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# Remuneration Report

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## Letter to shareholders

### Dear Shareholders

In the name of the Board of Directors and the Nomination and Compensation Committee (NCC), I am pleased to present to you the 2021 Remuneration Report. In 2021, Meyer Burger successfully completed its strategic transformation and with its first solar modules shipped in July reached an important milestone in its company history. Meyer Burger secured the anticipated financing to continue the accelerated ramp-up of the German production facilities and to implement its plans to open the US production site in 2022. This report outlines how the performance in 2021 impacted the incentive payouts to the members of the Executive Board.

At the annual general meeting (AGM) in 2021, the voting results on the compensation motions were mixed. While the maximum compensation amounts for the Executive Board for the financial years 2021 and 2022 received an approval rate of 91.9% and 91.5% respectively, the maximum compensation amount for the Board of Directors was accepted with an approval rate of 68.6% and the consultative vote on the compensation report passed with an approval rate of 60.1%. During the reporting year, the NCC analyzed the reasons for these results and proposed several changes to the compensation structure that were approved by the Board of Directors.

First of all, the compensation system applicable to the Board of Directors was revised to further promote their independence and to align with shareholder expectations and market practice. Effective as of the 2021 AGM, the annual board retainer is paid 50% in cash and 50% in restricted shares. The decision to replace performance share units (PSU) with restricted shares simplifies the program and reflects the widely held view of shareholders that a fixed compensation for board members fosters a stronger sense of independence as they oversee and govern the company.

With regard to the compensation structure for the Executive Board, performance objectives were re-introduced to the short-term incentive (STI) program in 2021. They include financial objectives that are focused on growth and profitability as well as strategic objectives with a focus on delivering new technologies and implementing new business processes. Furthermore, the vesting period of the options granted under the long-term incentive (LTI) was extended from one year to three years. The NCC believes that the share option plan continues to be the most appropriate instrument to align the Executive Board with the long-term interests of shareholders in a manner that preserves cash.

Further details about these changes are provided in the following pages and you, as a valued Shareholder, will have the opportunity to express your opinion on these compensation decisions in a consultative vote on this Remuneration Report at the upcoming AGM. In addition, you will be asked to vote on the maximum compensation amounts to be awarded to the Board of Directors and the Executive Board for the next compensation periods.

The NCC and the Board of Directors are confident that their compensation decisions are correctly aligned with the interests of our shareholders, the business strategy and the current circumstances faced by the company. Going forward, we will continue to regularly review and assess the compensation system to ensure that it is appropriate and suitable in the evolving operative context. We would like to thank you in advance for your support at the upcoming AGM and your trust over the past year.

Yours sincerely,

Prof. Dr. Urs Schenker  
Chair of the NCC

This Remuneration Report describes the compensation principles and programs, as well as the governance framework as related to the compensation of the Board of Directors and of the members of the Executive Board of Meyer Burger Technology Ltd (Meyer Burger). The report also provides information on the compensation programs and the compensation awarded to members of the Board of Directors and of the Executive Board for the 2021 business year.

This Remuneration Report is drawn up in accordance with 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 *économiesuisse* Swiss Code of Best Practice for Corporate Governance.

## Compensation at a glance

### Compensation policy and principles

Our compensation system supports our business strategy and our values ("passion", "determination", "responsibility" and "holism") and is built around the following principles:

Market competitiveness	Alignment with market practices and trends, external equity
Performance related pay	Connection between compensation and the company's success
Long-term orientation	Alignment with the long-term interests of shareholders and company values
Transparency and fairness	Transparency, fairness and internal equity

### Summary of the compensation system for the Board of Directors

(GRI 102-35)

The compensation system for the Board of Directors in effect at the end of the reporting period consists of fixed compensation in the form of an annual retainer paid 50% in cash and 50% in restricted shares.

The restricted shares are subject to a three-year blocking period. This model fosters the independence of board members as they carry out their supervisory duties and strengthens the alignment with the long-term interests of shareholders.

in TCHF (gross) – for the term from 2021 AGM to 2022 AGM

	Cash	Restricted shares
Board of Directors, Chair	107.5	107.5
Board of Directors, Vice Chair	92.5	92.5
Board of Directors, Member	92.5	92.5

### Reconciliation between approved compensation and compensation awarded for 2021

At the 2021 AGM, shareholders approved a change in the approval period for Board of Director compensation from the financial year to the annual term of office between AGMs. As a result, the amount of compensation that is disclosed in this Remuneration Report reflects two compensation periods.

For the first compensation period up to the 2021 AGM, the compensation awarded to the Board of Directors amounts to CHF 233 thousand (including social security contributions) and is within the approved amount of CHF 233 thousand (adjusted for the period up to the 2021 AGM).

For the second compensation period, a maximum compensation amount of CHF 800 thousand was approved for the period from the 2021 AGM to the 2022 AGM. The compensation for the portion of this term of office included in this Remuneration Report (up to 31 December 2021) is within this approved limit. A definitive assessment for the entire period will be provided in the next Remuneration Report.

