

COMPENSATION REPORT

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This Compensation Report explains the philosophy behind the compensation concept of the Komax Group, the compensation policy, the compensation systems, as well as the principles used to determine the compensation of the Board of Directors and the Executive Committee of Komax Holding AG. In addition, the compensation paid in 2024 is disclosed in detail, including a comparison with the previous year. The Compensation Report has been drawn up in accordance with the provisions of the Swiss Code of Obligations, the Directive on Corporate Governance (DCG) of SIX Swiss Exchange, and the principles of the Swiss Code of Best Practice for Corporate Governance of economiesuisse.

1 INTRODUCTION BY THE CHAIRMAN OF THE REMUNERATION COMMITTEE

Dear Shareholder,

2024 was a very challenging year for the Komax Group. In Europe and Asia in particular, customers were cautious in terms of investments. This resulted in a significant decline in revenues and operating profit that was much lower than in the previous year. The Komax Group reacted to the situation with systematic cost-cutting drives and structural optimizations, thus laying the basis for future profitable growth. As the Komax Group pursues a strict pay-for-performance approach, the challenging business trend in the reporting year impacted on the variable component of compensation (cash bonus) for the Executive Committee members. This was 41% lower overall than in the previous year.

The compensation system remained unchanged in 2024. In order to ensure independence in terms of supervision of the Executive Committee, members of the Board of Directors receive a fixed compensation amount, which is regularly reviewed to ensure market conformity through a peer comparison with other listed, internationally active Swiss industrial companies of comparable size and complexity.

The members of the Executive Committee receive a fixed base salary and variable compensation, the amount of which depends on the company's performance and on the attainment of individual targets for the individual Executive Committee members. 2024 marks the first year in which ESG criteria have had an influence on the variable compensation of members of the Executive Committee and other managers. This underscores the commitment and the desire of the Komax Group to continuously improve its ESG performance and to contribute to sustainable development.

With this Compensation Report we have further increased transparency – including by means of more detailed explanations of the performance evaluation process for the members of the Executive Committee and disclosure of a target figure for long-term variable compensation.

The Remuneration Committee dealt, among other things, with succession arrangements for the Board of Directors during the reporting year. To ensure good corporate governance, the term of office for members of the Board of Directors is limited to twelve years. At the 2024 Annual General Meeting, Kurt Haerri therefore did not stand for re-election, and Annette Heimlicher was elected as a new Board member. At the 2025 Annual General Meeting, I, Roland Siegwart, will also not stand for re-election – for the same reason – and will hand over the Chair of the Remuneration Committee. We have a very experienced candidate for the Board of Directors in Daniel Lippuner, who will be proposed for election to the Annual General Meeting on 16 April 2025. In addition, Beat Kälin has decided to step down as Chair of the Board of Directors at the upcoming Annual General Meeting. He will, however, remain a member of the Board. The Board of Directors proposes Andreas Häberli as the new Chair. There were no changes to the Executive Committee during the reporting period. However, Marc Schürmann, Executive Vice President Wire Processing, has decided to leave the company at the end of January 2025 to take up the post of CEO at another Swiss industrial company.

At the Annual General Meeting on 16 April 2025 you will be able to vote on this Compensation Report and share your views on the compensation system and the proposed maximum possible compensation. This is very important to us. At the Annual General Meeting, Andreas Häberli and Beat Kälin will stand for re-election and propose Annette Heimlicher for election to the Remuneration Committee as a new member.

Yours sincerely



Prof. Dr. Roland Siegwart

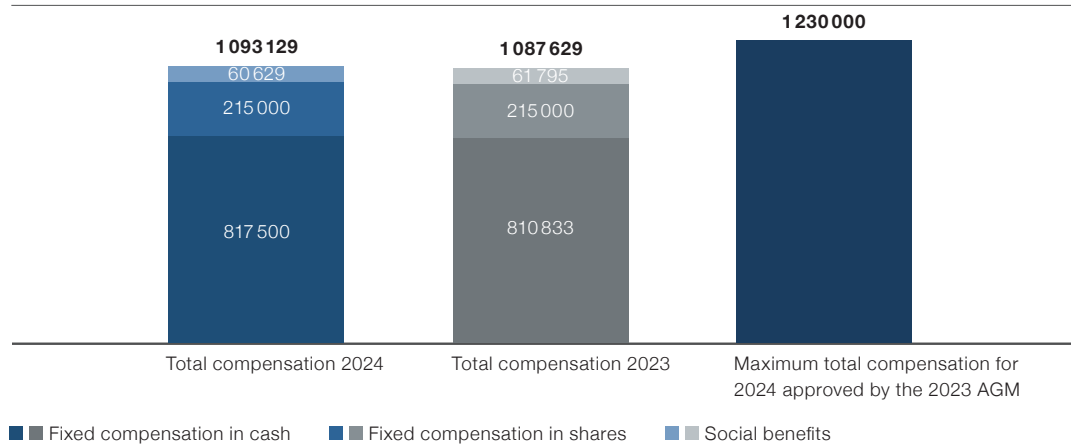
Chairman of the Remuneration Committee

2 COMPENSATION IN THE 2024 FINANCIAL YEAR AT A GLANCE

Compensation of the Board of Directors

In order to ensure their independence in their supervisory function, members of the Board of Directors receive a fixed proportion of their compensation in cash plus a fixed proportion in restricted shares. In 2024, the total compensation of the Board of Directors amounted to CHF 1.09 million, and was therefore in line with the maximum amount of CHF 1.23 million approved for the 2024 financial year at the 2023 Annual General Meeting.

in CHF



Compensation of the Executive Committee

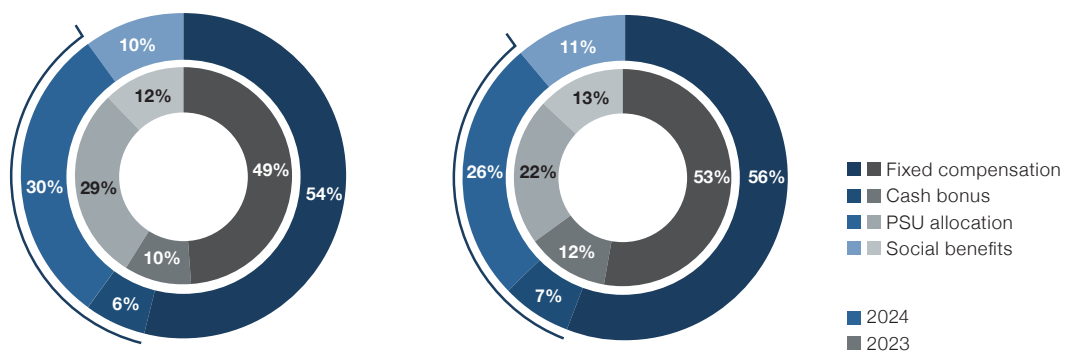
The compensation of the members of the Executive Committee consists of a fixed base salary, a variable cash bonus, and a long-term incentive system in the form of performance share units (PSUs) with a three-year vesting period. In 2024, the total compensation of the Executive Committee amounted to CHF 3.72 million, and was therefore well below the maximum overall amount of CHF 6.95 million approved for the 2024 financial year at the 2023 Annual General Meeting.

