

Remuneration Report

This Remuneration Report provides information on the remuneration system and the compensation paid to the members of the Board of Directors and of the Executive Board of Meyer Burger Technology Ltd for fiscal year 2018. The content and amount of information provided is in line with the provisions of the “Ordinance against Excessive Compensation at stock exchange listed companies” (OaEC), which was issued by the Federal Council and has become effective as of 1 January 2014, as well as the Corporate Governance directive issued by SIX Swiss Exchange and the Swiss Code of Best Practice by *economiesuisse*.

The Remuneration Report 2018 will be presented to the General Meeting of Shareholders, to be held on 2 May 2019, for a consultative vote as in the previous years.

Remuneration principles

Meyer Burger Group offers all of its employees a compensation system that is competitive, performance oriented and aligned to sustainable value creation. The compensation is based on the following principles:

- Fair and competitive compensation that fosters entrepreneurial behaviour
- Total compensation that aligns the Company’s long-term strategy and the interests of employees, Executive Board, Board of Directors and shareholders
- Attract and retain highly qualified and motivated employees, specialists and executives
- Performance oriented compensation to support the short-term and long-term corporate targets
- Share participation programme, depending on hierarchy level, which allows direct financial participation in the mid-term and long-term development of the value of Meyer Burger shares

Share participation programme as long-term incentive

The Company has a share participation programme as a long-term incentive for the members of the Board of Directors and members of the Executive Board as well as for other selected employees within the Group. The Board of Directors determines the individual participants of the plan, based on recommendation of the Executive Board, at its own reasonable discretion. Shares may only be allocated to employees with an employment contract of indefinite term and in positions not under notice, and to serving members of the Board of Directors, who have not submitted their resignation.

The Board of Directors considers the grant of shares as a part of the total compensation and therefore the direct, long-term participation in the Company as an important instrument to focus the share plan participants on the mid- and long-term success of the Company.

Each participant receives an individual offer letter, stipulating the number of share units being offered, the acquisition price per share (if any), the payment conditions, the period within which the participant has to declare acceptance of the offer, as well as the (optional) retention periods following the vesting of shares. Within this acceptance period, the participant has to declare acceptance of the offer and declare, which retention period that was set by the Board of Directors he/she wishes to be applied following the vesting of the shares.

The Company grants Restricted Share Units (RSU) to the members of the Board of Directors and to selected employees within the Group. Members of the Executive Board are granted Performance Share Units (PSU) as of fiscal year 2018. For the calculation of the number of shares granted, the determined compensation amount in Swiss Francs is divided by the relevant value of the RSUs or PSUs, respectively. For the grant of RSUs to the members of the Board of Directors and selected employees within the Group, the grant value equals the closing price of the shares at the date of the grant (vesting at 100%). For the grant of PSUs to the members

of the Executive Board, a fair value calculation is applied as the PSUs have a vesting range of between 0% and 150%, and the final vesting ratio after the vesting period is linked to the Total Shareholder Return (TSR) performance of Meyer Burger share relatives to the MAC Solar Index.

The Restricted Share Units as well as the Performance Share Units generally have a vesting period of three years and an optional fiscal retention period that can be selected by the participant of either zero, three or five years (following the end of the vesting period). The participants do not receive title of ownership to the Restricted Share Units or to the Performance Share Units during the vesting period. During the vesting period and the optional retention period, the participants can, therefore, not sell (in part or entirely), assign, transfer, pledge or debit the shares in any form or exercise voting rights.

The Board of Directors is entitled to set different modalities from the above mentioned conditions concerning the allotments from the share participation plan for participants domiciled outside of Switzerland. It will thereby aim for equal treatment of all participants taking into account the tax differences within the different states of domicile. Slightly modified conditions are currently applied for employees in Germany and the USA (no retention period after vesting period). In all other countries outside of Switzerland and Germany, employees are offered so-called phantom shares.

Changes in the remuneration system for fiscal year 2018

The Board of Directors, upon proposal by the Nomination & Remuneration Committee, decided to adapt the short-term and long-term incentive plans for the members of the Executive Board in 2018. The changes applied as compared to the prior year are as follows:

Short-term incentive (STI)

The previous targets “Absolutely reached Net sales and Net result versus budget; Change in Net sales and EBITDA versus previous year against a peer group”, were replaced by Group targets consisting of:

- Financial targets with four Key Performance Indicators (KPIs): Absolutely reached Net sales and Earnings per share versus budget; Contribution margin and EBITDA margin versus budget.
- Strategic initiatives: Introduction of strategic initiative targets focussed on additional improvements of the Company’s future profitability.

The previously used Obermatt index was discontinued for the short-term incentive plan, but an industry comparison was introduced into the long-term incentive plan

with the MAC Solar Index. In the Board of Directors’ view, the adapted STI with the four KPIs and strategic initiative targets mentioned above better incentivises the Company’s performance and its continuous and imperative strive for increased profitability. For further details see section “Short-term incentive STI” in compensation to the members of the Executive Board below.

Long-term incentive (LTI)

The actual vesting ratio of the Performance Share Units (PSU) for the LTI 2018 after expiration of the 3-year vesting period is linked to the Total Shareholder Return of Meyer Burger registered shares and can vary between a minimum of 0% and a maximum of 150%. The Total Shareholder Return performance will be measured against the MAC Solar Index (www.macsolarindex.com). The previous vesting ratio of the LTI 2017 was linked to the share price performance of Meyer Burger shares over the 3-year vesting period without a peer comparison and varied between a minimum of 50% and a maximum of 150%. For the 2018 LTI plan, the minimum vesting of 50% was cancelled (minimum vesting ratio of 0% now) and the index comparison was introduced. For further details see section “Long-term incentive LTI” in compensation to the members of the Executive Board below.

Governance

The overall responsibility for defining the compensation principles at Meyer Burger Group is with the Board of Directors. Since the ordinary General Meeting of Shareholders in 2015, the General Meeting has to approve separately the total maximum compensation of the members of the Board of Directors and of the Executive Board for the business year that follows the General Meeting. The vote at the General Meeting of Shareholders has a binding effect for these total maximum amounts of compensation. Thereafter, the approval of the individual compensation of the members of the Board of Directors and of the Executive Board (within the approved limits by the General Meeting) is directly with the Board of Directors.

