



BAVARIAN NORDIC

## Minutes from the Annual General Meeting 2022 in Bavarian Nordic A/S

On 5 April 2022, at 4 p.m. CET, the annual general meeting of Bavarian Nordic A/S was held at Comwell Borupgaard, Nørrevej 80, DK-3070 Snekkersten.

Marianne Philip, attorney-at-law, was appointed as chairman of the meeting and announced that the general meeting had been duly convened. Present or lawfully represented were shareholders representing nominally DKK 170,468,250 of the shares and the corresponding number of votes or 24.22 % of the Company's share capital of nominally DKK 704,729,350. The Executive Management, the Board of Directors and the auditors were also present.

Referring to article 12 of the Articles of Association, the agenda was as follows:

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

The Board of Directors had proposed the following resolutions:

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

- c. Proposal to amend the Remuneration Policy
- d. Proposal to approve remuneration of the Board of Directors and the Board Committees for the current financial year.
- e. Proposal to authorize the Board of Directors to repurchase own shares.

Re 1, 2, 3 and 5:

Gerard van Odijk, chairman of the Board of Directors and Paul Chaplin, CEO and Henrik Juuel, CFO presented the report of the Board of Directors for 2021, the accounts for 2021 as well as guidance for 2022.

Gerard van Odijk started his presentation by referring to the fact that the Company had started a transformational journey in 2019 with the acquisition of two commercial vaccines from GSK. Execution of the commercial strategy with the establishment of a full, global commercial organization, distribution network and market take-overs has been very successful, and the Company is now in the phase of preparing for taking over manufacturing of the acquired assets by 2025. Bavarian Nordic continues to expand and has welcomed more new employees during 2021 and now has more than 800 employees worldwide. The transformation continues and the Company is now ready to advance two late-stage vaccines; the RSV vaccine and the COVID-19 booster vaccine into pivotal Phase 3 trials soon. Both projects have the potential to fulfil the Company's vision of becoming one of the largest pure play vaccine companies. The commercial transformation over the past two years has helped to globalize Bavarian Nordic. This has been driven by an experienced and diverse group of executives, some with former tenures at some of the world's largest pharmaceutical companies. Gerard van Odijk presented the executive management team and welcomed all the new employees to the Company. Gerard van Odijk mentioned that the Board has suggested an update of the Remuneration Policy in order to be sure that the Company can attract and retain management and employees and reviewed the main terms of the new Remuneration Policy.

Gerard van Odijk informed the general meeting about the Board's work and meetings and collaboration with executive management during the year. The Board was expanded with the inclusion of four employee-elected members after the Annual General Meeting in 2021. The composition of the Board committees remained unchanged. Anne Louise Eberhard is chair of the Finance, Risk and Audit Committee. Elizabeth Anderson is chair of the Science, Technology and Investment Committee and Gerard van Odijk mentioned that he is himself chairing the Nomination and Compensation Committee. Again in 2021 the majority of the meetings have been held as virtual meetings due to COVID-19, but the Board has also been able to meet in person several times, which has been good for collaboration. It has been a very busy year with 10 meetings held in the Board, 5 meetings in the Finance, Risk and Audit Committee, 7 meetings in the Nomination and Compensation Committee, and 4 meetings in the Science, Technology and Investment Committee. There has been a 99% attendance rate, which is even higher than previous years. Gerard van Odijk also mentioned that the annual evaluation of the Board has been conducted with a positive out-come with the assistance of an external consultant, and that he will be pleased to continue the collaboration with the other Board members who are all proposed for re-election at the general meeting, except for Erik G. Hansen who has chosen not to seek re-election. Gerard van Odijk mentioned that Erik G. Hansen has been with the Board for twelve years and previously served as chair of the Finance, Risk and Audit Committee, and thanked Erik G. Hansen for his important contributions to the Board and for a good cooperation.

Gerard van Odijk reviewed the performance of the Bavarian Nordic share. The share outperformed the market in 2021, driven by a positive news flow from the key projects, RSV and COVID-19. A shift in momentum started in late 2021, where vaccine companies and biotech in general started the decline, amplified by the market uncertainty in the beginning of 2022 due to the macroeconomic situation - interest rates going up, high inflation, Ukraine invasion and more - with investors moving towards safe harbours. The 2021 performance was 44%, while 2022 YTD is a decline of approx. 35%. While only a fraction of the shareholders is attending the general meeting, Gerard van Odijk expressed his thanks to all existing and new shareholders, more than 110,000 for their trust and support in the Company's endeavours to bring new lifesaving vaccines to the market.

