




2023 Invitation

Annual General Meeting of Bystronic AG





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Valued Shareholders,

We are pleased to invite you to the Annual General Meeting of Bystronic AG on **Tuesday, April 25, 2023, 4:30 p.m.** (doors open at 4 p.m.) at the **Lake Side restaurant, Bellerivestrasse 170, 8008 Zurich.**

On the following pages, you can find the agenda items and motions of the Board of Directors, including explanations, as well as information on how to access the Annual Report and the rules for participating in the Annual General Meeting. Individual agenda items are explained in more detail in the Appendix.

Aperitif

Following the meeting, an “aperitif riche” will offer the opportunity to engage in interesting conversations.

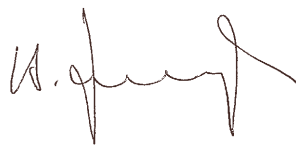
Getting there

We recommend travelling by public transport. Due to construction work, there will only be a very limited number of parking spaces by the Lake Side restaurant.

Zurich, March 24, 2023

Best regards,

On behalf of the Board of Directors of Bystronic AG



Dr. Heinz O. Baumgartner, Chairman

Agenda items and motions of the Board of Directors, including explanations

1. Approval of the 2022 Business Review, Annual Financial Statements, and Consolidated Financial Statements

The Board of Directors proposes the approval of the 2022 Business Review, Annual Financial Statements, and Consolidated Financial Statements

Explanation: The Business Review, the Annual Financial Statements, and the Consolidated Financial Statements have been prepared in accordance with the applicable accounting standards and the Swiss Code of Obligations. The audit opinions were issued without qualification. Furthermore, the Board of Directors is of the opinion that neither the Business Review, nor the Annual Financial Statements, nor the Consolidated Financial Statements contain any individual elements that require special emphasis with a view to the vote.

2. Appropriation of available earnings and retained earnings

2.1 Reclassification from legal retained earnings to available earnings

The Board of Directors proposes the reclassification of CHF 12 581 216 from legal retained earnings to available earnings.

Explanation: According to Art. 672 CO, legal retained earnings must be accumulated until together with the legal capital reserve, they reach 20 percent of the share capital registered in the Commercial Register. Currently, the company's legal capital reserve is equivalent to several times the share capital. It is permissible to accumulate legal retained earnings beyond the maximum. However, the Board of Directors is of the opinion that a reclassification to available earnings enhances accounting transparency, as this allows the freely distributable amount to be derived directly from the balance sheet.

2.2 Appropriation of the amount available for appropriation

The total retained earnings available for appropriation are composed as follows:

Net income	39 014 671
Retained earnings carried forward from previous year	5 244 785
Transfer from legal retained earnings (subject to approval)	12 581 216
Retained earnings	56 840 672
Treasury shares (held directly)	2 234 065
Total retained earnings available for appropriation	54 606 607

The Board of Directors proposes that the total retained earnings available for appropriation be appropriated as follows:

Dividend of CHF 12.00 per class A registered share
CHF 21 924 000

Dividend of CHF 2.40 per class B registered share
CHF 2 916 000

Retained earnings to be carried forward
CHF 32 000 672

Explanation: The distribution of a dividend requires a resolution by the General Meeting. The proposed appropriation of retained earnings is in line with Bystronic's dividend policy. The value date for the payment of the dividend is May 2, 2023. The last trading day entitling to receipt of the dividend is April 26, 2023.

3. Discharge of the members of the Board of Directors and the Executive Committee

The Board of Directors proposes that the members of the Board of Directors and the Executive Committee be discharged from liability for their actions for the 2022 financial year.

Explanation: The Board of Directors is not aware of any facts that would make it necessary to withhold discharge.

4. Election of the members of the Board of Directors

After 46 years on the Board of Directors Jacob Schmidheiny has announced that he is stepping down on account of his age with effect from this year's Annual General Meeting. Jacob Schmidheiny has played a pivotal role in shaping the

company's development. It was due to his resolute initiative that the former brick and building products company Zürcher Ziegeleien was transformed into the internationally active industrial group Conzzeta AG, and finally into Bystronic AG with its focus on sheet metal processing. The Board of Directors extends its appreciation and gratitude to Jacob Schmidheiny for his farsighted service and collaboration and sincerely wishes him all the best for the future.

