



# ORGANISATIONAL REGULATIONS

## OF ORIOR AG

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Unofficial translation of the German original text. Reflects the German text as of 12 May 2021.

## 1. Legal basis and scope

- 1.1. The Board of Directors of ORIOR (the “**Company**”) issues these organisational regulations (the “**Organisational Regulations**”) based on Art. 716a and 716b of the Swiss Code of Obligations (“**CO**”), on the Ordinance against Excessive Remuneration in Listed Companies Limited by Shares (the “**ERCO**”) and on Art. 18 and 21 of the Articles of Association.
- 1.2. These Regulations shall apply to the Company as well as to all subsidiaries controlled by the Company. Any supplemental rules at the subsidiary level shall be reserved, provided that they do not contradict these Regulations or that they are indispensable based on the applicable local law (foreign subsidiaries).
- 1.3. The Organisational Regulations govern the duties and powers as well as the remuneration and shareholding details of the Board of Directors and the bodies involved in the management of the company.

## 2. Corporate bodies

### The corporate bodies of the Company are:

- The shareholders’ meeting;
- The Board of Directors (the “**Board of Directors**”) and the members of the Board of Directors;
- The Chairman of the Board of Directors (the “**Chairman**”);
- The Vice Chairman of the Board of Directors (the “**Vice Chairman**”);
- The Secretary of the Board of Directors (the “**Secretary**”);
- The standing committees of the Board of Directors (the “**Committees**”), i.e. the Audit Committee and the Nomination and Compensation Committee;
- The Chief Executive Officer (the “**CEO**”);
- The Executive Committee (the “**Executive Committee**”) consisting of the CEO, the Chief Financial Officer (the “**CFO**”) and one or several further members of management.

## 3. Board of Directors

### 3.1. Organisation of the Board of Directors

The Board of Directors consists of at least three and no more than nine members. The Board of Directors strives to ensure a composition of members that, taken as a whole, represents meaningful and value-adding diversity for ORIOR, particularly in terms of areas of expertise, experience and education.

The members of the Board of Directors are elected individually by the shareholders' meeting for a term of office of one year up to the end of the next ordinary shareholders' meeting. Re-election is permitted.

The Board of Directors shall constitute itself subject to the provisions of the law and the Articles of Association. It shall appoint a Vice Chairman from among its members and may designate a Secretary, who does not necessarily need to be a member of the Board of Directors.

The members of the Board of Directors may simultaneously carry out no more than five additional mandates outside the Group in the top management level or supervisory body of other listed companies, or eight such mandates at unlisted entities pursuant to Art. 12 Para. 1 of the ERCO and Art. 19 of the Company's Articles of Association.

### 3.2. Board meetings, invitations, minutes, resolutions

3.2.1. The Board of Directors shall meet when called by the Chairman as often as business requires, but at least six times a year.

3.2.2. Any member of the Board of Directors may ask the Chairman to immediately call a meeting at any time, provided they state their reasons.

3.2.3. The Chairman shall convene board meetings in writing (also by e-mail), stating the items on the agenda. The invitation shall be sent no less than ten days before the actual meeting, except in urgent cases, where said period may be shorter. It is for the Chairman to define the degree of urgency.

3.2.4. The members of the Board of Directors and the CEO shall inform the Chairman in writing of any requests regarding items to be placed on the agenda at least five days before the meeting. The Chairman shall immediately and before the meeting takes place notify the other members of the Board of Directors and the CEO accordingly.

3.2.5. The meetings may also be held in the form of telephone or video conferences, unless the majority expressly requests a physical meeting.

3.2.6. The Board of Directors may also pass its resolutions in writing (including by letter or e-mail), unless a member requests an oral consultation. Such resolutions by circular require the consent of the majority of all the members of the Board of Directors. The person chairing the meeting has the casting vote. Resolutions by circular letter are to be recorded in the minutes of the Board of Directors.

