

Remuneration Report 2023



Remuneration Report

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This is an excerpt of Siegfried's Annual Report 2023.
All chapters can be found on our Investor Relations portal:
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The Remuneration Report describes Siegfried Group's (Siegfried) remuneration principles and defines the competencies and responsibilities associated with setting remuneration for members of its Board of Directors and Executive Committee. The report also contains information about remuneration plans and remuneration paid to the members of the Board of Directors and the Executive Committee in the 2023 financial year.

This Remuneration Report was drafted in accordance with the Swiss Code of Obligations, SIX Swiss Exchange's Directive on Corporate Governance and the Siegfried Holding AG's articles of incorporation.

The Remuneration Report is structured as follows:

- Introduction by Chair of Remuneration Committee
- Competencies and tasks of Remuneration Committee
- Procedures for setting and approving the remuneration
- Principles of remuneration policy and remuneration elements
- Remuneration of Board of Directors
- Remuneration of Executive Committee
- Shareholdings of Board of Directors and Executive Committee at end of reporting year
- Additional Activities and Mandates
- Contractual agreements, loans, credits, and additional contributions

Introduction by Chair of Remuneration Committee

I am pleased to present our Remuneration Report for the 2023 financial year.

This report outlines the remuneration policies, principles and elements relevant to the senior management of the Siegfried Group. It includes details regarding the remuneration paid to the members of the Board of Directors and the Executive Committee. Furthermore, the report offers insight into the Remuneration Committee's key activities and decisions during the 2023 reporting year. All the information disclosed in the report relates to the financial year ending December 31, 2023.

2023 saw many developments in the area of remuneration, both internally and externally. For the first time, Siegfried submitted the 2022 Remuneration Report to a consultative vote by the shareholders at the Annual General Meeting (AGM) 2023. It must be noted that the revised Swiss corporation law requires such a consultative vote only in the case of prospective variable compensation elements. While this is not the case with Siegfried, the Board nevertheless decided to submit the Remuneration Report to a consultative vote in the interest of transparent governance.

With the revision of the Swiss corporation law, the provisions of the former Ordinance against Excessive Compensation in Listed Stock Corporations of 2014 were transferred to the Code of Obligations. In order to implement these changes and to align the relevant provisions of our Articles of Incorporation with the governance standards customary in Switzerland, the Board proposed certain amendments, all of which were approved at the 2023 AGM with high approval rates. The amendments to our Articles governing the compensation of the Board of Directors and the Executive Committee aimed at adding a moderate degree of flexibility, while taking into account and aligning them with the remuneration standards customary in Switzerland. In the spirit of good compensation governance, the revised provisions are intended to enable the Board of Directors to adapt the compensation systems to changing market expectations. The adjustments also reflect the gradual renewal of Siegfried's variable compensation system at the level of the Executive Committee over the recent years.

The Board of Directors also amended and updated its Organizational Rules. More specific provisions on potential conflicts of interest among Board members were introduced, and the rules governing additional mandates with third parties were sharpened to better protect Siegfried's interests. In line with Swiss best practices on governance, detailed charters describing the powers and responsibilities of the Siegfried Board Committees were adopted. In particular, the compe-

tences of the Remuneration Committee are now set forth in more detail in Annex 2 to the Organizational Regulations.

As announced in the previous Remuneration Report, the equity-based remuneration elements for middle management and employees were revised in 2023 and the new Share Matching Plan (SMP) for middle management was implemented. Starting in 2023, members of middle management are able to invest annually up to 10% of their annual base salary in Siegfried shares and will after three years, subject to continued employment, receive for each share purchased one share free. All employees not participating in the Long Term Incentive Plan (LTIP) or SMP will have the possibility to participate in the Employee Share Purchase Plan (ESPP) and invest up to 10% of their annual base salary into Siegfried shares from January 1, 2024. After a two-year holding period and subject to continued employment with Siegfried, they will receive for every two (2) shares bought one (1) share free.

In 2023, the new performance management process and Short Term Incentive (STI) framework were introduced. The new performance management process introduced a more focused approach to employee development through continuous individual feedback, so-called quarterly check-ins, and more flexible ongoing target setting. Another element is that the KPIs in our STI 2023 have also been adapted to better align with the company strategy and sustainability targets.

As every year, the remuneration committee followed up on key employees and organizational initiatives such as talent management, culture and leadership development and employee engagement. With respect to the talent management process, a healthy overall talent structure emerged and has shown that succession planning has further improved, especially for our critical positions. In line with these developments, several initiatives were launched in 2023, including the go-live of a revamped Siegfried webpage. This update included a renewed Employer Value Proposition and an enhanced Employer Branding to further strengthen internal and external talent pipelines. The specific development of an effective talent pipeline in all fields and at all sites will continue to be a priority for us, as this is the foundation for the company's future growth.

In the coming year, the Remuneration Committee – together with the Executive Committee – will continue to focus on talent-related topics. We firmly believe that securing talent and thereby ensuring long-term organizational stability, is a fundamental prerequisite for Siegfried's sustainable growth. In addition, the Remuneration Committee will continue to evaluate further development of performance management and measurement to include ESG (Environmental, Social, and Governance) and diversity, equity and inclusion elements on all levels of the organization.

The Board of Directors firmly believes that this Remuneration Report will provide you, as valued Shareholders, a comprehensive and transparent overview of the remuneration of the Siegfried Group's senior leadership as well as the most important issues we have addressed and those that are on the horizon.



Isabelle Welton
Chair of Remuneration Committee

1. Competencies and Tasks of Remuneration Committee

In accordance with the articles of incorporation, the Remuneration Committee is composed of at least two members of the Board of Directors, who are each elected by the Annual General Meeting for a one-year term of office. Isabelle Welton (Chair), Martin Schmid and Beat Walti were elected to the Remuneration Committee for the 2023/2024 term of office. The Remuneration Committee constitutes itself and appoints a chair from among its members.

The competencies and tasks of the Remuneration Committee are defined in the Company's Articles of Incorporation and Organizational Regulations. The Remuneration Committee supports the Board of Directors in

- Defining and reviewing the remuneration policy and principles
- Defining and reviewing the targets and target levels for short- and long-term performance-based remuneration elements and evaluating target achievement
- Preparing recommendations on the remuneration of the members of the Board and the Executive Committee for the attention of the Annual General Meeting

Depending on the agenda, the Chairman of the Board, the Chief Executive Officer (CEO), and the Chief Human Resources Officer (CHRO) may also join meetings of the Remuneration Committee. The Chairman of the Board, the CEO, and/or the CHRO must withdraw during consideration of agenda items relating directly to them. After every Remuneration Committee meeting, minutes with a summary of the topics discussed, decisions taken and recommendations made are circulated to the members of Board of Directors.

The Remuneration Committee convenes at least twice annually. During the reporting year, the Remuneration Committee convened three times for ordinary meetings and also held other discussions.