The Board of Directors proposes the re-election of the following persons for the term of office until the conclusion of the next Annual General Meeting:

- 4.1 Heinz O. Baumgartner
- 4.2 Roland Abt
- 4.3 Matthias Auer
- 4.4 Inge Delobelle
- 4.5 Urs Riedener
- 4.6 Robert F. Spoerry

Detailed CVs can be found in the 2022 Corporate Governance Report and on the company's website:

<https://ir.bystronic.com/en/corporategovernance/board-of-directors/>

Explanation: In its current composition, the Board of Directors functions efficiently and effectively. It has a balanced composition with regard to the shareholder base, the experience of its members, and other aspects that are relevant to the composition of the Board. Consequently, the Board of Directors proposes the re-election of the aforementioned members.

The Board of Directors further proposes the election of Felix Schmidheiny and Eva Zauke as new members of the Board of Directors for the term of office until the conclusion of the next Annual General Meeting.

4.7 Felix Schmidheiny

Felix Schmidheiny, born in 1984, a Swiss national, studied East Asian studies and holds a Master's degree in international business administration and law from the University of Sydney. He is a member of the Board of Directors of Piazza AG.

Explanation: The Board of Directors is convinced that thanks to his experience in finance, law, and

business development and his broad international background, Felix Schmidheiny is an ideal addition to the Board of Directors, and therefore nominates him for election.

4.8 Eva Zauke

Eva Zauke, degree in computer science and business administration, born in 1964, a German national, has been Executive Vice President and Global Head of SAP Enterprise Adoption since October 2020 with responsibilities ranging from quality and security, documentation and translation for all SAP software products to the development of business SAP software solutions for applications such as electronic accounting and reporting, payroll accounting, learning and sports, and the localization of all SAP software solutions. She has been working in various leadership positions along SAP's value chain since 2005. She launched her career at Deutsche Bahn, followed by a series of leadership and consulting roles at Oracle and the Deutsche Post DHL Group.

Explanation: The Board of Directors is convinced that Eva Zauke is an ideal addition to the Board of Directors, particularly in the fields of digitalization and software solutions, and consequently nominates her for election.

5. Election of the Chairman of the Board of Directors

The Board of Directors proposes the re-election of Heinz O. Baumgartner as the Chairman of the Board of Directors for the term of office until the conclusion of the next Annual General Meeting.

Explanation: Heinz O. Baumgartner chairs the Board of Directors in a professional and capable manner. The Board of Directors thus nominates him for re-election.

6. Election of the members of the Compensation Committee

The Board of Directors proposes the re-election of

- 6.1 Urs Riedener
- 6.2 Robert F. Spoerry

to the Compensation Committee for the term of office until the conclusion of the next Annual General Meeting.

In addition, the Board of Directors proposes the election of

6.3 Inge Delobelle

as a new member of the Compensation Committee for the term of office until the conclusion of the next Annual General Meeting.

Subject to his election, the Board of Directors will appoint Urs Riedener as Chairman of the Compensation Committee.

Explanation: The Board of Directors is convinced that the Compensation Committee is well-balanced with the persons proposed for election and re-election and that it ideally reflects the expectations of all stakeholders.

7. Compensation

7.1 Consultative vote

The Board of Directors proposes the approval of the 2022 Compensation Report of Bystronic AG as published on pages 50 to 73 of the Annual Report. The vote is of a consultative nature and is non-binding.

Explanation: The approved compensation, as disclosed in the Compensation Report, has been complied with. The Compensation Report is correct and has been audited without qualification by the external auditors. Therefore, the Board of Directors proposes its approval.

7.2 Approval of the compensation of the Board of Directors

The Board of Directors proposes the approval of a maximum total amount of CHF 1.4 million for the compensation of the members of the Board of Directors for the term of office from the 2023 Annual General Meeting to the 2024 Annual General Meeting.