3.2.7. The Board of Directors is quorate if and as long as at least the majority of its

members are present. A quorum is not required if the sole purpose of the meeting is to record the implementation of a capital increase and approve the subsequent amendment of the Articles of Association to that effect. Absent directors may not be represented.

- 3.2.8. Resolutions shall be passed by the majority of the votes of the members present, subject to Para. 3.2.6. Each member has one vote. The person chairing the meeting has the casting vote.
- 3.2.9. At the Chairman's request, members of the Executive Committee and other guests may be invited.
- 3.2.10. Minutes shall be kept of all meetings and resolutions, including those passed by way of telephone conference. The minutes shall be numbered and signed by the Chairman and the Secretary. The signed minutes shall be sent to all members of the Board of Directors within ten days after the meeting or adoption of the resolution. Any requests for correction must be submitted to the Chairman in writing within fifteen days of receipt; otherwise, the minutes shall be deemed approved. The Board of Directors shall decide on any requests for correction at its next meeting.

### **3.3. Function and powers**

The Board of Directors is, subject to the duties and powers of the shareholders' meeting, the Company's highest corporate body. The Board of Directors is further responsible for the ultimate supervision of the Company. The Board of Directors possesses the power to perform all acts that

the Company's business purpose may entail. The Board of Directors is authorised to pass resolutions on all matters that are not reserved to another corporate body by law or by the Company's Articles of Association.

### **3.4. Duties of the Board of Directors**

The Board of Directors has, in particular, the following non-delegable and inalienable duties:

- 3.4.1. The ultimate direction of the Company and issuance of the necessary directives.
- 3.4.2. Establishment of the organisation.
- 3.4.3. Structuring of the accounting system, of the financial controls and of the financial planning.
- 3.4.4. Appointment and removal of the persons entrusted with management and representation of the Company, and assignment of signing authority.
- 3.4.5. Ultimate supervision of the persons entrusted with the management, in particular in view of compliance with the law, the Articles of Association, regulations and directives.
- 3.4.6. Preparation of the Annual Report and the Compensation Report as well as preparation of the shareholders' meeting and implementation of its resolutions.
- 3.4.7. Passing of resolutions regarding the subsequent payment of capital with respect to not fully paid-in shares, and amendment of the Articles of Association to that effect.

- 3.4.8. Passing of resolutions regarding capital increases, to the extent that they are in the power of the Board of Directors (Art. 651 Para. 4 CO), recording of capital increases, preparation of the capital increase report, and amendment of the Articles of Association to that effect.
- 3.4.9. Non-delegable and inalienable duties and powers of the Board of Directors pursuant to the Merger Act and other laws.
- 3.4.10. Notification of the court in case of over-indebtedness.

The Board has, moreover, the following exclusive powers and duties:

- 3.4.11. Approval of the business strategy, passing of resolutions on the commencement of new and cessation of existing business activities, as well as approval and adoption of the Company's budget.
- 3.4.12. Approval of the sustainability strategy and the sustainability goals defined therein, as well as the ongoing in-depth examination of sustainability matters.
- 3.4.13. Approval of those transactions which the CEO or the Executive Committee has to submit or voluntarily submits to the Board of Directors in accordance with the rules on the division of powers, which are to be issued by the Board of Directors.
- 3.4.14. Adoption and any amendment or modification of any employee incentive programme, such as shareholding schemes, stock option plans, restricted stock purchase agreements.

- 3.4.15. Issuing bonds (including bonds with warrants and options) or other financial market instruments.
- 3.4.16. Decisions on entering into any financial commitments or contingent liabilities exceeding CHF 2 million that are not within the budget approved by the Board of Directors.
- 3.4.17. The recurring assessment of the working methods, quality and composition of the Board of Directors as part of a self-evaluation, as well as determining any measures that should be initiated.
- 3.4.18. Approval of the Code of Conduct of the ORIOR Group, on proposal of the Executive Committee.