The approval process for compensation is set in Article 17, the forms and criteria of compensation, participation plans, loans, credits and pension benefits are set in Articles 30 to 34 of the Articles of Association.

→ The Articles of Association are available on the Company’s website
<https://www.meyerburger.com/ch/en/meyer-burger/investor-relations/articles-of-association/>

Nomination & Compensation Committee

The Board of Directors had four Committees during fiscal year 2018 (unchanged compared to fiscal year 2017): Nomination & Compensation Committee (N&C), Risk & Audit Committee (R&A), Innovation Committee and Executive Committee.

→ For details regarding the members and the responsibilities of the Committees please also refer to the Corporate Governance Report page 26 ff.

The Nomination & Compensation Committee (N&C Committee) consists of at least two members of the Board of Directors. They are individually elected by the General Meeting of Shareholders each year. The term of office is one year and expires at the end of the following ordinary General Meeting of Shareholders. Re-election is possible. If the Nomination & Compensation Committee is not complete, the Board of Directors may appoint the lacking members for the remaining term of office. At the ordinary General Meeting of Shareholders on 2 May 2018, Dr Franz Richter, Wanda Eriksen-Grundbacher and Eric Meurice were elected as members of the N&C Committee. Dr Franz Richter is Chairperson of the N&C Committee since 2 May 2018 (previously Wanda Eriksen-Grundbacher). The N&C Committee held twelve meetings during fiscal year 2018.

The N&C Committee mainly has the following responsibilities regarding subjects concerning compensation:

- Proposal of the compensation for the members of the Board of Directors and the Board's Committees
- Examination, negotiation and proposal of the remuneration of the CEO
- Examination and proposal (together with the CEO) of the remuneration of the members of the Executive Board as well as examination of mandates by members of the Executive Board outside the Group
- Examination and resolution of the annual targets for the members of the Executive Board and of the ratio by which such targets were achieved
- Examination of the targets and total remuneration of important group companies
- Preparation and proposal of the Remuneration Report
- Examination, proposal and monitoring of the implementation of participation programmes for the Board of Directors, the CEO, the other members of the Executive Board and for other employees
- Examination and resolution on the grant of shares under the share participation programme approved by the Board of Directors
- Further special tasks as assigned by the Board of Directors in the areas of nomination, organisation and compensation

Levels of decision authority

Compensation	CEO	N&C Committee	Board of Directors	General Meeting
Maximum total compensation of the Board of Directors for the business year following the ordinary General Meeting of Shareholders	–	Recommendation	Proposal to the General Meeting	Approval
Individual compensation to the members of the Board of Directors in the reporting year	–	Proposal	Approval	–
Grant of shares (RSUs) to the members of the Board of Directors in connection with the share participation programme in the reporting year	–	Proposal	Approval	–
Maximum total compensation of the Executive Board (including the compensation for the executive function of the Delegate of the Board of Directors) for the business year following the ordinary General Meeting of Shareholders	–	Recommendation	Proposal to the General Meeting	Approval
Individual compensation to the members of the Executive Board (without CEO) (base salary, variable component STI, compensation in kind, social benefits) in the reporting year	Proposal	Review, recommendation	Approval	–
Individual compensation CEO (base salary, variable component STI, compensation in kind, social benefits) in the reporting year	–	Proposal	Approval	–
Individual compensation for the executive function of the Delegate of the Board of Directors in the reporting year	–	Proposal	Approval	–
Grant of shares (PSUs) to the members of the Executive Board (without CEO) in connection with the share participation programme LTI in the reporting year	Proposal	Review, recommendation	Approval	–
Grant of shares (PSUs) to the CEO in connection with the share participation programme LTI in the reporting year	–	Proposal	Approval	–
Grant of shares (PSUs) for the executive function of the Delegate of the Board of Directors in connection with the share participation programme in the reporting year	–	Proposal	Approval	–

Members of the Committees as of 31 December 2018

Members of the Board of Directors	N&C Committee	R&A Committee	Innovation Committee	Executive Committee
Dr Alexander Vogel, Chairman	–	•	–	• (Chairperson)
Dr Franz Richter, Vice Chairman	• (Chairperson)	–	•	–
Wanda Eriksen-Grundbacher	•	• (Chairperson)	–	–
Hans-Michael Hauser	–	–	• (Chairperson)	–
Eric Meurice	•	•	–	–
Michael R. Splinter, Delegate	–	–	•	• (Delegate)

• Member of the Committee

Changes in the Board of Directors in fiscal year 2018

Heinz Roth and Prof Dr Konrad Wegener stepped down from the Board of Directors as of the General Meeting of Shareholders on 2 May 2018. Eric Meurice was elected as a new member of the Board of Directors at the same Shareholders' Meeting.

Compensation to the members of the Board of Directors

The compensation of the members of the Board of Directors is based on the exposure and responsibilities of each individual member for their Board functions (Board of Directors: Chairman, Vice Chairman, Member; Committees: Chairperson, Member). The total compensation includes the following elements:

- Fixed Board of Directors fee (usually paid in cash)
- Grant of shares as long-term incentive (share participation programme)
- Social security costs

The compensation structure with a fixed Board of Directors' fee and a certain amount of shares granted as long-term incentive ensures the focus of the Board of Directors on the long-term success of the Company. The Nomination & Compensation Committee usually proposes the Board and Committee fees as well as compensation through the grant of shares (RSU) once per year. The entire Board of Directors then decides on this proposal using dutiful judgment. The compensation to the members of the Board of Directors is not bound to specific targets of the Company.

For fiscal year 2018, the Board of Directors has set the fixed fee for its members (as Board members and Committee members, respectively) as follows:

Capacity/Responsibility	2018 ¹ CHF	2017 ¹ CHF
Chairman of the Board of Directors	204 000	204 000
Vice Chairman of the Board of Directors	42 000	42 000
Member of the Board of Directors	39 500	39 500
Chairperson in Committees	40 000	40 000
Member in Committees	24 000	24 000

¹ The members of the Executive Committee of the Board of Directors, Dr Alexander Vogel and Michael R. Splinter, do not receive additional Board fees for serving on such committee.