Explanation: See explanatory notes in the Appendix.

7.3 Approval of the compensation of the Executive Committee

The Board of Directors proposes the approval of a maximum total amount of CHF 7.5 million for the compensation of the members of the Executive Committee for the 2024 financial year.

Explanation: See explanatory notes in the Appendix.

8. Election of the external auditors

The Board of Directors proposes the election of PricewaterhouseCoopers, Zurich, as the new external auditors for the 2023 financial year.

Explanation: The new external auditors were thoroughly evaluated by the Audit Committee and the Board of Directors. They represent the ideal successor to KPMG AG, which has held the mandate for many years. The Board of Directors thus nominates PricewaterhouseCoopers as the new external auditors for the 2023 financial year.

9. Election of the independent proxy

The Board of Directors proposes the election of Silk Attorneys at Law (formerly Bretschger Leuch Attorneys at Law), normally represented by Marianne Sieger, attorney at law, Kuttelgasse 8, CH-8022 Zurich as the independent proxy for the term of office until the conclusion of the next Annual General Meeting.

Explanation: The independent proxy has performed impeccably over a period of several years. The Board of Directors thus proposes that they be re-elected.

10. Amendment of the Articles of Association

On January 1, 2023, the provisions of the revised law on companies limited by shares came into force. These require certain amendments to the Articles of Association. In the Appendix, the proposed amendments are shown with markup. Furthermore, explanatory notes on the amendments in question are provided.

10.1 Amendment of Art. 13 – Holding of a General Meeting exclusively by electronic means

The Board of Directors proposes to amend Art. 13 of the Articles of Association with an additional paragraph permitting the holding of the General Meeting exclusively by electronic means, as indicated in the Appendix.

Explanation: The Board of Directors is convinced that General Meetings should be held in physical form whenever possible in order to offer all shareholders an opportunity for face-to-face exchange. However, the pandemic demonstrated that exceptional situations can arise, which warrant a purely electronic General Meeting. Moreover, other situations are conceivable in which such an electronic General Meeting should

be possible, such as in the case of an extraordinary General Meeting dealing exclusively with one non-controversial agenda item. In such a situation, it may be desirable to avoid the costs of convening a physical General Meeting. The Board of Directors will carefully consider the advantages and disadvantages prior to calling a purely electronic General Meeting.

10.2 Amendment of Art. 25 para. 2 and insertion of a new Art. 25 para. 3 – Expansion of the elements to be taken into account for performance-related compensation

The Board of Directors proposes the amendment of Art. 25 para. 2 of the Articles of Association with additional elements that may be taken into account for performance-related compensation as well as the clarification in a new paragraph 3 that the Board of Directors shall specify the details in this regard, as indicated in the Appendix. **Explanation:** For reasons of clarification, the proposal is to base performance-related compensation on the sustainable further development of the company and not solely on the further development of the company. Although the Board of Directors has already interpreted and applied this provision in this way to date, it is of the opinion that this should also be made clear vis-à-vis the shareholders. The Board of Directors also proposes that it should be possible to take the share price into account in order to incorporate an element that is important for shareholders into the performance-related compensation. The Board of Directors specifies the details of the implementation, which is made clear by the new paragraph 3.

10.3 Amendment of Art. 25 penultimate paragraph – Substitution of the term “options” by the term “conditional subscription rights to shares”

The Board of Directors proposes to amend the second to last paragraph of Art. 25 of the Articles of Association by replacing the term “options” by the term “conditional subscription rights to shares”.

Explanation: Nowadays, pure options are very rarely used as compensation elements any more. In order for the instruments that are actually utilized today to be recognized in the Articles of Association, the term “options” should be replaced by a broader term.

10.4 Amendment of Art. 32 para. 2 –

Distribution of announcements by email

The Board of Directors proposes the amendment of Art. 32 para. 2 of the Articles of Association to permit that, subject to the corresponding instruction by the shareholder, notices to such shareholder may also be sent by email.

