Annual Report

2023

MEYER BURGER

Key Figures

Consolidated income statement

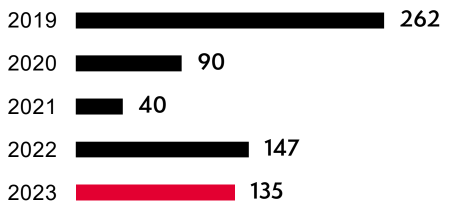
in TCHF	2023	2022
Net sales	135 035	147 214
Operating income after costs of products and services[1]	–4 565	73 011
EBITDA[2]	–163 592	–34 630
in % of net sales	–121.1%	–23.5%
EBIT[3]	–250 175	–53 594
in % of net sales	–185.3%	–36.4%
Net result for the year	–291 938	–69 850

1 "Operating income after costs of products and services" corresponds to total income including other operating income, e.g. gains from sales of Group companies or property, plant and equipment, less changes in inventories or finished and semi-finished products and machines before acceptance, cost of products and work in progress and capitalized goods and services.
2 "EBITDA" corresponds to the operating result (EBIT) before depreciation on tangible fixed assets and amortization on intangible assets.
3 "EBIT" corresponds to the result before the financial result, the result from investment in associates, the non-operating result and income taxes.

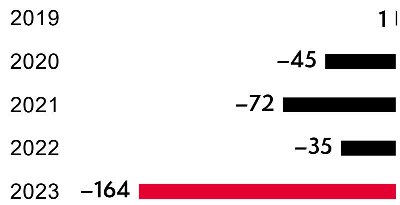
Consolidated balance sheet

in TCHF	31.12.2023	31.12.2022
Total assets	681 216	720 442
Current assets	386 068	473 798
Non-current assets	295 148	246 644
Current liabilities	160 517	89 452
Non-current liabilities	329 289	202 109
Equity	191 410	428 881
Equity ratio	28.1%	59.5%

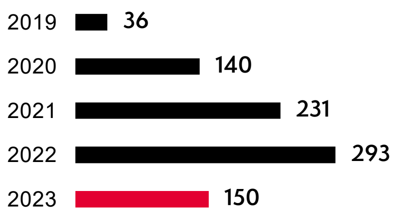
Net sales
in CHF million



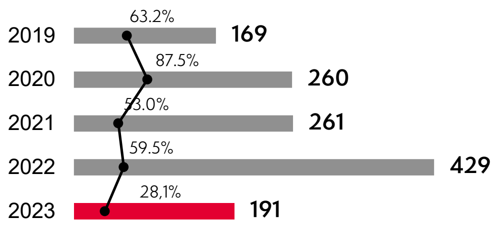
EBITDA
in CHF million



Cash and cash equivalents
in CHF million



Equity and equity ratio
in CHF million and %



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The Annual Report 2023 is available on the company website:
https://www.meyerburger.com/en/investors/financial-reports-publications/

Letter to Shareholders

Dear Shareholders

Fiscal year 2023 was a very challenging one for Meyer Burger Technology. In the first half of the year, Meyer Burger confirmed its position as a leading premium solar manufacturer and production capacity in Germany was expanded as planned. However, as the year progressed, it became clear that dumping prices from Chinese suppliers in Europe, coupled with a sharp rise in Chinese production overcapacity and a lack of market protection, led to unprecedented distortions in the European solar market, which had a serious impact on Meyer Burger's earnings.

While the first half of the year showed good growth with sales of CHF 96.9 million, sales in the second half of the year fell to CHF 38.1 million. Total sales in the financial year therefore amounted to CHF 135.0 million. Despite the decline in sales, the volume of solar modules produced increased to 650 megawatts, while module inventories rose significantly to around 365 megawatts. The operating result was adversely affected by the underutilization of production capacity in Germany and impairment losses on production materials and finished products, as well as costs for operating of the production facilities in Germany and the further expansion in the USA in 2023. Inventories increased to CHF 130.8 million due to solar modules and cells produced but not sold, especially in the second half of 2023. These inventories had to be written down for accounting purposes, resulting in an impairment of CHF 51.7 million. In total, this led to in a negative EBITDA of CHF 163.6 million. Excluding these impairments, the negative EBITDA would have been CHF 111.9 million. EBIT totaled CHF -250.2 million and was negatively impacted by unscheduled depreciation of CHF 56.8 million on property, plant and equipment and intangible assets following an impairment test due to another special effect. Together with a negative financial result (CHF 42.6 million), this triggered a loss for the period of CHF 291.9 million (CHF 183.4 million excluding the one-off effects from the additional inventory write-

Sehr geehrte Aktionärinnen, sehr geehrte Aktionäre

Das Geschäftsjahr 2023 war für Meyer Burger Technology sehr herausfordernd. Im ersten Halbjahr bestätigte Meyer Burger seine Position als führender Premium-Solarhersteller, die Produktionskapazitäten in Deutschland wurden wie geplant ausgebaut. Im Jahresverlauf wurde aber deutlich, dass es in Europa durch die Dumpingpreise chinesischer Anbieter bei parallel verlaufendem starkem Anstieg der chinesischen Produktionsüberkapazitäten sowie fehlendem Marktschutz zu beispiellosen Verzerrungen im europäischen Solarmarkt kam, mit gravierenden Auswirkungen auf das Ergebnis von Meyer Burger.

Während im ersten Halbjahr noch ein gutes Wachstum mit einem Umsatz von CHF 96.9 Millionen resultierte, brachen die Verkäufe im zweiten Halbjahr auf CHF 38.1 Millionen ein. Insgesamt betrug der Umsatz im Geschäftsjahr 2023 damit CHF 135.0 Millionen. Die Menge der produzierten Solarmodule stieg trotz rückläufigen Verkäufen auf 650 Megawatt an, der Modul-Lagerbestand erhöhte sich deutlich auf rund 365 Megawatt. Das Betriebsergebnis wurde durch die Unterauslastung der Produktionskapazitäten in Deutschland und die Wertminderungen auf Produktionsmaterial und Endprodukte sowie durch Kosten für den Betrieb der Produktionsanlagen in Deutschland und den weiteren Ausbau in den USA im Jahr 2023 belastet. Die produzierten, aber vor allem im zweiten Halbjahr 2023 unverkäuflichen Solarmodule- und zellen erhöhten den Lagerbestand auf CHF 130.8 Millionen. Diese Vorräte mussten aufgrund von buchhalterischen Auflagen wertberichtigt werden, was zu Wertberichtigungen in Höhe von CHF 51.7 Millionen führte. In der Summe führte dies zu einem negativen EBITDA in Höhe von CHF 163.6 Millionen. Ohne diese Wertberichtigungen hätte der negative EBITDA CHF 111.9 Millionen betragen. Das EBIT belief sich auf CHF -250.2 Millionen und wurde durch ausserplanmässige Abschreibungen auf das Sachanlagevermögen und immaterielle Vermögens-

Left:
Franz Richter
Chairman
Meyer Burger
Technology AG

Right:
Gunter Erfurt
Chief Executive
Officer
Meyer Burger
Technology AG

downs and the unscheduled depreciation on property, plant and equipment, and intangible assets). Meyer Burger's restricted and unrestricted cash and cash equivalents amounted to CHF 181.0 million as at 31 December 2023 and CHF 113.3 million as at 29 February 2024.

Focus on US production

In order to proactively respond to the negative market constellations in Europe, which are dependent on political decisions, Meyer Burger took strategic steps back in the summer of 2023 and announced that it would shift its business focus to the USA. As part of this strategic adjustment, it has decided to build its own solar cell factory in Colorado Springs, Colorado, in addition to the module production facility at the plant in Goodyear, Arizona, which was announced back in 2021. The US solar market is highly attractive. The market conditions there allow the solar industry to flourish, benefiting from a stable cost base, fixed offtake agreements and excellent price levels. Government support programs such as the Inflation Reduction Act (IRA) also contribute to the market potential on offer.

As the business climate in Europe continued to deteriorate, Meyer Burger decided in February 2024 to focus on production and profitable growth in the USA and to start preparations for the closure of its Freiberg site in Germany, which would take effect at the end of April. In the meantime, the Group halted module production at the site in the first half of March, which is expected to result in significant cost savings from April onward. Solar cell production in Thalheim (Bitterfeld-Wolfen), Germany, will continue for the time being to support the ramp-up of module production in the USA. The engineering and R&D sites in Switzerland and Germany are not affected by these measures and will continue to contribute to the business outside Europe with their technological developments.

werte in Höhe von CHF 56.8 Millionen infolge eines Impairmenttests durch einen weiteren Sondereffekt negativ belastet. In Kombination mit einem negativeren Finanzergebnis (CHF 42.6 Millionen) resultierte in der Berichtsperiode deshalb ein Verlust von CHF 291.9 Millionen (CHF 183.4 Millionen ohne die Sondereffekte aufgrund der zusätzlichen Wertberichtigungen auf das Vorratsvermögen und die ausserplanmässigen Abschreibungen auf das Sachanlagevermögen und immaterielle Vermögenswerte). Die flüssigen Mittel von Meyer Burger (mit und ohne Verfügungsbeschränkungen) betrugen per 31. Dezember 2023 CHF 181.0 Millionen und per 29. Februar 2024 CHF 113.3 Millionen.

