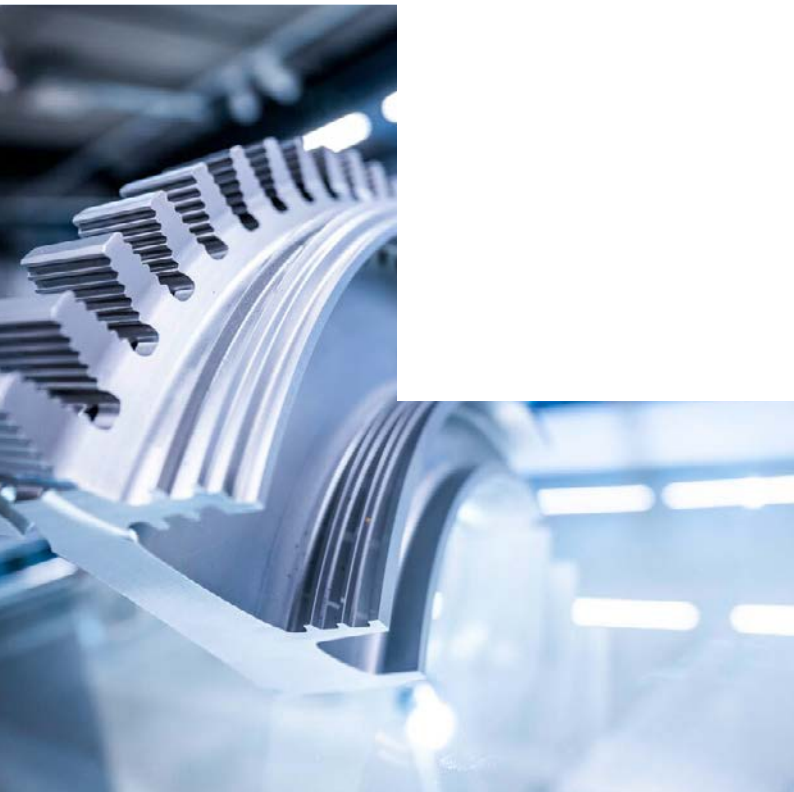


# Compensation Report

Introduction	158
Compensation at a glance	159
Contents	162
Compensation governance	163
Compensation structure	166
Compensation for the financial year 2023	175
Outlook	185
Report of the statutory auditor	186



# Introduction by the Chairwoman of the Compensation Committee

## Dear Shareholders,

At the beginning of the current strategy cycle, which runs from 2021 to 2025, GF adjusted and aligned its compensation system to support the implementation of the Strategy 2025. Three years into this strategic cycle, the Compensation Committee is convinced that the current compensation system is working well and will continue to focus on further improving it as needed.

In 2023, the most notable extraordinary event was GF's acquisition of Uponor. The Compensation Committee will continue to oversee the integration of Uponor and ensure it proceeds swiftly and seamlessly as per shareholders' expectations. The following are some of the most important developments arising from the acquisition:

Uponor's CEO Michael Rauterkus joined GF's Executive Committee as of 1 January 2024. This development is addressed in more detail in GF's 2024 Annual Report.

An impact is seen on GF's earnings per share (EPS), being one of the performance metrics in the long-term incentive (LTI) plan for awards to vest. For the awards with a performance period ending in 2023, the direct impact of the acquisitions has been excluded from the EPS performance measure. For 2024 onwards, the Board of Directors will ensure a like-for-like comparison as the Uponor organization will be fully integrated as of 2024. The Board of Directors has engaged with major investors and proxy advisors to align on the most suitable approach to this end. The details thereof are set out in this report, and we will continue to explain any ongoing effects in the coming years and reports.

As announced in the outlook of the 2022 Compensation Report, the Board of Directors approved and implemented a slightly adjusted compensation structure for members of the Board, effective as of the 2023 Annual Shareholders' Meeting. While the total package remains unchanged, the split between cash and shares was adjusted to more closely align with market practice and to mitigate undue exposure to short-term share price volatility.

For 2023, total compensation for the Executive Committee was lower compared with 2022. This was mainly due to the lower STI target achievement of the Corporation and the divisions in 2023: While profitability, thanks to our increased portfolio resilience, remained strong, geostatic and macroeconomic challenges limited the achievement of organic sales growth targets, resulting in a lower overall STI payout.

This Compensation Report includes all relevant information concerning the compensation policy and programs, the governance in place for decisions relating to compensation and the compensation awarded in the reporting year. At the upcoming Annual Shareholders' Meeting, our shareholders will again be asked to approve the maximum compensation amount for the Board of Directors for the period until the next Annual Shareholders' Meeting, and the maximum compensation amount for the Executive Committee for the next financial year (prospective binding votes). Our shareholders' valued opinion will also be sought with regard to the Compensation Report through a consultative retrospective vote.

On behalf of the Board of Directors, I would like to thank you for your valuable feedback and support. We look forward to continuing our constructive dialogue with our shareholders and stakeholders. We remain convinced that GF's compensation system rewards performance in a balanced and sustainable way, and that it is therefore well aligned with the interests of our shareholders.

Sincerely,



**Eveline Saupper**

Chairwoman of the Compensation Committee



# Compensation at a glance

## Compensation for the Board of Directors

### Compensation model

In order to ensure independence in their supervisory function, the members of the Board of Directors receive fixed compensation only, paid out in cash and shares that are blocked for five years.

Responsibility	Fee	Restricted shares
<b>Basis fee</b>		
Board membership	CHF 100'000	2'500 shares
<b>Additional fees</b>		
Board chairmanship <sup>1</sup>	CHF 260'000	3'500 shares
Independent Lead Director	CHF 22'500	
Audit Committee chairmanship	CHF 80'000	
Audit Committee membership	CHF 30'000	
Compensation Committee chairmanship	CHF 60'000	
Compensation Committee membership	CHF 20'000	
Nomination and Sustainability Committee chairmanship	CHF 60'000	
Nomination and Sustainability Committee membership	CHF 20'000	

<sup>1</sup> The Chairman of the Board of Directors is not eligible for additional committee fees.

The compensation system for the Board of Directors does not contain any performance-related components.

### Compensation awarded for 2023

The compensation awarded to the Board of Directors for the period from the Annual Shareholders' Meeting 2022 to the Annual Shareholders' Meeting 2023 is within the limits approved by the shareholders:

Compensation period	Amount approved	Effective amount
2022–2023	CHF 3'600'000 <sup>1</sup>	CHF 2'846'000 <sup>2</sup>
2023–2024	CHF 3'600'000 <sup>1</sup>	n/a <sup>3</sup>

<sup>1</sup> Based on a share value of CHF 80.00.

<sup>2</sup> Based on a share value of CHF 56.60 for the period in 2022 and CHF 61.10 for the period in 2023.

<sup>3</sup> Compensation period not yet completed; a conclusive assessment will be provided in the Compensation Report 2024.

## Compensation for the Executive Committee

Compensation elements	Purpose	Vehicle	Period	Performance measure
<b>Fixed compensation</b>				
Fixed base salary	Pay for the function	Cash	Monthly	Skills, experience and individual performance
Benefits	Ensure protection against risks such as death, disability and old age			
<b>Variable compensation</b>				
Short-term incentive (STI)	Pay for annual performance based on GF strategic targets	Cash	Annual	Organic sales growth Return on sales (EBIT margin) ROIC Sustainability (ESG) Individual objectives
Long-term incentive (LTI)	Pay for long-term performance  Align with shareholders' interests and GF's strategy  Participate in long-term success of the company	Performance shares	3-year vesting and additional 2-year blocking	EPS rTSR

### Performance in 2023

#### Short-term incentive (STI)

Despite geostatic and macroeconomic challenges, GF grew organically in 2023. Thanks to its increased portfolio resilience, profitability remained strong. The STI payout for 2023 for the Executive Committee (incl. CEO) is based on target achievements in the range from 96.4% to 122.1% and was lower than for the previous year, mainly due to the increased aspirational targets set for the reporting year.

#### Long-term incentive (LTI)

The vesting level of the LTI plan 2021 (performance period ended at the end of 2023) amounted to 150.0% (cap) for the EPS-related performance shares and 111.0% of target for the rTSR-related performance shares, resulting in an overall vesting level of 130.5%. The above information includes EPS-related adjustments in connection with the Uponor acquisition in 2023, ensuring like-for-like measurement as explained in more detail in the relevant sections below.

