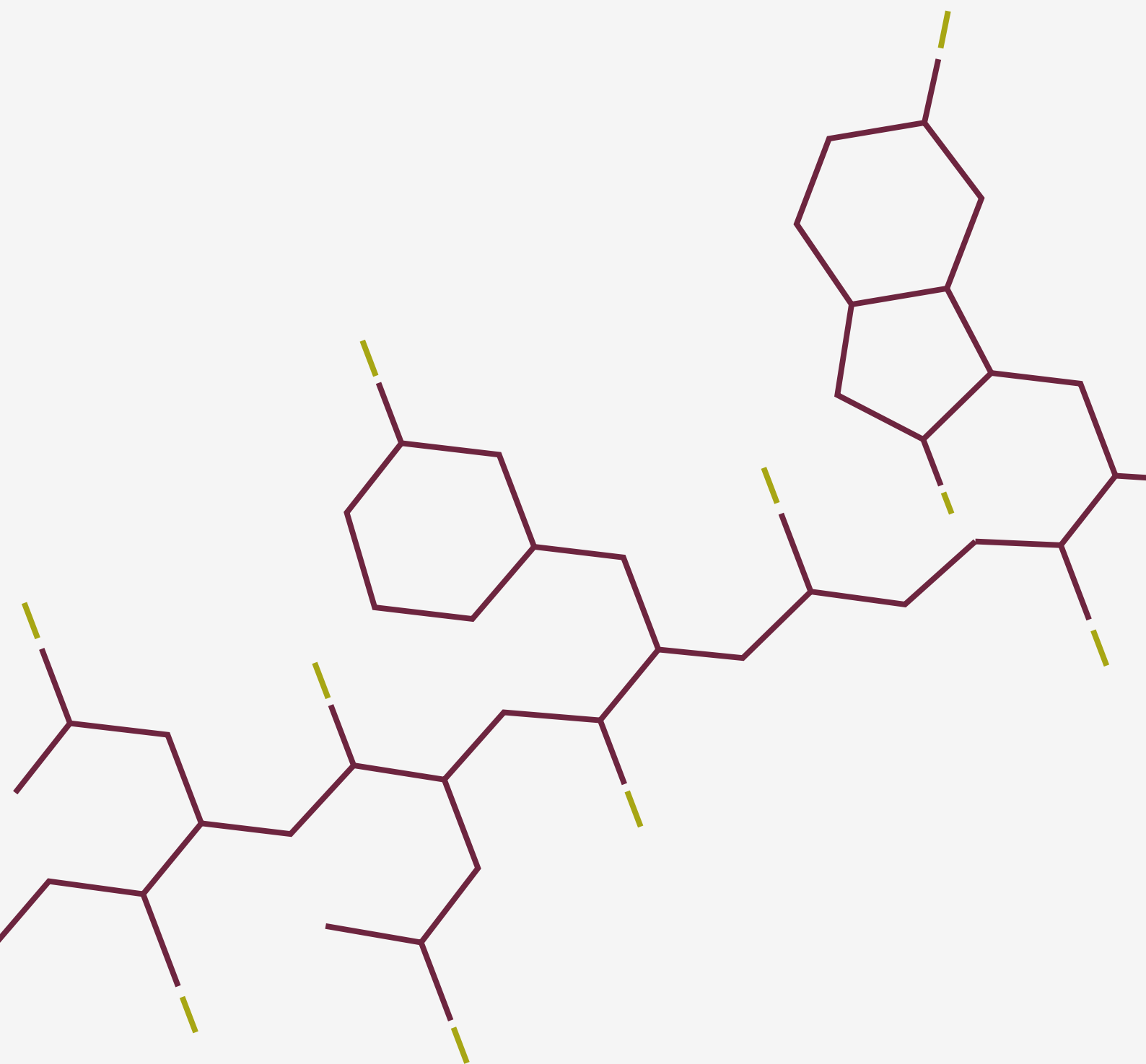


22

ANNUAL REPORT

A focused CDMO for peptides and oligonucleotides

INNOVATION | EXCELLENCE | TRUST



Corporate Governance Report

33	Corporate Governance Report 2022
34	Group structure and shareholders
38	Capital structure
43	Board of Directors
67	Executive Committee
73	Compensation, shareholdings and loans
74	Shareholders' participation rights
78	Change of control and defense measures
79	Auditors
81	Information policy
83	Quiet periods (Blocked periods)

Corporate Governance Report 2022

We are committed to the highest principles of good corporate governance, which we believe will provide a sustainable framework for realizing our strategy and objectives while at the same time strengthening our relationship with shareholders, employees, customers, suppliers and other business partners. Through accountability, transparency, fairness and responsibility, we strive to create an appropriate balance between management and control, while at the same time aligning with the interests of our stakeholders.

Our Corporate Governance Report 2022 provides information on corporate governance in accordance with the SIX Swiss Exchange Directive on Information relating to Corporate Governance ("DCG"), the Swiss Ordinance against Excessive Compensation with respect to Listed Stock Corporations ("OaEC")¹ and the principles of the Swiss Code of Best Practice for Corporate Governance issued by *economiesuisse*.² The information contained herein generally follows the structure of the annex of the DCG.

All information within this Corporate Governance Report 2022 refers to the Company's organization, Articles of Association³ and Organizational Regulations⁴ that were in effect as of 31 December 2022 (unless otherwise stated).⁵

¹ As part of the reform of Swiss corporate law, the provisions on compensation from the OaEC were incorporated into the Swiss Code of Obligations ("CO") with effect as of 1 January 2023, and the OaEC was repealed as of the same date. For the year ended 31 December 2022, the OaEC remained in force.

² In its version as approved by the board of *economiesuisse* on 28 August 2014.

³ PolyPeptide Group AG's Articles of Association are available at <https://www.polypeptide.com/investors/results-center/>.

⁴ PolyPeptide Group AG's Organizational Regulations are available at <https://www.polypeptide.com/investors/results-center/>.

⁵ In line with the new regulations arising from the reform of Swiss corporate law, PolyPeptide Group AG (the "Company") will propose conforming amendments to its Articles of Association at the upcoming AGM 2023, such amendments to be set out in the invitation and agenda. Thereafter, the Board of Directors plans to amend relevant other regulations of the Company, in particular the Company's Organizational Regulations.

1 Group structure and shareholders

1.1 Group structure

1.1.1 Our Group's operational structure

We are a leading global independent contract development and manufacturing organization ("CDMO") focused on innovative peptides and oligonucleotides employed as the active pharmaceutical ingredient (*i.e.*, APIs) and used as intermediates in therapeutic products.

We are organized as a group of companies, and PolyPeptide Group AG (the "Company") is the ultimate parent company with its headquarters in Baar, Canton of Zug, Switzerland.

Our shareholders have the final say at PolyPeptide, and they exercise their rights at the general meeting. Our Board of Directors is directly accountable and reports to our shareholders by whom it is individually and annually elected.

In accordance with our Articles of Association⁶, the Board of Directors determines our strategic direction as well as supervises the persons responsible for conducting PolyPeptide's business and achieving our strategic objectives. As provided for in the Company's Organizational Regulations⁷, the Board of Directors has delegated the responsibility and authority necessary or appropriate for carrying out the day-to-day and operational activities of PolyPeptide to the Executive Committee.

Under the leadership of the CEO, the Executive Committee is comprised of the CEO, CFO, the Director of Global Sales and Marketing, the Director of Global Operations and the General Counsel. The Executive Committee is further supported by additional members of senior management with deep industry experience who are designated and appointed by the CEO and who, together with members of the Executive Committee, form the PolyPeptide Management Committee. The PolyPeptide Management Committee prepares, informs and coordinates the implementation of the decisions of the CEO and the Executive Committee within their respective operational spheres.

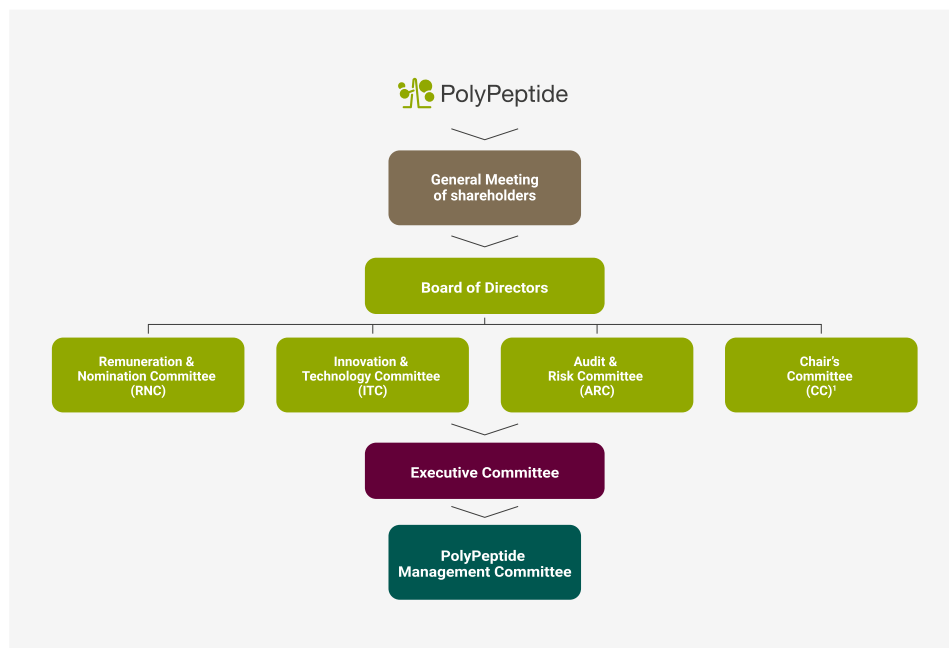
In 2022, the PolyPeptide Management Committee comprised the Executive Committee together with the Director Global Innovation & Technology, Chief Human Resources Officer (who joined during the first half of 2022), Director Global Quality, Director Global Development / Regulatory / IP and Head of Investor Relations and Corporate Communications. The members of our PolyPeptide Management Committee are based across PolyPeptide's sites in Europe and the US.

Complementing our senior management team is our highly qualified and committed workforce. In 2022, we employed an average of 1,139 FTEs across our headquarters in Switzerland and six (6) manufacturing sites in the US, Europe and India that served our clients' custom projects, contract manufacturing and generics and cosmetics needs throughout the world. For information regarding our custom projects, contract manufacturing and generics and cosmetics business areas, please refer to the [chapter Strategy–Business Model](#) and [note 3 "Revenue and expenses"](#) of the consolidated financial statements in the Financial Report 2022.

⁶ PolyPeptide Group AG's Articles of Association are available at <https://www.polypeptide.com/investors/results-center/>.

⁷ PolyPeptide Group AG's Organizational Regulations are available at <https://www.polypeptide.com/investors/results-center/>.

Governance bodies



¹ Established 30 November 2022.

1.1.2 Listing and capitalization

PolyPeptide Group AG, with its registered office at Neuhofstrasse 24, 6340 Baar, Switzerland, is a stock corporation (*Aktiengesellschaft*), in accordance with art. 620 et. seq. of the Swiss Code of Obligations (the "CO"). It was incorporated on 6 April 2021 and registered with the commercial register of the Canton of Zug on 7 April 2021 under the company registration number CHE-159.266.771.

The shares of the Company have been listed on SIX Swiss Exchange (ISIN CH1110760852, ticker symbol: PPGN, valor number: 111 076 085) since 29 April 2021. On 31 December 2022, the market capitalization (excluding treasury shares) of the Company's shares amounted to CHF 833,681,383. Except for the Company, there are no other listed companies belonging to PolyPeptide.

With the exception of the Company's treasury shares (see [section 2.1 "Company's ordinary share capital" of this Corporate Governance Report](#)), which are held by the Company itself, no shares of the Company are owned by any other PolyPeptide subsidiary.

1.1.3 Non-listed companies belonging to PolyPeptide

The Company's only direct shareholding is in Polypeptide Laboratories Holding (PPL) AB, which directly or indirectly wholly owns the other companies of the PolyPeptide group. The table below sets forth, as of 31 December 2022, the name, registered office, ownership interest and share capital of all direct and indirect subsidiaries that the Company consolidates.

Non-listed direct and indirect subsidiaries of PolyPeptide Group AG¹

Company name	Registered office	Country	Interest held (%)	Share capital	Currency
Polypeptide Laboratories Holding (PPL) AB	Limhamn, Malmö	Sweden	100%	18,264.84	EUR
Polypeptide Laboratories (Sweden) AB	Limhamn, Malmö	Sweden	100%	11,500,000	SEK
PolyPeptide SA	Braine-l'Alleud	Belgium	100%	40,000,000	EUR
PolyPeptide Laboratories France S.A.S.	Strasbourg	France	100%	9,000,000	EUR
PolyPeptide Laboratories Pvt. Ltd.	Ambernath (East)	India	100%	603,788,800	INR
PolyPeptide Laboratories Inc.	Torrance, CA	USA	100%	7	USD
PolyPeptide Laboratories San Diego, LLC ²	San Diego, CA	USA	100%	n/a	USD
PolyPeptide Laboratories A/S ³	Hillerød	Denmark	100%	20,000,000	DKK

¹ PolyPeptide Laboratories GmbH was merged through a cross-border merger into Polypeptide Laboratories Holding (PPL) AB as recorded in the Swedish Companies Registration Office on 16 August 2022 and in the German Commercial Register of the Hamburg Local Court on 24 August 2022.

² PolyPeptide Laboratories San Diego, LLC is a wholly owned subsidiary of PolyPeptide Laboratories Inc.

³ PolyPeptide Laboratories A/S is a dormant company.

1.2 Significant shareholders

To the best of the Company's knowledge, the following shareholders had holdings reaching or exceeding 3% or more of the voting rights in the Company as of 31 December 2022, as notified in accordance with art. 120 of the Swiss Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (the "FMIA"):

Shareholder (beneficial owner / direct shareholder) ¹	Number of shares	% of voting rights
Cryosphere Foundation (St. Peter Port, Guernsey) / Draupnir Holding B.V. (Hoofddorp, The Netherlands) ²	18,582,406	56.10
T. Rowe Price Associates, Inc. (Baltimore, MD, USA) ³	1,430,263	4.31
Rudolf Maag (Binningen BL, Switzerland) ⁴	1,100,000	3.32
Premier Fund Managers Limited (Guildford, Surrey, UK) ⁵	1,073,211	3.24
Premier Portfolio Managers Limited (Guildford, Surrey, UK) / Premier Miton European Opportunities Fund ⁶	1,002,111	3.03

¹ The number of shares shown in this Corporate Governance Report and the holding percentages are based on the last disclosure of shareholding communicated by the respective shareholder to the Company and the Disclosure Office of SIX Exchange Regulation (SER). The number of shares held by the relevant shareholder may have changed since the date of such shareholder's notification. Any reportable changes since the date hereof can also be found on the website of SER, which also includes the individual reports of the significant shareholders: <http://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html/>.

² Disclosure notice of 9 December 2022. The notification included shares held by the Company (PolyPeptide Group AG, Baar, Zug, Switzerland) as well as sale positions by the Company pursuant to the long-term incentive plan representing 0.03% of voting rights corresponding to the maximum award of 9,909 performance share units. Mr. Frederik Paulsen (Lausanne, Switzerland) is at present the principal beneficiary of Cryosphere Foundation. See [section 2.1 "Company's ordinary share capital" of this Corporate Governance Report](#), for information regarding the treasury shares held by the Company as of 31 December 2022 and [section 5.1.4 "Long-term incentive program" of the Remuneration Report 2022](#) for information regarding the long-term incentive plan.

³ Disclosure notice of 13 December 2022. The Company received an updated disclosure notice of 10 January 2023 indicating that the reported shareholding had fallen below 3%.

⁴ Disclosure notice of 4 May 2021.

⁵ Disclosure notice of 9 December 2022.

⁶ Disclosure notice of 9 December 2022.

Notifications made in accordance with art. 120 FMIA during the 12 months preceding 31 December 2022, can be viewed at: <http://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html/>.

To the best of the Company's knowledge, as of 31 December 2022, there are no shareholders' agreements in force.

1.3 Cross-shareholdings

The Company does not have any cross-shareholdings exceeding 5% of the capital or voting rights with any other company.

2 Capital structure

2.1 Company's ordinary share capital

As of 31 December 2022, the share capital of the Company amounted to CHF 331,250.01 and was divided into 33,125,001 registered shares (*vinkulierte Namenaktien*) with a nominal value of CHF 0.01 each. The share capital is fully paid-up.