### Summary of the compensation system for the Executive Board

(GRI 102-35)

The compensation for members of the Executive Board consists of fixed and variable elements:

Component	Purpose	Payment delivery
Base Salary	Attract and retain	Cash
Performance bonus (STI)	Performance related pay	Annual bonus in cash
Long-term incentive (LTI)	Align with shareholders	Annual grant in equity
Benefits	Protect against risks, attract and retain	

### Reconciliation between approved compensation and compensation awarded for 2021

The compensation awarded to the Executive Board for the fiscal year 2021 in the amount of CHF 1,894

thousand is within the amount of CHF 2,500 thousand approved by the shareholders.

## Compensation governance

(GRI 102-37)

The role of the shareholders on compensation matters has become increasingly important in recent years. First, shareholders approve the maximum aggregate compensation amounts of the Board of Directors and the Executive Board annually. In addition, the principles of compensation are governed

by the Articles of Association, which are also approved by the shareholders. The provisions of the Articles of Association on compensation are summarized below and details of these rules are available on our website, on the “Meyer Burger – Investors” webpage:

[www.meyerburger.com/en/investors/annual-general-meeting/articles-of-association/](http://www.meyerburger.com/en/investors/annual-general-meeting/articles-of-association/).

Principles of compensation applicable to the Board of Directors and the Executive Board	Art. 30
Participation plans	Art. 31
Additional amounts for payments to members of the Executive Board appointed after the vote on compensation at the AGM	Art. 32
Binding vote on compensation at the AGM	Art. 17
Loans, credits and pension benefits	Art. 34

### Determination of compensation

In accordance with the Articles of Association, the NCC consists of at least two members of the Board of Directors who are elected individually by the shareholders for a term of one year until the next AGM. At the 2021 AGM, Prof. Dr. Urs Schenker (chair) was elected and Andreas R. Herzog (member) was re-elected as members of the NCC.

The NCC supports the Board of Directors in all matters relating to the compensation systems. In particular, it:

- Proposes the compensation of the Board of Directors and its committees
- Reviews, negotiates and proposes the compensation and employment terms of the CEO
- Reviews and proposes (together with the CEO) the compensation and employment terms of the members of the Executive Board
- Reviews and decides on the performance targets, and their achievement, for members of the Executive Board
- Reviews, proposes and monitors the implementation of participation programs
- Reviews and determines the granting of shares and/or other securities under the share participation program approved by the Board of Directors
- Reviews the performance targets and total compensation of important Group companies
- Prepares and proposes the Remuneration Report

- Selects and proposes the selection criteria and candidates for positions on the Board of Directors and the Executive Board
- Examines, reviews and monitors the implementation of the structure and organization of the highest level of operating management, at the proposal of the CEO
- Reviews and monitors succession planning for positions at the highest level of operating management, at the proposal of the CEO
- Conducts an annual self-assessment of the Board of Directors and of the NCC

The NCC usually meets in accordance with the annual schedule below. In the year under review, the NCC held two meetings. The NCC members participated in all NCC meetings as noted in the Corporate Governance Report on page 46. Usually, the activities of the NCC are reported to the Board of Directors following each committee meeting. The NCC minutes are shared with all Board members and form the basis for the approval of NCC proposals by the Board of Directors.

The Chair of the Board of Directors is present at the meeting when decisions are approved by the Board of Directors, including regarding his own compensation, but abstains from voting on his own compensation. The CEO is involved in determining the compensation of members of the Executive Board and is present when this is approved by the Board of Directors, except when his own compensation is discussed.

## Annual meeting schedule

November/December	January/February	March/April	August/September
<ul style="list-style-type: none"> <li>• Review and determination of the target compensation of members of the Board of Directors and the Executive Board for the following year</li> <li>• Preliminary review of the Remuneration Report for the reporting year</li> </ul>	<ul style="list-style-type: none"> <li>• Performance assessment and determination of variable compensation of members of the Executive Board for the previous year</li> <li>• Review and approval of the Remuneration Report for the reporting year</li> <li>• Preparation of the maximum aggregate compensation amounts of the Board of Directors and the Executive Board to be submitted to shareholders' vote at the upcoming AGM</li> </ul>	<ul style="list-style-type: none"> <li>• Preparation of equity grants for the Board of Directors, the Executive Board, and participants in equity programs</li> <li>• Review of external stakeholders' feedback on the Remuneration Report and on the compensation policies</li> <li>• Benchmarking of the compensation of the Board of Directors and the Executive Board</li> </ul>	<ul style="list-style-type: none"> <li>• Nomination matters relating to the Board of Directors, the Executive Board and other key management positions</li> <li>• Succession Planning for positions on the Board of Directors and Executive Board</li> <li>• Review of compensation policies for the Board of Directors and the Executive Board</li> </ul>

In compliance with the OaEC, the maximum aggregate compensation amounts of the Board of Directors and the Executive Board are subject to share-

holders' approval at the AGM. Within these confines, the internal approval and decision-making processes on compensation-related matters are as follows:

