

# Remuneration report 2022

## 1. Remuneration philosophy and basic principles

### 1.1 General information

The remuneration report lays down the remuneration principles and the governance framework for the remuneration of the Board of Directors and the members of Executive Management of Von Roll Holding AG. It also includes details of the remuneration policy and the remuneration paid to the aforesaid bodies in the financial year 2022.

Unless indicated otherwise, all information provided in this report relates to the financial year that ended on December 31, 2022. The report is in line with Art. 13 of the Swiss Ordinance against Excessive Remuneration in Listed Companies Limited by Shares (ERCO); the Swiss Code of Best Practice for Corporate Governance issued by Economiesuisse; Section 5.1 of the Annex to the SIX Swiss Exchange's Directive on Information relating to Corporate Governance; and the Swiss Code of Obligations.

### 1.2 Corporate governance as the basis for remuneration policy

The principles of our remuneration system for the Board of Directors and Executive Management are included in the Articles of Incorporation.

### 1.3 ERCO

The remuneration system and employment contracts with members of Executive Management comply with the ERCO.

### 1.4 Responsibilities

#### Board of Directors

The Board of Directors is responsible for the Group's remuneration system and for drafting corresponding motions for the General Meeting.

#### People & Remuneration Committee

The People & Remuneration Committee comprises three members of the Board of Directors. The members of the People & Remuneration Committee are elected by the General Meeting for a one-year term, which runs until the end of the next ordinary General Meeting. Re-election is permissible. The Chairman of the People & Remuneration Committee is elected by the entire Board of Directors. The People & Remuneration Committee assists the Board of Directors with setting and reviewing the company's remuneration strategy and guidelines and the qualitative and quantitative remuneration criteria, as well as with preparing motions for the General Meeting relating to the remuneration of the Board of Directors. The People & Remuneration Committee can make suggestions and recommendations to the Board of Directors regarding other remuneration issues. The People & Remuneration Committee can call in external specialists.

The People & Remuneration Committee is made up of Gerd Amtstätter (Chairman), Guido Egli and August François von Finck, all of whom are members of the Board of Directors. The Delegate of the Board of Directors / CEO and the CFO regularly attend People & Remuneration Committee meetings in an advisory capacity without voting rights. The People & Remuneration Committee met twice during the financial year. The Chairman of the People & Remuneration Committee reports to the Board of Directors with regard to the committee's activities. The minutes of the committee meetings are provided to members of the Board of Directors.

#### CEO and Executive Management

Headed by the CEO, Executive Management reviews the targets set for the management team's performance-related bonus scheme based on the People & Remuneration Committee's specifications.

## 1.5 Principles and components of remuneration

### General principles

The Board of Directors may decide whether remuneration is paid wholly or partially in cash, restricted company shares or future subscription rights to shares. The Board of Directors determines the timing of the allocation, the length of the restricted period and any discount, taking into account the length of the restricted or vesting period. The restricted or vesting period shall be at least three years, whereby the Board of Directors may agree on a shorter period in justified cases. The Board of Directors may stipulate that, should a certain event specified in advance ultimately occur, such as the termination of an employment or mandate relationship or a change of control, then restricted or vesting periods shall continue to apply, be shortened or be canceled, or remuneration shall be paid out (assuming targets have been met) or forfeited.

If shares or future subscription rights to shares are to be allocated or other remuneration components granted, the remuneration amount shall correspond to the value accorded to these remuneration components at the time of their allocation in accordance with generally recognized valuation methods.

In respect of duties performed in legal entities of the Group or on behalf of a legal entity of the Group, these entities may grant remuneration to the members of the Board of Directors and Executive Management insofar as the amounts concerned do not exceed the limit approved by the General Meeting or the additional limit in accordance with Art. 32 (6) of the Articles of Incorporation.

Within the scope permissible by law, the company may compensate members of the Board of Directors and Executive Management for losses incurred in conjunction with lawsuits, proceedings or settlements related to their activities for the company. It may also advance relevant sums or take out insurance policies. Compensation, advances and insurance policies of this kind are not considered remuneration.

