

**TRANSLATION OF  
ARTICLES OF INCORPORATION  
OF  
BB Biotech AG  
(BB Biotech S.A.)  
(BB Biotech Inc.)**

**I. Name, registered office, duration and purpose of the company**

**Art. 1**

Under the name BB Biotech AG (BB Biotech S.A., BB Biotech Inc.) a limited liability company is hereby incorporated with registered office in Schaffhausen / SH pursuant to Art. 620 ff OR (Swiss Code of Obligations). Its duration is indefinite.

**Art. 2**

The purpose of the company is joint capital investment in enterprises in the biotech and genetic engineering and pharmaceutical industry and allied branches with a view to achieving the highest possible yield on the investment. For the attainment of this purpose, the company may acquire and sell and administer participations both in Switzerland and in other countries. The company may engage in all types of business which are either directly or indirectly conducive to the attainment of this corporate purpose.

The company is authorized to buy, mortgage and sell real properties. Within the framework of its corporate purpose, the company may acquire participations in other enterprises both in Switzerland and in other countries, incorporate subsidiary companies and set up branch establishments in Switzerland and representations in other countries.

**II. Equity capital**

**Art. 3**

The equity capital of the company amounts to CHF 11,080,000.

It is divided into 55,400,000 registered shares with a nominal value of CHF 0.20 each. The shares are fully paid in.

The company may issue its registered shares as uncertificated securities pursuant to Article 973c or 973d CO, as intermediated securities in the sense of the Federal Act on Intermediated Securities, or in the form of single or global certificates. Subject to applicable law, the company may convert its registered shares from one form into another form at any time and without the approval of the shareholders. The company shall bear the cost associated with any such conversion. A shareholder has no right to request a conversion of the registered shares issued in one form into another form.

Each shareholder may request from the company at any time a written confirmation of the registered shares held by such shareholder, as reflected in the share register. However, the shareholder has no claim to the certification of the membership in a security.

Intermediated securities based on registered 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.

A register of registered shares is kept showing the owners and beneficiaries of usufruct in the shares with their surnames and first names (the name of the company in case of a legal entity), place of residence, address and nationality (the registered office in case of a legal entity). In relation to the company, only the person whose name figures in the share register will be recognized as a shareholder or beneficiary of usufruct. Where shares are held by more than one person, these persons may be jointly registered as shareholders with voting rights, provided that they all make the declarations stipulated in paragraph 8.

A person registered in the share register shall notify the share registrar of any change in contact information. Communications from the company shall be deemed to have been validly made if sent to the contact information of the shareholder or authorized delivery agent last registered in the share register.

On request, persons who acquire registered shares shall be entered in the share register as shareholders with voting rights, provided that they specifically declare that they have acquired these shares in their own name and for their own account, that there is no agreement on the return and redemption of the relevant shares and that they bear the economic risk associated with the shares. The Board of Directors may refuse entry in the share register with voting rights to persons who do not expressly make such declarations in the application for registration (the **Nominees**).

The limitation of registration pursuant to paragraph 8 likewise applies to shares which have been subscribed or acquired through derivative channels by exercising a subscription, option or conversion right.

After hearing the registered shareholder or Nominees, the Board of Directors may delete entries in the share register as shareholders with voting rights with retroactive effect to the date of the entry if this was made by giving false information. The person concerned must be informed immediately of such deletion.

The Board of Directors establishes the principles for the registration of Nominees and adopts the rules necessary for compliance with the above provisions.

Ownership of, or usufruct in, a share or share certificate and every exercise of shareholders' rights implies recognition of the articles of incorporation of the company in their currently valid edition.

A person who acquires shares in the company is not required to make a public purchase offer pursuant to Articles 135 and 163 of the Financial Market Infrastructure Act.

### **III. Official bodies of the company**

#### **Art. 4**

The official bodies of the company are:

- A. The General Meeting
- B. The Board of Directors
- C. The Compensation Committee
- D. The Auditors

#### **A. The General Meeting**

##### **Art. 5**

The General Meeting is the supreme body of the company. It has the following inalienable powers:

- a) adoption and amendment of the articles of incorporation;
- b) election of the members of the Board of Directors, the Chairman of the Board of Directors, the members of the Compensation Committee, the Auditors and the independent voting rights representative;
- c) approval of the management report, the consolidated financial statements and the annual financial statements as well as the decision on the appropriation of the profit stated on the balance sheet, in particular the determination of dividends;
- d) determination of interim dividends and approval of the interim financial statements required for this purpose;
- e) resolution on the repayment of the statutory capital reserve;
- f) approval of the compensation of the Board of Directors and of the executive management pursuant to Article 19 of these articles of incorporation;
- g) granting of a release to the Board of Directors;
- h) delisting of the company's equity securities;
- i) approval of the report on non-financial matters pursuant to Article 964c CO;
- j) decisions on matters which are reserved either by law or by the articles of incorporation for the General Meeting or which are placed before it by the Board of Directors.