Henrik Juuel, Executive Vice President and CFO of Bavarian Nordic presented the annual report for 2021, stating that revenue was in line with guidance while EBITDA and year-end cash position was better than guidance.

The Company had a revenue of DKK 1,898 million, EBITDA of DKK 75 million and a cash preparedness at the end of the year at DKK 3,217 million. Henrik Juuel reviewed the split of the revenue for 2021 on Rabipur/RabAvert sales amounting to DKK 506 million, Encepur sales amounting to DKK 363 million, Jynneos/Imvanex sales amounting to DKK 734 million, Contract work amounting to DKK 35 million and Ebola (Mvabea) sales amounting to DKK 260 million. The Board of Directors recommend that the net result for 2021, a loss of DKK 470,148,000, is transferred to next year.

Henrik Juuel mentioned that 2022 will be a year of significant investments in R&D and manufacturing to secure future growth. Bavarian Nordic expects to launch two Phase 3 trials, RSV and COVID-19 and continue the tech transfer of the freeze-dried JYNNEOS to support BLA submission to trigger US approval. Further the Company expect to complete the investments in manufacturing expansion to enable the tech transfer of Rabipur/RabAvert and Encepur. This has been reflected in the financial outlook for 2022. Henrik Juuel reviewed the financial outlook which forecast revenue in the range of DKK 1,100 - 1,400 million. Henrik Juuel mentioned that due to the uncertainty caused by COVID-19 impact it has been necessary to forecast a relatively broad range. Bavarian Nordic forecasts a negative EBITDA of DKK 1,300 - 1,100 million and a cash position at year end of DKK 1,000 - 1,200 million.

Paul Chaplin, President & CEO of Bavarian Nordic, mentioned that the Company has a very ambitious vision to become one of the largest pure play vaccine companies in the world and therefore also have a very ambitious strategy, and reviewed the business highlights in 2021 which showed a strong progress on the strategic priorities. Within the development of innovative life-saving vaccines Bavarian Nordic reported strong efficacy of MVA-BN RSV in a Phase 2 human challenge trial, and initiated preparations for a Phase 3 trial in older adults to be initiated in 2022, reported encouraging Phase 2 results for ABNCoV2, the COVID-19 booster vaccine, and initiated preparations for a Phase 3 trial to be conducted in 2022. In addition, a Phase 1/2 trial of TAEK-VAC, a novel immunotherapy candidate was initiated.

In respect of manufacturing Paul Chaplin mentioned that the first commercial vaccine doses were produced in the new fill and finish facility, construction work on the expansion of the drug substance facility and transfer of the manufacturing technology for Rabipur/RabAvert and Encepur progressed as planned.

In the commercial part of the business the takeover of the physical distribution for Rabipur/RabAvert and Encepur was completed in the remaining markets, market shares were largely maintained for both products in key markets and the awareness and image of Bavarian Nordic with key stakeholders was improved.

Thereafter Paul Chaplin reviewed the plans for ABNCoV2, the next generation COVID-19 vaccine, including the market situation, the clinical data which show that the vaccine induces a strong boosting effect in persons previously vaccinated with mRNA or Adeno based vaccines. Paul Chaplin further mentioned the funding agreement with the Danish Ministry of Health.

Paul Chaplin also reviewed the status for MVA-BN RSV which provides a global blockbuster opportunity, the plans for the future development and the license and supply agreement entered into with Nuance Pharma for China and selected Asian countries.

Paul Chaplin finished his presentation by reviewing the ongoing expansions in the end-to-end manufacturing facility in Kvistgaard, including the status end of 2021 and the planned key-activities for 2022.

Bjarne Kongsted, Danish Shareholders Association asked to status regarding Bavarian Nordic's COVID-19 vaccine after the Company received funding of 800 million DKK from the Danish state. He further mentioned that the year has been difficult for the shareholders with the share price decreasing from 366 DKK in the fall to under 150 DKK in March 2022. There has been a recent increase but 2021 has been a difficult year for the shareholders. Referring to the Company's expectations for a negative result in 2022 Bjarne Kongsted asked whether there have been exceptional problems in 2021 and how the Company is prepared for the difficult

times in 2022 such as increasing prices, supply problems, difficult financial markets and war in Europe and what that will mean for the 2022 result. Bjarne Kongsted further asked whether the unsecure situation in the 1st quarter of 2022 will have an impact on the 2022 expectations. Bjarne Kongsted further mentioned that he still believes in a strong future for Bavarian Nordic. Bjarne Kongsted asked why the website did not exist in a Danish version referring to the fact that the Company is listed in Copenhagen. He finished by wishing employees, management and the Board of Bavarian Nordic a good working year.

