

**Regulations Governing Internal  
Organization and Board  
Committees**

**Version dated 1 January 2026**

The Board of Lonza Group has issued the following Regulations Governing Internal Organization and Board Committees based on Art. 17 to 19 of the Articles of Association of Lonza Group.

### **Art. 1 Definitions**

In these Organizational Regulations (including its Appendices), capitalized terms have the following meaning:

ACC	The Audit and Compliance Committee of the Board
Affiliate	A company in which Lonza Group holds 50% of voting rights or less, directly or indirectly
Appendix	An appendix to these Organizational Regulations
Articles of Association	The Articles of Association of Lonza Group
Board	The Board of Directors of Lonza Group
CEO	The Chief Executive Officer of Lonza Group
CFO	The Chief Financial Officer of Lonza Group
Chair	The Chair of the Board
Charter	A charter of a Committee
CO	Swiss Code of Obligations dated 30 March 1911, as amended from time to time
Committee	A committee of the Board
Company	Lonza Group
Conflict of Interest	Any personal or financial interest, or the interest of a closely related person or company, that a member of the Board might have in a particular matter which does or might be regarded to conflict with the interests of the Company or the Group. For the avoidance of doubt, any decision by the Board on remuneration or on the proposal of an individual for election or re-election by the Shareholders' Meeting as a member of the Board, as the Chair or as a member of the RemCo or the PGC is not considered a Conflict of Interest.
ESG	Environmental, Social and Governance

Executive Committee	The Executive Committee of Lonza Group
Group	Lonza Group and its Subsidiaries and Affiliates
Lonza Group	Lonza Group Ltd, Basel, Switzerland
Organizational Regulations	These Regulations Governing Internal Organization and Board Committees
PGC	The People and Governance Committee of the Board
RemCo	The Remuneration Committee of the Board
Shareholders' Meeting	The shareholders' meeting of Lonza Group
SIC	The Strategy and Innovation Committee of the Board
Subsidiary	A company in which Lonza Group holds more than 50% of voting rights, directly or indirectly
Vice Chair	The vice Chair of the Board

## **Art. 2 Board**

### **2.1** *Function*

In accordance with Art. 716 CO, the Board may pass resolutions on all matters not reserved to the Shareholders' Meeting by law and the Articles of Association; the Board is responsible for managing the business of Lonza Group unless responsibility for such management has been delegated under the terms of these Organizational Regulations.

The Board is responsible for the tasks assigned to it under the terms of Art. 18 of the Articles of Association, in particular for the ultimate management of Lonza Group and for the ultimate supervision of the persons entrusted with Company management, especially with regard to compliance with the law, the Articles of Association, regulations and directives. It is entitled to issue all necessary directives. All other management activities are delegated to the CEO and the Executive Committee.

The Chair, the Vice Chair and the other members of the Board represent the Company with joint signature by two.

## 2.2 *Constitution*

Except for the election of the Chair and the members of the RemCo, the Board constitutes itself. The Board elects a Vice Chair and a secretary. The secretary needs not be a member of the Board.

The Chair is elected by the Shareholders' Meeting for a term of office from one ordinary Shareholders' Meeting until completion of the next ordinary Shareholders' Meeting. If the office of the Chair is vacant, the Board shall appoint a new Chair from among its members for the remaining term of office.

The Board may assign special duties to individual members or to separate Committees. The Charters of the standing Committees are attached in **Appendix 1**.

## 2.3 *Number of Members*

The Board shall be composed of at least five members.

## 2.4 *Term of Office and Limit of Incumbency*

The term of office for each member of the Board is from one ordinary Shareholders' Meeting until completion of the next ordinary Shareholders' Meeting.

Members may not serve more than twelve complete terms of office on the Board. If deemed in the best interest of the Company, the Board can extend this limit.

## 2.5 *Meetings*

The Board meets as often as business requires, but at least four times a year.

### *Calling Meetings*

The Chair, or if he/she is prevented, the Vice Chair, calls the meetings of the Board. The Chair shall convene a meeting if he/she receives a written request, stating the reasons, from any member of the Board or the Executive Committee.

### *Chairship*

At meetings of the Board, the chair is held by the Chair, or if he/she is prevented, by the Vice Chair; if both of them are prevented, the chair is taken by a Chair-for-the-day, elected by the Board from among its members for the meeting in question.

### *Invitation and Agenda*

Except for urgent matters, invitations to meetings of the Board and the meeting's agenda are to be sent to the members at least five business days before the date of the meeting. The Chair, or if he/she is prevented, the Vice Chair, draws up the agenda for meetings of the Board. Any member of the Board may request the inclusion of certain items on the agenda.

### *Participants Without Voting Rights*

The Chair may invite the members of the Executive Committee to attend the meetings of the Board. Other persons may be invited. The members of the Executive Committee and other persons invited do not have the right to vote.