##### **Art. 6**

The Ordinary General Meeting is held each year within four months of the close of the financial year; Extraordinary General Meetings are convened whenever the need arises, in particular in the cases stipulated by law. The convening of a General Meeting may likewise

be requested in writing by one or more shareholders who together represent not less than 5 percent of the equity capital or votes, indicating the matters to be discussed and the corresponding proposals and, in case of elections, the names of the nominated candidates.

#### **Art. 7**

The General Meeting is convened by the Board of Directors and, if necessary, by the Auditors. The liquidators are likewise entitled to convene a meeting.

The General Meeting must be convened not less than twenty days before the date on which it is due to be held pursuant to Article 28 of these articles of incorporation. The invitation to attend must indicate the date, starting time, mode and venue of the General Meeting, the matters to be discussed, together with the motions (including a brief statement of the reasons) of the Board of Directors and those of the shareholders, if any, who have asked for a General Meeting to be held or for a particular matter to be placed on the agenda, and the name and address of the independent voting rights representative.

Shareholders who, alone or together, hold at least 0.5% of the share capital or the votes may request that an item be included on the agenda or that a motion relating to an agenda item be included in the notice convening the General Meeting. Such request must be received by the company in writing at least 45 days prior to the General Meeting, indicating the item to be discussed and the motion(s) of the shareholders.

No decisions may be taken on matters which have not been announced in this manner, save on a motion to convene an Extraordinary General Meeting or to perform a special investigation.

On the other hand, no prior announcement is needed to table motions relating to the matters placed on the agenda and to hold discussions which are not followed by a decision.

No later than twenty days before the Ordinary General Meeting, the business report, the compensation report and the Auditors' reports as well as the report on non-financial matters pursuant to Article 964c CO, if applicable, shall be made available to the shareholders.

#### **Art. 7a**

The Board of Directors shall determine the venue of the General Meeting. The Board of Directors can also determine that the General Meeting be held simultaneously at different locations, provided that the statements of the participants are transmitted directly in video and audio to all venues and/or that shareholders who are not present at the venue(s) of the General Meeting may exercise their rights by electronic means. Alternatively, the Board of Directors may also provide that the General Meeting be held by electronic means without a venue.

#### **Art. 8**

Each share carries one vote at the General Meeting.

The Board of Directors shall establish the procedural rules regarding participation in and representation at the General Meeting and determine the requirements regarding proxies and voting instructions.

Each shareholder may arrange to be represented at the General Meeting by the independent voting rights representative, his legal representative or, with written authority, any other proxy who need not be a shareholder.

The independent voting rights representative shall be elected by the General Meeting for a term of office extending until completion of the next Ordinary General Meeting. Re-election is possible at any time. If the company does not have an independent voting rights representative, the independent voting rights representative shall be appointed by the Board of Directors for the next General Meeting.

The General Meeting takes its decisions and determines elections by the majority of the votes carried by the shares which are represented, save where otherwise required by law or by the articles of incorporation.

In the case of elections, if the choice is not made on the first ballot, the majority of the votes cast (*i.e.*, excluding abstentions) will suffice on the second ballot.

The Chairman does not have a casting vote.

#### **Art. 9**

The General Meeting shall be chaired by the Chairman of the Board of Directors, if he is unable to attend by the Vice-Chairman and if the latter is likewise unable to attend by another member of the Board of Directors or a person designated by the Board of Directors.

The Chairman designates the teller and the secretary to write the minutes who need not themselves be shareholders of the company. The minutes will be signed by the Chairman and by the secretary.

The resolution and election results shall be made available electronically within 15 calendar days after the General Meeting, stating the exact proportion of votes. Each shareholder may request that the minutes be made available to him within 30 calendar days after the General Meeting.

#### **Art. 10**

The acting chair of the General Meeting shall determine whether resolutions and elections are to be decided by open ballot, in writing or electronically.

### **B. The Board of Directors**

#### **Art. 11**

The Board of Directors shall have between three and seven members. The General Meeting shall individually elect the members and the Chairman for a term of office extending until completion of the next Ordinary General Meeting, subject to prior resignation or dismissal.

Re-election is possible at any time.