The Board and Committee membership fees are paid-out on a half-year basis.

The Restricted Share Units, granted as part of the share participation programme, which represent the second, fixed portion of the compensation to the members of the Board of Directors, were granted to the members of the Board of Directors on 9 April 2018. The Restricted Share Units granted to Eric Meurice as new member of the Board of Directors have been allocated after his election by the General Meeting of Shareholders on 2 May 2018. The right of ownership for all these shares is deferred during the vesting period from 9 April 2018 to 8 April 2021. Afterwards, each Board member can choose the fiscal retention period of zero, three or five years (the retention period has to be chosen already at the date of acceptance of the offer; this only applies for Swiss residents).

Michael R. Splinter has been active as Delegate of the Board of Directors. In this additional special function he strongly supports the Executive Board, and especially the Chief Executive Officer. Mr Splinter is a member of the Executive Committee whose members are Hans Brändle in his function as CEO and Dr Alexander Vogel in his function as Chairman of the Board of Directors. Mr Splinter receives separate compensation for his work as Delegate.

→ For details to the Delegate compensation of Michael R. Splinter (cash compensation and PSUs granted for his executive Delegate function in 2018) please refer to the information in the table with the compensation to the members of the Executive Board.

The other members of the Board of Directors are non-executive members.

The difference in the total compensation to the members of the Board of Directors compared to the previous year 2017 is mainly due to the changes in the Board of Directors (Hans-Michael Hauser and Michael R. Splinter were elected as Board members at the General Meeting of Shareholders on 27 April 2017; Heinz Roth and Prof Dr Konrad Wegener stepped down from the Board at the General Meeting of Shareholders on 2 May 2018; Eric Meurice was elected as Board member at the General Meeting of Shareholders on 2 May 2018) and in the Board Committees.

The ordinary General Meeting of Shareholders, held on 27 April 2017, approved a total maximum amount of compensation of the Board of Directors of TCHF 1,080 for fiscal year 2018. Total actual compensation 2018 for the members of the Board of Directors was TCHF 943.

The ordinary General Meeting of Shareholders, held on 2 May 2018, approved a total maximum amount of compensation for the Board of Directors of TCHF 980 for fiscal year 2019. The compensation 2019 will be disclosed in detail in the Remuneration Report 2019.

Overview of the compensation to the members of the Board of Directors (Audited)

2018

Name	Position in the Board of Directors	Honorarium ¹ (CHF)	Share-based compensation ² (number)	Share-based compensation ² (CHF)	Social security ³ (CHF)	Total (CHF)
Member as of 31.12.2018						
Dr Alexander Vogel	Chairman	228 000	49 819	55 000	17 114	300 114
Dr Franz Richter	Vice Chairman	99 833	37 440	41 334	–	141 167
Wanda Eriksen-Grundbacher	Member	103 500	28 080	31 000	7 986	142 486
Hans-Michael Hauser	Member	74 167	28 080	31 000	5 723	110 889
Eric Meurice ⁴	Member	58 333	18 720	20 667	4 501	83 501
Michael R. Splinter	Member, Delegate	63 500	–	–	3 754	67 254
Member until 2.5.2018						
Heinz Roth ⁵	Vice Chairman	27 333	14 040	15 500	10 026	52 859
Prof Dr Konrad Wegener ⁵	Member	26 500	9 361	10 334	8 155	44 989
Total		681 167	185 540	204 835	57 259	943 261

¹ Fees as a member of the Board of Directors and as a member of the Committees. The compensation for the function of Delegate is included in the table "Compensation to the members of the Executive Board".

² The shares (RSUs) were granted on 9 April 2018. The shares granted to Eric Meurice have been allocated on 3 May 2018 after his election as member of the Board of Directors by the General Meeting of Shareholders held on 2 May 2018. For the calculation of the number of shares, the determined compensation amount in Swiss Francs was divided by the grant value of the shares. The grant value of the 2018 shares (RSUs) equals the closing share price of the registered shares on 9 April 2018. The grant value was CHF 1.104 for the shares granted in 2018. The shares have a vesting period of 3 years. The shares granted in 2018 were sourced from treasury shares held by the Company. For additional information see the table with the participations on page 66 and Note 4.2 in the consolidated financial statements.

³ Contains governmental social security (AHV, IV, ALV and FAK) on honorarium for Board members and on shares under the share plan for which the vesting period ended during the reporting period. These social costs are not paid out to the members of the Board of Directors.

⁴ Member of the Board of Directors since the General Meeting of Shareholders on 2 May 2018.

⁵ Member of the Board of Directors until the General Meeting of Shareholders on 2 May 2018.

2017

Name	Position in the Board of Directors	Honorarium ¹ (CHF)	Share-based compensation ² (number)	Share-based compensation ² (CHF)	Social security ³ (CHF)	Total (CHF)
Member as of 31.12.2017						
Dr Alexander Vogel	Chairman	241 333	64 706	55 000	19 268	315 601
Heinz Roth	Vice Chairman	82 000	54 706	46 500	7 500	136 000
Wanda Eriksen-Grundbacher	Member	98 167	54 118	46 000	7 575	151 742
Hans-Michael Hauser ⁴	Member	42 333	24 314	20 667	3 266	66 266
Dr Franz Richter	Member	87 500	54 118	46 000	–	133 500
Michael R. Splinter ⁴	Member, Delegate	42 333	–	–	2 801	45 134
Prof Dr Konrad Wegener	Member	79 500	36 471	31 000	7 307	117 807
Total		673 166	288 433	245 168	47 716	966 050

¹ Fees as a member of the Board of Directors and as a member of the Committees. The compensation for the function of Delegate is included in the table "Compensation to the members of the Executive Board".

