Compensation Report

This compensation report describes the compensation principles and programs as well as the governance framework related to the compensation of the board of directors and the executive committee of Bossard Group. The report also provides details on the compensation awarded to those two bodies in the financial year 2025.

This compensation report has been prepared in compliance with the provisions of the Swiss Code of Obligations (CO), the Directive on Information relating to Corporate Governance (DCG) of SIX Swiss Exchange and the principles of the "Swiss Code of Best Practice for Corporate Governance" of economiesuisse.

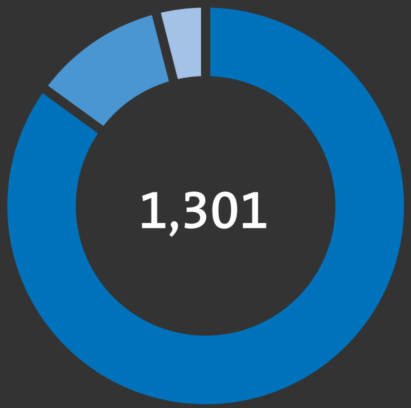
Information regarding the transparency on non-financial matters can be found in the sustainability report starting on page 21. In addition, the Bossard Group reports on the gender guidelines in the corporate governance report starting on page 90.

AT A GLANCE

Compensation

Compensation of the board of directors 2025

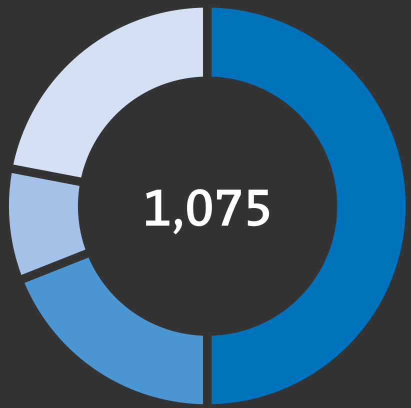
in CHF 1,000



- Fixed compensation
- Social costs
- Expense allowance

Compensation of the CEO 2025

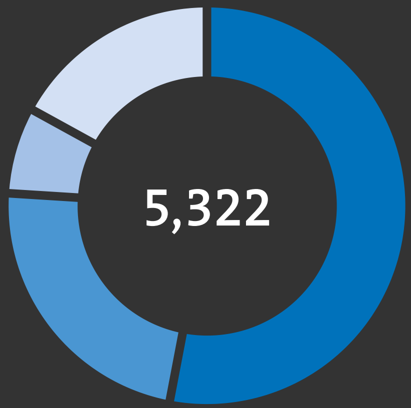
in CHF 1,000



- Fixed compensation
- Variable compensation – short-term incentive (STI)
- Variable compensation – long-term incentive (LTI)
- Social costs and other benefits

Compensation of the executive committee 2025

in CHF 1,000



- Fixed compensation
- Variable compensation – short-term incentive (STI)
- Variable compensation – long-term incentive (LTI)
- Social costs and other benefits

COMPENSATION REPORT

Compensation of the board of directors and the executive committee

This compensation report contains information on the compensation policy, the compensation program and the procedure for determining the compensation of the board of directors and the executive committee of the Bossard Group. The report also contains information on the compensation for these two bodies in the financial year 2025.

Compensation of the board of directors

The compensation of the board of directors for the period between the annual general meeting of shareholders 2024 and 2025 is below the approved maximum compensation amount:

Time period of compensation	Approved compensation	Effective compensation
2024–2025	CHF 1,800,000	CHF 1,402,361
2025–2026	CHF 1,500,000	n/a [1]

1) The compensation period has not yet ended. The final amount will be disclosed in the compensation report for the financial year 2026.

Compensation of the executive committee

The compensation granted to the executive committee for 2025 is below the maximum compensation approved by the annual general meeting of shareholders 2024:

Time period of compensation	Approved compensation	Effective compensation
2025	CHF 7,000,000	CHF 5,322,485

1. Compensation philosophy and principles

Board of directors

To reinforce the independence in exercising their supervisory duties, members of the board of directors receive a fixed compensation only. The board of directors is not eligible for any performance-based compensation and is not insured in the company pension plans. The compensation is paid in cash and CHF 30,000 of the total compensation is paid in the form of registered A shares of Bossard Holding AG. The shares are subject to a restriction period of three years during which they cannot be sold, transferred, or pledged. The compensation is linked with the share price development of the company and strengthens the alignment with the shareholders' interests.

Executive committee

The compensation philosophy of Bossard Holding AG reflects the commitment to recruit, retain, motivate and develop well-qualified employees and executives at all levels in the organization. Compensation programs are designed to motivate executives to achieve the business objectives and to create long-term and sustainable value for the company. They are based on the following principles:

Pay-for-performance	A portion of compensation is directly linked to the sustainable success of the company, the profitability and to individual contributions.
Alignment with shareholders' interests	The compensation system strengthens the alignment between management and shareholders' interests through the proportional remuneration in the form of shares or share-based compensation.
Balanced system	There is a healthy balance between fixed and variable performance-based compensation for the executive committee (no excessive leverage of variable compensation, capped at 150 percent of fixed compensation). The board of directors receives a purely fixed compensation in order to ensure its independence.
Market competitiveness	Compensation levels are market competitive in order to attract and retain employees with the required skill sets and leadership capabilities.
Simplicity and transparency	Compensation programs are straightforward and transparent.

2. Compensation governance

2.1. Articles of association

The articles of association of Bossard Holding AG contain a summary of the compensation principles in articles 36–38. Details available at: https://ir.bossard.com/corporate-governance/regulation-policies

2.2. Compensation committee

In accordance with the articles of association, the organizational and business regulations of Bossard Holding AG and the compensation committee regulations, the compensation committee is composed of at least three members of the board of directors that are elected individually by the annual general meeting of shareholders for a period of one year. Subject to the approval of the annual general meeting of shareholders, the representative of registered A shares is entitled to be a member of the compensation committee. The 2025 annual general meeting of shareholders re-elected Marcel Keller (chair) and Prof. Dr. Ina Toegel and newly elected Patricia Heidtman as members of the compensation committee. All three members are independent according to the regulations.

