



Invitation to the Annual General Meeting

Date: April 26, 2023, 2:00 p.m. CEST

Place: Congress Center Basel

Basel, March 31, 2023

Dear shareholders,

We invite you to the 2023 annual general meeting (“AGM”) of Basilea Pharmaceutica Ltd (“Basilea” or “Company”) to be held on Wednesday, April 26, 2023 at 2:00 p.m. (doors open at 1:00 p.m.) at the Congress Center Basel, Messeplatz 21, 4058 Basel.

Sincerely,

Domenico Scala
Chairman of the board
Basilea Pharmaceutica Ltd

Agenda and proposals of the board of directors

1. Annual report, financial statements, and consolidated financial statements for 2022

Proposal:

Approval of the annual report, financial statements, and consolidated financial statements for the financial year 2022.

Explanation:

According to article 698 para. 2 number 3 and 4 of the Swiss Code of Obligations (“SCO”) and Basilea’s articles of association, the general meeting is responsible for approving the annual report, the consolidated financial statements and the financial statements. For further information, please refer to the appendix.

2. Appropriation of the results

Proposal:

Carry forward of the accumulated deficit of CHF 32,557,000.

Explanation:

According to article 698 para. 2 number 4 SCO and Basilea’s articles of association, the general meeting is responsible for the resolution on the appropriation of the results.

3. Discharge of the members of the board of directors and of the management committee

Proposal:

Discharge of the members of the board of directors and of the management committee for the financial year 2022.

Explanation:

According to article 698 para. 2 number 7 SCO and Basilea's articles of association, the general meeting is responsible for the discharge of the members of the board of directors and of the management committee.

4. Election of the chairman and the members of the board of directors

Proposals:

- 4a Re-election of Mr. Domenico Scala as chairman
- 4b Re-election of Mr. Leonard Kruimer
- 4c Re-election of Dr. Martin Nicklasson
- 4d Re-election of Dr. Nicole Onetto
- 4e Election of Dr. Carole Sable
- 4f Re-election of Dr. Thomas Werner

Explanation:

According to article 698 para. 2 number 2 SCO and article 698 para. 3 number 1 SCO as well as Basilea's articles of association, the general meeting is responsible for the election of the members of the board of directors as well as its chairperson. The elections of the members of the board of directors are held individually. The election of Mr. Domenico Scala as member and chairman of the board of directors is carried out in a single vote. By law, the term of office of the members of the board of directors lasts until the end of the next AGM. For further information, please refer to the appendix.

5. Election of the members of the compensation committee

Proposals:

- 5a Re-election of Dr. Martin Nicklasson
- 5b Re-election of Dr. Nicole Onetto
- 5c Re-election of Dr. Thomas Werner

Explanation:

According to article 698 para. 3 number 2 of the SCO and Basilea's articles of association, the general meeting is responsible for the election of the members of the compensation committee. The elections are held individually for each member of the compensation committee. By law, the term of office of the members of the compensation committee lasts until the end of the next AGM.

6. Compensation for the board of directors and the management committee

6a Maximum aggregate amount of compensation for the board of directors

Proposal:

Approval of the amount of CHF 1,430,000 as the maximum aggregate amount of compensation for the board of directors for the period from the AGM 2023 to the AGM 2024.

Explanation:

According to article 698 para. 3 number 4 of the SCO and Basilea's articles of association, the general meeting approves annually at the general meeting the maximum amount of compensation for the members of the board of directors

for the period between two AGMs. For further information, please refer to the appendix.

6b Maximum aggregate amount of compensation for the management committee

Proposal:

Approval of the amount of CHF 6,280,000 as the maximum aggregate amount of total compensation (fixed and variable) for the management committee for the financial year 2024.

Explanation:

According to article 698 para. 3 number 4 of the SCO and Basilea's articles of association, the general meeting approves annually at the general meeting the maximum amount of compensation for the members of the management committee for the following financial year. For further information, please refer to the appendix.

6c Non-binding advisory vote on the 2022 compensation report

Proposal:

Endorsement of the 2022 compensation report in a non-binding advisory vote.

Explanation:

According to Basilea's articles of association, the board of directors submits the compensation report for the financial year 2022 to the general meeting for a non-binding advisory vote. For further information, please refer to the appendix.

7. Amendments to the articles of association

Explanation:

The proposed amendments to the articles of association under agenda item 7 are intended, firstly, to meet the requirements of the revision of the Swiss corporate law that came into force on January 1, 2023, and secondly, the registered office of the Company will be amended and sustainability will be expressly introduced in the Company's purpose. For further information and the wording of the proposed amendments, please refer to the appendix.

7a Amendment to the articles of association relating to shares

Proposal:

Amendment of articles 3, 3a, 4 and 5 of the articles of association.

7b Amendment to the articles of association relating to the general meeting

Proposal:

Amendment of articles 6, 7, 8, 9, 10, 11, 12, 28 and 29 of the articles of association.

7c Amendment to the articles of association relating to the board of directors and the management committee

Proposal:

Amendment of articles 13, 14, 15, 16, 25 and 26 of the articles of association.

7d Amendment to the articles of association relating to Basilea's registered name and office

Proposal:

Amendment of article 1 of the articles of association.

7e Amendment to the articles of association relating to Basilea's purpose

Proposal:

Amendment of article 2 of the articles of association.

8. Introduction of a capital band including conditional capital based on the capital band

Proposal:

Deletion of article 3b and introduction of the new articles 3b, 3c and 3d into the articles of association.

Explanation:

The authorised capital of CHF 1,000,000 listed in the articles of association will expire on April 21, 2023. Therefore, the board of directors proposes the amendment of the articles of association to introduce a capital band. For further information and the wording of the proposed amendment of the articles of association, please refer to the appendix.

9. Election of the independent proxy

Proposal:

Re-election of Dr. Caroline Cron, Attorney-at-law, Lenz Caemmerer, as independent proxy for a term until the end of the next AGM.

Explanation:

According to article 698 para. 3 number 3 of the SCO and Basilea's articles of association, the general meeting is responsible for the election of the independent proxy. Dr. Caroline Cron confirmed that she has the required independence to exercise the mandate.

10. Election of the auditors

Proposal:

Re-election of PricewaterhouseCoopers Ltd, Basel, as auditors for the consolidated financial statements and the standalone financial statements of Basilea Pharmaceutica Ltd for the financial year 2023.

Explanation:

According to article 698 para. 2 number 2 of the SCO and Basilea's articles of association, the general meeting is responsible for the election of the auditors. PricewaterhouseCoopers Ltd confirmed that it has the independence required to exercise the mandate.



Voting right and representation

Shareholders who are recorded in the share register with voting rights as per April 18, 2023 at 5:00 p.m. CEST are entitled to attend and exercise their voting rights at the 2023 annual general meeting. The registration of shareholders for voting purposes does not affect the possibility to trade in Basilea shares.

Admission cards can be ordered from Computershare Schweiz AG, Basilea Pharmaceutica Ltd, P.O. Box, 4601 Olten, Switzerland, using the enclosed form or electronically on www.gvote.ch.

Representation: If you do not attend the AGM in person, you can be represented by:

- a) Any other person based on a written power of attorney. The power of attorney can be issued with the enclosed form or electronically on www.gvote.ch. For further information, please refer to the enclosed e-voting fact sheet
or
- b) The independent proxy, Dr. Caroline Cron, Attorney-at-law, Lenz Caemmerer, Elisabethenstrasse 15, P.O. Box 430, 4010 Basel, Switzerland.

The voting instructions to the independent proxy can be issued in two ways:

- 1) In writing with the enclosed form
or
- 2) Electronically on www.gvote.ch. The electronic instructions can be amended at any time until April 23, 2023, 11:59 p.m. CEST. For further information, please refer to the enclosed e-voting fact sheet.

If you have any questions relating to the annual general meeting, please send an e-mail to us at the following address: AGM-Information@basilea.com.

Annual report 2022:

The annual report 2022 including the reports of the auditors is available at www.basilea.com/financial-reports. The full annual report is available in English and a short version is available in German. Hard copies can be ordered by using the enclosed form. From April 3, 2023, the full annual report and the reports of the auditors will be available for inspection by shareholders at the registered office of the Company.

Sincerely,

Basilea Pharmaceutica Ltd
Board of directors

Appendix

Explanations to agenda item 1:

Approval of the annual report, financial statements and consolidated financial statements for 2022

Basilea recorded total revenues of CHF 147.8 million in 2022, including royalties for Cresemba, which have increased by 22.4% to CHF 65.0 million, and milestone payments for Cresemba and Zevtera in the amount of CHF 23.4 million. Other income amounted to CHF 25.4 million. This includes CHF 15.0 million from the oncology transactions and CHF 8.4 million BARDA reimbursements. These BARDA reimbursements offset a significant portion of the phase 3 development costs for ceftobiprole and are lower than in the previous year as the last phase 3 clinical trial was successfully completed and delivered positive topline results at the end of June 2022.

In 2022, research and development expenses decreased by 20.8% to CHF 73.8 million. Expenses mainly related to activities for the phase 1/2 development programme with the FGFR-inhibitor derazantinib, preclinical and clinical activities for other oncology compounds, for the phase 3 programme with ceftobiprole, the paediatric development programmes for isavuconazole and ceftobiprole, and for activities related to compounds in the research portfolio.

Selling, general and administrative expenses remained stable at CHF 30.8 million and costs of goods sold amounted to CHF 24.6 million.

In 2022, an operating profit of CHF 18.5 million was achieved, which was significantly above the initial guidance. In addition, net profit of CHF 12.1 million was achieved, resulting in non-diluted and diluted earnings per share of CHF 1.02.