Fokus auf US-Produktion

Meyer Burger hat bereits im Sommer 2023 strategische Schritte unternommen, proaktiv auf die negativen und von politischen Entscheidungen abhängigen Marktkonstellationen in Europa reagiert sowie angekündigt, den Geschäftsschwerpunkt in die USA zu verlegen. Mit dieser Strategieanpassung wurde beschlossen, neben der bereits 2021 angekündigten Modulproduktion in den USA im Werk in Goodyear, Arizona auch eine eigene Solarzellenfabrik in Colorado Springs, Colorado aufzubauen. Denn der US-amerikanische Solarmarkt ist hochattraktiv. Die dortigen Marktbedingungen lassen die Solarindustrie florieren; sie profitiert von einer stabilen Kostenbasis, festen Abnahmeverträgen und einem hervorragenden Preisniveau. Staatliche Förderprogramme wie der Inflation Reduction Act (IRA) tragen zusätzlich zum bestehenden Marktpotenzial bei.

Mit dem sich weiter verschlechternden Geschäftsklima in Europa beschloss Meyer Burger im Februar 2024, sich auf die Produktion sowie profitables Wachstum in den USA zu konzentrieren und mit den Vorbereitungen für die Schliessung ihres Standorts in Freiberg in Deutschland zu beginnen, die per Ende April in Kraft treten soll. Zwischenzeitlich hat die Gruppe die Modulproduktion an diesem Standort in der ersten Märzhälfte eingestellt,

Financing on multiple levels

In order to finance and secure the promising activities in the USA. - namely the completion of the solar cell production in Colorado Springs, Colorado, and the solar module production in Goodyear, Arizona, with an annual production capacity of 2 gigawatts each - Meyer Burger is pursuing a multi-layered financing strategy. The implementation of this strategy is expected to close the current funding gap of around CHF 450 million, which has arisen in particular due to the underutilization of production capacities in Germany, the build-up of inventories in connection with the sharp fall in prices for solar modules on the market, combined with (Chinese) overcapacities, and the previously announced costs of the further expansion in the USA.

Firstly, Meyer Burger's Board of Directors is proposing a capital increase of CHF 200 to 250 million, which will be voted on by shareholders at an Extraordinary General Meeting on 18 March. This capital increase shall enable our shareholders to invest in the attractive US business, where Meyer Burger has a unique offering backed by long-term offtake commitments and strong growth potential.

In parallel, and following a detailed due diligence process, the federal government of Germany has approved an export agency credit guarantee for financing to be provided by a commercial bank with a targeted amount of up to USD 95 million. Funding is expected to be provided in the second quarter of 2024 following the entry into long-form credit documentation and the satisfaction of certain conditions. Meyer Burger is also targeting advanced manufacturing production tax credit financing (45X) in the amount of up to USD 300 million, with a term of five to six years, to be provided by a leading global investment bank from the end of the second quarter of 2024, subject to due diligence and entering into the requisite binding agreements. Meyer Burger believes the 45X financing is feasible based on the partial monetization of an estimated USD 1.4 billion in future tax credits.

Finally, we are seeking a USD 200 to 250 million loan from the Federal Financing Bank under the Title 17 Clean Energy Financing Program, guaranteed by the US Department of Energy (DOE).

Following the successful completion of Part I of the DOE process, the Group was formally invited in February 2024 to submit Part II of an application for such a loan. The DOE's invitation to submit a Part II application is not an assurance that it will invite the applicant into the due diligence and term sheet negotiations process, that it will offer a term sheet to the applicant, or that the terms and conditions of any such term sheet will be consistent with the terms proposed by the applicant. These matters are wholly dependent on the results of the DOE's

was ab April zu erheblichen Kosteneinsparungen führen soll. Die Solarzellproduktion in Thalheim (Bitterfeld-Wolfen), Deutschland, wird vorerst fortgesetzt, um den Hochlauf der Modulproduktion in den USA zu unterstützen. Der Maschinenbau und die F&E-Standorte in der Schweiz und in Deutschland sind von diesen Massnahmen nicht betroffen und werden mit ihren technologischen Entwicklungen weiterhin zum Geschäft ausserhalb Europas beitragen.

Mehrstufige Finanzierung

Um die vielversprechenden Aktivitäten in den USA zu finanzieren und zu sichern – namentlich die Fertigstellung der Solarzellenproduktion in Colorado Springs, Colorado und der Solarmodulproduktion in Goodyear, Arizona mit einer jährlichen Produktionskapazität von je 2 Gigawatt – verfolgt Meyer Burger eine mehrschichtige Finanzierungsstrategie. Es wird erwartet, dass mit deren Umsetzung die aktuelle Finanzierungslücke von rund CHF 450 Millionen geschlossen werden kann, die insbesondere durch die Unterauslastung der Produktionskapazitäten in Deutschland, den Aufbau von Lagerbeständen in Verbindung mit dem starken Preisverfall für Solarmodule am Markt im Zusammenhang mit den (chinesischen) Überkapazitäten sowie durch die bereits angekündigten Kosten für den weiteren Ausbau in den USA entstanden ist.

Einerseits schlägt der Verwaltungsrat von Meyer Burger eine Kapitalerhöhung in Höhe von CHF 200 bis 250 Millionen vor, über welche die Aktionärinnen und Aktionäre anlässlich einer ausserordentlichen Generalversammlung vom 18. März abstimmen werden. Mit dieser Kapitalerhöhung können unsere Aktionärinnen und Aktionäre in das attraktive US-Geschäft investieren, wo Meyer Burger ein einzigartiges Angebot hat, das durch langfristige Abnahmeverpflichtungen und das Potenzial für starkes Wachstum gestützt wird.

Parallel dazu und nach einer detaillierten Due-Diligence-Prüfung hat die deutsche Bundesregierung eine Exportkreditgarantie für die Finanzierung durch eine Geschäftsbank mit einem Umfang von bis zu USD 95 Millionen genehmigt. Es wird erwartet, dass die Finanzierung nach Abschluss der Kreditdokumentation und der Erfüllung bestimmter Bedingungen im zweiten Quartal 2024 erfolgt. Darüber hinaus strebt Meyer Burger eine weitere Finanzierung basierend auf dem Advanced Manufacturing Production Tax Credit (45X) in Höhe von bis zu USD 300 Millionen mit einer Laufzeit von 5 bis 6 Jahren an, die von einer führenden globalen Investmentbank ab dem Ende des zweiten Quartals 2024 bereitgestellt werden soll, vorbehaltlich der Due-Diligence-Prüfung und des Abschlusses der erforderlichen verbindlichen Vereinbarungen. Angesichts geschätzter USD 1.4 Milliarden an zukünftigen US-Steuergutschriften unter dem Inflation review and evaluation of the Part II application and the DOE's decision on whether to proceed.

Not all of these measures, if obtained, would have to be fully utilized to close the current funding gap. However, the various options can provide Meyer Burger with a safety net for achieving the desired liquidity. The capital increase is an essential building block, ensuring additional liquidity, to finance Meyer Burgers's future operations.

EBITDA potential of CHF 250 million per year

The long-term prospects for Meyer Burger as the only Western supplier of high-efficiency heterojunction technology remain attractive; the potential in the USA alone is considerable thanks to existing offtake agreements. Assuming that cell and module production at the US sites can be ramped up as planned, the Group expects to generate an annual EBITDA of around CHF 250 million per year in the medium term from its business in the USA.

This is because Meyer Burger's heterojunction SmartWire technology remains extremely powerful, our products are characterized by a high energy yield, durability and reliability, and our promising technology roadmap is intact. We are therefore convinced that, under fair market conditions, Meyer Burger is competitive and will achieve sustainable profitability with its US sites. This underlines the attractiveness of the company.

Reduction Act geht Meyer Burger davon aus, dass die 45X-Finanzierung in der geplanten Grössenordnung realisierbar ist. Schliesslich bemühen wir uns um ein vom US-Energieministerium (DOE) garantiertes Darlehen in Höhe von USD 200 bis 250 Millionen von der Federal Financing Bank im Rahmen des Title 17 Clean Energy Financing Loan Program. Nach erfolgreichem Abschluss von Teil I des DOE-Verfahrens wurde die Gruppe im Februar 2024 förmlich aufgefordert, Teil II eines Antrags auf ein solches Darlehen einzureichen. Die Aufforderung des DOE, einen Teil-II-Antrag einzureichen, ist keine Garantie dafür, dass das DOE den Antragsteller zur Due-Diligence-Prüfung und zu Term-Sheet-Verhandlungen einladen wird, dass das DOE dem Antragsteller ein Term-Sheet anbieten wird oder dass die Bedingungen eines Term-Sheets mit den vom Antragsteller vorgeschlagenen Bedingungen übereinstimmen werden. Die vorgenannten Punkte hängen vollständig von den Ergebnissen der Prüfung und Bewertung eines Teil-II-Antrags durch das DOE und der Entscheidung des DOE über das weitere Vorgehen ab.

Nicht alle dieser verschiedenen Massnahmen müssten bei entsprechenden Zusagen voll ausgeschöpft werden, um die bestehende Finanzierungslücke zu schliessen. Die verschiedenen Optionen können Meyer Burger aber ein Sicherheitsnetz bieten, um die angestrebte Liquidität zu erreichen. Die Kapitalerhöhung ist ein wesentlicher Baustein zur Sicherstellung zusätzlicher Liquidität, um die zukünftige Geschäftstätigkeit von Meyer Burger zu finanzieren.

EBITDA-Potenzial von CHF 250 Millionen pro Jahr

Die langfristigen Aussichten für Meyer Burger als einzigen westlichen Anbieter für die hocheffiziente Heterojunction-Technologie sind unverändert attraktiv. Das Potenzial allein in den USA ist mit bestehenden Abnahmeverträgen beträchtlich. Unter der Annahme, dass die Zell- und Modulproduktion an den Standorten in den USA wie geplant in Betrieb genommen werden kann, geht die Gruppe davon aus, dass sie mittelfristig einen EBITDA von rund CHF 250 Millionen pro Jahr aus ihrem Geschäft in den USA generieren können wird.

