



TARGOVAX REMUNERATION REPORT 2021

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Introduction

Targovax ASA ("the Company") and its subsidiaries (together, the Group) is a clinical stage immuno-oncology company developing immune activators to target hard-to-treat solid tumors.

This 2021 Remuneration Report for Governing Bodies ("Remuneration Report") has been prepared in accordance with the requirements of the Norwegian Code of Practice for Corporate Governance 2021 and the Public Companies Act §6-16aog 6-16b and Regulations on guidelines and report on remuneration for senior executives (12/2020). It further reflects the recommendations of the European Commission Guidelines draft on the standardised presentation of the remuneration report regarding the encouragement of long-term shareholder engagement.

The report will be presented for an advisory vote at the Annual General Meeting (AGM) in April 2022 and is disclosed with other information on [Targovax's website](#).

Last year's AGM adopted the Remuneration Principles. The table below shows remuneration-related votes at the 2021 AGM.

Percentage of AGM participating investors voting for/against the proposals:

Remuneration to the members of the board of Directors	92.60% / 0.00%
Restricted stock units to the members of the board of directors	91.19% / 1.41%
The board of directors' guidelines on determination of salary and other remuneration to the CEO and Executive management	74.77% / 25.4%

To increase transparency around the remuneration of governing bodies, this Remuneration Report provides an overview of the total remuneration received by each member of the Board of Directors and the Executive management in the 2021 financial year with comparative figures for the past financial years where relevant. This Remuneration Report also explains how the remuneration is linked to the performance and the overall strategy of Targovax.

Key changes in the composition of Executive Management during 2021:

- Dr Erik Digman Wiklund, former Chief Business Officer of Targovax, was appointed Chief Executive Officer (CEO) of the Company (20 October 2021). Øystein Soug, former CEO, remained as Interim Chief Financial Officer
- Dr Torbjørn Furuseth left the role as Chief Financial Officer (31 October 2021)
- Dr Lone Ottesen was appointed Chief Development Officer (1 July 2021)
- Ola Melin was appointed Head of Manufacturing (1 October 2021)

Furthermore, this Remuneration Report confirms that through the course of 2021 the Remuneration report complied with [the Principles](#). There was only one deviation related to the change of the CEO. The cash bonus for the current CEO is 50% of base salary (former CEO: 35%), and an updated version of the Principles will be presented at the Annual General Meeting in April 2022.

Letter from the Remuneration Committee

Dear shareholders

It is our pleasure to present the Targovax Remuneration Report for the year 2021. We encourage our shareholders to read the entire Remuneration Report before attending the Annual General meeting in April 2022.

During 2021, Targovax achieved a strong data package for the lead asset ONCOS-102 demonstrating promising clinical efficacy and powerful immune activation in several cancer forms and treatment combinations. We believe that these data confirm the tremendous potential of ONCOS as a versatile delivery vector for targeted anti-cancer payloads, and we wish to pursue this opportunity by expanding our pipeline repertoire, including a move into the emerging circular RNA space.

Targovax is a clinical stage company with a pipeline focusing on opportunities in immuno-oncology and particularly oncolytic adenovirus technology. In order to implement our strategy and build shareholder value Targovax needs to be able to attract and retain experienced and qualified key individuals. The Company's total compensation philosophy reflects this in that equity incentives play an important role in compensating, motivating, and retaining the employees. Moreover, the Remuneration Committee believes that it is essential that a substantial part of management's compensation is aligned with the interests of Targovax's shareholders. The equity incentive is an important motivator of Targovax's organization, in particular key employees, to deliver the milestones that will advance Targovax and underpin long-term value creation. In order to make this journey successful, it is of crucial importance for Targovax to be able to attract and retain senior and talented individuals that are willing to build lasting careers with the Company.

During the year the Remuneration Committee engaged closely with management in order to ensure essential means and tactics necessary to fulfil the needs of the Company. Long-term incentives have been the most important topic to ensure a successful compensation policy. The Remuneration Committee believes that the suggested compensation policy will support and fulfil the essential needs of sustainable engagement and long-term value creation of the Company.

The Remuneration Committee will continue to measure and monitor the effectiveness of the compensation policies and return with further amendments when needed.