CEO

Variable compensation 2024: 36%

Total other members of the Executive Committee

Variable compensation 2024: 33%



3 COMPENSATION PHILOSOPHY OF THE KOMAX GROUP

The Komax Group pursues a long-term business strategy with a view to creating lasting value for the good of all stakeholder groups. Above-average profitability and sustainable growth are key objectives here. This goes hand-in-hand with environmentally conscious, socially aware, and responsible conduct towards all stakeholder groups.

The compensation philosophy is designed to be in alignment with this corporate strategy and the nature of the Komax Group's business model. The compensation amounts paid to the Executive Committee should be attractive in order to acquire and retain outstanding managers while at the same time setting incentives for the long-term success of the Komax Group. In addition, it should be fair and transparent. To this end, the Komax Group has created a compensation system that offers a balance of short-term and long-term as well as fixed and variable components. It adheres to both commercial and ethical principles in equal measure.

Principles of the Komax Group's compensation philosophy – what matters to us

WE ...

- Pursue a clear pay-for-performance approach involving a mix of fixed and variable compensation.
- Align compensation with the commercial success of the Komax Group and the individual performance of Executive Committee members.
- Pay only performance-related bonuses, not guaranteed bonuses.
- Regularly align performance-related compensation with shareholder interests.
- Focus on sustainable success through a long-term incentive system in order to harmonize the interests of management and the long-term interests of shareholders.
- Are committed to fair compensation that is based on job profile, responsibility, competence, and experience.
- Provide transparency with regard to structure and the payment of compensation.
- Ensure that compensation is in line with market rates through regular external analysis of similar positions in comparable companies in order to attract and retain top-quality managers.
- Define clearly measurable targets for each Executive Committee member.
- Define ceilings for compensation in order to ensure moderation.
- Do not pay severance compensation ("golden parachutes").
- Do not reward short-term profit maximization and inappropriately high risks at the cost of long-term company success.
- Restrict notice periods for Executive Committee members to a maximum of twelve months.

The Komax Group is a globally active technology company in the machinery industry, and primarily sells industrial capital goods. Its business model is subject to economic fluctuations. These are reflected in the variable component of compensation in order to reflect the Komax Group's strict pay-for-performance approach. The compensation paid to the Board of Directors and the Executive Committee is geared to that paid by other internationally active Swiss and German industrial firms that have qualified as a peer group with similar size, level of complexity, headcount, and market capitalization. As is the case for other employees, the compensation of the Executive Committee is based on job profile, responsibility, competence, and experience. There are key differences in the amounts of variable compensation. The cash bonus for the Executive Committee is higher than that of other employees who receive variable compensation, in order to ensure a direct link between business development and individual performance. Furthermore, a long-term incentive system dependent on the financial success of the company is in place in the form of performance share units. The Komax Group takes care to ensure that the compensation of members of the Executive Committee is in reasonable proportion to that of other employees, as well as in line with market rates.

The Komax Group also strives to achieve diversity on its Board of Directors in respect of age, gender, and professional background, and is keen that the members should cover the broadest possible set of skills. With the election of Annette Heimlicher to the Board of Directors at the Annual General Meeting of 17 April 2024, the Komax Group has a quota of 28.6% of women on the Board, which is very close to the statutory gender representation quota of 30% for women on boards of directors that entered into force in Switzerland in 2021. This factor will continue to be taken into consideration when future vacancies are being filled.

4 TASKS AND COMPETENCIES OF THE REMUNERATION COMMITTEE

The overall responsibility for the tasks and competencies assigned to the Remuneration Committee, such as resolutions regarding compensation policy, the fundamental structuring of the compensation system, and the proposed compensation put before the Annual General Meeting, lies with the Board of Directors. Under the Articles of Association, Organizational Regulations, and Regulations of the Remuneration Committee of Komax Holding AG, the Remuneration Committee is the supervisory body for staff and compensation policy within the Komax Group. The Committee amalgamates the tasks of a remuneration and nomination committee:

- Development and regular review of staff policy and compensation policy, including the principles of variable compensation and participation programs.
- Annual review of, and proposals for, the maximum total compensation payable to the Board of Directors and the Executive Committee, as well as preparation of the related proposals to the Annual General Meeting.
- Proposal on the individual compensation amounts payable to members of the Board of Directors and the CEO within the limits approved by the Annual General Meeting.
- Resolutions on the compensation payable to the other members of the Executive Committee within the limits approved by the Annual General Meeting.
- Succession planning for the Board of Directors, Executive Committee, and other key functions.
- Annual assessment of the independence of the members of the Board of Directors.
- Annual assessment of the performance of the CEO and the members of the Executive Committee.
- Preparation of the Compensation Report.

Delineation of competencies

	CEO	Committee	Board of Directors	Annual General Meeting
Compensation policy, including the principles of variable compensation and participation programs		proposes	approves	
Maximum total compensation for the Board of Directors and the Executive Committee		proposes	submits	approves (binding vote)
Individual compensation of the members of the Board of Directors		proposes	approves	
Evaluation of the performance of the CEO		proposes	approves	
Compensation of the CEO		proposes	approves	
Evaluation of the performance of the other members of the Executive Committee	proposes	approves		
Individual compensation of the other members of the Executive Committee	proposes	approves		
Compensation Report		proposes	approves	confirms (advisory vote)

The Committee monitors and regularly discusses trends and developments in the area of compensation, including any changes to statutory provisions or changes to provisions on corporate governance.