Denn technologisch ist Meyer Burgers Heterojunction SmartWire-Technologie weiterhin äusserst leistungsstark, unsere Produkte zeichnen sich durch ein hohes Mass an Energieertrag, Langlebigkeit und Zuverlässigkeit aus und unsere vielversprechende Technologie-Roadmap ist intakt. Deshalb sind wir überzeugt, dass Meyer Burger – unter fairen Marktbedingungen – konkurrenzfähig ist und mit den Standorten in den USA nachhaltig in die Gewinnzone kommen wird. Das unterstreicht die Attraktivität des Unternehmens.

Outlook
Meyer Burger expects that the proceeds from the potential financing sources, together with those from the rights issue, will enable it to commence module production in Goodyear, Arizona by the end of the second quarter of 2024 and cell production in Colorado Springs, Colorado toward the end of 2024. This would provide the basis for returning to commercial success and creating shareholder value.

In parallel, Meyer Burger is continuing to pursue potential strategic partnerships with companies that could provide funding assistance, support industrialization, and drive revenue through customer access, possible exposure to new geographical areas and/or technology licensing. These potential partnership business models could help drive higher long-term growth and reduce capital intensity.

Thanks
We would like to thank all our employees for their commitment and tireless efforts on behalf of Meyer Burger during the past fiscal year. And we would also like to thank you, our valued shareholders, for your continued support.

Ausblick
Meyer Burger geht davon aus, dass die Erlöse aus den potenziellen Finanzierungsquellen es ihr zusammen mit den Erlösen aus der Bezugsrechtsemission ermöglichen werden, die Modulfertigung in Goodyear, Arizona bis Ende des zweiten Quartal 2024 und die Zellfertigung in Colorado Springs, Colorado um das Jahresende 2024 in Betrieb zu nehmen. Damit würde die Grundlage geschaffen, um kommerziell auf den Erfolgspfad zurückzukehren und Aktionärswerte zu schaffen.

Parallel dazu verfolgt Meyer Burger weiterhin potenzielle strategische Partnerschaften mit Unternehmen, die Kapital zur Verfügung stellen, die Industrialisierung unterstützen und den Umsatz durch Kundenzugang, mögliche Erschliessung neuer geografischer Gebiete und/oder Technologielizenzen steigern könnten. Diese potenziellen Partnerschafts-Geschäftsmodelle könnten zu einem höheren langfristigen Wachstum beitragen und die Kapitalintensität reduzieren.

Dank
Wir danken allen Mitarbeitenden für ihr Engagement und ihren unermüdlichen Einsatz für Meyer Burger im vergangenen Geschäftsjahr. Und wir möchten auch Ihnen, unseren geschätzten Aktionärinnen und Aktionären, für Ihre anhaltende Unterstützung danken.

F. Richter
Dr. Franz Richter
Chairman of the Board of Directors

Gunter Erfurt
Chief Executive Officer

Management Report 2023

Meyer Burger – the Premium Brand
Meyer Burger has established itself as a premium solar module brand, available in 15 world markets. The higher technical performance of its modules dominates the current market standards in term of high quality, reliability, yield, and sustainability, all made in Europe and soon in the USA too.

In 2023, the production capacity in Germany was expanded to 1.4 GW, producing 1 million solar cells and 8,500 modules per day.

With the announcement of the expansion plans in the USA on 24 July 2023, Meyer Burger strengthened its strategic focus on the high-margin business in the USA. The Meyer Burger cell plant in Colorado Springs, USA, will supply Meyer Burger's solar module production in Goodyear, Arizona, USA, with an initial capacity of 2 GW.

Meyer Burger continues to commit to sustainable entrepreneurship. In October 2023, the company signed a cooperation agreement with clean tech start-up LuxChemtech for recycling solar modules. Under the agreement, a large proportion of the waste generated in PV production will be recycled and returned to the material cycle.

Meyer Burger launched a collaboration with Otovo, Europe's leading marketplace for solar systems. This partnership brings together Meyer Burger's rich expertise in European-made, high-quality solar modules with Otovo's efficient digital sales process. This synergy allows both companies to leverage their individual strengths to better serve the European solar market and provide consumers with a more comprehensive selection.

Sales and Marketing
The 70th Anniversary of Meyer Burger
Seventy years ago, in 1953, Hans Meyer and Willy Burger founded Meyer Burger. Since then, the company has faced both successes and crises, responding with courage and ingenuity. To commemorate this occasion, Meyer Burger asked a well-known German journalist and writer to dig into the archives of the company and chronicle the milestones in the history of PV. The book also represents a piece of industrial history in Switzerland and Germany.

Intersolar Europe 2023 – Sustainability Comes First: the Meyer Burger Booth
At Intersolar Europe 2023, Meyer Burger introduced its latest product innovation: a module portfolio that harnesses the power of the groundbreaking glass-glass technology platform. Meyer Burger combines the advantages of heterojunction cell technology with the durability and quality of glass-glass module technology by using optimized glass on the front and back. This results in high module performance, appealing aesthetics, and a consistently light weight.

Meyer Burger`s presentation at Intersolar Europe 2023 was the most sustainable yet. The company showcased a new recyclable circular design of its trade show booth, emphasizing its commitment to environmental, social, and governance (ESG) principles.

New Partnerships
The company has made further investments in renewable energy production in the USA– In March 2023, Meyer Burger Technology AG and Ingka Investments, the investment arm of the largest IKEA retailer Ingka Group, signed an offtake agreement for a period of four years. The agreement with Ingka Investments covers the supply of premium solar modules produced in Goodyear and delivered between 2025 and 2029.

To strengthen the US domestic manufacturing, BayWa r.e. and Meyer Burger signed a procurement partnership. This collaboration underscores their shared commitment to supporting the growth, sustainability, and diversification of the solar supply chain.

Meyer Burger also entered into a strategic partnership with Helion Energy, one of the most innovative energy solution companies in Switzerland. To support this, the AMAG Group will use Meyer Burger panels for all its photovoltaic plants, including the CHF 25 million new building currently under construction at its Academy in Lupfig.

Technology and Innovation in Motion

IBC Solar Cell Technology

With the new IBC solar cell technology based on the heterojunction platform, Meyer Burger plans to increase cell efficiency by over 26% on average. To address the rising cost and scarcity of silver, use of this material in cell production will be reduced by 80%, while continuing to avoid rare indium for sustainable solar cells. Prototypes of the machines are running at Meyer Burger R&D sites in Hohenstein-Ernstthal, Germany and in Hauterive, Switzerland.

In terms of longevity, Meyer Burger IBC modules show impressive results even under the most demanding test conditions in climate chambers, with virtually no degradation. Meyer Burger IBC modules have significantly reduced CO_2 emissions thanks to local production. They are free of forced labor, lead, and PFAS plastics.

Switching to M10 Cell Format

The upgrade for handling M10 wafers in addition to M6 wafers has been completed for our R&D line in Hohenstein-Ernstthal, Germany, as well as for the wafer production line in Bitterfeld-Wolfen, Germany. With this transition, Meyer Burger is now able to start module production in Goodyear on an M10 cell format basis.

Perovskite Demo Line in Progress

For the development of next-generation, high-performance solar cells and modules, Meyer Burger established a perovskite development team last year. Together with numerous collaborations with renowned research institutes, the company is developing a perovskite tandem technology, which is expected to allow the industrial production of solar cells with efficiencies in excess of 30 % in the future. After careful screening of materials, cell designs, and production strategies, Meyer Burger is now in a position to develop a perovskite demo line.

Expansion of Meyer Burger in the USA

Meyer Burger has announced its expansion plans in the USA. With an initial capacity of 2 GW, the new solar cell production facility in Colorado Springs, Colorado will exclusively supply Meyer Burger's solar module production facility in Goodyear, Arizona, USA. Production is scheduled to start in the fourth quarter of 2024.

Meyer Burger's solar cell facility in Colorado will be the first production site fully equipped with the latest PECVD and PVD coating tools. Both machines have an increased throughput. The PECVD tool takes up less floor space than both Meyer Burger's current tool and competing tools. Additionally, the tools can process different wafer sizes without any significant loss of manufacturing performance.

Shipments of equipment and tools for the 2 GW high-performance solar module manufacturing facility in Goodyear, Arizona are underway. At full capacity, the 25,000-square-meter facility is expected to employ 630 people and produce 10,000 solar modules per day, consisting of millions of solar cells.

The long-term upsides for Meyer Burger in North America remain highly attractive as the only Western solution for high-performance heterojunction technology. The potential in the US alone is substantial with offtake agreements in place for 5.4 GW.

Support from the US Government

In line with the Advanced Manufacturing Tax Credit 45X under the US Inflation Reduction Act (IRA) for the manufacturing of solar cells and modules, Meyer Burger intends to leverage a cumulative eligible amount of up to USD 1.4 billion, which can be monetized from the commencement of production in 2024 through to the conclusion of 2032. Furthermore, Meyer Burger is set to receive a financial package of USD 90 million from the City of Colorado Springs and the State of Colorado. Anticipated additional funding includes pre-payments from module offtake partners and a Department of Energy loan, totaling over USD 300 million.

Financial Overview

The results of the 2023 financial year reflect the difficult market situation, especially in Europe. Net sales fell to CHF 135.0 million (2022: CHF 147.2 million), of which CHF 127.9 million stems from sales in the modules segment (2022: CHF 125.0 million). The photovoltaics segment was internalized with the exception of the completion of outstanding projects and Pasan's measurement technology business. Europe accounted for 81% (79% in 2022) of net sales, while the American market contributed 14% (15% in 2022) and the Asian market 4% (6% in 2022). Due to the market distortions in Europe and the announcecd strategic focus on the US market, the regional sales mix will veer further toward America with the further expansion of the two production sites there.