### Approval process

Decision on	Prepared by	Proposed by	Approved by
Maximum aggregate compensation amount of the Board of Directors	NCC	BoD	AGM
Compensation of Board of Directors members		NCC	BoD
Grant of equity to members of the Board of Directors		NCC	BoD
Maximum aggregate compensation amount of the Executive Board	NCC	BoD	AGM
Compensation of the CEO, including fixed and variable compensation		NCC	BoD
Compensation of Executive Board members other than the CEO, including fixed and variable compensation	CEO	NCC	BoD
Grant of equity to the Executive Board members		NCC	BoD
Selection and proposal of new members of the Board of Directors		NCC	BoD
Selection and proposal of new members of the Executive Board and other key management positions		NCC	BoD
Succession planning for the Executive Board		NCC	BoD

BoD = Board of Directors

The NCC may decide to consult external advisors for specific compensation matters. In 2021, long-term incentive plan specialists [dialog]unlocked and valuation experts algofin AG provided services relating to executive compensation matters. These companies have no other mandate with Meyer Burger.

### Compensation policy and principles

Meyer Burger is a globally renowned technology company that went through a fundamental transformation from a machine supplier to a cell and module manufacturer in order to convert its technological leadership into a sustainable and scalable business. The transformative process was supported by its four core values ("passion", "determination", "responsibility" and "holism") and by a compensation system that is motivating and fair, while driving sustainable performance. The compensation system provides for competitive base salaries and attractive incentive schemes that reward company suc-

cess and long-term value creation, promote an entrepreneurial attitude and, strengthen the alignment with shareholders' interests.

#### Board of Directors

(GRI 102-28)

The compensation for the Board of Directors consists of a fixed compensation that is paid 50% in cash and 50% in the form of restricted shares subject to a three-year blocking period. This model strengthens the independence of the Board of Directors in exercising its supervisory duties towards the executive management and the alignment with shareholders' interests. Board fees are paid in two semi-annual instalments.

## Executive Board

The compensation programs for the Executive Board of Meyer Burger consists of several components, including fixed and variable compensation

elements which are described in detail in this report and are built around the following principles:

Market competitiveness	Alignment with market practices and trends, external equity
Performance related pay	Connection between compensation and the company's success
Long-term orientation	Alignment with the long-term interests of shareholders and company values
Transparency and fairness	Transparency, fairness and internal equity

## Board of Directors

### Compensation system

(GRI 102-36)

The members of the Board of Directors are compensated for their services from the date of their election and for the duration of their term of office. The structure and the levels of compensation of the Board of Directors are reviewed by the NCC annually and, if necessary, adjusted by the Board of Directors based on a proposal by the NCC. The level of compensation is set by the NCC, taking into account the work required by Board and Committee members, and is approved by the Board of Directors.

In 2021, the NCC evaluated the mix of cash and equity compensation as well as the type of equity instrument used in the compensation system and proposed revisions to the compensation model for the Board of Directors, with effect from the term starting with the 2021 AGM.

### Compensation system applicable up to the 2021 AGM

The annual compensation for each member of the Board of Directors consisted of fixed compensation in the form of an annual retainer. The value of the retainer was paid in a minimum amount of cash and performance share units (PSUs), as illustrated in the following table.

### Compensation model up to the 2021 AGM

in TCHF	Cash	PSUs
Board of Directors Chair	15	170
Board of Directors Vice Chair	15	170
Board of Directors Member	15	170

At the time of the grant, the monetary amount of the PSU grant was converted to a certain number of PSUs based on the fair value of the PSUs at grant. Each PSU provides for the right to a maximum of one share in the company after a period of three years, conditional on the development of the share price of the company. The number of shares allocated at the end of the performance period ranges from zero to 100% of the initial number of PSUs granted. There is no upward potential, meaning that

the conversion into shares is capped at 100% of the initial number of PSUs granted. If the closing share price on the next trading day following the end of the three-year performance period is equal to or below the threshold set by the Board of Directors, no shares are allocated.

The threshold share price for the PSUs granted in 2021 is CHF 0.435. The target share price is CHF 0.485. If the share price is equal to or above the target, 100% of the PSUs are converted into shares. Between the threshold (0%) and the target (100%), the conversion into shares follows a linear interpolation. If the value creation for shareholders does not reach the threshold level, the Board of Directors will not receive any compensation other than the cash amount.

### Compensation system applicable as at the 2021 AGM

As detailed above, the Board of Directors decided to amend the compensation system with effect from the term of office starting with the 2021 AGM. The members of the Board of Directors now receive an annual retainer settled 50% in cash and 50% in restricted shares (RS).

This decision was made to strengthen the independence of the Board of Directors in exercising its supervisory duties and the alignment with shareholders' interests.

Furthermore, in response to market practice and shareholder comments, it was decided to reflect – also in terms of overall compensation – the different levels of responsibility between the roles of the Chairman and of the other members of the Board. Therefore, the annual fee for the Chairman has been raised from CHF 185 thousand to CHF 215 thousand, which is within the total amount approved by the shareholders.

