

DEPARTURE

BUSINESS REPORT 2022





Business Report 2022
Remuneration Report

Table of Contents

Annual Report		Financial Report	
	Activity		Group Account
01	The year in brief	82	Balance Sheet
02	Letter to shareholders	83	Income Statement
05	Art Basel	84	Cash Flow Statement
09	Own Events	86	Shareholder's Equity
14	Guest Events & Congresses	87	Notes
18	Live Marketing Solutions	128	Report of the statutory auditors
30	Management & Culture		
43	Sustainability		
	Corporate Governance		Account MCH Group Ltd.
50	Notices	133	Balance Sheet
52	Shareholders	135	Income Statement
56	Group	136	Notes
57	Organisation & Management	145	Report of the statutory auditors
63	Management Structure		
67	Board of Directors		
76	Executive Board		
79	Personnel		
81	Statutory Auditors		
			Remuneration Report
		150	Introduction
		151	Governance
		152	Remuneration System
		157	Remuneration Executive Board
		160	Remuneration Board of Directors
		163	Report of the statutory auditors
			Sustainability Report
		165	Introduction
		169	Statement CEO and CSSO
		170	2022 Sustainability Report
		178	Environment
		188	Society
		198	Governance
		207	GRI Content Index

Introduction to the Remuneration Report

The Remuneration Report describes the remuneration principles and regulations and informs about the remuneration of the members of the Board of Directors and the Executive Board of MCH Group Ltd. for the business year 2022.

The Remuneration Report is written in accordance with MCH Group 's Articles of Association, the Ordinance against Excessive Compensation in Listed Stock Corporations (OaEC), the standard relating to information on Corporate Governance of the SIX Swiss Exchange, and the principles of the Swiss Code of Best Practice for Corporate Governance by *economiesuisse*

The Remuneration Report does not have to be submitted to the Annual General Meeting for approval. The Annual General Meeting does, however, have to vote on the remuneration to the Board of Directors as well as the fixed and variable remunerations to the Executive Board.

The Annual General Meeting of MCH Group approves the remuneration of the Board of Directors and the Executive Board in binding votes. The Articles of Association of MCH Group stipulate that the general meeting shall vote annually on the respective total remuneration as follows (Article 18):

- the maximum aggregate amount of remuneration of the Board of Directors for the next business year;
- the maximum aggregate amount of the fixed remuneration and the grant for the long-term variable remuneration of the Executive Board for the next business year;
- the aggregate short-term variable remuneration of the Executive Board for the completed business year.

The Articles of Association of MCH Group Ltd. contain further provisions on remuneration:

- the role and responsibilities of the Compensation Committee (articles 32, 33 and 34);
- the principles of remunerations to the members of the Board of Directors (article 24);
- the principles of remunerations to members of the Executive Board (articles 39 and 40);
- the additional remuneration amount for the Executive Board members appointed after the approval of the maximum aggregate remuneration amount by the shareholders (article 41);
- credit and loans to members of the Executive Board (article 42).

The Articles of Association of MCH Group Ltd. may be found on the MCH Group website under “Investors” | “Governance”.

– Link: <https://www.mch-group.com/en/investors/governance/>

The minutes or agenda items and explanations of the Annual General Meetings are available on the MCH Group website under “Investors” | “General Meeting”.

– Link: <https://www.mch-group.com/en/investors/general-meeting/>

Governance

MCH Group 's Board of Directors annually approves the remuneration programs for the employees and determines the remuneration of the members of the Board of Directors and the Executive Board. It submits maximum aggregate remuneration amounts of the members of the Board of Directors and the Executive Board to the Annual General Meeting for approval.

The Board of Directors ' resolutions on remuneration are made at the request of the Governance, Nomination and Compensation Committee (GNCC), which performs the duties of a Remuneration Committee and whose members are elected annually by the Annual General Meeting.