Under the Articles of Association, the Remuneration Committee consists of a maximum of three non-executive members of the Board of Directors. The Committee is elected by the Annual General Meeting. The members' term of office ends with the conclusion of the next Annual General Meeting. Re-election is permissible. The 2024 Annual General Meeting elected Roland Siegwart (Chairman), Andreas Häberli, and Beat Kälin to the Committee. The Remuneration Committee meets as often as business requires, but at least twice a year, generally in March and in December.

Overview of meetings of the Remuneration Committee in the 2024 reporting year

	Ordinary meetings		Extraordinary meetings ¹
	February	December	August
Total	1	1	2
Topics addressed			
Individual performance evaluation of the CEO and other members of the Executive Committee and determination of variable compensation	•		
Determination of compensation for the individual members of the Board of Directors	•		
Proposal to the Annual General Meeting for the total amount of compensation for the Board of Directors and Executive Committee for the 2024 financial year	•		
Determination of the individual performance targets of the CEO and other members of the Executive Committee	•		
Approval of the Compensation Report	•		
Personnel issues (including succession planning)		•	
Corporate governance		•	
Review of compensation and organizational regulations		•	
Recruitment of a new member of the Board of Directors			•

¹ The purpose of the two extraordinary meetings was to evaluate Roland Siegwart's succession as a member of the Board of Directors.

In the reporting year, the Committee held two ordinary meetings and two extraordinary meetings; in each case all members were present. Meetings lasted four and a half hours on average. The Chair of the Committee may invite the CEO and other members of the Executive Committee to meetings in an advisory (non-voting) capacity. However, the members of the Executive Committee do not take part in discussions concerning their own performance and compensation. The Committee Chair reports to the full Board of Directors on the activities of the Committee after every Committee meeting and, where necessary, proposes adjustments to the compensation system. The minutes of Committee meetings are made available to all members of the Board of Directors.

Furthermore, the Committee may call in external individuals in a consulting capacity and draw on their assistance when fulfilling its duties. No external consultants were called during the year under review.

5 PROVISIONS OF THE ARTICLES OF ASSOCIATION ON COMPENSATION

In compliance with the provisions of the Ordinance against Excessive Remuneration in Listed Companies Limited by Shares (according to the Swiss Code of Obligations), the Articles of Association contain provisions relating to remuneration, which are reproduced below in abbreviated form (as an excerpt) and set out in detail in Articles 13 and 25 of the Articles of Association.

Principles for the compensation of members of the Board of Directors

- Members of the Board of Directors receive fixed compensation in cash as well as in shares under the company's employee participation program.
- The calculated value (fair value) of the shares at the time of allocation may not exceed the amount of compensation paid in cash.
- The Board of Directors determines the conditions that apply to shares.
- The lock-in periods amount to at least three years.

Principles for the compensation of members of the Executive Committee

- Members of the Executive Committee receive a fixed base salary, variable performance-related compensation, and shares under the company's employee participation program.
- The Board of Directors determines the conditions for the performance-related compensation component on an annual basis. These are linked to the attainment of one or more performance criteria, whereby these criteria are either company-related or individual in nature.
- The target amount may not exceed 50% of the annual fixed compensation. If targets are not attained, the performance-related compensation may fall to zero. If all targets are significantly exceeded, it may go up to a maximum of 100% of the annual fixed compensation.
- The Board of Directors determines the conditions that apply to shares/performance share units. The calculated value (fair value) of the shares at the time of allocation may not exceed 100% of the annual fixed compensation.
- Vesting takes place once after expiry of the three-year performance period.

Binding vote on the compensation paid to the Board of Directors and Executive Committee

- The Annual General Meeting holds a separate vote each year on the total amount of compensation payable to the Board of Directors and to the Executive Committee.
- The vote has binding effect, and applies for the coming financial year to the relevant total maximum amounts that may be paid to members of the Board of Directors and the Executive Committee.

Additional sum for payments to members of the Executive Committee appointed after the binding vote of the AGM

- The additional amount for payments to persons newly appointed to the Executive Committee after the binding vote of the Annual General Meeting on payments may not exceed 30% of the approved total amount of compensation payable to the Executive Committee.

Pension benefits

- The pension benefits of members of the Executive Committee are only paid within occupational domestic and foreign pension plans provided by the company or its Group companies.
- The benefits for the insured persons and the employer contributions are solely drawn from the above-mentioned plans and/or corresponding regulations.
- Retirement benefits are provided solely within the context of the company's ordinary pension plans.

The Articles of Association of Komax Holding AG can be found at www.komaxgroup.com/organization. They also set out the number of permissible mandates that may be held by members of the Board of Directors and Executive Committee in comparable roles at other companies with a commercial purpose. These activities can be found in the profiles (► pages 125–127, and 132–133 Corporate Governance).

6 PRINCIPLES OF THE COMPENSATION POLICY

6.1 BOARD OF DIRECTORS

The members of the Board of Directors only receive fixed compensation. This ensures that they are independent in their supervision of the Executive Committee. Their compensation is paid in cash and restricted shares, thereby ensuring alignment with the long-term interests of shareholders. The amount of compensation reflects the importance of the mandate in question, and is based on the typical levels of compensation paid to board members of other listed Swiss industrial companies of comparable size and complexity. To this end, market analysis is commissioned by the Remuneration Committee at regular intervals. The last analysis in 2019 showed that the compensation of the members of the Board of Directors was in line with the market. The compensation of this body was not adjusted in 2024.

6.2 EXECUTIVE COMMITTEE

The compensation policy for the members of the Executive Committee is determined by the Board of Directors. It is geared toward key principles that take into account the corporate strategy of the Komax Group, which is designed to deliver profitable growth, as well as the company's wider values with respect to sustainability and social responsibility. The compensation system is intended to provide an incentive to create and preserve value for shareholders.

The compensation paid to the Executive Committee is determined on the basis of the following key factors:

Salary determination process

The Board of Directors strives to ensure that the compensation paid to the Executive Committee is in line with both the market and performance. The aim is to support the corporate strategy in a manner that is aligned with the interests of the shareholders. The amount and structure of the compensation paid is periodically compared with similar roles at other internationally active companies. In the reporting year, this review was carried out with specialists from PricewaterhouseCoopers (PwC) and Willis Towers Watson, once it had been established that there were no conflicts of interest in respect of the collaboration with PwC. The benchmarking group comprised a total of 35 companies from sectors including systems and mechanical engineering, automation, electrical engineering, and the chemicals industry. Based on the results provided, compensation for the Executive Committee members is adapted individually and over several stages.