*Per Samuelsson, Robert Burns, and Damian Marron
Targovax Remuneration Committee, 9 March 2022*

Summary of the Remuneration Principles

Principle	Summary
Market competitive compensation	Targovax offers market competitive reward opportunities on a level adequate to enable the Company to attract, retain, and motivate the talent needed to achieve our vision and business objectives. We balance the need to provide market competitive levels of reward against a desire to be cost-effective when determining reasonable and responsible reward outcomes.
Pay for performance and commitment	An appropriate proportion of the reward package is performance-based for top executives to ensure reward is linked to the achievement of key financial and non-financial objectives with a balance of short and long-term performance components - with priority being given to securing the long-term commitment of key employees.
Transparency	Compensation programs are designed and communicated in a manner that reinforces the linkage between business objectives, our vision, and culture.
Business alignment and consistency	Compensation decisions are made within an international framework to ensure local practices are aligned and consistent with our principles and policies. Compensation practices will remain flexible enough to evolve as the business priorities of Targovax change.
Shareholder alignment	Compensation programs will align the interests of all employees in driving long-term value creation for our shareholders. Targovax will share the success of the Company wherever possible with its employees.

Element	2021
Base salary	✓
Short term incentive for top executives: Annual cash bonus	✓
Short term incentive for all employees: Annual cash bonus	✓
Long term incentive for all employees: Share options	✓
Benefits	✓
Pension	✓
Equity as part of Board fee	✓

Executive Management

Executive Management remuneration is evaluated on a regular basis against relevant benchmarks of Norwegian and other Nordic companies as well as European pharmaceutical companies similar to Targovax in terms of size, complexity, and market capitalization. To ensure comparability executive positions are evaluated in accordance with an international position evaluation system which among other parameters includes and reflects the development of the Company size measured in terms of company revenue and number of employees.

The **remuneration package** consists of a fixed base salary, a short-term cash-based incentive (bonus), a long-term share-based incentive, a pension contribution, and other benefits.

The **fixed base salary** is chosen to attract and retain executives with professional and personal competences required to drive the Company's performance.

Targovax employs a delayed approach when establishing **general salary adjustments**: market data from the previous year defines the default salary increase in the subsequent year. The market data in question is the average salary increase from the Association of the Pharmaceutical Industry in Norway (LMI).

The **short-term incentive program (STIP) consists of a cash-based incentive (bonus)** which is linked to the achievement of a number of predefined functional and individual business targets for each member of Executive Management. The calculation of the STIP – if any – for a year is based on the salary throughout the year. The targets for the Chief Executive Officer are set by the Board of Directors while the targets for the Executive Management are set by the Chief Executive Officer. The Compensation Committee evaluates the degree of target achievement for each member of the Executive Management and gives recommendation for the Board for their approval. Cash-based incentives – if any – for a particular financial year are paid at the beginning of the subsequent financial year.

STIP is subject to recovery or '**claw-back**' by Targovax, provided the remuneration was paid on the basis of data which proved to be manifestly misstated. Claw-back in relation to the STIP is possible up to 12 months after the actual payment of the cash-based incentive.

Board of Directors

The shareholders in the AGM resolve on the fees payable to the directors for their services on the Board of Directors and on a Board Committee for the period from the current AGM and until the next AGM. If the current board members have served for a shorter period than since the annual general meeting in 2021, the remuneration shall be pro rata adjusted down (based on the number of days served compared to the full period). The members of the board of directors may choose to receive their remuneration, or parts thereof, in the form of restricted stock units (RSUs). See page 9 for more information about RSUs.