### *Quorum Requirements*

The Board has a quorum when more than half of its members are present. The presence requirement is met if the members are able to communicate simultaneously (by telephone, video, internet/intranet or other technical means).

No presence quorum is required for formal resolutions of the Board in connection with a capital increase.

### *Resolutions*

Resolutions of the Board are passed with the simple majority of the votes submitted (abstentions do not count as votes submitted). In the event of a tie vote, the Chair shall have the casting vote.

### *Circulation Resolutions*

Resolutions of the Board may be passed by circulation (letter, facsimile, e-mail, messenger or other electronic means) inasmuch as no member of the Board requests of the Chair that a meeting of the Board on the matter is being held prior to the adoption of the resolution. Resolutions passed by circulation are subject to the same majority requirement as the other resolutions. In case of resolution by electronic means, no signature is required.

### *Minutes*

The secretary takes minutes of the meetings of the Board; these minutes are to be signed by the person chairing the meeting and the secretary.

### 2.6 *Chair's Duties*

The Chair is responsible for informing the Board about the business activities of the Group. He/she prepares the meetings of the Board, chairs them and oversees the implementation of its resolutions and the business activities of the Group. The Chair maintains regular contact with the Executive Committee, in particular with the CEO, and acts in an advisory capacity. He/she ensures that he/she and the Vice Chair are kept constantly informed about all important business matters from the outset.

### 2.7 *Vice Chair's Duties*

If the Chair is prevented, the Vice Chair assumes all his/her duties and keeps himself/herself constantly informed about on-going business in such a way that he/she is in a position to substitute for the Chair.

The Vice Chair supports the Chair in his role and may be assigned special or additional duties by the Board.

### 2.8 *Duties and Responsibilities*

The **Board** has the following duties and responsibilities:

#### 2.8.1 It **takes decisions** on the following general matters:

- a) the establishment of the corporate principles;
- b) the establishment of the Group strategy;
- c) the definition of the general organizational structure of the Group;
- d) the issuance of material Group guidelines and policies;
- e) the annual budget (which includes investment projects);

- f) the appointment and dismissal of the CEO, the other members of the Executive Committee and, to the extent this duty has not been delegated by the Board, other persons entrusted with management such as mandatories and other proxies;
- g) the determination of the remuneration for the members of the Board in accordance with the Articles of Association, subject to approval of the compensation of the Board by the Shareholders' Meeting pursuant to the Articles of Association;
- h) the authorization granted to members of the Executive Committee to accept mandates outside the Group within the limitations set out in Art. 26 of the Articles of Association;
- i) proposals to the Shareholders' Meeting on all matters which, under the law or the Articles of Association, fall within the competence of the Shareholders' Meeting, particularly in connection with the approval of the annual report, the consolidated financial statements and the annual statutory financial statements, as well as the appropriation of available earnings, the approval of the compensation of the Board and the Executive Committee, amendments to the Articles of Association and elections;
- j) calling ordinary and extraordinary Shareholders' Meetings and fixing the place, time and agenda of these meetings;
- k) reviewing the auditors' reports on Lonza Group and on the verification of the consolidated financial statements;
- l) the establishment of the guidelines for the transfer of registered shares in accordance with Art. 6 of the Articles of Association;
- m) the notification of the judge in the event of over-indebtedness and the filing of an application for debt-restructuring moratorium;
- n) the approval of the periodic reports by the Executive Committee on the development of sales, income, financial situation, investment activity as well as all other material events;
- o) the preparation of the annual report, the remuneration report, the report on non-financial matters and other reports that are subject to mandatory approval by the Board; and

- p) all other matters falling within the competence of the Board that are not delegated in accordance with Art. 19 of the Articles of Association, in particular amendments to and individual deviations from these Organizational Regulations.

2.8.2 It **takes decisions** on the following matters of the Company or any Subsidiaries:

- a) capital expenditures within the scope of the budget approved by the Board with a value in excess of 20 million Swiss francs;
- b) capital expenditures outside the budget approved by the Board with a value in excess of 20 million Swiss francs;
- c) M&A and divestiture transactions in accordance with the attached M&A Approval and Notification Table (**Appendix 2**);
- d) the initiation and settlement of legal proceedings with a value in excess of 10 million Swiss francs or of fundamental significance; and
- e) financial indebtedness and guarantees (such as moneys borrowed, credit facilities, bonds (other than performance or advance payment bonds), credits by suppliers exceeding 180 days payment terms) in the principal amount in excess of 100 million Swiss francs, excluding transactions between the Company and Subsidiaries or among Subsidiaries.

In calculating the value of capital expenditures for purposes of the limits set forth in clauses (a) and (b) above, all capital expenditures that relate to a capital appropriation project should be aggregated.

The attached Approval Table (except M&A) (**Appendix 3**) summarizes the competencies of the Board outside of M&A pursuant to this Art. 2.8.2.