The basis is the financial performance of the company and its relevant business areas, as well as the attainment of individual targets agreed as part of the annual performance management process. These targets are both financial and non-financial in nature.

Budget-related considerations, inflation, and wage trends in local markets are all incorporated into the evaluation.

7 STRUCTURE OF THE COMPENSATION SYSTEM

7.1 BOARD OF DIRECTORS

The members of the Board of Directors only receive fixed compensation. To strengthen the alignment of their interests with the long-term interests of shareholders, their compensation is paid partly in cash and partly in restricted shares. The amount of the total compensation depends on the responsibilities of the individual, the time taken up by their mandate, and their additional roles on the committees of the Board of Directors. It is based on the structure set out below.

Fixed compensation for the Board of Directors

in CHF	Basic annual fee (cash)	Annual allocation of restricted shares ¹
Chair of the Board of Directors	217 500	60 000
Vice Chair of the Board of Directors	90 000	30 000
Member of the Board of Directors	90 000	25 000
Chair of a committee	10 000	0
Member of a committee	5 000	0

¹ Fixed amount in CHF: is divided by the share price as per allocation date (average closing price over the last 40 trading days prior to allocation) and rounded up to the nearest number of full shares.

Compensation is calculated according to the term of office. This begins with the election of the individual members to the Board of Directors at the Annual General Meeting and lasts until the subsequent Annual General Meeting. In the event of a member leaving or joining the Board of Directors in between Annual General Meetings, the amount of compensation is based on the term of office actually served during that year.

The amount of the defined basic fee is based on the assumption that the Board of Directors will meet six times annually and each committee will meet twice. It covers all ordinary and extraordinary meetings of the Board of Directors and the Committees.

The basic annual fee in cash is paid out in April and December for the current calendar year. Restricted shares are allocated at the end of the member's period of office shortly before the Annual General Meeting. The lock-in period is three years. In the event of resignation from office as a result of retirement, death, or disability, the entitlement to restricted shares is calculated pro rata temporis. In such cases, the lock-in period may be either continued or rescinded at the discretion of the Board of Directors. In the event of a change in company control, the lock-in period is automatically rescinded.

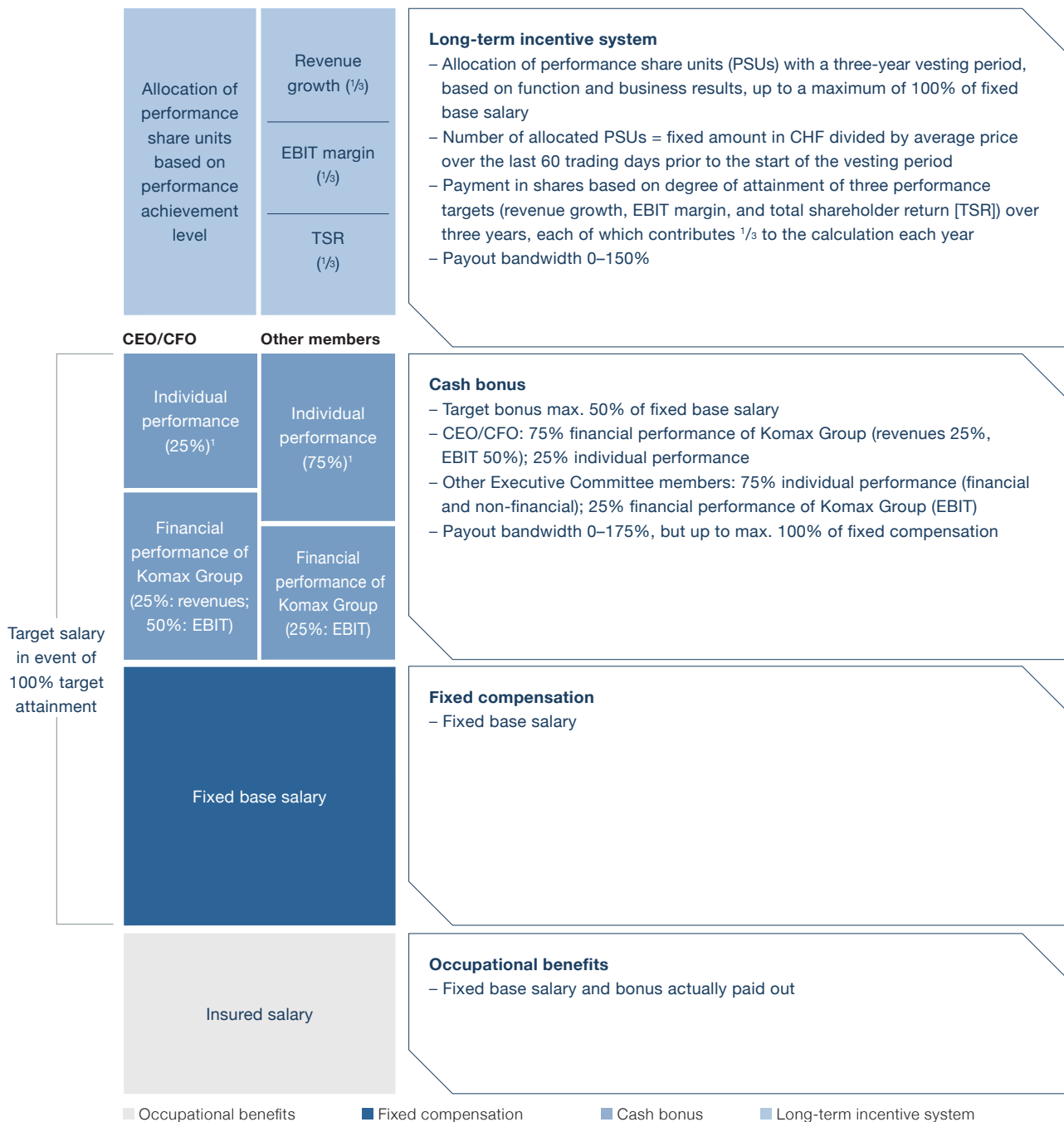
Additional compensation may be paid for exceptional efforts that cannot be considered part of ordinary activity by the Board of Directors. No additional compensation of this kind was granted in 2024.