As of 31 December 2022, the Company held 199,196 treasury shares, representing 0.6013% of the Company's share capital. The Company purchased the treasury shares for the first time during the initial public offering (the "IPO") as part of the preferential allocation and purchased additional treasury shares during the course of 2022 to support PolyPeptide's share-based remuneration programs (see [section 4 "Compensation framework for the Board of Directors"](#) and [section 5.1.4 "Long-term incentive program"](#) of the Remuneration Report 2022).

2.2 Conditional share capital and authorized share capital of the Company

Below are summaries of the Company's conditional share capital ([art. 3a of the Articles of Association](#)) and two categories of authorized share capital ([art. 3b and 3c of the Articles of Association](#)) as of 31 December 2022.

2.2.1 Conditional share capital for employee participations

According to [art. 3a of the Articles of Association](#), the share capital of the Company may be increased by up to CHF 6,000 by the issuance of up to 600,000 fully paid-up registered shares with a nominal value of CHF 0.01 each, upon the exercise of option rights or in connection with similar rights regarding shares (including performance stock units (PSU) and / or restricted stock units (RSU)) granted to officers and employees at all levels of the Company and its group companies according to respective regulations and resolutions of the Board of Directors. The pre-emptive rights and the advance subscription rights of the shareholders shall be excluded. The acquisition of registered shares based on [art. 3a of the Articles of Association](#) and every subsequent transfer of these registered shares shall be subject to the transfer restrictions pursuant to [art. 5 of the Articles of Association](#). The conditions for the allocation and exercise of the option rights and other rights regarding shares from [art. 3a of the Articles of Association](#) are determined by the Board of Directors. The shares may be issued at a price below the respective market price.

The conditional share capital was created at the general meeting on 6 April 2021. If fully utilized, the maximum amount of this conditional share capital (i.e., CHF 6,000) would equal approximately 1.8% of the existing share capital. The time period for an increase of the Company's share capital pursuant to [art. 3a of the Articles of Association](#) is unlimited. As of 31 December 2022, no shares have been issued out of conditional share capital.

2.2.2 Authorized share capital for financing and acquisitions

According to [art. 3b of the Articles of Association](#), the Board of Directors shall be authorized to increase the share capital by a maximum amount of CHF 29,999.99 by issuing a maximum of 2,999,999 fully paid in registered shares with a par value of CHF 0.01 each. Increases in partial amounts shall be permissible. The subscription and acquisition of the new registered shares and every subsequent transfer of these registered shares shall be subject to the transfer restrictions pursuant to [art. 5 of the Articles of Association](#).

The Board of Directors shall determine the issue price, the type of contribution, the date of issue, the conditions for the exercise of pre-emptive rights and the beginning date for dividend entitlement. In this regard, the Board of Directors may issue new registered shares by means of a firm underwriting through a financial institution, a syndicate of financial institutions or another third party and a subsequent offer of these shares to the existing shareholders or third parties (if the pre-emptive rights of the existing shareholders have been denied or have not

been duly exercised). The Board of Directors is entitled to permit, to restrict or to exclude the trade with pre-emptive rights. It may permit the expiration of pre-emptive rights that have not been exercised, or it may place such rights or shares as to which pre-emptive rights have been granted, but not exercised, at market conditions or may use them otherwise in the interest of the Company.

The Board of Directors is further authorized to restrict or withdraw pre-emptive rights of existing shareholders and allocate such rights to third parties, the Company or any of its group companies for the acquisition of companies, businesses or participations or for investment projects of the Company or any of its group companies, or for the financing or refinancing of any of such transactions through a placement of shares.

The authorized share capital was created at the general meeting on 6 April 2021. If fully utilized, the maximum amount of this authorized share capital (i.e., CHF 29,999.99) would equal approximately 9.1% of the existing share capital. The authority of the Board of Directors to increase the Company's share capital by issuing shares out of the Company's authorized share capital according to [art. 3b of the Articles of Association](#) lasts until 5 April 2023.

2.2.3 Authorized share capital for IPO

According to [art. 3c of the Articles of Association](#), the Board of Directors shall be authorized to increase the share capital by a maximum amount of CHF 13,750 by issuing a maximum of 1,375,000 fully paid in registered shares with a par value of CHF 0.01 each for purposes of a placement of shares in an initial public offering (IPO), including in connection with an over-allotment option. Increases in partial amounts shall be permissible.

The Board of Directors shall determine the issue price, the type of contribution, the date of issue, the conditions for the exercise of pre-emptive rights and the beginning date for dividend entitlement. In this regard, the Board of Directors may issue new registered shares by means of a firm underwriting through a financial institution, a syndicate of financial institutions or another third party and a subsequent offer of these shares to the existing shareholders or third parties (if the pre-emptive rights of the existing shareholders have been denied or have not been duly exercised).

The Board of Directors is authorized to restrict or withdraw pre-emptive rights of existing shareholders and allocate such rights to third parties, the Company or any of its group companies for purposes of the placement of shares and / or the granting of an over-allotment option in the initial public offering.

The authorized share capital was created at the general meeting on 6 April 2021. If fully utilized, the maximum amount of this authorized share capital (i.e., CHF 13,750) would equal approximately 4.2% of the existing share capital. The authority of the Board of Directors to increase the Company's share capital by issuing shares out of the Company's authorized share capital according to [art. 3c of the Articles of Association](#) lasts until 5 April 2023.

2.3 Changes in share capital

The Company was incorporated on 6 April 2021, at which time the issued share capital amounted to CHF 300,000, divided into 30,000,000 fully paid in registered shares with a nominal value of CHF 0.01 each. In connection with the IPO and the reorganization of the Group, on 28 April 2021, the Company's issued share capital was increased by CHF 31,250.01 as a result of the issuance of 3,125,001 shares with a nominal value of CHF 0.01 each out of authorized share capital, resulting in a share capital of CHF 331,250.01, divided into 33,125,001 registered shares with a nominal value of CHF 0.01 each as of 31 December 2022. Specifically, 3,125,000 shares were issued out of [art. 3c of the Articles of Association](#) in relation to the shares issued and sold by the Company in the IPO and one share was issued out of [art. 3b of the Articles of Association](#) following the contribution in kind of 50,000,000 shares of PolyPeptide Laboratories Holding B.V. from Draupnir Corporation S.à r.l.⁸

⁸ For a more comprehensive description of the contribution in kind agreement of 28 April 2021, refer to [art. 33 of the Articles of Association](#).

2.4 Shares and participation certificates

As of 31 December 2022, the share capital of the Company amounted to CHF 331,250.01 and was divided into 33,125,001 registered shares (*vinkulierte Namenaktien*) with a nominal value of CHF 0.01 each, all fully paid-up.

Subject to the Percentage Limit described in [art. 5 para. 3 of the Articles of Association](#) and provided that its holder or usufructuary has been duly entered into the share register as a shareholder with voting rights on or before the relevant Record Date, each share carries one vote at a shareholders' meeting. Aside from the limitations described in the preceding sentence, the shares rank *pari passu* in all other respects with each other, including in respect of entitlements to dividends, to a share in the liquidation proceeds in the case of a liquidation of the Company and to pre-emptive rights. Dividend and voting rights are suspended for treasury shares held by the Company.

The Company issues its registered shares only as uncertificated securities (*Wertrechte*) within the meaning of art. 973c CO, and registers them as book-entry securities (*Bucheffekten*) within the meaning of the Federal Act on Intermediated Securities (FISA). In accordance with art. 973c CO, the Company maintains a non-public register of uncertificated securities (*Wertrechtbuch*).

Shareholders have no right to request conversion of the form in which registered shares are issued into another form. Each shareholder may, however, at any time require from the Company a confirmation relating to their current shareholding, as reflected in the Company's share register (*Aktienbuch*).

The Company has not issued any participation certificates (*Partizipationsscheine*).

2.5 Dividend-right certificates

The Company has not issued any dividend-right certificates (*Genussscheine*).

2.6 Limitations on transferability and Nominee registrations⁹

[Art. 5 of the Articles of Association](#) contains restrictions on shareholders' possibility to be entered into the Company's share register as a shareholder with voting rights and on the registration of nominees ("Nominees").¹⁰

2.6.1 Limitations on transferability

According to [art. 5 para. 2 of the Articles of Association](#), persons acquiring shares shall on application be entered in the share register without limitation as shareholders with voting rights, provided they expressly declare themselves to have acquired the shares in their own name and for their own account and comply with the disclosure requirements stipulated by the FMIA. Entry in the share register as a shareholder with voting rights is subject to the approval of the Company.

⁹ This section 2.6 provides a summary of the limitations on transferability of the Company's shares and Nominee registrations. See [art. 5 of the Articles of Association](#) for more information.

¹⁰ Legal entities or partnerships or other associations or joint ownership arrangements which are linked through capital ownership or voting rights, through common management or in a similar manner, as well as individuals, legal entities or partnerships (especially syndicates) that act in concert are considered as one shareholder or Nominee according to [art. 5 para. 7 of the Articles of Association](#).

Entry in the share register as a shareholder with voting rights may be refused based on the grounds set out in [art. 5 paras 3-7 of the Articles of Association](#). If the Company does not refuse to register the acquirer as shareholder with voting rights within 20 calendar days upon receipt of the application, the acquirer is deemed to be a shareholder with voting rights. Non-recognized acquirers shall be entered in the share register as shareholders without voting rights. The corresponding shares shall be considered as not represented in the general meeting.

The Board of Directors may, according to [art. 5 para. 3 of the Articles of Association](#), refuse the registration in the share register as a shareholder with voting rights if an acquirer would as a result of the recognition as a shareholder with voting rights directly or indirectly acquire, or hold in the aggregate, more than 10 percent of the registered shares recorded in the commercial register (the "Percentage Limit").

The Board of Directors may enter the registration with voting rights in the share register according to [art. 5 para. 4 of the Articles of Association](#) even if 10 percent of the registered shares recorded in the commercial register are exceeded, (i) for shareholders who held or were allotted more than 10 percent of the registered shares recorded in the commercial register before completion of the IPO and only to the extent they held or were allotted such registered shares at that time and their respective legal successors ("Incumbent Shareholders"); (ii) if an Incumbent Shareholder (or his legal successor, respectively) acquires additional registered shares after the IPO; or (iii) if (A) a spouse, descendent, parent, sibling or an affiliated person of an Incumbent Shareholder (or his legal successor, respectively) or (B) any other acquirer acquires registered shares from an Incumbent Shareholder (or his legal successor, respectively) off-market, but in each case only to the extent such registered shares held by such Incumbent Shareholder (or his legal successor, respectively) had been registered with voting rights in the share register.

According to [art. 5 para. 6 of the Articles of Association](#) and subject to art. 652b para. 3 CO, the described limit for registration also applies to the subscription for or acquisition of registered shares by exercising pre-emptive, option or convertible rights arising from shares or any other securities issued by the Company or third parties.

According to [art. 5 para. 7 of the Articles of Association](#) legal entities or partnerships or other associations or joint ownership arrangements which are linked through capital ownership or voting rights, through common management or in like manner, as well as individuals, legal entities or partnerships (especially syndicates) which act in concert are considered as one shareholder or nominee.

The Company may in special cases approve exceptions to the above restrictions ([art. 5 para. 3, 4 and 5 of the Articles of Association](#)). After due consultation with the persons concerned, the Company is further authorized to delete entries in the share register as shareholder with voting rights with retroactive effect if they were effected on the basis of false information or if the respective person does not provide the information pursuant to [art. 5 para. 3 of the Articles of Association](#). The concerned person has to be immediately informed about the deletion. Until an acquirer of shares becomes a shareholder with voting rights for the shares in accordance with [art. 5 of the Articles of Association](#), he/she may neither exercise the voting rights connected with the shares nor other rights associated with the voting rights.

For so long as the Company's shares are issued as uncertificated securities and registered as book-entry securities, the transfer of shares and the granting of security rights must be made in accordance with FISA. The transfer of book-entry securities or the granting of security rights on book-entry securities by way of assignment is excluded.

2.6.2 Exceptions granted in the period under review

The Company may in special cases approve exceptions to the restrictions as set out in [art. 5 \(Share Register, Transfer Restrictions\)](#) of the Articles of Association.

As of 31 December 2022, no exceptions under [art. 5 of the Articles of Association](#) have been granted during the period under review.

2.6.3 Admissibility of Nominee registrations

According to [art. 5 para. 5 of the Articles of Association](#), persons not expressly declaring themselves to be holding the shares for their own account in their application for entry in the share register or upon request by the Company (hereafter referred to as "Nominees") shall be entered in the share register as shareholders with voting rights without further inquiry up to a maximum of 3.0% of the share capital outstanding at that time. Subject to [art. 5 para. 3 of the Articles of Association](#) (see also [section 6 "Shareholders' participation rights" of this Corporate Governance Report](#)), above this limit, registered shares held by Nominees shall be entered in the share register with voting rights only if in its application for registration, or thereafter upon request by the Company, the Nominee discloses the names, addresses and shareholdings of the persons for whose account the Nominee is holding 0.5% or more of the share capital outstanding at that time and provided that the disclosure requirements stipulated by the FMIA are complied with. The Board of Directors has the right to conclude agreements with Nominees concerning their disclosure requirements.

According to [art. 5 para. 6 of the Articles of Association](#) and subject to [art. 652b para. 3 CO](#), the described limit for registration also applies to the subscription for or acquisition of registered shares by exercising pre-emptive, option or convertible rights arising from shares or any other securities issued by the Company or third parties.

The Company may in special cases approve exceptions to the above restrictions according to [art. 5 para. 8 of the Articles of Association](#). After due consultation with the persons concerned, the Company is further authorized to delete entries in the share register as shareholder with voting rights with retroactive effect if they were effected on the basis of false information or if the respective person does not provide the information pursuant to [art. 5 para. 3 of the Articles of Association](#). The concerned person has to be immediately informed about the deletion. Until an acquirer of shares becomes a shareholder with voting rights for the shares in accordance with [art. 5 of the Articles of Association](#), he/she may neither exercise the voting rights connected with the shares nor other rights associated with the voting rights. As of 31 December 2022, no exceptions under [art. 5 of the Articles of Association](#) have been granted during the period under review.

2.6.4 Procedure and conditions for cancelling transferability privileges and limitations

The easement or abolition of the restrictions of the transferability of the registered shares requires a resolution of a shareholders' meeting passed by at least two thirds of the represented share votes and an absolute majority of the par value of represented shares (see [art. 12 of the Articles of Association](#)).

2.7 Convertible bonds and options

As of 31 December 2022, the Company has not issued any bonds or options regarding its shares.

For information regarding the granting of Performance Share Units (PSUs) to selected employees of PolyPeptide, please refer to [section 5.1.4 "Long-term incentive program" of the Remuneration Report 2022](#).

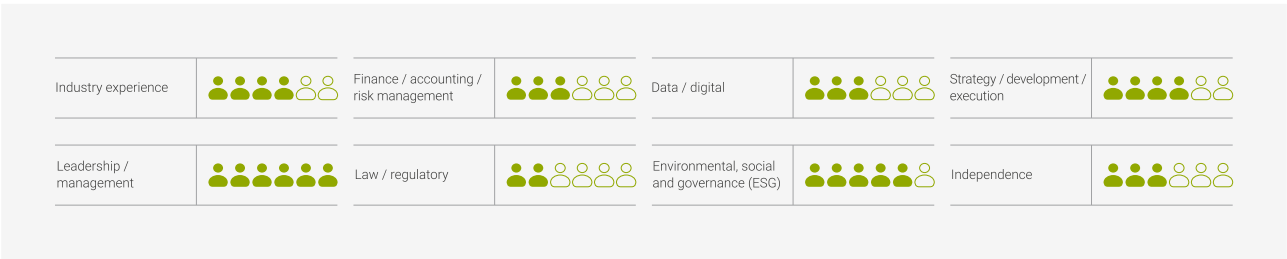
3 Board of Directors

The Board of Directors is responsible for PolyPeptide’s overall direction and oversight of management, and holds the ultimate decision-making authority, with the exception of matters reserved for shareholders.

We believe that the composition of our Board of Directors should reflect PolyPeptide’s objectives, strategic requirements, geographical reach and its culture. The Board of Directors should further be diverse in terms of gender, nationality, geographical / regional and business experience.