Even for non-delegable and inalienable duties, the Board of Directors may form committees from among its members and entrust these committees or their individual members with the preparation and execution of its resolutions, the supervision of transactions, and related special duties.

To the extent allowed by the law, and subject to the powers reserved for the Board of Directors by the Articles of Association and these Organisational Regulations, the Board of Directors delegates the entire management of the Company's operational business to the Executive Committee.

### **3.5. Powers and duties of the Chairman**

The Chairman of the Board of Directors is elected by the shareholders' meeting for one year up to the end of the next shareholders' meeting. Re-election is permitted. The Chairman has the following powers and duties:

- 3.5.1. To preside over meetings of the Board of Directors and shareholders' meetings, and to organise and prepare the agendas.
- 3.5.2. To convene shareholders' meetings and meetings of the Board of Directors.
- 3.5.3. To represent the Board of Directors vis-à-vis the public, the authorities and shareholders, whereby representation of the Company in the public should generally only occur after prior consultation with the CEO.
- 3.5.4. Arranging and ensuring that the Board of Directors is informed in a timely and sufficient manner; monitoring implementation of any resolutions adopted by the Board of Directors.
- 3.5.5. Managing the CEO and monitoring their actions, especially with reference to the implementation of resolutions adopted by the Board of Directors.
- 3.5.6. In the case of exceptional, very urgent events, the Chairman is authorised and obliged to order immediate measures even if they are within the competence of the Board of Directors as a whole. The Board of Directors must be informed as soon as possible and involved in the decision-making process where appropriate.

3.5.7. Should the Chairman be absent, he shall be represented by the Vice Chairman or another member of the Board of Directors.

3.5.8. If the Chairman is indisposed or unable to perform his office, the Board of Directors shall appoint one of its members as interim Chairman for the remainder of the term of office.

### **3.6. Reporting**

3.6.1. Every member of the Board of Directors may request information on any aspect of the Company's business. In the meetings, all members of the Board of Directors and all persons entrusted with the management of the Company's business shall furnish the requested information. Apart from the meetings of the Board of Directors, any member of the Board of Directors may request information from the persons entrusted with the management of the Company's business concerning the course of business and, upon authorisation by the Chairman, concerning particular aspects thereof. In such cases, they shall address a written request to the Chairman indicating the reasons for their request.

3.6.2. Within 20 days after the end of each calendar month, the CEO must send each member of the Board of Directors the unaudited consolidated financial statements together with any further information and documentation determined by the Board of Directors.

3.6.3. The CEO shall inform the Board at each meeting of the course of business, any budget variances and important business transactions.

3.6.4. The Chairperson of the Board of Directors' committees shall report on the committees' activities at every meeting of the Board of Directors.

3.6.5. The CEO or Chairman of the responsible committee must bring unusual events to the attention of the Chairman of the Board of Directors without delay.

### **3.7. Remuneration**

3.7.1. Members of the Board of Directors receive fixed compensation for their role.

3.7.2. Additional payments may be made for membership of committees or for taking on special responsibilities or tasks.

3.7.3. For activities in legal entities directly or indirectly controlled by the Company, and for mandates performed as part of the member's position on the Board of Directors (Art. 19 Para. 4 of the Company's Articles of Association), the legal entity concerned may make payments to the member of the Board of Directors, provided these payments are within the amount approved by the shareholders' meeting.

3.7.4. Part of the payment may be made in company shares.

3.7.5. Members of the Board of Directors may also be granted the opportunity to purchase restricted shares in the Company at their market value minus a discount that reflects the fair value of locks on disposal recognised for tax purposes, within the framework of an employee shareholding plan or on an individual basis (share offer).

3.7.6. Members of the Board of Directors also have their expenses reimbursed. Reimbursement of expenses does not count as compensation.