## 2.9 *Duty of Care and Loyalty and Conflict of Interest*

The members of the Board are under a duty to carry out their duties with all due care and to safeguard and further the interests of the Company and the Group in good faith.

Members of the Board arrange their personal and business affairs, including their affairs with regard to a related person or company, so as to avoid, as much as possible, an actual or potential Conflict of Interest.

Each member of the Board and the Executive Committee shall inform the Chair (or in the case of the Chair, to the Chair of the ACC) any Conflict of Interest generally arising or relating to any matter to be discussed at a meeting as soon as the member of the Board or the Executive Committee becomes aware of its existence.

In case of a Conflict of Interest, the Board (or the member designated by it) should make a decision commensurate with the seriousness of the conflict of interests so that the independent safeguarding of the company's interests continues to be ensured. In particular, it should check whether the member of the Board or the Executive Committee in question must not participate or whether a double resolution with and without the member of the board affected by the conflict is sufficient. It should consult the person concerned. In the event of the member not being permitted to participate, the Board will decide whether the member – depending on the intensity of the conflict – only needs to not participate in passing the resolution or additionally also must not participate in the discussion. Instead of these measures or in addition to them, it can commission an independent third party to make a prior assessment of the transaction or submit this to the Shareholders' Meeting for approval.

The Board may appoint one of its members as Lead Independent Director and define its roles and responsibilities. Absent any such definition, the Lead Independent Director has the right to chair "Board-only" discussions and the right to convene and chair meetings of the Board of Directors on his own if necessary.

### **Art. 3 Chief Executive Officer**

The CEO supervises the activities of the Executive Committee. He/she ensures that the Executive Committee is informed about the business activities of the Group, prepares the meetings of the Executive Committee in accordance with Art. 4.2 of these Organizational Regulations and supervises the implementation of its resolutions.

Together with the Chair, the CEO informs the Board about the business activities of the Group and keeps the Board constantly informed about all important business transactions and issues.

The CEO is responsible for submitting proposals to the PGC concerning the appointment of the members of the Executive Committee (with the exception of the CEO).

The Board may assign special or additional duties to the CEO and other members of the Executive Committee.

## **Art. 4 Executive Committee**

### **4.1 *Structure and Functions***

The Executive Committee consists of the CEO and such other members as appointed by the Board.

Unless otherwise provided in these Organizational Regulations or its Appendices, the Executive Committee is the supreme management body of Lonza Group. It performs the duties assigned to it by the Board, either under the terms of these Organizational Regulations or otherwise. It is responsible for managing the Group, including for developing and implementing the Group policy and strategy. It controls and coordinates the activities of the business organizations. It designates its secretary who need not be a member of the Executive Committee.

### **4.2 *Meetings***

The Executive Committee meets as often as the business requires.

#### *Calling Meetings*

The CEO calls the meetings of the Executive Committee. The CEO shall convene a meeting if he/she receives a written request, stating the reasons, from any member of the Executive Committee.

#### *Chairship*

The chair of the meetings of the Executive Committee is held by the CEO, or if he/she is prevented, by the CFO; if both are prevented, the chair is taken by a Chair-of-the-day, elected by the Executive Committee from among its members for the meeting in question.

#### *Invitation and Agenda*

Except for urgent matters, invitations to meetings of the Executive Committee and the meeting's agenda are to be sent to the members at least five business days before the date of the meeting. The CEO draws up the agenda for the meetings of the Executive Committee. Any member of the Executive Committee may request the inclusion of certain items on the agenda.

### *Quorum Requirements*

The Executive Committee has a quorum when more than half of its members are present. The presence requirement is met if the members are able to communicate simultaneously (by telephone, video, internet/intranet or other technical means).

### *Resolutions*

Resolutions of the Executive Committee are passed with the simple majority of the votes submitted (abstentions do not count as votes submitted). In the event of a tie vote, the Chair shall have the casting vote.

### *Participants Without Voting Rights*

The Executive Committee may invite other persons to its meetings upon request by one of its members. Such persons do not have the right to vote.

### *Circulation Resolutions*

Resolutions of the Executive Committee may be passed by circulation (letter, facsimile, e-mail, messenger or other electronic means) inasmuch as no member of the Executive Committee requests of the CEO that a meeting of the Executive Committee on the matter is being held prior to the adoption of the resolution. Resolutions passed by circulation are subject to the same majority requirement as the other resolutions. In case of resolution by electronic means, no signature is required.

### *Minutes*

The secretary takes the minutes of the meetings of the Executive Committee.