The compensation granted to members of the Board of Directors is subject to the standard social security deductions. Members of the Board of Directors do not participate in the staff pension plan of the Komax Group.

7.2 EXECUTIVE COMMITTEE

In keeping with the principles of performance orientation and alignment with the long-term interests of shareholders, the CEO and the other members of the Executive Committee receive a fixed salary component, a variable, performance-related cash bonus for the fulfillment of financial and non-financial targets, a long-term incentive component in the form of performance share units, and occupational benefits. The Remuneration Committee reviews the variable compensation system regularly in order to align compensation with the implementation of the corporate strategy as closely as possible.

Overview of the compensation system for the Executive Committee



¹ Attainment of the Executive Committee's individual quantitative targets can fall anywhere within a bandwidth of 0% to 200%.

	Purpose	Driver	Performance criterion	Period	Instrument
Fixed compensation	Attract, retain, motivate	Function, market comparability	–	Ongoing	Monthly cash payments
Cash bonus	Pay for performance	Financial and individual performance	Revenues, EBIT, individual objectives	One year	Yearly cash payment
Long-term incentive system	Align with shareholder interests, pay for performance	Function	Revenue growth, EBIT margin, total shareholder return (TSR)	3 years	Performance share units (PSUs)
Occupational benefits	Protect against risks	Market comparability	–	Ongoing	Retirement savings/ insurance plan

Performance evaluation process

The principle underlying the performance evaluation of the Executive Committee is similar to the one applied for other members of staff with variable compensation. Once the base salary has been established in the December of the previous year, it begins with a target-agreement discussion in January. Over the course of the business year, progress is then discussed at several points, within the framework of Executive Committee meetings. The variable-compensation elements are determined in the February of the following year.

December of the previous year	January	Over the course of the year	March of the following year	April of the following year
Determination of the base salary and target bonus for the following year	Target-agreement discussion for the setting of individual targets	Discussion at Executive Committee meetings of progress being made	Determination of variable-compensation elements (cash bonus and PSUs)	Payout of cash bonus

a) Fixed compensation

For all members of the Executive Committee, the fixed compensation component comprises the fixed base salary and a fixed company car allowance in keeping with the current expense regulations. Expense allowances are not included, as these are not considered compensation. The fixed salary component and the cash bonus for 100% target attainment form what is known as the target salary. The target salary is determined on the basis of the following factors:

- the tasks and responsibilities of the individual functions
- the standard market compensation rate for the function in question (external benchmark)
- an internal peer comparison taking into account the proportionality of internal wage structures
- the individual profile of the function holder, e. g. skills, experience, and performance
- the company's available financial resources

b) Cash bonus

The cash bonus depends on the financial performance of the company and the attainment of the individually agreed objectives in the year under assessment. The target amount (target bonus) may not exceed 50% of the annual fixed base salary for the CEO and all other members of the Executive Committee. The cash bonus is paid out in April of the following year.

CEO and CFO

The cash bonus payable to the CEO and CFO is calculated as follows: 75% on the basis of the financial performance of the Komax Group (Group revenues 25% and Group EBIT 50%) and 25% on the basis of individual performance. The Board of Directors determines the performance achievement level and the amount of the cash bonus payable to the CEO annually on the recommendation of the Remuneration Committee. Taking this as a basis, the Remuneration Committee then defines the performance achievement level and the cash bonus of the CFO. If performance objectives are not attained, the cash bonus may fall to zero. If all objectives are significantly exceeded, the cash bonus may amount to a maximum of 175% of the target bonus, but no more than 100% of annual fixed compensation.

Other members of the Executive Committee

The cash bonus payable to the other members of the Executive Committee is calculated as follows: 25% on the basis of the financial performance of the Komax Group (Group EBIT) and 75% on the basis of individual financial and non-financial performance. The performance achievement level and corresponding bonuses are determined by the Remuneration Committee on the recommendation of the CEO. If performance objectives are not attained, the cash bonus may fall to zero. If all objectives are significantly exceeded, the cash bonus may amount to a maximum of 175% of the target bonus, but no more than 100% of annual fixed compensation.

Financial and individual target attainment

The attainment of the financial targets set for the Komax Group is evaluated after the end of the financial year. It may fall anywhere within a bandwidth of 0% to 200%.

The individual performance component of the individual members of the Executive Committee is based on the attainment of personal objectives agreed as part of the annual performance management process. These objectives may be both quantitative (financial) and qualitative (above all strategic) in nature. Strategic objectives may encompass, for example, the opening up of new markets, the development of new products, the further development of a business unit, the improvement of the Komax Group's reputation, or the management of key projects or management objectives. 2024 also saw the application of ESG targets that are linked with the 13 ESG targets within the framework of current strategy (► pages 75/76, ESG Report). These targets form part of the individual performance component. They are measured each year on the basis of quantitative metrics and qualitative criteria. In the reporting year, the focus was on targets in the area of governance. Attainment of individual objectives is evaluated after the end of the financial year – it may fluctuate within a range of 0% to 100%.

In order to avoid the Komax Group suffering any competitive disadvantages, the Board of Directors has resolved not to disclose the financial and individual objectives in detail. Any detailed communication of these objectives would allow competitors to acquire in-depth insight into the Komax Group's strategy, which could in turn jeopardize implementation of this strategy. The annually defined objectives are generally very ambitious, and are designed to help the Komax Group achieve its mid-term financial targets.

c) Long-term incentive system

To ensure that the interests of the Executive Committee are aligned with long-term shareholder interests, the Komax Group has a long-term incentive system linked to the company's financial performance. This plan comprises performance share units (PSUs) with a three-year vesting period that are dependent on the attainment of performance targets over a period of three years. Since the 2022 financial year, performance targets have been structured over a broad base with three performance indicators with equal weighting: revenue growth, EBIT margin, and TSR (total shareholder return).

Calculation of target attainment on the basis of performance indicators

There is a target figure for revenue growth and EBIT margin that is paid out on a 100% basis with full attainment of all objectives. Where objectives are exceeded, it can amount to a maximum of 200% per individual year but no more than 150% over three years (upper limit). If the objectives are not attained, the cash bonus may fall to 0%.