Amounts in NOK		2019-2020	2020-2021	2021-2022
Annual fee, chairperson		500 000	500 000	515 000
Annual fee, other Board members		290 000	290 000	300 000
Committee meeting, chairperson of committee	8 000 per meeting, not less than 40 000 for the period	8 000 per meeting, not less than 40 000 for the period	8 000 per meeting, not less than 40 000 for the period	8 000 per meeting, not less than 40 000 for the period
Committee meeting, other members of committee	4 000 per meeting, not less than 20 000 for the period	4 000 per meeting, not less than 20 000 for the period	4 000 per meeting, not less than 20 000 for the period	4 000 per meeting, not less than 20 000 for the period
RSU	If the Board members choose to receive the Board remuneration in RSUs they must choose to either (i) receive 100% of the compensation in RSUs, (ii) receive 1/3 of the compensation in cash and 2/3 in RSUs, or (iii) receive 2/3 of the compensation in cash and 1/3 in RSUs	If the Board members choose to receive the Board remuneration in RSUs they must choose to either (i) receive 100% of the compensation in RSUs, (ii) receive 1/3 of the compensation in cash and 2/3 in RSUs, or (iii) receive 2/3 of the compensation in cash and 1/3 in RSUs	If the Board members choose to receive the Board remuneration in RSUs they must choose to either (i) receive 100% of the compensation in RSUs, (ii) receive 1/3 of the compensation in cash and 2/3 in RSUs, or (iii) receive 2/3 of the compensation in cash and 1/3 in RSUs	If the Board members choose to receive the Board remuneration in RSUs they must choose to either (i) receive 100% of the compensation in RSUs, (ii) receive 1/3 of the compensation in cash and 2/3 in RSUs, or (iii) receive 2/3 of the compensation in cash and 1/3 in RSUs

Performance criteria of short-term incentive program

The short-term incentive program (STIP) is designed to incentivize the individual executives (with the exception of the CEO) for individual performance (50%) within his/her functional area and overall company performance (50%) and to ensure short-term achievements in line with company objectives. The CEO's STIP is 50% of the fixed base salary and is based 100% on company performance. The STIP for all other members of Executive Management is between 20% and 35% of the fixed base salary. The Remuneration Principles states a percentage between 20% and 35%, but with the change of CEO during the year, the CEO bonus was increased, and new principles will be presented at the AGM 2022.

The corporate objectives are set by the Board and determined for and agreed with the CEO. The bonus of the CEO is determined by achievements of corporate objectives. Other employee bonuses are based on the achievement of the corporate objectives as well as individual objectives.

The level of performance achieved and the amount of bonus to be awarded individual members of the Executive Management is reviewed by the committee, in discussion with the CEO, and approved by the Board.

The Corporate Objectives for 2021 and 2022 focus on yearly execution of clinical plans and longer-term business development:

Per2021	Performance criteria	Weight	Performance	
			Achieved	% of target
Company objectives	Financial goals	20 %	17 %	85 %
	Non-financial goals	80 %	55 %	69 %
		100 %	72 %	

	Target bonus % of base salary	
	2021	2022
Erik Digman Wiklund (Chief Executive Officer)	50%	50%
Øystein Soug (Interim Chief Financial Officer)	35%	35%
Magnus Jäderberg (Chief Medical Officer)	30%	30%
Lone Ottesen (Chief Development Officer)	30%	30%
Victor Levitsky (Chief Scientific Officer)	20%	20%
Ingunn Munch Lindvig (VP Regulatory Affairs)	20%	20%
Ola Melin (Head of Manufacturing)	20%	20%

Remuneration for Executive Management 2021 and 2020

2021	Fixed remuneration			Variable remuneration		Pension expenses in 2021	Total remuneration in 2021	Proportion of remuneration	
	Fixed annual salary as at 31 Dec 2021	Earned salaries in 2021	Benefits in kind in 2021	Earned bonus in 2021	Exercise of share options/RSUs			Fixed	Variable
Amounts in NOK thousands (TNOK)									
Erik Digman Wiklund, Chief Executive Officer ¹	2 500	2 137	10	561		90	2 799	80 %	20 %
Øystein Soug, Interim Chief Financial Officer ²	2 814	2 927	8	739		90	3 763	80 %	20 %
Magnus Jäderberg, Chief Medical Officer ³	2 928	2 929	704	755		-	4 389	83 %	17 %
Lone Ottesen, Chief Development Officer ^{3,4}	2 720	1 369	66	354		196	1 987	82 %	18 %
Victor Levitski, Chief Scientific Officer ⁵	475	2 053	569	472		-	3 094	85 %	15 %
Ingunn Munch Lindvig, VP Regulatory Affairs	1 469	1 494	7	238		90	1 830	87 %	13 %
Ola Melin, Head of Manufacturing ⁶	1 549	352	42	65		97	556	88 %	12 %
Total Management Team ^{7,8}	14 455	13 261	1407	3 184	0	563	18 415	83 %	17 %

