

**Ultimovacs ASA -
Remuneration Report**

2022

Remuneration report 2022

Background

The board of Ultimovacs shall prepare a remuneration report describing how the Company complies with its own guidelines for remuneration to senior executives. The report covers remuneration to senior executives defined as the company's management team. The report has been prepared in accordance with the Public Limited Liability Companies Act § 6-16b and associated regulations as well as the European Commission's template for a report on remuneration.

Purpose and general remuneration principles

These guidelines constitute a framework for which remuneration to the executive management may be decided during the period for which the guidelines are in force. The Company is a biotech company developing novel immunotherapies against cancer. Consequently, the Company competes for senior management talent within the international pharmaceutical industry. These guidelines attempt to ensure the Company's competitiveness as an employer within the industry.

The Company's remuneration principles shall be designed to ensure responsible and sustainable remuneration decisions that support the Company's business strategy, long-term interests, and sustainable business practices. To this end, salaries and other employment terms shall enable the Company to retain, develop and recruit skilled senior executives with relevant experience and competence. The remuneration shall be on market terms, competitive, and reflect the performance and responsibilities of individual senior executives.

The remuneration guidelines apply to the executive management team of the Company. For the purposes of these guidelines, the executive management team includes the CEO and certain other executives who, from time to time, are members of the management and directly report to the CEO. The management team, which had two additions in 2021, consists of 10 people.

Ultimovacs' guidelines for remuneration to senior executives are available on the company's website, www.ultimovacs.com. The auditor's confirmation of the company's compliance with the guidelines is available in this report.

Compliance with the guidelines

The complete remuneration for 2022 has been in accordance with the guidelines approved by the General Assembly in 2022.

The base management salary is regarded as competitive in order to attract and retain the most attractive managers. The salary level is in our view not of a size that could harm the Company's reputation, or significantly above the norm for employees with similar background and in similar positions in comparable companies. The salary level should, however, ensure that the Company can attract and retain executive employees with the desired expertise and experience.

There has been no variable remuneration, bonuses or severance payments in 2022.

There were no outstanding loans or guarantees made to related parties, the Board of Directors, the Management Team or any other employees as of 31 December 2021 or as of 31 December 2022.

Information on shareholder vote

In relation to the management remuneration guidelines program presented at the General Assembly in 2022, the Company received input from one of its shareholders that the share option program should be capped at a maximum profit level for the individual participants. The shareholder therefore voted against the proposed remuneration guidelines and the related authorization to the board to issue shares related to the option program. The board of directors has considered such input, but concluded that the current structure of the option program aligns with the Company's approved strategy and purpose of the option program.

Remuneration of the Management Team

Management remuneration

Below is an overview of the remuneration received by the Management team in 2021 and 2022. 'Salary' comprise fixed salary including holiday pay. 'Benefits in kind' comprise telephone and insurance for all employees. In addition, the CEO, CFO, CMO, CTO and CBO have either company cars or receive a cash car allowance. The Company also covers the costs of an apartment in Norway for the CEO up to a certain amount. The base-salary adjustment from 2021 to 2022 for all employees in the Management Team (employed the whole year in both 2021 and 2022) was an increase of 3.1%, with effect from 01.01.2022.

'Share option' is the IFRS cost in relation to the share option plan for all options not exercised. Please refer to the next page for more information regarding the allocated and outstanding share options. With the exception of options, the Management team does not have any other regular variable pay or other variable benefits.

Pension costs are in line with the Remuneration guidelines. CEO and Management in the Norwegian entity participate in a defined contribution pension plan with the same terms as all other employees in the Norwegian entity.

The Chief Business Officer, who is employed in the Swedish entity, is entitled to a defined contribution pension plan where the annual accrual is currently 20% of the annual salary. The Head of Regulatory and QA, who is also employed in the Swedish entity, has a pension accrual of 25% of the annual salary.