Personnel costs increased to CHF 94.9 million (2022: CHF 68.0 million) and operating expenses increased to CHF 64.2 million (2022: CHF 39.6 million) due to the expansion of production capabilities at the two sites in Freiberg, Germany, and Bitterfeld-Wolfen, Germany, as well as the ramp-up of production at the site in Goodyear, USA. This mainly impacted rental costs, energy expenses, maintenance and repair expenses, and marketing expenses.

Depreciation and amortization increased based on the new fully-equipped production sites as well as the necessary impairment on machines and technology as a result of the market distortions in Europe. Accordingly, EBIT reached CHF –250.2 million (2022: CHF –53.6 million).

Financial Result

The net financial result was CHF –42.6 million (2022: CHF –16.4 million). Financial expenses in the fiscal year included interest expenses for the syndicated loan and the green convertible bond of CHF -24.4 million (2022: CHF –12.0 million). The valuation of intercompany loans to foreign subsidiaries led to foreign currency translation effects of CHF -2.6 million (2022: CHF 0.6 million). In addition, there were other foreign currency translation effects of CHF –22.1 million (2022: CHF –4.2 million), other interest expenses of CHF –1.0 million (2022: CHF –0.3 million), and other financial expenses of CHF –2.9 million (2022: CHF –3.2 million) as well as interest income of CHF 8.0 million (2022: CHF 0.7 million) resulting from cash and cash equivalents and a loss in fair value on derivatives of CHF –0.2 million (2022: CHF 2.6 million).

Net Result

Meyer Burger generated a Group result of CHF –291.9 million (2022: CHF –69.9 million), which equates to a net result per share of CHF -0.08 (2022: CHF –0.02).

Balance Sheet

As at 31 December 2023, the balance sheet total decreased to CHF 681.2 million (31 December 2022: CHF 720.4 million), mainly due to the negative performance and the value adjustments in inventories and impairments in property, plant and equipment. The cash position of the Group stood at CHF 150.2 million (31 December 2022: CHF 293.2 million) and trade working capital was at CHF 109.7 million (31 December 2022: CHF 94.2 million), mainly based on higher inventories at year-end. Property, plant and equipment included investments made and capitalizations net of investment subsidies received of CHF 160.6 million (2022: CHF 112.9 million) and at 31 December 2023 amounted to CHF 271.3 million (31 December 2022: CHF 210.7 million), reflecting the successful realization of further ramp-ups. Intangible assets amounted to CHF 3.2 million as at year-end 2023 (31 December 2022: CHF 5.3 million).

Workforce

Employees (FTE)	2023	2022	2021	2020	2019
Total at year-end	**1 294**	1 034	789	805	1 191
Operations	845	663	444	304	481
Research, Development	200	168	170	213	281
Sales, Services	109	91	87	189	281
Finance, Administration	140	112	88	99	148

In 2023, Meyer Burger hired 393 new employees. By year-end, the company employed approximately 1,300 people from 37 countries who worked diligently to implement the business model change. For the upcoming year, Meyer Burger aims to recruit several hundred employees for its US sites. Occupational safety is of major importance to Meyer Burger. Risks are minimized and a high degree of process safety is achieved through careful analysis of operating procedures and the provision of employee training. For information about employees, see the section before and the corresponding part of the Sustainability Report.

For more information on human resources issues, see page 36.

Risk Management

Meyer Burger uses various risk management instruments to manage its strategic, financial, and operational risks. The Executive Board assesses and evaluates the identified risks. The results of the risk assessment, including any countermeasures determined as necessary, are submitted to the Board of Directors at regular intervals. Risk management is integrated into the company's management processes and is carried out in close coordination with those responsible for the internal control system and internal audit. In 2023, two risk management reports were presented and communicated to the R&A Committee.

Risks are classified into six different groups, for which the relevant managing directors are responsible. These risk groups are Financial, Legal/Governance & Compliance, Communication, Management, Operations, and External. Different risk categories are assigned to the respective risk groups.

With the new business model, the related setup of new processes, and the changing environment, risk management has become more important than ever, including standardized risk management mechanisms within IT processes and related infrastructure.

For more detailed information about financial risk management, see Note 3 on page 130 and Going concern considerations are disclosed in the financial statements Note 1.5 on page 111.

Sustainability Report

Foreword

Meyer Burger is proud to present its Sustainability Report for 2023, strengthening our status as a global leader in sustainable solar energy production. Our extensive range of products and services for solar cell and module manufacturing exemplifies our firm commitment to the 1.5 degree target set by the Paris Climate Agreement. As a European manufacturer of renewable energy technology, we are advocates of sustainable practices in integrating photovoltaic (PV) modules.

This report provides a thorough overview of our products, services, and business models. It meticulously details our comprehensive approach to sustainable management, under the vigilant oversight of our highest governance body. Central to this report is a comprehensive examination of our impacts on Environmental, Social, and Governance (ESG) topics, in line with the Global Reporting Initiative (GRI) standards. Our aim is to offer a transparent and precise depiction of our ESG endeavors and their outcomes.

Sustainability is a cornerstone of our corporate philosophy, as evident in our Code of Conduct. This code steers our business operations towards integrity and excellence. Economically, our responsible procurement practices, equitable employment strategies, and promotion of optimal working conditions make significant contributions. Our stance on public policy engagements, both locally and internationally, is marked by a strict policy against political donations, affirming our dedication to ethical practices. We staunchly uphold our employees' rights to freedom of association and collective bargaining.

With regard to environmental aspects, Meyer Burger has made commendable progress. We have intensified efforts and enhanced our data collection for carbon accounting. Our initiative to develop a CO_2 accounting system is a significant step towards better understanding and managing carbon emissions. The proven strategy to minimize emissions includes localized production in Germany and the use of advanced technologies to reduce energy consumption. In terms of biodiversity, we focus on brownfield investment and the production of bifacial PV modules compatible with agricultural environments. We do recognize the importance of sustainable water use and have therefore implemented measures to ensure responsible water stewardship.

With respect to social aspects, this report delves into vital topics such as employer practices, equal opportunities, non-discrimination, asset integrity, and supply chain traceability. Meyer Burger's commitment to social responsibility is demonstrated in its efforts to rebuild the European solar industry, and in this way create new employment opportunities in economically challenged regions, enhance diversity, and foster intercultural acceptance in the workplace. Our collaborations with local educational institutions underscore our commitment to community engagement and development. Additionally, in response to global supply chain challenges, we have adopted proactive measures to reduce our carbon footprint through shorter supply routes, local job creation, and improved process controls, thereby contributing positively to local economies and environmental sustainability.

As we forge ahead in our quest to become a premier global PV manufacturer, our sustainability ambitions remain high and unwavering. Meyer Burger is excited to share this journey with you in this report, as we collectively advance towards a more sustainable and equitable future.

About This Report

General Information

The most recent sustainability reporting period for Meyer Burger was from 1 January 2023 to 31 December 2023, which aligns with the financial reporting period to ensure consistency and clarity in communication. Questions about the report or reported information can be directed to the ESG Coordinator, Jörg Liebschner, and the Sustainability Manager, Dana Ritzmann, via email at sustainability@meyerburger.com.

Regarding restatements of information from previous reporting periods, Meyer Burger has specifically mentioned if information is restated from the 2022 reporting year. The restatements did not alter any facts from the past year, demonstrating Meyer Burger's commitment to maintaining a consistent and transparent sustainability strategy.

Entities Included in This Report

The sustainability reporting of Meyer Burger Technology AG mirrors the entities covered in the Group's financial reporting, ensuring a comprehensive overview of Meyer Burger's sustainability efforts. The organizational chart stating the scope of consolidation is published in the financial statements of the Annual Report 2023. This will be released on 14 March 2024, including the Meyer Burger Sustainability Report. For this, the company adheres to the GRI Disclosures 2021 standards across all material topics without any differentiation. For consolidating information, Meyer Burger employs a system of internal and external audits without making special adjustments for minority interests.

With the right energy, anything is possible.

About the Organization

Introduction

Meyer Burger is a globally established technology company specializing in innovative systems and production equipment for the solar industry. With almost 70 years of company history and 40 years of experience in photovoltaics, Meyer Burger forms the technological backbone of the industry and has set significant standards over the past few decades – from diamond wire saws and industrial PERC solutions to precision measurement technology for solar modules. The vast majority of solar modules produced worldwide today are based on technologies developed by Meyer Burger. The transformation of the traditional Swiss company from a pure equipment and technology provider to an integrated manufacturer of solar cells and modules marks the beginning of a new era – the renaissance of the solar industry in Europe, characterized by sustainability, innovation, and future viability. "With the right energy, anything is possible," – this is the narrative behind Meyer Burger's relaunch in Germany.

In May 2021, the production site for heterojunction solar cells was opened in the Solar Valley in Saxony-Anhalt, followed closely by the opening of the production facility for SmartWire modules in Freiberg, Saxony. Starting with an annual capacity of 0.4 GW at the outset, rapid expansion to a nameplate capacity of 1.4 GW for both cell and module production took place in 2023. Heterojunction-based solar cells have an advantage over conventional PERC cells in that they can convert more sunlight into energy. SmartWire cell interconnection technology, developed and patented by Meyer Burger in Switzerland, further enhances the performance of the modules, and ensures an above-average lifespan. In addition, compared to competitor products, Meyer Burger modules are completely lead-free and can be recycled in line with the circular economy. The aim is to play an active role in shaping the energy transition to turn the climate crisis into a climate opportunity. The company currently employs more than 1,400 people at research facilities in Switzerland, development and production sites in Germany and the USA, and sales locations in Europe, the USA, and Asia.