2020	Fixed remuneration			Variable remuneration		Pension expenses in 2020	Total remuneration in 2020	Proportion of remuneration	
	Fixed annual salary as at 31 Dec 2020	Earned salaries in 2020	Benefits in kind in 2020	Earned bonus in 2020	Exercise of share options/RSUs			Fixed	Variable
Amounts in NOK thousands (TNOK)									
Magnus Jäderberg, Chief Medical Officer ³	2 900	2 885	694	773			4 351	82 %	18 %
Øystein Soug, Chief Executive Officer	2 734	2 840	8	880		76	3 805	77 %	23 %
Victor Levitsky, Chief Scientific Officer	2 504	1 419	397	374			2 191	83 %	17 %
Ingunn Munch Lindvig, VP Regulatory Affairs	1 428	1 365	8	268		75	1 717	84 %	16 %
Anne-Sophie Møller, Head of Clinical Science	1 149	1 169	8	215		71	1 463	85 %	15 %
Kristiina Hyvärinen, Director CMC ⁹	799	683	2	122	10	143	959	86 %	14 %
Kirsi Hellström, Head of CMC	772	767	3	97		147	1 014	90 %	10 %
Torbjørn Furuseth, Chief Financial Officer Quality Assurance	1 965	1 997	9	566		75	2 648	79 %	21 %
Erik Digman Wiklund, Chief Business Officer	1 900	1 953	9	547		76	2585	79 %	21 %
Total Management Team	16 151	15 078	1 138	3 843	10	663	20 731	81%	19 %

1) Erik Digman Wiklund became CEO 20th October 2021. Prior to that he was the CBO of Targovax.2) Øystein Soug became Interim CFO 20th October 2021. Prior to that he was the CEO of Targovax.

3) Fixed annual salary is the annual salary in GBP multiplied by the average exchange rate throughout the year.

4) Lone Ottesen joined Targovax 1 July 2021.

5) Victor Levitsky is working 20% for Targovax as per 31.12.2021.

6) Ola Melin joined Targovax 1 October 2021. Fixed annual salary is the annual salary in SEK multiplied by the average exchange rate throughout the year.

7) Torbjørn Furuseth resigned from his position as CFO on 31 October 2021. During 2021 his remuneration consisted of TNOK 2 150 in salary, TNOK 566 in bonus, TNOK 74 in pension and TNOK 10 in benefits in kind.

8) Kirsi Hellström resigned from the Management Team during 2021, her remuneration in 2021 consisted of TNOK 826 in salary, TNOK 92 in bonus, TNOK 146 in pension and TNOK 2 in benefits in kind and TNOK 7 in exercise of share options

9) Kristiina Hyvärinen resigned from her position as Head of CMC on 31 August 2020. During 2020 her remuneration consists of TNOK 683 in salary, TNOK 92 in bonus, TNOK 143 in pension and TNOK 2 in benefits in kind.

Remuneration for Board of Directors 2021 and 2020

Amounts in NOK thousands (TNOK)	Year	Fixed remuneration			Variable remuneration		Total earned fee per 31.12	Proportion of remuneration	
		Fixed annual fee ¹	Annual fee as cash (NOK)	Annual fee as RSUs (NOK) ²	Earned committee meetings fee per 31.12	Exercise of share options/RSUs		Fixed	Variable
Damian Marron, Chairperson of the Board, (from AGM 2020)	2021	511	341	170	40		551	93 %	7 %
	2020	375	250	125	32		407	92 %	8 %
Bente-Lill B. Romøren, Board member	2021	298	223	75	40		338	88 %	12 %
	2020	290	266	24	20	86	396	94 %	34 %
Johan Christenson, Board member	2021	298	298		20		318	94 %	6 %
	2020	290	290		20		310	94 %	6 %
Per Samuelsson, Board member	2021	298	298		56		354	84 %	16 %
	2020	290	290		40		330	88 %	12 %
Robert Burns, Board member	2021	298		298	20		318	94 %	6 %
	2020	290		290	20		310	94 %	6 %
Eva-Lotta Allan, Board member	2021	298	198	99	20		318	94 %	6 %
	2020	290	145	145	20		310	94 %	6 %
Diane Mellett, Board member	2021	298	123	174	52		350	85 %	15 %
	2020	290	193	97	28	111	429	68 %	32 %
Sonia Quaratino, Board member (from AGM 2021)	2021	225	75	150			225	100 %	0 %
Catherine Wheeler, former Board member (until AGM 2021)	2021			-		45	45	0 %	100 %
	2020	290	266	24			290	100 %	0 %
Patrick Vink, former Chairperson (until AGM 2020)	2020	123		123	4	714	841	15 %	85 %
Total 2020		2 528	1 700	828	184	911	3 623	70 %	30 %
Total 2021		2 521	1 555	966	248	45	2 814	90 %	10 %

