

5th Ordinary General Meeting

11 May 2022, 2:30 p.m., Kursaal Bern Ltd.,
Kornhausstrasse 3, Bern

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Dear Shareholders

Galenica aims to generate attractive returns for its shareholders, play an active role in the Swiss health-care market and be an attractive employer.

Our remuneration policy and systems are designed to ensure that the interests of shareholders and Executive Committee are largely aligned. In accordance with the relevant legal requirements and the Articles of Association, we request that you approve individually and in a binding manner the two maximum total amounts of remuneration in 2023 at the General Meeting 2022, and that you also express your views on the Remuneration Report 2021 through an advisory vote.

2021 was a very successful year. Revenues relating to COVID-19 have increased dramatically, and sales of medications for colds and flu infections increased towards the end of the year. Galenica determinedly implemented measures to combat the coronavirus pandemic, thereby generating unprecedented additional revenue. Although the one-off income from the sale of the property at the Galenica headquarters was not taken into account in the assessment of the targets set for the Company's variable remuneration, the targets set for 2021 were significantly exceeded. And this came after only some of the prior year's targets were met.

The Remuneration Report 2021 is intended to enable you, as a shareholder, to compare the maximum total remuneration requested for the 2023 financial year with the performance record and the remuneration paid for this in 2021.

The explanations below provide the relevant background information for the three remuneration-related votes.

In 2021, the Remuneration Committee conducted a review of the Executive Committee's remuneration system. Based on this analysis, the Remuneration Committee decided that the overall remuneration structure is appropriate and in line with market practice.

Details on this and further explanations on the remuneration systems for the Board of Directors and the Executive Committee can be found in the Remuneration Report contained in the Annual Report 2021 of the Galenica Group (www.galenica.com, Publications section).

Yours sincerely,
For the Board of Directors



Daniela Bosshardt
Chairwoman of the
Board of Directors



Dr. Andreas Walde
Chairman of the
Remuneration Committee



Agenda

1. Management Report, Annual Financial Statements 2021 of Galenica Ltd. and consolidated Financial Statements 2021 of the Galenica Group as well as taking note of the statutory auditor's reports

The Board of Directors proposes that the Management Report, the Annual Financial Statements 2021 of Galenica Ltd. and the consolidated Financial Statements 2021 of Galenica Group be approved.

2. Discharge of the Board of Directors and the Executive Committee

The Board of Directors proposes that its members and the members of the Executive Committee be discharged for the 2021 financial year.

3. Adoption of resolutions on the use of the balance sheet profit 2021 and the use of capital contribution reserves

The Board of Directors proposes that a dividend of CHF 2.10 per registered share be paid for the 2021 financial year. Of this, CHF 1.05 is to be paid from the balance sheet profit and CHF 1.05 from the capital contribution reserves.

3.1. Use of the balance sheet profit 2021

Balance carried forward from prior year	CHF 638,387
Profit for the year	<u>CHF 228,676,151</u>
Balance sheet profit available to General Meeting	<u>CHF 229,314,538</u>

Proposal

Dividend CHF 1.05 per share	CHF 52,500,000 ¹⁾
Allocation to free reserves	<u>CHF 176,000,000</u>
Carried forward	<u>CHF 814,538</u>

¹⁾ The proposal for the distribution of the dividend shall include all shares issued. However, shares held in treasury at the time of dividend distribution are not entitled to dividends. Based on the number of shares held in treasury by Galenica Ltd. on 31 December 2021, the dividend distribution would amount to CHF 52.1 million

If this proposal is approved, the dividend will be paid from 17 May 2022.

3.2. Use of capital contribution reserves

Capital contribution reserves	CHF 307,010,206
Dividends from capital contribution reserves CHF 1.05 per share	<u>CHF 52,500,000²⁾</u>
Carried forward	<u>CHF 254,510,206</u>

²⁾ The proposal for the distribution of dividends from capital contribution reserves includes all shares issued. However, shares held in treasury at the time of dividend distribution are not entitled to dividends. Based on the number of shares held in treasury by Galenica Ltd. on 31 December 2021, the dividend distribution would amount to CHF 52.1 million

If this proposal is approved, the dividend will be paid from 17 May 2022 without deduction of withholding tax.

4. Remuneration Report 2021

The Board of Directors proposes that the Remuneration Report 2021 be approved through an advisory vote. The relevant information can be found in the Annual Report 2021, in the section entitled «Remuneration Report».

5. Maximum total amounts for the 2023 financial year

5.1. Maximum total remuneration of the Board of Directors

The Board of Directors proposes to approve a maximum total amount of CHF 1,900,000 for the remuneration of the members of the Board of Directors for the 2023 financial year.