It is the responsibility of the compensation committee to:

- develop and regularly review the compensation policy and principles applicable to the board of directors and the executive committee, including the design of compensation programs and retirement benefits plans; and, if necessary, propose any changes to the board of directors;
- propose to the board of directors the maximum aggregate amounts of compensation of the board of directors and of the executive committee to be submitted to the shareholders for approval at the annual general meeting of shareholders;
- propose to the board of directors the individual compensation for the members of the board of directors, the CEO and the other members of the executive committee, within the limits approved by the annual general meeting of shareholders;
- review and approve the employment contracts of the executive committee members;
- develop and regularly review the guidelines governing the structure of the occupational pension scheme for the executive committee;
- prepare the compensation report;
- if the compensation committee considers necessary: the assignment, the supervision and the critical evaluation of the results of advisers or the comparison with third party companies regarding the compensation practices.

The levels of authority between the CEO, the compensation committee (CC), the board of directors (BoD) and the annual general meeting of shareholders (AGM) are summarized in the following table:

	CEO	CC	BoD	AGM
Compensation policy and principles (incl. guidelines for the occupational pension scheme)		Proposal	Approval	
Maximum aggregate compensation amount of the board of directors		Proposal	Review	Approval (binding vote)
Maximum aggregate compensation amount of the executive committee		Proposal	Review	Approval (binding vote)
Individual compensation of the members of the board of directors		Proposal	Approval	
Compensation of the CEO		Proposal	Approval	
Individual compensation of the members of the executive committee	Proposal	Review	Approval	
Compensation report		Proposal	Approval	Consultative vote

The compensation committee meets as often as business requires but at least twice a year. In 2025, it held three meetings, each lasted half a day. All members were present at these meetings.

As a general rule, the CEO participates in the meetings of the compensation committee in an advisory capacity. Other members of the board of directors may attend the committee meetings (without voting rights) and other executives may be invited in an advisory capacity as well. However, the other members of the board of directors and the executives abstain from a topic when their own performance and/or compensation is being discussed. After each meeting, the chair of the compensation committee reports to the board of directors the topics discussed and its recommendations. The minutes of the compensation committee meetings are available to the entire board of directors.

The compensation committee may appoint external consultants to provide support in fulfilling its duties. In 2025, no external consultants were mandated.

The compensation committee regularly compares compensation levels with benchmarks, reviews Bossard Group's compensation policies and conducts a self-assessment.

In previous years the compensation committee mandated Agnès Blust Consulting AG (now part of PricewaterhouseCoopers AG) to conduct benchmarking studies on the compensation levels of the executive committee and the board of directors, as was done in 2022 for the executive committee and in 2024 for the board of directors. In order to ensure independence between the audit of the financial statements and other mandates of PricewaterhouseCoopers AG, clear rules were defined that have been consistently applied to this mandate.

2.3. Method for determining the compensation

Benchmarking: in order to assess the market competitiveness of compensation and to determine appropriate compensation levels for the members of the board of directors and of the executive committee, the compensation committee periodically (i.e. every three to four years) reviews the compensation reports published by other international industrial companies that are listed in Switzerland and comparable to the Bossard Group in terms of size (market capitalization, employees, revenue), geographic scope and business complexity.

In 2025, the compensation committee used the general benchmarking study "2025 Executive Compensation Levels Report" published by PricewaterhouseCoopers AG to evaluate the compensation levels of the executive committee.

Based on the aforementioned study from 2025, the compensation committee decided to increase the target long-term incentive value of the CEO. The amount will be disclosed in the compensation report for the financial year 2026.

The compensation committee, following its own market analysis and based on exchanges with investors, has ensured that the consistent implementation of the pay-for-performance philosophy for the executive committee is maintained. Consequently, the board of directors introduced a system of performance share units (PSUs) starting from the reporting year 2024 to further align the executive committee's compensation with the company's long-term performance. This system ensures that compensation is directly linked to the achievement of specific performance targets, such as revenue growth, EBIT margin, and ESG goals. As a result, the former long-term compensation, which was based on qualitative objectives, has been replaced by a long-term compensation tied to the achievement of quantitative goals. The introduction of PSUs creates a clear incentive to deliver exceptional performance and generate sustainable value for the company. This not only enhances the motivation and commitment of the executive committee but also strengthens the alignment of their interests with those of shareholders.

For the compensation of the board of directors, a benchmarking analysis was last carried out in 2024, based on a comparison group of 16 Swiss industrial companies listed on the SIX Swiss Exchange, which are comparable in terms of market capitalization, employees and revenue. These included: Acceleron, Autoneum, Burckhardt Compression, Bystronic, Dätwyler, Forbo, Huber+Suhner, INFICON, INTERROLL, Kardex, Komax, Landis+Gyr, LEM, Rieter, Schweiter Technologies and Siegfried.

Performance management: the actual compensation effectively paid out in a given year to the executive committee members depends on their individual performance. Depending on the level of responsibility, the evaluation of individual performance takes into account the results of the entire Group and/or of a business area. The performance evaluation is based on quantitative and qualitative criteria. The quantitative elements are derived both from the current business results and from the long-term value drivers, which are decisive for the Group's future results and profitability. The assessment is closely linked to the value-oriented and sustainability-focused management approach implemented by the Bossard Group. Qualitative criteria are derived from the company's strategic targets. Therefore, the compensation reflects both the sustainable success of the company and the respective individual contribution.