Explanation: Communication by post is time-consuming and incurs costs. Moreover, there are shareholders who prefer communication by email. Consequently, the Board of Directors intends to allow communication by email, albeit without forcing shareholders to use this means of communication.

10.5 Remaining amendments to the Articles of Association according to the Appendix

In addition to items 10.1–10.4, the Board of Directors proposes the approval of the amended Articles of Association in accordance with the version included in the Appendix.

Explanation: The remaining proposed amendments to the Articles of Association reflect an adaptation to changed legal provisions. The Board of Directors has deliberately focused on a minimum of amendments to the Articles of Association.

The 2022 Annual Report including the Business Review, the Financial Statements, the Consolidated Financial Statements, the Compensation Report, and the reports of the external auditors has been available to shareholders for review at the company’s registered office since March 2, 2023. It is also available on

<https://ir.bystronic.com/en/publications/financial-reports/>

and upon request, the company also provides a printed version.

Shareholders whose entitlement to vote is entered in the share register on April 19, 2023 will receive the invitation including agenda items, accompanying documents, and the registration and proxy form by mail. No entries of registered shares will be made in the share register in the period from April 20 to 26, 2023. Shareholders who wish to attend the General Meeting in person can request their admission card using the enclosed registration form or by electronic means. The login details for the

electronic registration platform can be found on the registration form.

Representation and granting of proxies: Shareholders who do not attend the General Meeting in person are entitled to the following forms of representation:

- a) By an authorized person: The authorization can be given to another competent person using the enclosed registration and proxy form. Subsequently, the admission card will be sent directly to the authorized person.
- b) By the independent proxy Silk Attorneys at Law (formerly Bretschger Leuch Attorneys at Law), normally represented by Ms. Marianne Sieger, attorney at law, Kuttelgasse 8, CH-8022 Zurich. The granting of proxy and instructions to the independent proxy can be effected

using the enclosed registration and proxy form or electronically. The login details for the electronic registration platform can be found on the registration form. The electronic granting of proxy and the submission or amendment of instructions is possible until April 23, 2023, 4:30 p.m. CET at the latest.

Please note that only registered shareholders will be admitted to the General Meeting (accompanying persons cannot be admitted). Shareholders who sold their shares prior to the General Meeting are no longer entitled to vote. In the event of a partial sale, the mailed admission card must be exchanged for a new one prior to the General Meeting.

Appendix

Explanatory notes on agenda item 7:

Approval of the compensation of the Board of Directors and Executive Committee

Agenda item 7.2: Approval of the compensation of the Board of Directors

In accordance with the Ordinance against Excessive Remuneration in Listed Companies Limited by Shares (ERCO), which was in force until December 31, 2022, shareholders are entitled to an annual direct and binding vote on the maximum total compensation of the Board of Directors for the upcoming term of office.

Bystronic AG's Articles of Association stipulate that the compensation of the Board of Directors is based on a term-of-office compensation system. It consists of a non-performance-related base fee and an additional fee for committee work. The base fee is paid partly in cash and partly in shares that are subject to a four-year vesting period. In addition, the Board members are entitled to additional benefits, including lump-sum expenses and social security contributions. The proposed maximum total compensation for the term of office from the Annual General Meeting 2023 to the Annual General Meeting 2024 is CHF 1.4 million. This amount is CHF 0.1 million higher than the total amount approved by the General Meeting for the previous term. The amount takes into account the

regulatory compensation including social security contributions for eight members of the Board of Directors (previous year: seven) as well as a reserve for unforeseen additional expenses. The base compensation in cash and shares per member of the Board of Directors has remained stable since the 2020/2021 term of office.

Agenda item 7.3: Approval of the compensation of the Executive Committee

Based on ERCO and the Articles of Association of Bystronic AG, shareholders are entitled to an annual binding vote on the maximum total compensation of the Executive Committee for the upcoming financial year. The compensation of the Executive Committee consists of a fixed base salary, a cash-based short-term variable compensation component (Short-Term Incentive, STI), and a long-term share-based compensation component (Long-Term Incentive, LTI). In addition, they are entitled to social security contributions and supplements. In addition to the fixed base salary, social security contributions, and supplements, the proposed maximum total compensation for the Executive Committee also includes the maximum possible amount of the variable STI and LTI compensation, which is based on a maximum target achievement of 150% for the STI and of 200% (CEO 150%) for the LTI of all target values.