Topics considered per Remuneration Committee meeting in 2023

Topics	Winter	Summer	Autumn
General subjects			
Personnel changes in Senior Management group and Board	•	•	•
Update HR projects	•	•	•
Update pension funds	•	•	•
Talent review			•
Governance			
Preparation of remuneration report (incl. analysis on remuneration disclosure)		•	•
Approval of remuneration report	•		
Preparation of self evaluation		•	
Preparation "Say-on-Pay" vote for upcoming GM	•		
Remuneration of Board of Directors			
Setting remuneration for next term of office (incl. amount to be approved at GM)	•		
Remuneration of Executive Committee			
Determining target achievement for previous year and approving short-term, performance-based remuneration (STI) (incl. amount to be approved at GM)	•		
Setting grant date for long-term, performance-based remuneration (LTI)	•		
Setting LTIP remuneration amount for current financial year (incl. amount to be approved at GM)	•		
Setting target remuneration for following financial year (incl. amount to be approved at GM)	•		
Setting STI target values for next financial year			•
Setting LTIP target values for next performance period			•

2. Procedures for Setting and Approving Remuneration

Regular Benchmarking and External Consultants

To ensure competitiveness and attractiveness of Siegfried as an employer, internal remuneration data for the entire workforce at all locations are regularly compared with those at other relevant companies in accordance with standard practice. As a rule, this is based on a broad “General Industry” index, and in the case of specialist positions on comparative data from companies in the same industry. Siegfried’s goal is to ensure that employees who meet the academic, performance and behavioral criteria associated with a given position

receive a total remuneration package that is in line with the benchmark market median for similar positions in comparable companies.

For this purpose, Siegfried works with independent external remuneration specialists as appropriate.

The remuneration of the Board of Directors and the members of the Executive Committee is reviewed regularly – generally every two to three years – and compared with data from executive studies, specifically obtained benchmark data, and on the basis of the disclosures of companies of similar size and structure, comparable business mix, business model, and geographic set up. In 2023 benchmark data were not updated as the last review was done in 2021. The last review was carried out on the basis of a study commissioned from Mercer (Executive Remuneration Audit). The executive remuneration study was based on the broad “General Industry” index, which includes comparative data from over 350 internationally active companies headquartered in Switzerland with global business activity/customer base. In the comparison group, 26% are companies from the pharmaceutical/chemical and medtech sectors. The remaining 74% correspond to an industry cross-section of companies of comparable size and activity radius (17% consumer goods, 3% banking/insurance, 54% other manufacturing and non-manufacturing industrial companies).

Process for Setting and Approving Remuneration

Remuneration is set and approved as follows:

Process for defining and approving remuneration	CEO	Remuneration Committee	Board of Directors	General Meeting
Principles of remuneration for the Board of Directors in the articles of incorporation		Makes proposal	Proposes a motion	Decides
Principles of remuneration for the Executive Committee in the articles of incorporation		Makes proposal	Proposes a motion	Decides
Remuneration model for CEO (incl. short- and long-term, performance-based remuneration in the form of cash or shares) and terms of employment contract		Makes proposal	Decides	
Remuneration model for the Executive Committee (incl. short- and long-term, performance-based remuneration in the form of cash or shares)	Makes proposal	Recommends	Decides	
Maximum total remuneration for the Board of Directors for the term of office lasting until the next Ordinary General Meeting		Makes proposal	Decides	Approves
Maximum total remuneration for the fixed remuneration of the Executive Committee (incl. the CEO) for the following financial year	Makes proposal	Recommends	Decides	Approves
Maximum total short-term, performance-based remuneration of the Executive Committee (incl. the CEO) for the previous financial year	Makes proposal	Recommends	Decides	Approves
Maximum total long-term, performance-based remuneration of the Executive Committee (incl. the CEO) for the current financial year	Makes proposal	Recommends	Decides	Approves
HR and remuneration policy		Makes proposal	Decides	
Nomination and selection for appointments/reappointments of Board members as well as succession planning		Recommends	Proposes a motion	Elects
Nomination and selection of Executive Committee members as well as succession planning		Makes proposal	Decides	

In line with applicable Swiss Code of Obligations, the shareholders of Siegfried have the right to annually vote on the fixed and variable performance-based compensation elements of the Board of Directors as well as of the Executive Committee. In accordance with Siegfried's Articles of Incorporation, the following remuneration elements are subject to separate approval votes by the Annual General Meeting of the Shareholders:

- Total compensation of the Board of Directors for the then starting term of office
- Fixed remuneration of the Executive Committee for the next financial year
- Short-term variable remuneration of the Executive Committee for the past financial year
- Long-term variable remuneration of the Executive Committee for the current financial year

The following remuneration elements/amounts were approved at the Annual General Meeting of the Shareholders on April 20, 2023:

- Maximum total for overall remuneration of the Board of Directors for the 2023/2024 term of office (CHF 1 875 000) with 96.0% of the votes cast
- Maximum total for the fixed overall remuneration of the Executive Committee for the 2024 financial year (CHF 4 600 000) with 98.3% of the votes cast
- Short-term, performance-based remuneration for the Executive Committee for the 2022 financial year (CHF 2 354 275) with 94.5% of the votes cast
- Long-term, performance-based remuneration for the Executive Committee for the 2023 financial year (CHF 3 100 000) with 90.6% of the votes cast

Likewise, the proposals relating to the structure described above will be put before the Annual General Meeting on April 18, 2024.

3. Principles of Remuneration Policy and Remuneration Elements

Principles of Remuneration Policy

Recruiting, developing, and retaining diverse, qualified and talented managers and specialists is a crucial factor for Siegfried's success. The remuneration structure and its elements are aimed at achieving this goal and are based on the following objectives:

- Ensure an effective link between individual performance and sustainable enterprise value creation for Siegfried's shareholders
- Reward individual performance, competence, and desired behaviors in line with Siegfried's corporate values and leadership principles
- Create a sustainable performance culture by implementing performance-related remuneration that is contingent on the Group's success
- Set effective incentives by balancing performance-based long- and short-term remuneration elements
- Act fairly and transparently when making and communicating remuneration-related decisions
- Ensure market competitiveness
- Comply with all legal and regulatory requirements relating to remuneration including, in particular, those regarding minimum wages, equal pay for men and women, and provisions linked to the disclosure and approval of remuneration for Siegfried's most senior decision-making bodies
- Ensure that dilution resulting from performance/share-based remuneration does not exceed 1.0% per year (long-term average)
- Ensure appropriate recognition and incentives for actions in the area of sustainability, i.e. the impact of Siegfried's business on the environment and people.

Remuneration Elements

Siegfried's remuneration model is a package consisting of fixed and performance-based elements.

An employee's total remuneration mix is contingent on his/her functional level, position, responsibilities, qualifications/experience, and place of work. In the reporting year, employee remuneration was composed of the following elements:

1. Fixed remuneration – annual base salary
2. Performance-based remuneration
 - i. Short-term, performance-based remuneration (Short Term Incentive Plan, STIP)
 - ii. Long-term, performance-based remuneration (Long Term Incentive Plan, LTIP)
3. Additional remuneration elements
 - i. Additional benefits, in line with market practice
 - ii. Share Matching Plan (SMP) available in all markets for middle management for employees not participating in the LTIP
 - iii. Employee Share Purchase Plan (ESPP); available in most markets for employees not participating in the LTIP and SMP