The CBO and Head of Regulatory and QA, who are employed in Ultimovacs AB, receive their remuneration in SEK (Swedish Kroner). The amounts in the tables below are translated to NOK by using the average SEK/NOK rate for the respective year. The share option remuneration is in NOK.

MANAGEMENT REMUNERATION 2022 (NOK 1 000)	BASE SALARY**	BENEFITS IN KIND	VARIABLE REMUNER.	SHARE OPTIONS	PENSION COST	TOTAL REMUNER- ATION
Carlos de Sousa (CEO)	4 638	501	-	2 892	101	8 131
Hans Vassgård Eid (CFO)	2 641	254	-	1 990	101	4 985
Jens Egil Torbjørn Bjørheim (CMO)	2 557	194	-	1 926	101	4 777
Audun Tornes (CTO)	1 562	189	-	1 221	101	3 073
Gudrun Trøite (Head of Project Coordin.)	1 561	12	-	1 101	101	2 774
Ingunn Hagen Westgaard (Head of R&D)	1 562	20	-	1 161	101	2 843
Øivind Foss (Head of Clinical Operations)	1 582	12	-	1 281	101	2 975
Ton Berkien (CBO)	2 351	177	-	1 181	455	4 165
Anne Worsøe (Head of IR and Comm.)	1 494	11	-	270	101	1 876
Orla Mc Callion (Head of Reg. and QA)	1 235	0	-	456	309	2 000
Total remuneration	21 183	1 370	-	13 477	1 568	37 599

MANAGEMENT REMUNERATION 2021 (NOK 1 000)	BASE SALARY**	BENEFITS IN KIND	VARIABLE REMUNER.	SHARE OPTIONS	PENSION COST	TOTAL REMUNER- ATION
Carlos de Sousa (CEO from 1 June 2020)	4 443	458	-	2 825	96	7 822
Øyvind Arnesen (CEO until 30 May 2020)*	1 802	152	-	43	-	1 997
Hans Vassgård Eid (CFO)	2 554	248	-	1 031	96	3 929
Jens Egil Torbjørn Bjørheim (CMO)	2 428	212	-	1 002	96	3 738
Audun Tornes (CTO)	1 523	155	-	623	96	2 397
Gudrun Trøite (Head of Project Coordin.)	1 506	6	-	623	96	2 231
Ingunn Hagen Westgaard (Head of R&D)	1 512	14	-	623	96	2 244
Øivind Foss (Head of Clinical Operations)	1 534	6	-	623	96	2 259
Ton Berkien (CBO)	2 405	169	-	470	495	3 539
Anne Worsøe (Head of IR and Comm.)	400	1	-	-	24	426
Orla Mc Callion (Head of Reg. and QA)	326	-	-	-	81	407
Total remuneration	20 432	1 421	-	7 863	1 273	30 989

*Following Øyvind Arnesen's resignation in 2020, he received an 18 months severance pay, paid over the course of 18 months, ending in November 2021. Arnesen continued to receive all benefits from his employment in this period, with the exception for pension rights, which were not applicable for the last 12 months.

