



## Rules and Regulations

### Governance Committee (GOC)

OC Oerlikon Corporation AG, Pfäffikon

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## 1. Role and Authority

- 1.1 Role in General. The Governance Committee ("**GOC**") is established by the Board of Directors ("**BoD**") of OC Oerlikon Corporation AG, Pfäffikon ("**Company**"). Its primary purpose is to assist the BoD in matters relating to corporate governance with the goal to ensure functioning checks and balances in general and, specifically, in a governance model where certain BoD members may have executive functions or vis-à-vis former members of the Executive Committee whose cooling-off period may not be over yet. Within this defined scope (cf. in further detail Section 3 "Duties and Responsibilities of the GOC" below), the GOC shall advice on compliance of the Company with the Swiss Code of Best Practice for Corporate Governance, with the Company's Organizational and Governance Rules, and where appropriate and in line with market expectations and practices, above and beyond the baseline principles regarding good corporate governance as set forth in the Swiss Code of Best Practice for Corporate Governance.
- 1.2 Authority. The GOC shall be a permanent committee of the BoD within the meaning of Art. 716a para. 2 of the Swiss Code of Obligations. As a separate advisory group, independent from the Executive Committee ("**EC**"), it shall advise the BoD and exclusively follow the BoD instructions.

Unless expressly stated in these Rules and Regulations, respectively:

- the GOC shall not have any authority to decide matters in lieu of the BoD; and
- may prepare, review, or investigate topics of relevance within its defined duties and responsibilities (cf. Section 3 below) and submit relevant proposals to the BoD for deliberation, but must not itself take resolutions beyond recommendations, proposals, or motions to be submitted to the BoD for deliberation.

## 2. Composition and Meetings of the GOC

- 2.1 Composition. The GOC shall consist of at least 3 members of the BoD who shall in general not be eligible if performing any executive management duties within the Company whilst in office or having significant business relations with the Company or having been members of the Executive Committee in the preceding three years. They must have the degree of independence required by the Swiss Code of Best Practice for Corporate Governance and be considered independent by Oerlikon's own independence criteria.
- 2.2 Appointment. The BoD shall appoint the Chair, who shall in principle also have the function as Lead Director within the BoD, and the other members of the GOC at the proposal of the HRC, whereas any BoD member (including the Chairman) who has an executive function shall abstain from the BoD resolution to appoint the Chair and the other members of the GOC. The term of office of a member of the GOC corresponds to its term of office as a member of the BoD.
- 2.3 Meetings. The GOC shall convene by invitation of its Chair as often as business requires, but at least four times annually. The GOC may invite members of the BoD or the management of the Company to its meetings.

Resolutions of the GOC shall require the simple majority of casted votes at a meeting attended by a majority of all GOC members. In the event of equal votes, the Chair shall have the casting vote. Resolutions may be passed in writing or by electronic means unless a member requests an oral debate within 48 hours of receipt of the notification of the proposal. Resolutions in writing or by electronic means shall require the approval of the majority of all GOC members. The GOC members shall not be bound by their votes in the GOC while voting on GOC motions as members of the BoD.

- 2.4** Minutes. At the GOC meetings, minutes shall be taken on the resolutions passed bearing the signature of the Chair and the minute-taker. In case of resolutions passed by electronic means without being signed electronically, such resolutions shall be incorporated into the next minutes ordinarily signed. The minutes of all GOC meetings shall be distributed to the full BoD after approval by the GOC.

### **3. Duties and Responsibilities of the GOC**

The GOC has the following duties and responsibilities:

- Generally, the GOC assists the BoD and the Chairman of the BoD in fulfilling its responsibilities with respect to the Company's corporate governance in so far as checks and balances are concerned in a governance model where certain BoD members may have executive functions or *vis-à-vis* former members of the Executive Committee whose cooling-off period may not be over yet. More specifically, the duties and responsibilities shall be targeted and limited to situations in which such executive BoD members allegedly materially misuse their powers or in which such former members of the Executive Committee are in an allegedly material conflict of interest situation in their new function as BoD member.
- Within this defined scope,
  - it advises on compliance of the Company with the Swiss Code of Best Practice for Corporate Governance and with the Organizational and Governance Rules, and where appropriate above and beyond the baseline principles set forth in the Swiss Code of Best Practice for Corporate Governance. In particular, the GOC shall ensure adequate control mechanisms as recommended by the Swiss Code of Best Practice for Corporate Governance,
  - it acts as a sounding board for the Lead Director,
  - it advises on corporate governance issues and periodically reviews principles of corporate governance and prepares recommendations to the BoD.

### **4. Right of Information, Investigation and Reporting**

- 4.1** Information and investigation. Within the defined scope of the GOC's duties and responsibilities (cf. Section 3 above), the GOC's right to access information and to conduct investigations shall be unlimited within the entire Oerlikon Group but may not be exercised autonomously. The Chairman of the BoD or the Lead Director shall arrange for access, information, and investigations, affable to the staff and in compliance with all applicable mandatory local protective rights.
- 4.2** Within the defined scope of the GOC's duties and responsibilities (cf. Section 3 above), the right to access and information referred to in Section 4.1 shall particularly include the right to comprehensive information from the external and internal auditors, the EC, Division CEOs, Business Representatives as well as all staff members of the Oerlikon Group, the right to access any and all documents, records and data carriers, necessary or useful to perform the duties and responsibilities of the GOC, and the right to inspect relevant reports.
- 4.3** Within the defined scope of the GOC's duties and responsibilities (cf. Section 3 above), the right of investigation referred to in Section 4.1 shall particularly include the right of the GOC to perform or arrange investigations within the Oerlikon Group, which are necessary or useful for the performance of the GOC duties and responsibilities. The GOC shall review and assess information obtained and related comments or recommendations of the members of the EC and of external advisors, if any, and shall present its findings and recommendations to the BoD.
- 4.4** Reporting. The GOC shall verbally report to the BoD at BoD meetings and immediately in urgent cases. Between meetings it shall ensure a good flow of information between the

BoD and the GOC. Within the defined scope of the GOC's duties and responsibilities (cf. Section 3 above), it may timely – as a rule not less than seven calendar days prior to the relevant BoD Meeting – request that an item be included on the BoD agenda.

## 5. Effective Date

These Rules and Regulations have been approved by the BoD on March 21, 2023 and become effective on March 21, 2023. This version replaces the version approved by the BoD on February 28, 2022, which became effective on July 1, 2022.

Pfäffikon, March 21, 2023

For the Board of Directors:



Prof. Dr. Michael Süss, Chairman of the Board