For the 2022 financial year, the Annual General Meeting had approved a total compensation amount of CHF 6.8 million, of which the Board of Directors awarded to the Executive Committee CHF 4.6 million, taking into account the financial results for 2022, the personal performance components, and the changed composition of the Executive Committee.

For the 2024 financial year, the Board of Directors proposes a maximum possible total compensation of CHF 7.5 million for the eight members of the Executive Committee.

Explanatory notes on agenda item 10:

The Articles of Association with the marked amendments proposed to the shareholders for approval are as follows:

Articles of Association of Bystronic AG in Zurich

I. Company name, registered office, and purpose of the company

Art. 1

A company limited by shares [Aktiengesellschaft] is incorporated under the name Bystronic AG with registered office in Zurich.

Art. 2

The purpose of the company is the investment in companies of all kinds nationally and abroad. The company may conclude all transactions that are capable of promoting or facilitating the development of the company and the achievement of the company purpose. It may establish branch offices nationally and abroad.

II. Share capital and shares

Art. 3

The share capital amounts to CHF 4140000.00 and is divided into 1827000 class A shares with a nominal value of CHF 2.00 and 1215000 class B shares with a nominal value of CHF 0.40. All shares are registered shares and have been fully paid up.

Art. 4

The company shall issue its registered shares in the form of individual certificates, global certificates or simple uncertificated securities. Insofar as permitted by law, the company shall be at liberty to transform the registered shares issued by it in these forms into another form at any time and without the approval of the shareholders. It shall bear the costs of any such operation.

The shareholders shall have no entitlement to the issue of registered shares in a particular form or transformation into a particular form. However, each shareholder may request at any time that the company issue an attestation relating to the registered shares held by him/her, as stated in the share register.

Intermediated securities based on registered shares in the company may not be transferred by assignment. Moreover, no security interest in such intermediated securities may be created by assignment.

Art. 5

A share register of registered shares shall be kept at the registered office of the company, in which the names and addresses of the owners and beneficial owners of registered shares shall be recorded.

Accordingly, only such persons who are included in the share register shall be recognised by the company as shareholders or beneficial owners. Registration shall be conditional upon proof of transfer in the proper manner.

Art. 6

In the event that the share capital is increased by the issue of new shares, the previous shareholders shall have a subscription right in proportion with the nominal value of their previous documented investment.

If the share capital is increased, the general meeting may resolve to adopt diverging rules concerning entitlement to subscription rights if there are important reasons for doing so, and may in particular allocate all or part of the newly issued shares to non-shareholders.

Purchasers of shares in the company shall not be obliged to present a public offer to buy in accordance with the Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading ~~Stock Exchanges and Securities Trading~~.

III. Governing bodies of the company

A. The general meeting

Art. 7

The ordinary general meeting shall be held annually within six months of the end of the financial year. Extraordinary general meetings shall be called by the board of directors in the situations required by law and as needed.

Art. 8

Invitations to ordinary and extraordinary general meetings shall be issued no later than 20 days prior to the date of the meeting by the board of directors or, as the case may be, by the auditors, by a notice published in the Swiss Official Gazette of Commerce, which shall state the items of business and the motions of the board of directors and, as the case may be, of the shareholders who have requested that a general meeting be held or that a specific item of business be placed on the agenda. The motions of the Board of Directors must be briefly explained, those of the shareholders may be briefly explained. Following the imposition of a deadline, the Board of Directors may correct excessively long or inappropriate explanations submitted by shareholders.

Shareholders representing at least 5% ~~10%~~ of the share capital or votes may request that a general meeting be called. Shareholders representing at least 0.5% of the share capital or votes may request that a specific item of business be placed on the agenda. The request must be filed with the company at least 40 days before the general meeting.

