
Sustainability and Governance Committee Charter

of

BB Biotech AG

Approved by the Board on
April 19, 2022

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1. Basis

- (a) This sustainability and governance committee charter (**SGC Charter**) is adopted by the board of directors (**Board**) of BB Biotech AG (**Company**) on the basis of the Swiss Code of Obligations (**CO**), the Company's articles of association (**Articles**) and the Company's organizational regulations (**Regulations**).
- (b) Except as expressly provided in this SGC Charter, the Regulations or the Articles, the sustainability and governance committee (**SGC**) shall determine its own rules of procedure.
- (c) The purpose of the SGC is to support, and to provide guidance to, the Board in environmental, social and governance (**ESG**) matters as set out further in detail in this SGC Charter.
- (d) For purposes of this SGC Charter, the term ESG shall refer to the following:
 - (i) Environmental: the impact of the Company and its subsidiaries (together the **Group**) and the impacts of the portfolio companies on the natural environment, including, but not limited to, carbon emissions, air and water pollution, energy efficiency, waste management, and natural resources conservation;
 - (ii) Social: the role of the Group and the roles of the portfolio companies within the relevant societies and their interaction with stakeholders and communities, covering aspects of human rights, supply chain sustainability, diversity and inclusion, non-discrimination, and equal treatment; and
 - (iii) Governance: the Company's corporate governance framework and all applicable standards, codes, and best practices to the extent not under supervision by the Company's audit and risk committee or the nomination and remuneration committee, including aspects such as bribery and corruption, lobbying, and political contributions.

2. Composition, Election and Organization

- (a) The SGC shall consist of no less than one member of the Board. The member(s) of the SGC (**SGC Member(s)**) shall be non-executive and independent, as determined in accordance with Swiss law.
- (b) The Board shall appoint the members of the SGC individually for a term of office until the completion of the next ordinary general meeting of shareholders of the Company (**General Meeting**). Re-appointment is possible.
- (c) The Board shall have the power at any time to change the membership of the SGC, with or without cause.
- (d) If there are vacancies on the SGC, the Board may appoint substitute members from among its members for a term of office until the completion of the next ordinary General Meeting.
- (e) The SGC shall appoint a chair of the SGC (**Chair**) for a term of office until the completion of the next ordinary General Meeting. Re-appointment is possible.

- (f) The SGC shall appoint a secretary (**Secretary**), who does not need to be a SGC Member or member of the Board and who will maintain the minutes. The Secretary shall be entitled to participate in the deliberations and discussions of the SGC, but shall not vote, unless he or she is a SGC Member.

3. Powers and Duties

3.1 In General

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

3.2 Specific Powers and Duties

The SGC shall:

- (i) review periodically and, if required, make recommendations to the Board regarding the Group's investment strategy, principles, initiatives, policies and guidelines concerning ESG matters;
- (ii) review and monitor the investment, regulatory and reputational impacts of ESG matters on the Group and provide guidance to the Board concerning the management of such impacts;
- (iii) assess, monitor, and report to the Board on the performance of the investment manager and administrator, Bellevue Asset Management AG, with regard to ESG matters;
- (iv) support the investment manager and administrator, Bellevue Asset Management AG, in conducting the annual materiality analysis concerning ESG matters and report the results of such analysis to the Board;
- (v) provide support and guidance with respect to communications to the Company's stakeholders concerning ESG matters, including the Company's sustainability report;
- (vi) review the Company's sustainability report;
- (vii) review periodically the adequacy of the Articles, the Regulations and this SGC Charter and, if required, make recommendations to the Board to amend the Articles, Regulations and/or this SGC Charter;
- (viii) review, assess and make recommendations to the Board regarding significant emerging and current trends and stakeholders' views regarding ESG matters.

3.3 Information Rights

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

4. Rules of Procedure

4.1 SGC Meetings and Agenda

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

4.2 Quorum

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

4.3 Resolutions

- (a) Each SGC Member shall be entitled to cast one vote.
- (b) The SGC shall pass resolutions and take other actions by an absolute majority of the votes of the SGC Members who are present. The Chair shall have the casting vote in case of a tied vote.
- (c) Resolutions may be passed by way of circulation in writing (including by PDF scans sent by e-mail), provided that no SGC Member requests oral deliberation within the period indicated in the corresponding motion. These circular resolutions shall be considered approved if all SGC Members have given their written consent.

4.4 Board Approval

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

4.5 Minutes

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

4.6 Reporting

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

4.7 Retention of Consultants and Advisers

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

by the SGC. The Company shall provide for appropriate funding, as determined by the SGC, for payment of reasonable compensation to any such Consultant retained by the SGC.

5. Miscellaneous

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

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

5.2 Amendments to the SGC Charter

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

5.3 Effectiveness

This SGC Charter was adopted by resolution of the Board of April 19, 2022, and shall be effective as of April 19, 2022.