The amount of compensation is as follows:

### Compensation model as from the 2021 AGM

in TCHF	Cash	RSUs
Board of Directors Chair	107.5	107.5
Board of Directors Vice Chair	92.5	92.5
Board of Directors Member	92.5	92.5

The number of restricted shares to be allocated is determined by dividing the monetary amount by the closing share price on the day prior to the grant date. Shares are blocked for a period of three years. The blocking period lapses in case of death and remains in all other instances.

The shares are subject to claw back conditions. In the event of a financial restatement due to material non-compliance, or an individual's fraud or misconduct, the Board of Directors may determine that all

or part of the shares allocated (or an equivalent cash amount) have to be transferred / paid back to the company.

The members of the Board of Directors receive no additional reimbursements of business expenses beyond actual expenses for business travel outside Switzerland. The members of the Board of Directors do not participate in Meyer Burger's employee benefits plan.

### Compensation of the Board of Directors in 2021

(GRI 102-38)

### Compensation of members of the Board of Directors (audited)

This section is audited according to Article 17 of the OaEC in Listed Stock Corporations.

2021/2020

in TCHF	Year	Board of Directors	Innovation Committee <sup>1</sup>	R & A Committee	N & C Committee	Cash	PSUs <sup>2</sup>	RSUs <sup>3</sup>	Total compensation 2021/2020
Dr. Franz Richter	2021	C	-	-	-	76	50	71	<b>197</b>
	2020	C <sup>4</sup>	-	-	-	48	120	-	<b>168</b>
Mark Kerekes	2021	V	-	M	-	66	50	61	<b>177</b>
	2020	V <sup>4</sup>	-	M <sup>4</sup>	-	10	120	-	<b>130</b>
Urs Fährdrich	2021	M <sup>7</sup>	-	-	C <sup>7</sup>	5	50	-	<b>55</b>
	2020	M <sup>4</sup>	-	-	C <sup>4</sup>	10	120	-	<b>130</b>
Andreas Herzog	2021	M	-	C	M	66	50	61	<b>177</b>
	2020	M	-	C	M	48	120	-	<b>168</b>
Hans-Michael Hauser	2021	-	-	-	-	-	-	-	-
	2020	M <sup>6</sup>	M <sup>6</sup>	-	C <sup>6</sup>	30	-	-	<b>30</b>
Remo Lütolf	2021	-	-	-	-	-	-	-	-
	2020	C <sup>6</sup>	-	-	-	73	-	-	<b>73</b>
Prof. Dr. Urs Schenker	2021	M <sup>5</sup>	-	-	C <sup>5</sup>	61	-	61	<b>122</b>
	2020	-	-	-	-	-	-	-	-
<b>Total before mandatory employer contributions</b>	<b>2021</b>					<b>274</b>	<b>200</b>	<b>254</b>	<b>728</b>
	2020 <sup>8</sup>					219	480	-	699
Mandatory employer contributions	2021								<b>43</b>
	2020 <sup>8</sup>								14
<b>Total<sup>9</sup></b>	<b>2021</b>								<b>771</b>
	2020 <sup>8</sup>								713

C: Board Chair, V: Board Vice Chair, M: Member, BoD: Board of Directors; IC: Innovation Committee; RAC: Risk and Audit Committee, NCC: Nomination and Compensation Committee, EC: Executive Committee

<sup>1</sup> The Innovation Committee was discontinued as per the 2020 AGM.

<sup>2</sup> The PSU program was introduced at the 2020 AGM and discontinued as of the 2021 AGM. The fair value of the PSU at grant date amounts to CHF 0.299 in 2021 and CHF 0.236 in 2020 (Monte Carlo valuation on 24 May 2021 and 23 December 2020 respectively).

<sup>3</sup> Restricted shares. First semi-annual instalment granted 30 December 2021, value CHF 0.407 per RS (= closing price on 30 December 2021).

<sup>4</sup> From 13 May 2020.

<sup>5</sup> From 4 May 2021.

<sup>6</sup> Up to 13 May 2020.

<sup>7</sup> Up to 4 May 2021.

<sup>8</sup> Members of the Board of Directors voluntarily waived 15% of their compensation for the period from April 2020 to May 2020.

<sup>9</sup> A temporary "Strategy and Approval Committee" was established in 2021 (see page 46/section 3.2.1 in the corporate governance report), but no additional compensation was paid for participation in that committee.

### Explanatory comments to the compensation table

No member of the Board of Directors served in an executive role in 2021. The number of members of the Board of Directors has remained stable at four

members. The total compensation amount increased by 8% compared to the previous year, which is due to a slightly reduced PSU allocation for the January-to-AGM period in order to comply with the pre-approved amounts.

At the 2020 AGM, a maximum aggregate amount of compensation of CHF 700 thousand (excluding mandatory employer contributions) was approved for the Board of Directors for the 2021 fiscal year. Adjusted for the period from 1 January 2021 to the 2021 AGM, the approved amount corresponds to CHF 233 thousand. The total value of the compensation awarded to the Board of Directors for this period was CHF 233 thousand (including mandatory employer contributions of CHF 13 thousand) and is therefore exactly within the approved limits.