## 4.3 *Duties and Responsibilities of the Executive Committee*

### 4.3.1 The Executive Committee **takes decisions** on the following general matters:

- a) the oversight over nominations of the candidates for the corporate bodies of Subsidiaries and Affiliates, foundations and other institutions. These mandates are awarded based on the principle that Lonza Group should be represented by persons actively engaged in the day-to-day management of the Subsidiaries and Affiliates' affairs and subject to the limitations as determined in the Articles of Association;

- b) the nomination of the candidates for senior managerial functions in the Company, its relevant Subsidiaries and Affiliates. The Executive Committee informs the PGC about such nominations;
- c) the implementation of, and compliance with, the issuance of material Group guidelines and policies; and
- d) the oversight over opening or closing/liquidation of Subsidiaries, Affiliates or branch offices.

4.3.2 The Executive Committee **takes decisions** on the following matters of the Company or any Subsidiaries:

- a) Capital expenditures within the scope of the budget approved by the Board with a value not exceeding 20 million Swiss francs;
- b) capital expenditures outside the budget approved by the Board with a value not exceeding 20 million Swiss francs per instance; the Board will be informed yearly of such investments;
- c) M&A and divestitures transactions in accordance with the attached M&A Approval and Notification Table (**Appendix 2**);
- d) the initiation and settlement of legal proceedings with a value not exceeding 10 million Swiss francs; the Board is responsible for instituting and approving settlement of legal proceedings of fundamental significance; and
- e) financial indebtedness and guarantees thereof (such as moneys borrowed, credit facilities, bonds (other than performance or advance payment bonds), credits by suppliers exceeding 180 days payment terms) in the principal amount not exceeding 100 million Swiss francs, excluding transactions between the Company and Subsidiaries or among Subsidiaries.

In calculating the value of capital expenditures for purposes of the limits set forth in clauses (a) and (b) above, all capital expenditures that relate to a capital appropriation project should be aggregated.

The attached Approval Table (except M&A) (**Appendix 3**) summarizes the competencies of the Executive Committee outside of M&A pursuant to this Art. 4.3.2.

#### 4.4 *Submission of Proposals*

The Executive Committee is **responsible for submitting proposals to the Board** concerning all business that falls within the responsibility of the Board, in particular:

##### 4.4.1 in respect to the following general matters:

- a) the establishment of the corporate principles;
- b) the establishment of the Group strategy;
- c) the definition of the general organizational structure of the Group;
- d) the issuance of material Group guidelines and policies; and
- e) the annual budget (which includes investment projects).

##### 4.4.2 in respect to the matters set out in Art. 2.8.2.

#### 4.5 *Responsibilities*

The Executive Committee is **responsible** for:

- a) preparing the affairs of the Board, including for preparing the Board's proposals to the Shareholders' Meeting on matters which, under the law or the Articles of Association, fall within the competence of the Shareholders' Meeting, particularly in connection with the approval of the annual report, the consolidated financial statements and the annual statutory financial statements, as well as the appropriation of available earnings, the approval of the compensation of the Board and the Executive Committee, amendments to the Articles of Association and elections;
- b) periodic reporting to the Board in connection with the development of sales and income, the financial situation, investment activity as well as all other material events. Significant events must be reported to the Chair of the Board without delay; and
- c) the production and verification of auditors' reports on the annual financial statements of Lonza Group and of Subsidiaries and on the remuneration report, the report on non-financial matters and other reports that are subject to mandatory approval by the Board.

#### 4.6 *Other Duties*

The Board may delegate or assign special or additional duties and responsibilities to the Executive Committee or to individual members or sub-committees of the Executive Committee.

### **Art. 5 Further provisions**

#### 5.1 *Further Delegation*

The Board or, to the extent it is responsible, the Executive Committee may issue internal regulations (such as the Global Authorization Policy and the Contract Management and Review Policy) regarding further delegation of duties and responsibilities to individual members of the Executive Committee, Heads of Business Units, Heads of Corporate Functions and Heads of Service Center Organization or any other functions.

#### 5.2 *Legal Structure*

In conducting the Company's business based on these Organizational Regulations, the legal structure of the Group must be taken into account.

The Lonza legal entities are governed and managed in compliance with applicable law, are separate from each other, and any internal authorizations are to be effected to comply with applicable law.

### 5.3 *Entry into Effect*

These Organizational Regulations shall enter into effect on 1 January 2026 and replace the version of the Organizational Regulations of 1 August 2025.