Willy Burger (left) and Hans Meyer (right), who founded the company back in 1953 as a machine manufacturer for the Swiss watch industry.

Organizational Details
Meyer Burger Technology AG, a publicly listed company, has its registered shares listed on the SIX Swiss Exchange under the ticker MBTN. The company's headquarters are located at Schorenstrasse 39, 3645 Gwatt (Thun), Switzerland, with operations spanning across Switzerland, Germany, the USA, China, and Singapore. Detailed information about its locations can be found on Meyer Burger's website.

Business Activities
Compared to the previous reporting period, there was no change in Meyer Burger's business activities. As in 2022, the company is still active in the renewable energy sector, producing solar cells and modules as well as equipment for PV production. The supply chain did not change significantly either. As in the previous reporting period, Meyer Burger tried to diversify its suppliers as much as possible and focus on local, regional, or at least European sourcing. There was some noticeable success in those efforts, with new cooperations with Norwegian silicon wafer producers. But there is still a long way to go for an uninterrupted solar supply chain in Europe.

The most visible changes over the last year in comparison to the previous reporting period were accomplished in relevant new business relationships. Making the energy transition happen relies on many ambitious players in the sector cooperating and working toward a greener and more sustainable future. In this respect, Meyer Burger is always trying to find new partners to make solar great again. PV is a team business – with new distributors and installers, project planners, municipalities and recycling companies, research institutions, scientists, students, and solar enthusiasts – and most of all, with people eager to buy and make use of PV modules "Made in Germany."

Since its market debut in 2021, the Meyer Burger premium brand has successfully established its presence in 15 countries. Leveraging its competitive edge, Meyer Burger has managed to command prices significantly higher than average market rates for its products. The brand has seen its strongest market shares in rooftop installations within Switzerland, Germany, France, and Austria. In 2023, Meyer Burger expanded its sales and marketing efforts into Scandinavia and the UK. Globally, the company collaborates with over 50 distribution partners and boasts a network exceeding 1,200 registered installers, all supported by the Meyer Burger Partner Program newly launched at the start of 2023.

Meyer Burger's global network of installers fits a variety of buildings — from private residences and hotels to commercial buildings, hospitals, and factories — with solar PV systems, thereby helping to increase the proportion of solar energy in the global energy mix and advancing the international transition to renewable energy sources. The impact of solar PV extends to communities and individuals alike, especially those living in homes equipped with PV installations on their rooftops. By the close of 2023, Meyer Burger's Freiberg site had produced 604 MW of solar modules, marking an increase of 188% compared to 2022, with a total output of 1.59 million solar modules. These installations have empowered thousands of households with energy self-sufficiency and given them a significant degree of independence from traditional energy sources.

Meyer Burger's activities, products, services, and markets are extensive and diverse. The corporate headquarters in Thun, Switzerland, serve as the hub for Group services and house the Research, Development, and Engineering Center. The operational headquarters in Hohenstein-Ernstthal, Germany, focus on manufacturing latest-generation solar cell and module technologies and developing mass production systems. The main hub for solar cell production is located in Thalheim, municipality of Bitterfeld-Wolfen, Germany, in the heart of the Solar Valley. The site in Freiberg, Germany, stands as Europe's largest and most modern production facility for solar modules. Additionally, Meyer Burger has established manufacturing plants in Goodyear, Arizona, USA, and plans to start solar cell production in Colorado Springs, Colorado, USA, with a focus on supplying US-made solar cells. Research activities are conducted in Hauterive, Switzerland, and the subsidiary Pasan SA in Neuchâtel, Switzerland, is a market leader in solar testing and quality equipment. Meyer Burger also places a lot of emphasis on regional module sales and worldwide equipment services, reflecting a commitment to local sourcing and sustainability.

Global Presence

Thun, Switzerland	• Corporate headquarters • Provides Group services • Home of Research, Development (R&D) and Engineering
Hohenstein-Ernstthal, Germany	• Operational headquarters • Research, Development and Engineering • Development of mass production systems used in own manufacturing facilities • Production of latest-generation solar cell and module technologies
Bitterfeld-Wolfen, Germany	• Main solar cell production site • Established in an existing production facility in a former industrial area for the solar industry in Germany (to save resources and shorten ramp-up time) • Delivers solar cells to Meyer Burger's solar module manufacturing site in Freiberg • In 2023: expanded annual nameplate capacity to 1.4 GW
Freiberg, Germany	• Solar module production site • Europe's biggest and most advanced solar module production facility • Acquired an existing facility previously used for a solar module factory, undergoing renovation • In 2023: expanded annual nameplate capacity to 1.4 GW
Goodyear, USA	• Ramping up a solar module production site (leased facility) • Initial annual production capacity of approximately 2 GW is forecast to be achieved by the end of 2024 • A long-term collaboration has been established with D.E. Shaw Renewable Investments (DESRI), a leading player in the US renewable energy market.
Colorado Springs, USA	• New solar cell production project announced in July 2023 • Planned initial capacity of 2 GW • Will exclusively supply Meyer Burger's solar module production facility in Goodyear, Arizona, with US-made solar cells
Hauterive, Switzerland	• Research and Development • An interdisciplinary research team transfers technologies from the laboratory to mass production • A pilot production line is being used to develop new technologies and improve performance and cost-efficiency of heterojunction solar cells
Neuchâtel, Switzerland	• Pasan SA as a wholly owned subsidiary of Meyer Burger • Market leader in solar testing • Development and production of performance measurement technologies for solar cells and modules
Regional module sales	• Sales and Marketing teams in Europe, the USA, South Africa, and Australia • Focus on DACH region • Sales offices in Austria, Belgium, the Netherlands, Italy, France, Poland, the Czech Republic, Spain, Portugal, the UK, Ireland andScandinavia
Worldwide equipment services	• Restructured Asian business activities leaving Meyer Burger Trading Co. in Shanghai to become the competence center for Pasan's sales and services in the Asian market • Product portfolio: High-precision measurement technology products from subsidiary Pasan will be marketed to customers worldwide • Services for existing Asian customers are provided from the Singapore site

Table 1: Meyer Burger's Global Locations

From 2022 to 2023, significant developments and expansions took place within Meyer Burger's operations. In Thalheim, municipality of Bitterfeld-Wolfen, Germany, the cell production capacity was increased from 1 GW in 2022 to approximately 1.4 GW in 2023. Additionally, in Goodyear, Arizona, USA, Meyer Burger is establishing a new manufacturing facility with an anticipated initial annual production capacity of 2 GW by 2024. Furthermore, in July 2023, Meyer Burger announced the launch of a new solar cell production venture in Colorado Springs, Colorado, USA. This facility is expected to start with an initial capacity of 2 GW and will exclusively supply US-made solar cells to Meyer Burger's solar module production facility in Goodyear, Arizona.

Meyer Burger's global presence and operational expertise position us at the forefront of the renewable energy revolution, as we continue to contribute significantly to the advancement of solar energy worldwide.

Supply Chain

Meyer Burger is committed to sourcing goods and services from regional suppliers wherever possible, supplementing these with European and global sources. At our Hohenstein-Ernstthal machine manufacturing site, we rely on local suppliers and have been able to source most of our purchasing volume from the region. We hold ourselves to high standards in creating sustainable products, aligning our supply chain to keep the amount of CO_2 emissions to a minimum and ensuring transparency with regard to processes, as well as the use and recycling of materials. This approach has been particularly successful with European suppliers. One strategic direction we are currently pursuing is the transition from truck-based, emission-intensive logistics to train-based logistics, at least within Germany and across Europe.

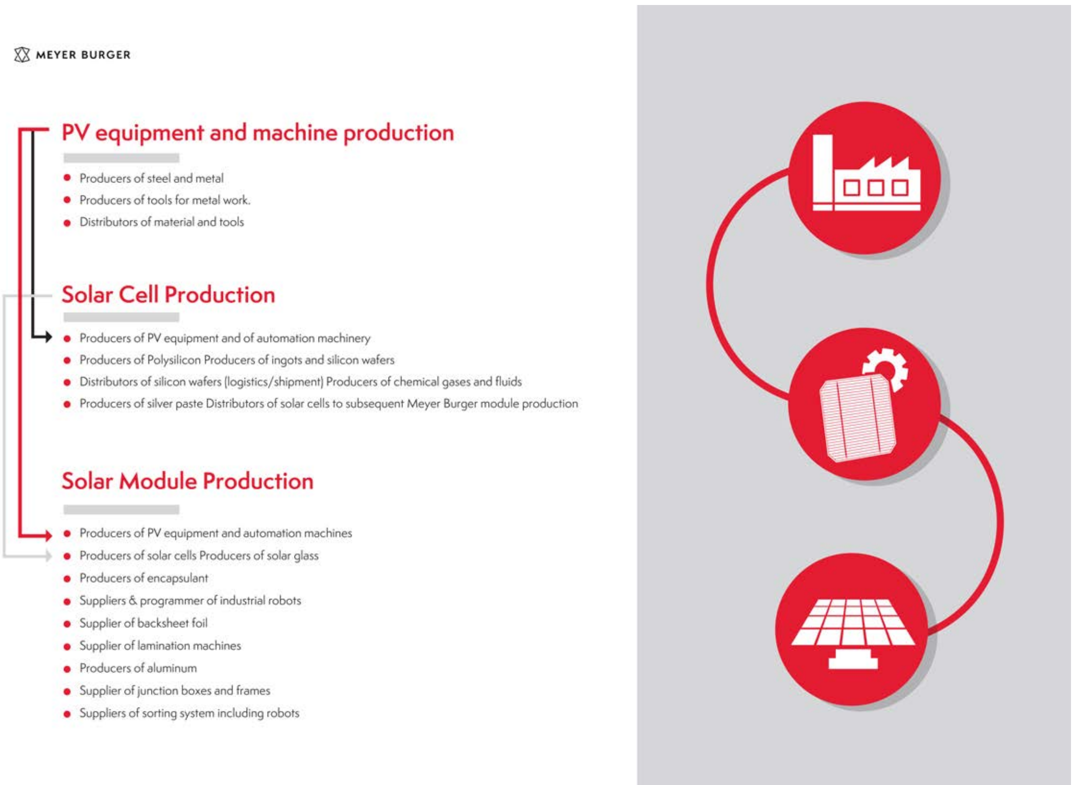
Meyer Burger has strengthened the resilience and stability of its supply chains for direct materials. For example, we have entered a contract with the last European supplier in Norway for the supply of high-quality silicon wafers with a low carbon footprint. In 2023, we focused even more on diversifying our supply chain and paid attention to reducing dependency on single regions and having multiple sources for all basic materials. For instance, for junction boxes used in solar module manufacturing, we have authorized a new supplier with production operations in both Europe and the USA. This is considered local sourcing since we source in Europe for our PV production lines in Germany and in the USA for our upcoming production line in Goodyear, Arizona, USA. The serial supply for the junction boxes is set to start early in 2024 for our glass-backsheet modules and in the second quarter of 2024 for MB glass-glass modules.