At the 2021 AGM, a maximum aggregate amount of compensation of CHF 800 thousand (excluding mandatory employer contributions) was approved for the Board of Directors for the compensation period from the 2021 AGM up to the 2022 AGM. The compensation period is not yet completed. The compensation for the portion included in this Remuneration Report (up to 31 December 2021) is within this approved limit. A definitive assessment for the entire period will be provided in the next Remuneration Report.

Members of the Board of Directors did not receive any fees or other compensation for additional services to Meyer Burger or its subsidiaries in the 2021 fiscal year (2020: no additional fees).

Neither Meyer Burger nor its subsidiaries granted any guarantees, loans, advances or credit facilities to members of the Board of Directors or related parties in 2021 or 2020.

No material compensation was paid to any former members of the Board of Directors of Meyer Burger, or a Group company, or related parties in 2021 or 2020.

## Executive Board

### Compensation system

The compensation system for the Executive Board consists of fixed and variable components. The fixed component entails a base salary commensurate with the role and local market levels and, depending on local market practice, perquisites and benefits.

The variable component entails a performance-related annual cash bonus (short-term incentive, STI) and a three-year performance-related equity program (long-term incentive, LTI).

The compensation structure and level of the Executive Board is reviewed regularly against prevalent market practice for an appropriate peer group. The last review was conducted in 2019 based on a benchmark study provided by HCM International Ltd. The study included 19 industrial and technology companies listed at SIX Swiss Exchange that are of comparable size in terms of revenue and market capitalization, with some further consideration given to the workforce. These companies included AMS Arbonia, Ascom, Belimo, Bossard, Burkhalter, Comet, Feintool, Gurit, Huber+Suhner, Huegli, Interroll, Kardex, Komax, Phoenix Mecano, U Blox, VAT, Vetropack and Zehnder.

The compensation system, its components and the mix between the components was reviewed and adjusted in the context of the fundamental business transformation of Meyer Burger to ensure that the Executive Board stays focused on driving the transformation, which is critical for the company's long-term success, and to mitigate the impact of the compensation systems on the liquidity of the company.

### Compensation system of the Executive Board

	Vehicle	Purpose	Drivers
Base salary	Monthly cash salary	Attract and retain	Position, market practice, skills and experience
Performance bonus (STI)	Annual bonus in cash	Performance related pay	Annual performance
Long-term incentive (LTI)	Stock options	Align to shareholders	Share price over three years
Benefits	Pension, insurance and perquisites	Protect against risks Attract and retain	Market practice and position

#### Base salary

The base salary is determined primarily by the executive's tasks, responsibilities, skills and managerial experience, as well as market conditions. The base salary is paid in cash.

To ensure market competitiveness, base salaries of the Executive Board are reviewed every year, taking

into account the company's capacity to pay, benchmark information and internal consistency, economic environment and individual performance. They were last benchmarked in 2019 as mentioned above.

#### Short-Term Incentive (STI) program

The STI program is an annual cash bonus aimed at motivating executives to focus their efforts on achieving specific financial, strategic and individual

objectives. It helps them to align their efforts, promotes initiative and boosts both individual and company performance.

The regular annual target setting process was reinstated in 2021 following an extraordinary set of business circumstances in 2020.

The STI target is expressed as a percentage of base salary. In 2021, it amounts to 55% of base salary for the CEO and 25% of base salary for the other members of the Executive Board.

The STI performance is measured on the basis of specific financial and strategic objectives, which are determined annually by the NCC (at the CEO's recommendation for the members of the Executive Board) and approved by the Board of Directors. The level of achievement for each objective corresponds to a payout percentage for that objective, which is always between 0% and 150%. The payout is 100% for achieving the target level of performance, 0% for achievement below the lower threshold and 150% for achievement above the upper threshold.

EB member	Achievement level	
	Target (% of base salary)	Maximum (% of target)
Chief executive officer	55%	150%
Other EB members	25%	150%

Financial objectives in 2021 focused on growth, profitability and the generation of cash which was measured using net sales, contribution margin, EBITDA margin and cash flow from operations. These KPIs are key to the business success of Meyer Burger and are regularly communicated to investors. The four KPIs are equally weighted. Financial targets are based on the annual budget and the payout on the actual financial results.

Strategic objectives are clearly measurable and, for fiscal year 2021, focus on delivering new technologies and implementing business processes.

### Objectives, performance measures and their weighting

Objectives	Performance Measures	Weighting	All
Financial	Net sales	70%	25%
	Contribution margin	70%	25%
	EBITDA margin	70%	25%
	Cash flow from operations	70%	25%
Strategic	Strategic initiatives	30%	n/a

The STI is paid out in cash in the April following the respective business year.

### Long-term incentive (LTI) program

The long-term incentive program is a share option plan.