	Element	Instrument	Purpose	Criteria	Target Group
Fixed remuneration	Annual base salary	Monthly cash payment	Attracting and retaining employees	Requirements of the job, employee experience and ability, job performance, local market conditions	All employees
Performance-based remuneration	Short-term, performance-based remuneration (STIP)	Annual cash payment	Rewarding employees' performance and contribution to company value	Achieving corporate, functional, and individual performance in a given financial year	All employees (excluding Board members)
	Long-term, performance-based remuneration (LTIP)	Annual grant of performance share units (PSUs)	Ensuring a sustainable increase in company value; alignment of the interests of shareholders and senior management and promotion of commitment and retention of senior management to the company	Achieving corporate targets at the end of the three-year performance period	Senior Management (excluding Board members)
Additional remuneration elements	Additional benefits	Pension plan and fringe benefits	Safeguarding employees and their dependents in old age or in the event of illness	Local market conditions, laws and other regulations	All employees
	Share Matching Plan (SMP)	Employee participation plan, which allows employees to purchase Siegfried shares up to a maximum of 10% of their annual base salary and receive – subject still being in an active employment relationship – after 3 years for each share purchased one share for free (1:1 matching)	Sustainable increase in company value, alignment of interests between plan participants and shareholders, and promotion of commitment and retention of middle management to the company	Amount of initial investment, share price development	Middle Management, not participating in the LTIP
	Employee Share Purchase Plan (ESPP)	Employee participation plan, which allows employees to purchase Siegfried shares up to 10% of their annual base salary and receive – subject still being in an active employment relationship – after 2 years for every two investment shares purchased one share for free (2:1 matching)	Strengthening employees' interest in and loyalty to the company; enabling employees to take a stake in the company's success via a potential share price increase	Amount of initial investment, share price development	Employees below management (excluding LTIP/SMP participants and Board members)

Fixed Remuneration – Annual Base Salary

Each employee receives an annual base salary that is linked to the requirements of the position, the individual’s experience, capabilities, qualifications and performance, as well as local market conditions. Siegfried aims to ensure that the base salary of employees who meet the expected performance, behavioral, and academic parameters in full corresponds to the market median for comparable positions in the chemical/pharmaceutical industry. Annual adjustments are made individually in light of internal and external benchmarks regarding the competitiveness of salaries, employee performance, and the overall economic health of the company. Salary adjustments only occur automatically in cases where they are required by law or stipulated in sectoral collective agreements.

(Short Term Incentive Plan, STIP)

The company’s Short Term Incentive Plan (STIP) aims to incentivize employees across all functional levels.

As announced in the Remuneration report 2022 our performance management process has been adapted. The features of the new performance management process are an increased focus on continuous individual feedback, employee development and more flexible ongoing target setting. The basic principles of the STI framework with corporate, functional and individual targets remain unchanged however, the KPIs for the corporate and functional targets have been revised to better align with the company strategy and sustainability and ESG targets. The new process has successfully been rolled-out in 2023.

Short-Term, Performance-Based Remuneration

Under the STIP, targets are rated and communicated annually for one financial year (performance period). Responsibility for defining STIP targets depends on the functional level of the employee and is assigned as follows:

Level	Corporate targets Setting and approval of targets and target achievement	Functional targets Setting and approval of targets and target achievement	Individual Performance Defining and appraising individual performance
CEO		n. a.	Chairman of the Board of Directors
Executive Committee		CEO	CEO
Senior Management	Board of Directors		
Management		Executive Committee	Line Manager
Employees			

The performance-based remuneration paid out under the STIP is contingent on the achievement of corporate, functional, and individual performance of the relevant employee. A personal target bonus assuming 100% target achievement (“target STI”) is defined for each plan participant (if eligible for participation in the plan). The target STI and the applicable target categories depend on the plan participant’s functional level. The payout is capped at 165% (employees), 170% (Management), 175% (Executive Team) and 190% (CEO).

The corporate targets used at Group level incorporates financial and non-financial targets for 2023. The financial targets consist of Core EBITDA, Net Sales and NWC (Net Working Capital). The non-financial targets include amongst others Sustainability and Organizational Development. The target values for the relevant reporting year are set by the Board of Directors.

Functional targets are derived from Siegfried’s strategy, operational priorities, and corporate targets and are based on the overall performance of a given function or site. They are defined annually by the Executive Committee in a top-down process and are broken down incrementally into individual departments, sites, and teams. Functional targets are, for the most part, key performance indicators (KPIs) relevant to steering the operational business and achieving corporate targets. Typical KPIs include safety statistics per location (measurement correlating with the number of notifiable events as

per international OSHA [Occupational Safety and Health Administration] standards), operational performance per location (OTIF [on time in full], quality of our products, non-material cost), and the generation of new business (new product leads).

Individual performance is tracked and measured through activity definition and an ongoing feedback process taking into account the impact in the areas of job execution, collaboration, culture and individual growth. Individual performance activities are defined between line manager and employee. For each activity, a detailed description of the expectations as well as expected completions are defined. Formal discussions on the four impact areas are conducted on a quarterly basis (so called check-ins). At the end of the performance period, target achievement of the corporate, functional, and individual performance is assessed. The achievement scale ranges from 0 to maximum 200% for corporate targets, and from 0 to maximum 150% for functional and individual performance. An individual’s overall target achievement is derived from the weighted sum of target achievements. The individual STI is calculated by multiplying the target STI amount by the overall target achievement.

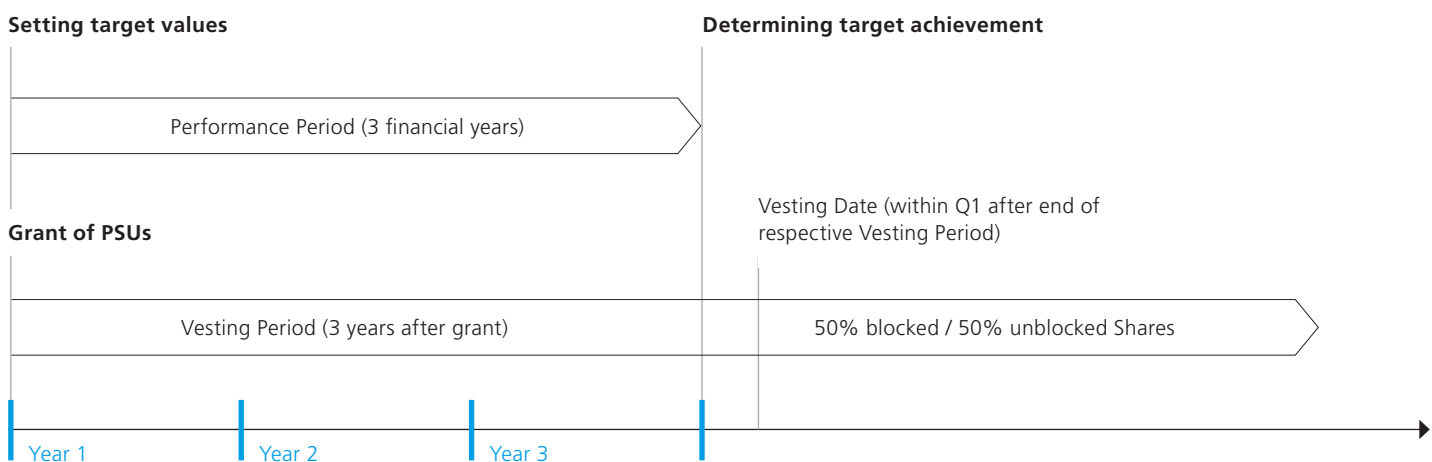
Long-Term Performance-Based Remuneration (Long Term Incentive Plan, LTIP)

The LTI program, a performance-based remuneration element, is designed for the Executive Committee, Senior Management, and other key employees. The plan and participation are determined by the Board of Directors. The plan was introduced in 2014 and was revised in 2021 to make appropriate adjustments to take account of the significant growth of the company and the strong increase in the share price. It is designed to offer an attractive variable compensation element that aligns participants’ interests and as promotion of the commitment and retention with those of the shareholders. The plan uses Performance Share Units (PSUs), which are granted to

eligible plan participants with specific performance and employment conditions that result in a potential vesting into Siegfried shares after a three-year performance period.