Another focus has been on frames, and we have dedicated a lot of effort in 2023 to evaluating relevant sources in Vietnam and Malaysia, working to make at least a partial supply from these countries possible for frames used in our soon-to-start US solar module production.

The year 2023 was characterized by very high price pressure due to the large supply of modules on the European market. Therefore, we had to exert significant effort to maintain our few existing European suppliers despite the surging demand.

In general, the majority of the supply chain is based in Asia due to the much higher demand from Asian PV producers. For wafers in particular, the dependency is still very high, with the bulk of silicon wafers sourced from Asia. To address this market situation while adhering to our own compliance policies, we have worked to increase the transparency in the supply chain and make efforts to localize wherever possible.

Meyer Burger has established a "Supplier Code of Conduct" to demonstrate our full commitment to supporting and respecting human rights, a standard we expect all our suppliers to meet as well. This Supplier Code of Conduct is a testament to our dedication to ethical practices within our supply chain. Additionally, in 2023, we took a significant step towards enhancing transparency and compliance by implementing the Trustnet software. This offers active risk analysis tools and concrete recommendations for action to comply with the German Supply Chain Due Diligence Act (LkSG), ensuring that our global supply chain aligns with our ethical standards and commitments.



Meyer Burger's Value and Supply Chain

Our Value Chain

Meyer Burger is a comprehensive provider in the solar energy sector, with its activities spanning three core business areas: the development and production of solar cells, solar modules, and the fabrication equipment essential for their creation. This integration underlines the company's unique position in the market, where it not only manufactures solar cells and modules but also develops and produces the machinery and equipment vital for photovoltaic production, a fundamental aspect of its operational strategy.

The organizational value chain of Meyer Burger is intricately designed to support its integrated business model. Upstream activities for cell production involve collaboration with producers of polysilicon, ingots, silicon wafers, chemical gases, fluids, silver paste, PV equipment, and automation machinery. Additionally, distributors play a crucial role in the supply chain, facilitating the logistics of silicon wafers and solar cells. For solar module production, the upstream chain expands to include producers of solar glass, encapsulant, PV equipment, automation machines, industrial robots, backsheet foil, lamination machines, cable, plastic tools, aluminum, junction boxes, frames, and sorting systems. The PV machine production segment further involves producers of steel, metal, and tools for metal work, alongside distributors of material and tools, underscoring the comprehensive scope of Meyer Burger's upstream activities.

Meyer Burger employs its own state-of-the-art equipment in the production of solar cells and modules, which not only leads to enhanced cell and module performance but also significantly boosts production efficiency. This self-reliance in using internally developed machinery underscores the company's commitment to innovation and quality in its products. The solar cells produced are integral to the high-quality solar modules that Meyer Burger is known for. These modules are then distributed via wholesalers and distributors across Europe and the world. They find applications in various settings, including residential homes, hotels, commercial properties, and even a soccer stadium. This distribution network is pivotal to increasing the presence of renewable energy within the European energy mix, reflecting Meyer Burger's commitment to sustainable energy solutions.

The downstream segment of Meyer Burger's value chain includes distributors of solar modules, as well as residential or commercial customers who are the end users of the solar energy systems. Solar workers, installers, and roofing contractors are key players in the installation and integration of these systems, ensuring that the benefits of solar energy are maximized across different types of properties.

The interconnected entities within Meyer Burger's three business models are illustrated through a comprehensive value chain that showcases how each segment contributes to and builds upon the next. This cohesive and efficient value chain in the realm of solar energy production demonstrates Meyer Burger's holistic approach to driving the transition towards renewable energy, highlighting its role as a key player in the solar industry's ongoing development and expansion.

Business Relationships

Since the inception of our solar module manufacturing, we have adopted a multi-sourcing strategy, maintaining business relationships with 1,381 distinct suppliers. These relationships are predominantly long-term and governed by contractual agreements. While some supplier engagements, particularly those related to capacity expansion, are project-based, these collaborations often span several months or years, reflecting our commitment to sustainable and enduring partnerships.

Also in 2023 the downstream engagement of Meyer Burger in terms of sales activities and cooperations has massively expanded and diversified, thus leading to a major improvement in terms of sustainability. After all, a company that operates an intensive business network is both economically sustainable and future-oriented. In addition to the agreement with D. E. Shaw Renewable Investments (DESRI) announced back in August 2022 for the long-term supply of up to 5 GW of solar modules for the US market, Meyer Burger started several new cooperations during the course of 2023.

In May 2023, Meyer Burger forged a significant offtake agreement with Ingka Investments, the investment division of Ingka Group, the largest retailer under the IKEA brand. This four-year contract was announced on 23 March 2023. The agreement ensures the supply of premium solar modules from Goodyear between 2025 and 2028. Additionally, in spring 2023, Meyer Burger entered into a distribution partnership with Schiefergruben Magog GmbH & Co. KG for the "Meyer Burger Slate," a new variant of the "Meyer Burger Tile" designed for reconstructing and preservating of heritage building roofs. Made from powder-coated aluminum and special glass, these tiles incorporate Meyer Burger's proprietary heterojunction SmartWire technology, with final assembly in Europe, enabling high-performance solar technology to be integrated into sloped slate roofs.

In June 2023, Meyer Burger announced a partnership with BayWa r.e. AG, underlining a mutual commitment to bolster the US domestic manufacturing sector and contribute to the diversification and sustainability of the solar supply chain. In August 2023, Meyer Burger and SENEC launched the "Germany Bundle," highlighting the importance of Europe as a hub for energy transition technologies. This bundle combines high-performance solar modules manufactured by Meyer Burger in Saxony, Germany, with SENEC's home storage systems, available through SENEC's distribution network since 1 August 2023.

In October 2023, a strategic partnership was announced between Meyer Burger and the Swiss company Helion Energy AG, aiming to strengthen the Swiss solar industry and rebuild the photovoltaic value chain within Switzerland. This collaboration is supported by the AMAG Group, which has committed to using Meyer Burger panels for its future photovoltaic plants. That same month, Meyer Burger entered into a cooperative agreement with LuxChemtech GmbH to recycle solar modules in alignment with circular economy principles, further emphasizing the focus on sustainability.

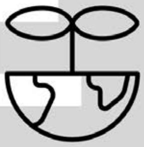
Towards the year's end, Meyer Burger launched a series of video profiles to showcase the potential within the European solar industry, featuring discussions with leaders across the solar value chain on the future of the energy transition in Europe. These efforts are complemented by Meyer Burger's involvement in significant research collaborations aimed at advancing solar technology, including partnerships for developing of high-performance solar modules using perovskite technology and participation in Pilatus, a European research project focusing on revitalizing photovoltaic production in Europe.

A noteworthy collaboration in 2023 involved sponsoring two student solar teams that participated in the 2023 Bridgestone World Solar Challenge in Australia: the Brunel Solar team from the Netherlands and the team aCentauri (ETH Zurich) from Switzerland. This sponsorship, providing high-efficiency heterojunction/SmartWire solar cells and strings, demonstrated the robustness and efficiency of Meyer Burger's technology under the extreme conditions of the challenge. These collaborations and initiatives highlight Meyer Burger's commitment to innovation, sustainability, and the global transition to renewable energy.

Katja Tavernaro
Chief Sustainability Officer
Meyer Burger

"We imagine a future where we use the challenges of global warming to make positive changes. At Meyer Burger, we are keen to promote clean energy and speed up the shift to renewable resources. We want Meyer Burger to be a leader in sustainability, and we invite everyone to join us in improving our planet and fighting against climate change. We know that the climate crisis is time-critical. We are working with high intensity and technological innovations to turn problems into opportunities by supporting clean energy."

Environment



We address critical environmental concerns through strategic initiatives. From tackling climate change and curbing environmental pollution to reducing CO_2 emissions and implementing effective water management, we commit to sustainable practices, ensuring a positive impact on our environment.

Significant for energy- or emission-intensive companies

Social

We prioritize staff well-being, diversity, and fair working conditions, upholding human rights as integral values.