The LTI target amount is expressed as a percentage of base salary. In 2021, it amounts to 55% of the base salary for the CEO and 83% of base salary for the other members of the Executive Board. The number of share options is determined by dividing the target amount by the fair grant value of the share option.

EB member	2021 target amount (% of base salary)
Chief executive officer	55%
Other EB members	83%

The share options are subject to a three-year cliff vesting. Upon vesting, the share options immediately exercise, and the proceeds of the exercise (difference between the relevant share price at vesting and the exercise price) are settled in shares. The relevant share price used at vesting is the volume-weighted average share price (VWAP) measured over the 30 trading days preceding the vesting date. The strike price of the share options was set at CHF 0.518 while the share price at grant amounted to CHF 0.468. The vesting of the share options is subject to continued employment.

Unvested share options forfeit in case of termination by the employer for cause or for individual performance reasons, and in the case of an individual's voluntary resignation. They immediately vest on a pro-rata basis and are automatically exercised at the termination date in the case of other terminations, such as death, disability, retirement or change of control, provided that the share price is above the exercise price of the option (otherwise they forfeit).

The shares acquired through option exercise are subject to claw back provisions. In the event of a financial restatement due to material non-compliance, or an individual's fraud or misconduct, the Board of Directors may determine that all or part of the shares allocated (or an equivalent cash amount) have to be transferred / paid back to the company.

### Outstanding performance shares from long-term incentive programs awarded prior to 2021

Under the previous share option model, share options could be exercised at the earliest after 1 year from the grant date (further details in the 2020 compensation report), vesting not being subject to any further specific financial performance conditions. Such share options granted prior to 2021



continue to be exercisable in 2021 and subsequent years. However, that program was discontinued, and no further share options under that previous model were granted to members of the Executive Board for their services in 2021.

In addition, in 2018 and 2019, the long-term incentive was awarded in the form of PSUs subject to a three-year vesting period conditionally upon the relative Total Shareholder Return (TSR). The TSR is a standard indicator used for measuring stock performance. It is defined as the net change in share price plus any dividend distributions over the vesting period of three years. The TSR is measured by comparing a start value of the volume-weighted average share price (VWAP) over the first 60 trading days of the first year, to an end value of the VWAP over the last 60 trading days of the third year.

Relative TSR is measured against the MAC Solar Index ([www.macsolarindex.com](http://www.macsolarindex.com)). A TSR of at least 25 points above the index corresponds to a 150% payout, a TSR at the same level to a 100% payout, a TSR

of no more than 50 points below the index to a 50% payout; and a TSR that is more than 50 points below the index yields no payout.

In the case of resignation or dismissal for cause, PSUs are forfeited. In case of death, disability or change of control, they vest at 100% at the termination date. In case of dismissal without cause, PSU granted during the year of termination are subject to a pro-rata vesting at the regular vesting date and PSUs granted in years before the year of termination continue to vest normally.

The shares transferred under the PSU plan are subject to claw-back provisions. In the case of criminal acts, fraud or misconduct, a claw-back provision allows the Board of Directors to reclaim all or part of any shares released to the participant concerned, for a period of five years after their allocation.

The LTI program is financed through treasury shares.

## Target, performance and payout estimate as at 31 December 2021 for the outstanding PSU

LTI program	Measure	MBTN Start	MBTN 31.12.2021	MBT	Index	Performance 31.12.2021	Estimated payout as at 31.12.2021
				Total Shareholder Return 31.12.2021	Total Shareholder Return 31.12.2021		
LTI 2019-2022	rTSR <sup>1</sup>	0.77	0.43	-44%	284%	-328%	0%
LTI 2020-2023	rTSR <sup>1</sup>	0.24	0.43	79%	163%	-84%	0%

<sup>1</sup> rTSR is measured by comparing the volume-weighted average share prices (VWAPs) of 60-day periods at the beginning of the first year and the end of 2021.

### Benefits: pension and insurance

Members of the Executive Board participate in the benefits plans available in their country of employment. The primary purpose of pension and insurance plans is to establish a level of security for employees and their dependents with respect to old age, disability and death. The level and scope of pension and insurance benefits provided are country-specific and are influenced by local market practices and regulations.

### Benefits: perquisites

Meyer Burger may provide certain executive perquisites according to competitive market practice in their country, such as a company car or a car allowance and other benefits in kind. The monetary value of these other elements of compensation is evaluated at fair value and is included in the compensation tables below.

### Employment contracts

The employment contracts of members of the Executive Board are of unlimited duration. They provide for a notice period of 6 or 12 months. Contracts

of members of the Executive Board do not include severance compensation or change of control clauses except the vesting provisions of the LTI awards as described above. The contract may contain a non-competition clause for a duration of 12 months following termination of employment.

### Compensation 2021 Realized compensation

The following section shows the total annual pay components realized in 2021, including salary and bonus payments, contributions to pension plans, perquisites as well as the actual value of equity plans that vested in 2021. This perspective reflects the income received by members of the Executive Board in 2021, which amounted to a total annual compensation of CHF 1,118 thousand (2020: CHF 1,687 thousand). The highest compensation received by an individual member of the Executive Board in 2021 was CHF 563 thousand for the CFO in 2021 (2020: CEO with CHF 546 thousand).

