

# Organizational Regulations Autoneum Holding Ltd.

## 1. Introduction

1. These Organizational Regulations (“Regulations”) are issued by the Board of Directors of Autoneum Holding Ltd. (“Company”) pursuant to Art. 712 et seq., especially Art. 716b, of the Swiss Code of Obligations (“CO”), in accordance with the Articles of Association of the Company, in particular § 21 and 22, and in compliance with legal requirements.
2. These Regulations determine the constitution, organization, duties and authorities of the Board of Directors and the delegation of duties and authorities to the following bodies and their members of the Company:
  - a) Board of Directors (“BoD”);
  - b) Chairman of the Board of Directors (“Chairman”);
  - c) Vice-Chairman of the Board of Directors (“Vice-Chairman”);
  - d) Audit Committee (“AC”), Nomination Committee (“NOC”), Compensation Committee (“COC”), Strategy and Sustainability Committee (“StNA”) and further Committees to be established by the BoD;
  - e) Group Executive Board (“GEB”) and its members;
  - f) Internal Audit.
3. The Company is the ultimate holding company of the Autoneum Group of companies (“Group”). In view of this, the Company’s bodies and their members perform strategic, financial and management functions not only for the Company, but also for the Group, which includes all companies controlled by the Company (“Legal Units”). Notwithstanding this, the Company, its bodies and their members consider and respect the legal independence of the Legal Units and the provisions of applicable laws, rules and regulations relating to them.
4. The Group consists of the Business Group (“BG”) which are formed for specific market regions that are clearly defined and demarcated from each other. Each BG conducts its business within the framework of these Regulations under the leadership of the Business Group Head (“BG Head”), who reports directly to the Group Chief Executive Officer (“CEO”).
5. The BoD issues further regulations as and when required. In particular, the BoD shall issue Management Regulations further defining certain duties and authorities of bodies, their members and other functions as well as approval requirements.
6. These Regulations shall prevail to all other regulations and apply to all Group officers and employees.

## 2. The Board of Directors

§14 to 25 of the Articles of Association of the Company govern, amongst others, the duties and authorities as well as the organization and the constitution of the BoD, which are complemented and defined in more detail below.

### 2.1 Duties and authorities

1. The BoD is the supreme executive body of the Company and the Group. It exercises ultimate responsibility for directing, supervising and controlling the Group and its management as well as for supervising their compliance with applicable laws, rules and regulations (Art. 716a CO).
2. The BoD may adopt resolutions upon all matters that are not expressly reserved or assigned to the General Meeting of Shareholders or to another body by law, the Articles of Association or these Regulations and has in particular the following main duties and authorities:
  - a) determination of the Company's and the Group's principal legal, organizational and management structure;
  - b) determination of the Company's and the Group's strategy and business portfolio;
  - c) determination of the Company's and the Group's accounting, financial control, financial planning and reporting systems;
  - d) determination of the strategy incl. tangible objectives for the Group in the area of Corporate Responsibility;
  - e) preparation of the Company's and the Group's half year report and annual report;
  - f) determination of the Company's dividend policy;
  - g) preparation and convening of the General Meeting of Shareholders and implementation of its resolutions;
  - h) approval of the budget and mid-term financial planning;
  - i) appointment and dismissal of the following persons:
    - Vice Chairman;
    - members of the Committees with the exception of the COC;
    - CEO;
    - other GEB members;
    - Secretary to the BoD ("Secretary");
    - Head of Internal Audit;
    - Chairman, members of the COC and the Independent Proxy in case any of these positions becomes vacant.
  - j) nomination of the members of the BoD, the Chairman, the members of the COC, the external auditor and the Independent Proxy for election by the General Meeting of

Shareholders as well as appointment of the Chairman, the members of the COC and the Independent Proxy in case of vacancies;