#### Compensation awarded for 2023

The compensation awarded to the Executive Committee (including the CEO) for 2023 is within the limits approved by the shareholders at the 2022 Annual Shareholders' Meeting:

Compensation period	Amount approved	Effective amount
2023	CHF 11'402'000	CHF 9'067'000

The ratio between fixed and awarded variable compensation in 2023 was as follows:

## CEO compensation for 2023

in CHF 1'000 <b>3'220</b>	<b>Fixed base salary</b>	<b>Short-term incentive</b>	<b>Long-term incentive</b>	<b>Benefits</b>
	29%	35%	26%	10%

## Executive Committee compensation (incl. CEO) for 2023

in CHF 1'000 <b>9'067</b>	<b>Fixed base salary</b>	<b>Short-term incentive</b>	<b>Long-term incentive</b>	<b>Benefits</b>
	35%	30%	24%	11%

## Compensation principles

The compensation policy applicable to the Executive Committee is designed to attract, motivate and retain talented individuals based on the following principles:

- Fairness and transparency;
- Pay for performance, business and sustainability strategy implementation;
- Long-term orientation and alignment to shareholders' interests;
- Market competitiveness.

## Compensation governance

- Authority for decisions related to compensation is governed by GF's Articles of Association;
- The Board of Directors is supported by the Compensation Committee in preparing all compensation-related decisions regarding the Board of Directors and the Executive Committee;
- The maximum aggregate amounts of compensation for the members of the Board of Directors and the Executive Committee are subject to binding prospective shareholders' votes at the Annual Shareholders' Meeting;
- In addition, the Compensation Report is subject to a retrospective consultative vote at the Annual Shareholders' Meeting.

# Contents

**The Compensation Report provides information about the compensation policy, the compensation programs and the process for determining compensation for the Board of Directors and the Executive Committee of GF. It also includes details on the compensation payments related to the 2023 business year.**

This report is written in accordance with the Swiss Code of Obligations ("CO"), the standards for information on corporate governance issued by the SIX Swiss Exchange and the principles of the Swiss Code of Best Practice for Corporate Governance of Economiesuisse.

The Compensation Report is structured as follows:

## Compensation governance

- Rules relating to compensation in the Articles of Association
- Compensation Committee
- Levels of authority
- Method used to determine compensation

## Compensation structure

- Compensation of the Board of Directors**
  - Compensation principles
  - Compensation model
  - Shareholding ownership guideline

- Compensation of the Executive Committee**
  - Compensation principles
  - Compensation model
  - Compensation mix and caps
  - Fixed base salary
  - Short-term incentive
  - Long-term incentive (share-based compensation)
  - Clawback and malus provisions
  - Benefits
  - Contractual terms
  - Shareholding ownership guideline

## Compensation for the financial year 2023

- Board of Directors**
- Executive Committee**
- Performance in 2023
- Shareholdings of the members of the Board of Directors and of the Executive Committee**
- Loans to members of the governing bodies**
- Functions of the members of the Board of Directors**
- Functions of the members of the Executive Committee**
- Outlook
- Report of the statutory auditor



# Compensation governance

## Rules relating to compensation in the Articles of Association

The Articles of Association of GF contain provisions regarding the compensation principles applicable to the Board of Directors and to the Executive Committee. These provisions can be found on GF's website and include:

- Principles of compensation of the Board of Directors (Article 22);
- Principles of compensation of the Executive Committee (Article 23c);
- Additional amount for new members of the Executive Committee (Article 23c.9);
- Provisions on the employment contracts for members of the Executive Committee (Article 23b);
- Credits and loans (Article 23d.1);
- Provisions on early retirement for members of the Executive Committee (Article 23d.2).

According to articles 22 and 23 of the Articles of Association, the Annual Shareholders' Meeting approves annually the maximum aggregate compensation of the Board of Directors for the period from the Annual Shareholders' Meeting to the next Annual Shareholders' Meeting, as well as the maximum aggregate compensation of the Executive Committee for the following calendar year. In addition, the Compensation Report is submitted to the Annual Shareholders' Meeting for an advisory vote on a yearly basis, so that shareholders can express their opinion on the compensation policy and programs.

## Compensation Committee

The Compensation Committee consists of three non-executive members of the Board of Directors who are elected annually and individually by the Annual Shareholders' Meeting for a one-year period until the next Annual Shareholders' Meeting. At the 2023 Annual Shareholders' Meeting, Eveline Saupper (Chairwoman) and Roger Michaelis were re-elected as members of the Compensation Committee. Riet Cadonau was replaced by Michelle Wen, who was elected as a new member of the Compensation Committee. The Compensation Committee supports the Board of Directors with the following duties:

- Determining the compensation policy of the company at the highest corporate level, including the principles for the variable compensation and shareholding programs;
- Reviewing the guidelines governing compensation of the Board of Directors and the Executive Committee;
- Preparing the motions related to the maximum aggregate amounts of compensation for the Annual Shareholders' Meeting;
- Proposing the amount of compensation to be paid to the Board of Directors, to the CEO and to the other members of the Executive Committee within the limits approved by the Annual Shareholders' Meeting;
- Reviewing and proposing the annual Compensation Report to the Board of Directors.

During 2023, the Compensation Committee performed the following tasks:

- Reviewed the benchmark analysis prepared in 2022 for the compensation of the Board of Directors and, based on the outcomes, proposed adjustments to the Board of Directors;
- Conducted a benchmark analysis for the compensation of the CEO and of the other members of the Executive Committee, and proposed salary adjustments to the Board of Directors;
- Evaluated the business performance for the 2022 financial

year against the pre-set objectives and prepared a proposal for the Board of Directors on the short-term incentive to be paid to the CEO and to the other members of the Executive Committee;

- Determined the business objectives for the 2023 financial year for the CEO and reviewed those of the other members of the Executive Committee before submitting them to the Board of Directors for approval;
- Assessed the impacts of the Uponor acquisition on the ongoing compensation models;

- Reviewed the Compensation Report 2022 and prepared the compensation motions to be submitted to vote at the 2023 Annual Shareholders' Meeting;
- Reviewed and discussed the voting results on the compensation motions at the 2023 Annual Shareholders' Meeting, as well as the proxy advisors' and shareholders' feedback received on compensation matters;
- Engaged with proxy advisors and major shareholders on compensation matters in order to gather their feedback and comments;
- Prepared the Compensation Report 2023.

The Compensation Committee convenes as often as necessary, but at least twice per year. In 2023, the Committee held four meetings of approximately two hours each, according to the schedule below:

### Overview of meeting schedule 2023

January (27 January)	February (22 February)	October (13 October)	December (8 December)
Final decision on changes for the Board of Directors compensation and proposed adjustments to the Board of Directors	Approval of the LTI 2019 vesting and LTI 2023 grant	Analysis of the voting outcomes for compensation motions at the Annual Shareholders' Meeting	Review of compensation for the Board of Directors for the next compensation period
Business performance 2022; approval of the STI 2022 (business and individual objectives) for CEO and EC	Approval of the Compensation Report 2022	Review of proxy advisors' and investors' feedback on compensation	Benchmarking of compensation for the CEO and EC members
Target setting for the STI 2023 (business and individual objectives) for CEO and EC	Determination of maximum amounts of compensation for the Board of Directors until the next Annual Shareholders' Meeting	Assessment impact of a possible acquisition of Uponor on compensation models	Review of target compensation for the CEO and EC members for the coming financial year
Review of draft of the Compensation Report 2022	Determination of maximum amounts of compensation for the EC for the business year 2024		Review of proxy advisors' and investors' feedback on compensation, in particular due to Uponor acquisition
			Decision on LTI adjustments due to Uponor acquisition
			Review of draft of the Compensation Report 2023

In 2023, except for one meeting at which a member of the Board of Directors was absent with apologies, all Compensation Committee members attended all meetings. The Chairman of the Board, the CEO, the Head of Corporate Human Resources and the Head of Corporate Compensation and Benefits are invited to attend the Compensation Committee meetings in an advisory capacity. The Chairman of the Board and the CEO do not attend the meeting when their own compensation or performance is discussed.

The Chairwoman of the Compensation Committee reports to the Board of Directors at each private meeting about the activities of the Compensation Committee. The minutes of the Compensation Committee meetings are available to all members of the Board of Directors.

