

## **REMUNERATION COMMITTEE CHARTER**

Berne, February 14, 2024

Title Remuneration Committee Charter  
Date Berne, February 14, 2024  
Page 2

## **Table of Contents**

<b>1. Mission</b>	<b>3</b>
<b>2. Composition</b>	<b>3</b>
<b>3. Roles and Responsibilities</b>	<b>3</b>
<b>4. Organization</b>	<b>4</b>
<b>5. Other Tasks</b>	<b>5</b>

## **1. Mission**

The Remuneration Committee (RC) assumes all tasks conveyed to it according to the Articles of Association of Galenica Ltd. The Remuneration Committee deals with the remuneration strategy, performance criteria and targets across the Galenica Group, predominantly at the highest level of the organization.

The Remuneration Committee recommends to the Board of Directors the remuneration policy and the fees paid to the Members of the Board of Directors, including the remuneration of the Chairman, and to the CEO. It shall further approve the individual remuneration of the members of the Executive Committee (excluding the CEO) and submit the CEO's remuneration to the Board of Directors for approval.

The Remuneration Committee submits to the Board the remuneration system and several remuneration principles for the Group for approval.

The Remuneration Committee reviews and approves remuneration and benefits policies and programs as proposed by the CEO together with the Chairman, reviews performance relevant to remuneration and determines individual remuneration and benefit conditions for designated senior executives.

The individual remuneration of Board members, the CEO and members of the Executive Committee shall be in line with the Articles of Association, decisions of the Annual General Meeting, the organizational regulations and the remuneration strategy approved by the Board of Directors.

## **2. Composition**

The individual members of the Remuneration Committee are elected annually by the Annual General Meeting for a term of office up to the conclusion of the next ordinary Annual General Meeting. Re-election is possible.

The Board of Directors as a whole appoints the Chairperson of the Remuneration Committee from among the members of the Remuneration Committee elected by the Annual General Meeting. The majority of members shall be independent in accordance with the Swiss Code of Best Practice for Corporate Governance and act in a non-executive capacity.

## **3. Roles and Responsibilities**

The Remuneration Committee shall

- a) Prepare the principles for remuneration of the Board members in accordance with the Articles of Incorporation and the decisions of the Annual General Meeting and submit them to the Board of Directors for approval;
- b) Oversee and discuss the remuneration system and principles for remuneration for the Group (general principles, positioning on the employment market, nominal remuneration, share and option programs etc.) and submit them to the Board of Directors for approval. It shall define guidelines and working instructions for determining remuneration for members of the Executive Committee and submit them to the Board of Directors for approval;
- c) Propose to the Board of Directors for approval the individual remuneration of the Chairman and the CEO, as well as for the Executive Committee as a whole;
- d) Approve the individual remuneration of the members of the Executive Committee (excluding the CEO) including the various remuneration elements, as proposed by the CEO together with the Chairman;
- e) Review and approve general remuneration and benefits policies including any short-term bonus and long-term incentive remuneration or equity plans and the allocation of benefits under such plans; it shall inform the Board of Directors of these policies and of the extent to which the plans meet their intended objectives;
- f) Submit the yearly objectives for the short-term bonus payments and the long-term, performance-based remuneration for approval by the Board of Directors. A portion of the variable remuneration is tied to sustainability goals.
- g) Draft a recommendation regarding the annual achievement target as a percentage for group short-term bonus and long-term incentive remuneration according to the Executive Committee's recommendation and submit it to the Board of Directors for approval;
- h) Review and approve other remuneration elements granted to members of the Executive Committee;
- i) Review all mandatory public disclosure statements of the Company relating to remuneration and benefits, including its remuneration report;
- j) Draft the remuneration proposals to be submitted to the Annual General Meeting and submit them to the Board of Directors for approval;
- k) Perform other tasks in relation to remuneration and benefits, as may be delegated by the Board of Directors.

#### **4. Organization**

The Remuneration Committee shall meet at least three times a year. The Chairperson of the Remuneration Committee shall prepare an agenda in advance of each meeting in consultation with the Chairman. To have a quorum, the majority of all members must be present at the meeting at the very least and in each instance. Proposals to the Board of Directors and decisions must be made by majority vote whereby the Chairperson of the Committee has the deciding vote if necessary.

The General Secretary shall be responsible for the minutes. Minutes of the meetings and the resolutions of the Remuneration Committee shall be signed by the Chairperson of the Remuneration Committee and the General Secretary and made available prior to the next meeting and approved at such meeting.

The Remuneration Committee has complete access to all Galenica remuneration data and remuneration plans and may obtain any information it requires from the appropriate service. It is authorized to obtain independent remuneration market data or other professional advice and may retain outside consultants to advise the Remuneration Committee.

The Chairperson may invite the Chairman, the CEO and the members of the Executive Committee to attend the meetings or parts thereof. This does not include discussions relating to their own performance or remuneration. The Remuneration Committee may ask other employees or outside consultants to attend the meeting or make presentations.

The Chairperson of the Remuneration Committee shall report to the Board of Directors after each meeting of the Remuneration Committee and keep it updated on the overall remuneration policy of the Group.

## **5. Other Tasks**

The Remuneration Committee shall:

- a) Review periodically remuneration market data and competitor benchmark data to ensure competitiveness and the long-term success of the business by attracting and retain key staff;
- b) Review and reassess the adequacy of this Charter and submit proposed changes to the Board of Directors for approval;
- c) Conduct a self-evaluation of the Remuneration Committee's own performance on an annual basis.

This Remuneration Committee Charter was approved by the Board of Directors of Galenica Ltd. on February 14, 2024 and entered into force with immediate effect. It supersedes the Charter of March 10, 2017.