

Alvotech Remuneration Report 2024

Presented to the shareholders of Alvotech at the Annual General Meeting of 25 June 2025.

This remuneration report (the “Report”) covers the period from 1 January 2024 through 31 December 2024 (the “financial year” of Alvotech, a *société anonyme*, incorporated and existing under the laws of the Grand Duchy of Luxembourg, registered with the Luxembourg Trade and Companies' Register under number B258884, having its registered office at 9, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg (“Alvotech” or the “Company”).

Alvotech was incorporated on 23 August 2021.

The Report has been prepared in accordance with Luxembourg laws. It contains the main features of the remuneration systems for the Board of Directors (the “Board” or the “Board Members” and each member, a “Director”) of Alvotech for the financial year 2024 as well as a statement of the amount and structure of remuneration.

The Remuneration Policy

The Company is subject to the Luxembourg law of 24 May 2011 on the exercise of certain rights of shareholders at general meetings of listed companies, as amended (the “Luxembourg Shareholders' Rights Law”), which requires that the Company has a policy in place regarding the remuneration of the members of its Board of Directors (the “Remuneration Policy”). In addition to the remuneration of the Board of Directors, the Remuneration Policy sets out, inter alia, the role and composition of the Remuneration committee of the Company. The remuneration of the Board of the Directors, as set out in the Remuneration Policy, comprises a fixed remuneration and participation in the company's equity incentive plan.

The Remuneration Policy for 2023 was presented and adopted by Alvotech's Annual General Meeting held on 6 June 2023 and can be found at the Company's website alvotech.com.

Contribution of the Remuneration Policy to the business strategy, long-term interest, and sustainability of Alvotech

At Alvotech, we prioritize offering competitive salaries to our employees worldwide. Our approach involves conducting market salary analyses in select countries and utilizing benchmarking data in others to ensure our compensation remains aligned with industry standards. By staying proactive in our salary evaluations, we aim to attract and retain top talent while fostering a culture of fairness and transparency within our workforce. The Remuneration Policy promotes the Company's business strategy and long-term interests and thus contributes to the Company's long-term development. Strengthening the profitable and sustainable growth of the Company's business is the focus and basis for the structure of the Remuneration Policy for the Board of Directors.

The Company therefore provides incentives linked to the development of Alvotech; such as:

- providing compensation to motivate the Board of Directors towards the achievement of long-term goals in order to promote the Company's business strategy, long-term value and creation and sustainability;

- providing adequate compensation in consideration of the responsibilities, competency, commitment, workload, time spent and performance of each individual;
- reflecting the degree of required qualifications and experience of the Board, the risks that they take personally, and honour the dedication and efforts that the Board puts into the Company; and
- ensuring that the Company continues to attract and retain individuals who consistently perform at or above expected levels and contribute to the success of Alvotech.

Remuneration Committee of the Board of Directors

Alvotech has five committees of the Board of Directors (an audit and risk committee, a remuneration committee, a nominating and corporate governance committee, a strategy committee and a corporate sustainability committee). All the committees are constituted of members of the Board based on their expertise, skills and experience relevant to that committee and in accordance with the rules set for each committee by the Board.

The remuneration committee is responsible for, among other things:

- reviewing and approving the corporate goals and objectives, evaluating the performance of and reviewing and approving, (either alone or, if directed by the Board of Directors, in conjunction with a majority of the independent members of the Board of Directors) the compensation of our chief executive officer;
- overseeing an evaluation of the performance of and reviewing and setting or making recommendations to our Board of Directors regarding the compensation of our other executive officers;
- reviewing and approving or making recommendations to our Board of Directors regarding our incentive compensation and equity-based plans, policies and programs;
- reviewing and approving employment arrangements for our executive officers;
- making recommendations to our shareholders regarding the compensation of our directors; and
- retaining and overseeing compensation consultants.