In furtherance of this, the Board of Directors has determined a wide range of skills to ensure that all members are well qualified, committed and willing to devote the necessary time and effort to effectively perform their responsibilities. Based on the defined set of competencies, the Board members were asked to identify their key skills highlighted by their educational and professional background and personal achievements, as illustrated in the chart below.

Board skills distribution



The Remuneration and Nomination Committee regularly assesses the set of competencies as well as each Director’s contributions to ensure that an appropriate mix of skills, expertise and diversity is represented on the Board of Directors and its Committees. In addition, the Remuneration and Nomination Committee, together with the Board of Directors, actively considers gender diversity in succession planning of the Board of Directors as well as of the Executive Committee.

3.1 Members of the Board of Directors

There has been no change in the Board of Directors in the reporting year. Each Director stood for re-election at the general meeting 2022 ("AGM 2022") and was approved by the shareholders. Thus, as of 31 December 2022, the Board consisted of six (6) non-executive Directors (including the Chairman and the Lead Independent Director), three (3) of which are independent as outlined below:

Name	Position	First election	End of term
Peter Wilden	Chairman, Non-executive ¹	2021	AGM 2023
Patrick Aebischer	Vice-Chairman, Non-executive and Lead Independent Director ^{2,3}	2021	AGM 2023
Jane Salik	Member, Non-executive ⁴	2021	AGM 2023
Erik Schropp	Member, Non-executive	2021	AGM 2023
Beat In-Albon	Member, Non-executive and Independent ²	2021	AGM 2023
Philippe Weber	Member, Non-executive and Independent ^{2,5}	2021	AGM 2023

¹ As announced on 30 January 2023, Raymond De Vré resigned as CEO, and Dr. Peter Wilden assumed the role of Executive Chairman with immediate effect. Dr. Wilden's role as Executive Chairman is expected to be limited in nature to actively manage the CEO succession and assure business continuity.

² The term "independent" is interpreted in accordance with art. 14 of the Swiss Code of Best Practice for Corporate Governance. In addition, [section 4\(d\) of the Organizational Regulations](#) further specifies that (i) a Director shall be deemed to have no or comparatively minor business relations with any member of the Group as long as such Director is not receiving more than CHF 120,000 during any 12-month period in direct compensation from any member of the Group (other than director fees and related compensations), and (ii) the Director is not a current executive officer of a company that made payments to, or received payments from any member of the Group for property or services in an amount which, in any of the last three fiscal years, exceeded the greater of CHF 200,000 or 5% of the recipient company's consolidated gross revenues for that year, and (iii) the Director has not held any executive position within the Company during the past three years, and (iv) the Director does not represent a shareholder that holds more than 15% of the Company's shares.

³ Dr. Patrick Aebischer has been a Senior Partner and member of the Investment Advisory Committee of NanoDimension Management Limited since 2017. In 2021, PolyPeptide committed to a limited investment in a partnership managed by NanoDimension Management Limited. Dr. Aebischer abstained from voting on this item. The indirect business relationship between PolyPeptide and Dr. Aebischer resulting from said commitment is considered comparatively minor. Thus, Dr. Aebischer is considered independent within the meaning of art. 14 Swiss Code of Best Practice for Corporate Governance and [section 4\(d\) of the Organizational Regulations](#).

⁴ Jane Salik (Member) served as the CEO of PolyPeptide from 2006 until 29 April 2021 and was a member of the Executive Committee of PolyPeptide from 2006 until 17 August 2021. Prior to her resignation from the Executive Committee on 17 August 2021, she was considered an executive member of the Board.

⁵ Philippe Weber is a Partner at Niederer Kraft Frey AG (NKF), which acted as legal adviser to PolyPeptide in connection with its IPO and other ordinary course corporate legal matters. Refer to [section 4.2 "Compensation of the Board of Directors" of the Remuneration Report 2022](#) for disclosure of the fees received by NKF in relation to these ordinary course legal matters. The business relationship between PolyPeptide and Mr. Weber is considered comparatively minor. Thus, Mr. Weber is considered independent within the meaning of art. 14 Swiss Code of Best Practice for Corporate Governance and [section 4\(d\) of the Organizational Regulations](#).

PolyPeptide believes that the composition of its Board of Directors and Committees with regard to independence and competences fairly reflects and balances the interests of its shareholders and other stakeholders.

Set out below is a short description of the business experience, education and activities of each director.

Peter Wilden

Chairman since 2021

Non-executive¹¹

Nationality: **German**

Year of birth: **1957**

Professional background

Beginning in 1991, Dr. Wilden held various senior roles within the Ferring Group, ultimately serving as Executive Vice President and CFO of Ferring Pharmaceuticals between 2000 and 2017. During his tenure with the Ferring Group, Dr. Wilden also served as member of the board of directors for various subsidiaries of the Ferring Group. Following his resignation as Executive Vice President and CFO in 2017, Dr. Wilden has continued to hold various directorships and advisory roles within the Ferring Group. Due to the Group's ongoing business relationship with the Ferring Group, which is also considered a related party, Dr. Wilden is assessed as not independent.¹²

As announced on 30 January 2023, Raymond De Vré resigned as CEO, and Dr. Peter Wilden assumed the role of Executive Chairman with immediate effect. Dr. Wilden's role as Executive Chairman is expected to be limited in nature to actively manage the CEO succession and assure business continuity.

Prior positions at PolyPeptide

- None

Outside mandates at listed companies

- None

Outside mandates at non-listed companies

- Executive Chairman of Ferring International Center SA, Switzerland (since 2002)

Outside mandates at non-profit organizations

- Director of the Suisse Polar Foundation, Switzerland (since 2018)
- Chairman of Project HOPE Suisse International Foundation, Switzerland (since 2015)
- Director / Vice-Chairman of Project HOPE, USA (since 2012)

Former outside activities and functions

- Vice-Chairman of Schlumberger AG, Austria (2014–2022)
- Director of Ferring Ventures SA (previously named Trizell Holding SA), Switzerland (2014–June 2021)
- Director / Chairman of the Audit Committee / Vice-Chairman of Lonza Group AG, Switzerland (2004–2014)
- Executive Vice-President and CFO of Ferring Pharmaceuticals, Switzerland (2000–2017)
- Director of Trace Biotech AG, Germany (1999–2002)
- Director of Group Finance of Ferring BV, The Netherlands (1995–2000)



¹¹ As announced on 30 January 2023, Dr. Peter Wilden assumed the role of Executive Chairman.

¹² Ferring Group is disclosed in [note 22 to the consolidated financial statements](#) as a related party because it is related to the Company through the Esperante Investments Group ownership structure. For further information, see [note 22 "Related parties" of the consolidated financial statements in the Financial Report 2022](#).

- Vice-President Finance & Accounting and Technical Operations of Ferring Arzneimittel GmbH, Germany (1993–1996)
- Director of Finance at Ferring Arzneimittel GmbH, Germany (1991–1993)
- IT Consultant at MaK Data System GmbH (within the Krupp Steel Group), Germany (1988–1991)
- Management Assistant, Krupp MaK Maschinenbau GmbH, Germany (1986–1988)
- Scientific Assistant within the IT-Group at the Institute of World Economics, Germany (1983–1986)
- Tax Inspector at the Inland Revenue Service, Germany (1980–1981)

Education

- PhD in Economics, University of Kiel, Germany (1991)
- MBA in Industrial Economics, University of Kiel, Germany (1986)
- Education Tax Inspector at the German Inland Revenue Service, Germany (1977–1980)

Key skills: Industry experience; Leadership / management; Finance / accounting / risk management; Data / digital; Environmental, social and governance (ESG); Strategy / development / execution

Patrick Aebischer

Vice-Chairman and Lead Independent Director since 2021¹³
Non-executive

Nationality: **Swiss**
Year of birth: **1954**

Professional background

Since 2000, Dr. Aebischer has served as a Professor of Neurosciences at the Swiss Federal Institute of Technology Lausanne (EPFL), Switzerland. He has received numerous honors, including the Robert Bing Prize of the Swiss Academy of Medicine and the Pfizer Foundation Prize for Clinical Neurosciences. Dr. Aebischer holds various academic advisory positions as well as various positions in non-profit foundations and scientific advisory boards.

Prior positions at PolyPeptide

- None

Outside mandates at listed companies

- Director of Logitech SA, Switzerland (since 2016)
- Director of Nestlé SA, Switzerland (since 2015)

Outside mandates at non-listed companies

- Director of Swiss Vaccine SA, Switzerland (since 2022)
- Chairman of Vandria SA, Switzerland (since 2021)
- Senior Partner of NanoDimension Management Limited, Cayman Islands (since 2017)
- Chairman of the Novartis Venture Fund, Switzerland (since 2014)
- Chairman of Amazentis SA, Switzerland (since 2007)



¹³ Dr. Patrick Aebischer has been a Senior Partner and member of the Investment Advisory Committee of NanoDimension Management Limited since 2017. In 2021, PolyPeptide committed to a limited investment in a partnership managed by NanoDimension Management Limited. Dr. Aebischer abstained from voting on this item. The indirect business relationship between PolyPeptide and Dr. Aebischer resulting from said commitment is considered comparatively minor. Thus, Dr. Aebischer is considered independent within the meaning of art. 14 Swiss Code of Best Practice for Corporate Governance and [section 4\(d\) of the Organizational Regulations](#).

Outside mandates at non-profit organizations

- Director of Fondation «Geneva Science & Diplomacy Anticipator», Switzerland (since 2019)
- Director of Fondation du domaine de Villette, Switzerland (since 2018)
- Chairman of Fondation ArtTech, Switzerland (since 2017)
- Director of Fondation Defitech, Switzerland (since 2017)
- Chairman of Swiss Polar Foundation, Switzerland (since 2016)
- Director of Fondation Claude Nobs, Switzerland (since 2015)
- Director of Fondation du Festival de Verbier, Switzerland (since 2015)

Former outside activities and functions

- Director of Lonza Group AG, Switzerland (2008–2020)
- Professor of Neurosciences, Swiss Federal Institute of Technology Lausanne (EPFL), Switzerland (2000–2019)
- President of EPFL, Switzerland (2000–2016)
- Founding scientist and Director of Modex Therapeutiques Inc., Switzerland (IPO 2000 on SIX) (1996–2004)
- Professor and Medical Director of the Surgical Research Division at Lausanne University Medical School Hospital (1992–2000)
- Founding scientist of CytoTherapeutics Inc., USA (IPO 1996 on NASDAQ) (1989–1999)
- Professor, Brown University, USA (1986–1992)

Education

- Dr. in Medicine, University of Geneva, Switzerland (1983)
- MD, University of Geneva, Switzerland (1980)

Key skills: Industry experience; Leadership / management; Data / digital; Environmental, social and governance (ESG); Strategy / development / execution; Independence

Erik Schropp

Member since 2021
Non-executive

Nationality: **Dutch**
Year of birth: **1964**

Professional background

Currently, Mr. Schropp is CEO of Esperante Investments Group and a director of Draupnir Holding B.V. (one of the Company's significant shareholders, see [section 1.2 "Significant shareholders" of this Corporate Governance Report](#)).¹⁴ As a result of these roles, Mr. Schropp is assessed as not independent.

Prior positions at PolyPeptide

- Director of PolyPeptide Laboratories Holding B.V., The Netherlands, and PolyPeptide Laboratories Holding (PPL) AB, Sweden (2017–2021)

Outside mandates at listed companies

- None



¹⁴ Draupnir Holding B.V. is disclosed in [note 22 to the consolidated financial statements](#) as a related party because it is related to the Company through the Esperante Investments Group ownership structure. For further information, see [note 22 "Related parties" of the consolidated financial statements in the Financial Report 2022](#).

Outside mandates at non-listed companies

- CEO of Esperante Investments Group (since 2020) (including serving as a director of Draupnir Corporation B.V., The Netherlands (since 2022) and Draupnir Holding B.V., The Netherlands (since 2008) and of the following strategic business units: (i) SEVER Life Sciences B.V., The Netherlands (since 2019), including serving as a director of four subsidiary companies; (ii) Esperante B.V., The Netherlands (since 2008); (iii) Svar Life Science AB, Sweden (since 2008), including serving as a director of one subsidiary company)
- Director of Haydn Holding AB, Sweden (since 2012) (including serving as a director at four subsidiary companies)
- Director of Ferring Foundation B.V., The Netherlands (since 2008) (including serving as a director of two subsidiary entities)

Outside mandates at non-profit organizations

- None

Former outside activities and functions

- Director of FinVector Oy, Finland (2020–2021)
- Director of Altacor Ltd., United Kingdom (2014–2017)
- Group Financial Officer, C&P Investors Group (presently: Esperante Investments Group), The Netherlands (2008–2020)
- Group Tax & Finance Director, C&P Investors Group (presently: Esperante Investments Group), The Netherlands (2005–2008)
- International Tax & Finance Director, Ferring Pharmaceuticals, The Netherlands and Denmark (1999–2005)
- International Tax Manager, Unisource N.V., The Netherlands (1996–1999)
- Tax Manager, Arthur Andersen, The Netherlands (1988–1996)

Education

- Master's degree in Economics & Tax, Erasmus University, Rotterdam, The Netherlands (1988)

Key skills: Leadership / management; Finance / accounting / risk management; Data / digital

Jane Salik

Member since 2021

Non-executive (since 17 August 2021)

Nationality: **American**

Year of birth: **1953**

Professional background

Ms. Salik joined PolyPeptide in 1996 as President of PolyPeptide Laboratories Inc., where she was responsible for sales and marketing, and overall management, administration and strategic planning for the company. In 2006, she was appointed CEO during which time she guided PolyPeptide through a period of significant growth, expansion of sales and profits, expanding into new geographies and establishing a culture of innovation and execution of best practice. Ms. Salik resigned as CEO on 29 April 2021 and was a member of the Executive Committee of PolyPeptide until 17 August 2021. Due to her recent operational management roles at the Group, Ms. Salik is assessed as not independent.



Prior positions at PolyPeptide

- Group CEO (2006–April 2021) and Executive Committee member (2006–August 2021)
- President, PolyPeptide Laboratories, Inc., USA (1996–2006)
- Director of PolyPeptide Laboratories Holding B.V., The Netherlands, as well as certain of its direct and indirect global subsidiaries (2003–2021)

Outside mandates at listed companies

- None

Outside mandates at non-listed companies

- None

Outside mandates at non-profit organizations

- None

Former outside activities and functions

- Vice President of Sales and Marketing, Bachem California, USA (1986–1996)
- Technical services biochemist, product manager and marketing manager, Boehringer Mannheim, USA (1980–1986)

Education

- PhD in Molecular and Cellular Biology, SUNY Stony Brook, USA (1980)
- B.A. in Biology, Lafayette College, USA (1975)

Key skills: Industry experience; Leadership / management; Environmental, social and governance (ESG); Strategy / development / execution

Beat In-Albon

Member since 2021
Independent; Non-executive

Nationality: **Swiss**
Year of birth: **1952**

Professional background

From 2016 to 2018, Mr. In-Albon was Head of Strategic Projects at Lonza AG, Switzerland, on a part-time basis ahead of his retirement. Previously, Mr. In-Albon served as Senior Vice President and Chief Operating Officer Specialty Ingredients and was a member of the Executive Management Committee of Lonza AG, Switzerland, from 2012 until 2015.

Prior positions at PolyPeptide

- None

Outside mandates at listed companies

- Chairman of Evolva Holding SA, Switzerland (since 2020)

Outside mandates at non-listed companies

- Chairman of Hans Kalbermatten Thermalbad AG, Switzerland (since 2021)
- Director of Deccan Fine Chemicals Pvt. Ltd., India (since 2019)

Outside mandates at non-profit organizations

- Vice-Chairman of Lonza Arena AG, Switzerland (since 2020)

Former outside activities and functions

- Director / Chairman of Escientia Switzerland AG, Switzerland (2020–2021)
- Head of Strategic Projects at Lonza AG, Switzerland (2016–2018)
- Senior Vice President and COO Specialty Ingredients / Member of the Executive Management Committee, Lonza AG, Switzerland, (2012–2015)
- Director of Siegfried AG, Switzerland (2009–2012)



- Executive Vice President of Industrial Services, Member of the Operations Council, SGS SA, Switzerland (2009–2012)
- Executive Vice President of Life Science Services / Member of the Operations Council, SGS SA, Switzerland (2008–2009)
- Senior Vice President / Head of Organic Fine- & Performance Chemicals / Member of the Executive Management Committee at Lonza Group AG, Switzerland (2006–2007)
- Senior Vice President / Head of Organic Fine- & Performance Chemicals / Member of the Executive Management Committee of Lonza AG, Switzerland (2003–2006)
- Various positions at Lonza AG, Switzerland, in the fields of Agrochemicals and Organic Fine Chemicals (starting 1983)

Education

- Master of Business Administration in Political Economy, University of Fribourg, Switzerland (1987)
- PhD in Economic Science, University of Fribourg, Switzerland (1983)

Key skills: Industry experience; Leadership / management; Finance / accounting / risk management; Law / regulatory; Environmental, social and governance (ESG); Independence

Philippe Weber

Independent¹⁵; Non-executive
Member since 2021

Nationality: **Swiss**
Year of birth: **1965**

Professional background

Mr. Weber is a member of the board of directors of Niederer Kraft Frey AG, Zurich (since 2008) and has been a partner of Niederer Kraft Frey AG, Zurich since 2002. He is an attorney-at-law admitted to the Swiss bar.