3. Compensation structure – board of directors

In terms of independence of the members of the board of directors, each member of the board of directors receives a fixed compensation, supplemented by a compensation for his or her work on a committee of the board of directors. The remuneration is intended to compensate appropriately for the time spent on the board of directors and its committees as a result of the mandate. In addition, each member of the board of directors receives a lump-sum expense allowance.

For the term of office starting at the annual general meeting of shareholders in 2025, CHF 30,000 of the total compensation is paid in the form of registered A shares of Bossard Holding AG. The shares are subject to a restriction period of three years during which they cannot be sold, transferred or pledged. The restriction period also applies in case of termination of the mandate, except in case of termination following death where the restriction immediately lapses. The shares are priced at their market value, determined at the end of February of each year based on the average share price of the previous ten trading days – deducting the reduction of around 16 percent permitted under Swiss tax law for the three-year blocking period.

The shares required for the share plan are provided by treasury shares of Bossard Holding AG or by share purchases on the market.

in CHF per year	
Fixed compensation for the chair of the board of directors	340,000
Fixed compensation for each member of the board of directors	120,000
Fixed compensation for the chair of a committee of the board of directors	20,000
Fixed compensation for each member of a committee of the board of directors	10,000
Expense allowance	8,000

The social security contributions on these amounts are paid by the company.

4. Compensation structure – executive committee

According to the compensation principles defined in section 1, the compensation of the executive committee includes the following elements:
– fixed compensation
– variable compensation – short-term oriented incentive (short-term incentive – STI)
– variable compensation – long-term oriented incentive (long-term incentive – LTI) in the form of PSUs
– occupational benefits

Structure of compensation of the executive committee:

Element	Purpose	Drivers	Performance measures	Vehicle
Fixed compensation	Employee recruitment/retention	Position, skills and experience		Monthly cash payments
STI / Variable compensation – short-term oriented incentive	Pay-for-performance	Annual performance	EBIT Group respectively EBIT as well as gross profit of own business area (financial targets) and individually defined targets (qualitative targets)	Annual bonus in cash
LTI / Variable compensation – long-term oriented incentive (PSU)	Align with shareholders' interests, employee retention	Achieved strategic goals	Quantitative performance targets, namely revenue growth, EBIT margin, and ESG goals	Entitlements (namely, performance share units; PSUs) with a three-year vesting period (performance period)
Occupational benefits	Protection against risks, employee recruitment/retention	Market practice and position		Retirement plan, insurances, perquisites

4.1. Fixed compensation

The annual fixed compensation is paid in cash on a monthly basis. It reflects the scope and responsibilities of the role, the skills required to perform the role and the profile of the jobholder in terms of experience and capabilities.

4.2. Variable compensation – short-term oriented incentive (STI)

The short-term oriented variable compensation rewards the achievement of annual financial goals. The short-term oriented variable compensation is capped at 130 percent of the target bonus. There is no bottom limit (floor).

The fixed compensation and the expected short-term oriented variable compensation (assuming 100 percent achievement of all goals) form the so-called total cash compensation. The target value of the total cash compensation of the CEO and the other executive committee members is reviewed annually based on the scope of the role, competitive market practice, individual profile and performance, as well as the company's affordability.

The short-term variable compensation is based on the financial performance of the Group as a whole and/or its businesses as follows:

Component		CEO	CFO	Other members of the executive committee
Financial goals	Group	Group gross profit (1/3), Group EBIT (2/3)	Group gross profit (1/3), Group EBIT (2/3)	Group EBIT (1/3)
	Respective business area			Ratio within these 2/3: – 1/3 respective area gross profit – 2/3 respective area EBIT

The short-term oriented incentive (STI) is focused on two financial goals. These objectives include gross profit (indicating profitable growth and guiding pricing) and EBIT (highlighting operational excellence and overall profitability). Each financial objective comes with an expected performance level, determined either by the data from preceding years or the annual financial plan. These targets have been chosen because they are considered primary value drivers for the Bossard business model. They play a crucial role in rewarding profitable business expansion and gaining a lucrative market share (top-line contribution). Additionally, they contribute to sustainably increasing profitability through robust operating leverage (bottom-line contribution), making them key drivers for generating lasting capital returns. The board of directors firmly believes that these targets promote Bossard's performance in a balanced and sustainable manner, aligning well with the interests of the shareholders. In the reporting and prior year, the short-term incentive (STI) was exclusively based on financial performance criteria. No individual qualitative performance components or discretionary adjustments were applied.

Due to the commercial sensitivity of financial objectives, the board of directors abstains from any further disclosure in the compensation report, in particular also for any separate disclosure for each member of the executive committee. The actual payout level of the short-term oriented variable compensation in the reporting year is explained and commented in section 5.

The CEO and other members of the executive committee may draw up to 20 percent of their total cash compensation in the form of registered A shares of Bossard Holding AG. The shares are subject to a restriction period of three years during which they cannot be sold, transferred or pledged. The restriction period also applies in cases of termination of employment and retirement. In case of termination following death the restriction lapses immediately. The shares are priced at their market value, determined at the end of February of each year, based on the average share price over the previous ten trading days after deduction of the reduction of around 16 percent permitted under Swiss tax law for the three-year blocking period. The individual choice to draw shares by the CEO as well as the other members of the executive committee is made the day after the annual general meeting of shareholders. The shares required for the share plan are provided by treasury shares of Bossard Holding AG or by share purchases on the market.

4.3. Variable compensation – long-term oriented incentive (LTI) – performance share units

In the reporting year 2024, the Bossard Group introduced a new system for long-term variable compensation for the executive committee: performance share units (PSUs). This remuneration system aims to align the interests of the executive committee with the long-term strategic goals of the Group and the interests of shareholders. Simultaneously, it seeks to create incentives for exceptional performance and strengthen commitment to the company. By introducing PSUs, the Bossard Group enhances its compensation strategy with a performance-based, transparent, and long-term value-oriented system.