On 23.05.2022, the Annual General Meeting elected the following members of the Board of Directors as members of the GNCC for the term of office until the Annual General Meeting 2023:

- Christoph Brutschin, Chairman
- Marco Gadola
- Jeffrey Palker
- Andrea Zappia

The GNCC treated remuneration topics at nine of its total of 15 meetings and conference calls in the business year 2022. The participation of GNCC members in these meetings and conference calls was 100 %. The Chairman of the GNCC informed the Board of Directors about the work of the GNCC and submitted the GNCC 's proposals at the Board meetings following the GNCC meetings. The Board of Directors passed resolutions regarding remuneration at four of its nine meetings in the business year 2022.

The Group CEO and the Group CFO attend the meetings of the GNCC in an advisory capacity. They are not present at the discussions and resolutions concerning their own performance and compensation.

The GNCC involved PricewaterhouseCoopers AG (PwC) to advise it on specific remuneration matters in the business year 2022. PwC also provides other services for MCH Group. Clear rules are in place to ensure the independence of the PwC consultancy team.

Further information on the function of the GNCC may be found in the "Corporate Governance" section of the Annual Report under "Organization & Management" | "Specialist Committees of the Board of Directors".

– Online: [Link](#)

– Download pdf: Page 57

Further information on the meetings of the GNCC may be found in the "Corporate Governance" section of the Annual Report under "Board of Directors".

– Online: [Link](#)

– Download pdf: Page 67

Details of the members of the GNCC may be found in the "Corporate Governance" section of the Annual Report under "Board of Directors". – Online: [Link](#)

– Download pdf: Page 67

Remuneration System

MCH Group's remuneration system is aligned to standard market practice. Variable compensation components are in place to promote the achievement of corporate goals.

The remuneration system is designed in such a way that

- it is both proportionate and competitive in relation to comparable companies;
- it is commensurate with the quality of the work, the workload and the responsibility borne by the function in question and the contribution made by the individual;
- it is readily comprehensible and transparent;
- an appropriate ratio exists between the lowest and the highest remuneration;
- the ratio between the fixed and variable elements of the remuneration is commensurate with the sphere of influence of the individual;
- the variable remuneration is dependent on the achievement of performance objectives at Group and division level as well as on individual contributions.

Variable Remuneration in MCH Group

Currently, different bonus models are in force in various companies, divisions and/or countries for the employees at all levels of MCH Group. The payment of a bonus is dependent on the financial results at group and/or division level and on the individual performance.

In the past years, as well as in the business year 2022, the conditions for payment of the bonus portion linked to the financial results at the Group and/or division level have not been met. In 2020 and 2021, employees also waived the payment of the bonus portion linked to their individual performance. Only limited amounts were available for targeted measures. For the business year 2022, based on individual target achievement, employees will receive variable compensation totaling approximately CHF 1.7 million (not including variable remuneration of the Executive Board). In addition, an inflation compensation for a total amount of CHF 1.1 million will be paid out for the business year 2022 (excluding management levels with a higher salary).

In the second half of 2022, the leading operational management levels were restructured. The composition of the Executive Board has been reduced to the Group CEO and the Group CFO. The Executive Board established a new Management Team as the second management level, representing and linking all the business units and services. In future, the compensation model for the Executive Board and the Management Team will be harmonized and include, in addition to the fixed remuneration, a short-term variable compensation component (Short-term Incentive, STI) and a long-term variable compensation component (Long-term Incentive, LTI).

The new LTI program for the Executive Board and the Management Team was introduced in the business year 2022. In the business year 2023, the new STI program for the Executive Board and the Management Team will be introduced. In 2024, the new STI program will be rolled out at all levels throughout the company to further promote the performance orientation and strategy implementation.

Remuneration System for the Executive Board

The remuneration of the Executive Board consists of the fixed remuneration as well as the short-term and long-term variable remuneration, in the business year 2022 also the one-time retention payment approved by the Annual General Meeting. However, the members of the Executive Board had different entitlements to these remuneration components. Due to the structural and personnel changes on the Executive Board, there were no uniform regulations for the business year 2022.