Prior positions at PolyPeptide

- None

Outside mandates at listed companies

- Vice-Chairman of Leonteq AG, Switzerland, and Leonteq Securities AG, Switzerland (both since 2020)
- Director of Medacta Group AG, Switzerland (since 2019)
- Director of EDAG Engineering Group AG, Switzerland (since 2015)

Outside mandates at non-listed companies

- Director of NorthStar Holding AG, Switzerland (since 2018)
- Director of Banca del Ceresio SA, Switzerland (since 2017)
- Director of Newron Suisse SA, Switzerland (since 2007)
- Partner at Niederer Kraft Frey AG, Switzerland (since 2002)
- Company Secretary of CLS Group Holdings AG, Switzerland (since 2002)



¹⁵ Philippe Weber is a Partner at Niederer Kraft Frey AG (NKF), which acted as legal adviser to PolyPeptide in connection with its IPO and other ordinary course corporate legal matters. Refer to [section 4.2 "Compensation of the Board of Directors" of the Remuneration Report 2022](#) for disclosure of the fees received by NKF in relation to these ordinary course legal matters. The business relationship between PolyPeptide and Mr. Weber is considered comparatively minor. Thus, Mr. Weber is considered independent within the meaning of art. 14 Swiss Code of Best Practice for Corporate Governance and [section 4\(d\) of the Organizational Regulations](#).

Outside mandates at non-profit organizations

- None

Former outside activities and functions

- Chairman and managing partner of Niederer Kraft Frey AG, Switzerland (2015–March 2021)
- Director of Robert Aebi AG, Switzerland (2004–2017)

Education

- PhD in law (summa cum laude), University of Zurich, Switzerland (1995)
- LL.M. (with distinction), European University Institute (EUI) in Fiesole, Italy (1994)

Key skills: Leadership / management; Law / regulatory; Environmental, social and governance (ESG); Strategy / development / execution; Independence

3.2 Other activities and vested interests

Except as disclosed in the biographies of the members of the Board of Directors, no further activities or vested interests are carried out outside of PolyPeptide.

3.3 Mandates and other permitted activities

Our [Articles of Association](#) limit the number of functions in superior management or administrative bodies of legal units other than with PolyPeptide that Directors are allowed to hold at one time.

Pursuant to [art. 23 of the Articles of Association](#), the Directors may have the following other functions in the superior management or administrative bodies of legal units obliged to register themselves in a Swiss commercial register or a foreign equivalent thereof:

- up to four (4) mandates as member of the board of directors or any other superior management or administrative body of listed companies; and, in addition,
- up to ten (10) mandates as member of the board of directors or any other superior management or administrative body of legal entities that do not meet the above mentioned criteria.

With respect to the additional activities of the Directors, mandates in companies that are under uniform control or the same beneficial ownership are deemed to be one mandate.

The following mandates shall not be subject to the limitations set forth in [art. 23 of the Articles of Association](#):

- mandates in companies which are controlled by the Company or which control the Company;
- mandates held at the request of the Company or companies controlled by it; no member of the Board of Directors shall, however, hold more than ten (10) such mandates; and
- mandates in associations, charitable organizations, foundations, employee welfare foundations and other similar organizations; no member of the Board of Directors shall, however, hold more than fifteen (15) such mandates.

3.4 Election and term of office

According to [art. 15 of the Articles of Association](#), the Board of Directors consists of a minimum of three (3) members. As prescribed by Swiss Law, all members of the Board of Directors, including the Chairman, have to be elected individually, and may only be removed by a shareholders' resolution. The maximum term of office for a member of the Board of

Directors is one year. In this context, one year means the time period between one general meeting and the next or, if a member is elected at an extraordinary shareholders' meeting between such extraordinary shareholders' meeting and the next general meeting. Re-election is possible. The Company's [Articles of Association](#) do not contain a limitation on the number of terms served or the age of members of the Board of Directors, including the Chairman.

The members of the Remuneration and Nomination Committee (individually) as well as the independent proxy (the "Independent Proxy") are also elected by the general meeting for a one-year term.

If the office of the Chairman of the Board of Directors is vacant, the Remuneration and Nomination Committee is not complete or the Company does not have an Independent Proxy, the Board of Directors shall appoint a substitute for the time period until the conclusion of the next general meeting who must be (with the exception of the Independent Proxy) a member of the Board of Directors.

Please refer to [section 3.1 "Members of the Board of Directors" of this Corporate Governance Report](#) for information relating to the time of first election to office of the Company's current Directors.

3.5 Internal organizational structure

3.5.1 Allocation of tasks within the Board of Directors

3.5.1.1 General

Our Board of Directors is responsible for the ultimate direction of PolyPeptide, supervision of our management and holds the ultimate decision-making authority, with the exception of matters reserved for shareholders.

The Board of Directors determines PolyPeptide's strategy, the allocation of resources and the management framework. It is also responsible for setting the organizational structure, accounting, financial control and financial planning. In addition, the Board of Directors takes responsibility for all sustainability and environmental, social and governance ("ESG") issues. For further information, see the chapter [Corporate Responsibility](#).

The internal structure of our Board of Directors is set out in the [Organizational Regulations](#), which determines the corporate bodies of PolyPeptide, defines their responsibilities and competences regarding management and regulates the functioning and cooperation of the various bodies involved in PolyPeptide's management. Subject to applicable law and the [Articles of Association](#), the allocation of tasks within the Board of Directors is determined annually by the Board at its first meeting following the general meeting in accordance with [section 2.1.1 of the Organizational Regulations](#).

To operate effectively and allow in-depth focus in specific areas, the Board of Directors has four standing committees (each, a "Committee"):

Committee	Chair	Member
Audit and Risk Committee (ARC)	Beat In-Albon	Erik Schropp
Remuneration and Nomination Committee (RNC)	Philippe Weber	Peter Wilden
Innovation and Technology Committee (ITC)	Patrick Aebischer	Jane Salik
Chair's Committee (CC) ¹	Peter Wilden	Beat In-Albon Philippe Weber Patrick Aebischer

¹ Established 30 November 2022.

Except for the election of the Chairman of the Board of Directors and the members of the Remuneration and Nomination Committee (which are to be elected by the general meeting), the Board of Directors determines its own organization. It elects the Lead Independent Director, the members of the other Committees and appoints a secretary who does not need to

be a member of the Board of Directors. Peter Wilden is currently serving as the Chairman of the Board of Directors.

Each Committee generally comprises two or more members of the Board of Directors with its own charter governing its duties and responsibilities. The Committees have no decision-making authority of their own (unless provided with such authority by a special resolution of the Board of Directors) and generally act in advisory and preparatory capacities. The Board of Directors remains ultimately responsible for the tasks delegated to the Committees by Swiss law, the Articles of Association or the Organizational Regulations.

The Board of Directors may form additional ad-hoc working groups and standing committees for particular areas within the scope of its duties to deal with specific issues. During the second half of 2022, the Chairman of the Board, together with the three chairmen of each of the Committees (listed in the table above) held a series of meetings with the CEO to discuss various topics of strategic importance and other key business matters. At its meeting on 30 November 2022, the Board of Directors decided to formalize this ad hoc working group and, thus, constituted a new "Chair's Committee". The Organizational Regulations were amended accordingly on 9 March 2023 to reflect this new standing committee. For more information on the Chair's Committee, see [section 3.5.3.4 "Chair's Committee" of this Corporate Governance Report](#). Other than as described herein, no other ad-hoc working groups or standing committees were formed in 2022.

At least annually, the Board reviews its own performance, as well as the performance of each of the Committees. Such assessment seeks to determine whether each of the Board and the Committees function effectively and efficiently. For 2022, the self-assessments were prepared by the Company based on customary industry evaluations and questionnaires, and reviewed and commented on by the Chairman. Following the completion of the assessments, the Board of Directors reviews the results and discusses areas or opportunities for improvement.

3.5.1.2 Lead Independent Director

The Lead Independent Director is an independent member of the Board of Directors and is elected by the Board of Directors for a term of one year or until the conclusion of the next general meeting. If the Chairman is indisposed, the Lead Independent Director will take the chair at the meetings of the Board of Directors and the shareholders' meeting. In particular, the Lead Independent Director will chair the meeting of the Board of Directors or the shareholders' meeting if the Chairman is required to abstain from the deliberation and decision-taking in case the following items are on the agenda: (i) assessment of the work of the Chairman; (ii) decision of the Board of Directors on the request to the shareholders' meeting for the re-election or not of the Chairman; (iii) decision about the compensation of the Chairman; and (iv) any other matters in which the Chairman has a conflict of interest. The Lead Independent Director is entitled to call a meeting of the Board of Directors whenever he or she deems fit.

Patrick Aebischer is currently serving as the Lead Independent Director and Vice-Chairman.

3.5.2 Working methods of the Board of Directors

3.5.2.1 Overview

Meetings of the Board are held as often as the business requires, but as a general rule at least four (4) times per year, including (i) in the first quarter, *inter alia*, to approve the annual report and the agenda and invitation to the upcoming general meeting; (ii) immediately after the general meeting, *inter alia*, to constitute the Board; (iii) in the third quarter, *inter alia*, to approve the half year financials; and (iv) in the fourth quarter, *inter alia*, to approve the budget for the next financial year. For each of these meetings, the Chairman also generally selects key business or strategic topics for more in-depth focus and discussion, such as quality, information security / information technology and risk management. Meetings of the Board are convened by the Chairman if and when the need arises or whenever a Director or the CEO, indicating the reasons, so requests in writing. If the Chairman does not comply with any such request within 14 days, the Lead Independent Director is entitled to call the meeting.

Notice of meetings is given at least five (5) business days prior to the meeting. The notice must set forth the time, place and agenda of the meeting so that Directors may have a reasonable understanding of the business intended to be conducted at the meeting. Directors are provided with all necessary supporting materials at least five (5) business days

prior to the meeting. In urgent cases (as determined by the Chairman in his or her discretion), a meeting may be held on appropriate shorter notice. If the Chairman deems it necessary, supporting materials may also be provided later to allow the Board to receive the latest available information. This applies, in particular, to updates on financial and other relevant data. Board meetings may be held in person, by telephone or by video conference.

The Chairman, or in his absence the Lead Independent Director, or in the absence of both, a Director designated by the attending Directors, shall chair the meeting.

If all Directors are present and agree, deviations from the formal requirements set forth in the **Organizational Regulations** (including those described above) are permitted; in particular, decisions can be taken in respect of items that are not listed on the agenda for the meeting.

As a general principle, Directors shall arrange their personal and business affairs so as to avoid, as much as possible, a conflict of interest. As set forth in the **Organizational Regulations**, each Director shall disclose to the Chairman regarding any conflict of interest arising or relating to any matter to be discussed at the meeting of the Board as soon as the Director becomes aware of its potential existence. The Chairman (or, if applicable, the Lead Independent Director or the Remuneration and Nomination Committee) will decide upon appropriate measures to avoid any interference of such conflict of interests with the decision-making of the Company. As a rule, subject to exceptional circumstances in which the best interests of the Company dictate otherwise, the Director will not participate in the decision-making involving the matter at stake. The Director with a conflict will have the right to, or may be required by the Chairman to provide a statement of his or her view of the matter.

In principle (and as set forth in the **Organizational Regulations**), the CEO and the other members of the Executive Committee attend designated and selected sections of the meetings of the Board without the right to vote as guests, except where not appropriate (e.g., if particular matters relating to their performance or remuneration are discussed). For example, as a general matter all members of the Executive Committee attend Board sessions dedicated to reports from management, whereas no members of the Executive Committee are present at the non-executive sessions of the Board meetings. Other members of the Group's senior management are expected to participate at meetings of the Board if specific issues falling within their responsibility are on the agenda. The Chairman decides if and which persons outside the Board are entitled to attend meetings of the Board as guests.

In order to pass resolutions, not less than a majority of the Directors must be participating in the meeting (whether in person, by phone or video conference). The Board may pass resolutions with the majority of the votes cast (simple majority). Abstentions count as votes uncast. In case of a tie of votes, the Chairman has the casting vote. Board resolutions may also be passed by means of circular resolutions, by letter, facsimile or PDF document (e-mail); provided that no Director requests by phone, facsimile or e-mail within five (5) days of receipt of the proposed resolution that the resolution be deliberated in a meeting. Board resolutions by means of circular resolutions require the affirmative vote of the majority of the Directors.

3.5.2.2 2022 Board of Director meetings and key topics

Since 1 January 2022, the Board of Directors met seven (7) times, in a combination of in-person sessions and video conferences, for an average duration of approximately four (4) hours (with individual sessions lasting between one (1) to six (6) hours).

The following table outlines the dates and the attendees of each meeting of the Board of Directors.

Date / place	Attendees	Other attendees
10 March 2022 <i>Video conference</i>	Board of Directors (all)	Raymond De Vré Jan Fuhr Miller Christina Del Vecchio (<i>Secretary</i>)
25 April 2022 <i>Obbürgen, Switzerland</i>	Board of Directors (all)	Raymond De Vré Jan Fuhr Miller (VC) Daniel Lasanow Neil Thompson Olivier Ludemann-Hombourger (Director Global Innovation & Technology) Jon Holbech Rasmussen (Director Global Development / Regulatory / IP) René Vestergaard (Director, Corporate Finance) Monika Casanova (Chief Human Resources Officer - <i>elect</i>) Christina Del Vecchio (<i>Secretary</i>)
22 June 2022 <i>Limhamn, Sweden</i>	Board of Directors (all)	Raymond De Vré Jan Fuhr Miller Daniel Lasanow Neil Thompson Christina Del Vecchio (<i>Secretary</i>)
17 August 2022 <i>Braine-l'Alleud, Belgium</i>	Board of Directors (all)	Raymond De Vré Jan Fuhr Miller Daniel Lasanow Neil Thompson Landon Piluso (Director of Global Quality) Christina Del Vecchio (<i>Secretary</i>)
27 October 2022 <i>Video conference</i>	Board of Directors (all)	N/A
10 November 2022 <i>Video conference</i>	Board of Directors (all)	N/A
30 November 2022 <i>Baar, Switzerland</i>	Board of Directors (all)	Raymond De Vré Jan Fuhr Miller Neil Thompson Christophe Chevalier (Head of Technical Department, Braine, VC) Landon Piluso (Director of Global Quality, VC) Kent Axelsson (Global Procurement Director, VC) Thomas Lorentzon (Global Director IS/IT) Michael Stäheli (Head of Investor Relations and Corporate Communications) Christina Del Vecchio (<i>Secretary</i>)

The key topics of the Board of Directors during this period included, among other things:

- Review and approval of the 2021 full-year report and audited consolidated financial statements
- Review and approval of 2021 variable short-term incentive for the members of the Executive Committee
- Review and approval of AGM 2022 agenda and invitation
- Review and approval of the individual targets and weighting of 2022 variable short-term incentive for the members of the Executive Committee
- Approval of the 2022 half-year report and consolidated financial statements

- Regular review and discussion regarding the Group's year-to-date sales, financials and full-year outlook
- Review and consideration of PolyPeptide's key strategic plans and initiatives
- Deep-dive into PolyPeptide's Quality and Information Security / Technology departments
- Review and monitoring of the Group's Environmental, Social and Governance (ESG) Roadmap
- Review and approval of the Group's Enterprise Risk Management system and evaluation of PolyPeptide's key risks and mitigating / managing strategies
- Planning and content of the Group's 2022 annual report and topics related to the 2023 general meeting
- Review of the Group's budget for 2023 financial year

3.5.3 Working methods of the Committees

The Committees act in advisory and preparatory capacities and have no decision-making authority of their own (unless provided with such authority by a special resolution of the Board of Directors). The Board remains ultimately responsible for the tasks delegated to the Committees by Swiss law, the Articles of Association or the Organizational Regulations.