The convertible bonds maturing in December 2022 with a last outstanding principal amount of CHF 113.8 million were fully repaid in December 2022 using the full loan amount from a new, senior secured loan of CHF 75.0 million and available cash. The loan in the amount of CHF 75.0 million must be repaid by September 2024. A partial repayment of the loan in the amount of approximately CHF 37 million is planned for the 2023 financial year. Based on expected sales and a planned reduction in operating expenses, Basilea intends to further reduce the Company's debt ratio in 2023 and to provide sufficient funds to strengthen the R&D portfolio in accordance with the Company's strategy, for example through in-licensing.

In 2022, a net positive cash flow from operating activities of CHF 7.1 million was achieved. Cash and cash equivalents, restricted cash and short-term investments amounted to CHF 108.6 million as of December 31, 2022 compared to CHF 150.0 million as of December 31, 2021.



Explanations to agenda item 4:

Election of the chairman and of the members of the board of directors

The biographical data of candidates proposed for re-election can be found on Basilea's website at www.basilea.com or in the annual report 2022 (www.basilea.com/financial-reports; see page 52 et seqq.).

The board is proposing the election of Dr. Carole Sable. Dr. Sable has more than 30 years of experience in the field of infectious diseases, both as a physician and in senior positions in the pharmaceutical industry. Dr. Sable was Assistant Professor of Internal Medicine, Infectious Diseases at the University of Virginia Health Sciences Center, Charlottesville, VA from 1993 to 1995. From 1995 to 2007, she worked at Merck & Co in the US as Executive Director, Clinical Research, Infectious Diseases and Neurosciences. She subsequently served as Chief Medical Officer of Novexel SA (France), Scynexis Inc. (US), Revolution Medicines Inc. (US) and Vitae Pharmaceuticals Inc. (US). She holds a Doctorate of Medicine from Jefferson Medical College, Philadelphia, PA and a Bachelor of Science in Biology from the University of Scranton, Scranton, PA. Dr. Sable does not hold any other mandates as a director of a board.

The board of directors is convinced that Dr. Sable's many years of expertise in anti-infectives research and development will be of great value in supporting Basilea in becoming a leading global anti-infectives company.

Mr. Steven Skolsky has decided not to stand for another term as a member of the board of directors. Mr. Skolsky has been a member of the board since 2008, during which time he also served as vice-chairman of the board and as a member of the corporate governance & nomination committee, the compensation committee and of the audit committee. The board of directors would like to thank Mr. Skolsky for his many years of valuable service to the Company.

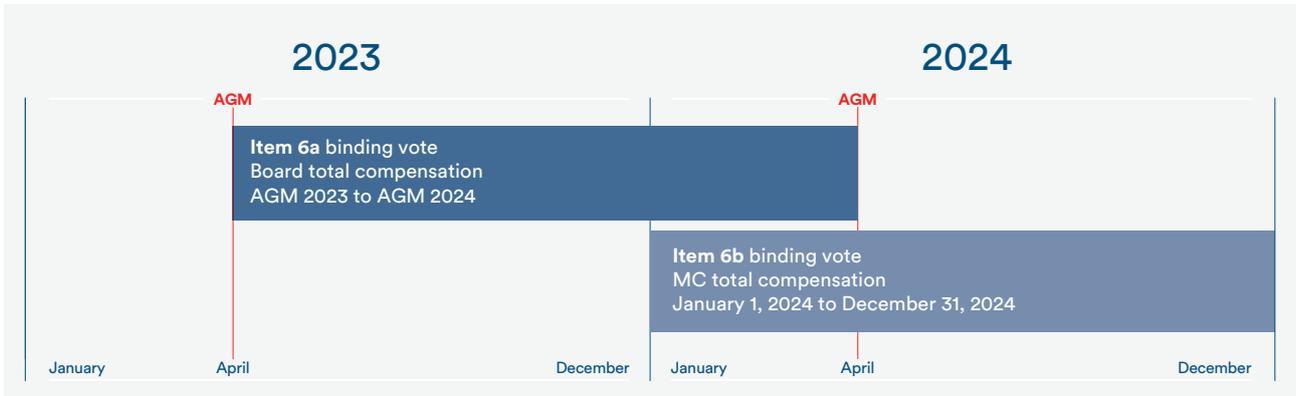
With Mr. Skolsky not standing for re-election and the proposal for the election of Dr. Sable, the size of the board will remain unchanged at six members.

Explanations to agenda item 6:

Compensation for the board of directors and the management committee

The AGM separately approves the maximum aggregate amount of compensation for the board of directors and the management committee. The compensation period for the board of directors is aligned with the term of office, which is the period from one AGM to the next. For the management committee, the compensation period for the maximum aggregate amount of total compensation, comprising both fixed and variable compensation, is aligned with the following financial year.

Figure 1: Compensation periods for the board and the management committee (“MC”) in accordance with the articles of association

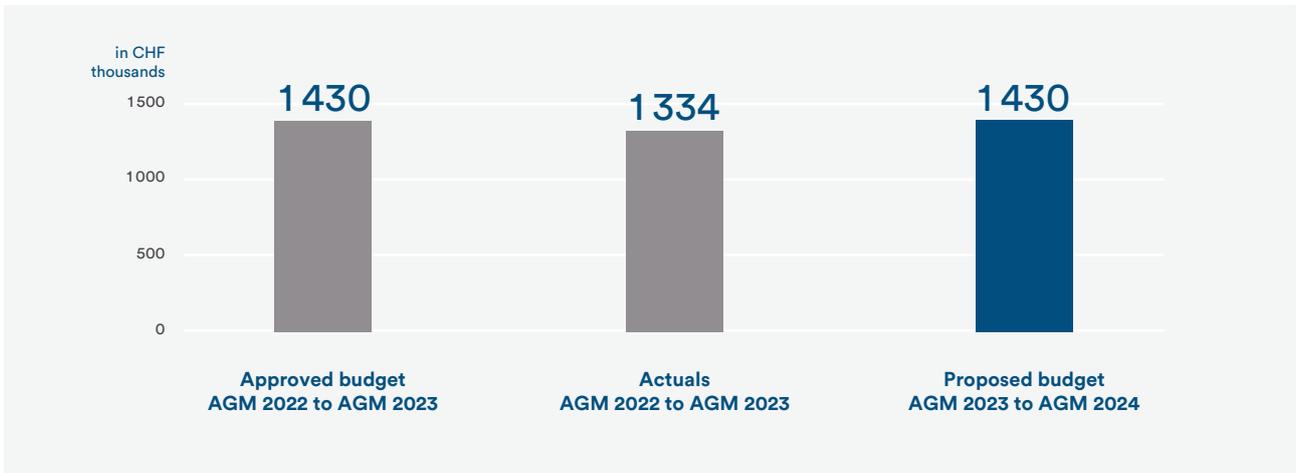


Explanations to agenda item 6a:

Maximum aggregate amount of compensation for the board of directors

The proposed maximum aggregate amount of compensation for the board of directors for the period from the AGM 2023 to the AGM 2024 amounts to CHF 1,430,000.

Figure 2: Proposed maximum board compensation compared with the previous period (aggregate amounts for 6 board members)



The proposed maximum aggregate board compensation for 2023/2024 is unchanged compared to the approved compensation for 2022/2023.



Board members are paid 75% in cash and 25% in restricted share units (RSUs). The RSUs contain no performance element and will vest into Basilea shares following a three-year vesting period on a one-to-one basis.

The estimated social security contributions to be paid by Basilea are included in the proposed budget.

Figure 3: Proposed board compensation elements

Fees in CHF — 75% in cash and 25% in RSUs	AGM 2023 to AGM 2024
Chair	285 238
Vice-chair	193 632
Board member	181 632
Committee membership:	
Chair	7 875
Vice-chair and other board members	5 250

Explanations to agenda item 6b:

Maximum aggregate amount of compensation for the management committee

The proposed maximum aggregate amount of total compensation (fixed and variable) for the management committee for the financial year 2024 amounts to CHF 6,280,000. This amount is unchanged compared to the amounts approved by shareholders for the financial years 2021, 2022 and 2023. Estimated social security contributions to be paid by Basilea are included in the proposed budget.