Fixed Remuneration and Benefits

The fixed remuneration of the members of the Executive Board comprises the annual basic salary and benefits, including pension insurance and other payments, such as family allowances, long-service awards and other allowances.

The annual basic salary is determined by the Board of Directors on the basis of the scope of the role, the skills required to perform the role, the external market value for the role and the skills and experience of the individual in the role.

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 in respect of the risk of retirement, disability, death, and illness. The members of the Executive Board participate in the occupation pension plan offered to all employees in Switzerland.

In the business year 2022, several members of the Executive Board in its 2020 composition were entitled to a retention payment that had been approved by the Annual General Meeting. Such retention payments are no longer foreseen in future.

Short-term Incentive (STI)

The STI is a short-term variable remuneration component designed to reward company and business unit performance over a time horizon of one year. The redesigned STI program strengthens the link between performance and remuneration and the strategic alignment throughout the company. The STI is paid out in cash in the spring of the following year.

The performance indicators and targets are set annually by the Board of Directors upon recommendation by the GNCC.

For the business year 2022, there was no uniform STI plan for the members of the Executive Board. The STI entitlement was based on the previous regulations (whereby only individual performance was taken into account) or on individually determined performance indicators and targets.

For the business year 2023, the new STI plan will apply to the Executive Board. The STI payout will be determined based on an STI target value, which is defined as a percentage of the annual basic salary and may be set between 30 % and 70 % for the members of the Executive Board. The Key Performance Indicators (KPI) are a financial and strategic target at Group level, each weighted at 50 % of the total STI. For each KPI, an expected performance level which provides for a 100 % payout is determined, as well as a minimum level of performance (threshold), below which there is no payout, and a maximum level of performance, for which the payout is capped at 200 %.

The KPIs and the expected performance levels are set annually by the Board of Directors on recommendation by the GNCC. For the business year 2023, the financial target at Group level will be the operating cash flow (OCF), in line with the spriority of the company.

Long-term Incentive (LTI)

The LTI introduced in 2022 for the members of the Executive Board and the Management Team rewards for the performance of the Group over a time period of three years. The LTI strengthens the alignment with shareholders' interests, promotes a performance-oriented attitude and reinforces the loyalty to the company.

The LTI program is awarded in the form of Performance Share Units (PSU). The individual grant amount is determined as a CHF amount and converted into a certain number of PSU on the basis of the averaged ten-day share price in the month prior to the grant date. A PSU is a conditional right to receive a certain number of shares of the company in the future, subject to a three-year vesting period, and dependent upon continuous employment of the participant with the company and the achievement of the following performance conditions:

- EBITDA, with a 66 2/3 % weight
- Revenue, with a 33 1/3 % weight

For the 2022 grant (LTI 2022-2024), the vesting period is staged over three years, i.e., one-third of the PSU is subject to a one-year vesting period, another third to a two-year vesting period and the last third to a three-year vesting period. For the 2023 grant (LTI 2023-2025), two-thirds of the PSU are subject to a two-year vesting period and one-third to a three-year vesting period. From the grant in 2024 (LTI 2024-2026) onward, the regular three-year vesting period will apply for all PSU.

At vesting, the final number of PSU determined will be converted into a number of shares and paid out under the condition that the predefined performance conditions have been met and subject to continuous employment of the participant with the company. The vesting level can range from 0 %, if the performance conditions are not met, to 150 % (cap) if both performance conditions are exceeded. This means that each PSU can provide for 0 to 1.5 shares.

In case of termination of employment, the PSUs are forfeited without any compensation, except for good leaver cases (retirement, disability, death or termination by the company for reasons that are not related to performance), where the PSU are subject to a pro rata vesting at the regular vesting date. In case of a change of control, the Board retains sole discretion.