PSUs are granted annually at the beginning of the year. The number of PSUs granted is equal to the plan participant’s LTI fixed amount divided by the reference share price which is the volume weighted average share price over a twelve-month period prior to the grant date. No cash investment is required from participants.

Each PSU grant will vest at the end of a three (3) year performance period and will be converted into shares, subject to performance and service conditions being met. 50% of the shares allocated will be blocked (selling restriction) for a period of three (3) years.

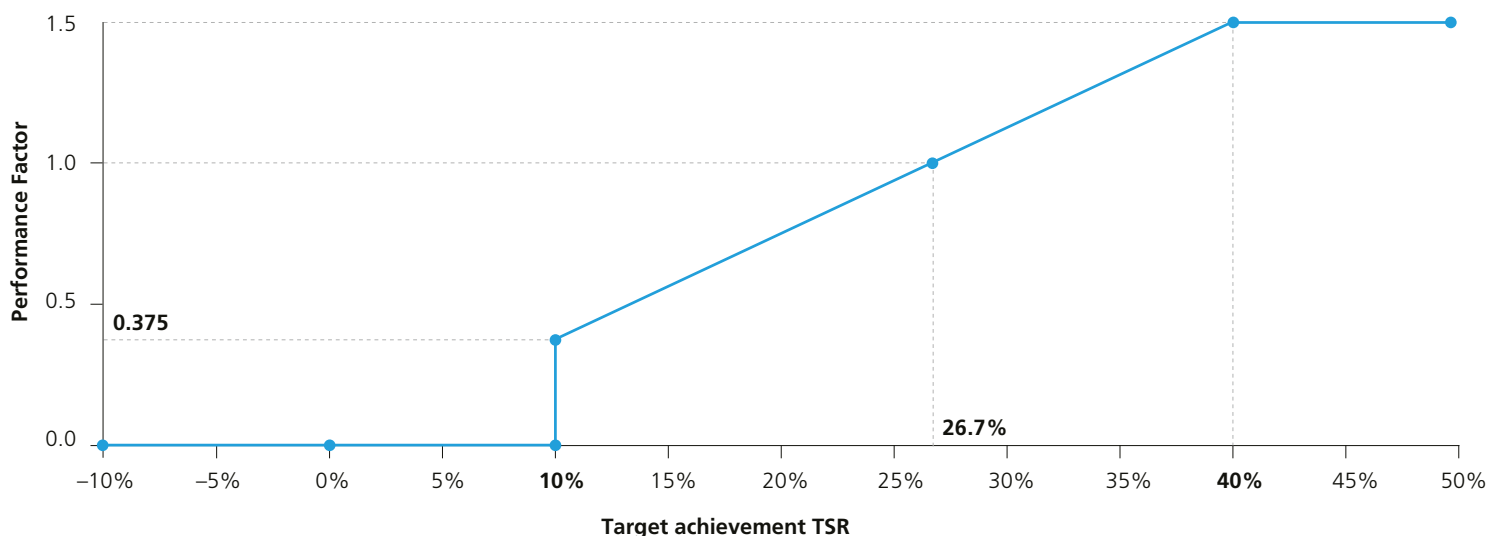


The number of shares allocated per PSU depends on the achievement of a performance condition and fulfillment of the service condition:

- The absolute total shareholder return (TSR) aims to link the LTI value at vesting directly with the absolute equity value created by the company for its shareholders
- In order to ensure retention of key people, plan participants must be in an unterminated relationship at the date shares are allocated

The TSR is the profit (or loss) realized by an investment at the end of a year or specific period and as such a measure for the equity value created (or destructed) over such year or period. It includes capital gains or losses from changes in the share price as well as gross dividends. Capital gain is calculated using the volume weighted average share price (VWAP) over the last twelve months’ stock trading days up to the inception date of the relevant Performance Period and the VWAP over the last twelve months’ stock trading days up to the closing date of the relevant Performance Period. The targets are set and evaluated by the Board of Directors. In order to protect the retention element of the plan in times when external factors and/or extraordinary events significantly distort financial market performance resulting in a TSR PF that significantly contrasts with the actual operational and financial performance of the company, the Board of Directors may, by way of exception and in its sole discretion, use alternative measures for the determination of the equity value creation and, based thereon, of the performance factor for the relevant Performance Period, using multiples of EBITDA or other customary valuation methods.

TSR (or equity value creation) to be achieved over a three-year period and resulting performance factor/vesting curve:



For LTI grants prior to 2022 (grant 2020 and 2021) with a vesting in 2023 and 2024, the LTI is determined by Total Shareholder Return (TSR) with a 70% weight and cumulated EBITDA and ROCE each with a weight of 15%. The vesting conditions for those grants remain unchanged.

In March 2023, shares for the performance period 2020–2022 were allocated. Target achievement (and hence the performance factor) for the 2020–2022 performance period was 194.2%. The detailed breakdown of target achievement was as follows: TSR

CAGR: 200%, Core EBITDA: 200%, and Core ROCE: 161.4%. 1942 shares were thus allocated per PSU. On March 1, 2023, based on a total of 30 761 PSUs originally granted, 43 003 shares were allocated. During the vesting period, 6740 PSUs lapsed without compensation due to participants exiting the company and 1051 PSUs had, as per internal regulations, been transferred early in the form of shares on the relevant employee’s exit date (due to retirement or redundancy).

	Number of granted PSUs 2020	Number of vested shares 2023 ^{2, 3, 4}
CEO	2 800	5 437
Executive Committee	6 450	10 193
Senior Management	10 125	10 021
Management	9 916	16 107
Discretionary Group ¹	1 470	1 245
Total	30 761	43 003

¹ Each year, the Board of Directors and Executive Management at their discretion jointly nominate staff members below management level to participate in the plan.

² Excluding shares which have already been converted into shares during the vesting period based on Art. 8.3. of the regulations (retirement / termination for economic reasons).

³ Excludes 1222 shares for participants at the Nantong site, who received an equivalent cash amount instead of shares due to regulatory restrictions.

⁴ Number of vested shares based on outstanding PSUs at the time of transfer.

The following table provides an overview of granted and outstanding entitlements (PSUs) under the LTIP.

Overview of Outstanding PSUs

	Grant 2021 (Vesting period 2021–2024)	Grant 2022 (Vesting period 2022–2025)	Grant 2023 (Vesting period 2023–2026)
Number of PSUs granted¹	29 910	18 220	20 220
CEO	2 800	1 740	2 030
Executive Committee	5 600	4 351	5 657
Management	21 510	12 129	12 533
Outstanding PSUs as per December 31, 2023	23 283	15 259	18 557
CEO	2 800	1 740	2 030
Executive Committee	4 500	3 667	4 859
Management	15 983	9 852	11 668
Lapsed PSUs as per December 31, 2023²	6 424	3 727	1 684
CEO	0	0	0
Executive Committee	1 100	684	798
Management	5 324	3 043	886
Shares granted from PSUs due to termination as per December 31, 2023³	353	103	49
CEO	0	0	0
Executive Committee	0	0	0
Management	353	103	49

¹ Reported number of PSUs per employee category refers to the grant date and is not corrected for organizational changes.