Basel, 12 December 2025

On behalf of the Board:  
Jean-Marc Huët, Chair of  
the Board

### Appendices 1 to 3

Original version of the Regulations Governing Internal Organization and Board Committees	17 September 1999
1 <sup>st</sup> revision	7 March 2000
2 <sup>nd</sup> revision	28 March 2001
3 <sup>rd</sup> revision	27 March 2002
4 <sup>th</sup> revision	18 October 2002
5 <sup>th</sup> revision	26 March 2003
6 <sup>th</sup> revision	27 October 2003
7 <sup>th</sup> revision	18 April 2005
8 <sup>th</sup> revision	21 March 2006
9 <sup>th</sup> revision	19 December 2006
10 <sup>th</sup> revision	21 July 2008
11 <sup>th</sup> revision	7 April 2009
12 <sup>th</sup> revision	6 May 2009
13 <sup>th</sup> revision	23 March 2010
14 <sup>th</sup> revision	25 October 2010
15 <sup>th</sup> revision	5 March 2013
16 <sup>th</sup> revision	16 April 2014
17 <sup>th</sup> revision	21 October 2015
18 <sup>th</sup> revision	25 October 2017
19 <sup>th</sup> revision	24 October 2018
20 <sup>th</sup> revision	26 October 2022
21 <sup>st</sup> revision	4 May 2023
22 <sup>nd</sup> revision	24 July 2024
23 <sup>rd</sup> revision	22 July 2025
24 <sup>th</sup> revision	12 December 2025

**List of Standing Committees of the Board  
in Accordance with  
Art. 2.2 of the Organizational Regulations**

**Audit and Compliance Committee (ACC)**

**a) Function**

As per the attached Audit and Compliance Committee Charter.

**b) Composition**

The members of the ACC, its Chair and its secretary are appointed by the Board.

**c) Minutes and Information to the Board**

The secretary keeps the minutes of the ACC meetings; these are to be signed by the Chair of the ACC and its secretary. The minutes are available to all the members of the Board.

# Charter

## The Audit and Compliance Committee

### 1. Status

The Audit and Compliance Committee (ACC) is a committee of the Board of Lonza Group. Its Charter shall be adopted by the Board. The ACC shall review and reassess this Charter periodically and recommend any proposed changes to the Board for approval.

### 2. Membership and Organisation

The ACC shall consist of at least two members of the Board. Members of the ACC shall serve until their successors are elected by a majority of the Board. Members of the ACC may be removed upon the affirmative vote of a majority of the Board.

Members of the ACC shall have sufficient experience and ability to enable them to discharge their responsibilities as members. At least one of the members of the ACC shall, in the judgment of the Board, have accounting or related financial management expertise and shall be, in the judgment of the Board, an “audit committee financial expert”.

Members of the ACC shall be independent of the Group, shall have no material relationship to the Group and shall otherwise meet the independence standards required by applicable law and regulation. In particular, none shall have been employed by the Group or by the Group’s current or former auditors during the last two years and none shall be the beneficial owner of more than 10% of the Company’s equity securities. The only remuneration that ACC members will receive from the Company shall be director’s compensation for their service on the Board and Committees.

The ACC will meet separately and periodically with Company management, internal and external auditors. The ACC will meet at least three times per year. Special meetings may be convened as required. The Chair of the ACC will report orally to the Board on the results of these meetings. The ACC may invite to its meetings Company management, internal auditors, external auditors, and such other persons as the ACC deems appropriate in order to carry out its responsibilities. The internal and external auditors will be invited to make presentations to the ACC as necessary. The ACC shall have the authority to retain independent legal, accounting or other consultants to advise the ACC, and to conduct or authorize investigations into any matters within its scope of responsibilities. The Company shall provide appropriate funding, as determined by the ACC, for the payment of compensation to the auditors and any outside advisors engaged by the ACC.

### 3. Roles and Responsibilities

The ACC has the following roles and responsibilities:

#### *Regarding External Auditors*

- 3.1 To evaluate the performance of the auditors and to consider the auditors' independence. In this context, the ACC will at least annually obtain, review and discuss with the auditors a report from the auditors regarding
  - a) the auditors' internal quality-control procedures;
  - b) any material issues raised by the most recent quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm;
  - c) any steps taken to deal with any such issues; and
  - d) all relationships between the auditors and the Group;
- 3.2 To ensure that the lead audit partner of the auditors and the audit partner responsible for reviewing the audit are rotated at least every seven years, to consider rotation of the audit firm itself, and to issue policies for the Company's hiring of employees or former employees of the auditors who were engaged on the Group's account;
- 3.3 On behalf of the Board, which has fully delegated this task to the ACC, the ACC shall (i) select and nominate to the Board the auditors for election by the Shareholders' Meeting (pursuant to mandatory Swiss company law), and (ii) be directly responsible for the oversight and compensation of the auditors (including the resolution of any disagreement between Company management and the auditors regarding financial reporting). The auditors shall report directly to the ACC;
- 3.4 On behalf of the Board, which has fully delegated this task to the ACC, the ACC shall approve the fees and terms for all engagement of the auditors (i) for audit, review and attest services, and (ii) for all other services that are permissible under applicable statutory laws, regulations and listing standards. The ACC shall establish and maintain the required pre-approval procedures. The ACC shall approve audit related and other approvable services falling outside the pre-approved categories. The Chair of the ACC is authorized to approve such services in urgent cases. Such approvals have to be minuted at the next ACC meeting;