- k) designation of the persons with signatory power for the Company and determination of the respective authorities;
  - l) determination of the principles of internal audit;
  - m) drawing up regulations governing share transfers;
  - n) utilization of conditional share capital of the Company;
  - o) determination of the amount of share capital as well as adopting increases and decreases in capital and the relevant amendments to the Articles of Association (Art. 652g CO, Art. 653u CO);
  - p) notification of the court if the liabilities of the Company exceed its assets (Art. 725b para 3 CO);
  - q) review and approval of the Group's compensation system including bonus, share purchase and option plans and of the Compensation Report;
  - r) determination of the terms of employment of the members of the GEB;
  - s) proposal to the General Meeting of Shareholders for approval of the annual fixed and variable compensation of the members of the BoD and the GEB (§24 Articles of Association);
  - t) approval of the external mandates of the members of the GEB within the limits of §20 Articles of Association;
  - u) approval of any loan, credit or pension of the members of the GEB within the limits of §25 Articles of Association.
3. The BoD conducts an appraisal of its own performance at least once a year. This includes an assessment of the information status of the members of the BoD with respect to the Group and its business development.

## **2.2 Delegation of duties and authorities**

Unless stipulated otherwise in these Regulations, the BoD delegates its duties and authorities, in particular the preparation and execution of its resolutions and the management of the Company and the Group within the meaning of Art. 716b CO to the CEO as a general principle.

## **2.3 Constitution and Organization**

### **2.3.1 Constitution**

1. The BoD members shall, as a rule, be non-executive.
2. The members of the BoD shall retire at the annual general meeting following their 70th birthday. In exceptional circumstances, the BoD may extend the age limit.

3. The members and the chairman of the Committees except the members of the COC as well as the Vice-Chairman are elected among and by the BoD members. The BoD appoints a Secretary, who does not need to be a BoD member.

### **2.3.2 Meetings**

1. The BoD meets as often as required by the business on hand, but at least four times per calendar year. BoD meetings are called by the Chairman or, in his absence, by another member of the BoD. Any member of the BoD can submit to the Chairman a motivated written request to call a BoD meeting.
2. BoD meetings may be held in person, via telephone, videoconference, internet or any other suitable way that allows direct communication or a combination thereof.
3. As a rule, the Chairman sends out to the members of the BoD the invitation together with the agenda and supporting material at least ten days before the meeting.
4. Any member of the BoD can request the inclusion of items on the agenda. Such request must be sent to the Chairman at least fourteen days before the meeting.
5. The CEO and the Chief Financial Officer (“CFO”) usually attend the BoD meetings. Other members of the GEB attend the meetings to discuss matters in their scope. Other employees and third parties may be invited to the meetings. The Chairman decides as to such participations.

### **2.3.3 Quorum and resolutions**

1. The BoD has a quorum when the majority of its members is present.
2. No quorum is necessary to record the completion of an increase in capital and approve the subsequent amendment to the Articles of Association.
3. The BoD adopts resolutions and conducts elections with an absolute majority of the votes cast. In the event of a tie the Chairman or chairperson has the casting vote.
4. On the instructions of the Chairman, resolutions can also be adopted by the BoD in the form of a circular by letter or electronically via email without signature requirement, unless a member of the BoD requests discussion at a physical meeting or by using electronic means, within three days after receiving the relevant draft of resolution.
5. A BoD member who is not able to attend a BoD meeting may not be represented by another BoD member or any other person.

### **2.3.4 Conflict of Interest**

A BoD member shall immediately and fully inform the Chairman and, where adequate, abstain from discussing and voting if he or an associated Company has a personal interest in a matter other than an interest in his capacity as a shareholder of the Company. In case of doubt, the Chairman requests the BoD to determine whether a conflict of interest exists.

### **2.3.5 Minutes**

1. The Secretary takes written minutes of the BoD meetings, which shall contain all BoD resolutions and reflect in a general matter the considerations which led to the resolutions made, including, if requested, dissenting opinions of and votes cast by BoD members.
2. The Chairman or the chairperson and the Secretary shall sign the minutes. The Secretary shall keep the agenda, the supporting material and the minutes.
3. The minutes should usually be available four weeks after the meeting. The minutes must be approved by the BoD at its next meeting.

### **2.3.6 Right to information**

Each member of the BoD has the right to information and inspection within the meaning of Art. 715a CO.

