

# Audit Committee Charter



# Board Directive V007

Edited by Yves Serra, Chairman of the Board

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Responsible Mads Joergensen  
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## Audit Committee Charter

This charter describes and defines the rules, competencies and duties of the Audit Committee (AC).

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## 1. General Information

The Audit Committee (hereinafter referred to as «AC») is a standing board committee of Georg Fischer Ltd.

The appointment of the Audit Committee by the Board of Directors is based on the Organization and Business Rules in accordance with paragraph 4, in particular paragraph 4.1 and 4.2.

## 2. Task

The AC advises the Board of Directors on matters concerning, in particular, the integrity of accounting and reporting (financial and non-financial), the effectiveness of the risk management process and of the internal control system, IT security and cyber security measures, as well as on decisions involving far-reaching financial ramifications. By order of the Board of Directors, it assesses the independence and performance of Internal Audit and external auditors.

## 3. Appointment, Dismissal and Term of Office

The AC is composed of a minimum of three non-executive Board members, the majority of whom are independent, and have the necessary experience in finance and accounting.

The Board of Directors elects the members of the AC and designates the chairperson.

The committee is elected for a term of one year and can be dismissed by the Board of Directors at any time. An unlimited number of re-elections is possible subject to adherence to the Organization and Business Rules (paragraph 2, in particular paragraph 2.2).

## 4. Duties and Responsibilities

**4.1. Overview of the scope of duties //** The AC assesses and evaluates proposals and statements made by the CEO, CFO, Internal Audit and external auditors (hereinafter "IA" and "EA", respectively), as well as other executives in the following subject matters:

- a) Accounting and financial reporting (no. 4.2);
- b) Reporting of Sustainability figures (no. 4.3);
- c) Auditing (no. 4.4);
- d) Financing and Solvency (no. 4.5);
- d) Risk Management and Internal Controls (no. 4.6);
- d) Other (no. 4.7).

## 4.2. Accounting and financial reporting //

- a) Appraise and offer suggestions for improvement with regard to the company's accounting system and financial reporting for the attention of the Board of Directors.
- b) Assess the most important accounting rules and any amendments within the framework of legal requirements (Swiss Code of Obligations) and prevailing accounting requirements based on Swiss GAAP FER.
- c) Assess the company's compliance with accounting rules if there are significant changes of the international accounting framework IFRS and the respective conversion into Swiss GAAP FER.
- d) Appraise the completeness and accuracy of financial reporting and propose the degree of disclosure beyond the applicable minimum requirements stipulated.
- e) Appraise the annual and semi-annual accounts and make proposals to the Board of Directors.
- f) Appraise entries in the semi-annual and annual accounts as to the scope of discretion ("management estimates"), in particular with regard to goodwill, pension obligations, allocations to reserves, valuation reserves and taxes.
- g) Appraise (part of) the annual budget for the corporation and make proposals to the Board of Directors.

## 4.3. Reporting of Sustainability figures //

- a) Provide oversight of the accuracy, completeness, and reliability of Sustainability figures.
- b) Review management's adherence to applicable reporting standards, regulations, and internal policies governing non-financial disclosures, ensuring alignment with stakeholder expectations and legal requirements.
- c) Obtain information on future market and regulatory developments that may have an impact on Sustainability reporting and provide advice on implications for the company's reporting processes.
- d) Review key findings and recommendations from Internal Audit and external assurance providers regarding Sustainability reporting, ensuring management addresses control gaps and implements corrective actions timely.

#### 4.4. Auditing //

- a) Steering the GF Internal Audit to enable it to fulfill the purpose of internal auditing and pursue its strategy and objectives.
- b) Specifying that the Head of Internal Audit reports to a level within the organization that allows the internal audit function to fulfill the internal audit mandate without interference.
- c) Discussing, reviewing and approving the internal audit charter, internal audit plan, budget, and resource plan.
- d) Appraise the results of internal audit reports, the remediation of audit findings and other performance and activity related reports from the internal audit function.
- e.) Authorizing the appointment and removal of the Head of Internal Audit.
- f) Providing input to Senior Management to support the performance evaluation and remuneration of the Head of Internal Audit.
- g) Appraise the independence of the Internal Audit function. In case of approving roles and responsibilities that are beyond the scope of internal auditing, appropriate safeguards shall be established.
- h) Ensuring that the GF Internal Audit is free from interference when determining its scope, performing internal audit engagements, and communicating results.
- i) Order special investigations, fraud risk assessments and evaluation of specific operations or initiatives
- j) Appraise the remuneration, audit scope, performance and independence of external auditors and propose the appointment of the group auditor for the attention of the Board of Directors.
- k) Appraise the audit results based on reports from external auditors.
- l) Assess the collaboration between Internal Audit and external auditors.