Compensation proposals and decisions are made based on the following levels of authority:

## Levels of authority

### Approval framework

Subject	Recommendation from	Final approval from
Compensation policy and principles	Compensation Committee	Board of Directors
Aggregate compensation amount of the Board of Directors	Board of Directors based on proposal by Compensation Committee	Annual Shareholders' Meeting (binding vote)
Individual compensation of the members of the Board of Directors	Compensation Committee	Board of Directors
Aggregate compensation amount of the Executive Committee	Board of Directors based on proposal by Compensation Committee	Annual Shareholders' Meeting (binding vote)
Individual compensation of the CEO	Compensation Committee based on proposal by the Chairman of the Board	Board of Directors
Individual compensation of the Executive Committee members	Compensation Committee based on proposals by the CEO	Board of Directors
Compensation Report	Board of Directors based on proposal by Compensation Committee	Annual Shareholders' Meeting (consultative vote)



## Method used to determine compensation

### Benchmarking

The compensation structure and levels of the Board of Directors and the Executive Committee are reviewed every two to three years and are tailored to the relevant sectors and labor markets in which GF competes for talent. For the purpose of comparison, the Compensation Committee relies on compensation surveys published by independent consulting firms and on publicly available information such as the compensation disclosures of comparable companies.

Comparable companies are defined as multinational industrial companies listed on the Swiss stock exchange (SIX) with a similar business model and size in terms of market capitalization, sales, number of employees, complexity and geographic scope. The peer group for the compensation benchmark of the Board of Directors and the Executive Committee include the following Swiss companies: Bucher Industries, DKSH, dormakaba, Geberit, OC Oerlikon, SIG Combibloc, Sonova, Straumann and Sulzer. Compensation benchmarking was last conducted in 2023.

### Performance management

The Compensation Committee also takes into consideration effective business and individual performance while determining the compensation amounts to be paid to the CEO and to the other members of the Executive Committee. Individual performance is assessed through the annual Management By Objectives (MBO) process, for which individual objectives are defined at the beginning of the year and the achievement against those objectives is evaluated at the end of the year. The objective setting and the performance assessment of the members of the Executive Committee are conducted by the CEO and by the Chairman of the Board for the CEO. The performance assessment of the CEO and the other members of the Executive Committee is reviewed by the Compensation Committee.

# Compensation structure

## Compensation of the Board of Directors

### Compensation principles

In order to ensure their independence in exercising their supervisory duties, the members of the Board of Directors receive fixed compensation only. The compensation is paid partially in cash and partially in shares blocked for a period of five years in order to closely align their compensation with shareholders' interests.

### Compensation model

The compensation applicable to the Board of Directors is reviewed every two to three years based on competitive market practice, and its basic structure is kept as constant as possible.

In order to guarantee the independence of the members of the Board of Directors in executing their supervisory duties, their compensation is fixed and does not contain any performance-related component. The annual compensation for each Member of the Board of Directors depends on the functions and tasks carried out in the year under review, and consists of an annual basis fee paid in cash and in blocked shares, as well as additional committee fees paid in cash.

The Compensation Committee conducted a benchmarking analysis in 2022 for the Board of Directors' compensation using the same approach as in prior years. Feedback from exchanges with investors and proxy advisors was also taken into consideration. The results showed that total compensation levels are in line with the market. However, the Board membership basis cash fee was found to be lower, while the share-based compensation was determined to be higher compared to the peer group. This leads to volatility in total compensation when the share price fluctuates. To better balance cash and share-based compensation and to reduce the volatility of total compensation, the Board of Directors approved, based on the proposal of the Compensation Committee, the following new compensation structure for members of the Board of Directors, with effect from the Annual Shareholders' Meeting 2023:

#### Compensation model

Responsibility	Fee	Restricted shares
<b>Basis fee</b>		
Board membership	CHF 100'000	2'500 shares
<b>Additional fees</b>		
Board chairmanship <sup>1</sup>	CHF 260'000	3'500 shares
Independent Lead Director	CHF 22'500	
Audit Committee chairmanship	CHF 80'000	
Audit Committee membership	CHF 30'000	
Compensation Committee chairmanship	CHF 60'000	
Compensation Committee membership	CHF 20'000	
Nomination and Sustainability Committee chairmanship	CHF 60'000	
Nomination and Sustainability Committee membership	CHF 20'000	

<sup>1</sup> The Chairman of the Board of Directors is not eligible for additional committee fees.

Based on an estimated share price of CHF 60.00, the reduction by 500 shares in the Board membership basis fee reflects an approximate value of CHF 30'000. Consequently, the cash component was increased by that amount. As a result, total compensation levels will be more stable in the future. For the Board chairmanship fee, the benchmarking analysis found the total compensation level to be adequate. The fee for the Board chairmanship was therefore adjusted in line with the change for the basis Board membership fee, in order to keep the total Board chairmanship compensation unchanged.

Apart from these adjustments, the compensation structure of the Board of Directors remained unchanged in 2023.

The cash fees are paid in January for the previous calendar year, while the shares are allocated in December of the respective calendar year. The shares are blocked for a period of five years. The blocking period is lifted in the event of death or disability and remains in place in all other instances of termination. The shares are disclosed at their market value based on the closing share price on the last trading day of the reporting year.

The compensation of the Board of Directors is subject to regular social security contributions and is not pensionable.

## Shareholding ownership guideline

Members of the Board of Directors are required to hold 200% of the annual basis cash fee in GF shares. Newly elected members must build up the required ownership within five years of their election to the Board of Directors. In the event of a substantial rise or drop in the share price, the Board of Directors may at its discretion amend that time period accordingly.

To calculate whether the minimum holding requirement is met, all held shares are considered regardless of whether they are blocked or not. The Compensation Committee reviews compliance with the share ownership guideline on an annual basis.

The minimum holding requirements are illustrated in the table below:

	Shareholding ownership requirement	Build-up period
Board of Directors	200% of annual basis cash fee	5 years

## Compensation of the Executive Committee (including CEO)

### Compensation principles

The compensation policy applicable to the Executive Committee is designed to attract, motivate and retain talented individuals based on the following principles:

- Fairness and transparency;
- Pay for performance, business and sustainability strategy implementation;
- Long-term orientation and alignment with shareholders' interests;
- Market competitiveness.

Fairness and transparency (internal equality)	Pay for performance and strategy implementation	Long-term orientation and alignment with shareholders' interests	Market competitiveness
Compensation programs are straightforward, clearly structured and transparent. They ensure fair compensation based on the responsibilities and competencies required to perform the function.	A portion of compensation is directly linked to the company's performance, to the implementation of the business strategy and to individual performance.	A significant portion of compensation is delivered in the form of performance shares, ensuring participation in the long-term success of the company and a strong alignment with shareholders' interests.	Compensation levels are competitive and in line with relevant market practice.



## Compensation model

The compensation of the Executive Committee includes the following elements:

- Fixed base salary in cash;
- Benefits such as pension and social insurance funds;
- Performance-related short-term incentive (STI) in cash;
- Share-based compensation (long-term incentive, LTI).

	Fixed compensation elements		Variable compensation elements	
	Fixed base salary	Benefits	STI performance 2023	LTI performance 2023
<b>Purpose</b>	Ensure basic fixed remuneration	Ensure protection against risks such as death, disability and old age	Pay for annual performance	Pay for long-term performance Align with shareholders' interests Participate in long-term success and align with Strategy 2025
<b>Drivers</b>	Scope and complexity of the function Profile of the individual market practice	Local legislation and market practice	Performance against business and individual objectives	Long-term value creation
<b>Performance/ vesting period</b>	–	–	Year 2023	3 years Grant date: 1 January 2023 Vesting period: 2023-2025
<b>Blocking period</b>	–	–	–	Additional 2 years: 2026-2027
<b>Performance measures</b>	Skills, experience and performance of the individual	–	Organic sales growth Return on sales (EBIT margin) ROIC Sustainability (ESG) Individual objectives (MBO)	All LTI-related awards depend on performance: 50% EPS, 50% rTSR  EPS-related achievement determination: Ø (EPS value years 2023, 2024, 2025) divided by Ø (EPS value years 2020, 2021, 2022)  rTSR-related achievement determination: Ø (ranking in 2023, 2024, 2025 of GF within the SMI MID)
<b>Delivery</b>	Monthly cash	Contributions to social security, pension and insurances	Cash, one-off payment in March 2024	Shares after the performance period: 50% depending on EPS performance, 50% depending on rTSR performance

EBIT = Earnings before interest and taxes  
 EPS = Earnings per share  
 ESG = Environment, social, governance  
 PS = Performance shares  
 PS(EPS) = EPS-dependent performance shares  
 PS(rTSR) = rTSR-dependent performance shares  
 ROIC = Return on invested capital

Ø = Average

For the purpose of comparison, the compensation of the Executive Committee is regularly benchmarked against compensation surveys published by independent consulting firms and publicly available compensation information of comparable multinational industrial companies (please refer to the section [Method used to determine compensation/Benchmarking](#) for details about the peer group).