Expenses

The members of the Executive Board receive an expenses allowance which varies according to their function and a lump-sum vehicle allowance. These expenses allowances have been approved by the cantonal tax authorities.

Details on the remuneration of the Executive Board 2022 can be found in the section "Remuneration Executive Board":

- Online: [Link](#)
- Download pdf: Page 157

Remuneration System for the Board of Directors

The regulations governing the remuneration of the Board of Directors, which apply up to and including the business year 2022, date from 2014 and have remained largely unchanged since then. The remuneration consists of a basic fee, attendance fees and a lump-sum expense allowance. The remuneration is paid quarterly in cash.

Fixed basic fee

The Chairman, Vice-Chairman and members of the Board of Directors receive a fixed basic fee. Additional fees are paid for chairmanship and the membership in a committee.

Basic fees (net amount p.a.)

- Chairman of the Board: CHF 76,000
- Vice-Chairman of the Board: CHF 36,000
- Members of the Board: CHF 21,000
- Chair of a committee: CHF 5,000
- Members of a committee: CHF 3,000

Attendance fees

The members of the Board of Directors and the committees are entitled to an attendance fee of CHF 1 000 per meeting or per meeting day (in case of several meetings on the same day). In the business year 2022, the Board of Directors has adjusted this regulation to the effect that meetings of less than 90 minutes duration are remunerated with CHF 500.

Expenses

All members of the Board of Directors receive a lump-sum expenses allowance. Expenses incurred in connection with meetings or representation functions (travel, accommodation, etc.) are reimbursed in accordance with the effective expenditures.

Lump-sum expenses allowance (net amount p.a.)

- Chairman of the Board: CHF 5,000
- Vice-Chairman of the Board: CHF 2,000
- Members of the Board: CHF 1,000

The remuneration of the Board of Directors is regularly reviewed against prevailing market practice. In 2022, a thorough analysis was conducted by PricewaterhouseCoopers AG to determine the competitiveness of the Board remuneration in terms of structure and quantum. For this purpose, a peer group of 25 Swiss listed companies was selected, comparable to MCH Group in terms of revenue and market capitalization. The analysis showed that the remuneration structure is not fully aligned with market practice and could be simplified and that the remuneration levels at MCH Group are significantly lower than those of the peer companies for all positions.

Based on the outcome of the benchmark and internal discussions, the Board of Directors has decided to adjust the remuneration model for the 2023 business year. The payment of attendance fees will be waived going forward, and compensation for attending meetings will be integrated into the basic fee. The lump-sum expenses allowance will remain unchanged. The overall aggregate amount of remuneration of the

Board of Directors for the 2023 business year will not be increased and will be within the range of the remuneration for the previous business years and within the remuneration approved prior to the Annual General Meeting.

**Basic fees with cancellation of attendance fees
from business year 2023 (gross amounts p.a.):**

- Chairman of the Board: CHF 90,000
- Vice-Chairman of the Board: CHF 45,000
- Members of the Board: CHF 30,000
- Chair of a committee: CHF 15,000
- Members of a committee: CHF 10,000

The Board of Directors is currently considering a further adjustment of the remuneration model with additional remuneration in the form of shares. If necessary, a corresponding adjustment will be submitted to the Annual General Meeting 2024 for approval.

Details on the remuneration of the Board of Directors 2022 can be found in the section “Remuneration Board of Directors”:

- Online: [Link](#)
- Download pdf: Page 160

Remuneration Executive Board 2022

The remuneration of the Executive Board for the business year 2022 comprises the fixed remuneration as well as the short-term and long-term variable remuneration. In addition, there was a retention payment in the business year 2022. Due to individual agreements, there were no uniform entitlements to these various remuneration components.

The remuneration of the Executive Board in the business year 2022 amounted to a total of CHF 3,900,291 (including social insurance contributions, but excluding expense allowance). The expense allowance totaled CHF 145,000 in 2022 (previous year CHF 164,000). This amounts comprise all remuneration for the reporting year 2022.