Figure 4: Proposed management committee maximum compensation for 2024 compared with the approved maximum compensation for 2022 and 2023

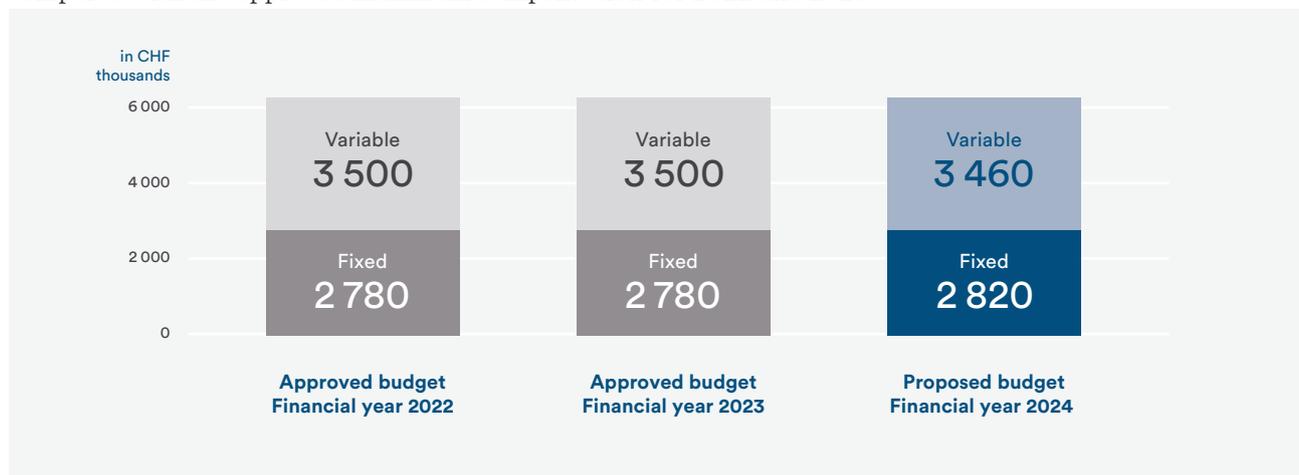




Figure 5: Proposed management committee compensation elements (indicative)

In CHF	Fixed compensation	Performance-related cash bonus	Long-term incentive plan	Social security & fringe benefits	Total compensation
January 1, 2022 to December 31, 2022 approved	2 165 000	1 370 000	1 780 000	965 000	6 280 000
January 1, 2022 to December 31, 2022 actuals	2 056 152	1 140 698	1 691 837	640 355	5 529 041
January 1, 2023 to December 31, 2023 approved	2 165 000	1 370 000	1 780 000	965 000	6 280 000
January 1, 2024 to December 31, 2024 proposed	2 172 000	1 398 000	1 808 000	902 000	6 280 000

Performance-related cash bonus

Performance-related cash bonuses vary annually and are based on the achievement of corporate goals for all management committee members. The goals for the CEO are identical to the corporate goals and are weighted exactly the same as for the overall Company result. The goals for other management committee members are also identical to the corporate goals, however, the weightings are individual and reflect each member's main areas of focus and responsibility.

Long-term incentive plan

Under the long-term incentive plan, the management committee members are granted performance share units (PSUs) in order to incentivize future positive share price performance and sustainable revenue growth.

The amount of CHF 1,808,000 proposed for calendar year 2024, as shown in figure 5, represents the indicative target value of the PSUs at grant date, and is based on 100% of base salary for the CEO and 75% of base salaries for the other management committee members. To calculate the resulting number of granted PSUs, this target value is divided by the higher of a) the fair value of a PSU as of the AGM date or b) CHF 35. The minimum share price of CHF 35 limits dilution to shareholders in the event market fluctuations would result in an extraordinarily low market value of the PSUs on the AGM date, which would lead to the grant of a large number of PSUs. PSUs will vest into Basilea shares following the completion of a three-year performance period and based on key performance indicators (KPIs). The number of shares delivered for each vesting PSU depends on the achievement level of two equally weighted KPIs. If the targets for both KPIs are achieved at 100% (target value), each PSU vests into one Basilea share. If the targets for both KPIs are overachieved and reach or exceed a predefined maximum cap, each PSU vests into two Basilea shares. If the targets for the KPIs are underachieved and are below or at a predefined threshold, the PSUs will expire with no value and will not vest into any Basilea shares. In case of an achievement level between the performance target and the maximum cap, or between the performance target and the minimum threshold, respectively, the actual ratio for converting PSUs into Basilea shares is calculated on a linear basis.

The shares delivered upon vesting after the three-year-performance period are subject to an additional one-year holding period.

The Board will determine the KPIs of the PSUs to be granted in 2024 and their weighting in the course of 2023.



PSUs only vest if a management committee member is in continuous employment during the performance period, subject to certain exceptions detailed below.

In the event of a termination due to restructuring or redundancy, or upon retirement, PSUs that have not yet vested on the date of termination are prorated to reflect the shortened service period. These PSUs will continue to vest pursuant to the plan and convert into shares upon vesting based on calculated performance. The remainder of the PSUs will forfeit as of the date of termination.

In the event of death or disability, all unvested PSUs shall vest immediately as per the date of death or disability at target level (100%, irrespective of actual achievement).

Basilea's long-term incentive plans related to PSUs provide that in the event of a change of control the board of directors shall have the full authority to determine in its sole discretion the effect of a change of control on the vesting, settlement, payment, PSU performance conditions and / or lapse of restrictions, including, that all outstanding awards granted under the plans vest in part or in full.

All shares and PSUs are furthermore subject to a malus/clawback provision, which enables the board to withhold or recover compensation from management committee members if they are found to have engaged in behavior such as acts of fraud, gross negligence or willful misconduct. Under the malus provision, the board reserves the right to cancel some or all outstanding PSUs. Under the clawback provision, during the additional one-year holding period, the board may recover the value of some or all shares delivered under the plan by requiring management committee members to transfer such converted shares back to the Company or to make a cash payment.

Explanations to agenda item 6c:

Non-binding advisory vote on the 2022 compensation report

The purpose of the compensation report is to inform shareholders about Basilea's compensation systems for the board of directors and the management committee and to disclose the corresponding compensation. The 2022 compensation report can be downloaded from the Company's website: www.basilea.com/financial-reports.

Explanations to agenda item 7:

Amendments to the articles of association

On January 1, 2023, the revision of the Swiss corporate law came into force. The revision of the corporate law provides for a transitional period of two years during which companies limited by shares must adapt their articles of association and other regulations to the new provisions. The implementation of the revised corporate law therefore also requires some amendments to the articles of association of Basilea (agenda items 7a – 7c). On the one hand, the amendments concern the adoption of mandatory legal requirements. On the other hand, the law allows further options to amend the articles of association and leaves the specific implementation to the respective company. In these areas, the board of directors has chosen a conservative approach. Therefore, the board of directors only submits proposals that are or could become relevant for the Company from today's perspective.

In addition to the amendments related to the revised Swiss corporate law, the board of directors proposes an amendment to the articles of association in connection with the new domicile of the Company (agenda item 7d), as well as the inclusion of sustainability in the purpose of the Company (agenda item 7e).

This extensive amendment of the articles of association shall also be used to formulate the entire articles of association in a gender-neutral manner. The board of directors therefore proposes corresponding linguistic adjustments to singular provisions of the articles of association. These adjustments do not result in any substantive changes to the articles of association. The purely linguistic changes are marked in **green** in the proposed versions of the articles of association. Amendments of substance are marked in **red**.

In order to structure agenda item 7 in a clear way, the votes are divided into 5 individual topics (agenda items 7a – 7e). When dividing the topics, attention was paid to the unity of the matter. Against this background, the following overview explains the amendments to the articles of association proposed by the board of directors and compares them with the current provisions of the articles of association. The provisions of the articles of association referred to in the explanatory notes refer to the proposed new version of the articles of association. In the event of inconsistencies between the original German text of the proposed amendments of the articles of association and the English translation, the original German text shall prevail.

Explanation to Agenda Item 7a

Amendment to the articles of association relating to shares

Most of the proposed amendments are of a linguistic nature and applicable only to the German version (marked in the German version only).

Previously, a resolution of the general meeting to convert bearer shares into registered shares or registered shares into bearer shares required a basis in the articles of association. Since this requirement has been eliminated with the revision of the corporate law, the board of directors proposes the deletion of article 3 para. 2 of the articles of association.

Further, the board of directors proposes to make article 3a para. 3 of the articles of association concerning the declaration on the acquisition of shares more flexible by adding a provision in order to modernise the articles of association and to reflect the means of communication used today.

Therefore the following amendments to the articles of association are proposed (proposed changes are marked accordingly):

Current version:	Proposed version:
<p>Article 3 Share capital</p> <p>¹ The company has a share capital of CHF 13'093'445.--, comprising 13'093'445 registered shares having a nominal value of CHF 1.00 each. The shares are fully paid up.</p> <p>² Registered shares may be converted to bearer shares or vice versa at any time by a resolution of the general meeting amending the articles of association.</p>	<p>Article 3 Share capital</p> <p>¹The company has a share capital of CHF 13'093'445.--, comprising 13'093'445 registered shares having a nominal value of CHF 1.00 each. The shares are fully paid up.</p> <p>²Registered shares may be converted to bearer shares or vice versa at any time by a resolution of the general meeting amending the articles of association.</p>

Article 3a Conditional share capital

- ¹ The company's share capital shall be increased by a maximum of CHF 1'666'696.-- by issuing a maximum of 1'666'696 registered shares having a nominal value of CHF 1.00 each, to be fully paid up, by means of the exercising of rights to subscribe for new shares within the meaning of article 653 paragraph 1 SCO granted to employees of the company or of group companies and/or members of the board of directors of the company. The subscription rights of shareholders are excluded. The issue price shall be determined by the board of directors.
- ² The company's share capital shall be increased up to a maximum of CHF 2'000'000 by issuing a maximum of 2'000'000 registered shares with respect to the exercise of conversion rights granted to holders of existing convertible bonds (to the extent they were backed so far by treasury shares) or new convertible bonds issued by the company or one of its group companies. The shares to be issued shall have a nominal value of CHF 1.00 each, to be fully paid-in. The terms and conditions applicable to such convertible bonds shall be determined by the board of directors. The aggregate principal amount of the convertible bonds backed by conditional capital set out hereunder and/or treasury shares shall not exceed CHF 250'000'000, and any convertible bonds issued and backed by the conditional capital hereunder shall not be issued later than December 22, 2022. The subscription rights for the shares issued upon exercise of the conversion rights are excluded. The then-current owners of the convertible bonds shall become shareholders of new shares issued upon conversion. The priority subscription rights of shareholders with respect to the convertible bonds may be excluded by the board of directors if the issuance occurs in national or international capital markets whether as a public or a private placement. If the priority subscription rights are or, at the time of issuance, have been excluded, the convertible bonds must meet the following requirements, in each case as per the time of issuance:
 - a) they shall be issued at market conditions;
 - b) the conversion price shall be set with reference to the market conditions prevailing; and
 - c) the conversion period shall not be longer than 10 years from the date of the issuance.
- ³ The acquisition of registered shares via the exercise of subscription, option or conversion rights and any subsequent transfer of the registered shares shall be subject to the restrictions of article 5 of the articles of association.