### Components of the Board of Directors' remuneration

Members of the Board of Directors receive fixed remuneration for their activities. Their expenses are also reimbursed. Reimbursed expenses, including lump-sum expenses, are not deemed to be remuneration. Supplements may be paid for serving as a member of a committee or for undertaking specific duties or projects.

### Components of Executive Management's remuneration

Members of Executive Management receive fixed remuneration for their activities. Their expenses are also reimbursed. Reimbursed expenses, including lump-sum expenses, are not deemed to be remuneration. The main shareholder group has authorized the current Executive Management to participate in the proceeds from the sale in the event of significant company shares being sold.

### General information

The General Meeting approves the maximum remuneration for members of the Board of Directors with binding effect when the ordinary General Meeting convenes each year, with this remuneration limit then applying until the next ordinary General Meeting.

The General Meeting shall approve the maximum amount for fixed remuneration components for the following financial year for members of Executive Management with binding effect when the ordinary General Meeting convenes each year.

The General Meeting can approve a retrospective increase in a total amount already approved at any time.

## 1.6 Approval procedure

The General Meeting shall approve the total variable remuneration components for the previous financial year for members of Executive Management with binding effect when the ordinary General Meeting convenes each year.

If the General Meeting withholds its approval, the Board of Directors may submit new motions for approval at the same General Meeting. If the Board of Directors does not submit any new motions or if the General Meeting rejects the new motions as well, the Board of Directors can convene a new General Meeting.

For the appointment of new members of Executive Management made after the General Meeting has given its approval, the additional limit for each new member shall be 150% of the highest remuneration amount paid to a member of the Executive Management at the last ordinary General Meeting in the previous financial year. This additional remuneration does not need to be approved by the General Meeting.

#### **Appointment of members of Executive Management**

The Board of Directors appoints members of Executive Management.

#### **Number of external offices and positions**

The number of external offices and positions is stipulated with binding effect in the Articles of Incorporation.

#### **Contracts with members of the Board of Directors and Executive Management**

Contracts with members of the Board of Directors and Executive Management, which provide the foundation for their remuneration, may be temporary or permanent. The maximum term of a temporary contract is one year. Contracts may be renewed. Notice periods for permanent contracts may not exceed one year.

The notice period for the CEO and the other members of Executive Management is 12 months. All employment contracts with members of Executive Management comply with the legislation and the provisions of the ERCO.

#### **Severance pay**

The employment contracts concluded with members of Executive Management do not provide for any severance pay.

## 2. Remuneration in the financial year

### 2.1 Remuneration of the Board of Directors (audited)

#### Board of Directors' fee

The following remuneration was paid to members of the Board of Directors for the financial year 2022:

in CHF 1,000	Function	Fixed fee <sup>1</sup>	Variable remuneration	Other remuneration <sup>2</sup>	Retirement benefits <sup>3</sup>	Total
Dr. Peter Kalantzis	Chairman	294	–	–	14	308
Guido Egli	Vice-Chairman	144	–	–	7	151
Gerd Amtstätter	Member	94	–	–	–	94
Gerd Peskes	Member (left Board of Directors in May 2022)	32	–	–	–	32
August François von Finck	Member	94	–	–	6	100
Gerhard Bruckmeier	Member	62 <sup>4</sup>	–	–	–	62
Dr. Christian Hennerkes	Delegate	–	–	–	–	–
<b>Total</b>		<b>720</b>	<b>–</b>	<b>–</b>	<b>27</b>	<b>747</b>

<sup>1</sup> Gross fee, i.e. before the deduction of social security contributions, withholding taxes, etc.

<sup>2</sup> Other remuneration does not include any lump-sum expenses.

<sup>3</sup> Statutory charges, e.g. contributions to old-age and surviving dependents' insurance, unemployment, pension funds or executive insurance.

<sup>4</sup> Base fee 2022 pro rata for the period from May to December 2022.