## **2.4 Reporting**

1. As a rule, at each BoD meeting,
  - a) the Chairman, the CEO, the CFO or other GEB members inform the BoD on the Group's current business performance and on major events affecting the affairs of the Company or of the Group;
  - b) the chairmen of the Committees inform the BoD on their activities and findings if appropriate;
  - c) the CEO presents and evaluates and evaluation of the trend of business with respect to markets and products;
  - d) the CFO informs about the number and composition of shareholders of Autoneum Holding Ltd.
  - e) a compliance update is given by the Head Legal & Compliance.
2. The regular reporting of the CEO to the BoD includes in particular:
  - a) monthly, semi-annual and annual CEO reports;
  - b) quarterly reporting on projects in the authority of the BoD.
3. Any extraordinary business activities and events of fundamental importance or pointing to a material risk shall be notified by the CEO immediately to the Chairman.

## **3. The Chairman and the Vice-Chairman**

### **3.1 The Chairman**

1. The Chairman shall have all duties and authorities conferred to him by law, the Articles of Association and these Regulations, in particular:
  - a) preparation of and chairing the General Meetings of Shareholders;

- b) convening, preparing and chairing the BoD meetings;
  - c) supervision of the implementation of the decisions taken by the BoD;
  - d) ensuring close links between the BoD, the Committees and the CEO;
  - e) interacting with the CEO on a regular basis outside the BoD meetings;
  - f) representation of the BoD internally and externally and communication with the shareholders and other major stakeholders in special cases;
  - g) ensuring that all precautionary measures are taken to safeguard the interests of the Group;
  - h) establishment of the organization of the Company's share register. The procedure is specified in a separate regulation.
2. In matters of urgency, the Chairman may - after consultation with the BoD members who can be reached - act alone on the authority of the BoD. All other BoD members must be informed immediately of these decisions, which must be ratified by the full BoD at its next meeting.

### **3.2 The Vice-Chairman**

The Vice-Chairman deputises for the Chairman in the latter's absence or unavailability.

## **4. Committees**

1. The BoD establishes the following permanent Committees:
- The Audit Committee;
  - The Nomination Committee;
  - The Compensation Committee;
  - The Strategy and Sustainability Committee;
2. The BoD is also empowered to establish further permanent or ad hoc Committees for specific tasks.
3. As a rule, the Committees are coordinating bodies and the ultimate decision power shall remain with the BoD. In exceptional circumstances, the BoD may delegate certain decision power to a Committee.
4. The assigned duties, authorities as well as constitution and organization of the Committees are set forth in separate regulations. The Committees set up or amend their regulations and submit them to the BoD for approval.

## **5. The Chief Executive Officer**

### **5.1 Appointment**

The CEO shall be appointed and dismissed by the BoD.

## **5.2 Duties and authorities**

The CEO has the following main duties and authorities:

- a) conducting the operational business of the Group and taking responsibility for its overall financial results;
- b) monitoring operational and financial results in view of their compliance with budget and mid-term financial planning;
- c) representation of the Group as a whole, both internally and externally;
- d) ensuring effective communication with employees, customers, authorities, media, investors, shareholders and other stakeholders;
- e) elaboration of the Group strategy and values for submission to the BoD and the implementation of the strategic directions and other measures decided by the BoD;
- f) implementation of organizational and management structures;
- g) implementation of the internal regulations and resolutions of the BoD and Committees;
- h) management of, supervising and coordinating the GEB and its members;
- i) proposing the appointment or dismissal of GEB members for evaluation by the NOC and approval by the BoD;
- j) convening, preparing and chairing the meetings of the GEB;
- k) management of the Corporate Functions reporting to the CEO.

## **6. The Chief Financial Officer**

### **6.1 Appointment and reporting**

The CFO shall be appointed and dismissed by the BoD upon recommendation by the CEO. He reports to the CEO.