The committee meets all composition requirements set out in its Charter:

- the Committee consists of at least three Non-Executive Directors;
- the Committee Members shall be appointed and dismissed by the Board. The Board shall elect a Committee Member to be the Committee Chairman, provided that the Board may also delegate the power to do so to the Committee itself (and revoke any such delegation at any time at the discretion of the Board). The body entitled to elect the Committee Chairman may also dismiss the Committee Chairman, provided that the Committee Member so dismissed shall subsequently continue his or her term of office as a Committee Member without having the title of Committee Chairman;
- all Committee Members shall be independent within the meaning of NASDAQ Rule 5605(a)(2), except as permitted by the applicable NASDAQ rules; and
- the Committee Chairman shall not be the Chairman or a former Executive Director.

The Remuneration Committee's Charter can be found at the Company's website: alvotech.com.

The Committee constituted of the following Board members for the financial year of 2024:

Richard Davies, Chairman;
Arni Hardarson; and
Tomas Ekman.

The Board of Directors

Alvotech's Board of Directors is currently composed of nine members. In accordance with Alvotech's Articles of Association, the Board is not divided into classes of directors. Mr. Hjörleifur Pálsson was appointed as Director on 7 June 2024 until the general meeting to of shareholders called to approve Alvotech's annual accounts for the 2025 financial year. Each other Director was appointed on 15 June 2022, to serve as Director until the general meeting of shareholders called to approve Alvotech's annual accounts for the 2024 financial year. The composition of the Board shall at any time be diverse, with regard to educational and professional background, gender and age.

The Board undertakes Alvotech's affairs in between shareholders' meetings unless otherwise provided by law or Alvotech's Articles of Association. The Board is responsible for setting Alvotech's general strategy. The Board has a supervisory role in overseeing that Alvotech's organization and activities are at all times in accordance with the relevant law, regulation and good business practices. The Board met 12 times last year.

Members of the Board of Directors for the financial year of 2024

Robert Wessman, Chairman and CEO (Corporate Sustainability Committee member, Strategy Committee member)

Richard Davies, Deputy Chairman and Lead Independent Director (Remuneration Committee Chair, Nomination and Corporate Governance Committee Chair, Audit and Risk Committee member)

Tomas Ekman, Director (Remuneration Committee member)

Faysal Kalmoua, Director and COO (Strategy Committee Chair)

Ann Merchant, Director (Corporate Sustainability Committee Chair, Audit and Risk Committee member, Nomination and Corporate Governance Committee member)

Arni Hardarson, Director (Remuneration Committee member, Corporate Sustainability Committee member)

Lisa Graver, Director (Strategy Committee member)

Dr. Linda McGoldrick, Director (Audit and Risk Committee Chair, Nomination and Corporate Governance Committee member, Corporate Sustainability Committee member)

Hjörleifur Pálsson (Audit and Risk Committee member)

Components of the remuneration of the Board of Directors

The remuneration of the Board of the Directors, as set out in the Remuneration Policy, comprises a fixed remuneration and a participation in an equity incentive plan.

The fixed components of the remuneration for the Board Members are:

- 1) Annual Board Service Retainer
 - a) All eligible directors: USD 50,000
 - b) Executive chairperson: USD 20,000 (in addition to the regular Annual Board Service Retainer)
 - c) Deputy chairperson: USD 25,000 (in addition to the regular Annual Board Service Retainer)
- 2) Annual Committee Member Service Retainer
 - a) Member of the audit committee: USD 10,000
 - b) Member of the compensation committee: USD 10,000
 - c) Member of the nominating committee: USD 10,000

- 3) Annual Committee Chair Service Retainer (in lieu of Annual Committee Member Service Retainer)
- Chair of the audit committee: USD 20,000
 - Chair of the compensation committee: USD 20,000
 - Chair of the nominating committee: USD 20,000

The equity incentive plan states that: On initial appointment, each Director is entitled to receive an equity grant in the form of restricted stock units equal to a value of USD 250,000 which will vest in three equal annual instalments on the first three anniversaries of the date of the grant. In addition, on the date of each annual general meeting of shareholders of the Company, each Director may, subject to approval by the general meeting of shareholders, receive further grants in the form of stock options for a value of up to USD 230,000 which will be subject to three-year vesting and the exercise price of which will be determined on the date of the respective annual general meeting.