Article 3a Conditional share capital

- ¹ The company's share capital shall be increased by a maximum of CHF 1'666'696.-- by issuing a maximum of 1'666'696 registered shares having a nominal value of CHF 1.00 each, to be fully paid up, by means of the exercising of rights to subscribe for new shares within the meaning of article 653 paragraph 1 SCO granted to employees of the company or of group companies and/or members of the board of directors of the company. The subscription rights of shareholders are excluded. The issue price shall be determined by the board of directors.
- ² The company's share capital shall be increased up to a maximum of CHF 2'000'000 by issuing a maximum of 2'000'000 registered shares with respect to the exercise of conversion rights granted to holders of existing convertible bonds (to the extent they were backed so far by treasury shares) or new convertible bonds issued by the company or one of its group companies. The shares to be issued shall have a nominal value of CHF 1.00 each, to be fully paid-in. The terms and conditions applicable to such convertible bonds shall be determined by the board of directors. The aggregate principal amount of the convertible bonds backed by conditional capital set out hereunder and/or treasury shares shall not exceed CHF 250'000'000, and any convertible bonds issued and backed by the conditional capital hereunder shall not be issued later than December 22, 2022. The subscription rights for the shares issued upon exercise of the conversion rights are excluded. The then-current owners of the convertible bonds shall become shareholders of new shares issued upon conversion. The priority subscription rights of shareholders with respect to the convertible bonds may be excluded by the board of directors if the issuance occurs in national or international capital markets whether as a public or a private placement. If the priority subscription rights are or, at the time of issuance, have been excluded, the convertible bonds must meet the following requirements, in each case as per the time of issuance:
 - a) they shall be issued at market conditions;
 - b) the conversion price shall be set with reference to the market conditions prevailing; and
 - c) the conversion period shall not be longer than 10 years from the date of the issuance.
- ³ The acquisition of registered shares via the exercise of subscription, option or conversion rights and any subsequent transfer of the registered shares shall be subject to the restrictions of article 5 of the articles of association. The declaration of the acquisition of registered shares based on this article 3a can be made in writing, electronically or by otherwise ascertainable expression of will.

<p>Article 4 Shares</p> <p>¹ The company may issue its shares in the form of single certificates, global certificates and uncertificated securities. Under the conditions set forth by statutory law, the company may convert its shares from one form into another form at any time and without the approval of the shareholders. The company shall bear the cost of any such conversion.</p> <p>² The shareholder has no right to demand a conversion of the form of the shares. At any time each shareholder may, however, request at no cost a written confirmation from the company of the registered shares held by such shareholder, as reflected in the share register.</p> <p>³ Intermediated securities based on shares of the company cannot be transferred by way of assignment. A security interest in any such intermediated securities also cannot be granted by way of assignment.</p>	<p>Article 4 Shares*</p> <p>¹ The company may issue its shares in the form of single certificates, global certificates and uncertificated securities. Under the conditions set forth by statutory law, the company may convert its shares from one form into another form at any time and without the approval of the shareholders. The company shall bear the cost of any such conversion.</p> <p>² The shareholder has no right to demand a conversion of the form of the shares. At any time each shareholder may, however, request at no cost a written confirmation from the company of the registered shares held by such shareholder, as reflected in the share register.</p> <p>³ Intermediated securities based on shares of the company cannot be transferred by way of assignment. A security interest in any such intermediated securities also cannot be granted by way of assignment.</p> <p>* proposed new gender-neutral wording is only relevant and indicated in the German version</p>
<p>Article 5 Share register, exercise of rights, restriction by the articles</p> <p>¹ The company maintains a share register in which the names, addresses and nationality (for legal persons the registered offices) of the owners and beneficiaries are to be registered. Only those registered in the share register shall be recognized as shareholders or beneficiaries vis-à-vis the company.</p> <p>² Acquirers of shares are entered on demand in the share register with voting right if they expressly declare that they have acquired the shares in their own name and for their own account. The board of directors may in a regulation or through agreements with financial institutions authorize registrations on a fiduciary basis.</p> <p>³ The company may, after consulting with the affected shareholder, cancel entries in the share register as of the date the entries were made if such entry was made based on untrue information given by the acquirer. The acquirer shall be informed of the cancellation immediately.</p> <p>⁴ The board of directors sets rules for further details and takes the measures required for the implementation of the foregoing provisions. The board of directors may delegate these tasks.</p> <p>⁵ The provisions of this article 5 apply also to shares which were acquired or subscribed through the exercise of a right of subscription, option or conversion.</p> <p>⁶ The share is indivisible. The company shall recognize only one representative for each share.</p>	<p>Article 5 Share register, exercise of rights, restriction by the articles*</p> <p>¹ The company maintains a share register in which the names, addresses and nationality (for legal persons the registered offices) of the owners and beneficiaries are to be registered. Only those registered in the share register shall be recognized as shareholders or beneficiaries vis-à-vis the company.</p> <p>² Acquirers of shares are entered on demand in the share register with voting right if they expressly declare that they have acquired the shares in their own name and for their own account. The board of directors may in a regulation or through agreements with financial institutions authorize registrations on a fiduciary basis.</p> <p>³ The company may, after consulting with the affected shareholder, cancel entries in the share register as of the date the entries were made if such entry was made based on untrue information given by the acquirer. The acquirer shall be informed of the cancellation immediately.</p> <p>⁴ The board of directors sets rules for further details and takes the measures required for the implementation of the foregoing provisions. The board of directors may delegate these tasks.</p> <p>⁵ The provisions of this article 5 apply also to shares which were acquired or subscribed through the exercise of a right of subscription, option or conversion.</p> <p>⁶ The share is indivisible. The company shall recognize only one representative for each share.</p> <p>* proposed new gender-neutral wording is only relevant and indicated in the German version</p>

Explanation to Agenda Item 7b

Amendment to the articles of association relating to the general meeting

The revision of the corporate law aims to strengthen the rights of shareholders, among other things by lowering the thresholds for exercising certain rights. According to the new law, shareholders who together hold at least 5% of the share capital or the votes may request the calling of a general meeting. In addition, shareholders who together hold at least 0.5% of the share capital or the votes may request that an item be included on the agenda and that a motion on an item be included in the invitation. Article 7 para. 3 and 4 of the articles of association take these changes into account.

The revision of the corporate law provides for the possibility to hold general meetings at different venues and to hold the general meeting as a hybrid event (i.e. shareholders who are not present at the venue of the general meeting can participate and exercise their rights electronically) or virtually (i.e. electronically without a physical venue). Although the board of directors does not currently plan to hold virtual or hybrid general meetings, the board proposes to implement the corresponding basis in article 9 para. 2 and 3 of the articles of association in order to provide additional flexibility in the event of changed circumstances such as a pandemic. This seems particularly important to the board of directors, as the Covid-Ordinance, which allowed Swiss companies to hold general meetings without the personal presence of shareholders during the pandemic, expired at the end of 2022. Should a virtual meeting be held, the board of directors would ensure that shareholders who participate electronically will have the same rights as if they would participate in person (in particular the right to speak and to be informed as well as the possibility to exercise voting rights directly at the meeting).

Under the new law, listed companies must make the resolutions and election results available electronically within 15 days of the general meeting, stating the exact voting proportions. In addition, any shareholder may request that the minutes be made available to him or her within 30 days of the general meeting. For reasons of transparency, the board of directors proposes to include these new legal provisions in article 9 para. 7 of the articles of association.

Further, the board of directors proposes to adapt the provisions on qualified quorums to the new law and to update them. The proposed amendments are shown in article 12.

The revised law allows more flexibility with regard to communication with shareholders and publications. While the Swiss Official Gazette of Commerce will continue to be the official publication medium of the Company, the board of directors proposes to allow the Company to use more flexible and modern means of communication, such as e-mail, if a shareholder chooses this option (cf. the proposed amendments to article 8 para. 4 and article 28 para. 2 and 3 of the articles of association).

In order to adapt the articles of association to the amended wording of the new law and to modernise the existing text of the articles of association and to simplify and improve it from a formal point of view, the board of directors proposes further amendments to articles 6 para. 2 number 9, article 8 para. 1, 3 and 4 as well as article 11 para. 2 of the articles of association.