A number of members of the Executive Board are also on the Board of Directors of Group companies. No extra remuneration is paid for the exercise of these mandates within the Group.

Remuneration 2022

2022, in CHF (audited)	Fixed remuneration gross ¹⁾	Short-term variable remuneration gross ²⁾	Long-term variable remuneration gross ³⁾	Total	Social insurance contributions ⁴⁾	Sum total incl. social insurance contributions
Marc Spiegler ⁵⁾	616 294	325 000	0	941 294	101 269	1 042 563
Other members ^{6) 7)}	2 000 524	200 372	340 000	2 540 896	316 832	2 857 728
Total	2 616 818	525 372	340 000	3 482 190	418 101	3 900 291

1) Includes basic salary, retention payments for the business years 2021 and 2022 (additional amount of CHF 520'000 approved by the AGM on 28.04.2021) and other remuneration (family allowances, miscellaneous).

2) Short-term Incentive (STI) for the business year 2022, excluding social insurance contributions made by the company.

3) Long-term Incentive (LTI), grant amount in the business year 2022 for the period 2022-2024 (additional amount of CHF 700'000 approved by the AGM on 23.05.2022).

4) Includes employer's contribution to social security and pension fund. Includes employer's social security contributions for 2022 to the extent that they may result in a potential entitlement. Additional contributions that do not result in an increase of the entitlement are excluded (additional contributions excluded from the amount above in 2022: CHF 162,638 of which CHF 51,272 relate to the highest paid member of the Executive Board).

5) Member of the Executive Board until 06.11.2022, employed until 31.10.2021.

6) Florian Faber (until 30.06.2022 CEO Live Marketing Solutions, as of 01.07.2022 new employment contract as Group CEO), Michael Hüslér, Andreas Eggimann (member of the Executive Board until 01.08.2022, employed until 31.03.2023), Beat Zwahlen (Group CEO a.i. and member of the Executive Board until 30.06.2022, employed until 31.03.2023).

7) This amount includes a retroactive payment to Bernd Stadelwieser (former CEO) of CHF 100,000 related to the performance year 2020.

For consultancy work by former Executive Board members, MCH Group paid fees totaling CHF 3,221.20 in 2022 (incl. VAT).

Explanations on Remuneration 2022

The fixed remuneration of the Executive Board members has not been increased compared to the previous year. The amount of fixed remuneration for the business year 2022 also includes the retention payment to which several members of the Executive Board were entitled on the basis of corresponding agreements.

The Group CEO and Group CFO as well as the CEO Art Basel were entitled to a short-term variable remuneration for the business year 2022. This was based on the individual performance according to the previous regulations and/or an individual agreement.

The long-term variable remuneration includes the LTI grant amount for the members of the Executive Board for the business year 2022 (LTI 2022-2024). One third of the 2022 LTI grant is subject to a one-year vesting period; this third will be paid out in the business year 2023 in the form of shares. A further third is subject to a two-year vesting period and the final third to a full three-year vesting period.

For the members of the Executive Board, the short-term and long-term variable remuneration amounted to between 28 % and 37 % of the total annual remuneration.

No sign-on bonuses nor severance payments were paid to members of the Executive Board. As in the previous year, no loans or credit were granted to the Executive Board in the reporting year. There are no such loans or credit outstanding as of 31.12.2022. As in the previous year, no suretyships (sureties, guarantees) were awarded to members of the Executive Board in the reporting year. There are no such suretyships outstanding as of 31.12.2022.

No loans or credits have been granted to related parties of members of the Executive Board or to former members of the Executive Board at non-arm 's length conditions or are outstanding as of the end of fiscal year 2022.

Details of shares in MCH Group Ltd. that are held by members of the Executive Board may be found in the "Corporate Governance" section of the Annual Report under "Executive Board".