- 3.5 To review annually the external audit scope, audit plans and relevant processes, the results of the audit, and whether recommendations made have been implemented by Company management;
- 3.6 To discuss with the auditors the results of their audits, and any unusual items or disclosures contained in the audits, including the following:
- The initial selection of and changes in significant accounting policies;
  - The methods used to account for significant or unusual transactions and the effects of significant accounting policies in controversial or emerging areas;
  - The process utilized by Company management to formulate significant accounting estimates and the basis for the auditors' conclusions regarding the reasonableness of these estimates;
  - Audit findings and recommendations, including audit adjustments that either individually or in the aggregate have a significant effect on the audit;
  - The auditors' responsibility for other information presented with the audit results, such as a management reports on financial status;
  - Any disagreements with Company management, whether or not satisfactorily resolved, concerning matters that individually or in the aggregate may be significant to the Company's or the Group's financial status or the auditor's report;
  - Significant matters that were the subject of consultations with other accountants;
  - Significant issues discussed with Company management with regard to the initial or recurring retention of the auditors; and
  - Any serious difficulties encountered in dealing with Company management during the performance of the audit.

*Regarding Internal Auditors*

- 3.7 To review periodically the adequacy of the organizational structure, budget and qualifications of the internal audit staff, and to give input periodically to the Board, the Board's Chair and CEO regarding the performance of the internal auditing executive;
- 3.8 To review annually the internal audit scope, audit plans and relevant processes, the results of internal audits, and whether recommendations made in the audits have been implemented by Company management;
- 3.9 To periodically discuss with the external auditors the items mentioned in sections 3.7. and 3.8. above.

*Regarding the Company's and the Group's Accounting Policies*

- 3.10 To review with external auditors, internal auditors and the financial and accounting personnel of the Company whether the accounting policies and financial controls are appropriate, adequate and effective.

*Regarding Financial Reporting*

- 3.11 To review and discuss with Company management and the external auditors the half yearly and the annual Group financial statements to consider whether they conform to accepted accounting principles and the standards set by the Company and to understand significant transactions, significant business risk, or other unusual items or disclosures in these statements;
- 3.12 Review and discuss, prior to announcement, Company press releases regarding financial results and/or guidance and other disclosures containing financial information for the purpose of ensuring that such press releases and other disclosures properly disclose financial information presented in accordance with International Accounting Standards. The Board remains responsible for the approval of the annual financial statements of the Company and the Group and of the corresponding financial results releases and it shall also be provided with the half yearly financial statements and any financial results and/or guidance releases at the same time as they are submitted to the ACC for review and approval.

*Regarding Compliance with Law*

- 3.13 To review major issues regarding the status of the Company's compliance with laws and regulations, as well as major legislative and regulatory developments that may have a significant impact on the Company;
- 3.14 To review the processes and procedures for Company management's monitoring of compliance with local laws. To this end, the ACC will review periodic reports submitted by those persons the ACC has designated as responsible for compliance with law.

*Regarding Risk Management*

- 3.15 To review the processes and procedures for Company management's monitoring of any significant risks or exposures the Group may face. This includes, without limitation, enterprise risk such as cyber and IT security. To this end, at least once per year, the ACC will review reports submitted by Company management and give guidance and direction on how risk management is to be conducted;

- 3.16 To review with Company management, internal auditors and external auditors any significant risks or exposures the Group may face, and to assess the steps Company management has taken to minimize such risks.

*Regarding Sustainability and ESG*

- 3.17 To review the draft non-financial/sustainability reporting for submission and approval by the Board, and the related assurance process.

*Regarding Compliance with Policies*

- 3.18 To review compliance by Company management with those Company policies designated by the Board from time to time, including the Code of Conduct and the Insider Trading Policy. To this end, the ACC will review periodic reports submitted by those persons the ACC has designated as responsible for implementation of and compliance with such Policies and give guidance and direction on how said Policies are to be administered.

*Other*

- 3.19 To establish procedures for:
- a) the receipt, retention and treatment of complaints received by the Group regarding accounting, internal accounting controls or auditing matters; and
  - b) the confidential, anonymous submission by employees of the Group of concerns regarding questionable accounting or auditing matters;
- 3.20 To review disclosures made by the Company's executive officer and financial officer regarding compliance with their certification obligations, including the Company's disclosure controls and procedures and internal controls for financial reporting and evaluations thereof;
- 3.21 To review such other matters in relation to the Group's accounting, auditing, financial/non-financial reporting and compliance with law as the ACC may, in its own discretion, deem desirable in connection with the review functions described above;
- 3.22 To regularly conduct an evaluation of the ACC's performance.

**List of Standing Committees of the Board  
in Accordance with  
Art. 2.2 of the Organizational Regulations**

**Remuneration Committee**

**a) Function**

As per Art. 20 of the Articles of Association and the attached Remuneration Committee Charter.

**b) Composition**

The members of the Remuneration Committee (RemCo) are elected by the Shareholders' Meeting pursuant to the Articles of Association for a term of office until completion of the next ordinary Shareholders' Meeting. They may be re-elected upon expiry of a completed term.