Therefore the following amendments to the articles of association are proposed (proposed changes are marked accordingly):

<p>Current version:</p> <p>A. General Meeting</p> <p>Article 6 Powers</p> <p>¹ The general meeting is the supreme governing body of the company.</p> <p>² The general meeting shall have the following non-transferable powers:</p> <ol style="list-style-type: none"> 1. The adoption and the amendment of the articles of association; 2. The election and dismissal of each member of the board of directors, the chairman of the board of directors, each member of the compensation committee, and the auditors; 3. The approval of the annual report and the consolidated financial statements; 4. The approval of the financial statements and the appropriation of retained earnings, in particular the determination of the amount of the dividend; 5. The approval of the maximum aggregate amount of compensation for the board of directors for the prospective period from one ordinary general meeting to the following ordinary general meeting; 6. The approval of the maximum aggregate amount of compensation for the management committee for the following financial year; 7. The discharge of the members of the board of directors and the management committee; 8. The election of the independent proxy; 9. To pass resolutions regarding issues which are reserved to the general meeting by law or by the articles of association or which are presented to it by the board of directors. The board of directors submits the compensation report to the general meeting for a non-binding advisory vote. 	<p>Current version:</p> <p>A. General Meeting</p> <p>Article 6 Powers</p> <p>¹ The general meeting is the supreme governing body of the company.</p> <p>² The general meeting shall have the following non-transferable powers:</p> <ol style="list-style-type: none"> 1. The adoption and the amendment of the articles of association; 2. The election and dismissal of each member of the board of directors, the chairperson^{chairman} of the board of directors, each member of the compensation committee, and the auditors; 3. The approval of the annual report and the consolidated financial statements; 4. The approval of the financial statements and the appropriation of retained earnings, in particular the determination of the amount of the dividend; 5. The approval of the maximum aggregate amount of compensation for the board of directors for the prospective period from one ordinary general meeting to the following ordinary general meeting; 6. The approval of the maximum aggregate amount of compensation for the management committee for the following financial year; 7. The discharge of the members of the board of directors and the management committee; 8. The election of the independent proxy; 9. To pass resolutions regarding issues^{further} issues which are reserved to the general meeting by law or by the articles of association or which are presented to it by the board of directors. The board of directors submits the compensation report to the general meeting for a non-binding advisory vote.
<p>Article 7 Types of general meetings, right to convene, right to have an item added to the agenda</p> <p>¹ The ordinary general meeting shall take place annually within six months after the close of the financial year.</p> <p>² Extraordinary general meetings shall be called as often as necessary, in particular in all cases required by law.</p> <p>³ Shareholders representing at least ten percent of the share capital may request in writing, indi-</p>	<p>Article 7 Types of general meetings, right to convene, right to have an item added to the agenda</p> <p>¹ The ordinary general meeting shall take place annually within six months after the close of the financial year.</p> <p>² Extraordinary general meetings shall be called as often as necessary, in particular in all cases required by law.</p> <p>³ Shareholders representing at least ten^{five} percent of the share capital may request in writing,</p>

<p>ating the items to be discussed and the corresponding proposals, the calling of a general meeting.</p> <p>⁴ Shareholders representing shares for a nominal value of at least CHF 100'000.00 may request in writing, indicating the item to be discussed and the corresponding proposals, at least 45 days before the general meeting, that the item is added to the agenda.</p>	<p>indicating the items to be discussed and the corresponding proposals, the calling of a general meeting.</p> <p>⁴ Shareholders representing shares capital for a nominal value of at least <u>0.5 percent</u> CHF 100'000.00 may request in writing, indicating the item to be discussed and the corresponding proposals, at least 45 days before the general meeting, that the item is added to the agenda.</p>
<p>Article 8 Convening general meeting</p> <p>¹ General meetings shall be called by the board of directors or, if necessary, by the auditors.</p> <p>² General meetings shall be convened by notice appearing one time in the company's official instrument of publication at least 20 days prior to the day of the general meeting. Registered shareholders may in addition be informed in writing. The convening shall indicate, in addition to the date, time and place of the meeting, the agenda as well as the proposals of the board of directors and the proposals of the shareholders who have requested the general meeting or that an item is added to the agenda.</p> <p>³ With reservation to the provisions regarding a meeting of all shareholders in accordance with article 701 SCO no resolutions can be passed regarding matters which have not been announced in this manner, except regarding the proposals to convene an extraordinary general meeting or to carry out a special audit. Discussions not followed by resolutions or proposals regarding items on the agenda do not need to be announced in advance.</p> <p>⁴ The annual report, the compensation report and the corresponding audit reports must be available, for examination by the shareholders, at the offices of the company at least 20 days prior to the date of the ordinary general meeting. Reference thereto shall be included in the invitation to the general meeting, including a reference to the right of the shareholders to request such documents to be sent to them; the registered shareholders have, within the same time period, to be informed accordingly in writing.</p>	<p>Article 8 Convening general meeting</p> <p>¹ General meetings shall be called by the board of directors or, if necessary, by the auditors. <u>The right of convocation is also available to the liquidators and the representatives of the bondholders.</u></p> <p>² General meetings shall be convened by notice appearing one time in the company's official instrument of publication at least 20 days prior to the day of the general meeting. Registered shareholders may in addition be informed in writing. The convening shall indicate, in addition to the date, time and place of the meeting, the agenda as well as the proposals of the board of directors and the proposals of the shareholders who have requested the general meeting or that an item is added to the agenda.</p> <p>³ With reservation to the provisions regarding a meeting of all shareholders in accordance with article 701 SCO no resolutions can be passed regarding matters which have not been announced in this manner, except regarding the proposals to convene an extraordinary general meeting or to carry out a special investigation <u>audit</u>. Discussions not followed by resolutions or proposals regarding items on the agenda do not need to be announced in advance.</p> <p>⁴ The annual report, the compensation report and the corresponding audit reports must be <u>made available to the, for examination by the shareholders, at the offices of the company</u> at least 20 days prior to the date of the ordinary general meeting. <u>Reference thereto shall be included in the invitation to the general meeting, including a reference to the right of the shareholders to request such documents to be sent to them; the registered shareholders have, within the same time period, to be informed accordingly in writing.</u></p>
<p>Article 9 Venue, chair, minutes, vote counting</p> <p>¹ The board of directors decides on the place of the general meeting.</p> <p>² The general meeting shall be chaired by the chairman of the board of directors or, failing him, by the vice-chairman or by another member specified by the board of directors.</p> <p>³ The chairman designates the secretary and the vote counters, who need not be shareholders.</p>	<p>Article 9 Venue, chair, minutes, vote counting</p> <p>¹ The board of directors decides on the venue of the general meeting.</p> <p>² <u>The board of directors may determine that the general meeting shall be held simultaneously at different venues, provided that the votes of the participants shall be transmitted directly in video and audio to all places of the meeting, and that the shareholders who are not present at the venue of the general meeting may exercise their rights by electronic means.</u></p>

<p>⁴ The board of directors is responsible for the keeping of the minutes, which are to be signed by the chairman and by the secretary.</p>	<p>³ <u>Alternatively, the board of directors may provide for the general meeting to be held by electronic means without a meeting venue.</u></p> <p>²⁴ The general meeting shall be chaired by the chairpersonman of the board of directors or, failing him/<u>her</u>, by the vice-chairpersonman or by another member specified by the board of directors.</p> <p>³⁵ The chairpersonman designates the secretary and the vote counters, who need not be shareholders.</p> <p>⁴⁶ The board of directors is responsible for the keeping of the minutes, which are to be signed by the chairpersonman and by the secretary.</p> <p>⁷ <u>The voting and election results shall be made available electronically within 15 calendar days after the general meeting, stating the exact voting proportions; any shareholder may request that the complete minutes be made available within 30 calendar days after the general meeting.</u></p>
<p>Article 10 Right to participate, representation</p> <p>¹ The shareholders and beneficiaries who, on the day determined by the board of directors, are registered in the share register as shareholders or beneficiaries with voting rights, have the right to attend and to vote at the general meeting.</p> <p>² A shareholder may be represented at the general meeting by the independent voting rights representative or, based upon a written proxy, by a third party, who does not have to be a shareholder.</p> <p>³ The independent voting rights representative shall be elected by the general meeting for a term of office until closure of the following ordinary general meeting. Re-election is possible. The board of directors shall appoint the independent voting rights representative for the next general meeting, if the company does not have any independent voting rights representative.</p> <p>⁴ The board of directors shall issue procedural provisions relating to the participation and representation at the general meeting.</p>	<p>Article 10 Right to participate, representation*</p> <p>¹ The shareholders and beneficiaries who, on the day determined by the board of directors, are registered in the share register as shareholders or beneficiaries with voting rights, have the right to attend and to vote at the general meeting.</p> <p>² A shareholder may be represented at the general meeting by the independent voting rights representative or, based upon a written proxy, by a third party, who does not have to be a shareholder.</p> <p>³ The independent voting rights representative shall be elected by the general meeting for a term of office until closure of the following ordinary general meeting. Re-election is possible. The board of directors shall appoint the independent voting rights representative for the next general meeting, if the company does not have any independent voting rights representative.</p> <p>⁴ The board of directors shall issue procedural provisions relating to the participation and representation at the general meeting.</p> <p>* proposed new gender-neutral wording is only relevant and indicated in the German version</p>
<p>Article 11 Voting rights, resolutions</p> <p>¹ Each share entitles to one vote.</p> <p>² The general meeting shall pass its resolutions and carry out its elections upon an absolute majority of the share votes represented, to the extent that neither the law nor the articles of association (art. 12) provide otherwise.</p> <p>³ The chairman establishes all rules of procedure applicable to votes and elections. He may use electronic systems.</p>	<p>Article 11 Voting rights, resolutions</p> <p>¹ Each share entitles to one vote.</p> <p>² The general meeting shall pass its resolutions and carry out its elections upon the an absolute majority of the share votes represented, to the extent that neither the law nor the articles of association (art. 12) provide otherwise.</p> <p>³ The chairpersonman establishes all rules of procedure applicable to votes and elections. <u>Votes and elections can be conducted by electronic means</u>He may use electronic systems.</p>