– Online: [Link](#)

– Download pdf: Page 76

Resolutions and Motions AGM

Fixed Remuneration

The Annual General Meeting of 28.04.2021 approved the maximum aggregate amount of CHF 2,800,000 as fixed remuneration of the Executive Board for the business year 2022. It also approved the maximum amount of CHF 520,000 as retention payment for several members of the Executive Board.

The fixed remuneration for the business year 2022 is below the maximum aggregate amount of fixed remuneration approved by the Annual General Meeting. The retention payment is equal to the approved amount.

The Annual General Meeting of 04.05.2023 will be asked to approve the maximum aggregate amount of CHF 1,500,000 as fixed remuneration of the Executive Board for the business year 2024.

Short-term Variable Remuneration (STI)

The Annual General Meeting of 04.05.2023 will be asked to approve the amount of CHF 525,372 as the short-term variable remuneration (STI) of the Executive Board for the business year 2022.

Long-term Variable Remuneration (LTI)

The Annual General Meeting of 23.05.2022 approved the maximum aggregate amounts of CHF 700,000 for the business year 2022 and CHF 1,100,000 for the business year 2023 for the LTI of the members of the Executive Board.

The LTI grant in the business year 2022 is below the maximum aggregate amount approved by the Annual General Meeting.

The Annual General Meeting of 04.05.2023 will be asked to approve the maximum aggregate amount of CHF 340,000 for the LTI of the Executive Board for the business year 2024.

Remuneration 2021

The complete Remuneration Report 2021 of MCH Group Ltd. is available on the MCH Group website under "Investors" | "Reports":

– Link: <https://www.mch-group.com/en/investors/reports/>

2021, in CHF (audited)	Fixed remuneration gross ¹⁾	Short-term variable remuneration gross ²⁾	Long-term variable remuneration gross ³⁾	Total	Social insurance contributions ⁴⁾	Sum total incl. social insurance contributions
Beat Zwahlen (Group CEO) ⁵⁾	603 302	0	0	603 302	97 602	700 904
Other members ⁶⁾	1 589 381	0	0	1 589 381	302 119	1 891 500
Total	2 192 683	0	0	2 192 683	399 721	2 592 404

1) Includes basic salary and other remuneration (family allowances, miscellaneous)

2) Short-term Incentive (STI) for the business year 2021.

3) Long-term Incentive (LTI), grant amount in the business year 2021.

4) Includes employer's contribution to social security and pension fund. Includes employer's social security contributions for 2021 to the extent that they may result in a potential entitlement. Additional contributions that do not result in an increase of the entitlement are excluded (additional contributions excluded from the amount above in 2021: CHF 76,419 of which CHF 30,734 relate to the highest paid member of the Executive Board).

5) Until 15.01.2021 Group CFO, as of 15.01.2021 new employment contract as Group CEO a.i.

6) Andreas Eggimann, Florian Faber, Michael Hüsler (appointment as of 15.01.2021), Marc Spiegler, Bernd Stadlwieser (until 15.01.2021 Group CEO, employed until 31.07.2021)

Remuneration Board of Directors 2022

The Board of Directors is not eligible for a variable remuneration. The remuneration for the business year 2022 is based on regulations that came into force in 2014 and comprises a basic fee, attendance fees and a lump-sum expenses allowance.

The remuneration of the Board of Directors for the business year 2022 amounts to a total of CHF 544,114 (including lump-sum expenses and social insurance contributions). This amount includes all remunerations for the reporting year 2022.