#### 4.5. Financing and Solvency //

- a) Appraise financial transactions, which are not within the scope of ordinary business activities, in particular capital market transactions, consortium loans, major acquisitions and divestments.
- b) Assess the Finance and Treasury Division policies.
- c) Monitoring the solvency forecast of the Corporation and inform the Board of Directors in case the required minimum liquidity reserve is at risk.

#### 4.6. Risk Management and Internal Controls //

- a) Ensure proper Risk Management process is in place on Corporate and Divisional levels.
- b) Appraise and offer suggestions regarding the implementation of Enterprise Risk Management at GF as stipulated in the Organization and Business Rules (cif. 9), i. e. the systematic identification, assessment and reporting of risks.
- c) Review the existence and effectiveness of Risk Management in the area involving financial risks.
- d) Ensure the existence and effectiveness of the organization's internal control system under the consideration of reports from internal audit and external audit.

#### 4.7. Other //

- a) Assess the annual report of Corporate Legal with regard to important, imminent, pending and settled court cases with substantial financial ramifications.
- b) Appraise tax planning, tax management and tax audits and their implications.
- c) Assess developments in the area of Corporate Governance and formulate recommendations for the attention of the Board of Directors.
- d) Assess the implemented IT and cyber security measures.
- e) Assess the governance over artificial intelligence.
- f) Carry out other tasks and projects by order of the Board of Directors.

### 5. Meetings and Organization

The AC meets as often as deemed necessary for business matters, with a minimum of three times a year.

Meetings are convened by the Chairman of the AC or upon request of a member of the AC or, in special cases, as a result of a Board decision.

A minimum of two members must be present in order for a resolution to be passed. The Chairman is entitled to cast the deciding vote.

Minutes of the committee meetings are recorded and signed by the Chairman and the Secretary.

The AC generally carries out a self-assessment of its performance once a year.



## 6. Meeting Participation

In an advisory and non-voting capacity, the AC meetings are generally attended by:

- a) the Chairman of the Board of Directors;
- b) the President and Chief Executive Officer (CEO);
- c) the Chief Financial Officer (CFO);
- d) the Head of Corporate Controlling;
- e) the Head of Internal Audit (IA) and, upon invitation, representatives of the external auditors (EA);
- f) upon invitation subject matter experts that support the AC in fulfilling its duties and responsibilities (such as the Chief Information Officer (CIO), the Head of Corporate Sustainability, the Head of Corporate Treasury and Tax, the Head of Corporate Tax and / or the General Counsel).

## 7. Reporting

**7.1. Reporting to the AC //** The CEO, CFO, the Head of Internal Audit, and the representative of the external auditors, as well as the executives designated by the committee, update the AC at the AC meetings on all relevant matters pursuant to the duties and responsibilities list in paragraph 4 of these rules.

The CFO informs the Chairman of the AC – in agreement with the CEO – on current and key developments in the area of finance and ensures the availability of and access to information between meetings, to such an extent as the completion of the AC's tasks is necessary.

By virtue of his functional subordination, the Head of Internal Audit has the express right and obligation to inform the Chairman of the AC immediately of significant incidents and findings, which could affect the effectiveness of ICS, Risk Management or compliance with laws.

The Chairman of the AC has the right to request information independently and directly from the CFO, the Head of Internal Audit and the engagement partner of the external auditors.

**7.2. Reporting to the Board of Directors //** The Chairman of the AC updates the Board of Directors at their meetings on the activities of his committee and submits the AC's opinion and recommendation on relevant business matters.

## 8. Responsibility

In principle, to the extent this rule does not provide otherwise, the committee has an advisory and supervisory function in its area of expertise. Its activities do not discharge the Board of Directors from its legal obligations and responsibilities, particularly with regard to accounting, financial control and financial planning (article 716a, paragraph 3, Swiss Code of Obligations).

## 9. Corporate Regulations

**9.1. Abstention //** Should there be any danger of a conflict of interest in the decision-making process involving business and subject matters, the AC member concerned is excluded from deliberation and adoption of resolutions and abstains from voting.

## 10. Concluding Provision

**10.1. Entry into force //** This regulation takes effect on 1 August 2025, and is an integral part of the Organization and Business Rules of the Georg Fischer Corporation. It was approved by the Board of Directors on 16 July 2025.

It replaces all previous regulations, especially the version from 1 August 2023.

**10.2. Revisions, amendments and adaptations //** This regulation is reviewed generally every year and adapted if necessary.

## 11. Disclaimer

This directive is subject to change and does not constitute the base for any claims by any employees or third parties with regard to Georg Fischer Ltd or any of its corporate subsidiaries.

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