The annual report, the compensation report, and the audit report shall be made available ~~lodged at the company for consultation~~ no later than 20 days before the ordinary general meeting. Upon request, each shareholder shall be provided with a copy of these documents, unless these are made available electronically.

Ordinary and extraordinary general meetings may only validly resolve upon items of business that have been properly placed on the agenda. This shall not apply to resolutions on the calling of an extraordinary general meeting or the conduct of a special investigation ~~special audit~~.

Art. 9

The general meeting of shareholders shall have the following non-transferable powers:

1. to amend the Articles of Association;
2. to elect the members of the board of directors, to elect from its members the chairperson of the board of directors and the members of the remuneration committee, and to elect the auditors and the independent proxy;
3. to approve the management report and the consolidated accounts;
4. to approve the annual accounts and resolutions on the allocation of the disposable profit;
5. to determine the interim dividend and approve the interim financial statements required for this purpose;
6. to adopt resolutions on the repayment of the statutory capital reserves;
7. to approve the remuneration of the board of directors and the executive board and the consultative vote on the compensation report, insofar as the remuneration is determined prospectively;
8. to discharge the members of the board of directors;
9. to delist the company's equity securities;
10. to resolve on the motions of the board of directors, the auditors, and individual shareholders;
11. to pass resolutions concerning all other matters reserved to the general meeting by law or the Articles of Association.

Art. 10

Votes shall be cast and elections shall be conducted in public, unless the general meeting decides to hold a written ballot or election or if

so ordered by the chairperson. The electronic processing of votes shall be regarded as equivalent to written processing. The chairperson may allow a vote or election to be repeated at any time if in his view there is any doubt as to the result of the vote; should this occur, the previous vote or election shall be deemed not to have been held.

Art. 11

The general meeting shall pass resolutions and conduct elections by an absolute majority of the votes cast, excluding blank or invalid votes.

A resolution by the general meeting shall require at least two-thirds of the votes represented and an absolute majority of the nominal value of shares represented for the matters designated accordingly by law, as well as in every instance for:

1. any amendment of the Articles of Association;
2. any change to the share capital;
3. any restriction or cancellation of the subscription right;
4. the dissolution of the company.

Art. 12

The chairperson of the board of directors or, if he or she is unavailable, any other member designated by the board of directors shall chair the general meeting.

The chairperson shall designate the teller or tellers and the meeting secretary, who need not be shareholders.

Minutes shall be kept of the general meeting, which must be signed by the chairperson and the meeting secretary.

Art. 13

Each share shall establish entitlement to one vote at the general meeting. The company shall recognise only one representative per share.

The board of directors shall issue rules of procedure concerning participation and representation at the general meeting.

The general meeting shall elect the independent proxy for a term in office which shall expire upon conclusion of the next ordinary general meeting.

Upon the instruction of the board of directors, the general meeting may be held by electronic

means with no meeting venue. In this case, the board of directors shall ensure that:

1. the identity of the participants is verified;
2. the votes at the general meeting are transmitted directly;
3. each participant can submit motions and take part in the discussion;
4. the voting results cannot be manipulated.

B. The board of directors

Art. 14

The board of directors shall be composed of between five and eight members.

The general meeting shall elect the members of the board of directors and the chairperson of the board of directors individually for a term in office which shall expire upon conclusion of the next ordinary general meeting.

Art. 15

At least two representatives from each share class shall be entitled to a seat on the board of directors. They shall be elected by the general meeting.

Art. 16

Subject to the election of the chairperson and the members of the remuneration committee, the board of directors shall be self-constituting. It shall appoint a secretary, who need not be a member of the board of directors.

Art. 17

The board of directors shall meet upon invitation by the chairperson or, if he or she is unavailable, by another board member whenever required by business and, in addition, whenever requested by a member.

Minutes shall be kept of its deliberations, which must be signed by the chairperson and the meeting secretary *secretary*.

Art. 18

The board of directors shall be quorate if attended by a majority of its members. In cases involving confirmation resolutions to record the completion of a capital increase and the subsequent amendment of the Articles of Association, the presence

of one single member of the board of directors shall suffice.