The following remuneration was paid to members of the Board of Directors for the financial year 2021:

in CHF 1,000	Function	Fixed fee <sup>1</sup>	Variable remuneration	Other remuneration <sup>2</sup>	Retirement benefits <sup>3</sup>	Total
Dr. Peter Kalantzis	Chairman	294	–	–	14	308
Guido Egli	Vice-Chairman	144	–	–	7	151
Gerd Amtstätter	Member	94	–	–	–	94
Gerd Peskes	Member	94	–	–	–	94
August François von Finck	Member	94	–	–	6	100
Dr. Christian Hennerkes	Delegate	–	–	–	–	–
<b>Total</b>		<b>720</b>	<b>–</b>	<b>–</b>	<b>27</b>	<b>747</b>

<sup>1</sup> Gross fee, i.e. before the deduction of social security contributions, withholding taxes, etc.

<sup>2</sup> Other remuneration does not include any lump-sum expenses.

<sup>3</sup> Statutory charges, e.g. contributions to old-age and surviving dependents' insurance, unemployment, pension funds or executive insurance.

#### Other remuneration

Apart from the amounts disclosed here, no member of the Board of Directors received any additional fees or remuneration in 2022 or 2021 for services provided to Von Roll. In particular, no additional remuneration was paid for serving as a member of a committee or undertaking specific duties or projects in the financial years 2022 and 2021.

## 2.2 Remuneration of Executive Management (audited)

### Short-term remuneration

The members of Executive Management received remuneration totaling CHF 1.8 million in the financial year 2022 (2021: CHF 1.3 million). This amount includes fixed basic salaries of CHF 1.3 million (2021: CHF 1.1 million), short-term performance bonuses of CHF 0.2 million (2021: CHF 0) and social security contributions of CHF 0.3 million (2021: CHF 0.2 million).

The following remuneration was paid to members of Executive Management for the financial year 2022:

in CHF 1,000	Function	Basic salary <sup>1</sup>	Variable remuneration <sup>2</sup>	Other remuneration <sup>3</sup>	Retirement benefits <sup>4</sup>	Total
Dr. Christian Hennerkes	CEO	760	100	20	120	1,000
Artur Lust	CFO	540	100	12	101	753
<b>Total</b>		<b>1,300</b>	<b>200</b>	<b>32</b>	<b>221</b>	<b>1,753</b>

<sup>1</sup> Gross salary, i.e. before the deduction of social security contributions, withholding taxes, etc. The changes compared with the previous year result from a TCHF 100 increase in the fixed remuneration of each member of Executive Management.

<sup>2</sup> In connection with the General Meeting of May 4, 2022, each member of the Executive Management was granted a one-time bonus of TCHF 100 in recognition of an extremely successful financial year 2021 in a particularly difficult economic environment.

<sup>3</sup> Other remuneration comprises lump-sum compensation (TCHF 24) and child allowances (TCHF 8).

<sup>4</sup> Statutory charges, e.g. contributions to old-age and surviving dependents' insurance, pension funds or executive insurance.

The following remuneration was paid to members of Executive Management for the financial year 2021:

in CHF 1,000	Function	Basic salary <sup>1</sup>	Variable remuneration	Other remuneration <sup>2</sup>	Retirement benefits <sup>3</sup>	Total
Dr. Christian Hennerkes	CEO	660	–	20	107	787
Artur Lust	CFO	440	–	12	85	537
<b>Total</b>		<b>1,100</b>	<b>–</b>	<b>32</b>	<b>192</b>	<b>1,324</b>

<sup>1</sup> Gross salary, i.e. before the deduction of social security contributions, withholding taxes, etc.

<sup>2</sup> The remaining remuneration comprises lump-sum compensation (TCHF 24) and child allowances (TCHF 8).

<sup>3</sup> Statutory charges, e.g. contributions to old-age and surviving dependents' insurance, unemployment, pension funds or executive insurance.

### Long-term remuneration

There is no plan for long-term remuneration.

### Other remuneration

Apart from the amounts disclosed here, no member of Executive Management received any additional fees or remuneration in the financial years 2022 or 2021 for services provided to Von Roll.