For the purpose of calculating the TSR performance factor, the deviation of the Komax TSR from the mean TSR of a peer group is relevant. The model applied here is that of normal distribution. In addition, the highest TSR value from the peer group is not taken into consideration, nor is the lowest. This basis is used to derive the mean as well as the standard deviation.

Target	Lower limit (0%)	Target value (100%)	Upper limit (150%) ¹
Average TSR ²	-2 σ	0	+1 σ

¹ 200% for each individual year, capped at 150% at the end of the performance period of three years

² Standard deviation (σ)

The peer group is made up of twelve internationally active Swiss industrial companies listed on SIX Swiss Exchange and included in the Swiss Performance Index. They are machinery companies and/or suppliers to the automotive industry with a relevant size and with a relevant level of complexity, headcount, and market capitalization. While reviewed each year, the peer group is only adjusted if there are compelling grounds, such as in the event of a delisting. In the reporting year there were changes at three companies in the peer group: Schaffner Holding AG was delisted and Starrag Group Holding AG merged with Tornos Holding AG to form StarragTornos Group AG. The peer group was therefore expanded to include Adval Tech Holding AG and SFS Group AG.

Peer group for the calculation of the TSR performance factor

Adval Tech Holding AG	Ems-Chemie Holding AG	Mikron Holding AG
Autoneum Holding AG	Feintool International Holding AG	Rieter Holding AG
Burckhardt Compression Holding AG	Huber+Suhner AG	SFS Group AG
Bystronic AG	Klingelberg AG	StarragTornos Group AG

Performance targets and share price development are key to the calculation of the payout factor of the allocated performance share units (PSUs), and take into account volatility of the Komax Group's business in the relevant reporting period. The company's pay-for-performance philosophy is thus consistently implemented. The Board of Directors determines the allocation amounts in CHF, taking account of the importance of the function and its impact on corporate results. For the performance period 2024–2026, PSUs were awarded on 1 January 2024.

Calculation of PSU allocation

The number of PSUs allocated is calculated by dividing a fixed CHF amount by the average closing share price during the 60 trading days preceding the start of the vesting period. The allocation may amount to a maximum of 100% of the fixed base salary. The effective payment at the end of the three-year vesting period is made in shares and is dependent on the performance factor, which in turn is based on achievement of the targets for revenue growth, EBIT margin, and total shareholder return set by the Board of Directors. Each of these values has a weighting of $\frac{1}{3}$. The overall performance factor is calculated based on the sum of the performance factors for the three individual years, with each year weighted $\frac{1}{3}$. The payout factor may range from 0% to 150%. The actual value of the allocation at the end of the vesting period therefore depends on the payout factor and the share price of Komax Holding AG on the date of allocation.

Shares are definitively issued according to the following vesting rules:

- Performance factor below threshold value: 0% of PSUs are converted into shares (forfeiture rate of 100%).
 - Performance factor on target: 100% of PSUs are converted into shares.
 - Performance factor at maximum performance level: 150% of PSUs are converted into shares (cap).
- The payout factor between the threshold value, the target level, and the cap is obtained by linear interpolation.

$$\text{Number of shares allocated at time of vesting} = \text{Number of PSUs originally granted to the individual in question} \times \text{Payout factor (0–150\%)}$$

Duration of plan

Plan period (2024–2026)

2024 plan year	2025 plan year	2026 plan year
Sum of performance factors (revenue growth, EBIT margin, TSR) for the three individual years		

1 January 2024

Allocation of PSUs

31 December 2026

End of the vesting period

(payout factor between 0% and 150%)

In the event of any termination of employment, pro rata vesting applies at the ordinary vesting date. The calculation is based on the number of whole months that have elapsed within the vesting period until the departure date. In the event of a change in control, accelerated pro rata vesting applies. The calculation is based on the number of whole months that have elapsed by the date of change in control.

d) Occupational benefits

Members of the Executive Committee have insured their annual fixed compensation as well as their target bonus. Contributions are graduated by age, and are shared equally between the insured person and the employer. The benefits of the plan go beyond the statutory requirements of the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans, and are in line with the market practice of other industrial companies in Switzerland.

e) Other provisions in employment contracts

The employment contracts of members of the Executive Committee are concluded for an indefinite period and stipulate a maximum notice period of twelve months. They do not contain any severance agreement or change of control provisions.

8 COMPENSATION AND SHAREHOLDINGS OF THE BOARD OF DIRECTORS IN 2024

Section 8.1 of the Compensation Report was audited by the company's external auditor.

8.1 COMPENSATION

In 2024, eight members of the Board of Directors received total compensation of CHF 1 093 129 (2023: CHF 1 087 629), of which CHF 817 500 was paid out in cash (2023: CHF 810 833), CHF 215 000 in the form of restricted shares (2023: CHF 215 000), and CHF 60 629 as social benefit contributions (2023: CHF 61 795). No contributions were made to pension plans, as in the previous year. Total compensation was therefore in line with the maximum amount of CHF 1.23 million approved for the 2024 financial year at the 2023 Annual General Meeting.

in CHF		Basic annual fee ¹	Allocation of restricted shares ²	Social benefits ³	Total compensation 2024	Total compensation 2023
Beat Kälin	Chairman	222 500	60 000	11 390	293 890	291 598
David Dean	Member	100 000	30 000	7 934	137 934	139 617
Andreas Häberli	Member	105 000	25 000	9 507	139 507	136 022
Kurt Haerri ⁴	Member	31 667	7 292	4 020	42 979	128 832
Annette Heimlicher ⁵	Member	60 000	17 708	4 347	82 055	n. s.
Mariel Hoch	Member	95 000	25 000	8 717	128 717	128 832
Roland Siegwart	Member	105 000	25 000	8 126	138 126	137 819
Jürg Werner	Member	98 333	25 000	6 588	129 921	124 909
Total Board of Directors		817 500	215 000	60 629	1 093 129	1 087 629

¹ Basic annual fee in cash (incl. expense allowance).

² Fixed amount in CHF: is divided by the share price as per allocation date (average closing price over the last 40 trading days prior to allocation) and rounded up to the nearest number of full shares. The share price applied in 2024 was CHF 165.49.

³ Includes mandatory employer contributions to social insurance.

⁴ Member of the Board until 17 April 2024.

⁵ Member of the Board since 17 April 2024.

