
Remuneration and Nomination Committee Charter

of

BB Biotech AG

Approved by the Board on
15 October, 2019

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1. Basis

- (a) This remuneration and nomination committee charter (**RNC Charter**) is adopted by the board of directors (**Board**) of BB Biotech AG (**Company**) on the basis of the Swiss Code of Obligations (**CO**), the Company's articles of association (**Articles**) and the Company's organizational regulations (**Regulations**).
- (b) Except as expressly provided in this RNC Charter, the Regulations or the Articles, the remuneration and nomination committee (**RNC**) shall determine its own rules of procedure.
- (c) The purpose of the RNC is to review and propose to the Board the compensation for the members of the Board and to support the Board in nomination matters, as set out in further detail in this RNC Charter.

2. Composition, Election and Organization

- (a) The RNC shall consist of no less than one member of the Board. The member(s) of the RNC (**RNC Member(s)**) shall be non-executive and independent, as determined in accordance with Swiss law.
- (b) The general meeting of shareholders of the Company (**General Meeting**) shall elect the members of the RNC individually for a term of office until the completion of the next ordinary General Meeting. Re-election is possible.
- (c) If there are vacancies on the RNC, the Board may appoint substitute members from among its members for a term of office until the completion of the next ordinary General Meeting.
- (d) The RNC shall appoint a chair of the RNC (**Chair**) for a term of office until the completion of the next ordinary General Meeting. Re-appointment is possible.
- (e) The RNC shall appoint a secretary (**Secretary**), who does not need to be a RNC Member or member of the Board and who will maintain the minutes. The Secretary shall be entitled to participate in the deliberations and discussions of the RNC, but shall not vote, unless he or she is a RNC Member.

3. Powers and Duties

3.1 In General

In general, the RNC shall have the powers and duties as set out hereinafter. In addition, the RNC shall have all powers and duties delegated to it by the Board.

3.2 Specific Powers and Duties

The RNC shall:

Remuneration Matters

- (i) propose to the Board for approval the motion of the Board for the maximum aggregate amount of fixed compensation of the Board to be submitted to the General Meeting for approval;
- (ii) subject to and within the maximum aggregate amount of fixed compensation of the Board approved by the General Meeting, propose to the Board for approval the level and terms of the individual compensation of the members of the Board;
- (iii) propose to the Board for approval the individual non-compensation-related terms of the mandate of the members of the Board;
- (iv) review the Company's compensation report;
- (v) review any other important remuneration matters;

Nomination and Succession Planning Matters

- (vi) establish criteria for the selection of new directors to serve on the Board, including regarding the consideration of director nominees recommended by shareholders;
- (vii) identify, screen and propose to the Board the nominees to be proposed by the Company for election as directors of the Company, as chair of the Board or as members of the RNC at each ordinary General Meeting, based on an assessment of each nominee's particular experience, qualifications, attributes or skills and potential to contribute to diversity as well as their independence;
- (viii) propose to the Board the individuals to be appointed as vice-chair of the Board or as members of the committees of the Board (other than the RNC), or to fill vacancies on the RNC or in the office of the chair of the Board, in each case based on an assessment of each individual's particular experience, qualifications, attributes or skills and potential to contribute to diversity as well as their independence;
- (ix) oversee the director orientation process and director continuing education program and make recommendations to the Board as appropriate.

3.3 Information Rights

The RNC is empowered by the Board to collect all information and assistance from within the Company that is needed to perform the specific tasks and duties imposed upon it by this RNC Charter.

4. Rules of Procedure

4.1 RNC Meetings and Agenda

- (a) Meetings of the RNC (**RNC Meetings**) shall take place as often as necessary but in any event at least once a year.
- (b) RNC Meetings may be held in person or by means of a telephone or video conference or any other means, which allow the persons participating and attending such RNC Meeting to hear, and be heard by, all others participating and attending the RNC Meeting, or a combination thereof.