Remuneration 2022

2022, in CHF (audited)	Basic fee	Fee for additional functions ¹⁾	Attendance fees	Lump sum expenses allowance	Total	Social insurance contributions	Overall sum incl. social insurance contributions
Andrea Zappia, Chairman	76 000	6 000	23 500	5 000	110 500	0	110 500
Marco Gadola, Vice Chairman	36 000	5 250	19 000	2 000	62 250	9 186	71 436
Markus Breitenmoser	21 000	3 000	16 500	1 000	41 500	6 174	47 674
Christoph Brutschin ²⁾	21 000	8 000	37 000	1 000	67 000	10 062	77 062
Dr. Balz Hösly ²⁾	21 000	4 250	17 000	1 000	43 250	6 441	49 691
Dr. Dagmar Kamber Borens ²⁾	21 000	5 000	15 000	1 000	42 000	6 251	48 251
Eleni Lionaki	21 000	6 000	29 000	1 000	57 000	0	57 000
James Murdoch	21 000	5 000	9 000	1 000	36 000	0	36 000
Jeffrey Palker	21 000	3 000	21 500	1 000	46 500	0	46 500
Total	259 000	45 500	187 500	14 000	506 000	38 114	544 114

1) Includes fees for the GNCC, AC and SC.

2) The remuneration for the members of the BoD appointed by the public sector is paid to the offices specified by the latter. The payment of family allowances of CHF 12,325 (incl. additional payment for 2021 of CHF 975.00) by the Basel-Stadt compensation office is not included in the table.

Explanations on Remuneration 2022

The remuneration paid to the Board of Directors for 2022 is lower than in the previous year. This is mainly due to the fact that there were nine members (until 28.04.2021 ten members) and that there were fewer board and committee meetings.

Meetings 2022 in business year 2022

- Board of Directors: 9
(Total meeting duration around 25 hours)
- Audit Committee: 7
(Total meeting duration around 18 hours)
- Governance, Nomination and Compensation Committee: 15
(Total meeting duration around 32 hours)
- Strategy Committee: 3
(Total meeting duration around 7 hours)
- Steering & Pricing Committee Capital Increase: 24
(Total meeting duration around 17 hours)

No sign-on bonuses or severance payments were paid to members of the Board of Directors. As in the previous year, no loans or credit were granted to the Board of Directors in the reporting year. There are no such loans or credit outstanding as of 31.12.2022. As in the previous year, no suretyships (sureties, guarantees) were granted to members of the Board of Directors in the reporting year. There are no such suretyships outstanding as of 31.12.2022.

Details of shares in MCH Group Ltd. that are held by members of the Board of Directors may be found in the “Corporate Governance” section of the Annual Report under “Board of Directors”:

- Online: [Link](#)
- Download pdf: Page 67

Resolutions and Motions AGM

The Annual General Meeting of 28.04.2021 approved the maximum aggregate amount of CHF 660,000 as remuneration of the Board of Directors for the business year 2022. The remuneration paid for the business year 2022 is below the approved maximum aggregate amount.

The Annual General Meeting of 04.05.2023 will be asked to approve the maximum aggregate amount of CHF 660,000 as remuneration of the Board of Directors for the business year 2024.

Remuneration 2021

The complete Remuneration Report 2021 of MCH Group Ltd. is available on the MCH Group website under “Investors” | “Reports”:

– Link: <https://www.mch-group.com/en/investors/reports/>

2021, in CHF (audited)	Basic fee	Fee for additional functions ¹⁾	Attendance fees	Lump sum expenses allowance	Total	Social insurance contributions	Overall sum incl. social insurance contributions
Dr. Ulrich Vischer, Chairman ²⁾	29 701	3 417	11 000	1 667	45 785	0	45 785
Andrea Zappia, Chairman ³⁾	50 667	4 250	20 000	3 334	78 251	0	78 251
Christoph Brutschin, Vice-Chairman ⁴⁾	26 000	8 084	32 500	1 334	67 918	9 244	77 162
Marco Gadola, Vice-Chairman ⁵⁾	24 000	4 250	11 000	1 334	40 584	6 001	46 585
Markus Breitenmoser	21 000	2 750	14 500	1 000	39 250	5 848	45 098
Hans-Kristian Hoejsgaard ⁷⁾	7 000	2 250	8 000	334	17 584	0	17 584
Dr. Balz Hösly ⁷⁾	21 000	6 000	26 500	1 000	54 500	8 180	62 680
Dr. Dagmar Kamber Borens ⁸⁾	21 000	8 000	22 000	1 000	52 000	7 797	59 797
Eleni Lionaki	21 000	5 250	21 000	1 000	48 250	0	48 250
James Murdoch	21 000	3 750	15 500	1 000	41 250	0	41 250
Jeffrey Palker	21 000	2 000	21 000	1 000	45 000	0	45 000
Andreas Widmer ⁹⁾	7 000	750	3 000	334	11 084	1 644	12 728
Total	270 368	50 751	206 000	14 337	541 456	38 714	580 170