5.2. Maximum total remuneration of the Executive Committee

The Board of Directors proposes to approve a maximum total amount of CHF 8,500,000 for the remuneration of the members of the Executive Committee for the 2023 financial year.

6. Elections

The Board of Directors proposes to the 2022 General Meeting that six existing members be re-elected. Ms Judith Meier is proposed for election as a new member of the Board of Directors. In accordance with the criteria of the Swiss Code of Best Practice for Corporate Governance, all proposed members are independent.

6.1. Re-election of the members of the Board of Directors and the Chairwoman, election of a new member of the Board of Directors

The Board of Directors proposes that Ms Daniela Bosshardt be re-elected as a member and Chairwoman of the Board of Directors, and that Mr Bertrand Jungo be re-elected, Ms Pascale Bruderer, Prof. Hon. Dr Michel Burnier, Dr Markus R. Neuhaus and Dr Andreas Walde as well as the election of Ms Judith Meier as members of the Board of Directors, each for a term of office lasting until the end of the next Ordinary General Meeting.

a. Re-election of Daniela Bosshardt as Member and Chairwoman of the Board of Directors

b. Re-election of Bertrand Jungo as member of the Board of Directors

c. Re-election of Pascale Bruderer as member of the Board of Directors

d. Re-election of Prof. Hon. Dr Michel Burnier as member of the Board of Directors

e. Re-election of Dr Markus R. Neuhaus as member of the Board of Directors

f. Re-election of Dr Andreas Walde as member of the Board of Directors

g. Election of Judith Meier as member of the Board of Directors



Judith Meier

Born 1962, Swiss citizen

Professional experience: From 2009 to 2016, Judith Meier headed Zurzach Care AG (formerly the Reha Clinic Group) as CEO, was a delegate from 2017 and Vice Chairwoman of the Board of Directors of Zurzach Care AG since 2019. She is a co-founder of reha at home AG (founding year 2018). From 1989 to 2001, she was a member of the Great Council of the Canton of Aargau.

Qualifications: Executive Master of Health Service Administration (Eastern Switzerland University of Applied Sciences), qualified physiotherapist.

Other activities: Judith Meier is Vice Chairwoman of the Board of Directors of Zurzach Care AG. Since 2017, she has been a member of the Board of Directors of the Cantonal Hospital of Graubünden.

Further details on the CVs of previous members of the Board of Directors can be found on our website (www.galenica.com).



6.2. Re-elections to the remuneration Committee

The Board of Directors proposes that Dr Andreas Walde and Prof. Hon. Dr Michel Burnier and Dr Markus R. Neuhaus be re-elected to the Remuneration Committee, each for a term of office lasting until the end of the next Ordinary General Meeting. In the event that Dr Andreas Walde is re-elected as a member of the Remuneration Committee, the Board of Directors intends once again to appoint him as Chairman of the Remuneration Committee.

a. Re-election of Dr Andreas Walde to the Remuneration Committee

b. Re-election of Prof. Hon. Dr Michel Burnier to the Remuneration Committee

c. Re-election of Dr Markus R. Neuhaus to the Remuneration Committee

6.3. Re-election of the independent representative of voting rights

The Board of Directors proposes that the law firm of Walder Wyss Ltd. be re-elected as independent representative of voting rights for a term of office lasting until the end of the next Ordinary General Meeting.

6.4. Re-election of the statutory auditor

The Board of Directors proposes that Ernst & Young Ltd. be re-elected as Auditor for a term of office lasting until the end of the next Ordinary General Meeting.

Information on remuneration-related votes



Item 4: Remuneration Report 2021 – Advisory vote

The Remuneration Report 2021 contains detailed information on the remuneration of the Board of Directors and the Executive Committee. In addition, the Remuneration Report ensures transparency regarding the correlation between the business performance compared to the Group's targets and the remuneration effectively paid or awarded to the Executive Committee.

The Board of Directors invites the shareholders, through an advisory vote, to approve the Remuneration Report 2021, which sets out the remuneration system, remuneration practice and disbursements for the previous financial year. The Remuneration Report is available on our website at:

www.galenica.com, Publications section.

Remuneration Report 2021

The Board of Directors proposes that the Remuneration Report be approved through an advisory vote.

Preliminary remarks on the maximum total remuneration of the Board of Directors and the Executive Committee for the 2023 financial year

The following change of the Board of Directors took place in 2021: Dr Philippe Nussbaumer no longer stood for re-election as a member of the Board of Directors at the General Meeting of 12 May 2021. No new member of the Board of Directors was elected in 2021.