1) Fixed annual fee is based on the four months of the last AGM period and eight months of the new AGM period, hence it will differ from the period to period fee

2) Fully vested at next AGM

Summary of Targovax's remuneration development 2017 – 2021

Amounts in NOK thousands (TNOK)

Annual development	2017 vs 2016	2018 vs 2017	2019 vs 2018	2020 vs 2019	2021 vs 2020	2021
Managing Director's						TNOK
Erik Digman Wiklund, CEO		62 %	14 %	15 %	5 %	2 799
Øystein Soug, CFO	50 %	14 %	5 %	12 %	-5 %	3 763
Magnus Jäderberg, CMO	5 %	5 %	6 %	15 %	-2 %	4 389
Lone Ottesen, CDO						3 970
Ingunn Munch Lindvig, VP RA				13 %	3 %	1 830
Ola Melin, Head of Manufacturing						2 224
Victor Levitsky, CSO					-8 %	3 575
Torbjørn Furuseth, former CFO			-1 %	14 %	17 %	3170
Kirsi Hellström, former Head of CMC					4 %	1 112
Kristina Hyvärinen, former Director CMC				24 %		
Anne-Sophie Møller, former				10 %		
Berit Iversen, former VP CMC	42 %	2 %	34 %			
Anne-Kirsti Aksnes, former VP Clin. Dev	16 %	28 %	1 %			
Tina Madsen, former VP QA		23 %				
Peter Skorpil, former VP BD	7 %					
Tiina Hakonen, Site Manager Helsinki	35 %					
Jon Amund Eriksen, CTIO	4 %					
Board of Directors						
Damian Marron, Chair					3 %	515
Per Samuelsson, Board member	0 %	20 %	8 %	12 %	3 %	300
Johan Christenson, Board member	0 %	20 %	8 %	12 %	3 %	300
Eva-Lotta Allan, Board member	-33 %	20 %	8 %	12 %	3 %	300
Diane Mellett, Board member	-33 %	20 %	8 %	12 %	3 %	300
Robert Burns, Board member	-33 %	20 %	8 %	12 %	3 %	300
Bente-Lill Romøren, Board member	0 %	20 %	8 %	12 %	3 %	300
Patrick Vink, former Chair			6 %	5 %		
Catherine Wheeler, Board member			8 %	12 %		
Jonas Einarsson, former Chair	75 %	29 %				
Lars Lund Roland, former Board member	0 %					
Company performance						
MCAP end year – change per year	76 %	- 58 %	51 %	8 %	-31 %	416 201
Return on equity	-31 %	-24 %	-39 %	-50 %	-29 %	-23 %
Average remuneration to Targovax employees	3%	11%	6%	3%	3%	1 045

Share options

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) in Targovax ASA. The Company has granted share options under its long-term incentive program (the "LTI Option Program"). The Option Program applies to the Management Team as well to employees in general:

- New employees and consultants are eligible for option grants upon joining the Company. Employees and consultants will be eligible for an annual option award on a discretionary basis, taking into account overall performance, work responsibility, importance of retention, organization level, and position.
- The Board of Directors will exercise discretion as to who will receive an equity award in any given year, based on recommendations made by the Compensation Committee.
- The Board of Directors intends to grant awards under the plan, alongside the existing option plan, on an annual basis. The share option grants are not subject to any performance-based vesting conditions.
- Board members are not eligible to participate.

At the Annual General Meeting (AGM) in March 2021 the Board of Directors was authorized to increase the Group's share capital in connection with share incentive arrangements by up to the lower of (a) NOK 1 250 000 and (b) 10% of the Company's outstanding shares, options and RSU's. This authorization replaces the previous authorizations to increase the share capital by up to the lower of NOK 1 000,000 and b) 10% of the Company's outstanding shares, options and RSUs given to the Board of Directors at the AGM held in April 2020.