4.3.1. Fundamentals of PSUs

PSUs are conditional rights to receive registered A shares of Bossard Holding AG. Their allocation and final vesting are subject to clearly defined rules:

a) Allocation of PSUs:

- The number of PSUs allocated is based on the target long-term incentive value of a member of the executive committee, as determined by the board of directors. The maximum value is CHF 100,000 for the CEO and between CHF 30,000 and CHF 50,000 for the other members of the executive committee.
- The number of PSUs is calculated by dividing the target value by the reference share price (average closing price of the last 60 days of the previous year). Fractions are rounded up to the next whole number.
- Example: For a target value of CHF 50,000 and a reference share price of CHF 200, 250 PSUs are allocated.

b) Performance targets:

- PSUs are tied to achieving performance targets (Key Performance Indicators, KPIs) defined by the board of directors over a three-year period.
- These KPIs include:
  - **Revenue growth** (40 percent weighting): A defined average annual growth rate between 3 percent (minimum) and 10 percent (maximum) is required.
  - **EBIT margin** (40 percent weighting): The goal is an EBIT margin between 10 percent (minimum) and 15 percent (maximum).
  - **ESG targets** (20 percent weighting respectively 10 percent each): These include the reduction of greenhouse gas emissions (Scope 1 and 2) down to 5,731 tCO_2e (minimum) or down to 4,094 tCO_2e (maximum) and increasing the percentage of procurement volume covered by the Supplier Code of Conduct to 70 percent (minimum) to 90 percent (maximum).

c) Vesting period:

- PSUs are subject to a three-year vesting period starting from the allocation date. The defined performance targets must be met within this period.

4.3.2. PSU payout calculation

At the end of the three-year performance period, the achievement of each KPI is assessed. The vesting rate for each KPI is calculated as follows:

- If the minimum target (threshold) is not reached, the PSUs allocated to that KPI lapse (0 percent vesting).
- Achieving the target results (target) in a vesting rate of 100 percent.
- Exceeding the maximum target (cap) can lead to a vesting rate of up to 200 percent.
- Values between the threshold, target, and cap are linearly interpolated.

The overall vesting rate is derived from the weighted sum of the KPIs, multiplied by the initially allocated number of PSUs.
Example: 250 PSUs, overall vesting rate: 120 percent
→ 300 PSUs are converted into registered A shares of Bossard Holding AG.

4.3.3. Allocation of registered A shares after vesting

At the end of the vesting period, the final number of PSUs is converted into registered A shares. These shares are typically transferred to the personal securities accounts of the members of the executive committee by the end of March following the performance period. If the allocation of shares is impractical or illegal, a cash settlement may be made instead.

Number of PSUs originally allocated to the entitled person	x	Overall vesting rate (payout factor 0 percent to 200 percent)	=	Number of shares allocated at the vesting date

Performance period 2025–2027

January 1, 2025
Allocation PSU

December 31, 2027
End of vesting period
(payout factor 0 percent to 200 percent)

4.3.4. Special provisions

a) Termination of employment:

- In a "Friendly Leaver" case (e.g., retirement or death), a pro-rata calculation and allocation of PSUs is performed based on the period up to termination.
- In an "Other Leaver" case (e.g., resignation), all PSUs lapse entirely. In exceptional cases, the board of directors may, at its discretion, agree on different arrangements.

b) Clawback and malus:

- In cases of misconduct or financial irregularities, allocated or already converted PSUs or registered A shares may be reclaimed.

c) Change of control:

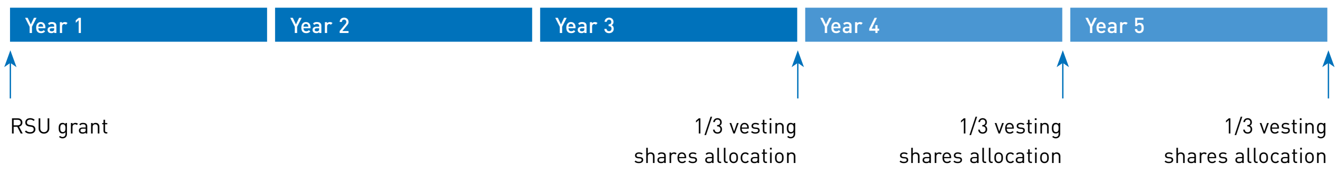
- In the event of a change of control, a pro-rata vesting calculation is performed based on the time elapsed up to the change.

4.4. Variable compensation – long-term oriented incentive (LTI) – restricted stock units

For their performance up to the reporting year 2023, members of the executive committee were granted Restricted Stock Units (RSUs) (instead of PSUs as of the reporting year 2024). The condition for granting RSUs was also linked to the implementation of the Group's long-term strategic initiatives approved by the board of directors. These objectives were qualitative in nature and related primarily to innovation, market cultivation, cultural transformation and further sustainability criteria (ESG). Due to the fact that the RSUs are not exchanged for shares until the third to fifth year after the grant, this is intended to encourage long-term thinking and action as well as to align the compensation with the long-term interests of shareholders.

Each RSU is a right to receive one registered A share of Bossard Holding AG after the vesting period. The RSUs vest according to the following vesting schedule: one third of the RSUs vest three years after the grant date; one third vest four years after the grant date; and the last third vest five years after the grant date. At the respective vesting date, the vested RSUs are converted into registered A shares of Bossard Holding AG. Consequently, the members of the executive committee currently still hold allocated RSUs, which will continue to vest over the coming years in accordance with the respective vesting period.

Vesting period:



Further information and details on the RSUs can be found in the 2023 compensation report of Bossard Holding AG.

