

Organisational Regulations

Approved at BoD meeting of 22 August 2022
(replaces version approved 20 May 2015)

Note: This document is an English translation of the German original and made for convenience only. The German document prevails in any case.

I. Foundations

1. Purpose

These Organisational Regulations are issued in application of Art. 716b of the Swiss Code of Obligations (CO) and based on Art. 29 of the Articles of Association of Ypsomed Holding AG. They govern the tasks, powers and responsibilities of the governing bodies of the Ypsomed Group, their method of operation, and their collaboration, as well as the most important management tools.

Ypsomed Holding AG and Ypsomed AG as well as their affiliated companies are regarded and managed as one group of companies (Ypsomed Group). The intention of these regulations is to set harmonised objectives and business activities.

2. Governing bodies of the Ypsomed Group

The governing bodies of the Ypsomed Group are:

- the Board of Directors of Ypsomed Holding AG (BoD);
- the Chairman of the Board of Directors of Ypsomed Holding AG (BoDC);
- the CEOs of Ypsomed Holding AG (incl. Ypsomed AG) and Ypsomed Group (CEO);
- the Executive Management of Ypsomed Holding AG (incl. Ypsomed AG) and Ypsomed Group (EM);
- the Boards of Directors and Executive Management boards of the individual Group companies.

The governing bodies assume all management, proposal, decision-making, implementation and control functions conferred upon them by law, the Articles of Association, or these Organisational Regulations.

3. Signing authority

The power of representation (business correspondence) for all Group companies is, in principle, executed with a single signature; representation with respect to banks, including in relation to online banking, is, in principle, executed jointly with signatures at two.

The CEO and the members of the EM may decide to deviate from this and may order joint signatures at two internally for certain situations (e.g. for important contracts).

Furthermore, the CEO may provide for banking transactions of Group companies with only a small number of employees to be signed with single signature during the formation phase.

4. Recusal

Members of governing bodies must recuse themselves if business is carried out that concerns their own interests or the interests of persons close to them.

5. Confidentiality

Members of the governing bodies are obliged to maintain secrecy vis-à-vis third parties regarding confidential facts to which they become privy while carrying out their duties of office.

All business files and personal data must be kept protected from unauthorised access. All documents must be returned no later than the expiry of the term of office and copies thereof shall be destroyed.

II. Board of Directors of Ypsomed Holding AG

6. Tasks and competences

The Board of Directors has the non-transferable duties assigned to it by law and the Articles of Association:

- the overall management of the company and the issuing of all necessary directives;
- the approval of company policy and strategy;
- the determination of the organisation and the issuance of the Organisational Regulations;
- the organisation of the accounting, financial control, and financial planning as required for the management of the company;
- the appointment and dismissal of persons entrusted with managing and representing the company;
- the overall supervision of the persons entrusted with managing the company, in particular with regard to compliance with the law, the Articles of Association, operational regulations and directives;
- compilation of the Annual Report and the Compensation Report as well as the preparation of the General Meeting and the implementation of its resolutions;
- the notification of the court in the event that the company is overindebted.

7. Transfer of company management

The Board of Directors hereby transfers the management of the Ypsomed Group to the EM under the leadership of the CEO.

The following transactions may only be entered into by the EM with the prior and express consent of the Board of Directors:

- purchase and sale of companies;
- purchase and sale of participations in companies;
- initiation of legal proceedings with a value in dispute of more than CHF 1 million;
- transactions creating obligation which exceeds CHF 10 million, if not budgeted;
- legal transactions - direct or indirect - with individual members of the Board of Directors, the EM and persons closely associated with them;
- legal transactions - direct or indirect - with the main shareholder of Ypsomed Holding AG and members of the Michel shareholder group.

8. Communication in the BoD

An electronic platform is installed for the filing and exchange of documents among the Board of Directors. The members of the Board of Directors, the CEO, CFO, Head of Internal Auditing / ICS and the Secretary of the Board of Directors as well as their assistants have access to the platform.