- (c) RNC Meetings shall be called by the Chair or, should the Chair be unable to do so, by another RNC Member, whenever necessary. Any RNC Member may at any time request that the Chair do so, specifying the items to be included in the agenda, in which case the Chair, or the Secretary on behalf of the Chair if so requested by the Chair, shall give notice to each RNC Member of such RNC Meeting within maximum 10 days following receipt of such request.
- (d) The Chair, or the Secretary on behalf of the Chair if so requested by the Chair, shall give at least 10 days' notice of any RNC Meeting to each RNC Member.
- (e) If the Chair determines that urgent business has arisen, notice of the relevant RNC Meeting may be reduced to two days. Irrespective of the circumstances, an RNC Meeting may be held at shorter notice or without notice if the prior consent of all RNC Members has been received.
- (f) The Chair, or the Secretary on behalf of the Chair if so requested by the Chair, shall circulate the agenda of the RNC Meeting and the package containing the information and documentation relevant for the items to be discussed or resolved upon at the RNC Meeting (**RNC Pack**) reasonably in advance of the meeting.
- (g) Each RNC Member may request that items be placed on the agenda. Such a request shall, if reasonably possible, be sent to the Chair at least seven days prior to the relevant RNC Meeting. In such event, the Chair, or the Secretary on behalf of the Chair if so requested by the Chair, shall immediately communicate the additional items on the agenda to the other RNC Members before the beginning of the RNC Meeting, unless included in the RNC Pack.
- (h) RNC Meetings shall be chaired by the Chair or, in his or her absence, by another RNC Member appointed by the RNC.
- (i) RNC Meetings shall be held in English and all written communications and minutes shall be in English, unless otherwise required by applicable law.
- (j) The RNC may hold RNC Meetings as determined by the Chair with or without the participation of other persons who are invited to attend.

4.2 Quorum

A quorum shall exist if at least a majority of the RNC Members is present (including by video or telephone conference or by use of means according to Section 4.1(b)).

4.3 Resolutions

- (a) Each RNC Member shall be entitled to cast one vote.
- (b) The RNC shall pass resolutions and take other actions by an absolute majority of the votes of the RNC Members who are present. The Chair shall have the casting vote in case of a tied vote.

- (c) Resolutions may be passed by way of circulation in writing (including by PDF scans sent by e-mail), provided that no RNC Member requests oral deliberation within the period indicated in the corresponding motion. These circular resolutions shall be considered approved if all RNC Members have given their written consent.

4.4 Board Approval

To the extent the RNC does not have decision making authority, it shall submit its proposals and recommendations to the Board for approval.

4.5 Minutes

- (a) The RNC shall maintain written minutes of its RNC Meetings and properly record all its resolutions.
- (b) The minutes shall be signed by the acting chair and the acting secretary.
- (c) The minutes shall be distributed following the RNC Meeting to the RNC Members and at the latest be included in the board pack of the next Board meeting, and shall be approved at the next RNC Meeting.

4.6 Reporting

The Chair shall report to the Board at the next Board meeting. In case of any extraordinary business developments and matters of urgent nature, the Chair shall immediately report to the chair of the Board.

4.7 Retention of Consultants and Advisers

The RNC shall have the authority to select, retain, obtain the advice of and terminate any compensation consultant, independent legal counsel or other adviser (each, a **Consultant**) (including the authority to approve the Consultant's fees and other retention items) it deems necessary for the fulfillment of its responsibilities. The RNC shall be directly responsible for the appointment, compensation and oversight of the work of any such Consultant retained by the RNC. The Company shall provide for appropriate funding, as determined by the RNC, for payment of reasonable compensation to any such Consultant retained by the RNC.

5. Miscellaneous

5.1 Duty of Care and Loyalty; Conflicts of Interest; Confidentiality

Sections 8.1, 8.3 and 8.4 of the Organizational Regulations shall apply *mutatis mutandis*.

5.2 Amendments to the RNC Charter

This RNC Charter may be amended at any time by resolution of the Board.

5.3 Effectiveness

This RNC Charter was adopted by resolution of the Board of 15 October, 2019, and shall be effective as of 15 October, 2019.