4.5. Occupational benefits

The members of the executive committee participate in the benefit plans available in the country of their employment contract. Benefits consist mainly of retirement, insurance and healthcare plans that are designed to provide a reasonable level of protection for the employees and their dependents with respect to retirement, risk of disability, death and health. The members of the executive committee with a Swiss employment contract participate in the pension plan of Bossard (Bossard Personalstiftung, Zug) offered to all employees in Switzerland, in which a base compensation up to an amount of CHF 302,400 per annum is insured, as well as a supplementary plan in which earnings in excess of this limit are insured up to the maximum amount permitted by law. Bossard's pension benefits exceed the legal requirements of the Swiss federal law on occupational retirement, survivors' and disability pension plans (BVG) and are in line with what other international industrial companies offer. Members of the executive committee under foreign employment contracts are insured corresponding with local market conditions and with their position. Each plan varies in line with the local competitive and legal environment and is, as a minimum, in accordance with the legal requirements of the respective country.

In addition, members of the executive committee are also eligible to standard perquisites, such as a company car or a car allowance, seniority awards, child allowance and other benefits in kind, according to competitive market practice in their country of contract. The monetary value of these other elements of compensation is evaluated at fair value and is disclosed in the compensation tables.

4.6. Employment contracts

The members of the executive committee are employed under employment contracts of unlimited duration with a notice period of six months, respectively twelve months for the CEO. Members of the executive committee are not contractually entitled to termination payments or any change of control provisions.

5. Compensation of the board of directors and the executive committee

5.1. Compensation paid to members of the board of directors for the financial years 2025 and 2024

In 2025, the members of the board of directors received a compensation in the amount shown in the following table.

Compared to the prior year, the total compensation is lower due to composition of the board of directors with six members since April 2025 compared to seven members previously.

Compensation paid to members of the board of directors for the financial year 2025

in CHF, gross		Fixed	Expense allowance	Social costs	Total compensation	Thereof in shares [9]
David Dean	Chair [1], NC [2], ARCC [3], chair CC [4]	290,000	8,000	32,246	330,246	29,976
Patricia Heidtman	Vice chair, chair NC [5], CC [6]	143,333	8,000	20,797	172,130	29,976
Petra Maria Ehmann	ARCC	130,000	8,000	18,862	156,862	29,976
Marcel Keller	Chair CC [7], repr. of registered A shares	136,667	8,000	19,829	164,496	29,976
Martin Kühn	Chair ARCC	140,000	8,000	20,320	168,320	29,976
Prof. Dr. Ina Toegel	NC, CC	140,000	8,000	20,320	168,320	29,976
Dr. Thomas Schmuckli [8]	Chair, chair NC	120,000	2,667	17,481	140,148	29,976
2025		**1,100,000**	**50,667**	**149,855**	**1,300,522**	**209,832**

1) Elected as chair of the board of directors in April 2025, before member of the board of directors
2) Member of the nomination committee (NC) since April 2025
3) Audit, risk & compliance committee (ARCC)
4) Chair of the compensation committee (CC) until April 2025
5) Chair of the NC since April 2025, before member of the NC
6) Member of the CC since April 2025
7) Chair of the CC since April 2025, before member of the CC
8) Resignation from board of directors in April 2025
9) Each member of the board of directors receives CHF 30,000 worth of the total compensation in the form of registered A shares of Bossard Holding AG. The allocation price corresponds to the market value, in each case after deduction of the tax-permissible reduction of around 16 percent for the three-year blocking period. For the shares subscribed in 2025, the allotment price was CHF 175.30. The draw of the shares took place one day after the annual general meeting of shareholders 2025.

Compensation paid to members of the board of directors for the financial year 2024

in CHF, gross		Fixed	Expense allowance	Social costs	Total compensation	Thereof in shares [6]
Dr. Thomas Schmuckli	Chair, Chair NC [1]	360,000	8,000	54,649	422,649	29,862
Patricia Heidtman	Vice chair, NC	130,000	8,000	19,850	157,850	29,862
David Dean	Chair CC [2], ARCC [3], Repr. of registered A shares [4]	150,000	8,000	20,162	178,162	29,862
Petra Maria Ehmann	ARCC	130,000	8,000	19,850	157,850	29,862
Marcel Keller	Repr. of registered A shares [5], CC	130,000	8,000	19,850	157,850	29,862
Martin Kühn	Chair ARCC	140,000	8,000	21,378	169,378	29,862
Prof. Dr. Ina Toegel	NC, CC	140,000	8,000	21,348	169,348	29,862
2024		**1,180,000**	**56,000**	**177,087**	**1,413,087**	**209,034**

1) Nomination committee (NC)
2) Compensation committee (CC)
3) Audit, risk & compliance committee (ARCC)
4) Repr. of registered A shares until April 2024
5) Repr. of registered A shares since April 2024
6) Each member of the board of directors receives CHF 30,000 worth of the total compensation in the form of registered A shares of Bossard Holding AG. The allocation price corresponds to the market value, in each case after deduction of the tax-permissible reduction of around 16 percent for the three-year blocking period. For the shares subscribed in 2024, the allotment price was CHF 177.75. The draw of the shares took place one day after the annual general meeting of shareholders 2024.

In 2025, the annual general meeting of shareholders approved a maximum compensation amount for the board of directors of CHF 1,500,000 for the period from the annual general meeting of shareholders 2025 until the next annual general meeting of shareholders 2026. As this compensation period has not yet ended, the final amount will be disclosed in the compensation report for financial year 2026.

In 2024, the annual general meeting of shareholders approved a maximum compensation amount for the board of directors of CHF 1,800,000 for the period from the annual general meeting of shareholders 2024 until the next annual general meeting of shareholders 2025. The compensation of the board of directors for this term of office amounted to CHF 1,402,361 and remains therefore within the approved compensation payable to the board of directors.

Payments to former members of the board of directors

In 2025, no compensation was paid to former members of the board of directors.