All vesting of the restricted stock units is subject to the non-employee director's continuous service on the applicable vesting date. However, for each eligible director who remains in continuous service until immediately prior to the occurrence of a change in control (as such term is defined in the Alvotech Management Incentive Plan (the "2022 Plan"), described further below, the shares subject to his or her then-outstanding restricted stock unit awards will become fully vested immediately prior to the closing of such change in control event.

We will also reimburse our non-employee directors for their reasonable out-of-pocket expenses in connection with attending board and committee meetings.

The following tables sets forth information regarding compensation earned by each of our directors during the years ended 31 December 2024 and 2023:

Board of Directors' fee for the year and shares at year end (board fees in thousands and shares in whole amounts).

2024				In USD thousands
	Board fees	Pension contribution	Other long-term benefits	Shares at year-end**
Robert Wessman, Chairman of the board and CEO*	—	—	—	—
Richard Davies, Vice-Chairman	156	—	183	1,163,422
Ann Merchant, Board Member	112	—	183	21,164
Árni Harðarson, Board Member*	—	—	—	—
Faysal Kalmoua, Board Member*	—	—	—	—
Hjörleifur Pálsson, Board Member	41	—	—	2,350
Linda McGoldrick, Board Member	92	—	183	21,164
Lisa Graver, Board Member	68	—	183	21,164
Tomas Ekman, Board Member*	—	—	—	—
Total	469	—	732	1,229,264

*Waived their board compensation (both cash and equity)

**Direct share ownership

The Company did not reclaim variable remuneration of the Board of Directors during the financial year 2024.

2023

	In USD thousands			
	Board fees	Pension contribution	Other long-term benefits	Shares at year-end**
Robert Wessman, Chairman of the board	—	—	—	—
Richard Davies, Vice-Chairman	156	—	104	1,143,713
Ann Merchant, Board Member	113	—	104	10,582
Árni Harðarson, Board Member*	—	—	—	—
Faysal Kalmoua, Board Member*	—	—	—	—
Linda McGoldrick, Board Member	81	—	104	10,582
Lisa Graver, Board Member	71	—	104	10,582
Tomas Ekman, Board Member*	—	—	—	—
Total	421	—	416	1,175,459

*Waived their board compensation (both cash and equity)

**Direct share ownership

The Board of Directors was covered by the Company's directors' & officers' liability insurance and the Directors were reimbursed of any reasonable costs incurred within the scope of their duties, upon presentation of proof of payment of such costs.

Company Management Incentive Plan

On 13 June 2022 our shareholders approved the 2022 Plan. It is the responsibility of the Remuneration Committee to manage the 2022 Plan.

Awards: The 2022 Plan will provide for the grant of shares, restricted shares units, options or any combination of the foregoing including such other Awards that may be denominated or payable in, value in whole or in part, by reference to or otherwise based upon, or related to, shares (the "Awards") to our employees, directors, and consultants and any of our affiliates' employees and consultants.

Authorized Shares: Initially, the maximum number of Ordinary Shares that could be issued under the 2022 Plan after it became effective could not exceed 5.79% of our share capital on a fully diluted basis. In addition, the number of Ordinary Shares reserved for issuance under the 2022 Plan may be increased by our Board of Directors by up to 1% annually over ten (10) years from the date of approval of the 2022 Plan.

Plan Administration: Our Board of Directors, or any person or persons or committee to whom decision-making authority with respect to the 2022 Plan is delegated by our Board of Directors will administer the 2022 Plan.

Plan Amendment or Termination: Our Board of Directors has the authority to amend or, suspend, the 2022 Plan at any time and from time to time, and our Board of Directors has the authority to terminate the 2022 Plan provided that such action does not materially impair the existing rights of any participant without such participant's written consent. Certain material amendments also require the approval of our shareholders. No Awards may be granted after the tenth anniversary of the date our Board of Directors adopted the 2022 Plan. No Awards may be granted under the 2022 Plan while it is suspended or after it is terminated. Rights under any Award granted before suspension or termination of the 2022 Plan shall not be impaired by such suspension or termination.