3.7.7. In response to a proposal by the Nomination and Compensation Committee, the Board of Directors decides on the overall amount of compensation paid to its members and then proposes this to the shareholders' meeting for binding approval pursuant to Art. 18 ERCO and Art. 25 and 26 of the Company's Articles of Association.

### **3.8 Participation in ORIOR**

3.8.1. Members of the Board of Directors each hold a minimum shareholding equivalent to the gross annual compensation of the respective member. The Chairman's minimum shareholding is one and a half times his gross annual compensation (including the Board of Directors' fee as well as all fees for serving on and chairing committees appointed by the Board of Directors).

The shareholding can be acquired through share allocations (partial payment of remuneration in the form of shares in the Company), share offers (e.g. employee shareholding plans or employee share offers) or through acquisition on the open market. The period to complete the allocation of the minimum shareholding is three years from the date of election to the Board of Directors; after two years, at least half of the shares must be held by the respective member.

- 3.8.2. All sales on the stock market of freely available shareholdings by acting or former members of the Board of Directors must be made in a manner that protects the share price.

## 4. Committees

Even for non-delegable and inalienable duties, the Board of Directors may form committees from among its members and entrust these committees or their individual members with the preparation and execution of its resolutions, the supervision of transactions, and related special duties. The main role of the committees is to help the Board of Directors prepare the decision-making process, draft resolutions, and fulfil its supervisory obligations. The committees do not have the power to pass resolutions. Two specialist committees, the Audit Committee and the Nomination and Compensation Committee, are appointed by the Board of Directors as standing committees. In terms of its orga-

nisation and duties, the Nomination and Compensation Committee meets all the requirements of a Compensation Committee as defined in Art. 7 ERCO and Art. 23 of the Company's Articles of Association.

The Board of Directors can form ad hoc committees at any time.

### 4.1. Audit Committee

- 4.1.1. The Audit Committee consists of at least three members that the Board of Directors chooses from among its own members who are independent and non-executive. The Board of Directors must be sure that at least one member of the Audit Committee has the required, up-to-date financial expertise.
- 4.1.2. The Board of Directors appoints the members of the Audit Committee and its Chairperson for a term of one year.
- 4.1.3. The Audit Committee helps the Board of Directors to fulfil its supervisory obligations to the extent that this concerns the integrity of the financial statements, compliance with legal and regulatory guidelines, the performance of the internal control system and appraisal of the performance of the internal and external auditors.
- 4.1.4. The organisation and the powers and duties of the Audit Committee are set out in a separate charter (Audit Committee Charter).

## **4.2. Nomination and Compensation Committee**

- 4.2.1. The Nomination and Compensation Committee consists of at least three members of the Board of Directors. The members of the Nomination and Compensation Committee are elected singly by the shareholders' meeting for a term of office of one year up to the end of the next ordinary shareholders' meeting. The majority of members are independent and non-executive.
- 4.2.2. The Board of Directors appoints the Chairperson of the Nomination and Compensation Committee from among its members.
- 4.2.3. The organisation and the powers and duties of the Nomination and Compensation Committee are set out in a separate charter (Nomination and Compensation Committee Charter).

## **5. Chief Executive Officer (CEO)**

- 5.1. The CEO is appointed by the Board of Directors following a proposal by the Nomination and Compensation Committee, and has the primary responsibility for management of the Company.
- 5.2. The CEO is the head of the Executive Committee and has the right to issue instructions to the other members of the Executive Committee, all senior employees and key people who report directly to him or her.

