



BAVARIAN NORDIC

Company Announcement

Bavarian Nordic Introduces New Employee Incentive Program

COPENHAGEN, Denmark, December 8, 2020 - Bavarian Nordic A/S (OMX: BAVA, OTC: BVNRY) announced today that the board, in line with previous years, has decided to introduce a three-year incentive program in January 2021 for all employees in the Bavarian Nordic Group, with the exception of employees receiving warrants. The program is a cash bonus program based on the development in the Company's share price, and thus will have no dilutive effect on existing shareholdings.

Each employee participating in the program is awarded so-called phantom shares every month of employment until 31 December 2023. The exercise price is DKK 203.1. The phantom shares may be exercised in January 2024, only if the Company's share price by then exceeds the exercise price by at least DKK 5. In that case, each phantom share will yield a cash bonus equivalent to DKK 1 per point the share price exceeds the exercise price.

Based on the current number of employees in the Group eligible for participating in the program, the program will comprise up to 115.200 phantom shares. The average value of each phantom share granted equals DKK 26.5 calculated on the basis of the Black-Scholes model with a risk-free interest rate of -0.70 per cent and on the historical volatility of the shares in relevant peers. The calculation is based on a share price of DKK 184.65.

About Bavarian Nordic

Bavarian Nordic is a fully integrated vaccines company focused on the development, manufacture and commercialization of life-saving vaccines. We are a global leader in smallpox vaccines and have been a long-term supplier to the U.S. Strategic National Stockpile of a non-replicating smallpox vaccine, which has been approved by the FDA under the trade name JYNNEOS®, also for the protection against monkeypox. The vaccine is approved as a smallpox vaccine in Europe under the trade name IMVANEX® and in Canada under the trade name IMVAMUNE®. Our commercial product portfolio furthermore contains the market-leading vaccine Rabipur®/RabAvert® against rabies and Encepur® against tick-borne encephalitis. Using our live virus vaccine platform technology, MVA-BN®, we have created a diverse portfolio of proprietary and partnered product candidates designed to save and improve lives by unlocking the power of the immune system, including an Ebola vaccine, MVABEA®, which is licensed to Janssen. For more information visit www.bavarian-nordic.com.

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