There were granted 2 225 000 share options during 2021 and 2 335 000 share options during 2020.

Exercise price

The exercise price is determined at grant and reflects the volume weighted average share price on the day of the grant. The share option grants are not subject to any performance-based vesting conditions. Under the current plan, share options have been granted to employees upon joining the Company. Additional grants have been awarded to employees on a discretionary basis taking into account the number of options held, overall performance, competitiveness of terms, work responsibility, importance of retention, organization level, and position

Vesting of share options

Each share option converts into one ordinary share of the Company on exercise. Granted share options vest over a four-year period as follows: 25 percent of the options vest on the first anniversary of the grant date; and the remaining 75 percent of the options vest in equal monthly tranches over the next 36 months. Options expire seven years after the grant date.

Expiry date for share options

The Options may not under any circumstances be exercised later than 7 years from the date of grant.

Resignation

If the Option Holder resigns from the Option Holder's employment with an entity in the Group at his/her own request, any Options which have not vested prior to the date on which notice of resignation is given shall lapse. Options which have vested prior to the date of the notice of resignation must be exercised no later than the later of (i) the expiry of the second Exercise Period following the termination date for the Option Holder's employment with such entity in the Group and (ii) six months following the termination date of the Option Holder's employment with such entity in the Group (unless a later date has been resolved by the Board). Options not exercised prior to the above deadline will lapse.

Restricted Stock Units (RSUs)

The Board of directors may choose to receive their remuneration (base fee only), or parts thereof, in the form of RSUs. If the Board members choose to receive the Board remuneration in RSUs they must choose to either (i) receive 100% of the compensation in RSUs, (ii) receive 1/3 of the compensation in cash and 2/3 in RSUs, or (iii) receive 2/3 of the compensation in cash and 1/3 in RSUs.

The number of RSUs is calculated on the basis of the annual fixed board remuneration, divided by the market price of the Company's shares calculated as the volume weighted average share price for the 10 trading days prior to the AGM.

The RSUs are non-transferable and each RSU gives the right and obligation to acquire one share in the Company at a price of NOK 0.10 per share (corresponding to the nominal value of the shares) subject to satisfaction of the applicable vesting conditions.

The total compensation to each member of the Board of Directors for the period between the AGM 2021-2022 have been set out in the minutes from the Annual General Meeting 17 March 2021. The Annual General Meeting 17 March 2021 decided to remunerate the Board of Directors for the period between the AGM 2021 to the AGM 2022 with a combination of cash and Restricted Stock Units (RSUs), hence at the 17 March 2021, additional 121 752 RSUs were granted to the Board of Directors.

Share-based Remuneration for 2021 (the reported financial year)

	Holding shares as at 31 Dec 2021	% ownership 31 Dec 2021	Expired options 2021	Exercised options 2021	Granted options 2021	Holding of options as at 31 Dec 2021	Exercised RSU's 2021	Granted RSU's 2021 ⁴	Holding of RSU's as at 31 Dec 2021 ⁴
Board of Directors									
Damian Marron, Chairperson of the Board						-		19 503	43 988
Bente-Lill B. Romøren, Board member	35 577	0.02%				-	-15 250	11361	11 361
Johan Christenson, Board member ¹						-			-
Sonia Quaratino, Board member								22 722	22 722
Per Samuelsson, Board member ¹						-			-
Robert Burns, Board member	187 103	0.10 %				21 235		34 083	122 434
Eva-Lotta Allan, Board member	71 368	0.04 %				-		11 361	40 811
Diane Mellett, Board member	96 029	0.05 %				-		22 722	58 221
Total Board of Directors	390 077	0.21 %		-	-	21 235	-15 250	121 752	299 537
Management team:									
Erik Digman Wiklund, Chief Executive Officer ²	100 000	0.05 %			450 000	1 200 000			
Magnus Jäderberg, Chief Medical Officer	20 000	0.01 %	- 133 265			946 735			
Lone Ottesen, Chief Development Officer	47 000	0.02 %			490 000	490 000			
Øystein Soug, Interim Chief Financial Officer ³	320 000	0.17 %				1 310 000			
Victor Levitsky, Chief Scientific Officer	10 000	0.01 %			45 000	545 000			
Ola Melin, Head of Manufacturing	50 000	0.03 %			325 000	325 000			
Ingunn Munch Lindvig, VP Regulatory Affairs	10 000	0.01 %			125 000	392 000			
Total Management ⁵	557 000	0.30 %	-133 265	-	1 435 000	5 208 735	-	-	-
Total	947 077	0.50 %	-133 265	-	1 435 000	5 229 970	-15 250	121 752	299 537