The Committees keep the Chairman of the Board of Directors informed on a current basis about all important strategic issues, transactions as well as any business situations and / or developments within their scope of responsibilities and duties. The Chairman monitors such informational duties of the Committees. The chairman of each Committee provides the full Board of Directors at their meeting with an overview of key topics discussed at the most recent Committee meeting.

Each Committee meets at such frequency as it deems necessary to fulfill its duties, normally ahead of ordinary Board meetings, which are expected to take place at least four times per year. Additional meetings may be held and may be convened at the request of either the Board of Directors or any Committee member. The Audit and Risk Committee further meets upon request of the governance, risk and compliance officer (the "GRC Officer").

The secretary prepares the agenda for each meeting, keeps the minutes, and assists the Committee and the chairman to coordinate and fulfill their duties and assignments. Once signed by the Committee chairman and secretary, the minutes (together with all presentation and background materials) of each Committee meeting are made available to the full Board of Directors for their review.

3.5.3.1 Remuneration and Nomination Committee

The Remuneration and Nomination Committee is entrusted with preparing and periodically reviewing PolyPeptide's compensation policy, compensation strategy and principles as well as the performance criteria related to compensation and the accompanying review of their implementation. The Remuneration and Nomination Committee is also responsible for submitting proposals and recommendations to the Board of Directors regarding compensation matters. The Remuneration and Nomination Committee further supports the Board of Directors in preparing the compensation proposals for the general meeting. In addition, the Remuneration and Nomination Committee assists the Board of Directors in relation to the succession planning for and nomination of the members of the Board of Directors and the Executive Committee as well as the corporate governance of the Company and the Group. In furtherance of this, the Remuneration and Nomination Committee, for example, regularly assesses the set of competencies as well as each Director's contributions to ensure that an appropriate mix of skills, expertise and diversity is represented on the Board of Directors and its Committees. The specific responsibilities and competencies of the Remuneration and Nomination Committee are set forth in [art. 19 of the Articles of Association](#), [section 5.3 of the Organizational Regulations](#) as well as the [Remuneration and Nomination Committee Charter](#).

The members of the Remuneration and Nomination Committee are individually elected by the general meeting for a one-year term. The chairman of the Remuneration and Nomination Committee shall be independent and is appointed by the Board of Directors. As of 31 December 2022, the Remuneration and Nomination Committee consisted of two members: Philippe Weber (chairman) and Peter Wilden.

2022 Remuneration and Nomination Committee meetings and key topics

Since 1 January 2022, the Remuneration and Nomination Committee met six (6) times, in a combination of in-person sessions and video conferences, for an average duration of approximately two (2) hours.

Date / place	Attendees	Other attendees
4 February 2022 <i>Video Conference</i>	Philippe Weber Peter Wilden	Raymond De Vré Jan Fuhr Miller Christina Del Vecchio (<i>Secretary</i>)
3 March 2022 <i>Video Conference</i>	Philippe Weber Peter Wilden	Raymond De Vré Jan Fuhr Miller Christina Del Vecchio (<i>Secretary</i>)
25 April 2022 <i>Obbürgen, Switzerland</i>	Philippe Weber Peter Wilden	Raymond De Vré Monika Casanova (Chief Human Resources Officer - <i>elect</i>) Christina Del Vecchio (<i>Secretary</i>)
21 June 2022 <i>Limhamn, Sweden</i>	Philippe Weber Peter Wilden	Raymond De Vré Monika Casanova (Chief Human Resources Officer) Christina Del Vecchio (<i>Secretary</i>)
16 August 2022 <i>Braine-l'Alleud, Belgium</i>	Philippe Weber Peter Wilden	Raymond De Vré Monika Casanova (Chief Human Resources Officer) Christina Del Vecchio (<i>Secretary</i>)
29 November 2022 <i>Baar, Switzerland</i>	Philippe Weber Peter Wilden	Raymond De Vré Monika Casanova (Chief Human Resources Officer) Christina Del Vecchio (<i>Secretary</i>)

During the course of 2022, the key topics discussed by the Remuneration and Nomination Committee included, among other things:

- Review of the Group's remuneration principles, strategy and structure
- Review and proposal of 2021 variable short-term incentive for the members of the Executive Committee, including individual performance appraisal
- Review and proposal of compensation proposals for AGM 2022
- Review and proposal of individual performance targets and weighting for the 2022 variable short-term incentive for the members of the Executive Committee
- Review of shareholders' and proxy advisors' feedback on the Remuneration Report 2021
- Succession planning at PolyPeptide
- Assessments of the Board of Directors and its Committees
- Review and consideration of the expansion of PolyPeptide's long-term incentive program (LTIP)
- Review and discussion of the results of the benchmarking study for the Board of Directors and Executive Committee
- General update on corporate governance trends and best practices as well as upcoming Swiss corporate law changes
- Update on human capital management, including the Group's human resources mid- and long-term plan and an overview of key people analytics
- Discussion of the structure and approach to the Remuneration Report 2022, including analysis on remuneration disclosure
- Review of ESG material topics assigned to the Remuneration and Nomination Committee
- Review of the Remuneration and Nomination Committee Charter

3.5.3.2 Audit and Risk Committee

The Audit and Risk Committee assists the Board of Directors with respect to matters involving the financial and risk management aspects of governance. The Audit and Risk Committee focuses on assessing the adequacy and effectiveness of the Group's internal and prudential systems and controls in relation to both financial and non-financial risks. This includes compliance with legal and regulatory obligations, insurance and related matters. The Audit and Risk Committee will also obtain reasonable assurance with respect to the activity of the Internal Audit, evaluates the external auditors regarding the fulfillment of the necessary qualifications and independence according to the applicable legal provisions and makes proposals to the Board of Directors concerning the choice of the external auditors. The specific responsibilities and competencies, organization, functioning and reporting of the Audit and Risk Committee are set forth in [section 5.2 of the Organizational Regulations](#) as well as the [Audit and Risk Committee Charter](#).

The members of the Audit and Risk Committee are appointed by the Board of Directors. At least one member, including the chairman, of the Audit and Risk Committee shall be independent. As of 31 December 2022, the Audit and Risk Committee consisted of two members: Beat In-Albon (chairman) and Erik Schropp.

2022 Audit and Risk Committee meetings and key topics

Since 1 January 2022, the Audit and Risk Committee met seven (7) times, in a combination of in-person sessions and video conferences, for an average duration of approximately one and a half (1.5) hours.

Date / place	Attendees	Other attendees
3 March 2022 <i>Video Conference</i>	Beat In-Albon Erik Schropp	Jan Fuhr Miller Christina Del Vecchio René Vestergaard (Director, Corporate Finance) Jonas Lavik Sonne (Group Controller, Corporate Finance) René Füglistner (Partner, BDO) Fabian Hatzl (Manager BDO) Isilay Dagdelen (<i>Secretary</i>)
25 April 2022 <i>Obbürgen, Switzerland</i>	Beat In-Albon Erik Schropp	Jan Fuhr Miller, VC René Vestergaard (Director, Corporate Finance) Jonas Lavik Sonne (Group Controller, Corporate Finance, VC) Thomas Lorentzon (Global Director IS/IT, VC) Krister Svärd (Chief Information Security Officer, VC) René Füglistner (Partner, BDO, VC) Isilay Dagdelen (<i>Secretary</i>)
10 June 2022 <i>Video Conference</i>	Beat In-Albon Erik Schropp	Jan Fuhr Miller Christina Del Vecchio René Vestergaard (Director, Corporate Finance) Jonas Lavik Sonne (Group Controller, Corporate Finance) Isilay Dagdelen (<i>Secretary</i>)
21 June 2022 <i>Limhamn, Sweden</i>	Beat In-Albon Erik Schropp	Jan Fuhr Miller René Vestergaard (Director, Corporate Finance) Jonas Lavik Sonne (Group Controller, Corporate Finance) Thomas Lorentzon (Global Director IS/IT) René Füglistner (Partner, BDO, VC) Jesper Nygaard (Partner, Lockton Denmark) for Group insurance topic Isilay Dagdelen (<i>Secretary</i>)
8 August 2022 <i>Video conference</i>	Beat In-Albon Erik Schropp	Jan Fuhr Miller René Vestergaard (Director, Corporate Finance) Jonas Lavik Sonne (Group Controller, Corporate Finance) Michael Stäheli (Head of Investor Relations and Communications) René Füglistner (Partner, BDO) Isilay Dagdelen (<i>Secretary</i>)
16 August 2022 <i>Braine-l'Alleud, Belgium</i>	Beat In-Albon Erik Schropp	Jan Fuhr Miller René Vestergaard (Director, Corporate Finance, VC) Jonas Lavik Sonne (Group Controller, Corporate Finance, VC) Thomas Lorentzon (Global Director IS/IT, VC) Krister Svärd (Chief Information Security Officer, VC) Isilay Dagdelen (<i>Secretary</i>)
29 November 2022 <i>Baar, Switzerland</i>	Beat In-Albon Erik Schropp	Jan Fuhr Miller René Vestergaard (Director, Corporate Finance, VC) Jonas Lavik Sonne (Group Controller, Corporate Finance, VC) Thomas Lorentzon (Global Director IS/IT) Krister Svärd (Chief Information Security Officer, VC) René Füglistner (Partner, BDO, VC) Rebecca Weil (Head of Internal Audit) Michael Stäheli (Head of Investor Relations and Communications) Isilay Dagdelen (<i>Secretary</i>)

During the course of 2022, the key topics discussed by the Audit and Risk Committee included, among other things:

- Review of 2021 BDO audit and full-year consolidated and standalone financial statements
- Review of 2022 half-year consolidated financial statements

- Review of the Group's capital expenditure management processes
- Implementation of the Group's Internal Audit function, determination of the scope and planning of the internal audit
- Establishment of an Enterprise Risk Management system and evaluation of the Group's key risks / opportunities and mitigating / managing strategies
- Review of the Group's compliance programs, including the implementation of a more robust sanctions and trade compliance program, as well as monitoring of IT/ (cyber)security matters
- Assessment of the Group's internal control system
- Review of the Group's insurance program and treasury policy
- Evaluation of the Group's external auditor
- Review of ESG material topics assigned to the Audit and Risk Committee
- Review of the Audit and Risk Committee Charter

3.5.3.3 Innovation and Technology Committee

The Innovation and Technology Committee supports the Board of Directors and Executive Committee through the review of PolyPeptide's technology plans and strategies, while monitoring existing and future trends in technology related or adjacent to PolyPeptide's business. The specific responsibilities and competencies, organization, functioning and reporting of the Innovation and Technology Committee are set forth in [section 5.4 of the Organizational Regulations](#) as well as the [Innovation and Technology Committee Charter](#).

The members of the Innovation and Technology Committee are appointed by the Board of Directors. The chairman of the Innovation and Technology Committee shall be independent. As of 31 December 2022, the Innovation and Technology Committee consisted of two members: Patrick Aebischer (chairman) and Jane Salik.

2022 Innovation and Technology Committee meetings and key topics

Since 1 January 2022, the Innovation and Technology Committee met four (4) times in person for an average duration of approximately two (2) hours.

Date / place	Attendees	Other attendees
25 April 2022 <i>Obbürgen, Switzerland</i>	Patrick Aebischer Jane Salik	Olivier Ludemann-Hombourger (Director Global Innovation & Technology) Christelle Bobier (Director Global Engineering and Manufacturing Technology, VC) Thomas Lorentzon (Global Director IS/IT, VC) Jon Holbech Rasmussen (Director Global Development / Regulatory / IP; Secretary)
21 June 2022 <i>Limhamn, Sweden</i>	Patrick Aebischer Jane Salik	Olivier Ludemann-Hombourger (Director Global Innovation & Technology) Jon Holbech Rasmussen (Director Global Development / Regulatory / IP; Secretary)
16 August 2022 <i>Braine-l'Alleud, Belgium</i>	Patrick Aebischer Jane Salik	Olivier Ludemann-Hombourger (Director Global Innovation & Technology) Neil Thompson (Director Global Sales and Marketing) Jon Holbech Rasmussen (Director Global Development / Regulatory / IP; Secretary)
29 November 2022 <i>Baar, Switzerland</i>	Patrick Aebischer Jane Salik	Olivier Ludemann-Hombourger (Director Global Innovation & Technology) Neil Thompson (Director Global Sales and Marketing) Jon Holbech Rasmussen (Director Global Development / Regulatory / IP; Secretary)

During the course of 2022, the key topics discussed by the Innovation and Technology Committee included, among other things:

- Discussions on PolyPeptide's green agenda, including the governance, priorities and objectives (i.e., green chemistry, green master plan and relevant KPIs)
- Review of the Group's digitalization strategy

- Discussions on the industrial challenges related to peptide and nucleotide development and manufacturing
- Considerations regarding potential strategic collaborations, access to experts and new related / adjacent business areas to support PolyPeptide's innovation ambition
- Review of ESG material topics assigned to the Innovation and Technology Committee
- Review of the Innovation and Technology Committee Charter

3.5.3.4 Chair's Committee

The Chair's Committee is intended to serve as a flexible body that nurtures and facilitates a strong relationship, efficient coordination and continuous information exchange between the Chairman of the Board, the chairman of each Committee and the CEO through roundtable discussions, with particular focus on the Group's strategy and other key business matters. The Chair's Committee was initially an ad hoc working group of the Board formed in May 2022. Realizing the benefit of the more frequent roundtable discussions, the Chairman proposed at the Board meeting on 30 November 2022 to formalize the ad hoc working group as a committee and, thus, constituted a new "Chair's Committee". The specific responsibilities and competencies, organization, functioning and reporting of the Chair's Committee are set forth in [section 5.5 of the Organizational Regulations](#) as well as the [Chair's Committee Charter](#).

The members of the Chair's Committee include the Chairman of the Board and the chairmen of each Committee (*i.e.*, the chairman of the Remuneration and Nomination Committee, the chairman of the Audit and Risk Committee and the chairman of the Innovation and Technology Committee). As of 31 December 2022, the Chair's Committee consisted of four members: Peter Wilden (Chairman), Beat In-Albon, Philippe Weber and Patrick Aebischer.

2022 Chair's Committee meetings and key topics

Since 1 January 2022, the Chair's Committee met seven (7) times, in a combination of in-person sessions and video conferences, for an average duration of approximately one (1) hour.

Date / place	Attendees	Other attendees
25 May 2022 <i>Video Conference</i>	Peter Wilden Beat In-Albon Philippe Weber Patrick Aebischer	Raymond De Vré (<i>Secretary</i>)
21 June 2022 <i>Limhamn, Sweden</i>	Peter Wilden Beat In-Albon Philippe Weber Patrick Aebischer	Raymond De Vré (<i>Secretary</i>)
22 July 2022 <i>Video Conference</i>	Peter Wilden Beat In-Albon Philippe Weber Patrick Aebischer	Raymond De Vré (<i>Secretary</i>)
16 August 2022 <i>Braine-l'Alleud, Belgium</i>	Peter Wilden Beat In-Albon Philippe Weber Patrick Aebischer	Raymond De Vré (<i>Secretary</i>)
27 September 2022 <i>Video Conference</i>	Peter Wilden Beat In-Albon Philippe Weber Patrick Aebischer	Raymond De Vré (<i>Secretary</i>)
29 November 2022 <i>Baar, Switzerland</i>	Peter Wilden Beat In-Albon Philippe Weber Patrick Aebischer	Raymond De Vré Christina Del Vecchio (<i>Secretary</i>)
20 December 2022 <i>Video Conference</i>	Peter Wilden Beat In-Albon Philippe Weber Patrick Aebischer	Raymond De Vré (<i>Secretary</i>)

During the course of 2022, the Chair's Committee discussed various topics of strategic importance and other key business matters, including developments of the Group's long-term strategic plan, operational developments and relationships with key customers as well as considerations around the Group's budget for 2023.

3.6 Areas of responsibility between the Board of Directors and the Executive Committee

The Board of Directors' responsibilities, duties and competencies and the procedural principles by which it is governed are specified by Swiss law, [art. 17 of the Articles of Association](#) and [sections 2 through 5 of the Organizational Regulations](#). Importantly, the responsibilities of the Board of Directors include determining the strategy of PolyPeptide as well as the appointment, supervision and dismissal of the members of the Executive Committee.