² Entitlement lapsed due to termination of employment relationship by employee or Siegfried.

³ Share transfer according to regulation due to termination of employment (e.g. retirement).

Benefits

Siegfried's benefit programs are designed to support our employees' professional and personal well-being and enable Siegfried to attract and retain talent. All programs are structured to support our overall business strategy and are aligned with local market practices and legislation. Examples of benefits include, depending on location and work level, pension plans, Employee Share Purchase Plan (ESPP), Share Matching Plan (SMP), public transport passes, lunch vouchers, the use of company cars, mobile phones and discounts with defined partners.

Specifically Siegfried's retirement and insurance plans fulfill and, in some respects, exceed local legal requirements. The form and amount of these plans are governed by local market conditions and legislation.

In Switzerland, a supplementary defined-contribution pension plan is available for individuals whose income exceeds a given threshold. All members of the Executive Committee and some members of Senior Management are enrolled in this pension plan.

Both employee and employer contribute to the aforementioned pension plans. The assets in these segregated plans are held

in separate foundations or by insurers and cannot flow back to the employer.

Moreover, accrual funded direct commitments are in place in Germany; these are recognized on the balance sheet as pension liabilities. The relevant accruals are revalued each year. Plans also exist for anniversaries or other benefits linked to years of service.

4. Remuneration of Board of Directors

The remuneration model for members of the Board of Directors is designed to recruiting experienced and motivated individuals to carry out the duties of a Board member for Siegfried. Board members' remuneration comprises a fixed cash component and a share-based component. By incentivizing Board members to further the success

of the company and increase enterprise value over the long term, the share-based component ensures that the interests of Siegfried's management and shareholders are aligned. Members of the Board of Directors do not receive any performance-based remuneration.

The cash component consists of a base fee for the Board mandate, and fees for individual functions as per the table below. In addition Board members receive an expense allowance covering all incidental expenses relating to executing their responsibilities.

Shares are granted at the beginning of a Board member's term of office following the approval of directors' remuneration by the Annual General Meeting. From the date of grant, these shares are subject to a three-year restriction period. Should a Board member give notice during the current term of office, he/she undertakes to transfer the shares back to Siegfried on a pro rata basis.

The following table shows remuneration rates for the 2023/2024 term of office:

Base Fee	Cash component	Lump sum expense allowance	Actual number of restricted shares allocated for 2023/2024 term of office
Chairman of the Board of Directors	180 000	20 000	394
Vice-Chairman of the Board of Directors	90 000	10 000	197
Other members of the Board of Directors	60 000	10 000	197
Fees for individual functions			
Chair of Committee	15 000		
Member of Committee	5 000		

The following tables show remuneration paid/allocated in the reporting year and the prior year.

Remuneration of the Board of Directors is shown by financial year. The share component of the remuneration is valued according to Swiss GAAP FER.

Remuneration Paid to Board of Directors in 2023 Reporting Year (audited)

Board of Directors	Cash remuneration	Lump sum expense allowance	Total cash	Share-based remuneration 2023 ¹	Employer contributions to social security ²	Total remuneration financial year 2023
Andreas Casutt (Chairman)	180 000	20 000	200 000	261 809	23 005	484 814
Martin Schmid (Vice-Chairman)	100 000	10 000	110 000	130 905	12 767	253 672
Elodie Carr-Cingari (Member; Chair of Audit Committee)	50 000	6 667	56 667	87 337	7 345	151 349
Wolfram Carius ³ (Member; Chair of Strategy Committee)	80 000	10 000	90 000	130 905		220 905
Isabelle Welton (Member; Chair of Remuneration Committee)	75 000	10 000	85 000	130 905	11 401	227 306
Alexandra Brand (Member)	65 000	10 000	75 000	130 905	10 799	216 704
Beat Walti (Member)	70 000	10 000	80 000	130 905	11 075	221 980
Total (serving members on December 31, 2023)	620 000	76 667	696 667	1 003 671	76 392	1 776 730
Colin Bond ⁴ (Member; Chair of Audit Committee)	25 000	3 333	28 333	43 568	3 877	75 778
Total (on December 31, 2023 including former members)	645 000	80 000	725 000	1 047 239	80 269	1 852 508

The remuneration figures shown in the table are gross amounts and were booked according to the accrual principle (4/12 for the 2022/2023 term of office; 8/12 for the 2023/2024 term of office).

¹ Fixed number of shares as part of Board of Directors remuneration; value per share as approved by the General Meeting (CHF 778 for the 2022/2023 term of office; CHF 665 for the 2023/2024 term of office).

² Incl. social security deductions on the tax value of the pro rata share component of the fixed Board of Directors remuneration (allocated in 2023) for the 2023/2024 term of office.

³ Exempted from Swiss social security obligation (fulfills social security obligations in principal country of employment).

⁴ Colin Bond did not put himself up for re-election as member of the Siegfried Board of Directors for the 2023/2024 term of office.

In 2023, no remuneration was paid to the members of the Board of Directors other than that shown above. During the 2023/2024 term of office, total Board of Directors remuneration is projected to be

CHF 1.853 million; the figure approved at the 2023 Annual General Meeting was CHF 1.875 million.

Remuneration Paid to Board of Directors for 2023/2024 Term of Office (Projection until end of 2023/2024 Term of Office)

Board of Directors	Cash remuneration	Lump sum expense allowance	Total cash	Share-based remuneration term of office ¹	Employer contributions to social security ²	Total remuneration term of office 2023/2024
Andreas Casutt (Chairman)	180 000	20 000	200 000	262 010	22 530	484 540
Martin Schmid (Vice-Chairman)	100 000	10 000	110 000	131 005	12 611	253 616
Elodie Carr-Cingari (Member; Chair of Audit Committee)	75 000	10 000	85 000	131 005	11 017	227 022
Wolfram Carius ³ (Member; Chair of Strategy Committee)	80 000	10 000	90 000	131 005		221 005
Isabelle Welton (Member; Chair of Remuneration Committee)	75 000	10 000	85 000	131 005	11 286	227 291
Alexandra Brand (Member)	65 000	10 000	75 000	131 005	10 756	216 761
Beat Walti (Member)	70 000	10 000	80 000	131 005	11 020	222 025
Total (term of office 2023/2024, serving members)⁴	645 000	80 000	725 000	1 048 040	79 220	1 852 260
Approved by the Annual General Meeting for 2023/2024 term of office						1 875 000

The remuneration figures shown in the table apply to the 2023/2024 term of office (May 2023–April 2024).

¹ Fixed number of shares as part of Board of Directors remuneration; value per share as approved by the Annual General Meeting 2023 (CHF 665).

² Incl. social security deductions on the tax value of the share component of the fixed Board of Directors remuneration (allocated in 2023) for the 2023/2024 term of office.

³ Exempted from Swiss social security obligation (fulfills social security obligations in principal country of employment).

⁴ Projected total until the end of the 2023/2024 term of office.