## **Art. 12**

Except for the election of the Chairman of the Board of Directors and the members of the Compensation Committee by the General Meeting, the Board of Directors shall constitute itself. It shall designate the Vice-Chairman and, if necessary, the secretary who need not himself be a member of the Board of Directors.

If the office of the Chairman of the Board of Directors is vacant, the Board of Directors shall appoint a Chairman from among its members for a term of office extending until completion of the next Ordinary General Meeting.

The Board of Directors meets at least once every six months.

## **Art. 13**

The Board of Directors is responsible for the strategic management of the company and for supervising the management of the business. It is responsible for all matters which are not reserved for a different official body of the company by law, the terms of the articles of incorporation or a regulation.

The Board of Directors may entrust the management of business or specific parts thereof to one or more persons, members of the Board of Directors or third parties who need not themselves be shareholders. It adopts the organizational regulation and determines the appropriate contractual relationships.

Its non-transferable and inalienable tasks include in particular:

- a) determination of the business policy and strategic management of the company;
- b) organization of the accounting system, financial control and financial planning;
- c) preparation of the business report and the compensation report and, if applicable, the report on non-financial matters pursuant to Article 964c CO as well as of the General Meeting including the presentation of the annual financial statements and management report, together with the Auditors' reports; implementation of the decisions taken by the General Meeting;
- d) appointment and dismissal of the persons entrusted with the management of business and with representation;
- e) determination of authority to sign;
- f) high level supervision of the persons entrusted with management of the business, in particular with regard to compliance with the laws, articles of incorporation, regulations and instructions;
- g) decisions on the subsequent subscription to shares which have not been fully paid in;
- h) decisions establishing capital increases and the accompanying amendments to the articles of incorporation;

- i) submission of a petition for debt-restructuring moratorium and notification of the court in case of over-indebtedness;
- j) other powers and duties reserved to the Board of Directors by law or these articles of incorporation.

#### **Art. 14**

The Board of Directors has a quorum if a majority of its members take part in the decision-making. No attendance quorum shall be required for resolutions of the Board of Directors providing for the amendment and ascertainment of capital changes.

Minutes of the proceedings are to be written. These minutes must be signed by the Chairman and by the secretary.

#### **Art. 15**

Decisions are taken by an absolute majority of the votes of the members who are present. In the event of a tied vote the Chairman shall have the casting vote.

Resolutions may also be adopted by way of written consent or electronically, unless a member requests discussion thereof.

### **C. The Compensation Committee**

#### **Art. 16**

The Compensation Committee shall consist of at least one member of the Board of Directors.

The General Meeting shall individually elect the member(s) of the Compensation Committee for a term of office extending until completion of the next Ordinary General Meeting. Re-election is possible at any time.

If there are vacancies on the Compensation Committee, the Board of Directors shall appoint one or several members for a term of office extending until completion of the next Ordinary General Meeting.

The Compensation Committee shall constitute itself. It shall elect a chairman from among its members. The Board of Directors shall further establish a regulation regarding the organization and the decision-making process of the Compensation Committee.

#### **Art. 17**

The Compensation Committee shall support the Board of Directors in establishing and reviewing the compensation strategy and guidelines and the performance criteria as well as in preparing the proposals to the General Meeting regarding the compensation of the Board of Directors and of the executive management, and may submit proposals to the Board of Directors in other compensation-related issues.

The Board of Directors shall determine in a regulation for which positions of the Board of Directors and of the executive management the Compensation Committee shall submit proposals for the performance metrics, target values and the compensation, and for which positions it shall itself determine, in accordance with the articles of incorporation and the compensation guidelines established by the Board of Directors, the performance criteria, target values and the compensation.

The Board of Directors may delegate further tasks to the Compensation Committee.

#### **D. The Auditors**

##### **Art. 18**

The General Meeting shall elect the Auditors for a term of office extending until completion of the next Ordinary General Meeting. Re-election is possible at any time.

The Auditors shall perform their auditing and reporting obligations in accordance with applicable laws.

#### **IV. Compensation of the members of the Board of Directors and executive management**

##### **Art. 19**

The General Meeting shall approve the proposals of the Board of Directors in relation to:

- (i) the maximum aggregate amount of fixed compensation of the Board of Directors for the following financial year;
- (iii) the maximum aggregate amount of fixed compensation of the executive management for the following financial year;
- (iv) the aggregate amount of variable compensation of the executive management for the past financial year.

The Board of Directors may submit to the General Meeting deviating or additional proposals in relation to the same or different periods.