5.3. The CEO is responsible for the appropriate organisation of powers and responsibilities within the Company.

5.4. The CEO has, in particular, the following powers and duties:

- To organise, manage and control the day-to-day business of the Company;
- To supervise ongoing business, implement the Company strategy and ensure achievement of the budget and company goals as determined by the Board of Directors;
- To monitor and implement the sustainability strategy;
- To implement the resolutions passed by the Board of Directors;
- To issue, and monitor compliance with, guidelines that ensure an appropriate flow of information within the Company;
- To represent the group in public; the CEO shall issue, and monitor compliance with, guidelines to this effect;
- To provide all the information and documents required by the Board of Directors;
- To seek approval from the Board of Directors for transactions requiring a decision from the Board of Directors;
- To organise the Executive Committee and Extended Executive Committee, and to prepare, convene and preside over the meetings of the Executive Committee;

- To submit to the Nomination and Compensation Committee proposals for the appointment, dismissal and remuneration of members of the Executive Committee, senior employees and key people who report directly to him or her.

- 6.4. Subject to approval by the Board of Directors, members of the Executive Committee may simultaneously carry out no more than one additional mandate outside the Group in the top management level or supervising body of listed companies, or four such mandates at unlisted entities pursuant to Art. 12 Para. 1 of the ERCO and Art. 19 of the Company's Articles of Association.

## 6. Executive Committee

- 6.1. The Executive Committee consists of the CEO, the CFO and one or several further members of the top management.
- 6.2. All management duties that are assigned legally or expressly to the Board of Directors or other corporate body by law, the Articles of Association or the ERCO shall be exercised by the Executive Committee.
- 6.3. The delegation of duties and responsibilities by the Executive Committee to third parties or subordinate bodies is permitted. Ultimate responsibility for all Executive Committee tasks pursuant to Point 6.2 of these Regulations rests with the CEO and the Executive Committee. The CEO issues the necessary regulations and arranges appropriate measures as required. To broaden the Company's leadership base and ensure the seamless cascading of information, an Extended Executive Committee consisting of representatives and specialists from various business units and geographically and/or thematically organised Management Committees has been formed to address overarching management tasks.

### 6.5. Remuneration

- 6.5.1. Members of the Executive Committee receive fixed annual compensation and variable compensation for their role. The variable compensation consists of short-term and long-term elements.
- 6.5.2. In response to a proposal by the Nomination and Compensation Committee, the Board of Directors decides on the overall amount of fixed compensation paid to members of the Executive Committee for the next financial year and then proposes this to the shareholders' meeting for binding approval pursuant to Art. 18 ERCO and Art. 27 and 29 of the Company's Articles of Association.
- 6.5.3. The short-term variable compensation is based on qualitative and quantitative targets, for which the measurement criteria and degree of achievement are determined annually by the Board of Directors based on the proposal of the Nomination and Compensation Committee.

The short-term compensation can, on the date of grant, be no higher than 50% of

the total compensation in the respective financial year. Part of the variable compensation may be paid in shares of the Company (share allocation).

In response to a proposal by the Nomination and Compensation Committee, the Board of Directors decides on the overall amount of variable compensation paid to members of the Executive Committee for the last financial year and then proposes this to the shareholders' meeting for binding approval pursuant to Art. 18 ERCO and Art. 27, 28 and 29 of the Company's Articles of Association.

- 6.5.4. The long-term variable compensation (Long Term Incentive Plan) shall take into account the Company's sustainable development towards pre-defined targets, which are measured over a multi-year period that generally extends over at least three years.

Long-term variable compensation shall on the date of grant not exceed 50% of the gross fixed compensation paid in the previous financial year and can consist of restricted stock units, restricted shares or other equity instruments. The vesting period is in principle at least 3 years, after which a mandatory holding period applies that generally lasts at least an additional 2 years.

The principles and details of long-term incentive plans are set out in a regulation issued by the Board of Directors.

The Board of Directors, while taking into account the long-term objectives of the

ORIOR Group and its sustainable development, decides on the issue of a long-term incentive plan, which is generally based on at least four target values that cannot be offset against each other. Each plan that is issued must incorporate a target value related to ESG criteria (Environmental, Social and Governance).

In a plan that is to be issued, the Board of Directors decides on the total and maximum possible amount in CHF and submits it to the shareholders' meeting for binding approval pursuant to Art. 18 OAEP and Art. 27, 28 and 29 of the Company's Articles of Association.