E-mail communication with and among the Board of Directors takes place exclusively in encrypted form.

9. Information and inspection rights

Right to information

At meetings of the Board of Directors, any member of the Board of Directors may request information on any matter concerning the Group. Outside of these meetings, any member of the Board of Directors may request oral information on the course of business from the persons entrusted with the management of the business.

Right of inspection

Any member of the Board of Directors may at any time request to inspect the books and other records if this is necessary for the performance of a task. Requests for information and inspection rights must be made through the Chairman.

10. BoD meetings

The Board of Directors meets regularly four times per financial year plus once in March for a strategy day. Extraordinary meetings are convened in accordance with the Articles of Association.

The CEO and CFO regularly attend the meetings of the Board of Directors. The BoDC decides which other persons are invited to attend BoD meetings or are available to provide information during the meetings. The auditors are also invited when the annual financial statements are included in the agenda.

The BoDC determines the location of the meeting. Participation by video shall be made possible for the BoD members at their request.

BoD meetings usually last one to two days and are combined with committee meetings or in-depth meetings (deep dives) on specific issues where possible and appropriate.

Agenda

Ordinarily, the following business are placed on the agenda:

- Minutes
- CEO Report (reports of the Business Areas YDC and YDS as well as Corporate Area Operations)
- Consolidated quarterly (or semi-annual or annual) financial statements of the Group with budget, prior-year comparisons and estimates
- Status of the most important YDS projects/customers
- Status of the most important YDC projects/customers
- Operations of the most important projects

In addition, the following items are periodically placed on the agenda:

- Budget and investments (before the start of each new financial year)
- Approval of the Annual Report incl. management report, annual financial statements and motions to be submitted to the General Meeting (May meeting)
- Enterprise risk management (ERM)
- Internal control system (ICS)
- Compliance

The BoD members may submit written agenda items to the BoDC up to fifteen days prior to the meeting. The definitive agenda is determined by the BoDC.

The agenda is usually communicated to the BoD members in writing ten days before the meeting.

Documents relating to the agenda items shall also be made available ten days before the meeting; only in exceptional cases are documents made available later or at the meeting itself.

Reporting

The following reports are attached to the BoD meeting materials:

- CEO
- Business Area Ypsomed Delivery Systems YDS
- Business Area Ypsomed Diabetes Care YDC
- Corporate Area Operations
- Corporate Area Services

The CEO's report summarises the current situation of the Ypsomed Group in a concise form.

The reports of the business and corporate areas focus on the most important projects/customers, in particular those that have a significant impact on the market environment, call into question the achievement of planned targets, influence the Group's strategy, or give rise to unexpected material risks, including publicity risks.

Resolution

In the event of a tie, the BoDC or, in his absence, the Vice Chairman has the casting vote.

Resolutions on business not placed on the agenda may only be passed if the BoDC or Vice Chairman and at least two other members of the BoD are present.

With the consent of all BoD members, resolutions may also be passed via circular letters. The circular minutes are formally adopted at the following ordinary meeting of the Board of Directors.

Minutes

All decisions as well as central and important statements of the participants are recorded in the minutes.

The secretary of the BoD keeps the original minutes in the company files together with the slides presented at the meeting and any documents handed in at the meeting.

11. Compensation

The full Board of Directors determines the amount of the fixed and variable performance-related compensation to be paid to its members each year on the recommendation of the Nomination & Compensation Committee (NCC). In accordance with the Articles of Association, it submits these to the General Meeting for approval.

The Board of Directors also regulates the basic principles of expense allowances.

12. BoD Secretary

The Board of Directors appoints a Secretary. The Secretary is responsible for the preparation of Board of Directors meetings, the taking of minutes of the meetings of addressed submissions and business dealings, and for the organisation of the share register. He also performs other tasks assigned to him by the Board of Directors or the BoDC.