After the 2021 General Meeting, the Board of Directors had six members. The Board of Directors has decided to recommend Judith Meier to the 2022 General Meeting for election to the Board of

Directors. Overall, the Board of Directors has the following committees: Audit and Risk Committee, Remuneration Committee, Executive Committee, Nomination Committee and Sustainability Committee.

The Executive Committee had six members in the year under review. Virginie Pache became a member of the Executive Committee as Chief Pharmacies Officer on 1 January 2021. Lukas Ackermann, Chief IT & Digital Services Officer, has been a member of the Executive Committee since 1 January 2022. The Executive Committee was thus increased to seven members as of 1 January 2022. Against this backdrop, the proposed maximum total remuneration for the 2023 financial year is based on the remuneration of seven members of the Executive Committee.

Item 5.1: Maximum total remuneration of the Board of Directors for the 2023 financial year

The proposed maximum total remuneration for the members of the Board of Directors for the 2023 financial year, in the amount of CHF 1,900,000, is dependent on the acceptance of the (re-)election of seven non-executive members of the Board of Directors (including the Chairwoman of the Board of Directors) and has remained unchanged since 2019.

The remuneration applicable to the members of the Board of Directors reflects the management structure and responsibilities of the Board of Directors in accordance with applicable legal provisions, the Articles of Association and the remuneration Regulations. The members of the Board of Directors of Galenica receive only fixed remuneration. They receive no variable or performance-based remuneration, share options or additional remuneration for attending meetings. As per the Regulations on the Regulations, the members of the Board of Directors may join the Galenica Pension Fund. However, in

such a case, they themselves must pay all contributions (savings and risk contributions of employer and employee) in full. The annual remuneration to the members of the Board of Directors shall be paid out at a rate of at least 50% (or at 100% upon request by the individual member of the Board of Directors) in Galenica shares that have been blocked for five years.

The Board of Directors proposes CHF 1,900,000 as a maximum total amount of remuneration for the members of the Board of Directors for the 2023 financial year, which represents no change from the previous year. The aforementioned amount includes an estimated compulsory contribution of CHF 70,000 which Galenica must pay to state social security systems. The total amount takes into account additional remuneration for any further activities on the Board of Directors or for Group companies.

Maximum total remuneration of the Board of Directors for the 2023 financial year

The Board of Directors proposes to approve a maximum total amount of CHF 1,900,000 for the remuneration of the members of the Board of Directors for the 2023 financial year.

Item 5.2: Maximum total remuneration of the members of the Executive Committee for the 2023 financial year

The proposed maximum total remuneration is based on the remuneration of seven members of the Executive Committee. This includes the Chief Executive Officer (CEO). For the 2022 financial year, the General Meeting approved a maximum total amount of CHF 7,200,000 for six members of the Executive Committee, which could be increased to CHF 8,300,000 by the appointment of an additional member of the Executive Committee in accordance with the Articles of Association without re-approval. The Board of Directors continues to consider a maximum remuneration in this context to be appropriate and proposes a maximum total remuneration of CHF 8,500,000 for the 2023 financial year.

In order to recruit talented employees for important positions and keep them at the Company, Galenica offers competitive remuneration. In line with Galenica's performance-based remuneration philosophy, members of the Executive Committee who meet their performance targets generally receive target remuneration commensurate with the remuneration level (median value) of comparable positions in other companies of the same size and complexity. If the members fall short of or exceed their performance targets, the remuneration paid to them may fall below or exceed this median figure.

Development of the maximum total remuneration of the Board of Directors for the 2021 to 2023 financial years

in thousands CHF	2021 (approved by AGM)	2022 (approved by AGM)	2023 (proposal)
Number of members	6	7	7
Maximum total remuneration of the Board of Directors	1,900	1,900	1,900
Including social security contributions of (estimated) ¹⁾	70	77	70

¹⁾ As of 01.01.2022

Maximum total remuneration of the Executive Committee for the 2023 financial year

