSUs), are granted periodically and with a vesting period of at minimum three years from the date of grant.</p>

The Corporate Governance Recommendations (continued)

Recommendation	How does Bavarian Nordic comply?
<p>4.1.3. The Committee recommends that the variable part of the remuneration has a cap at the time of grant, and that there is transparency in respect of the potential value at the time of exercise under pessimistic, expected and optimistic scenarios.</p>	<p>To ensure a competitive remuneration package as well as to promote the performance of Executive Management in achieving short- and long-term objectives, variable remuneration elements are use</p> <p>Short-term incentive schemes for members of Executive Management are cash-based and are capped to a maximum of twelve months’ base wage.</p> <p>In exceptional cases separate agreements may be entered into, which can result in short-term cash-based incentive schemes with a value of up to an additional one year’s base wage.</p> <p>Long-term incentives are granted as restricted stock units (RSUs) that are capped to a maximum of one year’s base wage at the time of grant.</p> <p>For more details the remuneration policy can be found here: https://www.bavarian-nordic.com/investor/governance/remuneration-policy.aspx.</p> <p>An overview of incentive grants to members of the Executive Management is found in the remuneration report: https://www.bavarian-nordic.com/investor/governance/remuneration-reports.aspx.</p>
<p>4.1.4. The Committee recommends that the overall value of the remuneration for the notice period, including severance payment, in connection with a member of the executive management’s departure, does not exceed two years’ remuneration including all remuneration elements.</p>	<p>The termination period on the part of the Company is 18 months towards the CEO and may be prolonged to up to 24 months in case of change of control situations, and periods during which severance payment can be made may be up to 12 months, provided, however, that the total period for payment of termination pay and severance pay may not exceed 24 months.</p> <p>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.</p>

The Corporate Governance Recommendations (continued)

Recommendation	How does Bavarian Nordic comply?
<p>4.1.5. The Committee recommends that members of the board of directors are not remunerated with share options and warrants.</p>	<p>Members of the Board are not awarded share options or warrants.</p> <p>The remuneration of Board members consists of a fixed annual fee, which is in part paid out in cash and in part awarded as restricted stock units (RSUs) with a vesting period of at minimum three years after the date of grant. In addition, members of the Board receive reimbursement of certain expenses and an overseas travel fee or a fixed attendance fee. Furthermore, members of Board committees receive an additional cash fee.</p> <p>A full overview of the remuneration of the Board can be found in the remuneration report: https://www.bavarian-nordic.com/investor/governance/remuneration-reports.aspx.</p>
<p>4.1.6. The Committee recommends that the company has the option to reclaim, in whole or in part, variable remuneration from the board of directors and the executive management if the remuneration granted, earned or paid was based on information, which subsequently proves to be incorrect, or if the recipient acted in bad faith in respect of other matters, which implied payment of a too large variable remuneration.</p>	<p>Variable remuneration in the form of cash bonus or share-based incentives (including restricted stock units, matching shares and warrants) are subject to recovery or "claw back" by the Company, provided the variable remuneration was paid on the basis of data which the Board subsequently finds to have been incorrect and provided this is in accordance with Danish law. See also the Company's remuneration policy: https://www.bavarian-nordic.com/investor/governance/remuneration-policy.aspx.</p>

Recommendation

How does Bavarian Nordic comply?

5. Risk management

5.1. Identification of risks and openness in respect of additional information

5.1.1. The Committee recommends that the board of directors based on the company's strategy and business model considers, for instance, the most significant strategic, business, accounting and liquidity risks. The company should in the management commentary give an account of these risks and the company's risk management.

Risk management is an integrated part of the Company's operations. A formal process ensures both bottom-up and top-down identification and handling of risks. In this process key risks are first identified through a bottom-up process including description of the risks and mitigating actions taken to reduce either the likelihood of occurrence or the potential impact. Residual risk after agreed mitigating actions is further mitigated by insurance where this is relevant and possible.

On a quarterly basis, major risks are reported to the Finance, Risk and Audit Committee (FRAC) and discussed at these meetings. During the year, specific risks are selected for more in-depth discussions with FRAC involving the operational owner of the specific risk.

The Board receives regular risk updates from FRAC which then form part of the Board's overall decisions about the Company's strategy. An overview of the key risks and how they are managed are presented in the Company's annual report.

5.1.2. The Committee recommends that the board of directors establishes a whistleblower scheme, giving the employees and other stakeholders the opportunity to report serious violations or suspicion thereof in an expedient and confidential manner, and that a procedure is in place for handling such whistleblower cases.

Bavarian Nordic has established an Ethics Hotline (a whistleblower scheme), managed by an independent provider, providing employees and other stakeholders the opportunity to report serious violations of the law or the Company's Code of Conduct, or suspicion thereof, in an expedient and confidential manner.

An Ethics Hotline Policy, describing the details of e.g., who may report, what may be reported, and how reports are processed, is available on the Company's website <https://www.bavarian-nordic.com/about/business-ethics.aspx>.

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