² The shares (RSUs) were granted on 31 March 2017. The shares granted to Hans-Michael Hauser have been allocated after the election as member of the Board of Directors by the General Meeting of Shareholders on 27 April 2017. For the calculation of the number of shares, the determined compensation amount in Swiss Francs was divided by the grant value of the shares. The grant value of the 2017 shares (RSUs) equals the closing share price of the registered shares on 31 March 2017. The grant value was CHF 0.85 for the shares granted in 2017. The shares have a vesting period of 3 years. The shares granted in 2017 were sourced from treasury shares held by the Company. For additional information see the table with the participations on page 66 and Note 4.2 in the consolidated financial statements.

³ Contains governmental social security (AHV, IV, ALV and FAK) on honorarium for Board members and on shares under the share plan for which the vesting period ended during the reporting period. These social costs are not paid out to the members of the Board of Directors.

⁴ Member of the Board of Directors since the General Meeting of Shareholders on 27 April 2017.

Compensation to the members of the Executive Board

The compensation to the members of the Executive Board includes a fixed portion (yearly base salary, compensation in kind), a variable component as Short-term Incentive (STI) (variable performance oriented component), a Long-term Incentive (LTI) in form of performance share units (share participation programme) as well as social benefits. The amount of the Short-term Incentive – the variable performance oriented component – depends on the achievement of Group targets (financial targets and strategic initiative targets) as well as on the achievement of individual targets. The grant of shares (PSU) as Long-term Incentive enables a direct participation in Meyer Burger and ensures the focus of the Executive Board on mid- and long-term value creation of the Company. It also ensures the focus on shareholders' interests.

The amounts of the base salaries, the STI performance-related component as well as the LTI compensation for the members of the Executive Board are verified and proposed to the Board of Directors by the Nomination & Compensation Committee together with the Chief Executive Officer (except for the CEO's own compensa-

tion), using dutiful judgement, and are finally approved by the entire Board of Directors. The total compensation is decided upon by the entire Board of Directors, usually once a year. The CEO is not included in the discussion when his own compensation is being discussed by the Board of Directors. The other members of the Executive Board usually do not participate during the time of the Board meeting, when the Board of Directors discusses their compensation. The compensation for the executive function as Delegate is proposed by the Nomination & Compensation Committee and decided upon by the entire Board of Directors, usually once a year (Delegate participating in this meeting, but without voting right). The compensation for the executive Delegate function (basic salary and share-based compensation LTI) is not tied to specific short-term company targets. However, the LTI 2018 component of the Delegate function is equal to the LTI component for the members of the Executive Board (i.e. also based on the Total Shareholder Return of Meyer Burger shares compared to the MAC Solar Index over a vesting period of three years with a vesting ratio of between 0% and a maximum of 150%).

Compensation components for members of the Executive Board (excl. Delegate function)

		Form of compensation	Purpose	Influenced by
Fixed pay and benefits	Base salary	<ul style="list-style-type: none"> → Basic compensation → Paid in cash on monthly basis 	<ul style="list-style-type: none"> → Attract and retain Executive Board members 	<ul style="list-style-type: none"> → Market practice → Position and experience of person
	Compensation in kind, Social benefits	<ul style="list-style-type: none"> → Social insurance and pension fund costs → Private use of company car or alternatively reimbursement of car expenses 	<ul style="list-style-type: none"> → Protection against risks → Attract and retain Executive Board members 	<ul style="list-style-type: none"> → Local market practice and position → Stipulated by law/ regulations
Variable pay – performance-related	Short-term incentive (STI) Variable performance-related component	<ul style="list-style-type: none"> → Paid in cash 	<ul style="list-style-type: none"> → Pay for performance 	<ul style="list-style-type: none"> → Achievement of Group objectives (financial targets with four KPIs and strategic initiatives targets) and individual targets over a one-year period
	Long-term incentive (LTI) Share-based compensation	<ul style="list-style-type: none"> → Grant of shares (PSU for members of the Executive Board) → Vesting period 3 years 	<ul style="list-style-type: none"> → Long-term compensation to put focus on mid- to long-term development of the Company → Align to shareholders' interests 	<ul style="list-style-type: none"> → Vesting ratio depending on Total Shareholder Return (TSR) of Meyer Burger registered shares compared to MAC Solar Index over the vesting period of three years

Weighting of the STI targets in fiscal year 2018

Compensation		CEO	CFO, CCO, COO, CTO
Group targets	Financial targets	Absolute Net Sales and Earnings per Share vs. Budget Contribution and EBITDA Margin vs. Budget	35% 30%
	Strategic initiatives	Strategic initiatives focussed on additional improvements of the Company's future profitability	35% 30%
Total Group targets		70%	60%
Individual targets		Project targets, product or market targets, etc.	30% 40%
Total		100%	100%

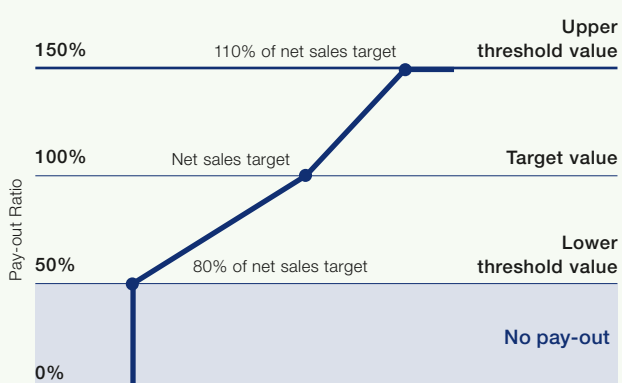
Base salary

The members of the Executive Board receive an annual base salary that reflects the position and responsibilities of each member. The base salary is usually fixed at the beginning of the year and will not be changed during the reporting period. The base salary is paid out in cash on a monthly basis.

Short-term Incentive (STI)

A target amount of STI as a variable, performance related component is defined for each member of the Executive Board. This target amount forms the basis for the calculation of the effective amount of STI, which is usually paid in cash. The target STI for fiscal year 2018 amounted to 100% of the base salary for the CEO and to between 49% and 67% of the base salary for the other members of the Executive Board (2017: 100% for the CEO and between 38% and 67% for the other members of the Executive Board). The criteria that determine the amount of STI for each member of the Executive Board are financial and strategic initiative targets of the Group and individual, mainly "non-financial" targets. The STI is capped at a maximum of 150% of the individually set target STI for each of the members of the Executive Board.