The compensation model of the Executive Committee remained unchanged in 2023 compared to the previous year.

## Compensation mix and caps

### CEO

At target	Fixed base salary 100%	STI 100%	LTI 90%
Maximum payout	Fixed base salary 100%	STI 150%	LTI 135%

### Other members of the Executive Committee

At target	Fixed base salary 100%	STI 60%	LTI 60%
Maximum payout	Fixed base salary 100%	STI 90%	LTI 90%

Maximum payouts:

- STI: capped at 150% of the target amount, ie the actual payout amount cannot exceed 150% of the amount of the annual fixed base salary;
- LTI: capped at 150% of the target number of Shares: In the year of grant, the LTI target amount is converted into a number of Performance Share awards (see details below), and each Performance Share award can lead to a maximum of 150% Shares at vesting, depending on achievement of the relevant performance conditions;
- Overall cap: the overall variable compensation is capped (value of the STI payout and of the LTI value at grant) at 250% of the fixed compensation, as stipulated in the Articles of Association.

### Fixed base salary

The fixed base salary is determined primarily based on the following factors:

- Scope and complexity of the role, as well as the skills required to perform the function;
- Skills, experience and performance of the individual in the function;
- External market value of the function.

Fixed base salaries of the members of the Executive Committee are reviewed every year based on those factors, and adjustments are made according to market developments.

### Short-term incentive

The short-term incentive (STI) is a variable incentive designed to reward the achievement of business and sustainability objectives of the GF Corporation and its divisions, as well as the fulfillment of individual performance objectives as defined within the MBO process, over a period of one year.

The STI is expressed as a target in % of the annual fixed base salary. The target STI amounts to 100% of the annual fixed base salary for the CEO and to 60% of the annual fixed base salary for the other

members of the Executive Committee. The STI payout is capped at 150% of target level.

	Target <sup>1</sup>	Minimum <sup>1</sup>	Maximum <sup>1</sup>
CEO	100%	0%	150%
Other members of the Executive Committee	60%	0%	90%

<sup>1</sup> In percent of annual fixed base salary.

#### Business objectives for the STI

The business objectives include organic sales growth (excluding acquisitions and divestitures), return on sales (EBIT margin) and return on invested capital (ROIC). The annual targets of these business objectives are derived from the five-year strategic goals, taking into account the actual results in the previous year as well as the budget and forecast of the year for which the targets are set. The annual targets are discussed and approved by the Board of Directors.

For each business objective, the Board of Directors sets a target level and a threshold level (hurdle) of achievement under which there is no payout. Particular focus is placed on the sales target, as growth is a strong pillar of the Strategy 2025. Furthermore, the ROIC target is set at a level clearly over the weighted average cost of capital (WACC) of the GF Corporation in order to maximize value creation. The respective achievement level of each business objective is measured on a yearly basis and determines a payout factor for that business objective.

#### Sustainability objectives for the STI

Sustainability objectives are based on environmental, social and governance (ESG) criteria material to the company and its stakeholders. The corporate sustainability targets are specifically reflected in the sustainability roadmaps of the divisions and are well represented in the objective setting of the Executive Committee.

The annual sustainability objectives are aligned with the targets of the Framework 2025, which include:

- Product portfolio: 70% of sales with social or environmental benefits;

- Reduction of absolute CO<sub>2e</sub> emissions by 30% to limit global warming to 1.5°C for Scope 1 and 2 emissions;
- Reduction of accident rate by 30% by continuing the “Be Aware-Be Safe/Zero risk” campaign;
- Implementation of measures to increase diversity and inclusion;
- Fostering of activities related to long-term climate targets, such as Scope 3 and product innovations to establish highly efficient new products.

### Individual objectives for the STI

The individual objectives are set within the MBO process at the beginning of the year. These objectives are clearly measurable, do not overlap with the financial targets and are set in different categories:

- Non-financial strategic goals, such as acquisitions or portfolio adaptations;
- Operational goals, such as the implementation of digitalization projects, the successful launch of new products, implementation of corporate training initiatives, acquisition and integration of new technologies and services, development of new business segments and expansion of production to new regions;
- Goals to promote the implementation of value and culture according to the company’s strategy;
- Personal goals, such as personal improvement and/or training sessions and succession planning.

At the end of the year, the achievement of each individual objective is assessed. This determines the payout factor for the portion of the STI related to individual objectives.

### Weighting of the business, sustainability and individual objectives

Sustainability objectives are a separate element of the performance measurement and account for 10% of the STI. They are not part of the individual objectives. The individual objectives account for 25% of the STI.

The weighting of the business and individual objectives for the CEO and the other members of the Executive Committee depends on the function (the highest weighting is allocated to the organization the individual is responsible for) and is described in the table on the following page.

	CEO	Division President	CFO
<b>Business objectives</b>			
<b>Corporation level</b>	<b>65%</b>	<b>25%</b>	<b>65%</b>
Organic sales growth (30%)	19.5%	7.5%	19.5%
Return on sales (EBIT margin) (40%)	26.0%	10.0%	26.0%
ROIC (30%)	19.5%	7.5%	19.5%
<b>Division level</b>		<b>40%</b>	
Organic sales growth (30%)		12.0%	
Return on sales (EBIT margin) (40%)		16.0%	
ROIC (30%)		12.0%	
<b>Sustainability</b>	<b>10%</b>	<b>10%</b>	<b>10%</b>
ESG	10.0%	10.0%	10.0%
<b>Individual objectives</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>
MBO	25.0%	25.0%	25.0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Long-term incentive (share-based compensation)

The purpose of the LTI plan, which remained unchanged for the year under review, is to:

- Align the interests of executives with those of GF's shareholders;
- Allow executives to participate in the long-term success of GF;
- Foster and support a high-performance culture.

The LTI is a performance share (PS) plan. Every year, the CEO and the other members of the Executive Committee are granted a certain number of PS awards based on a percentage of their annual fixed base salary. The target LTI amounts to 90% of the annual fixed base salary for the CEO and to 60% of the annual fixed base salary for the other members of the Executive Committee. The number of PS awards granted corresponds to the target LTI amount divided by the average Georg Fischer share closing price of the last 60 trading days of the previous year. For financial year 2023, the PS were granted on 1 January 2023. The PS are subject to a three-year cliff vesting followed by an additional two-year blocking period on the vested shares.

The vesting of the PS is conditional upon the achievement of two specific performance objectives over a prospective period of three years: earnings per share (EPS) as an internal performance measure and relative total shareholder return (rTSR) as an external performance measure.

The number of PS awards granted is split as follows:

- 50% of the PS awards depend on the EPS performance (PS(EPS));
- 50% of the PS awards depend on the rTSR performance (PS(rTSR)).

### Performance shares

	PS(EPS)	PS(rTSR)	Total shares
CEO	Target: 45% of ABS <sup>1</sup> Vesting: 0%–150%	Target: 45% of ABS <sup>1</sup> Vesting: 0%–150%	Target: 90% of ABS <sup>1</sup> Vesting: 0%–150%
Other members of the Executive Committee	Target: 30% of ABS <sup>1</sup> Vesting: 0%–150%	Target: 30% of ABS <sup>1</sup> Vesting: 0%–150%	Target: 60% of ABS <sup>1</sup> Vesting: 0%–150%

<sup>1</sup> ABS = Annual fixed base salary

The EPS target, which is determined by the Board of Directors, is in line with the ambitious Strategy 2025 goals of GF and is measured at the end of the vesting period. Share buybacks, major acquisitions/divestitures or capital increases are neutralized and have no impact on the EPS value calculation.