III. Board of Director Committees

Functioning of the Board of Directors

Within the scope of its competencies, the Board of Directors of Ypsomed Holding AG sets up committees which analyse certain areas and topics in depth and report to the full Board of Directors in preparation for its resolutions or to safeguard its supervisory function. The chairmen of the committees have direct access to members of the EM (executive lead) or other persons from the company, who also attend the committee meetings.

The full Board of Directors decides on motions, proposals and recommendations of the committees.

The chairman of the respective committee invites the meeting participants in good time. He informs the full Board of Directors in an appropriate form about the activities and the results.

Compensation

Compensation for service on Board of Directors committees is determined by the full Board of Directors. Section 11 applies in this regard.

Standing committees and ad hoc committees

The Board of Directors establishes the following standing committees:

- Nomination & Compensation Committee (NCC)
- Audit & Risk Committee (ARC)
- Innovation & Sustainability Committee (ISC)

The Board of Directors may delegate further powers on a case-by-case basis to an ad hoc Board of Directors committee whose members it appoints from among its members. The details of the delegation shall be set out in writing.

13. Nomination & Compensation Committee (NCC)

The NCC assists the full Board of Directors in:

- setting and reviewing the compensation principles and guidelines for BoD and EM members,
- preparation of the remuneration report;
- preparation of proposals to the General Meeting of Shareholders concerning the compensation of the members of the Board of Directors and the Executive Management;
- selection and appointment of new members of the Executive Management, termination of employment contracts with members of the Executive Management;
- selection of new BoD members;
- assessment of personnel policy and corporate culture to position Ypsomed as an attractive employer.

14. Audit & Risk Committee (ARC)

The ARC assists the full Board of Directors in:

- assessment of the cooperation between external auditors and internal auditors;
- assessment of the functionality of the internal audit function (ICS), the enterprise risk management (ERM) and the compliance system;
- preliminary review of the individual and consolidated financial statements of the half-year and annual financial statements and discussion with the CFO, the Head of Internal Auditing and with the external auditors;
- assessment of the performance and fees of the external auditors and review of their independence.

15. Innovation & Sustainability Committee (ISC)

The ISC supports the full Board of Directors in:

- assessment of M&S as well as innovation strategies;
- examination of scenarios and assessment of developments in the areas of product technology, digitalisation, networking of intelligent platforms, data analytics, therapy management and the market;
- assessment of developments in the healthcare sector, in particular with regard to medical compliance and reimbursement systems;
- establishment of sustainability criteria;
- assessing the environmental, social and societal impacts of our business activities.

IV. Chairman of the Board of Directors (BoDC)

The BoDC assumes the duties and powers assigned to him by law, the Articles of Association, and these Organisational Regulations. In particular, he is the link between the Board of Directors and the EM. He is in regular contact with the CEO.

In the case of time-critical business, the BoDC- or the person appointed by him - informs the other members of the Board of Directors. If the Board of Directors cannot meet at short notice or decides not to convene a meeting, the BoD meeting may be held by telephone or video. The meeting are minuted and submitted for formal approval at the following ordinary meeting of the Board of Directors.