No compensation was paid to former members of the Board of Directors for the 2023 and 2024 financial years. Komax Group companies had not granted any guarantees, loans, advances, or credits to members of the Board of Directors or parties closely linked to such persons as at 31 December 2024. No members of the Board of Directors or persons closely linked to them are or were involved in Komax Group transactions outside their normal duties.

8.2 HOLDINGS OF SHARES AS AT 31 DECEMBER 2024

As at the end of 2023 and 2024, the members of the Board of Directors had the following holdings of shares in the company:

Assets in units		31.12.2024	31.12.2023
		Shares	Shares
Beat Kälin	Chairman	11 375	11 012
David Dean	Member	1 829	1 648
Andreas Häberli	Member	779	622
Kurt Haerri ¹	Member	n. s.	3 421
Annette Heimlicher ²	Member	230	n. s.
Mariel Hoch	Member	585	434
Roland Siegwart	Member	2 713	2 562
Jürg Werner	Member	206	55
Total Board of Directors		17 717	19 754

¹ Member of the Board until 17 April 2024.

² Member of the Board since 17 April 2024.

9 COMPENSATION AND SHAREHOLDINGS OF THE EXECUTIVE COMMITTEE IN 2024

Sections 9.1 and 9.3 of the Compensation Report were audited by the company's external auditor.

9.1 COMPENSATION AT GRANT VALUE

In the reporting year 2024, the six members of the Executive Committee received total compensation of CHF 3 720 461 (2023: CHF 3 831 285). Of this amount, CHF 2 074 800 was paid as fixed compensation (2023: CHF 2 002 543), CHF 261 875 as cash bonuses (2023: CHF 440 391), CHF 990 000 granted as performance share units (2023: CHF 910 000), and CHF 393 785 comprised social security and pension fund contributions (2023: CHF 478 350). Total compensation for the Executive Committee was therefore well below the maximum amount of CHF 6.95 million approved for the 2024 financial year at the 2023 Annual General Meeting.

in CHF		Fixed compensation ¹	Cash bonus ²	PSU allocation (plan period 2024–2026) ³	Social benefits ⁴	Total compensation 2024	Total compensation 2023
Matijas Meyer ⁵	CEO	544 959	61 875	300 000	95 178	1 002 012	1 043 290
Total other members of the Executive Committee		1 529 841	200 000	690 000	298 607	2 718 449	2 787 995
Total Executive Committee		2 074 800	261 875	990 000	393 785	3 720 461	3 831 285

¹ Expense allowances are not included in the fixed compensation as these are not considered compensation.

² Bonus for 2024, payment in April 2025.

³ Fixed amount in CHF: is divided by the share price as per allocation date (average closing price over the last 60 trading days prior to allocation) and rounded up to the nearest number of full shares. The share price applied in 2024 was CHF 190.85.

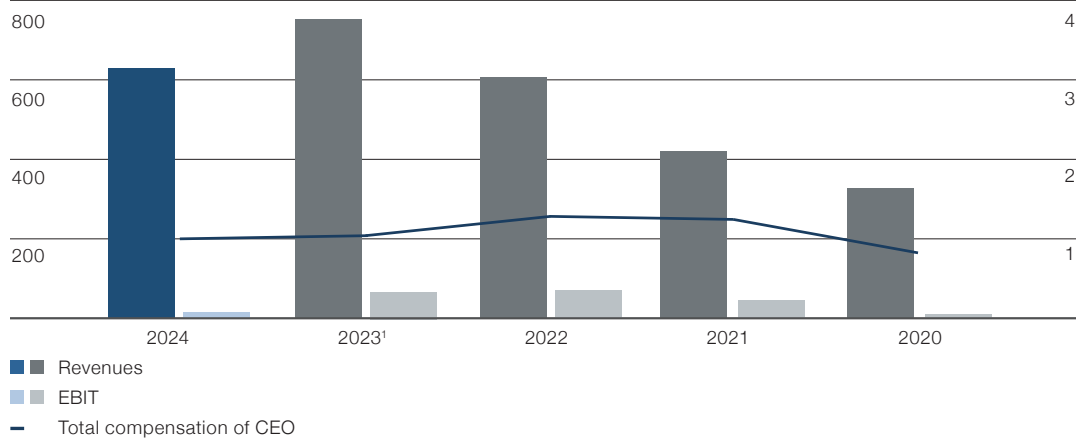
⁴ Includes mandatory employer contributions to social insurance of CHF 88 140 as well as contributions to occupational benefits (BVG).

⁵ Highest compensated member of Executive Committee in 2024.

Pay-for-performance approach taking the example of the CEO in a five-year comparison

Revenues/EBIT in CHF million

Total compensation of CEO in CHF million



¹ Excluding one-time effects (revenues: CHF +10.9 million; EBIT: CHF +5.0 million).

9.2 NOTES ON COMPENSATION

The Komax Group looks back on an extremely challenging year. Customers invested less due to surplus capacities as well as geopolitical uncertainties, and this led to a significant decline in order intake, revenues, and operating profit. The Komax Group reacted early on, with rigorous cost reductions and structural optimizations that were already showing results by the second half of the year. In addition, the Executive Committee worked intensively on a number of further measures aimed at strategy implementation. These included strengthening the market position in China, such as with the acquisition of a majority stake in Hosver, as well as a stake in E-Plus. Individual performance in various projects and the financial development of the Komax Group had an influence on the variable compensation for the members of the Executive Committee.

Relation of variable to fixed compensation

In 2024, the CEO's cash bonus amounted to 11% of fixed compensation (2023: 21%). This payout level is based on the development of revenues and EBIT and the attainment of individual objectives. For the other members of the Executive Committee, the cash bonus amounted to 13% of fixed compensation (2023: 22%). The PSUs granted to the CEO in the year under review corresponded to 55% of the annual fixed compensation (2023: 59%) and 45% for the other members of the Executive Committee (2023: 41%). The cash bonus and PSU allocation are in line with the provisions of the company's Articles of Association.

The overall variable compensation of the CEO in 2024 amounted to 66% of the annual fixed compensation (2023: 80%) and that of the other members of the Executive Committee to 58% (2023: 63%). Further details on the participation plans can be found in the notes to the 2024 consolidated financial statements on pages 193–195.