The rTSR is measured as a percentile rank in relation to a peer group. The peer group consists of the companies of the SMI MID index as these companies are comparable to GF in terms of organizational size, complexity and market capitalization, and the SMI MID index best reflects the economic environment for companies listed in Switzerland. The percentile rank is evaluated on an annual basis: At the end of the vesting period, the final ranking of GF among the peer group is the average annual ranking over the three-year vesting period.

A threshold performance level (hurdle) is defined for both performance measures under which there is no vesting of the PS. The target level, which corresponds to a vesting level of 100%, and the maximum achievement level, for which the vesting is capped at 150%, are also defined.

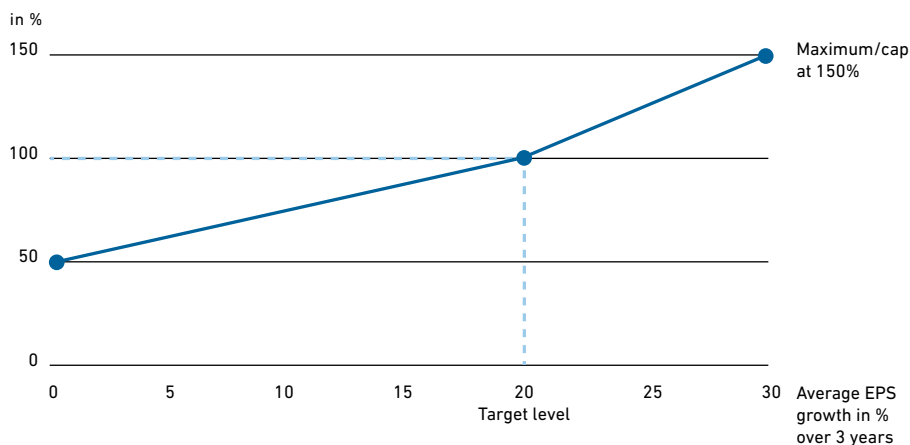
Both EPS and rTSR are measured separately. The vesting of the PS(EPS) cannot therefore be compensated by the vesting of PS(rTSR) and vice-versa.

The vesting rules of the LTI plan are summarized in the table below:

Performance measure	Earnings per share (EPS)	Relative total shareholder return (rTSR)
Description	EPS: (Average EPS value years x, x+1, x+2) divided by (Average EPS value years x-1, x-2, x-3)	TSR: starting value of volume-weighted average share price (VWAP) over the first 30 trading days of the year and ending value of the VWAP over the last 30 trading days of the year. Relativity measured as the average annual ranking within the peer group (companies in the SMI MID) over 3 years.
Rationale	Internal measure Reflects GF's profitability and how efficiently the strategy is implemented	External measure Reflects GF's relative value compared to the SMI MID
Weighting	50% of the PS grant	50% of the PS grant
Target level	20% EPS growth over 3 years: 100% vesting	Relative TSR at the median of the peer group: 100% vesting
Maximum achievement level	150%	150%
Vesting period	3 years Followed by 2-year blocking period on vested shares	3 years Followed by 2-year blocking period on vested shares
Vesting rules	Threshold: 0% EPS growth over 3 years = 50% vesting Target: 20% EPS growth over 3 years = 100% vesting Maximum: 30% EPS growth over 3 years = 150% vesting Linear interpolation in between the points EPS decline over 3 years: 0% vesting	Threshold: 25th percentile = 50% vesting Target: 50th percentile = 100% vesting Maximum: 75th percentile = 150% vesting Linear interpolation in between the points

## Vesting curve earnings per share (EPS)

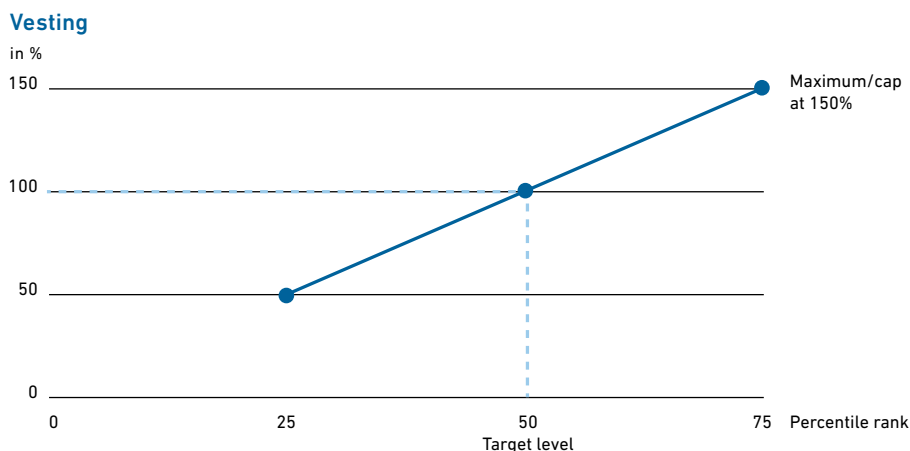
### Vesting







## Vesting curve relative total shareholder return (rTSR)



Every year, the Compensation Committee is responsible for evaluating whether one-time events have significantly influenced any of the performance objectives, EPS or rTSR. If so, they recommend adjustments to the Board of Directors. The explanations for such adjustments, if any, are included in the Compensation Report of the relevant year.

In November 2023, GF acquired the Uponor Corporation. The Compensation Committee assessed the impact thereof on the long-term incentive compensation. It found that while the acquisition has no direct impact on the rTSR performance measure, it will impact Georg Fischer's earnings per share (EPS), which is one of the performance metrics in the long-term incentive plan for awards to vest. The vesting mechanism will remain unchanged, however, considering that the LTI performance conditions require a comparison of EPS before and at the end of the relevant performance period, the Board of Directors will ensure that EPS objectives are measured on a like-for-like basis, based on comparable financial numbers.

For the awards with a performance period ending in 2023, the direct impact of the Uponor acquisition, which took place in November 2023, will be excluded from the EPS performance measure. The net income of the acquired corporation and extraordinary effects of the acquisition, mainly acquisition-related financing expenses and acquisition-related purchase price allocation effects, will be excluded.

As of 2024, GF will adjust the EPS objectives and measurement to reflect extraordinary items of acquisitions. The details thereof will be addressed in the compensation reports for the years in which adjustments are made. The Compensation Committee will ensure adjustments are in line with shareholder expectations, market practice and the compensation principles of GF.

## Clawback and malus provisions

For the LTI, in the event a lower amount would have been awarded or paid out due to a misstatement of financial results or of fraudulent or willful substantial misconduct by a member of the Executive Committee, the Board of Directors will review the specific facts and circumstances and take action. With regard to awards granted under the LTI in respect of the years for which a restatement must be made and/or in which the misconduct took place, the Board of Directors may determine at any time before or after the delivery of the

shares to forfeit or suspend the vesting of any LTI award in full or in part (malus), require the transfer for nil consideration of some or all the shares delivered under the LTI plan (clawback) and/or require a reimbursement in the form of a cash payment in respect of some or all the shares delivered under the LTI plan (clawback).

The clawback and malus provisions apply to the members of the Executive Committee for the entire duration of their membership and for up to three years following the termination thereof.

## Benefits

Benefits consist primarily of retirement and insurance plans that are designed to provide a reasonable level of income in case of retirement, as well as a reasonable level of protection against risks such as death and disability. All members of the Executive Committee have a Swiss employment contract and participate in the pension fund of GF offered to all Swiss-based employees. The pension fund exceeds the minimum legal requirements of the Swiss Federal Law on Occupational Retirement, Survivors and Disability Pension Plans (BVG) and is in line with commensurate market practice. In the case of top-management positions, including the members of the Executive Committee, an early retirement plan is in place. The plan is entirely funded by the employer and is administered by a Swiss foundation. Beneficiaries may opt for early retirement starting from the age of 60. The standard retirement age is 65.

Members of the Executive Committee do not receive special benefits. They are entitled to a lump sum representation allowance and to reimbursement of business expenses in accordance with the expense rules applicable to all employees at the management level employed in Switzerland. The expense regulation has been approved by the relevant cantonal tax authorities.

## Contractual terms

The employment contracts of the CEO and the other members of the Executive Committee foresee a notice period of a maximum of 12 months. There are no entitlements to severance payments, nor any change of control provisions, other than the early vesting and early unblocking of share awards as disclosed in the section [Long-term incentive \(share-based compensation\)](#). Their contracts may

foresee non-competition provisions that are limited to a maximum of two years and which allow compensation up to a maximum of the last total annual compensation paid.