** Base salary in the table also includes payment of vacation pay which was accumulated from the previous year

Remuneration of the Management Team

REMUNERATION TO THE MANAGEMENT TEAM (NOK 1 000)		2022	2021	2020	2019	2018
Carlos de Sousa (CEO from 1 June 2020)	Total NOK	8 131	7 822	5 443	-	-
	Change NOK	309	2 379	-	-	-
	Change %	3.9 %	n.a.	-	-	-
Øyvind Arnesen (CEO until 30 April 2020)	Total NOK	-	1 997	3 278	3 046	2 699
	Change NOK	-	-1 281	232	347	88
	Change %	0.0 %	n.a.	7.6 %	12.9 %	3.4 %
Hans Vassgård Eid (CFO)	Total	4 985	3 929	3 296	2 747	2 385
	Change NOK	1 056	633	549	362	47
	Change %	26.9 %	19.2 %	20.0 %	15.2 %	2.0 %
Jens Egil Torbjørn Bjørheim (CMO)	Total	4 777	3 738	2 696	2 249	1 967
	Change NOK	1 040	1 041	447	282	140
	Change %	27.8 %	38.6 %	19.9 %	14.3 %	7.7 %
Audun Tornes (Chief Technology Officer)	Total	3 073	2 398	2 120	1 815	1 651
	Change NOK	675	278	305	164	70
	Change %	28.1 %	13.1 %	16.8 %	9.9 %	4.4 %
Gudrun Trøite (Head of Project Coordin.)	Total	2 774	2 231	1 865	1 504	1 255
	Change NOK	543	366	361	249	815
	Change %	24.3 %	19.6 %	24.0 %	19.8 %	n.a.
Ingunn Hagen Westgaard (Head of R&D)	Total	2 843	2 244	1 836	1 527	1 297
	Change NOK	598	408	309	230	40
	Change %	26.7 %	22.2 %	20.3 %	17.7 %	3.2 %
Øivind Foss (Head of Clinical Operations)	Total	2 975	2 259	1 959	1 657	1 469
	Change NOK	716	300	302	188	1 008
	Change %	31.7 %	15.3 %	18.2 %	12.8 %	n.a.
Ton Berkien (Chief Business Officer)	Total	4 165	3 539	267	-	-
	Change NOK	626	3 272	-	-	-
	Change %	17.7 %	n.a.	-	-	-
Anne Worsøe (Head of IR and Comm.)	Total	1 876	426	-	-	-
	Change NOK	1 450	-	-	-	-
	Change %	n.a.	-	-	-	-
Orla Mc Callion (Head of Reg. and QA)	Total	2 000	407	-	-	-
	Change NOK	1 593	-	-	-	-
	Change %	n.a.	-	-	-	-
Profit (loss) after tax		(167 792)	(164 722)	(120 552)	(61 166)	(55 280)
FTEs in company		23.2	21.3	18.8	16.5	11.8
FTEs in company excluding Management		13.2	12.8	11.2	8.9	4.6
Average total remuneration per FTE excl. Management		1 659	1 227	1 394	1 323	1 055

Please note that the 'total remuneration' in the table above includes share option remuneration that are based on theoretical values on the options and the vested percentage of the options during the year. This value does not reflect current market value of the vested/unvested options, and/or actual cash remuneration to the employee, only the pro rata share of booked IFRS costs in the financial statement for each individual. The NOK/%-change in total remuneration in the table is therefore in most cases higher than the actual change in cash remuneration received during the year for each respective employee with option holdings.

n.a.: if the employee has not been employed two full consecutive years.