1) Johan Christenson and Per Samuelsson, both Member of the Board, are partners at HealthCap, HealthCap owns 12 458 375 shares at 31.12.2021

2) The shares are held through Digman AS

3) The shares are held through Abakus Invest AS

4) Granted RSUs to the Board of Directors are a part of the yearly Board remuneration fee which the Board members can select either to receive in cash or in RSUs. Catherine Wheeler left the Board of Targovax March 2021. She exercised 6 049 RSUs during 2021 and holds no RSUs as per 31.12.21.

5) Torbjørn Furuseeth resigned from his position as CFO on 31 October 2021. Per 31.12.21 he holds 248 783 options, but no shares. Kirsi Hellström left the management team 1.12.21. Per 31.12.21 she holds 4 350 shares and 264 000 options.

Share-based Remuneration for 2020 (the previous reported financial year)

	Holding shares as at 31 Dec 2020	% ownership 31 Dec 2020	Expired options 2020	Exercised options 2020	Granted options 2020	Holding of options as at 31 Dec 2020	Exercised RSU's 2020	Granted RSU's 2020 ³	Holding of RSU's as at 31 Dec 2020 ⁵
Board of Directors of Targovax ASA:									
Damian Marron, Chairperson						-		24 485	24 485
Bente-Lill B. Romøren, Board member	20 327	0.02%				-	14 863		15 250
Johan Christenson, Board member ¹						-			-
Catherine Wheeler, Board member									6 049
Per Samuelsson, Board member ¹						-			-
Robert Burns, Board member	86 020	0.10 %				21 235		42 604	88 351
Eva-Lotta Allan, Board member	51 368	0.06 %				-		14 201	29 450
Diane Mellett, Board member	44 149	0.05 %				-	26 445	14 201	35 499
Total Board of Directors ⁵	201 864	0.23 %		-	-	21 235	41 308	95 491	199 084
Management team:									
Øystein Soug, CEO ²	200 000	0.23 %	300 000		300 000	1 310 000			
Magnus Jäderberg, CMO	20 000	0.02 %			150 000	1080 000			
Erik Digman Wiklund, CBO	-	0.00 %			190 000	750 000			
Torbjørn Furuseth, CFO	15 000	0.02 %			190 000	620 000			
Victor Levitsky, CSO	-	0.00 %			500 000	500 000			
Ingunn Munch Lindvig, VP RA	10 000	0.01 %			150 000	267 000			
Anne-Sophie Møller, Head of CS	-	0.00 %			80 000	250 500			
Kirsi Hellström, Head of CMC	-	0.00 %			145 000	221 000			
Kristiina Hyvärinen, Dir.CMC ⁴	-	0.00 %	126 878	6 664	-	41 958			
Total Management	245 000	0.28 %	426 878	6 664	1 705 000	5 040 458	-	-	-
Total	446 864	0.52 %	426 878	6 664	1 705 000	5 061 693	41 308	95 491	199 084

1) Johan Christenson and Per Samuelsson, both Member of the Board, are partners at HealthCap, HealthCap owns 12 458 375 shares at 31.12.2020

2) The shares are held through Abakus Invest AS

3) Granted RSUs to the Board of Directors are a part of the yearly Board remuneration fee which the Board members can select either to receive in cash or in RSUs.

4) Kristiina Hyvärinen resigned from her position as Head of CMC on 31 August 2020.

5) Patrick Vink, the former Chairman of the Board exercised 123 159 RSUs in 2020, hence no outstanding balance at 31.12.2020.