## Shareholding ownership guideline

The CEO and the other members of the Executive Committee are required to hold a minimum percentage of their annual base salary in GF shares.

Newly appointed members must build up the required ownership within five years of their appointment. In the event of a substantial rise or drop in the share price, the Board of Directors may at its discretion amend that time accordingly.

The minimum holding requirements are illustrated in the table below:

	Shareholding ownership requirement	Build-up period
CEO	200% of annual fixed base salary	5 years
Other members of the Executive Committee	100% of annual fixed base salary	5 years

To calculate whether the minimum holding requirement is met, all vested shares are considered, regardless of whether they are blocked or not. Unvested PS are excluded. The Compensation Committee reviews compliance with the share ownership guideline on an annual basis.



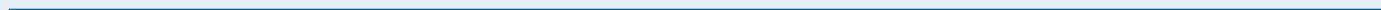
---

# Compensation for the financial year 2023

Audited by PwC Switzerland

## Board of Directors

The members of the Board of Directors received cash compensation of CHF 1.299 million in the year under review (previous year: CHF 1.131 million). In addition, a total of 24'566 GF registered shares with a total market value of CHF 1.501 million were allocated (previous year: 26'084 GF shares with a market value of CHF 1.477 million). Together with other benefits, the total compensation paid to the Board of Directors in 2023 amounted to CHF 2.914 million (previous year: CHF 2.736 million).





## Compensation of the members of the Board of Directors 2023

	Cash compensation		Share-based compensation			Total compensation 2023 <sup>5</sup>	Total compensation 2022 <sup>5</sup>
	Basis fee	Committee fees	Number of shares	Share-based compensation <sup>3</sup>	Other benefits <sup>4</sup>		
<b>Yves Serra</b>	91	269	6'000	367	32	759	731
Chairman Board of Directors							
Chairman Nomination and Sustainability Committee							
<b>Hubert Achermann</b>	91	122	2'652	162	17	392	384
Vice-Chairman Board of Directors							
Independent Lead Director							
Chairman Audit Committee							
Member Nomination and Sustainability Committee							
<b>Riet Cadonau</b>	21	6	909	56	4	87	274
Member Compensation Committee <sup>1</sup>							
<b>Peter Hackel</b>	91	30	2'652	162	14	297	284
Member Audit Committee							
<b>Roger Michaelis</b>	91	20	2'652	162	14	287	274
Member Compensation Committee							
<b>Eveline Saupper</b>	91	60	2'652	162	14	327	315
Chairwoman Compensation Committee							
<b>Jasmin Staiblin</b>	21	9	909	56	4	90	284
Member Audit Committee <sup>1</sup>							
<b>Ayano Senaha</b>	91	20	2'652	162	14	287	190
Member Nomination and Sustainability Committee							
<b>Monica de Virgiliis</b>	70	21	1'744	106	0	197	
Member Audit Committee <sup>2</sup>							
<b>Michelle Wen</b>	70	14	1'744	106	0	190	
Member Compensation Committee <sup>2</sup>							
<b>Total</b>	<b>728</b>	<b>571</b>	<b>24'566</b>	<b>1'501</b>	<b>114</b>	<b>2'914</b>	<b>2'736</b>

All in CHF 1'000 and stated in gross amounts, except "Number of shares" column.

1 Until 19 April 2023.

2 As of 20 April 2023.

3 The share-based compensation consists of the allocation of a fixed number of shares. The amount of the share-based compensation is calculated based on the share value on 31 December 2023, ie CHF 61.10.

4 Other benefits represent employer contributions to social insurance funds.

5 The total compensation includes the cash compensation (basis and committee fees), the share-based compensation and the contribution to social insurance funds.



The total compensation paid to the Board of Directors in 2023 was higher compared with the previous year, as the Board of Directors consisted of eight members throughout the reporting year, whereas in 2022 the Board of Directors consisted of seven members until the Annual Shareholders' Meeting in April. The higher value of the shares (CHF 61.10 on 29 December 2023 compared with CHF 56.60 on 30 December 2022) was another reason for the increase. The changes to the structure of the Board of Directors compensation implemented in 2023 reduced the volatility of total compensation and thus a further increase, as the proportion of share-based compensation was reduced.

At the 2022 Annual Shareholders' Meeting, shareholders approved a maximum aggregate compensation amount of CHF 3.600 million (based on a share value of CHF 80.00) for the Board of Directors for the compensation period from the 2022 Annual Shareholders' Meeting until the 2023 Annual Shareholders' Meeting. For this period, the effective compensation amounted to CHF 2.846 million (based on a share value of CHF 56.60 for the period in 2022 and CHF 61.10 for the period in 2023), and is thus within the approved limits.

At the 2023 Annual Shareholders' Meeting, shareholders approved a maximum aggregate compensation amount of CHF 3.600 million (the same as in the previous period) for the Board of Directors for the compensation period from the 2023 Annual Shareholders' Meeting until the 2024 Annual Shareholders' Meeting. This compensation period has therefore not yet been completed, and a conclusive assessment will be provided in the 2024 Compensation Report.

In the reporting year, no further compensation was paid to members of the Board of Directors and no compensation was paid to parties closely related to members of the Board of Directors.

---



## Executive Committee

The members of the Executive Committee received cash, share-based compensation, and social security and pension contributions amounting to CHF 9.067 million for the year under review (previous year: CHF 9.418 million), compared with a total amount of CHF 11.402 million approved by shareholders at the 2022 Annual Shareholders' Meeting.

Under the LTI plan, 39'190 performance shares with a total value at grant of CHF 2.200 million were granted to members of the Executive Committee for the year under review (previous year: 31'040 performance shares with a total value of CHF 2.160 million).

## Compensation of the members of the Executive Committee 2023

	Fixed base salary in cash	Short-term incentive (STI) in cash <sup>1</sup>	EPS-dependent performance shares PS(EPS) <sup>2</sup>	rTSR-dependent performance shares PS(rTSR) <sup>2</sup>	Share-based compensation (LTI) <sup>2</sup>	Social insurance funds <sup>3</sup>	Pension funds <sup>4</sup>	Other compensation <sup>5</sup>	Total compensation 2023 <sup>6</sup>	Total compensation 2022
Executive Committee	3'196	2'665	19'595	19'595	2'200	452	552	2	9'067	9'418
Of whom Andreas Müller, CEO <sup>7</sup>	939	1'131	7'526	7'526	845	157	148	0	3'220	3'340

All in CHF 1'000 and stated in gross amounts, except the "EPS-dependent performance shares" and "rTSR-dependent performance shares" columns, which are stated as number of shares.

1 The STI is based on the STI plan. The STI for the 2023 business year was approved by the Board of Directors on 22 February 2024. Payment will be made in March 2024.

2 The share-based compensation is based on the LTI plan. The number of PS granted corresponds to the target LTI amount (90% of the annual fixed base salary for the CEO, 60% of the annual fixed base salary for the other members of the Executive Committee) divided by the average Georg Fischer share closing price of the last 60 trading days prior to the grant date on 1 January 2023, ie CHF 56.13.

3 The social insurance funds expenses represent employer contributions to social security. The amounts indicated are based on the compensation amounts disclosed in the table (including the value at grant of the share-based remuneration).

4 The pension funds expenses represent employer contributions to pension funds.

5 In line with the company's regulation for all employees, a jubilee gift received by one Member of the Executive Committee is reflected in the table according to its fair value.

6 The total compensation includes the fixed base salary, the STI, the share-based compensation, social and pension contributions, as well as other compensation.

7 Highest individual compensation.

In 2023, the total compensation for the CEO and the other members of the Executive Committee was lower than in 2022. The change in the compensation was due to the following factors:

- Fixed base salary: The fixed base salaries of the CEO and members of the Executive Committee were appropriately increased in line with market practice and the findings of the benchmark analysis conducted in 2023. Taking the increase for the year under review into consideration, the fixed base salary is at mid-market benchmark level, while total direct compensation (including variable compensation elements STI and LTI on target level) is slightly below this level;
- STI: In 2023, the STI target achievement of the Corporation and the divisions was lower compared with 2022. Geostatic and macroeconomic challenges limited the achievement of organic sales growth targets, but thanks to its increased portfolio resilience, profitability remained strong. Profitability targets for 2023 were increased compared to the previous year and were once again exceeded in many areas (see details in the section [Performance in 2023](#)). For the year under review, the STI payout for the CEO was CHF 1'131'000 (STI for the CEO in 2022 was CHF 1'266'000) and CHF 2'665'000 for the Executive Committee (incl. CEO; STI for the Executive Committee incl. CEO in 2022 was CHF 3'060'000). The overall payout for the Executive Committee

is based on target achievements in the range from 96.4% to 122.1% (130.2% to 139.1% in 2022);

- LTI: The overall value of the share-based remuneration increased compared with last year in line with the fixed base salary increase, as the grant amount is linked to the fixed base salary;
- It should be noted that a significant portion of the social security payments of the employer to the Swiss social security system represents a solidarity payment, as the individuals will never get any return or benefit due to these payments.