Remuneration of the Management Team

REMUNERATION TO THE MANAGEMENT TEAM (NUMBER OF OPTIONS)	AWARD PLAN	AWARD DATE	VESTING DATE	STRIKE PRICE (NOK)	OPENING BALANCE	AWARDED DURING THE YEAR	VESTED DURING THE YEAR	CLOSING BALANCE
Carlos de Sousa (CEO from 1 June 2020)	Plan 2020	25.05.2020	1y/2y/3y	39.15	362 185		120 728	416 035
	Plan 2021	16.04.2021	1y/2y/3y	61.99	53 850		13 463	
Hans Vassgård Eid (CFO)	Plan 2019	03.06.2019	1y/2y/3y	31.25	62 500		31 250	224 500
	Plan 2020	25.05.2020	1y/2y/3y	39.15	56 000		14 000	
	Plan 2021	16.04.2021	1y/2y/3y	61.99	59 000		14 750	
Jens Egil Torbjørn Bjørheim (CMO)	Plan 2022	21.04.2022	1y/2y/3y	83.46		47 000	-	215 000
	Plan 2019	03.06.2019	1y/2y/3y	31.25	53 000		26 500	
	Plan 2020	25.05.2020	1y/2y/3y	39.15	56 000		14 000	
Audun Tornes (Chief Technology Officer)	Plan 2021	16.04.2021	1y/2y/3y	61.99	59 000		14 750	137 500
	Plan 2020	25.05.2020	1y/2y/3y	39.15	34 500		8 625	
	Plan 2022	21.04.2022	1y/2y/3y	83.46		30 000	-	
Gudrun Trøite (Head of Project Coordin.)	Plan 2021	16.04.2021	1y/2y/3y	61.99	35 000		8 750	96 814
	Plan 2019	03.06.2019	1y/2y/3y	31.25	38 000		19 000	
	Plan 2020	25.05.2020	1y/2y/3y	39.15	34 500		8 625	
Ingunn Hagen Westgaard (Head of R&D)	Plan 2022	21.04.2022	1y/2y/3y	83.46		20 000	-	111 395
	Plan 2021	16.04.2021	1y/2y/3y	61.99	35 000		8 750	
	Plan 2020	25.05.2020	1y/2y/3y	39.15	34 500		8 625	
Øivind Foss (Head of Clinical Operations)	Plan 2019	03.06.2019	1y/2y/3y	31.25	38 000		19 000	104 500
	Plan 2021	16.04.2021	1y/2y/3y	61.99	35 000		8 750	
	Plan 2022	21.04.2022	1y/2y/3y	83.46		35 000	-	
Ton Berkien (Chief Business Officer)	Plan 2021	16.04.2021	1y/2y/3y	61.99	59 000		14 750	106 000
	Plan 2022	21.04.2022	1y/2y/3y	83.46		47 000	-	
Anne Worsøe (Head of IR and Comm.)	Plan 2022	21.04.2022	1y/2y/3y	83.46	-	22 500	-	22 500
Orla Mc Callion (Head of Regulatory and QA)	Plan 2022	21.04.2022	1y/2y/3y	83.46	-	38 000	-	38 000

Performance period: permanent employment prior to award date

Vesting date: a vesting schedule of 25%/25%/50% after 1/2/3 years applies generally, but a vesting schedule of 33%/33%/33% after 1/2/3 years applies specifically for options granted to Carlos de Sousa (CEO) in 2020.

End of holding period: 7 years from grant date (up from 5 from 2021 - applies for all options)

Option exercise: Option exercise periods were half yearly in 2020 and 2021, and quarterly from 2022. During 2022, Øivind Foss exercised 38,000 options, Ingunn Westgaard 21,105 options and Gudrun Trøite 30,686 options. No other members of the management team has exercised options.

Remuneration of the Board of Directors

In accordance with the remuneration policy, the Board of Directors was remunerated with fixed fees. Members of the audit committee received an additional fee, kNOK 35 for the committee leader, and kNOK 20 for other members. The fees are summarized in the table below.

Ketil Fjerdingen was the Chairman of the Board from 2012 to 2018, and Jónas Einarsson has been the Chair since 2018. Leiv Askvig has been the head of the Audit Committee since 2019. Kristin L.A. Wilhelmsen was a member of the Audit Committee from 2019 to 2020,

and was replaced by Haakon Stenrød as a member from 2020. Aitana Peire and Haakon Stenrød were elected as new board members in November 2020, thus the reduced fee received for 2020 (paid in 2021). Håkan Englund was deputy board member until the Annual General Meeting in 2022, when he resigned from the board. Note that the table below shows the payment of the board fees, which were accumulated during the previous year. Remuneration of board members for 2022 will be approved by the Annual General Meeting 20 April 2023.