If there are vacancies on the RemCo, the Board may appoint the missing members from among its members for the remaining term of office.

The Board appoints the Chair of the RemCo and a secretary. The latter needs not to be a member of the RemCo.

**c) Minutes and Information to the Board**

The secretary keeps the minutes of the meetings of the RemCo; these are to be signed by the Chair of the RemCo and its secretary. The minutes are available to all the members of the Board.

# **Charter**

## **The Remuneration Committee**

### **1. Status**

The Remuneration Committee (RemCo) is a committee of the Board of Lonza Group. Its members are elected by the Shareholders' Meeting of the Company. Its Charter has to be adopted by the Board in accordance with Art. 20 of the Articles of Association. The RemCo shall review and reassess this Charter periodically and recommend any proposed changes to the Board for approval.

### **2. Membership and Organisation**

The RemCo shall consist of at least three members of the Board. Members of the RemCo shall be independent of the Group, shall have no material relationship to the Group and shall otherwise meet the independence standards required by applicable law and regulation. In particular, none shall have been employed by the Group during the last two years.

The Board will designate one member of the RemCo as its Chair. The RemCo will meet at least three times a year.

The RemCo shall have the sole authority to retain and terminate any compensation consultant to be used to assist in the evaluation of Board member or senior executive compensation and shall have sole authority to approve the consultants' fees and other retention terms. The RemCo shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

### **3. Roles and Responsibilities**

The RemCo shall have the following roles and responsibilities:

- to recommend and review compensation policies for approval by the full Board, and to approve compensation plans in line with the overall compensation policies;
- to review periodically and make recommendations to the Board regarding any variable incentive and the extent to which the plans meet their objectives;
- to advise the Board on the compensation of Board members;

- to approve the terms of employment for the members of the Executive Committee, subject to approval of the compensation of the Executive Committee by the Shareholders' Meeting pursuant to the Articles of Association;
- to review and approve the objectives relevant to the CEO's remuneration, to evaluate the performance on a regular basis and to determine the CEO's remuneration based on performance, subject to approval of the remuneration of the Executive Committee by the Shareholders' Meeting pursuant to the Articles of Association;
- to review and approve the remuneration proposals for members of the Executive Committee subject to approval by the Shareholders' Meeting pursuant to the Articles of Association;
- to recommend to the Board proposals to be submitted to the Shareholders' Meeting for approval regarding the total amount of remuneration of the Board and the Executive Committee pursuant to the Articles of Association;
- to support the Board in preparing the remuneration report;
- to inform the Board about remuneration policies and programs as well as benchmark remuneration of peer key companies;
- to review and reassess the adequacy of this Charter periodically and to submit proposed changes to the Board for approval; and
- to regularly conduct an evaluation of the RemCo's performance.

**List of Standing Committees of the Board  
in Accordance with  
Art. 2.2 of the Organizational Regulations**

**Strategy and Innovation Committee**

**a) Function**

As per the attached Strategy and Innovation Committee Charter.

**b) Composition**

The members of the Strategy and Innovation Committee (SIC), and its chair are appointed by the Board. They designate its secretary who needs not to be a member of the SIC.

**c) Minutes and Information to the Board**

The secretary keeps the minutes of the meetings of SIC; these are to be signed by the chair of the SIC and its secretary. The minutes are available to all the members of the Board.

# Charter

## The Strategy and Innovation Committee

### 1. Status

The Strategy and Innovation Committee (SIC) is a committee of the Board of Lonza Group. Its Charter shall be adopted by the Board. The SIC shall review and reassess this Charter periodically and recommend any proposed changes to the Board for approval.

### 2. Membership and Organization

The SIC shall consist of at least two members of the Board who have expertise in the technology field. Members of the SIC shall serve until their successors are selected by a majority of the Board. Members of the SIC may be removed upon the affirmative vote of a majority of the Board. The majority of the members of the SIC shall be independent of the Group, shall have no material relationship to the Group and shall otherwise meet the independence standards required by applicable law and regulation. In particular, the majority of its members shall not have been employed by the Group during the last two years.

The SIC will meet at least twice a year. Special meetings may be convened as required. The SIC may invite to its meetings members of Company management, experts and such other persons as the SIC deems appropriate in order to carry out its responsibilities.