<p>Article 12 Qualified majority</p> <p>A resolution of the general meeting which garners at least two thirds of the represented share votes as well as the absolute majority of the represented share nominal values is required for:</p> <ol style="list-style-type: none"> 1. the change of the purpose of the company; 2. the creation of shares with privileged voting rights; 3. the restriction of the transferability of registered shares; 4. an increase of authorized or conditional capital; 5. an increase of capital from equity capital, in return for contributions in kind or for the purpose of acquisition of assets and the granting of special privileges; 6. the limitation or withdrawal of subscription rights; 7. the change of the registered offices of the company; 8. the dissolution of the company without liquidation; 9. the change of the articles on transfer restriction (art. 5), conversion of registered shares into bearer shares (art. 3 paragraph 2), and the change of this clause (art. 12 paragraph 1 number 9). 	<p>Article 12 Qualified majority</p> <p>A resolution of the general meeting which garners at least two thirds of the represented share votes as well as the absolute majority of the represented share nominal values is required for:</p> <ol style="list-style-type: none"> 1. the change of the purpose of the company; <u>2. the consolidation of shares, unless the consent of all the shareholders concerned is required;</u> 23. the creation of shares with privileged voting rights; 34. the restriction of the transferability of registered shares; 4. an increase of authorized or conditional capital <u>5. the introduction of conditional capital or the introduction of a capital band;</u> 56. an increase of capital from equity capital, in return for contributions in kind or for the purpose of acquisition of assets <u>by offset with a claim</u> and the granting of special privileges; 67. the limitation or withdrawal of subscription rights; 78. the change of the registered offices of the company; 89. the dissolution of the company without liquidation; 910. the change of the articles on transfer restriction (art. 5), conversion of registered shares into bearer shares (art. 3 paragraph 2), and the change of this clause (art. 12 paragraph 1 number 910). <u>11. the passing of resolutions on further matters which are subject to this qualified majority by law.</u>
<p>Article 28 Notices, announcements</p> <ol style="list-style-type: none"> ¹ The company's official instrument of publication is the Swiss Official Gazette of Commerce. To the extent that the law or the articles of association do not require a written personal notice, all announcements prescribed by law and other notices from the company to the shareholders are validly made through publication in the Swiss Official Gazette of Commerce. ² Written notices of the company to the shareholders are made by ordinary mail, or their proxy for the service of notices, to the address last registered in the share register or, with the consent of the shareholders, electronically (e-mail) to the e-mail address of the shareholders, or their proxy for the service of notices, as notified to the company. 	<p>Article 28 Notices, announcements</p> <ol style="list-style-type: none"> ¹ The company's official instrument of publication is the Swiss Official Gazette of Commerce. To the extent that the law or the articles of association do not require a written personal notice, all announcements prescribed by law and other notices from the company to the shareholders are validly made through publication in the Swiss Official Gazette of Commerce. ² <u>The board of directors may designate other official instruments of publication media in individual cases.</u> 23 <u>Written notices of the company to the shareholders are made by may, at the option of the board of directors, be validly given by publication in the Swiss Official Gazette of Commerce or by delivery in a form, which allows evidence by text, to the contact details as ordinary mail, or their proxy for the service of notices, to the address</u>

	last registered in the share register of the shareholders or their proxy for the service of notices or, with the consent of the shareholders, electronically (e-mail) to the e-mail address of the shareholders, or their proxy for the service of notices, as notified to the company.
<p>Article 29 Jurisdiction and applicable law</p> <p>¹ All disputes on matters concerning the company between individual shareholders and the company or bodies of the company and between the company and its bodies and between the bodies among themselves will be submitted to the ordinary courts at the registered offices of the company, subject to appeal to the Swiss federal tribunal.</p> <p>² Notwithstanding the jurisdiction clause of paragraph 1 above, the company may sue its bodies and shareholders at their ordinary place of jurisdiction.</p> <p>³ Such disputes are subject to Swiss law.</p>	<p>Article 29 Jurisdiction and applicable law*</p> <p>¹ All disputes on matters concerning the company between individual shareholders and the company or bodies of the company and between the company and its bodies and between the bodies among themselves will be submitted to the ordinary courts at the registered offices of the company, subject to appeal to the Swiss federal tribunal.</p> <p>² Notwithstanding the jurisdiction clause of paragraph 1 above, the company may sue its bodies and shareholders at their ordinary place of jurisdiction.</p> <p>³ Such disputes are subject to Swiss law.</p> <p>* proposed new gender-neutral wording is only relevant and indicated in the German version</p>

Explanation to Agenda Item 7c

Amendment to the articles of association relating to the board of directors and the management committee

The board of directors proposes that its non-transferable and inalienable duties, which are listed in article 15 of the articles of association, be brought into line with the wording of the revised law and supplemented accordingly.

One objective of the revision of the corporate law was to transfer the provisions of the Ordinance against Excessive Compensation in Listed Stock Corporations into the Swiss Code of Obligations. In this process, the content of some provisions has been changed. The board of directors proposes the amendment of the articles of association to reflect these changes. This concerns article 25 para. 3 of the articles of association, according to which up to now remuneration could also be paid from the additional amount in the case of promotions within the management committee (e.g. from CFO to CEO). With the entry into force of the new law, it is no longer permissible to use the additional amount for promotions within the management committee.

Further, the board of directors proposes that article 26 para. 4 of the articles of association be adapted to the revised definition of “mandates” under the new law, which is broader than under the old regulation.

Therefore the following amendments to the articles of association are proposed (proposed changes are marked accordingly):

<p>Current version:</p> <p>B. Board of Directors</p> <p>Article 13 Number of members, term of office</p> <p>¹ The board of directors consists of one or several but of a maximum of 9 members.</p> <p>² The term of office of the members of the board of directors and the chairman ends upon closure</p>	<p>Proposed version:</p> <p>B. Board of Directors</p> <p>Article 13 Number of members, term of office</p> <p>¹ The board of directors consists of one or several but of a maximum of 9 members.</p> <p>² The term of office of the members of the board of directors and the chairperson^{man} ends upon</p>
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<p>of the following ordinary general meeting. The term of office is subject to prior resignation or removal. Re-election is possible. If the office of the chairman of the board of directors is vacant, the board of directors shall appoint a new chairman from among its members for the remaining term of office.</p>	<p>closure of the following ordinary general meeting. The term of office is subject to prior resignation or removal. Re-election is possible. If the office of the chairperson^{man} of the board of directors is vacant, the board of directors shall appoint a new chairperson^{man} from among its members for the remaining term of office.</p>
<p>Article 14 Constitution, organization</p> <p>The board of directors shall organize itself within the limits of the law and of the articles of association. It appoints a secretary who need not be a member of the board of directors and/or shareholder.</p>	<p>Article 14 Constitution, organization*</p> <p>The board of directors shall organize itself within the limits of the law and of the articles of association. It appoints a secretary who need not be a member of the board of directors and/or shareholder.</p> <p>* proposed new gender-neutral wording is only relevant and indicated in the German version</p>
<p>Article 15 Duties and powers</p> <p>¹ The board of directors is entrusted with the ultimate direction of the company and the supervision of the management. It shall attend to all matters which are not delegated to or reserved for another governing body of the company pursuant to law, the articles of association or the organizational regulations.</p> <p>² The board of directors has the following non-transferable and irrevocable duties:</p> <ol style="list-style-type: none"> 1. the overall management of the company and the issuing of all necessary directives; 2. the determination of the company's organization; 3. the organization of the accounting, financial control and financial planning systems; 4. the appointment and dismissal of persons entrusted with managing and representing the company and the granting of the signatory power; 5. the overall supervision of the persons entrusted with managing the company, in particular with regard to compliance with the law, articles of association, operational regulations and directives; 6. the compilation of the annual and the compensation report as well as the preparation of the general meeting and the implementation of its resolutions; 7. the notification of the court in the event that the company is over indebted; 8. to determine the rules governing subsequent contributions with respect to shares that are not fully paid-up; 9. to pass resolutions on the increase in share capital, to the extent that these fall under the powers of the board of directors (art. 651 paragraph 4 SCO – use of authorized capital) and on the confirmation of capital increases and 	<p>Article 15 Duties and powers</p> <p>¹ The board of directors is entrusted with the ultimate direction of the company and the supervision of the management. It shall attend to all matters which are not delegated to or reserved for another governing body of the company pursuant to law, the articles of association or the organizational regulations.</p> <p>² The board of directors has the following non-transferable and irrevocable duties:</p> <ol style="list-style-type: none"> 1. the overall management of the company and the issuing of all necessary directives; 2. the determination of the company's organization; 3. the organization of the accounting, financial control and financial planning systems; 4. the appointment and dismissal of persons entrusted with managing and representing the company and the granting of the signatory power; 5. the overall supervision of the persons entrusted with managing the company, in particular with regard to compliance with the law, articles of association, operational regulations and directives; 6. the compilation of the annual and the compensation report as well as the preparation of the general meeting and the implementation of its resolutions; 7. the notification of the court in the event that the company is over indebted; 8. to determine the rules governing subsequent contributions with respect to shares that are not fully paid-up; 9. to pass resolutions on the increase in share capital, to the extent that these fall under the powers of the board of directors (art. 651 paragraph 4 SCO – use of authorized capital) and on the confirmation of capital increases and