Former members of the Executive Committee

For the 2024 financial year, no compensation was paid to members of the Executive Committee who left the company. Komax Group companies had not granted any guarantees, loans, advances, or credits to members of the Executive Committee or parties closely linked to such persons as at 31 December 2024. No members of the Executive Committee or persons closely linked to them are or were involved in Komax Group transactions outside their normal duties.

9.3 REALIZED COMPENSATION

Performance share units

The annually allocated performance share units (PSUs) are paid out to the members of the Executive Committee in the form of shares after a three-year vesting period. In 2024, this payout took place for the period 2021–2023. The members of the Executive Committee received shares with a total value of CHF 517 256 (allocation amount on 1 January 2021: CHF 470 000, relevant share price: CHF 171.21). In 2023, shares with a total value of CHF 864 736 were remunerated.

The 2021–2023 allocation plan had a performance factor of 114.9%, made up of the revenue growth, EBIT margin, and TSR over three years. Over the plan period of 2021 to 2023, the Komax share price fell from CHF 171.21 to CHF 164.00. The number of transferred shares at the end of the plan period, calculated using the performance factor, came to 10.1% in relation to the original allocation on 1 January 2021.

Performance share units in a three-year comparison

	Price at point of allocation in CHF	Price at point of conversion in CHF	Performance factor	Value development of allocated share packages
2019–2021	265.51	241.00	40.1%	–63.6%
2020–2022	219.65	244.00	150.0%	66.7%
2021–2023	171.21	164.00	114.9%	10.1%

Performance factors

In the 2022–2024 allocation plan period, the performance indicators recorded mixed developments over the three years, resulting in a performance factor of 59.0% for the overall plan period. These shares will be paid out in 2025.

	Financial performance (revenue growth and EBIT margin) ¹	Total shareholder return (TSR)	Overall performance factor
2022	150.0%	150.0%	150.0%
2023	40.3%	0.0%	26.9%
2024	0.0%	0.0%	0.0%
Average 2022–2024	63.4%	50.0%	59.0%

¹ Revenue growth and EBIT margin are weighted equally.

Total compensation

The total compensation figure for 2024 of CHF 3 247 716 (2023: CHF 3 786 021) is significantly below the maximum amount of CHF 6 950 000 approved at the 2023 Annual General Meeting (2023: CHF 6 000 000).

in CHF	Fixed compensation ¹	Cash bonus ²	PSU allocation (plan period 2021–2023)	Social benefits ³	Total compensation 2024	Total compensation 2023
Matijas Meyer ⁴ CEO	544 959	61 875	242 064	95 178	944 076	1 110 022
Total other members of the Executive Committee	1 529 841	200 000	275 192	298 607	2 303 640	2 675 999
Total Executive Committee	2 074 800	261 875	517 256	393 785	3 247 716	3 786 021

¹ Expense allowances are not included in the fixed compensation as these are not considered compensation.

² Bonus for 2024, payment in April 2025.

³ Includes mandatory employer contributions to social insurance of CHF 88 140 as well as contributions to occupational benefits (BVG). This amount entitles members of the Executive Committee to draw the maximum state-insured pension benefits in the future.

⁴ Highest compensated member of Executive Committee in 2024.

9.4 HOLDINGS OF SHARES AS AT 31 DECEMBER 2024

As at the end of 2023 and 2024, the members of the Executive Committee had the following holdings of shares in the company:

Assets in units		31.12.2024 Shares	31.12.2023 Shares
Matijas Meyer CEO		7 970	6 494
Christian Mäder CFO		250	250
Oliver Blauenstein Executive Vice President		0	0
Jürgen Hohnhaus Executive Vice President		0	0
Tobias Rölz Executive Vice President		984	514
Marc Schürmann Executive Vice President		1 754	1 083
Total Executive Committee		10 958	8 341

10 MANDATES OUTSIDE THE KOMAX GROUP

Pursuant to Art. 734e of the Swiss Code of Obligations, the comparable roles of the Members of the Board of Directors and Executive Committee at companies with a commercial purpose are set out below. More detailed information on individual profiles can be found in the Corporate Governance Report (➤ pages 125–127 and 132/133).

Overview of the mandates of the Board of Directors and the Executive Committee 2024 (audited)

	Mandates
Board of Directors	
Beat Kälin	CabTec Holding AG and Huber+Suhner AG (Member of the Board of Directors)
David Dean	Bossard Holding AG, Burckhardt Compression Holding AG, Brugg Group AG, and Metall Zug AG (Member of the Board of Directors)
Andreas Häberli	PhenoSign AG (Chairman of the Board of Directors) and Kardex Holding AG (Member of the Board of Directors)
Annette Heimlicher	Contrinex Holding AG, Integra Holding AG (Member of the Board of Directors)
Mariel Hoch	Comet Holding AG, MEXAB AG, and SIG Group AG (Member of the Board of Directors)
Roland Siegwart	Evatec Holding AG, NZZ Media Group, Tethys Robotics AG, and Voliro AG (Member of the Board of Directors)
Jürg Werner	V-ZUG AG (Member of the Board of Directors)
Executive Committee	
Matijas Meyer	none
Christian Mäder	O. Kleiner AG (Member of the Board of Directors)
Oliver Blauenstein	none
Jürgen Hohnhaus	none
Tobias Rölz	none
Marc Schürmann	Abnox AG (Member of the Board of Directors)



Report of the statutory auditor to the General Meeting of Komax Holding AG, Dierikon.

REPORT ON THE AUDIT OF THE REMUNERATION REPORT

Opinion

We have audited the compensation report of Komax Holding AG (the Company) for the year ended 31 December 2024. The audit was limited to the information pursuant to article 734a-734f of the Swiss Code of Obligations (CO) in the tables marked 'audited' on pages 152 to 157 of the compensation report.

In our opinion, the information pursuant to article 734a-734f CO in the compensation report (pages 152 to 157) 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 compensation 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 compensation report, the consolidated financial statements, the financial statements and our auditor's reports thereon.

Our opinion on the compensation 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 compensation 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 compensation 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 compensation report

The Board of Directors is responsible for the preparation of a compensation 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 compensation report that is free from material misstatement, whether due to fraud or error. It is also charged with structuring the remuneration principles and specifying the individual remuneration components.

Auditor's responsibilities for the audit of the compensation 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 compensation 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 compensation 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



Korbinian Petzi
Licensed audit expert
Auditor in charge



Luan Vaidi
Licensed audit expert

Basel, 10 March 2025