In the event the General Meeting does not approve a proposal of the Board of Directors, the Board of Directors shall determine, taking into account all relevant factors, the respective (maximum) aggregate amount or several (maximum) partial amounts, and submit this or these amounts to the General Meeting for approval.

The company or companies controlled by it may pay out compensation prior to approval by the General Meeting subject to subsequent approval.

##### **Art. 20**

The company or companies controlled by it shall be authorized to pay to each person who becomes a member of the executive management after the General Meeting has approved the compensation a supplementary amount during the compensation period(s) already approved if the compensation already approved is not sufficient to cover his compensation. The supplementary amount per each compensation period and member shall not exceed



40% of the maximum aggregate amount of compensation of the executive management last approved.

#### **Art. 21**

In addition to a fixed compensation, members of the Board of Directors and of the executive management may be paid a variable compensation, depending on the achievement of certain performance criteria.

The performance criteria may include individual targets, targets of the company or parts thereof and targets in relation to the market, indexes, other companies or comparable benchmarks, taking into account position and level of responsibility of the recipient of the variable compensation. The Board of Directors or, to the extent delegated to it, the Compensation Committee shall determine the relative weight of the performance criteria and the respective target values.

Compensation may be paid in the form of cash, shares, options, comparable instruments or units, or in the form of other types of benefits. The Board of Directors or, to the extent delegated to it, the Compensation Committee shall determine grant, vesting, exercise and forfeiture conditions; they may provide for continuation, acceleration or removal of vesting, exercise or forfeiture conditions, for payment of compensation based upon assumed target achievement, or for forfeiture of compensation, in each case in the event of pre-determined events such as a change-of-control or termination of an employment or mandate agreement. The company may procure any required shares through purchases in the market or by using conditional share capital.

Compensation may be paid by the company or companies controlled by it.

### **V. Agreements with members of the Board of Directors or executive management**

#### **Art. 22**

The company or companies controlled by it may enter into agreements for an indefinite term or for a fixed term with members of the Board of Directors relating to their compensation. Duration and termination shall comply with the term of office and the law.

The company or companies controlled by it may enter into employment agreements for an indefinite term or for a fixed term with members of the executive management. Employment agreements for a fixed term may have a maximum duration of one year; renewal is possible. Employment agreements for an indefinite term may have a termination notice period of maximum twelve months.

### **VI. Mandates outside the group**

#### **Art. 23**

No member of the Board of Directors may hold more than ten additional mandates of which no more than four may be in listed companies.

No member of the executive management may hold more than five mandates of which no more than one may be in listed companies.

Not subject to these limitations are:

- (a) mandates in companies which are controlled by the company or which control the company;
- (b) mandates that a member of the Board of Directors or executive management holds at the request of the company or companies controlled by it. No member of the Board of Directors or executive management may hold more than ten such mandates; and
- (c) mandates in associations, organizations, foundations, trusts and employee welfare foundations. No member of the Board of Directors or executive management may hold more than ten such mandates.

Mandates shall mean mandates in comparable functions at other enterprises with an economic purpose. Mandates in different legal entities that are under joint control or same beneficial ownership are deemed one mandate.

## **VII. Annual financial statements and appropriation of the profit**

### **Art. 24**

The financial year of the company runs from 1 January to 31 December of a particular year. The first financial year ends on 31 December 1994.

### **Art. 25**

The annual financial statements, comprising the income statement, the balance sheet and the notes, will be drawn up in compliance with the provisions of the Swiss Code of Obligations, in particular Art. 958 ff OR and in accordance with generally acknowledged commercial principles and those which are usual in the branch.

### **Art. 26**

Subject to the statutory provisions on the appropriation of the profit, in particular Art. 671 ff. OR, the balance sheet profit shall be placed at the free disposal of the General Meeting.

## **VIII. Winding up and liquidation**

### **Art. 27**

The General Meeting may at any time resolve to wind up and liquidate the company in compliance with the statutory requirements and those of the articles of incorporation and arrange for liquidation to be performed by the Board of Directors or by third parties.

The liquidation of the company shall be effected in compliance with Art. 742 ff OR. The liquidators are authorized to sell the assets, including real properties, by private treaty.

Once the debts have been settled, the assets will be distributed to the shareholders in proportion to the amounts paid in by them.

## **IX. Means of publication organ and notices**

### **Art. 28**

The official means of publication of the company shall be the Swiss Official Gazette of Commerce (SHAB).

In particular cases, the Board of Directors may specify additional means of publication.

Notices by the company to the shareholders may, at the election of the Board of Directors, be validly given by publication in the Swiss Official Gazette of Commerce or in a form that allows proof by text.

Schaffhausen, 23 March 2023