Illustration of pay-out curve for net sales achievement (as example for the KPIs)



Targets in fiscal year 2018

Targets in fiscal year 2018 include Group targets, consisting of financial targets and strategic initiative targets, as well as individual targets (see table above). Four Key Performance Indicators (KPIs) were set for the financial targets in fiscal year 2018: Absolutely reached net sales and Earnings per share versus budget; and Contribution margin and EBITDA margin versus budget. The four KPIs are equally weighted (each 25% of the financial targets). The achievement/pay-out ratios are calculated and limited for each KPI separately. Pay-out ratios based on the achievement of financial targets can vary between 0% and the maximum cap at 150%. For each KPI, the Board of Directors defined a target value and a certain scope with upper and lower threshold values. Achievement at target value will trigger a 100% pay-out ratio. An achievement ratio between the lower threshold value and the target value will trigger a 50%–99% pay-out ratio. An achievement ratio between the target and upper threshold value will trigger a 101–150% pay-out ratio. No pay-out (0%) will occur, if the achievement is below the lower threshold value. The maximum pay-out is capped at 150%.

The achievement ratio for the strategic initiative targets (strategic initiatives focussed on additional improvements of the Company's future profitability) as well as for the individual targets (project targets, product or market targets, etc.) is verified and proposed to the Board of Directors by the Nomination & Compensation Committee together with the CEO. The resulting proportions of bonus can be between 0% and the cap at 150%.

For fiscal year 2018, the allotment of the performance oriented component (STI) as a percentage of the base salary was 82% for the CEO (2017: 99%) and between 39% and 59% for the other members of the Executive Board (2017: between 35% and 66%).

Long-term Incentive (LTI) – Share-based compensation

The Board of Directors grants Performance Share Units (PSUs) as a long-term incentive to the members of the Executive Board and to the Delegate. This enables the retaining of key management and reinforces the focus of the share plan participants on the mid- to long-term success of the Company.

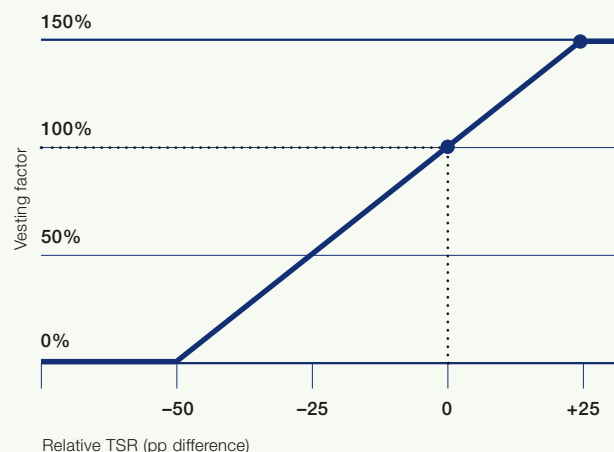
In fiscal year 2018, the Board of Directors decided to link the vesting ratio (after expiration of the three year vesting period) of the PSU 2018 to the relative share price performance (Total Shareholder Return – TSR) of Meyer Burger shares. The vesting ratio can vary between a minimum of 0% and a maximum of 150%. The relative performance will be measured against the MAC Solar Index (www.macsolarindex.com).

The previous LTI vesting ratio in fiscal year 2017 was linked to the share price performance over the three year vesting period without a peer comparison and varied between a minimum of 50% and a maximum of 150%. For the 2018 PSU plan, the minimum vesting of 50% was reduced to 0% and the peer group comparison with the MAC Solar Index was introduced.

The PSUs granted in fiscal year 2018 were valued at a fair value of CHF 1.22 (share price at grant date of CHF 1.104). The determined compensation amount in Swiss Francs was then divided by this fair value for the calculation of the number of shares. The actual vesting ratio (actual number of shares) after the expiration of the three year vesting period will depend on the relative development of the Total Shareholder Return (TSR) of the Company in the period between the grant date of the shares and the end of the vesting period. The actual number of shares that a member of the Executive Board will receive after the expiration of the vesting period under consideration of the relative TSR in comparison to the MAC Solar Index is calculated as the percentage points difference and can vary between a minimum of 0% and a maximum of 150%.

Vesting curve of the LTI 2018

At target (relative TSR of the Company is equal to the relative TSR of the MAC Solar Index) the PSUs granted in 2018 will vest at 100%. The lower threshold with a vesting factor of 0% was set at –50 percentage point difference and the maximum threshold with a vesting factor of 150% at +25 percentage point difference. Linear interpolation will occur between the stated points.



The calculation of the Company's TSR relative to the MAC Solar Index will be calculated by an external governance and compensation specialist (HCM Hostettler & Company; www.hcm.com). Other than in remuneration matters, this company has no other business relationships with Meyer Burger.

In fiscal year 2018, the share-based compensation was TCHF 310 for the CEO and between TCHF 0 and TCHF 186 for the other members of the Executive Board (corresponding to 100% of the base salary for the CEO and between 0% and 80% of the base salary for the other members of the Executive Board). In 2017, the share-based remuneration was TCHF 310 for the CEO and between TCHF 0 and TCHF 186 for the other members of the Executive Board (corresponding to 100% of the base salary for the CEO and between 0% and 80% of the base salary for the other members of the Executive Board).

The amounts of compensation for the share-based remuneration and the corresponding grant of shares for fiscal year 2018 have been decided by the Nomination & Compensation Committee (decision on execution), based on a special decision by the Board of Directors, and were finally approved by the Board of Directors. For the calculation of the number of shares to be allocated, the determined compensation amount in Swiss Francs was divided by the fair value of the Performance Share Units. Meyer Burger expects to source the share-based compensation from treasury shares, so that no dilutive effect is expected from the LTI.

Compensation in kind and social benefits

Compensation in kind includes the payment for private use of a company car or alternatively reimbursement of car expenses. The members of the Executive Board are like all employees (with domicile in Switzerland) insured under a pension fund scheme in Switzerland. The compensation for social benefits contains the social security payments to the state provided social insurance schemes (AHV, IV, ALV and FAK) and the amounts paid by the Company to the pension fund.