[Art. 17 of the Articles of Association](#) sets out the non-transferable and irrevocable duties of the Board of Directors, and in addition to the non-transferable and irrevocable duties set out in art. 716a CO, the Board of Directors has the further non-transferable and irrevocable duties to (i) adopt resolutions and amendments to the Articles of Association regarding the subsequent payment of capital with respect to non-fully paid-in shares, (ii) adopt resolutions and amendments to the Articles of Association in relation to increases in share capital, (iii) examine compliance with the legal requirements regarding the appointment / election of the external auditors, and (iv) execute the agreements pursuant to art. 12, 36 and 70 of the Federal Act on Merger, Demerger, Transformation and Transfer of Assets (Merger Act).

While the Board of Directors is responsible for PolyPeptide's ultimate strategic direction and supervision of management, through the [Organizational Regulations](#) the Board has delegated the responsibility and authority necessary or appropriate for carrying out the day-to-day and operational activities of PolyPeptide to the Executive Committee under the leadership of the CEO. Nevertheless, the Board of Directors retains certain duties (in addition to the non-transferable and irrevocable duties described above), such as annually approving the budgets and business plans for the Group, monitoring risks as well as ensuring that fundamental policies and controls are in place for compliance with applicable law and regulations. In addition, the [Organizational Regulations](#) set out specific parameters, including financial thresholds, for certain strategic, operational and financial matters that remain within the competence of the Board of Directors. This information is also set out in an [authority chart](#), which is an annex to the Organizational Regulations.

The Executive Committee is responsible for ensuring the execution of the decisions of the Board of Directors and implementing the strategy of PolyPeptide in accordance with Swiss law, the [Articles of Association](#), the [Organizational Regulations](#) and the resolutions of the shareholders' meeting. The Executive Committee is led by the CEO and comprises the CEO, CFO, the Director of Global Sales and Marketing, the Director of Global Operations and the General Counsel, and such other officers as may be determined by the Board of Directors, in consultation with the CEO, from time to time. The Executive Committee has a dual function in the management of PolyPeptide. On the one hand, under the leadership of the CEO, the Executive Committee is responsible for the day-to-day business of the Company (to the extent not reserved to the Board); and, on the other hand, it is responsible for the operational business of the whole Group as well as of each individual site and subsidiary (to the extent that the respective competences are not reserved to the Board pursuant to the [Organizational Regulations](#) or are, by law, reserved to the boards of directors of the subsidiaries).

Pursuant to the [Organizational Regulations](#), the CEO is appointed and removed by the Board of Directors upon recommendation of the Remuneration and Nomination Committee. The other members of the Executive Committee are appointed and removed by the Board of Directors upon recommendation of the Remuneration and Nomination Committee and in consultation with the CEO.

3.7 Information and control instruments vis-à-vis the Executive Committee

3.7.1 Principles of Board information

The Board of Directors has different information instruments in place to oversee, monitor and control the implementation of PolyPeptide's strategy as well as the execution of the responsibilities delegated to the Executive Committee.

Specifically, the **Organizational Regulations** require the CEO, together with the other members of the Executive Committee, to regularly inform the Board and its Committees at its ordinary meetings on the current course of business and all major business matters and important business developments, including anticipated opportunities and risks. Specifically, a report from the CEO is a standing agenda item at each ordinary board meeting where the CEO provides insight on the development of the Group's business and key strategic initiatives.

In addition, the Chairman and the CEO are in contact at regular intervals with respect to all major corporate policy issues. Extraordinary matters, including significant unanticipated developments, must immediately be reported to the Chairman. In addition, the Directors shall be informed immediately of extraordinary events by way of circular letter or, if necessary, in advance by telephone, e-mail or facsimile.

Furthermore, each Director is entitled to request information concerning all of PolyPeptide's affairs reasonably necessary to fulfill his or her fiduciary duties. For Directors requiring information or wishing to review documents outside of ordinary Board meetings, he or she must address his or her request in writing (including by e-mail) to the Chairman. To the extent necessary to fulfill his or her duties, each Director may further request in writing (including by e-mail) that the Chairman authorizes the inspection of the books and records of the Company. If the Chairman rejects a request for information, hearing or inspection, the Lead Independent Director or the Board shall decide whether to grant such request.

3.7.2 Regular reports to the Board

As noted above, the Executive Committee regularly reports to the Board of Directors and its Committees at their respective ordinary meetings. In addition to these meetings, on a monthly basis the Board of Directors receives sales and financial reports with (i) an executive summary, (ii) an assessment of the Group's monthly and year-to-date revenue, (iii) the profit and loss statement, the balance sheet and the cash flow statement, (iv) a capital expenditure overview as well as (v) selected Group KPIs, updates on various initiatives and the Group's outlook. These monthly reports illustrate the actual financial results to-date, along with comparisons to the previous period and the budgeted amounts, all with accompanying commentaries (where relevant). Directors often react to these reports with questions that are responded to by the CFO. In addition, through the Audit and Risk Committee, the Board receives the reports of PolyPeptide's external auditor in connection with the audit of the full-year financial statements and the review and procedures performed on the half-year financial statements.

3.7.3 Enterprise Risk Management Framework

Beginning in the second half of 2021 and during the course of 2022, the Audit and Risk Committee, together with the CFO, the General Counsel and members of the finance team, implemented an Enterprise Risk Management Framework. While the Board of Directors retains the ultimate responsibility for risk management and for determining the appropriate level of risk that PolyPeptide is willing to accept, the PolyPeptide Management Committee (together with the Audit and Risk Committee) is responsible for ensuring that the operation of Enterprise Risk Management Framework is sound, including risk management of significant risks through the monitoring of specified actions.

The Enterprise Risk Management Framework is designed to provide a consistent, Group-wide perspective of key risks as well as any other risk areas as they are subsequently identified in connection with ongoing monitoring and updates by risk owners and other stakeholders. The objective of these risk assessments is to (i) make the principal risks to which PolyPeptide is exposed more transparent, (ii) determine treatment measures to control, eliminate and / or

exploit the level of the risks while monitoring their effectiveness and (iii) ultimately improve risk management. To the extent that the ongoing evaluation of the Enterprise Risk Management Framework discovers significant unanticipated developments, the PolyPeptide Management Committee will immediately report these to the Audit and Risk Committee and the Chairman of the Board. The Directors must also be informed of extraordinary events (as described above).

The PolyPeptide Management Committee together with the General Counsel and other internal stakeholders annually conduct a risk assessment and evaluate strategies to address the risks and opportunities identified (e.g., mitigating / managing actions). A risk assessment report is then prepared, specifying and assessing the main Group risks in terms of their probability and consequences, and submitted at least once per year to the Audit and Risk Committee. In addition, the risk assessment report is presented to the Board of Directors at one of their annually scheduled meetings for a deep-dive focus and discussion on risk assessment and management. In 2022, the deep-dive session and approval of the 2022 risk assessment report took place at the 30 November 2022 Board meeting.

See also [chapter Business Review](#).

3.7.4 Internal controls

The Board of Directors is also responsible for designing, implementing, and maintaining the Group's internal control system, which provides the ultimate oversight for PolyPeptide's strategy, operations and finances. The Audit and Risk Committee supports the Board of Directors through the assessment of the adequacy and effectiveness of the Group's internal and prudential systems and controls in respect of both financial and non-financial risks, including through discussions with and reviewing reports from the external auditor, internal officers and management. PolyPeptide's internal control system is structured to ensure the correct disclosure and adequate coverage of control over all Group activities, with particular attention on areas considered potentially at risk. The external auditor confirms the existence of the internal control system in connection with the year-end audit.

According to the [Organizational Regulations](#), the CFO, in cooperation with the CEO, ensures good financial governance, overseeing all financial planning, budgeting (short- and mid-term), reporting and risk management activities. Furthermore, the CFO leads the implementation of systems and procedures to seek compliance with regulatory requirements for financial information, reporting, disclosure requirements and internal control. The CFO and the Audit and Risk Committee regularly evaluate the risks of material misstatements in the consolidated financial statements and assess if the risks are reduced to an acceptable level by established and planned mitigating controls and processes. Significant risks are also continuously discussed in the meetings of the Executive Committee and the Audit and Risk Committee, which both take place on a regular basis. In 2022, the Audit and Risk Committee focused on six key areas of internal controls, specifically (i) revenue, (ii) inventories, (iii) payroll, (iv) property, plant and equipment, (v) financial reporting and closing processes and (vi) valuation of participations. During the course of 2022, the Audit and Risk Committee, together with the CFO and members of the finance team, evaluated key risks of financial misstatements in the identified key areas together with mitigating controls / processes currently in place, all of which were reviewed by the external auditor. In addition, improvement suggestions are submitted by the external auditor on a yearly basis, which are implemented by management in the following year.

3.7.5 Internal Audit

In 2022, the Board of Directors, through the Audit and Risk Committee, was further supported by the newly established Internal Audit function within PolyPeptide led by the Head of Internal Audit, who joined the Group in October 2022. Internal Audit's mission is to ensure that PolyPeptide's operations are conducted according to high standards by providing an independent, objective assurance function and by advising on best practice. Through a systematic and disciplined approach, Internal Audit helps PolyPeptide accomplish its objectives by evaluating and improving the effectiveness of the Group's risk management, control and governance processes. As is customary across the industry, the evaluation and internal audit of PolyPeptide's GMP activities will remain with the Quality department under the supervision of the Director Global Quality.

Internal Audit is responsible for, among other things, (i) developing and implementing annual audit plans using appropriate risk-based methodology, (ii) evaluating and assessing significant merging / consolidating of functions and new or changing services, processes, operations, technologies and control processes at the time of their development, implementation or expansion, (iii) establishing an Internal Audit quality assurance program to ensure high standards of operations, (iv) issuing periodic reports to the Audit and Risk Committee as well as the Executive Committee, (v) participating in any investigations at PolyPeptide and (vi) recommending appropriate actions to correct any deficiencies identified. The Audit and Risk Committee reviews and approves the annual internal audit plan. Further information on the responsibilities of Internal Audit can be found in the [Internal Audit Charter](#), which is an annex to the [Organizational Regulations](#). Functionally, the Internal Audit department reports to the Audit and Risk Committee. Administratively, the Internal Audit department reports to the CFO.

During the course of 2022, Internal Audit (with the support of external advisors) performed two audits on vendor master data and month-end tasks across the Group's three major sites. The audit results as well as the consultative project conclusions were presented to the Audit and Risk Committee during the second half of 2022. Moving forward and as part of the Audit and Risk Committee's regularly scheduled meetings, the Head of Internal Audit (who joined the Group in October 2022) will provide progress updates on the approved audit plan as well as propose any modifications to the audit plan if risk priorities change and provide information on the status of management's corrective actions.

See also [chapter Business Review](#).

3.7.6 Compliance controls

PolyPeptide is committed to the highest levels of ethics and integrity in the way that it does business and understands that this is crucial for its continued success and reputation. PolyPeptide's core values and Code of Business Conduct and Ethics guide its everyday conduct. To monitor these efforts, the General Counsel shall be or shall designate another person as the Group's governance, risk and compliance officer ("GRC Officer"). Currently, the General Counsel serves as the GRC Officer.

The GRC Officer is responsible for developing and maintaining compliance policies, promoting a culture of responsibility, maintaining risk management, identifying remediation needs, providing training and taking other steps to assist the Group in meeting its legal, regulatory and ethical obligations. The GRC Officer reports to the CEO. However, the GRC Officer also has direct access to the Audit and Risk Committee and reports to the Audit and Risk Committee whenever requested or if there exists a significant compliance or risk issue that involves or implicates a member of the Executive Committee which the GRC Officer believes cannot be or has not been appropriately addressed by, or directly implicates, the CEO.

PolyPeptide has recently implemented various compliance initiatives and is in the process of expanding these to respond to PolyPeptide's ever-changing dynamic business environment. For example, in August 2022, PolyPeptide constituted a cross-functional Corporate Compliance Committee (the "CCC") to promote compliance across the organization with a focus on corporate compliance issues and matters, including compliance with securities laws and regulations, data privacy as well as sanctions and trade. The GRC Officer, or a delegate of the GRC Officer, is responsible for reporting on at least a quarterly basis (or more frequently, as needed) to the Executive Committee and the Audit and Risk Committee. In addition, in the second half of 2022 PolyPeptide updated its Code of Business Conduct and Ethics and introduced an updated electronic learning tool aimed at reinforcing the principles set out therein.

Furthermore, in late 2021 PolyPeptide launched its own [whistleblower programs and hotlines](#), with ongoing improvements throughout 2022, including applicable country specific adaptations, where anybody with knowledge or suspicion of illegal activities or serious irregularities at PolyPeptide can report these observations confidentially and even anonymously. To ensure independence, PolyPeptide has mandated the operation of its whistleblower hotlines to a third-party service provider. As of 31 December 2022, one report of possible misconduct was received through one of the available whistleblowing reporting channels. Following an internal investigation, which was conducted with the guidance of external experts, the allegations made in the report could not be confirmed. The report was

subsequently closed and summarized to the Executive Committee and the Audit and Risk Committee, with modifications made to applicable policies and procedures where opportunities for improvement were identified.

The implementation of these and other compliance measures is supervised by and regularly reported to the Audit and Risk Committee.

3.7.7 Quality assurance

To oversee and monitor PolyPeptide's quality assurance, the CEO has designated this responsibility to the Director Global Quality who reports to the CEO and is part of the PolyPeptide Management Committee. The Director Global Quality supervises the Group's quality control and quality assurance functions and is responsible for setting, reviewing, monitoring, revising and implementing the Group's quality management, quality control systems and quality assurance programs to comply with regulatory requirements and ensure high quality products, processes and related customer support. In addition, the Director Global Quality is responsible for providing results-oriented leadership to sustain and improve an effective and efficient international quality organization comprised of quality operations, quality systems, supplier quality and quality control / analytical development subject matter domains. Currently, Landon Piluso serves as the Director Global Quality.

4 Executive Committee

Through our [Organizational Regulations](#), the Board of Directors has delegated the responsibility and authority necessary or appropriate for carrying out the day-to-day and operational activities of PolyPeptide to the Executive Committee under the leadership of the CEO.

The CEO is accountable for the sustainable management and results-oriented performance of the Group. As such, the CEO leads, manages, supervises and coordinates the Executive Committee and the PolyPeptide Management Committee as well as executes the corporate goals and strategy as set by the Board of Directors. The detailed responsibilities and functions of the Executive Committee, including the CEO and the CFO, are described in [section 6 of the Organizational Regulations](#).

In general, meetings of the Executive Committee take place on a monthly basis (or more frequently, as determined by the CEO), with the expectation that there be no fewer than six such meetings per calendar year (as provided for in the [Organizational Regulations](#)). For the year ended 31 December 2022, the Executive Committee met twelve (12) times, in a combination of in-person sessions and video conferences, for an average duration of approximately three and a half (3.5) hours. The resolutions of the Executive Committee are taken by the majority of the members of the Executive Committee present, where the CEO has the power to overrule any Executive Committee resolution. At each meeting the CFO presents the financial situation of the Group, followed by a discussion on other non-financial pre-determined agenda items covering a range of topics across all relevant business and operational areas. The [Organizational Regulations](#) set forth procedures to address conflicts of interest.

4.1 Members of the Executive Committee

As of 31 December 2022, the Executive Committee comprised the CEO, the CFO, the General Counsel, the Director of Global Sales and Marketing and the Director Global Operations. The year of appointment in the table below reflects each Executive Committee member's respective appointment in their current position with the Group (including at Group subsidiaries).

Name	Year of birth	Year of appointment	Position
Raymond De Vré ¹	1968	2021	CEO
Jan Fuhr Miller	1970	2015	CFO
Christina Del Vecchio	1978	2021	General Counsel
Neil James Thompson ²	1972	2022	Director Global Sales and Marketing
Jens Fricke ³	1965	2022	Director Global Operations
Daniel Lasanow ⁴	1962	2016	Director Global Operations

¹ As announced on 30 January 2023, Raymond De Vré resigned as CEO, and Dr. Peter Wilden assumed the role of Executive Chairman with immediate effect. Mr. De Vré's contractual six-month notice period will end on 31 July 2023.

² Member of the Executive Committee and Director Global Sales and Marketing as of 1 January 2022. Jan Christensen served as the Director Global Sales and Marketing until 31 December 2021 (see [section 4.1 "Members of the Executive Committee" of the Corporate Governance Report 2021](#)).