Remuneration Paid to Board of Directors in 2022 Reporting Year (audited)

Board of Directors	Cash remuneration	Lump sum expense allowance	Total cash	Share-based remuneration 2022 ¹	Employer contributions to social security ²	Total remuneration financial year 2022
Andreas Casutt (Chairman)	180 000	20 000	200 000	262 192	23 286	485 478
Martin Schmid (Vice-Chairman)	100 000	10 000	110 000	131 096	12 678	253 774
Colin Bond (Member; Chair of Audit Committee)	75 000	10 000	85 000	131 096	11 183	227 279
Wolfram Carius ³ (Member; Chair of Strategy Committee)	78 333	10 000	88 333	131 096		219 429
Isabelle Welton (Member, Chair of Remuneration Committee)	75 000	10 000	85 000	131 096	11 228	227 324
Alexandra Brand (Member)	43 333	6 667	50 000	87 136	7 257	144 393
Beat Walti (Member)	46 667	6 667	53 333	87 136	7 456	147 925
Total (serving members on December 31, 2022)	598 333	73 333	671 667	960 848	73 088	1 705 603
Reto Garzetti ⁴ (Member)	25 000	3 333	28 333	43 960	3 464	75 757
Ulla Schmidt ^{3,4} (Member)	21 667	3 333	25 000	43 960		68 960
Total (on December 31, 2022 including former members)	645 000	80 000	725 000	1 048 768	76 552	1 850 320

The remuneration figures shown in the table are gross amounts and were booked according to the accrual principle (4/12 for the 2021/2022 term of office; 8/12 for the 2022/2023 term of office).

¹ Fixed number of shares as part of Board of Directors remuneration; value per share as approved by the General Meeting (CHF 840 for the 2021/2022 term of office; CHF 778 for the 2022/2023 term of office).

² Incl. social security deductions on the tax value of the pro rata share component of the fixed Board of Directors remuneration (allocated in 2022) for the 2022/2023 term of office.

³ Exempted from Swiss social security obligation (fulfills social security obligations in principal country of employment).

⁴ Reto Garzetti and Ulla Schmidt did not put themselves up for re-election as members of the Siegfried Board of Directors for the 2022/2023 term of office.

5. Remuneration of Executive Committee

The Executive Committee's remuneration is comprised of a fixed base salary, a short-term performance-based component (STI), a long-term performance-based component (LTI), and additional benefits. As part of the regular review, and in view of the significant increase in the size of the company and management responsibilities in the recent years, the remuneration of the Executive Committee was reviewed in 2021 on the basis of a specially prepared external

salary comparison by Mercer in order to ensure appropriate and competitive remuneration. The cross-comparison revealed a need for adjustments for some Executive Committee members to reflect performance and to remain competitive. In 2023, the remuneration of the CEO was not increased.

The ratio for the annual total compensation of the highest-paid individual (CEO) compared to the annual compensation for all employees in Switzerland (excluding CEO) is 34 (mean) and 26 (average).

The following table summarizes the Executive Committee's remuneration in 2023 and indicates the highest individual remuneration for services rendered in the reporting year (CEO). The performance-based components STI and LTI are explained in detail below. In 2023, the ratio of fixed to performance-based components in the CEO's remuneration was 30% to 70% (previous year 27%/73%) while the ratio for the Executive Committee averaged 48% to 52% (previous year 37%/63%).

Remuneration Paid to CEO and Executive Committee in 2023 Reporting Year (audited)

CEO and Executive Committee	Fixed remuneration in cash ¹	Short-term, performance-based remuneration (STI) in cash ²	Total cash payments	Long-term, performance-based remuneration (LTI) in PSUs ³	Employer contributions to social security ⁴	Employer contributions to pension fund	Total remuneration 2023 ⁵
Highest individual remuneration: Wolfgang Wienand	800 000	1 148 160	1 948 160	753 820	190 404	91 211	2 983 595
Other Executive Committee members	2 500 887	1 433 886	3 934 773	1 803 786	423 968	324 631	6 487 158
Total (at December 31, 2023)	3 300 887	2 582 046	5 882 933	2 557 606	614 372	415 842	9 470 753

The remuneration figures shown in the table are gross and are based on the accrual principle.

¹ Incl. contractual remuneration in Siegfried shares for one member of the Executive Committee in the amount of CHF 68 650.

² To be paid out in April 2024 after approval at Annual General Meeting.

³ Includes PSUs granted in 2023 for plan period 2023–2025; PSUs are valued as per external consultant ALGOFIN (CHF 371.17 per PSU).

⁴ Includes an assumed social insurance contribution on both the 2023 STI (7.7%) and PSUs granted in 2023 (7.7%).

⁵ Not including fringe benefits (REKA money, child and family allowances, employer contributions to BU/NBU) in the amount of approximately CHF 24 000.

In 2023, no remuneration was paid to the Executive Committee members other than that shown above. The amount of fixed remuneration for the reporting year 2023 approved at the 2022 Annual

General Meeting was complied with in accordance with the Articles of Incorporation (Art. 25).

Overview of 2023 STI Calculations

CEO and Executive Committee	Target STI as % of fixed base salary	Target STI in CHF	Actual 2023 STI in CHF ^{1,2}	Actual STI as % of target STI	Actual 2023 STI amount incl. social security deductions ² , to be approved at the Annual General Meeting
CEO	100%	800 000	1 148 160	143.52%	1 236 568
Other Executive Committee members	40–50%	1 041 408	1 433 886	137.69%	1 544 295
Total		1 841 408	2 582 046	140.22%	2 780 863

¹ To be paid out in April 2024 after approval at Annual General Meeting.

² Assuming 7.7% social security contributions.

For the reporting year 2023, the following targets were relevant for the CEO and the Executive Committee (EC):

Target Category	Target	Weighting
Corporate Targets	Net Sales	CEO 32%, EC 24%
	Core EBITDA Margin	CEO 32%, EC 24%
	NWC	CEO 8%, EC 6%
	ESG / Org. / Strategy impl.	CEO 8%, EC 6%
Operational/Functional Targets	Safety, OTIF, Quality of Products, Non Material Cost, Sales targets, Leads (DP / DS products), PM / Talent Pipeline operations / HR KPIs	EC 20%
Individual Targets	Function and role related targets	CEO 20%, EC 20%

The average target achievement of the entire Executive Committee for the reporting year 2023 was 140.22% (2022: 125.67%).

PSUs granted to CEO and Executive Committee in 2023 Reporting Year

The value of the PSUs granted to the CEO and other members of the Executive Committee for the three-year performance period January 1, 2023–December 31, 2025 under the LTIP is reported once and in full as Executive Committee remuneration in the respective reporting year. In 2023, the CEO and the Executive Committee were granted a total of 7687 PSUs (previous year 6091 PSUs). As in the past, an external valuation company was used to determine the fair value of a PSU as of the grant date of the reporting year using a best-prac-

tice method which then served as a calculation parameter for determining the value of the long-term remuneration and social security contributions payable on it. For the reporting year 2023, the value was set at CHF 371.17 per PSU.

In order to ensure transparency, the PSUs allocated in the reporting year are shown as totals in the following table of remuneration paid to the Executive Committee. In the Consolidated Financial Statements, however, LTIP expenses are distributed over the three-year performance period. The effective income at the end of the vesting period may differ from the fair value determined at the grant date of PSUs and is depending on the target achievement of the LTIP (amount of the performance factor) and hence possible allocation of shares and the share price at the time of the allocation of shares.