Compensation to the members of the Executive Board

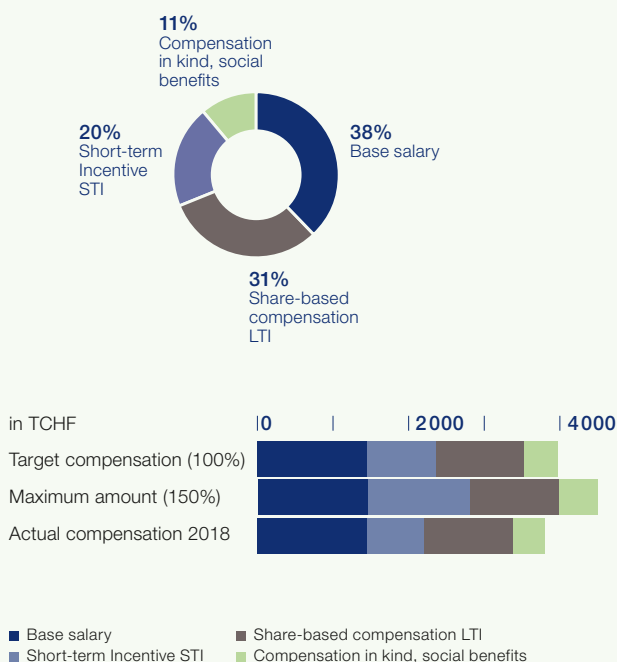
The graphs of the right side of this page show the actual compensation to the Executive Board for fiscal year 2018 compared to the potential compensation if 100% of the target STI were reached, as well as the maximum amount with the 150% cap of the STI payment. The LTI share-based payment is reflected according to the fair value calculation. The mix of compensation for fiscal year 2018 is shown in the pie chart.

The difference in the total compensation to the members of the Executive Board is mainly due to the additional remuneration of the new CFO, but also to the management changes that occurred in the previous year 2017 (see also footnotes below the compensation tables for the length of time that the compensation for each member is included in the respective table).

The ordinary General Meeting of Shareholders, held on 27 April 2017, approved a total maximum amount of compensation for the members of the Executive Board (including Delegate) of TCHF 4,700 for fiscal year 2018. Total actual compensation 2018 for the members of the Executive Board was TCHF 3,795.

The ordinary General Meeting of Shareholders, held on 2 May 2018, approved a total maximum amount of compensation for the members of the Executive Board (including Delegate) of TCHF 4,900 for fiscal year 2019. The compensation 2019 will be disclosed in detail in the Remuneration Report 2019.

Structure of compensation of members of the Executive Board in fiscal year 2018 (including Delegate function)



Overview of the compensation to the members of the Executive Board including Delegate (Audited)

2018

Name	Position	Basic salary (CHF)	Short-term Incentive STI (CHF)	Share-based compensation LTI ¹ (number)	Share-based compensation LTI ¹ (CHF)	Compensation in kind ² (CHF)	Social security (CHF)	Total (CHF)
Dr Hans Brändle	CEO	310 700	256 277	254 098	310 000	21 600	111 946	1 010 523
Other members of the Executive Board incl. Delegate ³		1 134 269	507 846	707 788	863 500	35 714	243 587	2 784 916
Total		1 444 969	764 123	961 886	1 173 500	57 314	355 533	3 795 439

¹ The Performance Share Units (PSUs) were granted to the members of the Executive Board and the Delegate on 9 April 2018. The fair value of these PSUs was calculated at CHF 1.22, based on a fair value calculation using a Monte Carlo simulation. The following parameters were used for the fair value calculation: Share price of CHF 1.104 at grant date, volatility of 56.6%, dividend yield 0%, correlation with MAC Solar Index 31.3%, risk-free rate 0.1%. The PSUs have a vesting period of 3 years. For the calculation of the number of PSUs, the determined compensation amount in Swiss Francs was divided by the fair value of the PSUs. For the 2018 LTI Share Plan, the actual vesting ratio (actual number of shares) that a member of the Executive Board and the Delegate receives after expiration of the three year period is linked to the relative Total Shareholder Return (TSR) of the registered shares of the Company in the period between the grant date of the shares and the end of the vesting period compared to the performance of the MAC Solar Index. The actual vesting ratio can vary between a minimum of 0% and a maximum of 150%. All shares granted in 2018 are expected to be sourced from treasury shares held by the Company. For more information see the table with the participations on page 66 and Note 4.2 in the consolidated financial statements.

² Compensation in kind includes the payment for private use of a company car or alternatively reimbursement of car expenses. The relevant amounts declared in the salary statement of filing a tax return were applied as a component of the compensation in kind.

³ The line "Other members of the Executive Board incl. Delegate" includes for fiscal year 2018 compensation to the current CFO Manfred Häner (3.5 months), former CFO Michel Hirschi (12 months), CCO Michael Escher (12 months), CTO Dr Gunter Erfurt (12 months), COO Daniel Lippuner (12 months), and the Delegate function of Michael R. Splinter (12 months). Mr Splinter received for his Delegate function in 2018 TCHF 94.5 basic salary and share-based compensation of TCHF 247.5 through the grant of 202,869 shares (PSUs) at fair value of CHF 1.22, social security costs amounted to TCHF 5.6, the total compensation therefore was TCHF 347.6 in fiscal year 2018.