### **6.2 Duties and authorities**

The CFO has in particular the following authorities and duties:

- a) financial management of the Group in line with the Group strategy;
- b) elaboration and implementation of the Group's accounting, financial control and financial planning systems;
- c) elaboration of the budget and mid-term financial planning for submission to the BoD by the CEO;
- d) management of the Corporate Functions reporting to the CFO, e.g. in the fields of financial accounting, controlling, treasury, tax, legal, risk management and compliance;
- e) conducting investor relations activities.

## **7. The Business Group Heads**

### **7.1 Appointment and reporting**

The BG Heads shall be appointed and dismissed by the BoD upon recommendation by the CEO. They report to the CEO.

### **7.2 Duties and authorities**

The BG Heads are in particular responsible for:

- a) operational management of the respective BG with a view to optimize the overall Group results;
- b) elaborating and implementing the strategy of the respective BG within the context of the Group strategy;
- c) preparing and assuming responsibility for the budget for the respective BG;
- d) establishing and overseeing an organisational and management structure adequate to the needs of the respective BG;
- e) enforcing the Group principles and issuing the necessary instructions, in particular as regards compliance with the statutory obligations applicable in the respective BG;
- f) close cooperation with the Corporate Functions.

## **8. The Group Executive Board**

### **8.1 Composition**

1. The GEB consists of:
  - the CEO, who presides,
  - the CFO and
  - the BG Heads.
2. The BoD may appoint further members of the GEB.

### **8.2 Duties and authorities**

1. The GEB is a coordinating body and the ultimate decision power shall remain with the respective GEB member in charge.
2. The GEB members support the CEO in safeguarding the Group's interests and optimizing overall financial performance.
3. The CEO leads the coordinating meetings of the GEB. The members of the GEB are committed to cooperating closely. They shall mutually inform each other in a timely manner about any material matters in their scope.



## **9. Internal Audit**

### **9.1 Appointment and reporting**

1. The Head Internal Audit shall be appointed and dismissed by the BoD upon recommendation by the Audit Committee.
2. The Head Internal Audit reports to the AC. For administrative and other purposes in the context of day-to-day business, the Head Internal Audit reports to the CFO.

### **9.2 Duties and authorities**

1. Internal Audit provides independent audit services within the Group for the BoD and/or the AC.
2. The assigned duties and authorities are set forth in separate regulations.

## **10. General provisions**

### **10.1 Delegation of duties and authorities**

1. All executive bodies and officers shall to the extent possible delegate their duties and authorities to the hierarchically lowest possible body or officer that possesses the necessary knowledge and expertise to assume those authorities and perform those duties, unless regulated otherwise by mandatory statutory provisions, the Articles of Association or these Regulations. They are responsible for diligent selection, instruction and supervision of the delegate.
2. The BoD shall issue Management Regulations to further assign authorities, duties and specific authorizations to bodies, their members and functions of the Company, the Group or Legal Units.

### **10.2 The modus operandi and coordination of the executive bodies at Group level**

1. The main element of the management process within the Group is direct management discussion. All management personnel are committed to seek and encourage direct discussion whenever the situation requires this. Wherever possible, decisions should be reached through discussion.
2. The CEO can issue additional instructions for the further regulation of cooperation between the CEO, the BG Heads and the CFO.

### **10.3 Signatory authority**

The members of the BoD and of the GEB or any other manager so designated by the BoD shall have joint signature power by two.

### **10.4 Confidentiality**

1. The BoD members, the Secretary, the GEB members and all other persons attending meetings of the BoD are obliged to treat as confidential all information obtained in the performance of their duties, unless such information is already in the public domain. The confidentiality obligations continue even after the term of office has expired.

2. Each BoD and GEB member shall return to the Secretary or destroy and confirm the destruction to the Secretary, as appropriate, all confidential documents and records relating to the Company and the Group at the latest on expiry of his term of office.

#### **10.5 Language, effective date and review**

1. These Regulations have been issued in English.
2. These Regulations have been approved at the meeting of the BoD of November 30, 2022 and replace the Organizational Regulations dated September 2, 2014. They shall enter into force as of January 1, 2023.
3. These Regulations shall be reviewed by the BoD on a regular basis. They can be changed at any time by a decision of the BoD.