1) Includes fees for the GNCC, AC and SC.

2) Member and Chairman of the BoD until 28.04.2021. Invoicing of remuneration and payment of mandatory social insurance contributions by VISCHER AG. Attendance fees and expenses without compensation for the outlay on the secretariat of the Chairman of the BoD.

3) Member and Chairman of the BoD as of 28.04.2021.

4) Until 28.04.2021 Vice-Chairman. The remuneration for the members of the BoD appointed by the public sector is paid to the offices specified by them. Until his resignation as a member of the government of the Canton of Basel-Stadt, the fee was paid to the Finance Department of the Canton of Basel-Stadt.

5) Member and Vice-Chairman of the BoD as of 28.04.2021.

6) Member of the BoD until 28.04.2021. Invoicing of remuneration and payment of mandatory social insurance contributions by Hoejsgaard & Co. AG

7) The remuneration for the members of the BoD appointed by the public sector is paid to the offices specified by the latter.

8) The remuneration for the members of the BoD appointed by the public sector is paid to the offices specified by the latter. The payment of family allowances of CHF 12,900 by the Basel-Stadt compensation office is not included in the table.

9) Member of the BoD until 28.04.2021.



Report of the Statutory Auditor

To the General Meeting of MCH Group Ltd., Basel

Report on the Audit of the Remuneration Report

Opinion

We have audited the Remuneration Report of MCH Group Ltd. (the Company) for the year ended 31 December 2022. The audit was limited to the information on remuneration, loans and advances pursuant to Art. 14-16 of the Ordinance against Excessive Remuneration in Listed Companies Limited by Shares (Verordnung gegen übermässige Vergütungen bei börsenkotierten Aktiengesellschaften, VegüV) in the tables marked "audited" in section "Remuneration of the members of the Board of Directors" and in section "Remuneration of the members of the Executive Board" of the Remuneration Report.

In our opinion, the information on remuneration, loans and advances in the attached Remuneration Report complies with Swiss law and Art. 14-16 VegüV.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Remuneration Report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked "audited" in the remuneration report, the consolidated financial statements, the financial statements and our auditor's reports thereon.

Our opinion on the Remuneration Report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Remuneration Report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the Remuneration Report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Remuneration Report

The Board of Directors is responsible for the preparation of a Remuneration Report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a Remuneration Report that is free from material



misstatement, whether due to fraud or error. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's Responsibilities for the Audit of the Remuneration Report

Our objectives are to obtain reasonable assurance about whether the information on remuneration, loans and advances pursuant to Art. 14-16 VegüV is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Remuneration Report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the Remuneration Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to 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.

KPMG AG

Claudio Boller
Licensed Audit Expert
Auditor in Charge

Marc Stadelmann
Licensed Audit Expert

Basel, 24 March 2023

KPMG AG, Grosspeteranlage 5, CH-4002 Basel

© 2023 KPMG AG, a Swiss corporation, is a subsidiary of KPMG Holding AG, which is a member of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.



Icons of Porsche, Dubai,
November 2022

MCH Group Ltd.
4005 Basel, Switzerland
T + 41 58 200 20 20
info@mch-group.com
www.mch-group.com

The Reports 2022 of
MCH Group are available
in German and English.
The German version is
legally binding.

M
.CH