## Compensation realized by members of the Executive Board (GRI 102-38)

2021 in TCHF	Fixed compensation				Variable compensation		Total realized compensation
	Year	Base salary	Pension	Other <sup>1</sup>	STI	LTI effective value at vesting date) <sup>2</sup>	
Total compensation of members of the Executive Board <sup>3</sup>	2 021	776	40	66	134	102	<b>1 118</b>
	2 020	992	113	157	386	39	<b>1 687</b>
Thereof highest paid:							
Jürgen Schiffer	2 021	345	1	52	63	102	<b>563</b>
Hans Brändle (former CEO)	2 020	309	43	50	116	28	<b>546</b>

<sup>1</sup> Other compensation includes perquisites such as a car allowance or value of company car as well as social security costs and holidays payout.

<sup>2</sup> The 2018 LTI program was based on PSUs and vested in 2021 without an actual payout.

<sup>3</sup> During 2021, the Executive Board was increased to three members (previously two).

### Granted compensation

The following section shows the pay components granted for 2021, which in total amounted to CHF 1,894 thousand (2020: CHF 2,821 thousand) and reflects the compensation awarded to the members of the Executive Board in the year under review. This amount comprises a base salary amount of CHF 776 thousand (2020: CHF 992 thousand), contributions to pension plans of

CHF40 thousand (2020: CHF 113 thousand), other perquisites of CHF 57 thousand (2020: CHF 60 thousand), bonus payments of CHF 134 thousand (2020: CHF 386 thousand), as well as the fair value of the LTI award at grant date of CHF 877 thousand (2020: CHF 1,173 thousand). The highest compensation granted to an individual member of the Executive Board in 2021 was CHF 815 thousand (2020: CHF 1,253 thousand).

### Compensation granted to members of the Executive Board (audited)

in TCHF	Year	Fixed compensation			Variable compensation			Total granted compensation
		Base salary <sup>1</sup>	Pension	Other <sup>2</sup>	STI	Options (target value at grant date) <sup>3</sup>	PSUs (target value at grant date) <sup>4</sup>	
Total compensation of members of the Executive Board before mandatory employer contributions <sup>5</sup>	2021	776	40	57	134	877	–	<b>1 884</b>
	2020	992	113	60	386	1 080	93	<b>2 724</b>
Thereof highest granted to one individual:								
Dr. Gunter Erfurt (CEO)	2021	278	35	8	56	438	–	<b>815</b>
Dr. Gunter Erfurt (CEO) <sup>5</sup>	2020	275	27	27	144	780	–	<b>1 253</b>
Estimated mandatory employer contributions <sup>6</sup>	2021							<b>10</b>
	2020							<b>97</b>
Total compensation of members of the Executive Board	<b>2021</b>							<b>1 894</b>
	2020							<b>2 821</b>

<sup>1</sup> Members of the Executive Board voluntarily waived 15% of their compensation for the period from May 2020 to June 2020.

<sup>2</sup> Other compensation includes perquisites such as a car allowance or a company car.

<sup>3</sup> The fair value of the share option at grant date in 2021 was CHF 0.1775 and in 2020 CHF 0.120 (valuation per Enhanced American Model).

<sup>4</sup> The PSU program was discontinued in 2020. Former members of the Executive Board had received a regular PSU grant, which is fully disclosed above, while new members of the Executive Board received options under the new LTI plan. The fair value of the PSUs at grant date was CHF 0.15 in 2020 (valuation per Monte Carlo). The estimated performance of the LTI program as at 31 December 2021 was 0% for all outstanding grants. The effective performance will be determined at the respective vesting date.

<sup>5</sup> In 2020; 9 months as CEO and 3 months as CTO.

<sup>6</sup> In 2021, the Executive Board was increased to three members (previously two). The compensation for Katja Tavernaro was considered, for the above table, as from the time when she joined the Executive Board as Chief Sustainability Officer in June 2021.

### Explanatory comments to the compensation table

(GRI 102-39)

The overall compensation awarded to the Executive Board was lower in 2021 than in 2020. This change can be explained by the following:

- Base salary: the change to the compensation of the Executive Board described above is due to general changes in compensation structure and the fact that the current CEO still held the CTO position in addition to the CEO position for a few months in 2020, which was no longer the case in 2021 and resulted in a decrease of 21.8% of the overall base salary amount.