No compensation was paid to parties closely related to members of the Executive Committee.

The ratio between fixed and awarded variable compensation in 2023 was as follows:

## CEO compensation for 2023

in CHF 1'000	<b>Fixed base salary</b> 29%	<b>Short-term incentive</b> 35%	<b>Long-term incentive</b> 26%	<b>Benefits</b> 10%
<b>3'220</b>				

## Executive Committee compensation (incl. CEO) for 2023

in CHF 1'000	<b>Fixed base salary</b> 35%	<b>Short-term incentive</b> 30%	<b>Long-term incentive</b> 24%	<b>Benefits</b> 11%
<b>9'067</b>				

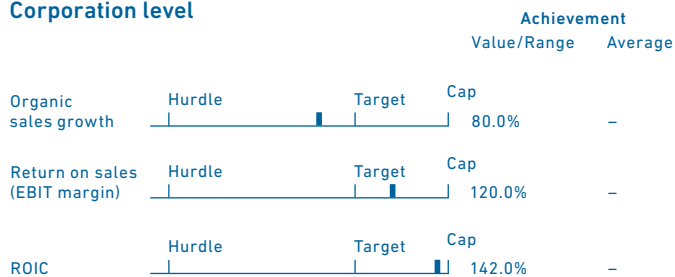
## Performance in 2023

### Short-term incentive – Business objectives

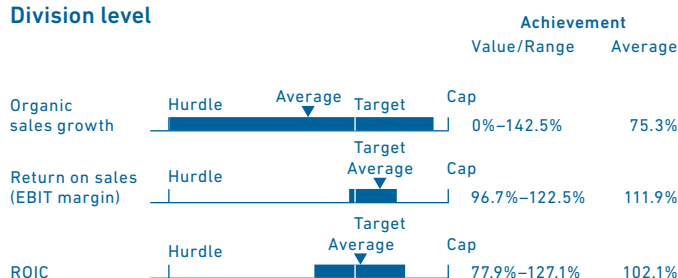
In accordance with the policy, and to compare targets and actual achievement on a like-for-like basis, acquisitions are not taken into account in the calculation of the short-term incentive for the year of the acquisition, if they were not reflected in the target setting. Therefore, the effects of acquisitions-related activities have been excluded either in setting the targets or when calculating the achievement.

The annual targets for the short-term incentive were derived from the previous five-year strategic goals which envisaged sales between CHF 4.4–5.0 billion (incl. acquisitions), an EBIT margin in the range of 9% to 11% and a return on invested capital of 20% to 22%. Going forward, the strategic goals will be adjusted with the involvement of the acquired companies and will serve as a reference point for target setting. The annual targets for the business objectives are set within the strategic corridor, whereby individual years can be set higher or lower than the strategic target corridor, as the actual results of the previous year and forecast for the coming year are taken into consideration. The annual targets are discussed and approved by the Board of Directors.

### Corporation level



### Division level



### Short-term incentive – Sustainability

Sustainability measures have been implemented successfully during 2023 and the organization has made significant progress on the roadmap to achieve its long-term goals. The following are examples of some of the most important achievements with regard to the sustainability measures (see further details in the section [Key figures](#) of the Sustainability Report):

- 68% of sales delivered social or environmental benefits to GF's customers (see details in the section [Product portfolio](#) of the Sustainability Report);
- 2023 marks the third year where GF overperformed on its SBTi-validated emission target for Scope 1 and 2 emissions (see details in the section [Environment: Climate and resources](#) of the Sustainability Report);
- In addition, the accident rate target was achieved due to a 12% reduction in the number of accidents (see details in the section [Social: People and well-being](#) of the Sustainability Report);
- Furthermore, GF increased the amount of renewable energy at its facilities to 33%, which contributed significantly to the reduction of Scope 1 and 2 emissions (see details in the section [Environment: Climate and resources](#) of the Sustainability Report);
- All GF divisions received a gold or silver EcoVadis medal, which underlines their good ESG performance compared to peers in the market.

GF's global operations have been assessed according to the TCFD (Task Force on Climate-related Financial Disclosures). The TCFD report quantifies GF's exposure to physical risks such as rising sea levels, severe drought, heavy precipitation, etc and identifies major transition risks and opportunities. GF further improved its TCFD reporting by developing the integration concept of climate-related risks and sustainability risks into the overall risk management processes.

Overall, the achievement of the individual sustainability objectives exceeded the ambitious targets and ranged from 120.0%–135.0% of target.



### Short-term incentive – Individual objectives

The targets of the individual objectives for the members of the Executive Committee set for 2023 were surpassed and reached 122.5% of target on average. Key individual achievements include:

#### Strategic objectives

- Successful accomplishment of acquisitions;
- Successful integration and further development of recently acquired businesses;
- Increase of businesses in resilient end markets, eg share of e-mobility orders and non-revenue water applications;
- Development of new business segments.

#### Operational objectives

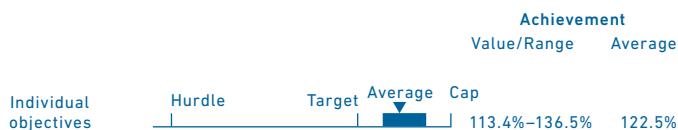
- Product launches on time and reaching set sales targets in time;
- Implementation of lean management initiative with clear operational benefits;
- Successful ramp-up of new facilities within budget and on time;
- Significant improvements in challenging operation and production facilities;
- Further improvement of ERP and IT systems.





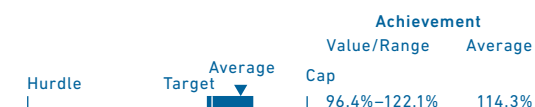
### Value and culture change initiative

- Evolving culture to further strengthen GF's learning and performance capabilities;
- Diversity and inclusion activities reaching pre-set targets.



### Short-term incentive – Overall payout

The overall payout of the business, sustainability and individual objectives amounts to 96.4% to 122.1% of the target range for the Executive Committee (incl. CEO). No discretionary adjustments have been made.

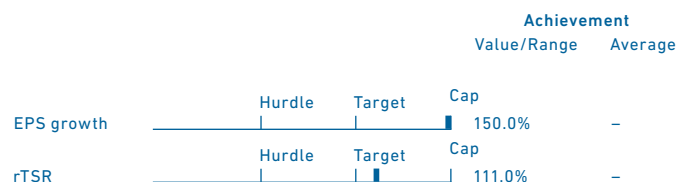


### Long-term incentive vesting overview

#### LTI 2021

The performance period for the LTI 2021 ended at the end of 2023 with the following vesting levels of the performance measures:

- The performance factor calculated based on the average EPS in the years 2021, 2022, 2023 (performance period) and the average EPS in 2018, 2019, 2020, resulted in a ratio of 31.18%, which corresponds to a vesting level of 150.00% (cap); As noted above, the EPS measurement has been adjusted for acquisition-related effects such as non-consideration of the net income of the acquired company and the relating purchase price allocation effects as well as corresponding financing cost incurred to finance the acquisition in the amount of CHF 7.312 million (after tax). The adjusted EPS in 2023 is CHF 3.14 instead of CHF 2.87 prior to adjustment;
- With regard to the rTSR performance, Georg Fischer ranked at 77.7th for 2021 and at 40.7th for 2022 and at 48.1th for 2023 in the SMI MID. The rTSR average percentile ranking of Georg Fischer in 2021, 2022 and 2023 (performance period) in the SMI MID was 55.5% (Georg Fischer outperformed 55.5% of peers) and resulted in a vesting level of 111.0% of target;
- This resulted in an overall vesting level of 130.50%.



#### LTI 2020

For reference, the LTI 2020 resulted in an overall vesting level of 134.18%.