V. CEO

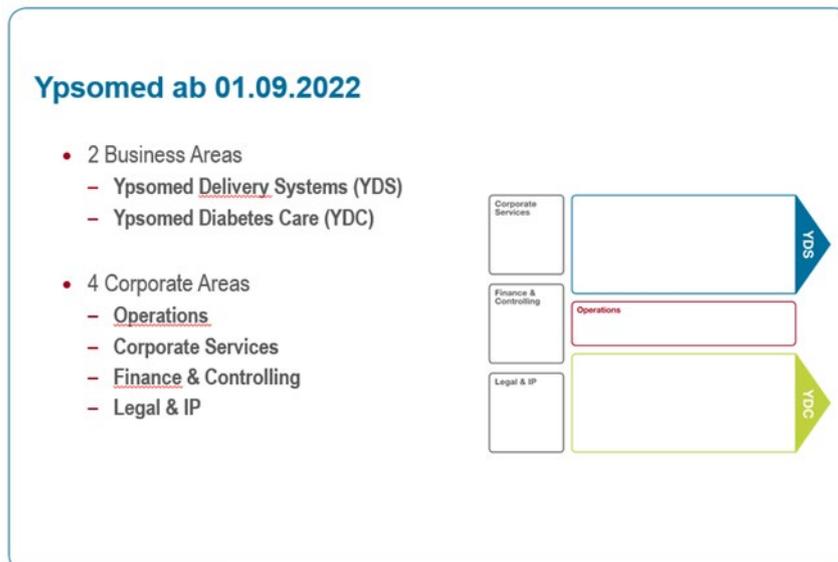
The CEO assumes the duties and powers assigned to him by law, the Articles of Association and these Organisational Regulations. In particular, he ensures compliance with the law, the Articles of Association, and the directives and guidelines of the Board of Directors within the Ypsomed Group. He informs the Board of Directors in accordance with these Organisational Regulations and reports to it immediately in the event of extraordinary occurrences.

The CEO leads the EM and represents the Board of Directors of Ypsomed Holding AG vis-à-vis the EM and externally.

VI. The Executive Management (EM)

16. Composition

The EM shall be appointed by the Board of Directors of Ypsomed Holding AG and is chaired by the CEO. The organisational chart of the EM is below (as of 1 September 2022):



17. Tasks

Under the direction of the CEO, the EM has the duties assigned to it by law, the Articles of Association, and these Organisational Regulations. It implements the corporate policy and strategy approved by the BoD and is responsible for the operational management of the company. The members of the EM inform the CEO immediately of any extraordinary events of which they become aware.

VII. The boards of directors of subsidiaries

18. Tasks

The boards of directors of the Group companies focus on the interests of the Group to the extent permitted by law and the Articles of Association. They implement the measures and directives defined by the EM in the respective Group companies.

The boards of directors of the Group companies performs the duties defined by the applicable laws and Articles of Association. In addition, they perform the duties assigned to them under these Organisational Regulations. These boards of directors ensure that the management duties are performed in all cases in accordance with the applicable laws and Articles of Association and in compliance with the provisions on capital protection.

19. Composition

In order to coordinate the business activities of the Group companies as closely as possible, the CEO, the CFO and other members of the EM sit on the governing bodies of the Group companies. BoD members who are also employees of a company belonging to the Group and receive a salary for this do not – insofar as permitted legally - receive any further compensation for their activities as a member of the BoD; the compensation for these activities is contained within their respective basic salaries.

20. Local management of each Group company

The EM appoints local management boards to manage the business of each Group company.

The local departments of the individual Group companies report to the responsible person at Ypsomed AG. For example, the person responsible for Fi/Co in Group company 'X' reports to the CFO of the Ypsomed Group. From a disciplinary point of view, however, the local specialist departments report to the head of the corresponding Group company.

VIII. Final provisions

21. Emergencies

In justified cases, deviations from the Organisational Regulations may be made.

22. Amendments to these Organisational Regulations

These Organisational Regulations can be amended, supplemented, or repealed by the Board of Directors of Ypsomed Holding AG at any time, provided that all members agree. Should an amendment resolution not be passed or if not all members of the Board of Directors are present, the Organisational Regulations can be amended at a subsequent meeting of the Board of Directors by a simple majority vote.

23. Notification

The Organisational Regulations are posted on the company's website.

The Organisational Regulations are brought to the attention of each governing body in an appropriate form.

24. Coming into force

These Organisational Regulations were approved by the Board of Directors in their German version at its meeting on 22 August 2022 and come into force with immediate effect. They replace the previous regulations of 20 May 2015.

Ypsomed Holding AG:

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Gilbert Achermann
Chairman of the Board of Directors