Outstanding options for shares by range of exercise price for the reported financial year 2021

Exercise price in NOK	2.18	5.19-5.59	6.00-6.06	7.16-8.72	9.61	11.81	16.59	20.58	21.38	24.42	37.60	Total
Board of Directors												
Robert Burns, Board member											21 235	21 235
Total Board of Directors											21 235	21 235
Management team:												
Erik Digman Wiklund, CEO	200 000		380 000	130 000	190 000		150 000	150 000				1 200 000
Øystein Soug, Interim CFO			150 000	300 000	300 000		220 000		250 000	90 000		1 310 000
Magnus Jäderberg, CMO			90 000	80 000	150 000	120 000	100 000		150 000	256 735		946 735
Victor Levitsky	45 000			250 000	250 000							545 000
Lone Ottesen, CDO	140 000			350 000								490 000
Ingunn Munch Lindvig, VP RA	125 000	27 000	90 000		150 000							392 000
Ola Melin, Head of Manufacturing	75 000		250 000									325 000
Total Management ^{1,2}	585 000	27 000	960 000	1 110 000	1 040 000	120 000	470 000	150 000	400 000	346 735	-	5 208 735
Total	585 000	27 000	960 000	1 110 000	1 040 000	120 000	470 000	150 000	400 000	346 735	21 235	5 229 970

1) Torbjørn Furuseth resigned from his position as Chief Financial Officer on 31 October 2021. As of 31.12.2021 he holds 48 748 options for shares of exercise price 6,00, 62 494 at 7,16 and 137 496 at 9,68.

2) Kirsi Hellström left the management team 1.12.21. As of 31.12.2021 she holds 45 000 options for shares of exercise price 2,18, 10 000 of 5,19, 25 000 of 6,00, 25 000 of 6,52, 20 000 of 7,16, 120 000 of 9,61, 9 000 of 16,59 and 10 000 of 25,65.

Outstanding options for shares by range of exercise price for the reported financial year 2020

Total outstanding options for shares by range of exercise price at 31 December 2020:

Exercise price in NOK	5.77-6.17	6.58-7.10	7.74-9.30	10.19	10.26	12.39	15.21	17.17	21.16	21.96	25-26.22	37.60	Total
Board of Directors													
Robert Burns, Board member												21 235	21 235
Total Board of Directors													21 235
Management team:													
Øystein Soug, CEO		150 000	300 000	300 000				220 000		250 000	90 000		1 310 000
Magnus Jäderberg, CMO		90 000	80 000	150 000		120 000		100 000		150 000	390 000		1 080 000
Erik Digman Wiklund, CBO		130 000	130 000	190 000				150 000	150 000				750 000
Torbjørn Furuseth, CFO		130 000	100 000	190 000	200 000								620 000
Victor Levitsky			250 000	250 000									500 000
Ingunn Munch Lindvig, VP Regulatory Affairs	27 000	90 000		150 000									267 000
Anne-Sophie Møller, Head of CS	12 000	90 000	30 000	80 000		10 000		13 500		15 000			250 500
Kirsi Hellström	12 000	50 000	20 000	120 000				9 000			10 000		221 000
Kristiina Hyvärinen, Dir. CMC ¹						12 809	10 000	7 590		11 559			41 958
Total Management	51 000	730 000	910 000	1 430 000	200 000	142 809	10 000	500 090	150 000	426 559	490 000	-	5 040 458
Total	51 000	730 000	910 000	1 430 000	200 000	142 809	10 000	500 090	150 000	426 559	490 000	21 235	5 061 693

¹ Kristiina Hyvärinen resigned from her position as Head of CMC on 31 August 2020.

To the General Meeting of Targovax ASA

Independent auditor's assurance report on report on salary and other remuneration to directors

Opinion

We have performed an assurance engagement to obtain reasonable assurance that Targovax ASA report on salary and other remuneration to directors (the remuneration report) for the financial year ended 31 December 2021 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 as required by laws and regulations and the International Ethics Standards Board for Accountants' Code of International 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.

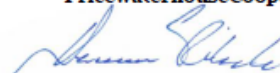
Auditor's responsibilities

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, 14 March 2022

PricewaterhouseCoopers AS



Herman Skibrek

State Authorised Public Accountant

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The Targovax logo is a white circle containing the word "targovax" in a lowercase, sans-serif font. The letter "o" is replaced by a stylized icon consisting of two small circles connected by a horizontal line, resembling a molecular structure or a pair of eyes.

targovax