Our commitment to staff satisfaction and fostering diverse representation, alongside improving working conditions, forms the cornerstone of our operational ethos.

Significant for companies with a labor-intensive business model

Governance

We prioritize fiscal transparency, fair remuneration, and stringent anti-corruption measures.

Our commitment extends to robust risk management practices, ensuring ethical conduct, and fostering responsible, sustainable business operations.

Significant for all companies

Sustainable Development Goals Strategy
As a company, Meyer Burger is currently committed to implementing ten specific sustainability goals:

5 Gender equality

6 Clean water and sanitation

7 Affordable and clean energy

8 Decent work and economic growth

9 Industry, innovation, and infrastructure

10 Reduced inequalities

11 Sustainable cities and communities

12 Responsible consumption and production

13 Climate action

17 Partnerships for the goals

The focus is on energy and the environment. With the implementation of the Sustainable Development Goals (SDGs), Meyer Burger wants to ensure that the share of renewable energies in the global energy mix is significantly increased, that the availability of electricity is feasible worldwide with new PV technologies, and that a large part of the raw materials used are recycled as completely as possible and further processed in a way that conserves resources. We are setting new standards in sustainability and thus growing together to build a liveable and peaceful future.

> **"Sustainability essentially means ensuring prosperity and environmental protection without jeopardizing future generations in meeting their needs. A sustainable world is one in which all people have access to clean energy and climate change is halted."**
>
> **Ban-Ki Moon**
> Former UN Secretary-General

This is how former UN Secretary-General Ban-Ki moon formulated the core message of the global development goals in 2015. In 17 categories, the SDGs point the way to a fairer world. The target horizon is 2030, which is not that far away.

Governance, Policies, and Practices

Governance Structure
As of 31 December 2023, Meyer Burger Technology AG is overseen by a Board of Directors (BoD) comprising five seasoned professionals: Franz Richter, Mark Kerekes, Andreas Herzog, Urs Schenker, and Katrin Wehr-Seiter. This diverse group brings a wealth of business and legal expertise to the table, offering an integrated perspective on the company's operations. Katrin Wehr-Seiter, the only female member, is notable for her industrial experience, particularly in the energy sector, and her roots in Saxony.

The Executive Board of Meyer Burger in the first half of 2023 included five C-level managers, with Chief Executive Officer (CEO) Gunter Erfurt leading the group. Chief Financial Officer (CFO) Markus Nikles, a Swiss national with extensive experience in finance, is responsible for finance, tax, IT, and cybersecurity. Chief Sustainability Officer (CSO) Katja Tavernaro oversees Human Resources, Legal & Compliance, and ESG, driving sustainability standards within the industry. Chief Operating Officer (COO) Daniel Menzel manages PV production and processes, while Chief Commercial Officer (CCO) Moritz Borgmann, responsible for Sales & Marketing, left the company in July 2023 for personal reasons. Daniel Menzel took over US growth and business development, with CEO Gunter Erfurt assuming responsibility for commercial activities in Europe and the rest of the world.

The BoD is directly in charge of addressing strategic economic, environmental, and social topics for the Meyer Burger Group without a specialized committee for decision-making on ESG matters. The members of the governance body, all non-executive, act independently and have served terms ranging from 2015 to 2022, illustrating a commitment to long-term governance. The BoD and Executive Board reflect a conscious effort to ensure diversity, with one female member in each body and involvement of under-represented groups, such as individuals of East German origin, which is significant given the company's operations in eastern Germany.

Nomination and Selection of the Governance Body

The nomination and selection process for the BoD and its committees is described in detail in Meyer Burger's Articles of Association. This process emphasizes stakeholder involvement, diversity, independence, and the relevance of competencies to Meyer Burger's impacts. The chair of the BoD does not hold an executive role within the company, ensuring a clear separation between governance and management.

Role of the Highest Governance Body

Meyer Burger's governance body plays a critical role in developing, approving, and updating the company's purpose, value statements, strategies, policies, and goals related to sustainable development. In 2023, the BoD proposed to amend the Articles of Association to embed sustainable value creation into the company's purpose, a motion approved by shareholders.

Resolutions and elections by the BoD are conducted and implemented during regular board meetings, based on the majority of votes cast. In situations where votes are tied, the Chairman has the decisive casting vote. For a resolution to be validly passed by the BoD, a majority of its members must be present at the meeting.

During the Annual General Meeting, the BoD presents the management report and the consolidated financial statements to the shareholders for their approval, as mandated by law. Additionally, Meyer Burger proactively shares information regarding its sustainability efforts through its website and printed materials. This approach ensures that consumers, the press, and political stakeholders are well-informed about the company's sustainability initiatives and the BoD's commitment to these efforts.

The BoD entrusts the implementation of ESG initiatives to the C-level management, emphasizing the importance of ESG within the company's strategic focus. To support this, a CSO is included in the C-Level management team, highlighting the prioritization of sustainability matters. Additionally, a new ESG department was established during the reporting period to further strengthen the company's commitment to sustainability. This department is led by an ESG Coordinator, responsible for assessing and advancing ESG processes, and is supported by various officers specializing in energy management, certification and standardization, occupational health and safety, and recycling, ensuring a comprehensive approach to sustainability across the organization.

Conflicts of Interest

The process for managing conflicts of interest involves each member of the BoD and Executive Board personally checking and disclosing any potential conflicts. This self-disclosure process is monitored by Internal Audit as well as the Compliance department. Additionally, the company has insider trading regulations that are rigorously enforced. Details regarding the mandates of BoD and Executive Board members are publishedtransparently in their profiles on the company's website.

Regarding the disclosure of conflicts of interest to stakeholders, Meyer Burger commits to making any relevant information public in an appropriate manner if the need arises. The company conducts checks on cross-board memberships and cross-shareholdings with suppliers and other stakeholders as part of its annual and half-year financial reports, adhering to insider regulations and its Code of Conduct. Since Meyer Burger operates with free float shares, the issue of controlling shareholders does not apply. Any transactions, relationships, and outstanding balances with related parties are fully disclosed in the 2023 Financial Statement, ensuring transparency and accountability in the company's operations and governance.

Remuneration Policies and Performance Evaluation

The BoD conducts an annual self-assessment to evaluate the company's impact on the economy, environment, and people. Although the specifics of this process are not publicly disclosed, the outcomes and any necessary actions are communicated to the company management for implementation. These evaluations are independent, as confirmed by the minutes of the BoD meetings, and conducted once a year. Based on their results, the BoD may undertake actions, including adjustments to the governance body's composition and changes to organizational practices, to address any issues identified and improve the company's impact management.

Meyer Burger's remuneration policies for its highest governance body and senior executives are determined through a structured process and are subject to approval by shareholders at the Annual General Meeting (AGM), as detailed in the company's Articles of Association. The policies, including aspects such as fixed and variable pay, are outlined in the Remuneration Report and discussed during the AGM, with the specific details for 2023 set to be published on 14 March 2024. It is noted that sign-on bonuses, recruitment incentive payments, termination payments, and clawbacks are not applicable to C-level management according to the current remuneration policies.

The design of remuneration policies and the determination of compensation are overseen by a nomination and remuneration committee, composed of at least two BoD members. Their term expires at the subsequent AGM, at which point re-election is possible. This committee assists the BoD in tasks related to compensation, option and participation plans, and succession planning, among other responsibilities. The process incorporates stakeholder views, including those of shareholders, by putting remuneration policies to vote at the AGM, ensuring transparency and shareholder involvement in the decision-making process.

The remuneration policies aim to align the compensation of the BoD members and senior executives with their objectives and performance, particularly concerning the company's impacts on the economy, environment, and people. However, specific details on how these policies relate to the management of Meyer Burger's impacts have not yet been explicitly stated. The overall process for designing and determining remuneration is well-defined, with a clear role for independent governance body members or a remuneration committee, highlighting Meyer Burger's commitment to governance best practices and stakeholder engagement.

Critical Concerns

Meyer Burger has implemented a whistleblower protection system to facilitate the communication of critical concerns to the BoD, emphasizing transparency and accountability. Performance evaluations of the BoD are conducted annually through a self-assessment process, focusing on the oversight of Meyer Burger's impacts and informing any necessary organizational adjustments or actions.

Policy Commitments

Meyer Burger's commitment to responsible business conduct is clearly outlined in its Code of Conduct and Supplier Code of Conduct, which are integral to ensuring good and transparent corporate governance. Also, Meyer Burger declares its responsibility for human rights and the environment in its own business and the supply chain based on its Human Rights Policy Statement. These policy commitments, available on the company's website, align with authoritative intergovernmental instruments and comply with laws, rules of conduct, and directives of the countries in which Meyer Burger operates. The company adheres to the standards of the Directive on Information Relating to Corporate Governance issued by the SIX Swiss Exchange, reflecting its commitment to ethical and professional standards.

In terms of due diligence, Meyer Burger operates its business based on honesty and quality, strictly prohibiting corruption in any form. We do not grant any advantages to business partners to secure orders, such as illegal discounts, bribes, kickbacks, gifts, travel expenses or entertainment offers. The company safeguards personal data and ensures the security of its IT systems with state-of-the-art technical facilities. Intellectual property is protected and used exclusively for Meyer Burger's purposes, demonstrating its application of the precautionary principle.

Meyer Burger firmly adheres to a culture of respect, openness, and responsibility, ensuring all employees and stakeholders are treated with civility. This ethos is deeply ingrained in our corporate culture and extends to our commitment to legally recognized employee organizations and compliance with all relevant legal regulations. A key aspect of our approach is the protection of employees from unethical or unfair working conditions, including a strict stance against forced and child labor.