Plan period	Executive Committee	PSU grant date	Performance period	Vesting period	Vesting date	Value at 100% target achievement			Potential target achievement
						PSUs allocated ^{1,4}	Value of allocated PSUs ^{1,4}	Social insurance contributions on value of PSUs ²	
2023–2025	CEO	01.01.2023	01.01.2023–31.12.2025	01.01.2023–01.01.2026	01.01.2026	2 030	753 475	58 018	0%–200%
	Other members of the Executive Committee					5 657	2 099 709	161 678	
Total						7 687	2 853 184	219 696	
Total cost to enterprise								3 072 880	
Approved sum by Annual General Meeting³								3 100 000	

¹ PSUs are valued as per external consultant ALGOFIN (CHF 371.17 per PSU).

² Includes an assumed 7.7% social insurance contribution.

³ Approval of PSUs allocated in the financial year 2023 for the performance period 2023–2025 at the 2023 Annual General Meeting.

⁴ Expanding the Executive Committee from existing seven members to a new total of eight members as the 2023 Annual General Meeting.

Remuneration Paid to CEO and Executive Committee in 2022 Reporting Year (audited)

CEO and Executive Committee	Fixed remuneration in cash ¹	Short-term, performance-based remuneration (STI) in cash ²	Total cash payments	Long-term, performance-based remuneration (LTI) in PSUs ³	Employer contributions to social security ⁴	Employer contributions to pension fund	Total remuneration 2022 ⁵
Highest individual remuneration: Wolfgang Wienand ⁶	800 000	1 047 200	1 847 200	1 132 461	231 415	88 979	3 300 055
Other Executive Committee members	2 313 500	1 138 757	3 452 257	2 831 148	448 792	310 144	7 042 341
Total (at December 31, 2022)	3 113 500	2 185 957	5 299 457	3 963 609	680 207	399 123	10 342 396

The remuneration figures shown in the table are gross and are based on the accrual principle.

¹ Incl. contractual remuneration in Siegfried shares for two members of the Executive Committee in the amount of CHF 248 500.

² To be paid out in April 2023 after approval at General Meeting.

³ Includes PSUs granted in 2022 for plan period 2022–2024; PSUs are valued as per external consultant ALGOFIN (CHF 650.72 per PSU).

⁴ Includes an assumed social insurance contribution on both the 2022 STI (7.7%) and PSUs granted in 2022 (7.7%).

⁵ Not including fringe benefits (REKA money, child and family allowances, employer contributions to BU/NBU) in the amount of approximately CHF 24 000.

⁶ The reported fixed remuneration of Wolfgang Wienand excludes an out-of-period compensation payment of CHF 280 914 to correct an error in the allocation of Performance Share Units (PSUs) under the LTIP that occurred in 2018. The shares to be transferred were settled in cash during the reporting year. Including this cash payment, the total compensation for all members of the Executive Committee in 2022 amounts to CHF 4.02 million.

6. Shareholdings of Board of Directors and Executive Committee at End of Reporting Year

Shareholdings of Board Members (audited)

The following table lists shareholdings of Board members and affiliated persons.

Board of Directors	December 31, 2023		December 31, 2022	
	Total shares	of which restricted	Total shares	of which restricted
Andreas Casutt (Chairman)	20 394	1 044	20 000	1 250
Martin Schmid (Vice-Chairman)	2 471	522	2 274	625
Elodie Carr-Cingari (Member)	197	197		
Wolfram Carius (Member)	3 471	522	3 274	625
Isabelle Welton (Member)	937	522	740	625
Alexandra Brand (Member)	365	365	168	168
Beat Walti (Member)	365	365	168	168
Total (active Board Members)	28 200	3 537	26 624	3 461
Colin Bond (Member) ¹			3 774	625
Total (including former Board Members)	28 200	3 537	30 398	4 086
In % of share capital	0.63%	0.08%	0.69%	0.09%

¹ Colin Bond did not put himself up for re-election as a member of the Siegfried Board of Directors for the 2023/2024 term of office.

Shareholdings of Executive Committee Members (audited)

The following table lists shareholdings of Executive Committee members and affiliated persons.

Executive Committee	December 31, 2023		December 31, 2022	
	Total shares	of which restricted	Total shares	of which restricted
Wolfgang Wienand (CEO)	28 210	0	24 583	0
Reto Suter (CFO)	14 252	0	11 126	0
Irene Wosgien (Chief Human Resources Officer)	1 393	0	750	0
Marcel Imwinkelried (Chief Operating Officer DP)	549	0	328	0
Arnoud Middel ¹			3 897	0
Marianne Späne (Chief Business Officer)	33 354	0	30 780	0
Jürgen Roos (Chief Scientific Officer)	2 978	480	2 082	980
Total (serving Executive Committee members)	80 736	480	73 546	980
In % of share capital	1.81%	0.01%	1.66%	0.02%

¹ In the reporting year the ExeCom Member left the company with effect from 31.12.2023.

7. Additional Activities and Mandates

The rules pursuant to article 626 para. 2 point 1 of the Swiss Code of Obligations on the number of permitted activities of the members of the Board of Directors and the members of the Executive Committee are set forth in article 26 of the Articles of [Incorporation](#) of Siegfried.

Board of Directors (audited)

As per December 31, 2023, the members of the Board of Directors carried out the following activities or mandates in comparable positions in undertakings with commercial purpose as per article 734e of the Swiss Code of Obligations:

Dr. Andreas Casutt (Chairman of the Board of Siegfried Holding AG) is partner and member of the board of directors of the law firm Niederer Kraft Frey AG, Zurich. In addition, he is a board member of the publicly traded Mikron Holding AG and maxon international AG (as well as its sister company maxon motor AG). In addition, he is a board member of Dextra Rechtsschutz AG, Format A AG, Vanco Switzerland AG and holds various board mandates for the investment company Horizon21 AG and its related companies (SO Holding AG, Roymar Corporation SA, Lakeside Services AG, Lakeside Aviation AG, Sole Invest AG, Allwinden Holding AG) as well as privately owned ImmSell AG and ImmOthmar AG. Furthermore, Andreas Casutt chairs the board of TPIO Holding AG, its subsidiary Belleview AG and OPG Online Personals Group AG and he is a managing director of privately owned HEROS Helvetic Rolling Stock GmbH and its subsidiary HEROS America Middel-East Asia GmbH.

Dr. Martin Schmid (Vice-Chairman of the Board of Siegfried Holding AG) is an attorney-at-law, co-founder and partner in the law firm Kunz Schmid, Chur. In addition, he is a member of the board of directors of Swiss Life AG and Swiss Life Holding AG. In the energy sector, he is chairman of the board of EKW AG and ELIN AG and a board member of Swissgas AG. In the construction sector, he chairs the board of Calanda Holding AG (and of its subsidiaries Calanda Gruppe AG and Gribag AG). He also chairs the Swiss Gas Industry Association (VSG ASIG), the Swiss Development Association, the Graubünden Cantonal Hospital Foundation and the Institute of Finance and Financial Law at the University of St. Gallen (IFF-HSG). In addition, he is a member of the board of economiesuisse, the umbrella organization of the Swiss economy, and of the advisory counsel of ExpertSuisse.