<p>the resulting amendments to the articles of association.</p> <p>³ The board of directors has the following additional powers in relation to compensation:</p> <ol style="list-style-type: none"> 1. The board of directors may submit for approval by the general meeting proposals in relation to maximum aggregate amounts of compensation relating to different periods, in relation to amounts for specific compensation elements for the same or different periods, and in relation to contingent amounts. 2. In the event a proposal of the board of directors has not been approved, the board of directors shall determine, taking into account all relevant factors, the respective maximum aggregate amount of compensation or partial maximum amounts for specific compensation elements, and submit the amount(s) so determined for approval by a general meeting. 3. The company or companies under its control may pay out compensation prior to approval by the general meeting subject to subsequent approval. 	<p>the resulting amendments to the articles of association;</p> <p><u>9. the duties and powers of the board of directors which are non-transferable and irrevocable under the Swiss merger act;</u></p> <p><u>10. the filing of an application for a debt restructuring moratorium and notifying the court in the event of overindebtedness;</u></p> <p><u>11. other duties and powers reserved to the board of directors by law or by these articles of association.</u></p> <p>³ The board of directors has the following additional powers in relation to compensation:</p> <ol style="list-style-type: none"> 1. The board of directors may submit for approval by the general meeting proposals in relation to maximum aggregate amounts of compensation relating to different periods, in relation to amounts for specific compensation elements for the same or different periods, and in relation to contingent amounts. 2. In the event a proposal of the board of directors has not been approved, the board of directors shall determine, taking into account all relevant factors, the respective maximum aggregate amount of compensation or partial maximum amounts for specific compensation elements, and submit the amount(s) so determined for approval by a general meeting. 3. The company or companies under its control may pay out compensation prior to approval by the general meeting subject to subsequent approval.
<p>Article 16 Delegation of duties and powers</p> <p>¹ The board of directors may entrust the preparation and implementation of its resolutions or the supervision of certain matters to committees or individual members of the board of directors. The board of directors takes care that its members are properly informed.</p> <p>² Subject to article 15 paragraph 2, the board of directors may entrust the management of the company in whole or in part, based on organizational regulations, to one or several persons, members of the board of directors or third parties who need not be shareholders of the company.</p>	<p>Article 16 Delegation of duties and powers*</p> <p>¹ The board of directors may entrust the preparation and implementation of its resolutions or the supervision of certain matters to committees or individual members of the board of directors. The board of directors takes care that its members are properly informed.</p> <p>² Subject to article 15 paragraph 2, the board of directors may entrust the management of the company in whole or in part, based on organizational regulations, to one or several persons, members of the board of directors or third parties who need not be shareholders of the company.</p> <p>* proposed new gender-neutral wording is only relevant and indicated in the German version</p>
<p>V. Management Committee</p> <p>Article 25 Appointment and compensation</p> <p>¹ In line with its duties and powers the board of directors may entrust the management of the company to natural persons who need not be shareholders of the company.</p>	<p>V. Management Committee</p> <p>Article 25 Appointment and compensation</p> <p>¹ In line with its duties and powers<u>In accordance with article 16 paragraph 2,</u> the board of directors may entrust the management of the company to natural persons who need not be shareholders of the company.</p>

<p>² The company may enter into indefinite or fix-term employment contracts with members of the management committee. The indefinite employment contracts may be subject to a maximum notice period of up to 12 months. The fix-term employment contracts are limited to 12 months. Renewal is permissible.</p> <p>³ If the maximum aggregate amount of compensation already approved by the general meeting is not sufficient to also cover compensation of a member who becomes a member of or is being promoted within the executive management after the general meeting has approved the compensation, the company or companies under its control shall be authorized to grant and pay to each such member a supplementary amount during the compensation period(s) already approved. The supplementary amount per compensation period per each such member shall not exceed 40% of the aggregate amounts of fixed and variable compensation last approved by the general meeting.</p> <p>⁴ In addition to a fixed compensation, members of the management committee may be paid a variable compensation, depending on the achievement of certain performance criteria.</p> <p>⁵ The performance criteria may include individual targets, targets of the company or parts thereof and targets in relation to the market, other companies or comparable benchmarks, taking into account function and level of responsibility. The board of directors and/or the compensation committee determines the relative weight of the performance criteria and the respective target values.</p> <p>⁶ Compensation may be paid or granted in the form of cash, shares, options and similar financial instruments and/or units, in kind or in the form of other benefits. The board of directors and/or the compensation committee determines forfeiture, vesting and exercise conditions; it may provide for acceleration or removal of vesting and exercise conditions, for payment or grant of compensation based upon assumed target achievement, or for forfeiture, in each case in the event of pre-determined events such as a change-of-control or termination of an employment or mandate agreement. In this determination, the board of directors and/or the compensation committee takes into account the interests of the company, including its ability to recruit talent and retain employees. The company may procure the required shares through purchases on the market or a conditional increase of its share capital. Compensation may be paid by the company or companies under its control.</p>	<p>² The company may enter into indefinite or fix-term employment contracts with members of the management committee. The indefinite employment contracts may be subject to a maximum notice period of up to 12 months. The fix-term employment contracts are limited to 12 months. Renewal is permissible.</p> <p>³ If the maximum aggregate amount of compensation already approved by the general meeting is not sufficient to also cover compensation of a member who becomes a member of or is being promoted within the executive management after the general meeting has approved the compensation, the company or companies under its control shall be authorized to grant and pay to each such member a supplementary amount during the compensation period(s) already approved. The supplementary amount per compensation period per each such member shall not exceed 40% of the aggregate amounts of fixed and variable compensation last approved by the general meeting.</p> <p>⁴ In addition to a fixed compensation, members of the management committee may be paid a variable compensation, depending on the achievement of certain performance criteria.</p> <p>⁵ The performance criteria may include individual targets, targets of the company or parts thereof and targets in relation to the market, other companies or comparable benchmarks, taking into account function and level of responsibility. The board of directors and/or the compensation committee determines the relative weight of the performance criteria and the respective target values.</p> <p>⁶ Compensation may be paid or granted in the form of cash, shares, options and similar financial instruments and/or units, in kind or in the form of other benefits. The board of directors and/or the compensation committee determines forfeiture, vesting and exercise conditions; it may provide for acceleration or removal of vesting and exercise conditions, for payment or grant of compensation based upon assumed target achievement, or for forfeiture, in each case in the event of pre-determined events such as a change-of-control or termination of an employment or mandate agreement. In this determination, the board of directors and/or the compensation committee takes into account the interests of the company, including its ability to recruit talent and retain employees. The company may procure the required shares through purchases on the market or a conditional increase of its share capital. Compensation may be paid by the company or companies under its control.</p>
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<p>VI. Mandates outside the group</p> <p>Article 26 Permissible mandates</p> <p>¹ No member of the board of directors may hold more than twelve additional mandates and whereof not more than four mandates in listed companies.</p> <p>² No member of the management committee may hold more than five additional mandates and whereof not more than one mandate in listed companies.</p> <p>³ The following mandates are not subject to these limitations:</p> <p>(a) mandates in companies which are controlled by the company or which control the company;</p> <p>(b) mandates which a member of the board of directors or of the executive management holds by order and on behalf of the company or companies under its control. No member of the board of directors shall hold more than ten such mandates; and</p> <p>(c) mandates in associations, charitable organizations, foundations, and employee welfare foundations. No member of the board of directors or of the management committee shall hold more than ten such mandates.</p> <p>⁴ Mandates shall mean mandates in the supreme governing body of a legal entity which is required to be registered in the commercial register or a similar foreign register. Mandates in different legal entities which are under joint control are deemed one mandate.</p>	<p>VI. Mandates outside the group</p> <p>Article 26 Permissible mandates</p> <p>¹ No member of the board of directors may hold more than twelve additional mandates and whereof not more than four mandates in listed companies.</p> <p>² No member of the management committee may hold more than five additional mandates and whereof not more than one mandate in listed companies.</p> <p>³ The following mandates are not subject to these limitations:</p> <p>(a) mandates in companies which are controlled by the company or which control the company;</p> <p>(b) mandates which a member of the board of directors or of the executive management holds by order and on behalf of the company or companies under its control. No member of the board of directors shall hold more than ten such mandates; and</p> <p>(c) mandates in associations, charitable organizations, foundations, and employee welfare foundations. No member of the board of directors or of the management committee shall hold more than ten such mandates.</p> <p>⁴ Mandates shall mean mandates <u>for comparable positions in other companies with commercial purpose in the supreme governing body of a legal entity which is required to be registered in the commercial register or a similar foreign register.</u> Mandates in different legal entities which are under joint control are deemed one mandate.</p>
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Explanation to Agenda Item 7d

Amendment to the articles of association relating to Basilea’s registered name and office

Basilea has moved its headquarters from Basel to Allschwil in the middle of 2022. The law requires to list the registered office of the Company in its articles of association and to register the change in the commercial register.

According to the requirements of the Federal Office for the Commercial Register, Basilea is also required to additionally list the location of its headquarters in the Company’s name. Without this addition, according to the instructions of the Federal Office for the Commercial Register, the impression could be created that the Company’s registered office is still in the city of Basel. Therefore, article 1 of the articles of association shall be amended.

Therefore the following amendment to the articles of association is proposed (proposed changes are marked accordingly):

Current version:	Proposed version:
<p>Article 1 Company name, registered office</p> <p>Under the name</p> <p>Basilea Pharmaceutica AG</p> <p>Basilea Pharmaceutica SA</p> <p>Basilea Pharmaceutica Ltd</p> <p>is hereby established a company limited by shares in accordance with article 620 et seq. of the Swiss Code of Obligations (SCO) whose registered office is in Basel.</p>	<p>Article 1 Company name, registered office</p> <p>Under the name</p> <p>Basilea Pharmaceutica AG, <u>Allschwil</u></p> <p>Basilea Pharmaceutica SA, <u>Allschwil</u></p> <p>Basilea Pharmaceutica Ltd, <u>Allschwil</u></p> <p>is hereby established a company limited by shares in accordance with Article 620 et seq. of the Swiss Code of Obligations (SCO) whose registered office is in Basel <u>Allschwil</u>.</p>

Explanation to Agenda Item 7e

Amendment to the articles of association relating to Basilea's purpose

The board of directors proposes to add an additional paragraph to the Company's purpose listed in Article 2 of the articles of association. This emphasises Basilea's commitment to the sustainability of its activities.