³ Member of the Executive Committee as of 1 December 2022.

⁴ Member of the Executive Committee until 30 November 2022.

Set out below is a short description of each Executive Committee member's business experience, education and activities.

Raymond De Vré

Chief Executive Officer

Nationality: **Belgian**

Year of birth: **1968**

Professional background

Functions at PolyPeptide

- Chief Executive Officer (2021–January 2023)¹⁶
- Chairman / Director of several PolyPeptide subsidiaries (2021–Q1 2023)¹⁷

Outside mandates at listed / non-listed companies or non-profit organizations

- None

Former outside activities and functions

- Senior Vice President, Head of Biologics and member of the Management Committee, Dr. Reddy's Laboratories, Switzerland (2018–2021)
- Senior Vice President Global Business Operations and Strategy, Biologics, Dr. Reddy's Laboratories, Switzerland (2017–2018)
- Vice President Commercial, Biologics, Dr. Reddy's Laboratories, Switzerland (2012–2017)
- Partner, McKinsey & Company, Switzerland (2004–2011)
- Consultant, McKinsey & Company, Belgium / USA / Switzerland (1996–2003)

Education

- PhD in Applied Physics, Stanford University, USA (1996)
- Master's degree in Applied Physics, Stanford University, USA (1992)
- Master's degree as Ingénieur Civil Physicien, École Polytechnique, Université Libre de Bruxelles, Belgium (1990)



¹⁶ As announced on 30 January 2023, Raymond De Vré resigned as CEO, and Dr. Peter Wilden assumed the role of Executive Chairman with immediate effect. Mr. De Vré's contractual six-month notice period will end on 31 July 2023.

¹⁷ Following the announcement of Mr. De Vré's resignation as CEO on 30 January 2023, a process was initiated to effect his resignation from each of the applicable Group subsidiary boards.

Jan Fuhr Miller

Chief Financial Officer

Nationality: **Danish**

Year of birth: **1970**

Professional background

Functions at PolyPeptide

- Chief Financial Officer (since 2015)
- Director of several PolyPeptide subsidiaries (since 2016)

Outside mandates at listed / non-listed companies or non-profit organizations

- None

Former outside activities and functions

- Vice President, Finance, CMC Biologics A/S, Denmark (2013–2015)
- Nordic Finance Leader, Honeywell A/S, Denmark (2012–2013)
- Director, Finance & Logistics, H. Lundbeck A/S, Denmark (2007–2011)
- Director, Finance & Business Administration, H. Lundbeck A/S, Denmark (2006–2007)
- Senior Manager, Business Information & Technology, H. Lundbeck A/S, Denmark (2004–2006)
- Manager, Marketing Research, H. Lundbeck A/S, Denmark (2003–2004)
- Manager, Business Operations, H. Lundbeck A/S, Denmark (2000–2003)
- Business Analyst, Colgate-Palmolive, Denmark (1998–2000)

Education

- MBA with concentration in Finance, the Keller Graduate School of Management, USA (2011)
- Master of Science, University of Aarhus, School of Management, Denmark (1999)



Christina Del Vecchio

General Counsel

Nationality: **Swiss and Swedish**

Year of birth: **1978**

Professional background

Functions at PolyPeptide

- General Counsel and Corporate Secretary (since 2021)
- Director of a PolyPeptide subsidiary (since 2023)

Outside mandates at listed / non-listed companies or non-profit organizations

- None

Former outside activities and functions

- Counsel, Niederer Kraft Frey AG, Switzerland (2018–2021)
- Senior Associate, Niederer Kraft Frey AG, Switzerland (2013–2018)
- Associate, Latham & Watkins LLP, United Kingdom (2008–2012)

Education

- Juris Doctor, James Kent Scholar, Columbia Law School, USA (2008)
- Bachelor of Arts, summa cum laude, University of Florida, USA (2000)



Neil James Thompson

Director Global Sales and Marketing

Nationality: **British**

Year of birth: **1972**

Professional background

Functions at PolyPeptide

- Director Global Sales and Marketing (since 2022)
- Group Commercial Director (2019–2021)
- Director Business Development Europe (2015–2019)
- Associate Director Business Development Europe (2010–2015)
- Business Manager Custom Development (2006–2010)
- Regional Sales Manager (2004–2005)

Outside mandates at listed / non-listed companies or non-profit organizations

- Member of the EuroPeptides Advisory Board for the EuroPeptides / EuroTIDES event (since 2012) (event managed and ran by Informa PLC – listed company)

Former outside activities and functions

- Peptide Product Manager, Bachem (UK) Ltd, United Kingdom (2001–2003)
- Assistant Production Manager, Bachem (UK) Ltd, United Kingdom (1999–2003)
- Assistant Production Manager, Peninsula Laboratories (Europe) Ltd, United Kingdom (1993–1999)

Education

- Bachelor of Science in Applied Chemistry and Biochemistry, Liverpool John Moores University, England (1997)



Jens Fricke

Director Global Operations

Nationality: **Danish**

Year of birth: **1965**

Professional background

Functions at PolyPeptide

- Director Global Operations (since 1 December 2022)
- Director of several PolyPeptide subsidiaries (since 2021)
- General Director Scandinavia (2013–30 November 2022)

Outside mandates at listed / non-listed companies or non-profit organizations

- None

Former outside activities and functions

- Director API Production, LEO Pharma, Denmark (2008–2013)
- Leading positions with increasing responsibilities in Aseptic Production and API Production, ALK Abello, Denmark (1998–2008)
- Chemist at Novo Nordisk / Hema Sure, Denmark (1995–1998)

Education

- Master of Sciences in Biochemistry, the University of Copenhagen, Denmark (1993)
- Strategic Leadership, IMD Lausanne, Switzerland (2010–2011)



Daniel Lasanow

Director Global Operations

Nationality: **Belgian**

Year of birth: **1962**

Professional background

Functions at PolyPeptide

- Director Global Operations (2016–30 November 2022)
- Director of several PolyPeptide subsidiaries (2016–30 November 2022)

Outside mandates at listed / non-listed companies or non-profit organizations

- None

Former outside activities and functions

- Senior Vice President, Multi-site Managing Director, Siegfried Pharma, Switzerland (2015–2016)
- Multi-site Managing Director, BASF Pharma, Switzerland (acquired by Siegfried Pharma) (2012–2015)
- Multi-site Production & Technologies Director, BASF Pharma, Switzerland (2011–2012)
- Production Director, NextPharma Technologies, Belgium (2009–2011)
- Production Director, Lonza, Belgium and UCB Bioproducts, Belgium (acquired by Lonza in 2006) (2000–2009)
- Plant Support Manager, SmithKline Beecham (now GlaxoSmithKline Pharmaceutical), Belgium (1992–2000)
- Junior Scientist, Ciba-Geigy (now Novartis), Switzerland (1987–1988)

Education

- Master of Sciences degree in Organic Chemistry, the University of Louvain, Belgium (1987)



In 2022, the Executive Committee, under the leadership of the CEO, was further supported by additional members of management, that, together with the Executive Committee, formed the PolyPeptide Management Committee.

4.2 Other activities and vested interests

Except as disclosed in the biographies of the members of the Executive Committee, no further activities or vested interests are carried out outside of PolyPeptide.

4.3 Mandates and other permitted activities

Pursuant to [art. 23 of the Articles of Association](#), with the approval of the Board of Directors, the members of the Executive Committee may have the following other functions in the superior management or administrative bodies of legal entities obliged to register themselves in a Swiss commercial register or a foreign equivalent thereof:

- up to one (1) mandate as member of the board of directors or any other superior management or administrative body of listed companies; and, in addition
- up to five (5) mandates as member of the board of directors or any other superior management or administrative body of other legal entities that do not meet the above mentioned criteria.

With respect to the additional activities of the members of the Executive Committee, mandates in companies that are under uniform control or the same beneficial ownership are deemed to be one mandate.

The following mandates shall not be subject to the limitations set forth in [art. 23 of the Articles of Association](#):

- mandates in companies which are controlled by the Company or which control the Company;
- mandates held at the request of the Company or companies controlled by it; no member of the Executive Committee shall, however, hold more than ten (10) such mandates; and
- mandates in associations, charitable organizations, foundations, employee welfare foundations and other similar organizations; no member of the Executive Committee shall, however, hold more than fifteen (15) such mandates.

4.4 Management contracts

The Company and its subsidiaries have not entered into any management contracts with third parties.

5 Compensation, shareholdings and loans

Information on compensation and shareholdings of the members of the Board of Directors and the Executive Committee can be found under [section 4 “Compensation framework for the Board of Directors”](#), [section 5 “Compensation framework for the Executive Committee”](#) and [section 6 “Ownership of shares and options”](#) in the Remuneration Report 2022.

The rules regarding the principles of compensation are set in [arts. 25 \(Principles relating to the Compensation of the members of the Board of Directors\)](#), [26 \(Principles of Compensation relating to the members of the Executive Management\)](#) and [29 \(Additional Amount of Compensation for new members of the Executive Management\)](#) of the Articles of Association.

The rules regarding the approval of the remuneration by the general meeting are set forth in [art. 13 \(Votes on Compensation\)](#) of the Articles of Association.

Furthermore, according to [art. 28 \(Loans, Credits, Pension Benefits other than from Occupational Pension Funds, Securities\)](#) of the Articles of Association, the Company shall not grant loans, credits, pension benefits (*other than from occupational pension funds*) or securities to the members of the Board of Directors or the Executive Committee. Advance payments of fees for lawyers, court fees and similar costs relating to the defense against corporate liability claims up to a maximum amount of CHF 1,000,000 are not subject to these general restrictions.

In principle, there will be no payments to pension funds or similar institutions for the members of the Board of Directors. In exceptional cases, such payments may be made upon request of the Remuneration and Nomination Committee and subject to the approval by the general meeting if the members in question do not have other insurable income from subordinate employment.

Please refer to the Remuneration Report 2022 for further detailed information, and specifically with regard to loans and credits, see [section 4.3 “Loans, credits and related-party compensation”](#) and [section 5.3 “Loans, credits and related-party compensation”](#) of the Remuneration Report 2022.

6 Shareholders' participation rights

6.1 Voting rights restrictions and representation

6.1.1 General rules on restrictions to voting rights

Voting rights may be exercised only after a shareholder has been registered in the share register as a shareholder with voting rights up to a specific qualifying day prior to the shareholders' meeting designated by the Board of Directors (the "Record Date"). For such purpose, [art. 5 para. 2 of the Articles of Association](#) provides that persons acquiring shares shall on application be entered in the share register without limitation as shareholders with voting rights, provided they expressly declare themselves to have acquired the shares in their own name and for their own account and comply with the disclosure requirements stipulated by the FMIA. Entry in the share register as a shareholder with voting rights is subject to the approval of the Company.

Entry in the share register as a shareholder with voting rights may be refused based on the grounds set out in [art. 5 paras 3-7 of the Articles of Association](#). If the Company does not refuse to register the acquirer as shareholder with voting rights within 20 calendar days upon receipt of the application, the acquirer is deemed to be a shareholder with voting rights. Non-recognized acquirers shall be entered in the share register as shareholders without voting rights. The corresponding shares shall be considered as not represented in the general meeting.

The Board of Directors may, according to [art. 5 para. 3 of the Articles of Association](#), refuse the registration in the share register as a shareholder with voting rights if an acquirer would as a result of the recognition as a shareholder with voting rights directly or indirectly acquire, or hold in the aggregate, more than 10 percent of the registered shares recorded in the commercial register (the "Percentage Limit"). The Company may in special cases approve exceptions to the above restrictions ([art. 5 para. 3, 4 and 5 of the Articles of Association](#)).

Subject to the Percentage Limit described above and provided that its holder or usufructuary has been duly entered into the share register as a shareholder with voting rights on or before the relevant Record Date, each share entitles the holder to one vote.

For detailed information regarding the Percentage Limit and Nominee registrations, see [section 2.6 "Limitations on transferability and Nominee registrations" of this Corporate Governance Report](#).

6.1.2 Exceptions granted in the period under review

No exceptions from the voting rights restrictions (*i.e.*, the Percentage Limit) as set forth in the [Articles of Association](#) were granted in the period under review.

6.1.3 Procedure and conditions for abolishing voting rights restrictions

[Art. 12 of the Articles of Association](#) outlines important shareholder resolutions that require a qualified majority, including the easement or abolition of the restriction of the transferability of the registered shares. All other resolutions can be passed by a simple majority of shareholders as set out in [art. 11 of the Articles of Association](#), to the extent that Swiss law does not provide otherwise.

For information regarding the convocation of general meetings and the inclusion of items on the agenda, see [section 6.3 "Convocation of the general meeting"](#) and [section 6.4 "Inclusion of items on the agenda"](#) of this Corporate Governance Report.

6.1.4 Rules on participation at shareholders' meetings, instructions to the Independent Proxy and electronic participation at shareholders' meetings

At shareholders' meetings, each shareholder may be represented by the Independent Proxy or by means of a written proxy by any other person who need not be a shareholder. The Board of Directors determines the requirements regarding proxies and voting instructions ([art. 11 of the Articles of Association](#)).

Importantly, no shareholder or proxy may, directly or indirectly, exercise voting rights attached to own or represented shares that would collectively exceed 10 percent of the registered shares recorded in the commercial register. Legal entities or partnerships or other associations or joint ownership arrangements which are linked through capital ownership or voting rights, through common management or in like manner, as well as individuals, legal entities or partnerships (especially syndicates) which act in concert are considered as one shareholder for the purposes of such voting. However, the foregoing restriction of voting rights do not apply to the exercise of voting rights by shareholders or their proxies (including the Independent Proxy), to the extent that their shares are registered with voting rights in the share register in accordance with [art. 5 para. 4 of the Articles of Association](#).

The Independent Proxy has a duty to exercise the voting rights assigned to him by shareholders in accordance with their instructions. Further duties of the Independent Proxy are governed by the relevant statutory provisions. [Art. 14 of the Articles of Association](#) provides that the general meeting elects an Independent Proxy. Natural persons as well as legal entities and partnerships are eligible for election. The term of office of the Independent Proxy ends at the next general meeting. Re-election is possible. Swiss law allows for proxy instructions both in written as well as electronic form. For the period between the AGM 2022 held on 26 April 2022 and the next general meeting, ADROIT Attorneys, Kalchbühlstrasse 4, 8038 Zurich, Switzerland, has been elected as the Independent Proxy.

The [Articles of Association](#) do not contain any rules on the electronic participation of shareholders in shareholders' meetings.

The AGM 2022 was held without the physical presence of shareholders in accordance with the Swiss COVID-19 Ordinance. The shareholders were able to exercise their rights at the AGM 2022 through the independent voting rights representative. The proxy and voting instruction forms could either be sent by mail or submitted through the use of the electronic voting platform. The general meeting 2023 ("AGM 2023") will be held in person, with the details to be provided in the invitation.

6.2 Quorums required by the Articles of Association

The [Articles of Association](#) do not prescribe that a quorum of shareholders is required to be present at a shareholders' meeting.

Pursuant to [art. 11 of the Articles of Association](#), shareholders' resolutions generally require the simple majority of the votes cast at the shareholders' meeting, to the extent that neither Swiss law nor the Articles of Association provide otherwise. Abstentions, empty votes and invalid votes will not be taken into account for the calculation of the required majority. The Chairman has no casting vote.

Pursuant to [art. 12 of the Articles of Association](#), a resolution passed by at least two thirds of the represented share votes and the absolute majority of the represented shares par value is required for (i) matters listed in art. 704 of the CO and in art. 18 and art. 64 of the Merger Act, (ii) the easement or abolition of the restriction of the transferability of the registered shares, (iii) any amendment or cancellation of art. 31 of the Articles of Association (*i.e.*, exclusion of mandatory tender offer); (iv) any changes to art. 12 of the Articles of Association (*i.e.*, qualified majority for important resolutions).

6.3 Convocation of the general meeting

According to [art. 8 para. 2 Articles of Association](#) the notice of the general meeting shall state the day, time and place of the meeting, the agenda, the proposals of the Board of Directors and the proposals of the shareholders who have requested the general meeting or that an item be included on the agenda. According to [art. 8 para. 3 Articles of Association](#) the annual report, the remuneration report and the auditors' report shall be made available for inspection by the shareholders at the registered office of the Company at least 20 calendar days prior to the date of the ordinary general meeting. Reference to such submission and to the shareholders' right to request the conveying of these documents to them shall be included in the notice to the general meeting.