### 3. Roles and Responsibilities

The SIC shall have the following roles and responsibilities:

- to review and propose to the Board the Company's innovation strategy in alignment with long-term business goals, including reviews of the R&D portfolio, venture fund portfolio, innovation portfolio and pipeline, and related M&A projects;
- to monitor emerging trends and innovative technology projects within the Company's market environment that could represent significant long-term business opportunities, including in the areas of artificial intelligence and ESG;

- to foster a culture of innovation and oversee the implementation of the established strategy of the Company regarding technological development by supporting management in driving innovation projects both within and outside the Company;
- to provide connections to the world outside the Company in order to have access to the technological basis and background to secure long-term sustainable growth of the Company developing new business areas and support the expansion and transformation of the existing business;
- to periodically review external R&D collaborations and opportunities to ensure up-to-date scientific input from academia and specialized industrial partners; and
- to facilitate contacts with academia, universities, research institutions, etc., to actively solicit external scientific advisory perspectives, and to externally benchmark the Company's state of innovation and technology.

**List of Standing Committees of the Board  
in Accordance with  
Art. 2.2 of the Organizational Regulations**

**People and Governance Committee**

**a) Function**

As per the attached People and Governance Committee Charter.

**b) Composition**

The members of the People and Governance Committee (PGC), its Chair and its secretary are appointed by the Board.

**c) Minutes and Information to the Board**

The secretary keeps the minutes of the meetings of the PGC; these are to be signed by the Chair of the PGC and its secretary. The minutes are available to all the members of the Board.

# Charter

## The People and Governance Committee

### 1. Status

The People and Governance Committee (PGC) is a committee of the Board of Lonza Group. Its Charter shall be adopted by the Board. The PGC shall review and reassess this Charter periodically and recommend any proposed changes to the Board for approval.

### 2. Membership and Organisation

The PGC shall consist of at least three members of the Board. Members of the PGC shall serve until their successors are selected by a majority of the Board. The majority of the members of the PGC shall be independent of the Group, shall have no material relationship to the Group and shall otherwise meet the independence standards required by applicable law and regulation. In particular, the majority of its members shall not have been employed by the Group during the last two years.

The members of the PGC, its Chair and its secretary are appointed by the Board. The PGC will meet at least three times a year.

The PGC shall have the authority to retain and terminate any executive recruiter to be used to assist in the search for Board or Executive Committee candidates and shall have authority to approve the consultants' fees and other retention terms. The PGC shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

### 3. Roles and Responsibilities

The PGC shall have the following roles and responsibilities:

- to oversee the governance of the Company, including but not limited to its culture, values, organization, people, and leadership;
- to oversee the corporate governance of the Board and the Company and address any corporate governance issue of group relevance that does not fall within the scope of any other corporate body;

- to prepare and regularly review succession plans for the Board, Board Committees and the Executive Committee, including assessing the Board composition and functioning, and proposals for re-election to the Board for submission to the Shareholders' Meeting;
- to oversee the Executive Committee's succession planning for the senior management level below the Executive Committee, and to regularly discuss such succession planning with the CEO;
- to oversee the Executive Committee's training and talent development programs and to monitor progress;
- to evaluate possible persons to become members of the Board, to examine their independence, and to propose their election to the Board for submission to the Shareholders' Meeting;
- to identify and evaluate candidates for the role of CEO or members of Executive Committee, and to propose their appointment to the Board
- to regularly conduct an evaluation of the PGC's performance; and
- to review and reassess the adequacy of this Charter periodically and to submit proposed changes to the Board for approval.

## M&A Approval and Notification Table

M&A transactions (including, without limitation, asset purchases, share purchases, divestitures and sale or purchase of real estate) shall follow the following notification and approval table:

### A. Non-Binding Offers

Acquisition Price CHF Mio	Notification	Approval
≥ 100	-	Board
< 100	Board at next regular Board meeting	Executive Committee

### B. Binding Offers

(A) Acquisition Price CHF Mio	(B) Acquisition Price CHF Mio	Notification	Approval
≥ 30	≥ 50	-	Board
< 30	< 50	Board at next regular Board meeting	Executive Committee

(A): M&A transactions that have not obtained prior formal pre-approval by the Board.

(B): M&A transactions that have obtained prior formal pre-approval by the Board.

Before submitting a binding offer proposal to the Board, the Executive Committee shall ensure that a thorough M&A investment and integration plan review has been conducted.

The acquisition price shall be the aggregate sum of the base price, earn-outs and milestone payments. Royalty payments, if any, shall be excluded if they are treated as cost of goods sold in the business plan.

In-licensing agreements that do not have any equity purchase provisions are not considered as M&A activities and have to be approved in accordance with the Contract Management and Review Policy.

## Appendix 3

### Approval Table (except M&A)

CHF Mio	Capital Expenditures Within Budget	Capital Expenditures Outside Budget	Litigation Initiation / Settlement	Financial Indebtedness and Guarantees
Board	> 20	> 20	> 10	> 100
Executive Committee	≤ 20	≤ 20	≤ 10	≤ 100

Please refer to Art. 2.8.2 and Art. 4.3.2 of the Organizational Regulations for more detail.

Please refer to Global Authorization Policy for capital expenditures and litigation values below the lower thresholds indicated in the above table for the Executive Committee. The Global Authorization Policy governs the detailed rules for Capex.