On 1 December 2022, our Remuneration Committee authorized the grant of restricted stock units (“RSUs”) to certain employees, executive officers and directors under the 2022 Plan. Subject to certain vesting and other terms and conditions, the RSUs may be settled in Ordinary Shares.

During the financial year ending 2023, our Remuneration Committee authorized the grant of a total of 673,425 RSUs to certain employees and executive officers under the 2022 Plan.

If all RSUs vest and are exchanged for Ordinary Shares, the combined grants may result in an aggregate of 3,619,737 Ordinary Shares.

In accordance with the 2022 plan, on 1 December 2022 the Remuneration committee approved a “gift of shares” to all employees of the company who were not a part of other equity programs. In total 581 employees around the world received shares in the company – 159 shares each.

Also, in accordance with the 2022 plan, in March 2024 the Remuneration committee approved a “gift of shares” to all employees of the company who were not a part of other equity programs. In total 683 employees around the world received shares in the company – 112 shares each.

Comparative Information for the remuneration of the board of directors

Comparative information illustrating the changes in remuneration of the Board between the fiscal years 2024 and 2023, split out by component, is provided above.

Presented in the table below is a comparative overview of the global amounts awarded or due between the fiscal years 2024 and 2023.

	Annual change between FY2024 and FY2023	Percentage change between FY2024 and FY2023	Change in Shares** between FY2024 and FY2023	In USD thousands Explanation
Robert Wessman, Chairman of the board	→	–	–	
Richard Davies, Vice-Chairman	–	–	19,709	
Ann Merchant, Board Member	(1)	(0%)	10,582	
Árni Harðarson, Board Member*	–	–	–	
Faysal Kalmoua, Board Member*	–	–	–	
Hjörleifur Pálsson, Board Member	41	N/A	2,350	
Linda McGoldrick, Board Member	11	14%	10,582	
Lisa Graver, Board Member	(3)	(4%)	10,582	
Tomas Ekman, Board Member*	–	–	–	
Total	48	11%	53,805	

*Waived their board compensation (both cash and equity)

**Direct share ownership

Compensation of Executive Officers

Our executive officers have entered into an employment agreement with us for an indefinite period of time. The agreements provide the terms of each individual's employment or service with us, as applicable.

Our executive compensation program reflects its compensation policies and philosophies, as they may be modified and updated from time to time. In addition to a base salary and certain performance-based bonuses, executive officers can be eligible to receive awards under our equity incentive plan, the 2022 Plan. Decisions with respect to the compensation of our executive officers, including our named executive officers, are made by the remuneration committee of our Board of Directors.

The following table sets forth information regarding compensation earned by Robert Wessman, the Chief Executive Officer from 1 January 2024.

	In USD thousands			
	Salaries and benefits	Pension contribution	Termination benefits	Other long-term benefits
Robert Wessman CEO	2,176	147	—	—
Other Members of the Leadership Team	5,332	362	125	13,844
Total	7,508	509	125	13,844

Annual change in compensation with earnings development

Year	Total EBIDTA	EBIDTA Development	IN%
2024	16.197,5 (million)	+101 (million)	+0.63%

Benchmarking and competitiveness

At Alvotech, we prioritize offering competitive salaries to our employees worldwide. Our approach involves conducting market salary analyses in select countries and utilizing benchmark data in others to ensure our compensation remains aligned with industry standards. By staying proactive in our salary evaluations, we aim to attract and retain top talent while fostering a culture of fairness and transparency within our workforce.

To support pay decisions in 2024, the Remuneration Committee engaged an independent executive compensation consulting firm, Aon Solutions UK Limited, to provide guidance on a market peer group, compensation levels, and incentives design for both executive management and the non-executive board members.

Approved by the Board of Directors of Alvotech.