Dr. Alexandra Brand (Member of the Board of Directors of Siegfried Holding AG) is a member of the Global Leadership Team of the Syngenta Group, where she holds the position of Executive Vice President, Sustainability and Corporate Affairs. In addition, she is a member of the board of directors of Azelis, a public listed leading global distributor of specialty chemicals and food ingredients.

Prof. Dr. Wolfram Carius (member of the Board of Directors of Siegfried Holding AG) is a member of the Executive Leadership Team of Bayer Pharma, where he holds the position of Executive Vice President Pharmaceuticals, with responsibility for the new created Cell and Genetherapy. In addition, he serves on the boards of Südpack Medica AG, Switzerland, and FinVector Oy, Finland, a company of Ferring Ventures, Switzerland. In addition, he is Co-founder and member of the Advisory Board of Artistratis GmbH, Germany.

Ms. Elodie Carr-Cingari (Member of the Board of Directors of Siegfried Holding AG) holds the position as Chief Financial Officer of the Landis+Gyr Group. She does not hold any additional external mandates.

Dr. Beat Walti (Member of the Board of Directors of Siegfried Holding AG) is a partner and member of the board of directors of the law firm Wenger Vieli AG, Zürich. In addition, he chairs the Foundation Board of the Ernst Göhner Foundation and the board of directors of Rahn AG. He is a member of the board of directors of DSV A/S in Denmark and of EGS Beteiligungen AG and a member of the advisory board of PricewaterhouseCoopers AG and Pure Holding AG. In addition, Beat Walti is chairman of the boards of OSPITA (Association of Swiss Enterprises in the Healthcare Sector) and of VIS (Association of institutional real estate investors in Switzerland), member of the advisory counsel of ExpertSuisse as well as of other private foundations and associations.

Ms. Isabelle Welton (Member of the Board of Directors of Siegfried Holding AG) serves as the chairwoman of the board of directors of AG für die Neue Zürcher Zeitung and is a member of the board of the Avobis Group and the Swiss Institute of International Studies as well as the foundation boards of Swisscontact, SOS Children's Village Switzerland and the Lucerne Festival.

For the full CV of the members of the Board of Directors and additional information on the composition of the Board of Directors see also p. 10 of the Corporate Governance Report.

Executive Committee (audited)

As per December 31, 2023, the members of the Executive Committee carried out the following activities or mandates in comparable positions in undertakings with commercial purpose as per article 734e of the Swiss Code of Obligations:

Dr. Wolfgang Wienand (Chief Executive Officer) is a member of the Board of Directors of Mettler-Toledo International Inc. and a member of the Supervisory Board of SCHOTT Pharma AG & Co. KGaA.

Dr. Reto Suter (Chief Financial Officer) is a member of the Board of Directors and Chairman of the Audit Committee of Inficon Holding AG.

Marcel Imwinkelried (Chief Operating Officer Drug Products) does not hold any external mandates.

Henrik Krüpper (Chief Operating Officer Drug Substances) does not hold any external mandates.

Dr. Jürgen Roos (Chief Scientific Officer) is a member of the Board of Directors of the European Fine Chemicals Group (EFCG), the industry association of European fine chemical manufacturers, where he chairs the Innovation Committee.

Marianne Späne (Chief Business Officer Drug Products) does not hold any external mandates.

Christian Dowdeswell (Chief Business Officer Drug Substances) does not hold any external mandates.

Irene Wosgien (Chief Human Resources Officer) does not hold any external mandates.

For the full CV of the members of the Executive Committee and additional information on the composition of the Executive Committee see also p. 16 of the Corporate Governance Report.

8. Contractual Agreements, Loans, Credits, and Additional Contributions

The employment contracts of Executive Committee members and the CEO are open-ended and provide for a notice period of six months. Board mandates are not subject to notice periods and terminate ordinarily at the end of the one-year term of office. There are no contractual agreements or undertakings in place with respect to severance payments or special clauses for members of either the Executive Committee or the Board of Directors.

The Long Term Incentive Plan, which entered into effect on January 1, 2014 (see section 3), in its current version, stipulates that: In the event of a change of control of Siegfried, Plan Participants, subject to not having given and/ or received notice of termination prior to the date of a change of control, will receive on the date of the change of control, or on a date defined by the Board, a number of Shares for each outstanding PSU. The number of Shares to be distributed per PSU is calculated on the basis of a valuation method to be determined at the sole discretion of the Board and shall adequately reflect and preserve the economic value of the benefits or potential benefits due to Plan Participants from all ongoing Performance Periods.

As of December 31, 2023, Siegfried Holding AG and its Group companies do not have any outstanding securities, loans, advances or credits to members of the Board of Directors or the Executive Committee of Siegfried Holding AG. Further, in the reporting year, no securities, loans, advances or credits were granted at non-market rates to persons affiliated with current members of the Executive Committee or Board of Directors or to former members of the Executive Committee or Board of Directors; nor are any such commitments outstanding as at December 31, 2023.

Report of the Statutory Auditor

to the General Meeting of Siegfried Holding AG, Zofingen

Report on the audit of the remuneration report

Opinion

We have audited the remuneration report of Siegfried Holding AG (the Company) for the year ended 31 December 2023. The audit was limited to the information pursuant to article 734a-734f CO in the tables marked 'audited' on pages 14 to 16 and 18 to 21 of the remuneration report.

In our opinion, the information pursuant to article 734a-734f CO in the remuneration report (pages 14 to 16 and 18 to 21) complies with Swiss law and the Company's articles of incorporation.

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 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. It 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 pursuant to article 734a-734f CO 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 judgement 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 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.

PricewaterhouseCoopers AG



Thomas Illi
Licensed audit expert
Auditor in charge



Andreas Kägi
Licensed audit expert

Basel, 15. February 2024

Cautionary Statement regarding Forward-Looking Statements

This Annual Report contains certain forward-looking statements identified by words such as “believes”, “expects”, “anticipates”, “projects”, “intends”, “should”, “seeks”, “estimates”, “future” or similar expressions or by discussion of, among other things, strategy, goals, plans or intentions. Various factors may cause actual results to differ materially in the future from those reflected in forward looking statements contained in this Annual Report, among others: (1) pricing and product initiatives of competitors; (2) legislative and regulatory developments and economic conditions; (3) delay or inability in obtaining regulatory approvals or bringing products to market; (4) fluctuations in currency exchange rates and general financial market conditions; (5) uncertainties in the discovery, development or marketing of new products or new uses of existing products, including without limitation negative results of clinical trials or research projects, unexpected side-effects of pipeline or marketed products; (6) increased government pricing pressures; (7) interruptions in production; (8) loss of or inability to obtain adequate protection for intellectual property rights; (9) litigation; (10) loss of key executives or other employees; and (11) adverse publicity and news coverage. The statement regarding earnings per share growth is not a profit forecast and should not be interpreted to mean that Siegfried’s earnings or earnings per share for 2024 or any subsequent period will necessarily match or exceed the historical published earnings or earnings per share of Siegfried.

Publisher’s Note

This Annual Report is published in German and English.

This is an excerpt of Siegfried’s Annual Report 2023.

All chapters can be downloaded at [Siegfried.ch/investors/reports](https://www.siegfried.ch/investors/reports)

Concept and layout:

SOURCE Associates AG, Zurich

Publishing System:

mms solutions ag, Zurich

Realization:

NeidhartSchön AG, Zurich

Publisher:

Siegfried Holding AG, Zofingen

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