Audited by PwC Switzerland

## Shareholdings of the members of the Board of Directors and of the Executive Committee

As at 31 December 2023, a total of 375'576 shares (previous year: 392'684 shares) were held by the Board of Directors and the Executive Committee, corresponding to 0.5% of issued shares (previous year: 0.5%).

Member	Function	31.12.2023	31.12.2022
Yves Serra	Chairman Board of Directors	192'700	186'700
Hubert Achermann	Vice Chairman Board of Directors Independent Lead Director	23'432	20'780
Riet Cadonau	Member		20'100
Peter Hackel	Member	10'792	8'140
Roger Michaelis	Member	34'772	32'120
Eveline Saupper	Member	35'992	33'340
Ayano Senaha	Member	4'736	2'084
Jasmin Staiblin	Member		35'080
Monica de Virgiliis <sup>1</sup>	Member	1'744	0
Michelle Wen <sup>1</sup>	Member	1'744	0
<b>Total Board of Directors</b>		<b>305'912</b>	<b>338'344</b>

<sup>1</sup> Elected to the Board of Directors on 19 April 2023.

Member	Function	31.12.2023	31.12.2022
Andreas Müller	CEO	21'925	15'440
Mads Joergensen	CFO	11'101	8'800
Joost Geginat	President of GF Piping Systems	15'689	12'420
Carlos Vasto	President of GF Casting Solutions	6'549	3'280
Ivan Filisetti	President of GF Machining Solutions	14'400	14'400
<b>Total Executive Committee</b>		<b>69'664</b>	<b>54'340</b>

The shares of the share-based compensation program are treasury shares and have been repurchased on the market. Therefore, no capital increase was required, and existing shareholders suffered no dilution. Georg Fischer currently plans to continue using treasury shares (or shares bought in the market) to satisfy future LTI vestings.

There are no outstanding convertible bonds, and GF has issued no options.

## Loans to members of the governing bodies

Neither Georg Fischer AG nor its GF Corporate Companies granted any guarantees, loans, advances or credit facilities to members of the Board of Directors or the Executive Committee, or related parties in the year under review. As of 31 December 2023, no loans to members of the Board of Directors or the Executive Committee, or related parties were outstanding.



## Functions of the members of the Board of Directors

### Yves Serra Chairman of the Board of Directors

#### Current professional activities and involvement in governing bodies of other listed corporations

—

#### Further professional activities and functions

Chairman of the Board of Directors of Stäubli Holding AG; member of the Board of BNP Paribas Switzerland; member of the Board of SMG (Schweizerische Management Gesellschaft) until end of February 2024 (all Switzerland); Advisor Sustainability Committee of Recruit Holdings and of Asset Management One, Tokyo (both Japan)

### Hubert Achermann Vice Chairman and Independent Lead Director

#### Current professional activities and involvement in governing bodies of other listed corporations

—

#### Further professional activities and functions

—

### Peter Hackel Member of the Board of Directors

#### Current professional activities and involvement in governing bodies of other listed corporations

CFO of Syntegon (since 2023)

#### Further professional activities and functions

Board member of the Association of Swiss CFOs (Switzerland)

### Roger Michaelis Member of the Board of Directors

#### Current professional activities and involvement in governing bodies of other listed corporations

Partner and Director of Verocap Consulting, São Paulo, (Brazil) (since 2012)

#### Further professional activities and functions

Managing Director and owner of Verocap Consulting; Corporate CFO and Head of Corporate HR of Bentonit União Group Ltd. São Paulo; Chairman of the Advisory Board of Mast Group Ltd. São Paulo; Chairman of the Supervisory Board of the Institute of the German Hospital Oswaldo Cruz São Paulo; Chairman of the Advisory Board of Mast Group Ltd (all Brazil)

### Eveline Saupper Member of the Board of Directors

#### Current professional activities and involvement in governing bodies of other listed corporations

Member of the Board of Directors of Flughafen Zürich AG (until April 2023), Clariant AG and Forbo Holding AG (all Switzerland)

#### Further professional activities and functions

Member of the Board of Directors of Stäubli Holding AG; member of the Board of Trustees of UZH Foundation; member of the Board of Directors of Tourismus Savognin Bivio Albula AG; Chairwoman of Mentex Holding AG; member of the Board of Trustees of Foundation Piz Mitgel Val Surses (all Switzerland)

### Ayano Senaha Member of the Board of Directors

#### Current professional activities and involvement in governing bodies of other listed corporations

Corporate Executive Officer at Recruit Holdings (since 2018); COO, Executive Vice President of the Executive Committee and member of the Board of Recruit Holdings; Board Director of Indeed Inc, (Austin US); Director of Glaasdoor Inc; Non-Executive Board of RGF Staffing B.V. Almere Netherlands

#### Further professional activities and functions

—

### Monica de Virgiliis Member of the Board of Directors

#### Current professional activities and involvement in governing bodies of other listed corporations

Chairwoman of the Board of Directors of SNAM (Italy); member of the Board of Directors of Air Liquide (France) and member of the Supervisory Board of ASM International (Netherlands) (until May 2024)

#### Further professional activities and functions

Co-founder and Chairwoman of the Board of Directors of Chapter Zero France, the French branch of the Climate Governance Initiative built on the World Economic Forum's Principles for Effective Climate Governance

### Michelle Wen Member of the Board of Directors

#### Current professional activities and involvement in governing bodies of other listed corporations

—

#### Further professional activities and functions

—



---

## Functions of the members of the Executive Committee

**Andreas Müller**  
Chief Executive Officer, CEO

### Current professional activities and involvement in governing bodies of other listed corporations

CEO of Georg Fischer AG (since 2019); Chairman of the Board of Directors of Uponor Corporation (Finland)

### Further professional activities and functions

Member of the Executive Committee of Swissmem and of the Chapter Board "Doing Business in USA" of the Swiss American Chamber of Commerce; member of the Board of Swiss Chinese Chamber of Commerce (all Switzerland)

**Mads Joergensen**  
Chief Financial Officer, CFO

### Current professional activities and involvement in governing bodies of other listed corporations

CFO of Georg Fischer AG (since 2019), member of the Board of Directors of Uponor Corporation (Finland)

### Further professional activities and functions

Board of Trustees Swiss GAAP FER, member of the Board of IVS Industrie- und Wirtschafts-Vereinigung Region Schaffhausen; Regional Advisory Council of Commerzbank AG

**Joost Geginat**  
President GF Piping Systems

### Current professional activities and involvement in governing bodies of other listed corporations

President of GF Piping Systems (since 2016); member of the Board of Directors of Uponor Corporation (Finland)

### Further professional activities and functions

—

**Carlos Vasto**  
President Casting Solutions

### Current professional activities and involvement in governing bodies of other listed corporations

President of GF Casting Solutions (since 2018)

### Further professional activities and functions

—

**Ivan Filisetti**  
President GF Machining Solutions

### Current professional activities and involvement in governing bodies of other listed corporations

President of GF Machining Solutions (since 2020)

### Further professional activities and functions

—

---

# Outlook

As stated in this report, the corporate transactions in 2023 have an impact on the three-year EPS measurement in the LTI. As of 2024, GF will adjust the EPS objectives and measurement to reflect extraordinary items of acquisitions. Details will be addressed in the compensation reports for the years in which adjustments are made. The Compensation Committee will ensure adjustments are in line with shareholder expectations, market practice and the compensation principles of GF.



# Report of the statutory auditor to the General Meeting of Georg Fischer AG

## Schaffhausen

### Report on the audit of the compensation report

#### Opinion

We have audited the compensation report of Georg Fischer 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 by PwC Switzerland' on pages 175 to 178 and pages 182 to 184 of the compensation report.

In our opinion, the information pursuant to article 734a-734f CO in the compensation report 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 by PwC Switzerland' 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 responsible for designing the compensation system and defining individual compensation packages.

#### 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

PricewaterhouseCoopers AG, Birchstrasse 160, Postfach, 8050 Zürich, Switzerland  
Telefon: +41 58 792 44 00, [www.pwc.ch](http://www.pwc.ch)

PricewaterhouseCoopers AG is a member of the global PricewaterhouseCoopers network of firms, each of which is a separate and independent legal entity.



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

Beat Inauen  
Licensed audit expert  
Auditor in charge

Tobias Handschin  
Licensed audit expert

Zürich, 18 March 2024