- 6.5.5. Members of the Executive Committee may also be granted the opportunity to purchase restricted shares in the Company at their market value minus a discount that reflects the fair value of locks on disposal recognised for tax purposes, within the framework of an employee shareholding plan or on an individual basis (share offer).

## **6.6. Participation in ORIOR**

- 6.6.1. The members of the Executive Committee each hold a minimum shareholding equivalent to the gross annual compensation of the respective member. The minimum shareholding of the CEO of the ORIOR Group shall be one and a half times his fixed gross annual compensation.

The shareholding can be acquired through share allocations (partial payment of remuneration in the form of shares in the company), share offers (e.g. employee

shareholding plans or employee share offers), or through acquisition on the open market. The period to complete the allocation of the minimum shareholding is three years from the date of admission to the Executive Committee; after two years, at least half of the shares must be held by the respective member.

- 6.6.2. All sales on the stock market of freely available shareholdings by acting or former members of the Executive Committee must be made in a manner that protects the share price.

## 7. Signing power

The Board of Directors appoints those of its members and further persons who shall be authorised to represent the Company. As a general rule, two authorised signatures are required jointly to represent the Company. The Board of Directors shall, as a rule, determine who is granted signatory power.

Signatory powers shall be registered in the Commercial Register.

## 8. Confidentiality and insider crimes

The members of the Board of Directors and the Executive Committee as well as all ORIOR employees

who have knowledge of important strategic and/or financial information are obliged to maintain confidentiality towards third parties with regard to any facts that they become aware of while performing their duties. This obligation shall not expire after their departure from the Board of Directors or the Company and shall continue even after the termination of the contractual relationship with the Company. Business documents must be returned by no later than the end of the term of office.

The Board of Directors shall issue regulations governing the details of obligations regarding ad hoc publicity, insider trading, disclosure of shareholdings and, in the case of members of the Board of Directors and the Executive Committee, management transactions, as defined by the applicable law, as well as the consequences under contract law in the event of violations.

## 9. Conflicts of interest

- 9.1. Members of the Board of Directors and Executive Committee must disclose all board memberships they hold, as well as any other interests, mandates, functions or activities that could potentially lead to a conflict of interests with the Company.

- 9.2. Members of the Board of Directors and Executive Committee must refrain from acting or (if applicable) exercising their votes in ways that affect their personal interests or the interests of related individuals or legal entities.

- 9.3. In the event of a conflict of interests, the member of the Board of Directors and Executive Committee concerned must notify the Chairman. The Chairman shall call for a decision by the Board of Directors appropriate to the intensity of the clash of interests; the Board of Directors shall make its decision without the participation of the person concerned.
- 9.4. Any member who has a conflict of interest or an interest clashing with the Company's interests, or who has to represent such interests on behalf of a third party shall not receive any confidential information on the transaction or matter in question, and the member concerned shall use their best efforts to ensure that they do not obtain such information. Moreover, such a member may not attend meetings when this transaction or matter is discussed and/or decided upon. Finally, such a member shall not have access to the minutes of this meeting or to any relevant material or information. Any person who continually faces such a conflict of interests cannot be a member of the Board of Directors or Executive Committee.
- 9.5. Transactions between the Company and members of its corporate bodies or persons related to them shall be subject to the "dealing at arm's length principle" they shall be approved by the Board of Directors without the participation of the person concerned. If necessary, the Board of Directors shall call for a neutral expert opinion.

## **10. Entry into force, changes to these Regulations**

- 10.1. These Regulations shall enter into force with immediate effect and shall replace all previous Organisational Regulations of ORIOR AG.
- 10.2. These Regulations may at any time be amended by a majority vote of the Board of Directors; in particular, the Board of Directors may, at any time modify, expand, or add further details to the rules regarding the division of powers within the Company.