REMUNERATION TO THE BOARD OF DIRECTORS (NOK 1 000)		2022	2021	2020	2019	2018
Jónas Einarsson (Chairman of the Board)	Total NOK	400	400	400	275	138
	Change NOK	-	-	125	138	13
	Change %	0 %	0 %	45 %	100 %	10 %
Ketil Fjerdingen (Board member)	Total NOK	200	200	200	138	275
	Change NOK	-	-	63	-138	25
	Change %	0 %	0 %	45 %	-50 %	10 %
Leiv Askvig (Board member)	Total	235	235	235	138	138
	Change NOK	-	-	98	-	13
	Change %	0 %	0 %	71 %	0 %	10 %
Henrik Schüssler (Board member)	Total	200	200	200	138	138
	Change NOK	-	-	63	-	13
	Change %	0 %	0 %	45 %	0 %	10 %
Kristin L.A. Wilhelmsen	Total	-	220	220	138	138
	Change NOK	-	-	83	-	86
	Change %	-	0 %	60 %	0 %	164 %
Bjørn Rune Gjelsten (Board member)	Total	-	-	-	138	138
	Change NOK	-	-	-138	-	13
	Change %	-	-	-100 %	0 %	10 %
Ole Kristian Hjelstuen (Board member)	Total	-	-	-	138	138
	Change NOK	-	-	-138	-	13
	Change %	-	-	-100 %	0 %	10 %
Kari Grønås (Board member)	Total	200	200	200	-	-
	Change NOK	-	-	200	-	-
	Change %	0 %	0 %	n.a.	-	-
Eva S. Dugstad (Board member)	Total	200	200	200	-	-
	Change NOK	-	-	200	-	-
	Change %	0 %	0 %	n.a.	-	-
Håkan Englund (Deputy Board Member)	Total	200	200	200	-	-
	Change NOK	-	-	200	-	-
	Change %	0 %	0 %	n.a.	-	-
Aitana Peire (Board Member)	Total	200	30	-	-	-
	Change NOK	170	30	-	-	-
	Change %	n.a.	n.a.	-	-	-
Haakon Stenrød (Board Member)	Total	220	30	-	-	-
	Change NOK	190	30	-	-	-
	Change %	n.a.	n.a.	-	-	-
Total remuneration		2 055	1 915	1 855	1 100	1 100

Board of Directors' statement on the remuneration report

It is the view of the Board of Directors that remuneration of the Board of Directors and of the Management Team for the financial year 2022 has been conducted in alignment with Ultimovacs' remuneration policy as approved by the general assembly on 21 April 2022 and according to the requirements in the Norwegian Companies Act § 6-16 b.

The report will be presented for an advisory vote at the Annual General Meeting planned for 20 April 2023.

Board of Directors and CEO of Ultimovacs ASA

Oslo, 23 March 2023

Sign

Jónas Einarsson
Chairman of the Board

Sign

Henrik Schüssler
Board member

Sign

Aitana Peire
Board member

Sign

Kari Grønås
Board member

Sign

Ketil Fjerdings
Board member

Sign

Haakon Stenrød
Board member

Sign

Eva S. Dugstad
Board member

Sign

Leiv Askvig
Board member

Sign

Carlos de Sousa
CEO



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INDEPENDENT AUDITOR'S ASSURANCE REPORT ON REMUNERATION REPORT

To the General Meeting of Ultimovacs ASA

Opinion

We have performed an assurance engagement to obtain reasonable assurance that Ultimovacs ASA's report on salary and other remuneration to directors (the remuneration report) for the financial year ended 31 December 2022 has been prepared in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

In our opinion, the remuneration report has been prepared, in all material respects, in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

Board of directors' responsibilities

The board of directors is responsible for the preparation of the remuneration report and that it contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and for such internal control as the board of directors determines is necessary for the preparation of a remuneration report that is free from material misstatements, whether due to fraud or error.

Our independence and quality control

We are independent of the company in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. Our firm applies International Standard on Quality Control 1 (ISQC 1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibilities

Our responsibility is to express an opinion on whether the remuneration report contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and that the information in the remuneration report is free from material misstatements. We conducted our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information".

We obtained an understanding of the remuneration policy approved by the general meeting. Our procedures included obtaining an understanding of the internal control relevant to the preparation of the remuneration report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. Further we performed procedures to ensure completeness and accuracy of the information provided in the remuneration report, including whether it contains the information required by the law and accompanying regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Oslo, 23 March 2023
ERNST & YOUNG AS

The auditor's assurance report is signed electronically

Erik Søreng
State Authorised Public Accountant (Norway)

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