Therefore the following amendment to the articles of association are proposed (proposed change is marked accordingly):

Current version:	Proposed version:
<p>Article 2 Purpose</p> <p>¹ The company's purpose is the research, as well as development, manufacturing and/or commercialization of products in the field of pharmacy, biology or diagnostic inclusive of the provision of services related thereto.</p> <p>² The company may establish branches and subsidiaries in Switzerland and abroad and may also acquire participations in companies of any kind; it may purchase, use and sell intellectual property rights as well as real estate properties; the company may also conduct any commercial, financial or other activities directly or indirectly connected to its purpose.</p>	<p>Article 2 Purpose</p> <p>¹ The company's purpose is the research, as well as development, manufacturing and/or commercialization of products in the field of pharmacy, biology or diagnostic inclusive of the provision of services related thereto.</p> <p>² The company may establish branches and subsidiaries in Switzerland and abroad and may also acquire participations in companies of any kind; it may purchase, use and sell intellectual property rights as well as real estate properties; the company may also conduct any commercial, financial or other activities directly or indirectly connected to its purpose.</p> <p>³ <u>In pursuing the company's purpose, the company strives to create sustainable value.</u></p>

Explanations to Agenda Item 8:

Introduction of a capital band including conditional capital based on the capital band

The revised corporate law now provides for a so-called capital band, which, among other things, functionally corresponds to the authorised capital under the previous Swiss corporate law. With the capital band, the general meeting can authorise the board of directors to increase or decrease the share capital within a certain range. Legally permissible is a range of 150% (upper limit) to 50% (lower limit) of the share capital registered in the commercial register at the time of the introduction of the capital band. The authorisation of the board of directors can last for a maximum of 5 years. The general meeting may exclude the shareholders' subscription rights or may delegate the right to exclude the shareholders' subscription rights to the board of directors, provided that the reasons for such exclusion are expressly stated in the articles of association.

For Basilea, the board of directors proposes the deletion of the current article 3b concerning the authorized share capital and the introduction of a new article 3b in order to create a capital band which only applies to capital increases and only for a maximum of 3 years. The upper and lower limits of the capital band are set at 109.3% and 100%, respectively, of the share capital currently registered in the commercial register. The board of directors is therefore authorised to increase the share capital by a maximum of 9.3% - but not to reduce the share capital. The board of directors is authorised to exclude or restrict the shareholders' subscription rights in connection with capital increases within the capital band in connection with the activities expressly listed in the articles of association.

With the introduction of article 3c, the board of directors may use all or part of the capital band as conditional capital to service financial instruments (e.g. option or conversion rights) instead of a direct share issuance. However, the total number of shares that may be used on the basis of the capital band remains limited to the 9.3% mentioned above. The board of directors is authorised, in accordance with article 3c, to exclude or limit the shareholders' subscription or priority subscription rights. To the extent the capital band is used as basis for financial instruments, these shares may also be delivered beyond the term of the capital band if the financial instruments so require.

Furthermore, article 3d provides that until the expiry or earlier lapse of the capital band, the total number of newly issued shares which are issued under exclusion or cancellation of the subscription or priority subscription rights (i) from the capital band pursuant to article 3b, (ii) from conditional share capital based on the capital band pursuant to article 3c, and (iii) from the conditional share capital pursuant to article 3a para. 2 of the articles of association may not exceed 2,600,000 new shares (respectively 19.86% of the share capital).

Accordingly, the board of directors proposes (i) to delete the current article 3b of the articles of association (“Authorised Share Capital”) in its entirety and (ii) to introduce a new article 3b (“Capital band”) as well as the new article 3c (“Conditional share capital based on the capital band”) and article 3d (“Exclusion of subscription and priority subscription rights”) into the articles of association:

Proposed version:

Article 3b Capital band

- ¹ The company has a capital band between CHF 13'093'445.-- (lower limit) and CHF 14'393'445.-- (upper limit). Within the range of the capital band, the board of directors is authorized to increase the share capital in any amount once or several times until April 26, 2026 or until an earlier expiry of the capital band. The capital increase can be effected by issuing up to 1'300'000 registered shares with a nominal value of CHF 1.-- each or by increasing the nominal values of the issued registered shares within the scope of the capital band.
- ² In the event of the issuance of shares, the subscription and the acquisition of the new shares as well as each following transfer of shares are subject to the restrictions set forth in article 5 of these articles of association.
- ³ In the event of an increase of the share capital within the scope of the capital band, the board of directors shall, if required, determine the issue price, the type of contribution (including cash contribution, contribution in kind, offsetting and conversion of reserves or profit carried forward into share capital), the time of issue, the conditions for the exercise of subscription rights and the start of dividend entitlement. The board of directors may issue new shares by means of a firm underwriting by a bank, a syndicate of banks or another third party and a subsequent offer to the existing shareholders or to third parties (provided that the subscription rights of the existing shareholders are excluded or not validly exercised). The board of directors is authorised to permit, restrict or exclude the trading of subscription rights. The board of directors may allow subscription rights which have not been validly exercised to lapse, or it may place them or shares for which subscription rights have been granted but not validly exercised at market conditions or otherwise use them in the interest of the company.
- ⁴ In the event of an issuance of shares the board of directors shall be authorised to exclude or limit subscription rights of the existing shareholders and to allocate them to third parties, to the company or to one of its group companies:
 - a) if the issue price of the new shares is determined taking into account the market price; or
 - b) for the raising of equity capital in a quick and flexible manner which would not be possible or would only be possible with difficulty or on substantially worse terms without the exclusion of the subscription rights of the existing shareholders; or
 - c) for the acquisition of companies, parts of companies or participations, the acquisition of products, intellectual property or licences by or investment projects of the company or one of its group companies or for the financing or refinancing of such transactions through a share placement; or
 - d) for the purpose of expanding the company's shareholder base in certain financial or investor markets, for the participation of strategic partners including financial investors or in connection with the listing of new shares on domestic or foreign stock exchanges; or
 - e) for the participation of employees of the company or of group companies and/or members of the board of directors of the company.
- ⁵ After a change of the nominal value, new shares within the scope of the capital band shall be issued with the same nominal value as the existing registered shares; this shall also apply to the issuance of rights or obligations to acquire new shares based on article 3c of these articles of association.
- ⁶ Within the scope of the capital band the board of directors may carry out a conditional capital increase in accordance with article 3c of these articles of association. To the extent that and as long as rights or obligations to acquire shares are outstanding based on the capital band, the capital band may not be used for other capital increases to the extent of the maximum amount of such shares.
- ⁷ In the event the share capital increases due to a conditional capital increase according to article 3a of these articles of association, the upper and lower limits of the capital band shall increase in accordance with the amount of the increase of the share capital.

Article 3c Conditional share capital based on the capital band

- ¹ The share capital may be increased within the scope of the capital band by the issuance of maximum 1'300'000 registered shares to be fully paid-in with a nominal value of CHF 1.-- each through the exercise or compulsory exercise of conversion, exchange, option, subscription or other rights to subscribe for shares or through purchase obligations in respect of shares granted or imposed on shareholders or third parties alone or in connection with bonds, loans, options, warrants or other financial market instruments or contractual obligations of the company or one of its group companies (hereinafter collectively the Financial Instruments). Shareholders' subscription rights are excluded in the event shares are issued on the basis of Financial Instruments. The holders of the Financial Instruments are entitled to subscribe for the new shares issued upon the exercise of the Financial Instruments. The material terms and conditions of the Financial Instruments shall be determined by the board of directors. The board of directors is authorised to cancel or limit the priority subscription rights of the shareholders in connection with the issuance of Financial Instruments by the company or one of its group companies if (1) there is an important reason pursuant to article 3b paragraph 4 of these articles of association or (2) the bonds or similar debt instruments are issued at reasonable conditions. If the priority subscription right is not granted directly or indirectly by the board of directors, the following shall apply:
- a) the acquisition price of the shares shall be determined taking into account the market price at the time the Financial Instruments are issued; and
 - b) the Financial Instruments are convertible, exchangeable or exercisable for a period not exceeding 10 years from the date of the respective issuance or transaction.
- ² The declaration on the acquisition of shares based on this article 3c may be made in writing or electronically or by otherwise ascertainable expression of will. A waiver of a right to acquire shares based on this article 3c may also be made informally or by lapse of time; the same applies to the waiver of the exercise and forfeiture of such a right.
- ³ The direct or indirect acquisition of shares based on this article 3c as well as any subsequent transfer of shares shall be subject to the restrictions of article 5 of these articles of association.
- ⁴ The granting of rights to subscribe for shares or the imposition of purchase obligations in respect of shares on the basis of this article 3c shall only be permitted as long as article 3b of these articles of association concerning the capital band is in force. The lapse of the capital band shall not affect the validity of any rights to subscribe for shares or obligations to purchase shares granted under this article 3c. If such rights or obligations have been granted or imposed, this article 3c shall not cease to have effect upon the lapse of the capital band.

Article 3d Exclusion of subscription and priority subscription rights

Until April 26, 2026 or an earlier lapse of the capital band, the total number of newly issued shares from (i) the capital band pursuant to article 3b of these articles of association with limitation or exclusion of subscription rights, and (ii) conditional share capital based on the capital band pursuant to article 3c paragraph 1 of these articles of association with limitation or exclusion of subscription or priority subscription rights, and (iii) conditional share capital pursuant to article 3a paragraph 2 of these articles of association with limitation or exclusion of subscription or priority subscription rights, shall not exceed 2'600'000 new shares.