Henrik Juuel thanked Bjarne Kongsted for his questions and for representing Danish Shareholders Association at the general meeting. Henrik Juuel answered the questions raised by Bjarne Kongsted, including explaining the status and plans for the COVID-19 vaccine, that 2021 has been a difficult year in respect of COVID-19 lockdowns and supply chain challenges, but the organization has and are still handling the supply chain challenges without any impact on topline. Further there are no changes to the present guidance. In respect of the text on the website Henrik Juuel mentioned that the Company does publish stock ex-change announcements and press releases both in Danish and English.

The general meeting noted the report of the Board of Directors, approved the annual report and the proposal to carry forward the result for the year to next year, and discharged the Board of Directors and the Executive Management from liability.

re 4:

Marianne Philip briefly reviewed the main content of the Remuneration Report.

The Remuneration Report 2021 was approved by the general meeting.

re 6:

Gerard van Odijk, Anders Gersel Pedersen, Peter Kürstein, Frank Verwiel, Elizabeth McKee Anderson and Anne Louise Eberhard were ready to accept re-election. Erik Gregers Hansen had informed the Board of Directors that he did not seek re-election.

Marianne Philip informed the meeting about the managerial positions held by the candidates in other Danish and foreign-owned enterprises, other than wholly-owned subsidiaries.

The proposal was adopted.

Following the resolution, the Board of Directors elected by the general meeting consists of:

Gerard van Odijk (Chairman)  
Anders Gersel Pedersen (Vice Chairman)  
Peter Kürstein  
Frank Verwiel  
Elizabeth McKee Anderson  
Anne Louise Eberhard  
Anja Gjøøl  
Karen Jensen  
Thomas Bennekov  
Linette Munksgaard

re 7:

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

The proposal was adopted.

Re 8:

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

The proposal entails adding a new Article 5a of the Articles of Association as follows:

*“Subsection 1*

*For the period ending on 30 June 2023, the Board of Directors shall be authorized to increase the Company's share capital in one or more issues with a total of nominally DKK 70,468,390 (7,046,839 shares of DKK 10 each) by the sub-scription of new shares. The existing shareholders shall have pre-emption rights to subscribe for the amount by which the share capital is increased, proportional to their shareholdings. The share capital shall be increased by cash payment at a subscription price which may be lower than the value of the shares.*

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

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

*Subsection 2*

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

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

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

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

*Subsection 3*

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

Marianne Philip reviewed the proposal.

Marianne Philip ascertained that the proposal had been adopted by more than two-thirds of the votes cast as well as more than two-thirds of the votes represented at the general meeting.

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

Consequently, Article 5c of the Articles of Association is amended as follows:

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

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

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

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

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

Marianne Philip reviewed the proposal.

Marianne Philip ascertained that the proposal had been adopted by more than two-thirds of the votes cast as well as more than two-thirds of the votes represented at the general meeting.

- c. The Board proposed that the Remuneration Policy is amended as follows:

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

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

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

Marianne Philip reviewed the proposal.

Marianne Philip ascertained that the proposal had been adopted by simple majority.

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

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

The Board of Directors proposes that the members of the 3 Board committees will receive an additional annual committee fee of DKK 100,000 per committee. The remuneration to the Chairmen of the Board committees will, however, be two times the annual committee fee (DKK 200,000). The Board of Directors has established a Finance, Risk and Audit Committee, a Nomination and Compensation Committee and a Science, Technology and Investment committee.

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

Marianne Philip reviewed the proposal.

Marianne Philip ascertained that the proposal had been adopted by simple majority.

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

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

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

Marianne Philip reviewed the proposal.

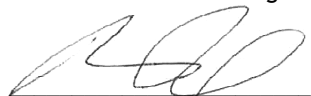
Marianne Philip ascertained that the proposal had been adopted by simple majority.

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The general meeting authorized Marianne Philip, attorney-at-law, to register the proposals adopted by the General Meeting with the Danish Business Authority (*Erhvervsstyrelsen*) and to make such additions, alterations or amendments thereto or therein, including to the Articles of Association, and to take any other action as the Danish Business Authority may require for registration.

The chairman announced that there was no further business to transact, and the general meeting was closed.

Chairman of the meeting:



Marianne Philip