In 2024, Prof. Dr. Stefan Michel was mandated by the company to lead a multi-day workshop during the Board Retreat with the board of directors and certain members of the top management of the Bossard Group on the topic of artificial intelligence. Prof. Dr. Stefan Michel received a fee in the amount of CHF 21,000.

Payments to related parties of members of the board of directors

In 2025, as well as in 2024, no compensation was paid to related parties of present or former members of the board of directors.

Loans and credits to present or former members of the board of directors or to related parties

As of December 31, 2025 as well as of December 31, 2024 no such loans or credits existed to present or former members of the board of directors, or to related parties of present or former members of the board of directors.

External mandates of the board of directors

In the financial year, the members of the board of directors held the following functions in other companies with an economic purpose:

Name of member	Business name/name	Function performed
David Dean	Brugg Group AG, Brugg, including formal internal mandates within the group	Member of the board of directors
	Burckhardt Compression Holding AG [1], Winterthur, including formal internal mandates within the group	Member of the board of directors
	Komax Holding AG [1], Dierikon (until April 2026)	Member of the board of directors
	Metall Zug AG [1], Zug	Member of the board of directors
Patricia Heidtman	SIKA AG [1], Baar	Chief Innovation and Sustainability Officer
Petra Maria Ehmann	Ringier AG, Zofingen	Chief Innovation and AI Officer
	DKV Mobility Group SE, Ratingen (DE)	Member of the board of directors
	Swiss Science Center Technorama, Winterthur	Member of the foundation board
Marcel Keller	-	-
Martin Kühn	KIBAG Holding AG, Bäch	Chief Financial Officer
	KIBAG Personalstiftung, Zurich	Member of the foundation board
	Pensionskasse der KIBAG, Bäch	Member of the foundation board
	Windlin AG, Zurich	Chair of the board of directors
	Bürgergemeinde Zug, Zug	Member of the audit commission
	Donatorenverein FDP Kanton Zug, Zug	Chair
	Kannewischer Ingenieurbüro AG, Cham, including formal internal mandates within the group	Member of the board of directors
	Zuger Kantonalbank AG, Zug	Member of the bank council and member of the audit and risk committee (PRA)
Prof. Dr. Ina Toegel	IMD, Lausanne	Professor

1) Listed company

5.2. Compensation paid to members of the executive committee for the financial years 2025 and 2024

Compensation paid to members of the executive committee 2025

in CHF	Executive committee total	Dr. Daniel Bossard, CEO [6]
Fixed compensation	2,811,897	542,115
Variable compensation – short-term incentive (STI) [1]	1,239,048	201,391
Variable compensation – long-term incentive (LTI) – Allocation amount PSU (Performance Period 2025-2027) [2]	380,000	100,000
Other benefits [3]	99,457	18,885
Social and pension costs	792,083	212,997
Total	**5,322,485**	**1,075,388**
Thereof in shares [4]	172,671	87,650
Number of members of the executive committee [5]	**7**	

1) The disclosed short-term component of the variable compensation is accrued for the reporting year. This may differ from the actual payment made in the following year. Any deviations between accruals and actual payments are recognized in the following reporting year for which the compensation was paid.
2) Fixed amount in CHF: Divided by the share price as of the allocation date (average closing price of the last 60 days of the previous year) and rounded up to the next whole number of shares. The share price applied in 2025 was CHF 198.75.
3) Private share in company vehicle, child allowances, anniversary bonus
4) Members of the executive committee may draw up to 20 percent of their total compensation in registered A shares of Bossard Holding AG of the prior year (according to article 38 of the articles of association). The purchase price corresponds to the market value, in each case after deduction of the permissible tax reduction of around 16 percent for the three-year blocking period. The draw always takes place one day after the annual general meeting of shareholders. The purchase price for the shares purchased in 2024 was CHF 175.30.
5) This total compensation includes the compensation of the previous VP of People & Organization and the previous CEO Central Europe until the end of the year in accordance with the provisions of the employment contracts.
6) Member of the executive committee with the highest compensation in 2025.

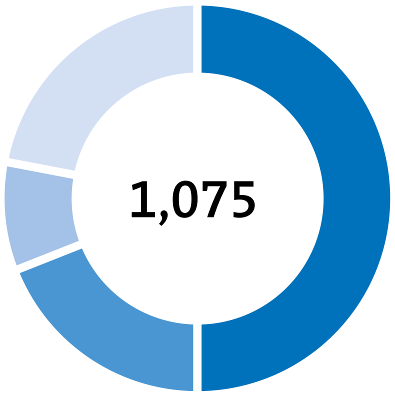
Compensation paid to members of the executive committee 2024

in CHF	Executive committee total	Dr. Daniel Bossard, CEO [5]
Fixed compensation	2,775,268	518,808
Variable compensation – short-term incentive (STI) [1]	1,177,290	203,268
Variable compensation – long-term incentive (LTI) – Allocation amount PSU (Performance Period 2024-2026) [2]	380,000	100,000
Other benefits [3]	99,226	18,000
Social and pension costs	888,671	222,776
Total	**5,320,455**	**1,062,852**
Thereof in shares [4]	711,000	168,863
Number of members of the executive committee	**7**	

1) The disclosed short-term component of the variable compensation is accrued for the reporting year. This may differ from the actual payment made in the following year. Any deviations between accruals and actual payments are recognized in the following reporting year for which the compensation was paid.
2) Fixed amount in CHF: Divided by the share price as of the allocation date (average closing price of the last 60 days of the previous year) and rounded up to the next whole number of shares. The share price applied in 2024 was CHF 203.80.
3) Private share in company vehicle, child allowances, anniversary bonus
4) Members of the executive committee may draw up to 20 percent of their total compensation in registered A shares of Bossard Holding AG of the prior year (according to article 38 of the articles of association). The purchase price corresponds to the market value, in each case after deduction of the permissible tax reduction of around 16 percent for the three-year blocking period. The draw always takes place one day after the annual general meeting of shareholders. The purchase price for the shares purchased in 2024 was CHF 177.75.
5) Member of the executive committee with the highest compensation in 2024.