- STI: For 2020, the STI performance measurement was temporarily suspended, and a fixed target amount was paid. For 2021, the STI was subject to the achievement of performance targets (as set out above). While the net sales objective was partially met, the threshold performance level for the other financial KPIs was not achieved. This modest result is mainly related to operational challenges such as short-term, unexpected supply bottlenecks. However, several projects that were critical to the development of the company were successfully implemented, leading to an overall payout of 41% of target on average.
- LTI grant: the total value of the grant under the LTI plan decreased by 19% compared to the previous year 2020 was a special year with the decision to change the business model and the challenges of the capital increase, and for this process, management should be particularly motivated. In 2021, there were still major challenges, albeit mainly in the operational area, which is why it was possible to return to the level practiced until 2019 in the context of compensation.
- The variable compensation amounted to 177% of the annual base salary for the CEO (2020: 335%) and to 103.8% of the annual base salary for the other members of the Executive Board on average (2020: 142%).
- LTI vesting: the performance assessment of the LTI plan vesting in 2021 resulted in a vesting level of 0% because the TSR threshold was not met. The performance assessment of the LTI plan vesting in 2020 resulted in a vesting level of 50%.

In 2021, the AGM had approved a maximum aggregate amount of compensation for the Executive Board of CHF 2,500 thousand (excluding mandatory employer contributions) for 2021, and therefore the overall compensation granted of CHF 1,894 thousand is within the limits approved by the shareholders.

During 2021, no compensation was paid to former members of the Executive Board or related parties, either by Meyer Burger or by any other company in the Meyer Burger Group.

Current or former members of the Executive Board did not receive any fees or other compensation for additional services to Meyer Burger or its subsidiaries in the 2021 or 2020 fiscal years.

Neither Meyer Burger nor its subsidiaries granted any guarantees, loans, advances or credit facilities to members of the Executive Board or related parties in 2021 or 2020.

During 2021, no compensation was paid to related parties, either by Meyer Burger or by any other company in the Meyer Burger Group.

### Share ownership and related instruments Board of Directors

As at 31 December 2021, members of the Board of Directors held a total of 17,328,910 registered shares, 619,929 RSUs and 2,027,097 PSUs. This number comprises privately acquired shares and those allocated under Meyer Burger's compensation system.

## Share Ownership as at 31 December 2021

Name	Year	No of shares	No of RSUs	No of PSUs <sup>1</sup>
<b>Members of the Board of Directors</b>				
Dr. Franz Richter	2021	3 031 597	202 056	675 699
	2020	2 994 157	105 323	508 475
Mark Kerekes	2021	5 814 003	115 451	675 699
	2020	5 814 003	-	508 475
Prof. Dr. Urs Schenker (from 2021 AGM)	2021	8 142 859	115 451	-
Urs Fährdrich (up to 2021 AGM)	2020	143 705	-	508 475
Andreas Herzog	2021	340 451	143 445	675 699
	2020	225 000	28 004	508 475
<b>Total</b>	<b>2021</b>	<b>17 328 910</b>	<b>619 929</b>	<b>2 027 097</b>
	2020	9 176 865	133 327	2 033 900

<sup>1</sup> The fair value of PSUs at grant was CHF 0.299 in 2021 and CHF 0.236 in 2020.

## Executive Board

As at 31 December 2021 the members of the Executive Board held a total of 666,981 registered shares, 105,373 performance share units and 13,705,127 employee stock options.

Name	Year	No of shares	No of PSUs <sup>1</sup>	No of RSUs	No of stock options <sup>2</sup>
<b>Members of the Executive Board</b>					
Dr. Gunter Erfurt	2021	374 617	105 373	-	8 970 085
	2020	374 617	203 734	-	6 500 000
Jürgen Schiffer (from October 2020)	2021	292 364	-	-	-
	2020	42 000	-	-	2 500 000
Katja Tavernaro (from June 2021)	2021	-	-	64 380	4 735 042
<b>Total</b>	<b>2021</b>	<b>666 981</b>	<b>105 373</b>	<b>64 380</b>	<b>13 705 127</b>
	2020	416 617	203 734	-	9 000 000

<sup>1</sup> The fair value of PSUs at grant was CHF 0.15 in 2020.

<sup>2</sup> The fair value of stock options at grant was CHF 0.1775 in 2021 and CHF 0.120 in 2020.

For the disclosure required under Art. 663c Para. 3 of the Swiss Code of Obligations, please see page 36.

## Equity overhang and dilution as at 31 December 2021

As at 31 December 2021, the equity overhang, defined as the total number of unvested share units

and options divided by the total number of outstanding shares (2,670,491,011 dividend-bearing shares) amounts to 1.5%.

The company's gross "burn rate", defined as the total number of equities (shares, share units and options) granted in 2021 divided by the total number of outstanding shares (2,670,491,011 dividend-bearing shares) amounts to 0.9%.

# Report of the statutory auditor

to the General Meeting of Meyer Burger Technology Ltd

Gwatt (Thun)

We have audited the remuneration report of Meyer Burger Technology Ltd for the year ended 31 December 2021. 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 labeled 'audited' on page 62 and 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 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.

## Opinion

In our opinion, the remuneration report of Meyer Burger Technology Ltd for the year ended 31 December 2021 complies with Swiss law and articles 14–16 of the Ordinance.

PricewaterhouseCoopers AG



René Rausenberger  
Audit expert  
Auditor in charge



Yvonne Burger  
Audit expert

Bern, 23 March 2022

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