

# VATMOTION COMMITTEE (VMC) CHARTER VAT GROUP AG

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# 1. Purpose

The VATmotion Committee (VMC) is a technical committee appointed by the Board of Directors. Its main task is to assist the Board of Directors in fulfilling its oversight duties with regard to:

- (a) the global orientation and strategic initiatives of “Operations” to optimize the value chain in terms of capacity, delivery reliability and costs, and
- (b) the desire of the Board of Directors to have an in-depth discussion on these topics in order to consider them for the strategic development of VAT.

# 2. Authority

The VMC has unrestricted access to all relevant information in order to perform the tasks defined here. In order to carry out its work properly, the VMC is authorized to request the necessary information from all employees of the Group and to invite the members of the Board of Directors and other employees to attend meetings of the VMC to discuss relevant topics.

The VMC shall have the right to engage appropriate external advisors to perform its duties. The VMC submits proposals to the Board of Directors.

The VMC advises the Board of Directors on its tasks and may prepare resolutions of the Board of Directors in this regard. The Board of Directors may delegate its decision-making authority in connection with the tasks listed below. However, the Board of Directors remains responsible for all decisions of the VMC.

## **The tasks of the VMC comprise in the broadest sense:**

- (a) the evaluation and the management of the Global Production Footprint including the associated supply chain and logistics with regard to global supply capacities (Make and/or Buy). Here, the requirements in regards to flexibility and resilience to market fluctuations for the implementation of the overarching VAT business strategy and performance targets are taken into account, and
- (b) advising the Board of Directors in this matter.

# 3. Organization

The VMC of the Board of Directors shall consist of at least two (2) members elected by the Board of Directors from among its members.

The Board of Directors shall also elect the Chairperson of the VMC. He/She is primarily responsible for the proper functioning of the VMC. He/She acts as spokesperson for the VMC, makes recommendations for persons to be invited as advisors to the VMC and is the main point of contact for the Board of Directors.

The term of office of the committee members corresponds to their term of office as members of the Board of Directors and is one year or until the next ordinary General Meeting.

The VMC shall meet at the invitation of its Chairperson, as often as business requires, for at least three (3) meetings per year and, as a rule, prior to the ordinary meetings of the Board of Directors. Further meetings may be convened by the Chairperson of the VMC or one of its other members or by the Board of Directors.

The VMC meetings usually take place at the premises of VAT, but may also take place at other locations.

VMC meetings shall be convened by the Secretary of the VMC on behalf of the Chairperson of the VMC or on behalf of another person authorized to convene such a meeting.

**The invitation to the meeting:**

- (a) is made in writing (also by e-mail) at least 10 working days in advance;
- (b) indicates the day, time and place as well as the items on the agenda;
- (c) is supplemented at least 7 calendar days before the meeting by the relevant documents for the meeting.

In urgent matters, shorter deadlines are acceptable; the Chairperson may decide whether a matter is urgent.

Deviations from these formal requirements are permissible if all members are present and agree; in particular, the VMC may also decide on matters that are not on the agenda of the meeting.

Meetings via electronic communication (telephone, Skype, WhatsApp, etc.) are also possible.

The provisions of the attendance meetings apply accordingly.

In addition to the elected VMC members, other members of the Group Executive Committee (GEC) and other persons may attend the meeting at the invitation of the Chairperson.

The VMC may make decisions and motions if at least half of its members are present in person (but always at least two members) or attend the meeting electronically.

The minutes of the meetings shall be drawn up by the Secretary of the VMC. As a rule, these minutes are presented for adoption at the next meeting of the VMC. If all members of the VMC agree on the content of the minutes, they can be adopted earlier. The minutes shall be signed for approval by the Chairman and the Secretary of the VMC and distributed as soon as possible to all members of the Board of Directors, the CEO and such other participants as the Chairperson may deem necessary.

The VMC shall also report its activities to the Board of Directors at the next ordinary meeting or immediately if the matter is urgent.

The VMC may submit to the Board such proposals as it deems appropriate in all areas of its activity where action or improvement is required.

Resolutions must be passed and proposals submitted to the Board of Directors by a majority of the votes cast. Abstentions do not count as votes. In the event of a tie, the matter shall be referred to the Board of Directors.

Resolutions and motions to the Board of Directors may also be passed by circular letter, unless one of the members requests oral discussion of the matter.

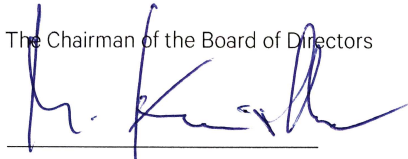
When attending the General Meeting, the Chairperson of the VMC is prepared to answer any questions received from shareholders regarding the activities of the VMC during the General Meeting.

## 4. Final provisions

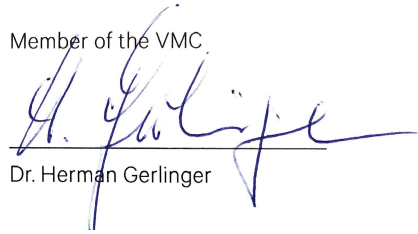
This VMC Charter shall enter into force upon its adoption by the Board of Directors.

As a rule, this VMC Charter must be reviewed and amended if necessary every two years at the first meeting after the General Meeting.

Haag, April 1, 2019

The Chairman of the Board of Directors  


Dr. Martin Komischke

Member of the VMC  


Dr. Herman Gerlinger

# Contact

This Technology Committee Charter is available in English and German.

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