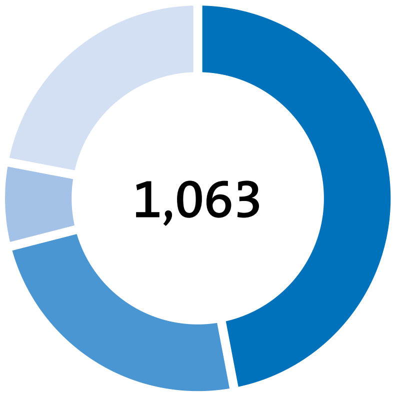
Compensation of the CEO for 2025

in CHF 1,000



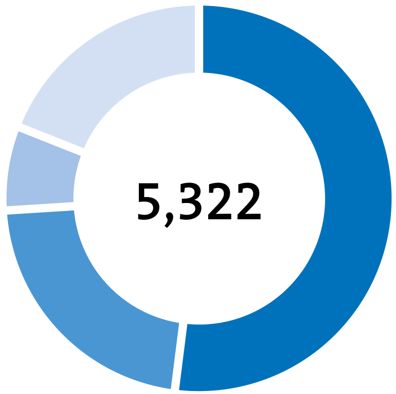
Compensation of the CEO for 2024

in CHF 1,000



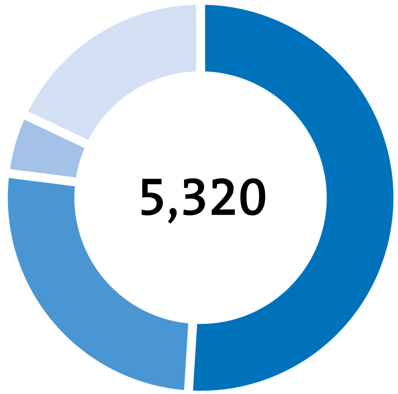
Compensation of the executive committee for 2025

in CHF 1,000



Compensation of the executive committee for 2024

in CHF 1,000



■ Fixed compensation ■ Variable compensation – short-term incentive (STI) ■ Variable compensation – long-term incentive (LTI) ■ Social costs and other benefits

The higher achievement rate of financial targets compared to the prevoius year is reflected in a 5.2 percent increase in the short-term variable compensation (STI). The target achievement rate was 81 percent for the CEO and between 80 percent and 98 percent for the other members of the executive committee. However, the total compensation of the executive committee remained stable compared to the previous year.

In 2025, the variable compensation, short-term incentive, amounted to 37 percent of the fixed compensation for the CEO Dr. Daniel Bossard (2024: 39 percent) and between 22 percent and 51 percent for the other executive committee members (2024: between 22 percent and 45 percent).

In order to maintain an appropriate level of compensation and not provide any incentives to take excessive risks or to focus on short-term decisions at the expense of the Group's sustainable success, the variable remuneration (short-term and long-term oriented components) is limited to 150 percent of the annual fixed compensation.

In 2024, the annual general meeting of shareholders approved a maximum compensation amount for the executive committee of CHF 7,000,000 for the period from January 1, 2025 to December 31, 2025. The total compensation 2025 of the executive committee of CHF 5,322,485 is within the approved total compensation.

In 2025, the annual general meeting of shareholders approved a maximum compensation amount for the executive committee of CHF 7,000,000 for the period from January 1, 2026 to December 31, 2026.

Realized compensation related to performance share units

The annually allocated performance share units (PSUs) are paid out to the members of the executive committee in the form of registered A shares of Bossard Holding AG after the completion of a three-year vesting period. The first payout will occur in 2027 for the performance period 2024–2026. Consequently, no PSUs were converted into registered A shares of Bossard Holding AG in 2025. Following the first payout in 2027, the compensation report will contain further information on the relevant calculation, performance and weighting relating to the payout.

Compensation paid to former members of the executive committee

In the years 2025 and 2024, no compensation was paid to former members of the executive committee.

Compensation paid to related parties of members of the executive committee

In 2025, as well as in 2024, no compensation was paid to related parties of present or former members of the executive committee.

Loans and credits to present or former members of the executive committee or to related parties

As of December 31, 2025, as well as of December 31, 2024, no such loans or credits existed to present or former members of the executive committee, or to related parties of present or former members of the executive committee.

External mandates of the executive committee

In the financial year, the members of the executive committee held the following functions in other companies with an economic purpose:

Name of member	Business name/name	Function performed
Dr. Daniel Bossard	Bossard Kaderstiftung, Zug	Member of the foundation board
	Ecoparts AG, Hinwil	Member of the board of directors
	BURU Holding AG, Cham	Member of the board of directors
	Schweiter Technologies AG [1], Steinhausen	Member of the board of directors
	Central Switzerland Regional Economic Advisory Board of the Swiss National Bank, Lucerne	Member of the advisory board
	Swiss American Chamber of Commerce, Zurich	Member of the chapter board
Stephan Zehnder	Bossard Kaderstiftung, Zug	Chair of the foundation board
	Bossard Personalstiftung, Zug	Chair of the foundation board
	FZ Immobilien AG, Wald (ZH)	Member of the board of directors
Susan Salzbrenner	-	-
Rolf Ritter	-	-
Dr. Frank Hilgers	MultiMaterial-Welding AG, Biel/Bienne	Member of the board of directors
	INYO Mobility GmbH, Grafing (DE)	Member of the advisory board
David Jones	-	-
Robert Ang	-	-