The board of directors shall pass resolutions and conduct elections by a majority of the votes cast. In the event of a tie the meeting chairperson shall have the casting vote.

Resolutions may be adopted by written approval (including by email or other form of electronic transmission ~~fax or email~~) of motion circulated, unless a member requests an oral discussion.

Art. 19

The board of directors shall have the following non-transferable and inalienable duties:

1. the overall management of the company and the issuing of all necessary directives;
2. the determination of the company's organisation;
3. the determination of the principles governing the accounting, financial control, and financial planning systems;
4. the monitoring of the company's liquidity and solvency;
5. the appointment or removal of persons entrusted with business management and representation, including the manner in which they may sign;
6. overall supervision of the persons entrusted with managing the company, also with regard to compliance with the law, Articles of Association, operational regulations and directives;
7. compilation of the annual report, the compensation report, and preparation for the general meeting and implementation of its resolutions;
8. submission of an application for composition and notification of the court in the event that the company is over-indebted.

The board of directors is empowered to resolve in relation to all matters except those that have been transferred or reserved to the general meeting.

Art. 20

The board of directors shall be entitled to transfer representation of the company and, in

accordance with the organisational regulations, executive management or individual branches thereof to individual members of the board of directors or to other natural persons.

Art. 21

The remuneration committee shall be composed of three members of the board of directors.

The general meeting shall elect the members of the remuneration committee individually for a term in office which shall expire upon conclusion of the next ordinary general meeting.

The remuneration committee shall request from the board of directors:

- a. the compensation report;
- b. the motions for the general meeting concerning the remuneration of the board of directors and the executive board;
- c. the individual remuneration of the members of the board of directors and the president of the executive board.

In all other respects, the board of directors shall regulate the organisation of and adoption of resolutions by the remuneration committee; it may allocate additional tasks to the remuneration committee.

C. The auditors

Art. 22

The general meeting shall elect the auditors for a term in office which shall expire upon conclusion of the next ordinary general meeting.

The auditors shall comply with auditing and reporting duties in accordance with the relevant statutory provisions.

IV. Remuneration of the members of the board of directors and the executive board

Art. 23

The general meeting shall approve the motions of the board of directors concerning the maximum overall amounts:

- a. of the direct and indirect remuneration of the board of directors for the period until the next ordinary general meeting;

- b. of the direct and indirect remuneration of the executive board for the following financial year.

The board of directors may present additional motions or motions with different effect relating to the same period or other periods for approval by the general meeting.

Art. 24

The company or the companies controlled by it shall be empowered to pay an additional amount of up to 35% of the relevant approved overall amount for the duration of the remuneration periods already approved to any member who joins the executive board or is promoted within the executive board after remuneration has been approved by the general meeting.

Art. 25

The company may pay the members of the executive board a performance-related remuneration in addition to their fixed remuneration. The performance-related remuneration paid in any given year may not exceed 150% of the fixed remuneration for that year.

The performance-related remuneration shall be determined in accordance with company targets. It ~~can~~ shall take account in particular of the following elements:

- a. the achievement of planned targets within the area of responsibility;
- b. the sustainable further development of the business;
- c. staff management and development;
- d. the development of the company's share price in comparison with the market.

The board of directors shall specify the details.

The remuneration of the board of directors and the performance-related remuneration of the executive board may be paid in cash or through the allocation of shares in the company or through conditional subscription rights to such shares ~~or options~~. The shares must be acquired on the market.

The remuneration may be paid by the company or by companies controlled by it.

V. Contracts with members of the board of directors and the executive board, retirement benefits, loans

Art. 26

The term of contracts concluded with members of the board of directors shall be determined in accordance with their term in office and according to law.

The company or companies controlled by it shall conclude permanent employment contracts with the members of the executive board. These may be terminated subject to a notice period which may not exceed twelve months.

Compensation may be paid for a non-competition clause justified on grounds of business for the period after termination of the employment contract. This may not exceed the average of the remunerations of the last three financial years ~~50% of the last annual remuneration~~.