In accordance with the CO and [art. 7 para. 3 Articles of Association](#), the Board of Directors is required to convene an extraordinary shareholders' meeting within two (2) months if requested by one or more shareholder(s) representing in aggregate at least 5% of the Company's nominal share capital registered in the commercial register. Such demands have to be submitted in writing, setting forth the items to be discussed and the proposals to be decided upon.

A shareholders' meeting is convened by publishing a notice of such meeting in the Swiss Official Gazette of Commerce (*Schweizerisches Handelsamtsblatt*) at least 20 calendar days before the date of the meeting. To the extent the post and / or e-mail addresses of the shareholders are known, notice may also be sent simultaneously by post and / or e-mail. The notice needs to state the day, time and place of the meeting, the agenda, the proposals of the Board of Directors and the proposals of the shareholders who have requested the shareholders' meeting or that an item be included on the agenda.

6.4 Inclusion of items on the agenda

The Board of Directors states the items on the agenda.

According to [art. 9 para. 2 Articles of Association](#) registered shareholders with voting rights individually or jointly representing at least 0.5% of the share capital of the Company may demand that items be put on the agenda. Such demands have to be submitted to the Chairman of the Board of Directors at least 45 calendar days before the date of the relevant shareholders' meeting and need to be in writing, specifying the items and the proposals.

No resolutions may be passed on motions concerning agenda items which have not been duly announced apart from those exceptions permitted by Swiss law.

6.5 Entries in the share register

Voting rights may be exercised only after a shareholder has been registered in the share register as a shareholder with voting rights up to a specific qualifying day designated by the Board of Directors (*i.e.*, the Record Date).

There are no statutory rules concerning deadlines for entry in the share register. However, for organizational reasons, the share register is closed several days before the respective shareholders' meeting. The respective Record Date for inscriptions in the share register is announced in the invitation to the shareholders' meeting.

For information on certain limitations on transferability and nominee registrations, please refer to the information provided under [section 2.6 "Limitations on transferability and Nominee registrations"](#) of this Corporate Governance Report. For information on certain limitations on share voting rights, please refer to the information provided under [section 6.1.1 "General rules on restrictions to voting rights"](#) of this Corporate Governance Report.

6.6 Right to Inspect the Minutes of the General Meeting

The minutes of AGM 2022, held on 26 April 2022, can be viewed on PolyPeptide's website at <https://www.polypeptide.com/news/events/general-meeting-2022/>. Shareholders may also read the minutes at PolyPeptide's headquarters in Baar, Switzerland upon prior notice. The

minutes of AGM 2023 will be published on the PolyPeptide website within 15 days from the date of AGM 2023.

7 Change of control and defense measures

7.1 Duty to make an offer

Pursuant to the applicable provisions of FinMA, any person that acquires shares of a company whose shares are listed on a Swiss stock exchange, whether directly or indirectly or acting in concert with third parties, and, as a result, exceeds the threshold of 33⅓% of the voting rights (whether exercisable or not) of such company, must submit a public tender offer to acquire all of the listed shares of such company. A company's articles of association may either waive this requirement entirely ("opting-out") or raise the relevant threshold to up to 49% ("opting-up").

Art. 31 of the Articles of Association includes an opting-out provision and thereby exempts shareholders from the duty to make a mandatory public tender offer pursuant to art. 135 FMIA. As a result, any shareholder or group of shareholders exceeding the threshold of 33⅓% of the voting rights (whether exercisable or not) of the Company is / are not required to make a mandatory tender offer to the other shareholders. In contrast with other companies listed in Switzerland which have no opting-out clause (and no opting-up clause), upon such shareholder or group of shareholders reaching or exceeding the threshold of 33⅓% of the voting rights (whether exercisable or not) of the Company, the shareholders will neither benefit from the option to sell their shares in a mandatory tender offer nor from minority shareholder protection rules related to such mandatory tender offers.

7.2 Clauses on change of control

PolyPeptide's long-term incentive program ("LTIP") provides that if a change of control (as defined in the LTIP rules) occurs while the participant still holds any unvested awards, then all unvested awards shall immediately vest at target. For more information on our LTIP, please refer to [section 5.1.4 "Long-term incentive program" of the Remuneration Report 2022](#).

Other than in relation to PolyPeptide's LTIP, there are no agreements or schemes in place containing change of control clauses benefiting members of the Board of Directors and / or the Executive Committee.

8 Auditors

8.1 Duration of the mandate and term of office of the Lead Auditor

Our external auditor's term of office is one year. It ends with the approval of the annual financial accounts by the general meeting. Re-election and revocation by the general meeting are possible at any time. The lead auditor is rotated every seven years in accordance with Swiss law.

Our independent external auditor is BDO AG ("BDO"), Schiffbaustrasse 2, 8005 Zürich, Switzerland, and has been our independent auditor since our incorporation on 6 April 2021. BDO is supervised and regulated by the Federal Audit Oversight Authority. Since 6 April 2021, René Füglistner has been the lead auditor.

8.2 Auditing fees

Total auditing fees charged by BDO for the audit of the consolidated financial statements, the audit of the statutory financial statements as well as the audit of selected sections of the Remuneration Report 2022 of the Company (i.e., PolyPeptide Group AG) for the financial year 2022 amounted to CHF 618,796.

8.3 Additional fees

For additional services performed by BDO (or its affiliates) in the year ended 31 December 2022, PolyPeptide was charged total non-auditing fees as follows:

CHF	Amount ¹
BDO Sweden: Auditor's statement in connection with the cross-border merger between Polypeptide Laboratories Holding (PPL) AB and Polypeptide Laboratories GmbH	8,398
BDO Sweden: Consulting on local sustainability report	1,517
Total	9,915

¹ Amounts converted to CHF from other currencies are translated at the average exchange rate 2022.

8.4 Information instruments pertaining to the External Audit

The Board of Directors monitors compliance and proposes the annual election of the external auditor to the general meeting as recommended by the Audit and Risk Committee. In accordance with the [Organizational Regulations](#) and the [Audit and Risk Committee Charter](#), the Audit and Risk Committee oversees the integrity of PolyPeptide's financial statements, the effectiveness of the internal control over financial reporting, the compliance with legal and regulatory requirements and the effectiveness of PolyPeptide's risk management, compliance and quality assurance systems and processes.

In addition, the Audit and Risk Committee annually (or more often as required) assesses the performance, qualifications and independence of the external auditor as well as evaluates the audit fees. The Audit and Risk Committee's assessment of the external auditor is based on the independency and objectivity of the external auditors, the professional competence, the presented reports, the demonstrated technical and operational competences, the quality and sufficiency of resources, the ability to provide effective and practical recommendations as well as the external auditor's open and effective communication and coordination with PolyPeptide's finance team and other employees. Based on its assessment, the Audit and Risk Committee will make a recommendation to the Board of Directors concerning the choice of the external auditor. The budget for audit fees (and any additional non-audit services) is reviewed

and negotiated by the Audit and Risk Committee, with the final audit and non-audit fees subject to approval by the Board of Directors.

Since 1 January 2022, the Audit and Risk Committee held five (5) meetings with representatives of BDO. During these meetings various accounting and reporting topics were discussed, including the 2022 half-year consolidated financial statements, key accounting topics, ongoing year-to-date financial performance, implementation of the Internal Audit function, establishment of an Enterprise Risk Management Framework, evaluation of the Group's key financial risks and mitigating strategies, audit plan and requirements for the 2022 audit of the consolidated financial statements, compliance and (cyber)security matters and internal control system. On an annual basis, the external auditor also presents a detailed report on the results of the audit of the consolidated financial statements, the findings on significant accounting and reporting matters and findings on the internal control system. This presentation was held at the Audit and Risk Committee meeting on 2 March 2023 (in relation to the approval of the 2022 full-year financial statements). The results and findings of this report are also discussed in detail with the CFO and other members of the PolyPeptide finance team. The chairman of the Audit and Risk Committee presented a summary of the external auditor's presentation (including submitting any accompanying materials for review) to the Board of Directors at its next scheduled meeting, which occurred on 9 March 2023.

For more information regarding the Audit and Risk Committee and their meetings which included the external auditors, please refer to [section 3.5.3.2 "Audit and Risk Committee" of this Corporate Governance Report](#).

For information regarding PolyPeptide's Internal Audit function, please refer to [section 3.7.5 "Internal Audit" of this Corporate Governance Report](#).

9 Information policy

We maintain a policy of transparent communication with all our stakeholders.

We release our financial results in the form of an annual report. Our annual report is published only in English and in electronic form under the links at the end of this section 9 within four months of the 31 December balance sheet date. According to [art. 8 para. 3 Articles of Association](#) the annual report, the remuneration report and the auditors' report shall also be made available for inspection by the shareholders at the registered office of the Company at least 20 calendar days prior to the date of the ordinary general meeting.

In addition, our financial results for the first half of each fiscal year are released only in English and only in electronic form under the links at the end of this section 9 within three months of the 30 June balance sheet date.

Our annual report and half-year results are announced via press releases and media and investor conferences held in person, via telephone or video conference / webcast.

In addition, we comply with the requirements of SIX Exchange Regulation on the dissemination of price-sensitive information. Ad hoc announcements can be accessed at the same time as they are communicated to the SIX Exchange Regulation at the links indicated at the end of this section 9. PolyPeptide will also send material and price-sensitive information directly, promptly and free of charge by e-mail. This service is offered under the links indicated at the end of this section 9.

Notices to shareholders and other announcements are made by publication in the Swiss Official Gazette of Commerce. The Board of Directors may designate further means for official publications.

Contact addresses

Copies of all information and documents pertaining to press releases, media conferences, investor updates and presentations at analyst and investor presentation conferences can be downloaded from our website at <https://www.polypeptide.com/> or obtained upon request from Investor Relations and Corporate Communications, Neuhofstrasse 24, 6340 Baar, Switzerland (phone: +41 435 020 580; e-mail: investorrelations@polypeptide.com).

Main registered office

PolyPeptide Group AG
Neuhofstrasse 24
6340 Baar
Switzerland

Weblinks

The Company's website:
<https://www.polypeptide.com>

Subscription for ad hoc messages (push system):
www.polypeptide.com/news/subscription/

Ad hoc messages (pull system):
www.polypeptide.com/news/

Financial reports:
www.polypeptide.com/investors/results-presentations/

Corporate calendar:
www.polypeptide.com/investors/calendar/

Corporate Governance Report

Upcoming important dates:

- 14 March 2023 – Full-year Results 2022 and Media Conference
- 12 April 2023 – General Meeting 2023
- 15 August 2023 – Half-year Results 2023
- 12 March 2024 – Full-year Results 2023 and Media Conference
- 10 April 2024 – General Meeting 2024

10 Quiet periods (Blocked periods)

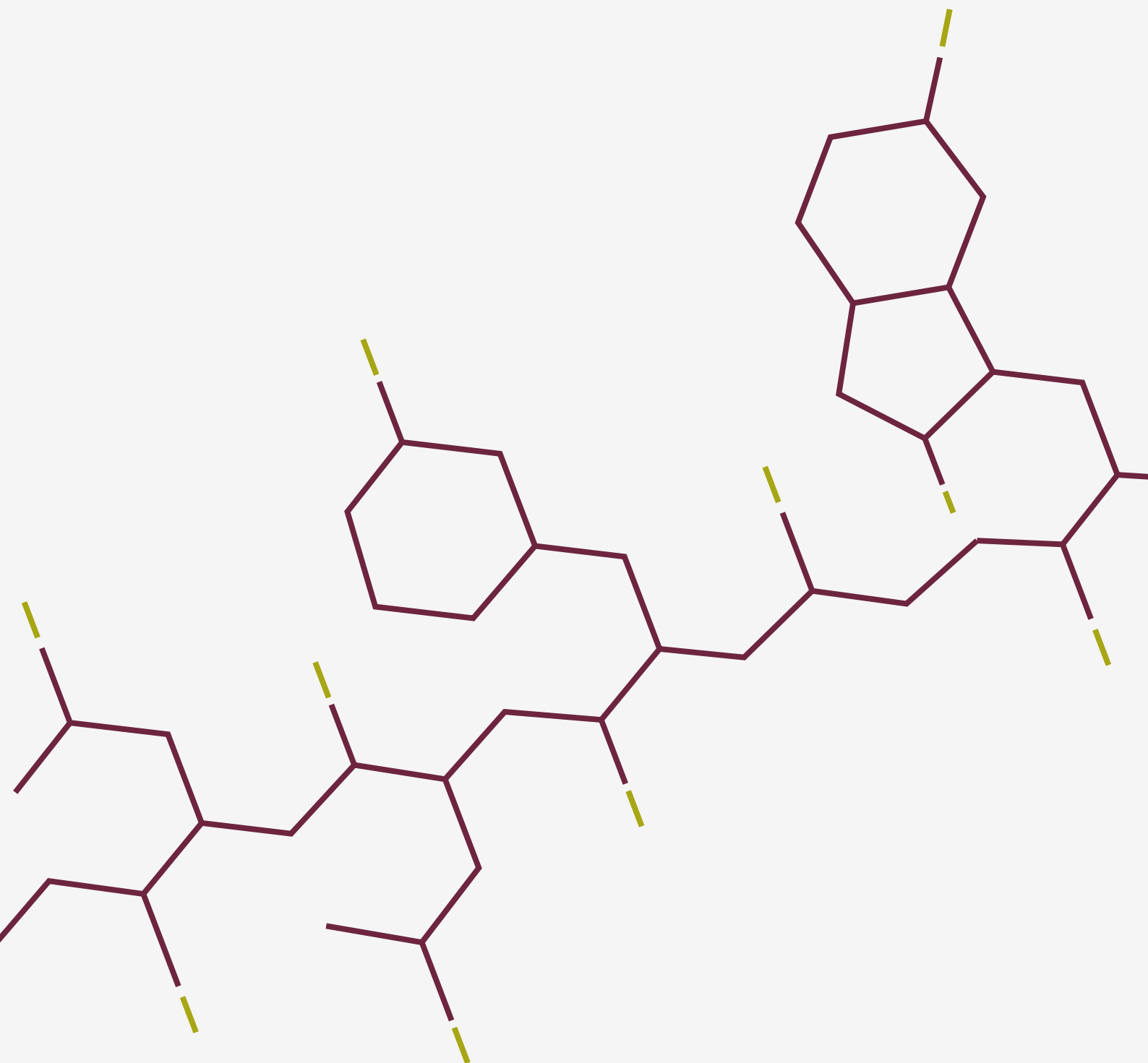
Our trading policy sets out internal guidance and rules on the proper handling of inside information and for trading in the Company's securities. In addition, our disclosure policy defines the information requirements and responsibilities with regard to informing the public in a fair and transparent manner, and at the earliest possible stage, about significant developments and changes concerning PolyPeptide.

We have introduced ordinary blocked periods during which time the Company and blocked persons must not deal in Company securities or make respective recommendations to any other person regardless of whether or not such person is in possession of inside information. PolyPeptide's ordinary blocked periods are (i) from 31 December until the lapse of one trading day following the public release of our annual results and (ii) from 30 June until the lapse of one trading day following the public release of our half-year results.

Blocked persons subject to the ordinary blocked periods include members of the Board of Directors, the Executive Committee, the PolyPeptide Management Committee as well as other individuals having access to inside information during these periods as identified by the CFO and General Counsel, in consultation with other members of management. The General Counsel maintains a list of the blocked persons, which is reviewed together with the CFO ahead of the commencement of each ordinary blocked period, and informs such individuals of their designation as a blocked person. Each blocked person must also deliver an acknowledgment of their designation as a blocked person to the General Counsel. In addition, the General Counsel reminds all blocked persons by e-mail of the applicable restrictions ahead of each ordinary blackout period.

In 2022, the following ordinary blocked periods applied: from 31 December 2021 until (and including) 15 March 2022; from 30 June 2022 until (and including) 19 August 2022; and from 31 December 2022 until (and including) 14 March 2023.

In addition to ordinary blocked periods, the Chairman, CEO, CFO or the General Counsel may each impose extraordinary blocked periods from time to time where they consider it necessary or appropriate, including (without limitation) where inside information exists or may arise (for example in connection with a potential material transaction) or where restrictions are required or appropriate to comply with regulatory or other requirements.



PolyPeptide Group AG

info@polypeptide.com
www.polypeptide.com