1) Listed company

6. Participations of members of the board of directors and the executive committee as of December 31, 2025 and 2024

As of December 31, the individual members of the board of directors and the executive committee (including persons closely associated with them) held the following numbers of registered A shares of Bossard Holding AG:

Board of directors		2025	Thereof blocked [11]	2024	Thereof blocked [11]
David Dean	Chair [1], NC [2], ARCC [3], Chair CC [4], Repr. of registered A shares [5]	1,766	481	1,595	445
Patricia Heidtman	Vice chair, chair NC [6], CC [7]	1,266	481	1,095	445
Petra Maria Ehmann	ARCC	616	481	445	445
Marcel Keller	Chair CC [8], Repr. of registered A shares [9]	616	481	445	445
Martin Kühn	Chair ARCC	2,078	481	1,907	445
Prof. Dr. Ina Toegel	NC, CC	339	339	168	168
Dr. Thomas Schmuckli [10]	Chair, chair NC	-	-	3,796	445
Total		**6,681**	**2,744**	**9,451**	**2,838**

1) Elected as chair of the board of directors in April 2025, before member of the board of directors
2) Member of the nomination committee (NC) since April 2025
3) Audit, risk & compliance committee (ARCC)
4) Chair of the compensation committee (CC) until April 2025
5) Repr. of registered A shares until April 2024
6) Chair of the NC since April 2025, before member of the NC
7) Member of the CC since April 2025
8) Chair of the CC since April 2025, before member of the CC
9) Repr. of registered A shares since April 2024
10) Resignation from board of directors in April 2025
11) These shares are subject to a blocking period of three years starting from the grant date.

Executive committee		2025	Thereof blocked [5]	2024	Thereof blocked [5]
Dr. Daniel Bossard [1]	CEO	9,650	1,450	8,899	1,450
Stephan Zehnder	CFO	11,616	750	11,485	750
Susan Salzbrenner [2]	VP of People & Organization	- [4]	-	-	-
Rolf Ritter [3]	CEO Central Europe	- [4]	-	672	400
Dr. Frank Hilgers	CEO Northern and Eastern Europe	4,153	1,035	3,737	750
David Jones	CEO America	1,348	1,000	1,100	1,100
Robert Ang	CEO Asia	10,883	750	11,929	750
Total		**37,650**	**4,985**	**37,822**	**5,200**

1) Additionally, shareholder of Kolin Holding AG, which holds with the Kolin Group 56.4 percent of the votes of Bossard Holding AG (2024: 56.3 percent).
2) Left the executive committee mid September 2025
3) Left the executive committee mid December 2025
4) No member of the executive committee as per December 31, 2025
5) These shares are subject to a blocking period of three years starting from the grant date.

As of December 31, the individual members of the executive committee held the following numbers of awarded performance share units (PSUs):

Executive committee		2025	2024
Dr. Daniel Bossard	CEO	993	490
Stephan Zehnder	CFO	496	245
Susan Salzbrenner [1]	VP of People & Organization	– [3]	147
Rolf Ritter [2]	CEO Central Europe	– [3]	245
Dr. Frank Hilgers	CEO Northern and Eastern Europe	496	245
David Jones	CEO America	496	245
Robert Ang	CEO Asia	496	245
Total		**2,977**	**1,862**

1) Left the executive committee mid September 2025
2) Left the executive committee mid December 2025
3) No member of the executive committee as per December 31, 2025

As of December 31, the individual members of the executive committee held the following numbers of awarded restricted stock units (RSUs):

Executive committee		2025	2024
Dr. Daniel Bossard	CEO	1,008	1,259
Stephan Zehnder	CFO	553	684
Susan Salzbrenner [1]	VP of People & Organization	– [3]	220
Rolf Ritter [2]	CEO Central Europe	– [3]	412
Dr. Frank Hilgers	CEO Northern and Eastern Europe	586	717
David Jones	CEO America	567	615
Robert Ang	CEO Asia	538	669
Total		**3,252**	**4,576**

1) Left the executive committee mid September 2025
2) Left the executive committee mid December 2025
3) No member of the executive committee as per December 31, 2025

Guideline of shareholding

The following guidelines on shareholdings, approved by the board of directors, apply:

- The chair of the board of directors shall hold 150 percent of the equivalent value of the base fee in registered A shares of Bossard Holding AG.
- The members of the board of directors shall hold 100 percent of the equivalent value of the base fees in registered A shares of Bossard Holding AG.
- The CEO shall hold 150 percent of the equivalent value of the fixed compensation in registered A shares of Bossard Holding AG.
- The members of the executive committee shall hold 100 percent of the equivalent value of the fixed compensation in registered A shares of Bossard Holding AG.
- Newly elected members shall build up the required shareholding within five years upon their election. Should the share price fall or rise significantly, the board of directors may, at its own discretion, adjust this period accordingly.

When determining the minimum shareholdings, all shares are considered, regardless of whether they are restricted or not as well as awarded RSUs. PSUs are not included, as the vesting rate of PSUs can be 0 percent. The compensation committee annually assesses the alignment of the shareholdings with the guideline of shareholding.

According to the review of the compensation committee (last review in January 2026), all members of the board of directors and the executive committee comply with the guideline of shareholding; this also includes the transition period of the newly elected or appointed members.

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Report of the statutory auditor to the General Meeting of Bossard Holding AG, Zug

Opinion

We have audited the compensation report of Bossard Holding AG (the Company) for the year ended 31 December 2025. The audit was limited to the information pursuant to article 734a-734f of the Swiss Code of Obligations (CO) in the notes 5 and 6 on pages 132 to 139 of the compensation report.

In our opinion, the information pursuant to article 734a-734f CO in the compensation report (pages 132 to 139) 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 notes 5 and 6 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

Thomas Wallmer
Licensed audit expert
Auditor in charge

Simon Hux
Licensed audit expert

Zürich, 4 March 2026

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