Art. 27

The company or companies controlled by it may arrange for alternative retirement benefits for members of the executive board who do not or only partially benefit from Swiss pension funds. The company or companies controlled by it may grant loans up to the value of the annual remuneration to members of the executive board.

VI. Appointments outside the group

Art. 28

No member of the board of directors may accept more than ten additional appointments, including no more than four in companies listed on the stock exchange.

No member of the executive board may accept more than four appointments, including no more than two in companies listed on the stock exchange. Each appointment must be approved by the board of directors.

These restrictions shall not apply to

- a. appointments to companies controlled by the company or that control the company;
- b. appointments taken up by a member of the board of directors or of the executive board on the instructions of the company. No member of the board of directors or of the

executive board may take up more than ten such appointments; and

- c. appointments to associations, charitable foundations, and staff pension funds. No member of the board of directors or of the executive board may take up more than ten such appointments.

Appointments shall mean appointments to the highest management body or to the executive board or the advisory board of another company with an economic purpose ~~of a legal entity that must be entered into the Commercial Register or an equivalent foreign register~~. Appointments to different legal entities under joint control or with the same economic beneficiary shall be regarded as one single appointment.

VII. Allocation of profits and reserves

Art. 29

The annual accounts shall be drawn up each year to 31 December.

Art. 30

5% of the annual profit must be allocated to the legal retained earnings ~~general reserve~~ until this together with the legal capital reserves equals 20% of the ~~paid-up~~ share capital as recorded in the Commercial Register.

Subject to the provisions of Article 671 of the Swiss Code of Obligations, the remaining disposable profit may be disposed of freely by the general meeting.

The general meeting may resolve to create special reserves alongside the statutory reserve, which may be disposed of freely by it.

VIII. Dissolution and liquidation

Art. 31

The general meeting may resolve at any time to dissolve and liquidate the company as prescribed by law and the Articles of Association.

Liquidation shall be conducted by the board of directors, unless decided otherwise by the general meeting. With regard to other matters, dissolution and liquidation shall be governed by Articles 736 et seq. of the Swiss Code of Obligations.

IX. Announcements and notices

Art. 32

The publication organ of the company is the Swiss Official Gazette of Commerce. The board of directors shall be entitled to designate further publication organs at any time.

Written notices shall be given by the company to the shareholders or beneficial owners in the situations prescribed by law by way of ordinary letter to the address of the shareholder or beneficial owner included in the share register or by instruction of the shareholders to their email address recorded in the share register.

Zurich, 25 April 2023 ~~21 April 2021~~

Explanatory notes on the amended provisions:

Art. 4 para. 1: The term uncertificated securities now comprises both simple and registered uncertificated securities. However, uncertificated securities in Art. 4 para. 1 refers exclusively to simple uncertificated securities.

Art. 6 para. 3: In the meantime, the Stock Exchange Act has been superseded by the Financial Market Infrastructure Act.

Art. 8 para. 1: The law now requires the Board of Directors to provide a brief explanation and entitles the shareholders submitting a motion to do so.

Art. 8 para. 2 and 3: The percentages have changed and must thus be amended.

Art. 8 para. 4: The method of making documents available has been adapted in the law.

Art. 8 para. 5: The special audit is now referred to as special investigation in the law.

Art. 9: The matters on which the General Meeting must decide have been expanded in the law.

Art. 11: Clarification that the law contains additional items that require a qualified majority at the General Meeting.

Art. 13: The purely electronic General Meeting is now possible (for further explanation see the main section of the invitation).

Art. 17: The law now refers to the secretary as the meeting secretary.

Art. 18: The amended provisions allow resolutions of the Board of Directors to be adopted in a flexible manner. The frequently used platforms of today are not covered by fax and email.

Art. 19: The law has assigned certain additional duties to the Board of Directors.

Art. 25: For the explanation, please refer to the main section of the invitation.

Art. 26: Here, the new legal provisions on non-competition agreements are implemented.

Art. 28: Here, the amended legal provisions on permissible appointments are implemented.

Art. 30: Here, the amended legal provisions on reserves and the appropriation of profits are implemented.

Art. 32: For the explanation, please refer to the main section of the invitation.