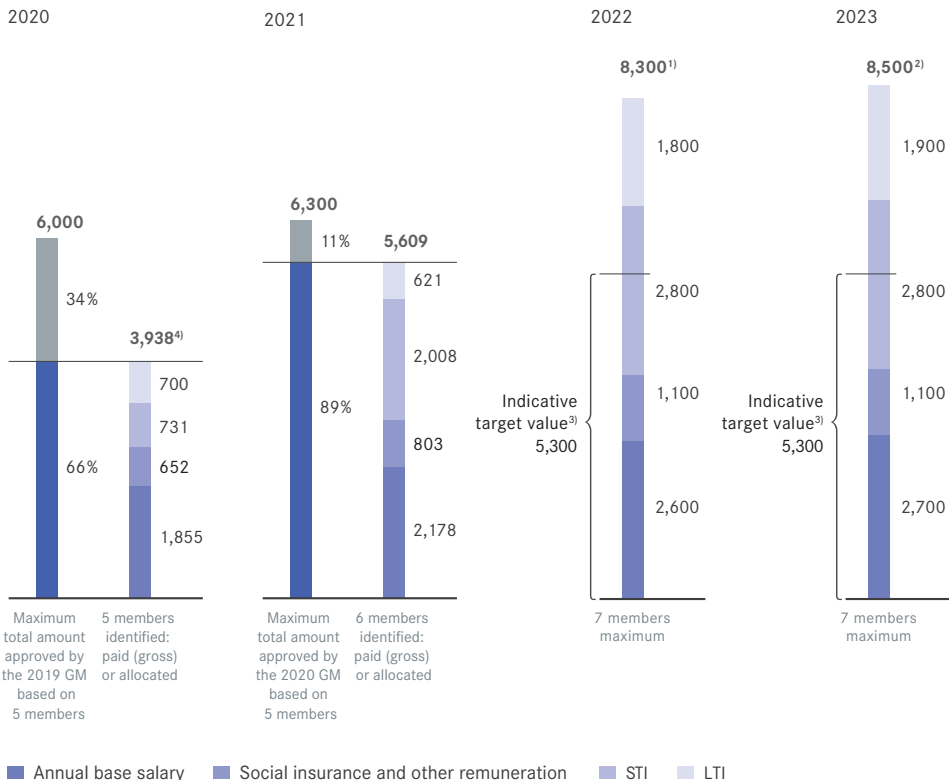
The Board of Directors proposes to approve a maximum total amount of CHF 8,500,000 for the remuneration of the members of the Executive Committee for the 2023 financial year.

Further information on the remuneration of the Board of Directors and the Executive Committee can be found in the Remuneration Report 2021 (www.galenica.com, Publications section).



Remuneration of all members of the Executive Committee

in thousand CHF



¹⁾ The maximum total amount approved by the General Meeting on 12 May 2021 based on six members is CHF 7,200,000.

Because the Executive Committee was expanded from six to seven members on 1 January 2022, an additional amount is utilised in accordance with Article 22 para. 6 of the Articles of Association

²⁾ Proposal for the 2022 General Meeting based on seven members of the Executive Committee

³⁾ In the event of 100% achievement of targets

⁴⁾ Factoring in the remuneration of Jean-Claude Clementon until 31 March 2020 (departing the Executive Committee as CEO on 31 March 2020) and of Christoph Amstutz until 31 August 2020 (departing the Executive Committee as Head of the Services Division on 31 August 2020). Following their respective departures from the Executive Committee in 2020, Jean-Claude Clementon and Christoph Amstutz also received a total of CHF 411,000. This amount is not included in the disclosed amount

The background features a vibrant, abstract composition of curved, overlapping lines. A large, bright blue shape dominates the upper right, curving towards the center. Below it, a series of concentric, dark purple lines form a semi-circular pattern in the lower left. A large, light blue circular shape is partially visible on the right side, overlapping the other elements. The overall effect is dynamic and modern.

Remarks

Share register

The shareholders of Galenica Ltd. entered in the share register with voting rights on 3 May 2022 are entitled to vote.

No trading restrictions for shares of Galenica

The registration of shareholders for voting purposes shall not affect the tradeability of the shares before, during or after the General Meeting.

Annual Report

The Annual Report of the Galenica Group is available on the internet at www.galenica.com,

Publications section. The Annual Report 2021 together with the Management Report and the Annual Accounts of Galenica Ltd. and the Galenica Group, as well as the corresponding reports of the auditors, are available for inspection at the Company's registered office in Bern. For sustainability reasons, the Annual Report shall only be sent to shareholders by post upon request.

Simultaneous interpreting

The General Meeting shall be held partly in German and partly in French. Simultaneous interpreting into German and French will be provided. Headphones will be distributed in the foyer.

Early departure from the General Meeting

In order to determine the attendance correctly, in the event of premature departure from the General Meeting, the unused voting material as well as the electronic voting device must be handed over at the exit.

Arrival

We recommend that you use public transport, as there is limited parking around the Kursaal in Bern. From Bern main station, take tram line 9 (in the direction of Wankdorf Bahnhof) to the «Kursaal» stop.

Galenica Ltd.

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