

STATEMENT

Independence of the Board of Directors

The Medartis BOD believes that its independence is important. The majority of the Directors must meet the independence criteria defined by the company set forth in the list below. These criteria conform with Swiss law and the national corporate governance best practice guidance («Swiss Code of Best Practice for Corporate Governance»). The Board and the Human Resources & Compensation Committee (HRCC) is aware that these internal criteria may differ in parts from certain proxy advisors, e.g. regarding tenure and significant shareholding status.

Since its foundation in 1997, Medartis has been strongly influenced by the founding family and founding members, who have invested a considerable part of their wealth in the company and hold a majority of the share capital. Their interests must be preserved just as the rights of minority shareholders need to be respected and considered.

Having Board members with industry experience, who are familiar with stakeholder engagement, is an important ingredient for the success of Medartis. In the case of renewal elections, the Board of Directors attaches great importance to ensuring that diverse and complementary skills are represented on the Board and that independence is maintained. The Human Resources & Compensation Committee (HRCC) reviews the independence of the Board members annually. The HRCC evaluates conflicts of interest, related party transactions and other commitments potentially jeopardizing a member's independence.

A director shall be considered independent if all of the following criteria are met:

- The member does not currently hold or has not held an executive position in the company or its affiliates for the past three years,
- The member has not been employed by or associated with the company's external auditor for the past three years,
- The member does not maintain, in the sole determination of the Board, a material direct or indirect business relationship with the company or any of its subsidiaries,
- An independent director has not made any material payments to the company or received goods, property or services with a value exceeding CHF 100,000 from Medartis.

The Board of Directors aims for a healthy average tenure by having a good balance of long-standing and newer Board members and does not set a strict tenure limit. The position as a significant shareholder is not considered a criterion for independence, unless such a member directly or indirectly holds more than 20 % of the share capital.