2017

Name	Position	Basic salary (CHF)	Short-term Incentive STI (CHF)	Share-based compensation LTI ¹ (number)	Share-based compensation LTI ¹ (CHF)	Compensation in kind ² (CHF)	Social security (CHF)	Total (CHF)
Dr Hans Brändle	CEO	310 700	306 218	364 706	310 000	21 600	115 548	1 064 067
Other members of the Executive Board incl. Delegate ³		1 010 276	485 655	1 045 138	832 948	29 166	260 174	2 618 219
Total		1 320 976	791 873	1 409 844	1 142 948	50 766	375 723	3 682 286

¹ The shares granted to the members of the Executive Board were granted on 31 March 2017. The grant value of these shares (RSUs) was CHF 0.85. The shares have a vesting period of 3 years. For the calculation of the number of shares, the determined compensation amount in Swiss Francs was divided by the grant value of the shares. For the 2017 LTI Share Plan, the actual vesting ratio (actual number of shares) that a member of the Executive Board receives after expiration of the three year vesting period will depend on the development of the share price of the Company in the period between the grant date of the shares and the end of the vesting period (vesting ratio at 100% is reflected in the table above). The actual number of shares that a member of the Executive Board will receive after the expiration of the vesting period under consideration of the share price development is calculated linearly and can vary between a minimum of 50% and a maximum of 150%. All shares granted in 2017 are expected to be sourced from treasury shares held by the Company. The shares granted to Michael R. Splinter for his function as Delegate were granted on 3 January 2017. The grant value of these shares was CHF 0.72. The shares have a vesting period of 3 years. They vest at 100% and do not have the vesting ratio conditions like the shares granted to the members of the Executive Board. For more information see the table with the participations on page 66 and Note 4.2 in the consolidated financial statements.

² Compensation in kind includes the payment for private use of a company car or alternatively reimbursement of car expenses. The relevant amounts declared in the salary statement of filing a tax return were applied as a component of the compensation in kind.

³ The line "Other members of the Executive Board incl. Delegate" includes for fiscal year 2017 compensations to CFO Michel Hirschi (12 months), CCO Michael Escher (12 months), CTO Dr Gunter Erfurt (11 months), COO Daniel Lippuner (4 months), former CIO Dirk Habermann (8 months) and the Delegate function of Michael R. Splinter (12 months). Mr Splinter received for his Delegate function in 2017 TCHF 94.5 basic salary and share-based compensation of TCHF 306.9 through the grant of 426,316 shares (at grant value CHF 0.72), social security costs amounted to TCHF 23.7, the total compensation therefore was TCHF 425.2.

Compensation to former members of the Board of Directors or the Executive Board (Audited)

No compensation was paid to former members of the Board of Directors or of the Executive Board during fiscal year 2018.

In the previous fiscal year 2017, in compliance with their employment contracts, the former CEO Peter Pauli (remaining 11 months of termination period in 2017) and former COO Thomas Kipfer (remaining 4 months of termination period in 2017) received total combined compensation of TCHF 1,148.5 (including TCHF 158.0 of social security costs).

Supplement amount for members of the management in accordance with Art. 32 of the Articles of Association (Audited)

A supplement amount in accordance with Article 19 of the OaEC is available for members of the management who join after the maximum overall amount has been approved by the Annual General Meeting. In the case of a new CEO and/or CFO, the supplement amount may not be higher than 20% above the amount which the previous CEO or CFO, respectively, was entitled to, based on the approval by the Shareholders' Meeting for the respective business year. In the case of a new member of the management, such supplement may not be higher than 20% above the average overall amount of a member of the management (excluding CEO and CFO) for the respective business year.

In fiscal year 2018, no supplement amount had to be used at all.

In the previous fiscal year 2017, the following amounts were used: The ordinary General Meeting of Shareholders, held on 3 May 2016, approved a total maximum amount of compensation for the Executive Board of TCHF 3,800 for fiscal year 2017. Total compensation to the members of the Executive Board, who were active during fiscal year 2017, amounted to TCHF 3,682.3. Including the compensation paid to former members of the Executive Board of TCHF 1,148.5, the total amounted to TCHF 4,830.8. A supplement amount of TCHF 1,030.8 was used in 2017 for the new CEO Dr Hans Brändle, as reported in the Annual Report 2017. The Annual Report 2017 is available under <https://www.meyerburger.com/de/meyer-burger/investor-relations/berichte-publikationen/> – Section Archive.

Benefits, contractual terms on leaving the Company

Fixed employment and mandate agreements with members of the Board of Directors and of the Executive Board may be concluded for a period of up to one year. The termination period of unlimited employment or mandate agreements, respectively, with members of the Board of Directors and of the Executive Board may not exceed twelve months to the end of a month. The employment contracts (as of 31 December 2018) with the members of the Executive Board contain termination periods of six months (four employment contracts) and twelve months (one employment contract), respectively.

All employment contracts with the members of the Executive Board contain a non-competition clause for a period of 24 months after the employment relationship has ended. The non-competition clauses are valid globally. The members of the Executive Board do not receive compensation during the period of the non-competition clause. If a member of the Executive Board violates the non-competition clause, such member has to pay a penalty to the Company for breaching the contract.

The Performance Share Units and the Restricted Share Units (granted out of the share participation programme) generally have a vesting period of three years. In the event that the working relationship with a member of the Executive Board ends due to the Executive giving his notice or that the employer (Company) gives notice, the member of the Executive Board will keep the right of ownership for his Performance Share Units (before fiscal year 2018: Restricted Share Units) – contrary to the rules that apply for the members of the Board of Directors or other participants in the share participation programme (unless the contract of the Executive is terminated for cause). However, even if the working relationship with a member of the Executive Board is ended during a vesting period (since 2016: 3 years), the delivery of the shares will only take place after the end of the corresponding vesting period, i.e. no early vesting will take place. The members of the Executive Board have the right to forego the optional additional retention period (which they have chosen) once the vesting period has passed (potential tax implications have to be accepted by such respective member).

Change of control clause regarding employee shares: In case that a third party would acquire more than 33⅓% of voting rights of Meyer Burger Technology Ltd, the vesting periods and/or retention periods for employee shares set by the Board of Directors shall be accelerated so that any unvested share shall be immediately vested in full. The vesting would take place on the first day of the additional offer period in case of a successful public tender offer. There are no further clauses regarding a change of control.

Members of the Board of Directors, members of the Executive Board and employees are in general treated equally with regards to the conditions of the share participation programme. The exception is the rules mentioned above with regards to members of the Executive Board for a) in case they leave the Company, b) the specific link of the LTI to the TSR performance over the time span of the vesting period (three years).

Loans and credits to the members of the Board of Directors or the Executive Board

As of 31 December 2018 and 31 December 2017, there were no company loans or credits outstanding to the current members of the Board of Directors or the Executive Board. There were also no loans or credits outstanding to former members of the Board of Directors or of the Executive Board or of any related party.