## 2.3 Remuneration of former members of the Board of Directors and Executive Management (audited)

No remuneration was due to former members of Executive Management or for former members of the Board of Directors in the financial years 2022 and 2021.

## 2.4 Loans (audited)

### Board of Directors

No members of the Board of Directors were granted any loans in the financial years 2022 and 2021. No loans were outstanding at the end of the financial years 2022 and 2021.

### Executive Management

No members of Executive Management were granted any loans in the financial years 2022 and 2021. No loans were outstanding at the end of the financial years 2022 and 2021.

### Former members of the Board of Directors and Executive Management

No former members of the Board of Directors or Executive Management were granted any loans diverging from standard market terms during the financial years 2022 and 2021. Neither are any such loans outstanding.

## 2.5 Remuneration and loans to related parties (audited)

No remuneration diverging from standard market practice was granted either directly or indirectly to any related parties in the financial years 2022 and 2021. In addition, no related parties were granted any loans diverging from standard market terms. Neither are any such loans outstanding.

## 2.6 Shareholdings

### Shares held by members of the Board of Directors

The members of the Board of Directors held the following number of shares as at December 31 of the respective financial year:

Number of shares	2022	2021
Dr. Peter Kalantzis	1,333	1,333
Guido Egli	1,067	1,067
Gerd Amtstätter	466,667	466,667
Gerhard Bruckmeier	–	–
August François von Finck	59,266,689	46,328,166
Dr. Christian Hennerkes	3,600,000	3,600,000
<b>Total</b>	<b>63,335,756</b>	<b>50,397,233</b>

### Shares held by members of Executive Management

Members of Executive Management held the following number of shares as at December 31 of the respective financial year:

Number of shares	2022	2021
Dr. Christian Hennerkes, CEO	3,600,000	3,600,000
Artur Lust, CFO	2,400,000	2,400,000
<b>Total</b>	<b>6,000,000</b>	<b>6,000,000</b>

## 2.7 Convertible bonds

### Convertible bonds held by members of the Board of Directors

No convertible bonds of Von Roll Holding AG were held by members of the Board of Directors at the end of the financial years 2022 and 2021.

### Convertible bonds held by members of Executive Management

No convertible bonds of Von Roll Holding AG were held by members of Executive Management at the end of financial years 2022 and 2021.

## Report of the statutory auditor

To the General Meeting of  
VON ROLL HOLDING AG, BREITENBACH

### Report of the statutory auditor in relation to the remuneration report

#### Opinion

We have audited the remuneration report of Von Roll Holding AG (the Company) for the year ended December 31, 2022. The audit was limited to the information on remuneration, loans and advances pursuant to Art. 14–16 of the Ordinance against Excessive Remuneration in Listed Companies Limited by Shares (Verordnung gegen übermässige Vergütungen bei börsenkotierten Aktiengesellschaften, VegüV) in the tables marked “audited” on pages 35 to 37 of the remuneration report.

In our opinion, the information on remuneration, loans and advances in the accompanying remuneration report complies with Swiss law and Art. 14–16 VegüV.

#### Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the “Auditor’s Responsibilities for the Audit of the Remuneration Report” section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked “audited” in the remuneration report, the consolidated financial statements, the stand-alone financial statements and our auditor’s reports thereon.

Our opinion on the remuneration report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the remuneration report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the remuneration report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Board of Directors’ responsibilities for the remuneration report

The Board of Directors is responsible for the preparation of a remuneration report in accordance with the provisions of Swiss law and the Company’s Articles of Incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a remuneration report that is free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

### Auditor's responsibilities for the audit of the remuneration report

Our objectives are to obtain reasonable assurance about whether the information on remuneration, loans and advances pursuant to Art. 14–16 VegüV is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this remuneration report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- » Identify and assess the risks of material misstatement in the remuneration report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- » Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- » Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Deloitte AG

Chris Krämer  
Licensed audit expert  
Auditor in Charge

Thomas Dettwiler  
Licensed audit expert

Zurich, March 10, 2023