Compensation to related parties

All compensation that the Company has made to related parties during fiscal years 2018 and 2017 was market-compliant.

→ Further information in Note 4.8 on page 103 “Transactions with related parties” in the financial statements.

Participations in the Company (Audited)

The members of the Board of Directors and of the Executive Board (including related parties) held a total participation of 0.89% of the outstanding registered shares as of 31 December 2018 (2017: 0.96%). This participation includes registered shares purchased as well as restricted shares, RSU or PSU allocated in connection with the share participation programme.

Overview of the participations in the Company by the members of the Board of Directors and of the Executive Board (Audited)

31.12.2018

Name	Position	Registered shares (non-restricted) (number)	RSU/PSU/ restricted shares under share plans ¹ (number)	Total participation ² (in % of outstanding shares)
Dr Alexander Vogel	Chairman of the Board of Directors	2 310 719	157 758	0.40%
Dr Franz Richter	Vice Chairman of the Board of Directors	–	113 173	0.02%
Wanda Eriksen-Grundbacher	Member of the Board of Directors	–	103 813	0.02%
Hans-Michael Hauser	Member of the Board of Directors	–	52 394	0.01%
Eric Meurice	Member of the Board of Directors	–	18 720	0.00%
Michael R. Splinter	Member of the Board of Directors, Delegate	–	629 185	0.10%
Dr Hans Brändle	Chief Executive Officer	100 000	801 157	0.14%
Manfred Häner	Chief Financial Officer	–	–	0.00%
Dr Gunter Erfurt	Chief Technology Officer	–	370 651	0.06%
Michael Escher	Chief Commercial Officer	–	527 114	0.08%
Daniel Lippuner	Chief Operating Officer	200 000	131 148	0.05%
Total as of 31 December 2018		2 610 719	2 905 113	0.89%

¹ In the participation table, the number of restricted registered shares under RSU/PSU plans for the Executive Board and the Delegate includes the maximum potential amount of shares that could be vesting from the LTI Share Plan 2017 (i.e. 150%) and 100% of the shares for the LTI Plan 2018. The final vesting ratio of the LTI 2018 depends on the Total Shareholder Return (TSR) of the registered shares of the Company compared to the MAC Solar Index in the period between the grant date of the shares and the end of the vesting period, as described in the footnotes to the compensation tables for the Executive Board (potential maximum amount of shares can be 150% vesting). Details of shares not yet vested are in the table below:

Grant/Purchase date	Number of shares	Vesting period until
09.04.2018	971 566	08.04.2021
31.03.2017/03.01.2017	1 220 786/426 316	30.03.2020/02.01.2020
22.03.2016/20.12.2016	286 445	21.03.2019

² Participation as a percentage of the number of outstanding registered shares as of 31 December 2018 (622,885,414 shares).

31.12.2017

Name	Position	Registered shares (non-restricted) (number)	Restricted registered shares ¹ (number)	Total participation ² (in % of outstanding shares)
Dr Alexander Vogel	Chairman of the Board of Directors	2 239 460	179 198	0.39%
Heinz Roth	Vice Chairman of the Board of Directors	341 116	83 527	0.07%
Wanda Eriksen-Grundbacher	Member of the Board of Directors	–	75 733	0.01%
Hans-Michael Hauser	Member of the Board of Directors	–	24 314	0.00%
Dr Franz Richter	Member of the Board of Directors	–	75 733	0.01%
Michael R. Splinter	Member of the Board of Directors, Delegate	–	426 316	0.07%
Prof Dr Konrad Wegener	Member of the Board of Directors	211 309	68 085	0.04%
Dr Hans Brändle	Chief Executive Officer	100 000	547 059	0.10%
Michel Hirschi	Chief Financial Officer	84 526	535 384	0.10%
Dr Gunter Erfurt	Chief Technology Officer	–	272 290	0.04%
Michael Escher	Chief Commercial Officer	100 000	404 163	0.08%
Daniel Lippuner	Chief Operating Officer	200 000	–	0.03%
Total as of 31 December 2017		3 276 411	2 691 802	0.96%

¹ In the participation table, the number of restricted registered shares includes the maximum potential amount of shares that could be vesting from the LTI Share Plan 2017 for the members of the Executive Board (i.e. maximum of 150% of the granted shares in 2017; the final vesting ratio depends on the relative share price performance of the registered shares of the Company in the period between the grant date of the shares and the end of the vesting period, as described in the footnotes to the compensation table for the Executive Board). Details of shares not yet vested are in the table below:

Grant/Purchase date	Number of shares	Vesting period until
31.03.2017/03.01.2017	1 640 198/426 316	30.03.2020/02.01.2020
22.03.2016/20.12.2016	517 014	21.03.2019

The remaining restricted registered shares are subject to an optional retention period.

² Participation as a percentage of the number of outstanding registered shares as of 31 December 2017 (620,972,151 shares).

Report of the Statutory Auditor



Report of the statutory auditor to the General Meeting of Meyer Burger Technology Ltd

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We have audited the remuneration report of Meyer Burger Technology AG for the year ended 31 December 2018. The audit was limited to the information according to articles 14–16 of the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance) contained in the tables and sections labeled 'audited' on pages 58 and 63 to 66 of the remuneration report.

Board of Directors' responsibility

The Board of Directors is responsible for the preparation and overall fair presentation of the remuneration report in accordance with Swiss law and the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance). The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's responsibility

Our responsibility is to express an opinion on the accompanying remuneration report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report complies with Swiss law and articles 14–16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the remuneration report with regard to compensation, loans and credits in accordance with articles 14–16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the remuneration report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of remuneration, as well as assessing the overall presentation of the remuneration report.

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

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Opinion

In our opinion, the remuneration report of Meyer Burger Technology AG for the year ended 31 December 2018 complies with Swiss law and articles 14–16 of the Ordinance.

PricewaterhouseCoopers AG

A handwritten signature in black ink, appearing to be 'R. Johner'.

Rolf Johner
Audit expert
Auditor in charge

A handwritten signature in black ink, appearing to be 'René Jenni'.

René Jenni
Audit expert

Bern, 15 March 2019