The company actively acknowledges its social responsibility, particularly in addressing climate change challenges. By focusing on sustainable solar power production, Meyer Burger aligns its business operations with respect for human rights in both its internal practices and its external economic relationships. They company ensures adherence to international, national, and local laws and standards across all economic, ecological, and social activities. It emphasizes reliability, loyalty, and respect, with a particular focus on acknowledging internationally recognized human rights standards and integrating them into its daily business.

Meyer Burger has established a systematic approach to due diligence, emphasizing the importance of monitoring and managing human rights risks. This approach reflects an understanding that human rights awareness is an ongoing responsibility. The company encourages a culture of integrity and responsible decision-making within its team, urging individuals to voice concerns openly.

Specifically, Meyer Burger's policy commitments include a zero-tolerance approach to discrimination based on gender, origin, age, skin color, culture, religion, marital status, political opinion, sexual orientation, or disability. Meyer Burger ensures equal treatment and opportunities for all employees, including in training and development. The company prioritizes health and safety, using natural resources sparingly and adhering strictly to current safety regulations to provide a safe and healthy workplace for its employees. Any perceived or potential dangers are promptly reported to the responsible authorities, emphasizing the company's commitment to the well-being of its workforce and the environment.

The company's policy commitments are communicated to all workers, business partners, and relevant parties, ensuring widespread understanding and adherence. This is facilitated through workshops on compliance led by the Legal team and the appointment of compliance officers in every team. Meyer Burger places a great emphasis on a transparent and open corporate culture, with designated contact persons for any compliance-related questions or breaches.

To reinforce these policy commitments, Meyer Burger distributes the Code of Conduct to all employees during the onboarding process and ensures ongoing training. Management is responsible for communicating these values and standards and monitoring compliance. The company's commitment to good corporate governance is evident in its transparent reporting and equal treatment of shareholders.

Processes to Remediate Negative Impacts

Meyer Burger's approach to remediating negative impacts involves compliance with safety regulations and fair competition laws. It addresses grievances through established mechanisms, ensuring a safe and healthy workplace. Any infringements of the Code of Conduct may lead to disciplinary measures, including termination of employment and potential legal action.

In terms of stakeholder engagement, Meyer Burger maintains an open corporate culture by staying in constant contact with a wide range of stakeholders, including employees, customers, suppliers, shareholders, and the public. The company values active, constructive contributions from its employees to the decision-making processes, enhancing the efficancy of its engagement strategies.

No significant instances of non-compliance with laws and regulations were reported during the period, reflecting Meyer Burger's adherence to legal and ethical standards. Meyer Burger has established mechanisms for employees to seek advice and raise concerns about implementing the company's policies and business conduct. Employees can contact their manager, the Legal & Compliance department, direct supervisors, the Compliance Officer, the Human Resources Department, or the Works Council/Employee Representative for guidance or to report concerns.

Membership Associations

Meyer Burger is actively involved in various industry associations and advocacy organizations. This includes significant roles in organizations such as the Economic Council of the CDU, European Solar Manufacturing Council, European Solar PV Industry Alliance, and several others related to the solar industry. These memberships demonstrate Meyer Burger's commitment to industry collaboration and advocacy.

Selected membership associations

Membership Associations

Stakeholder Engagement

Meyer Burger engages in comprehensive stakeholder engagement, including conducting stakeholder analyses and maintaining open communication channels. Stakeholders include employees, customers, suppliers, investors, local authorities, and the media/public. The company values an open corporate culture and transparency in communications, adhering to good and transparent corporate governance principles.

Collective Bargaining Agreements

There are currently no employees covered by collective bargaining agreements. However, ongoing discussions with the reference trade union (IG Metall) aim to establish an agreement in the future, demonstrating Meyer Burger's commitment to the welfare and rights of its workforce.

Business Ethics

Meyer Burger takes a comprehensive view of the responsibilities, opportunities, and risks associated with the goal of providing renewable energy. The company's guidelines on how it does business are outlined in its Code of Conduct, which was approved in its latest form by the BoD on 16 August 2023. This Code of Conduct is implemented by all companies of the Meyer Burger Group and applies to all business units and their employees. The Code of Conduct and its principles are an integral part of the onboarding process for all new employees. All employees are provided with a copy and the management is responsible for communicating the values and standards to employees and monitoring their compliance on a regular basis. Employees and managers are obliged to participate in regular training, to act if there is a threat of danger to persons or Meyer Burger, and to report any misconduct. Any breach of this Code of Conduct may lead to disciplinary action up to and including termination of employment and, if warranted, criminal action or legal proceedings. This Code of Conduct is also made available to the public, shareholders, and customers via the website.

Meyer Burger Employees

Material Impacts

Materiality Assessment: A Foundation for Sustainability Reporting

Meyer Burger reinforced its commitment to sustainable development by implementing an ESG reporting system and conducting a materiality analysis for the first time in 2022. This initiative was crucial in assessing and managing the company's impacts on the environment, society, and the economy. Anchored in the 2021 Global Reporting Initiative (GRI) Standard, the process involved an in-depth analysis of the photovoltaic sector and Meyer Burger's global supply chain, leading to the identification of 20 potentially relevant topics. These were refined through stakeholder engagement, involving project staff, employee representatives, customers, and suppliers. A materiality workshop with Meyer Burger's ESG experts evaluated both the positive and negative impacts of each topic, leading to the creation of a materiality matrix that identified 14 material topics. These topics were then disclosed in detail using GRI topic indicators.

Enhancing Stakeholder Engagement

In 2023, the materiality workshop with internal ESG experts was not repeated due to Meyer Burger's stable situation. However, stakeholder engagement was significantly enhanced with a robust online survey tool, enabling a wider range of stakeholders to participate. This group included management, capital providers, customers, employees, suppliers, and others, totaling 202 respondents.

The survey results were categorized into three groups based on average scores:

- Group 1 (Highest relevance):
  score greater than 3.5
- Group 2 (Important):
  score greater than 3.0
- Group 3 (Lowest relevance):
  score greater than 2.5

Notably, topics like payments to governments and local communities were of the lowest relevance. However, anti-corruption and anti-competitive behavior were rated slightly more relevant in 2023. Despite this, Meyer Burger maintained their non-material classification for specific reasons, demonstrating its commitment to ethical business practices.

GRI Topic: Anti-Corruption

Meyer Burger operates in sectors and regions with a historically low risk of corruption. This position means that specific anti-corruption measures, while crucial, have not been a primary focus due to the low inherent risk. Nonetheless, Meyer Burger upholds strict legal and regulatory frameworks to minimize corruption risks. Looking forward, the company is reinforcing its stance against corruption with the implementation of the Meyer Burger Group Anti-Corruption Policy and comprehensive training programs.

Meyer Burger Technology AG has reported the information cited in the GRI content index of the sustainability report 2023 for the period 01.01.2023 – 31.12.2023 with reference to the GRI Standards.

GRI Topic: Anti-Competitive Behavior

In terms of anti-competitive behavior, Meyer Burger's operations in the solar industry and its market dynamics naturally present a lower risk. The company adheres to stringent legal and regulatory frameworks that discourage anti-competitive behavior. Future strategies involve developing and updating policies to ensure fair competition and ethical business conduct.

GRI Topics: Circular Economy, Resource Efficiency, and Environmental Pollution

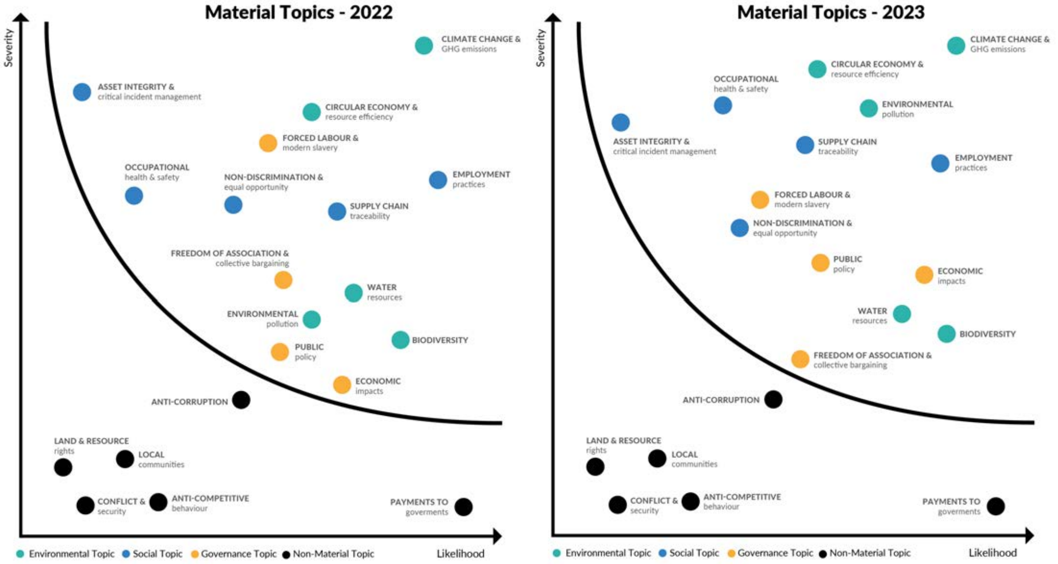
The significance of the circular economy and environmental pollution within the materiality matrix has increased, reflecting stakeholder concerns. Challenges in recycling and reusing solar cells, and their integration into the circular economy, are linked to environmental pollution. This increased focus is supported by regulatory changes, public and consumer awareness, and advancements in solar technology.

GRI Topics: Forced Labor, Modern Slavery, and Freedom of Association and Collective Bargaining

Conversely, forced labor, modern slavery, and freedom of association and collective bargaining were deemed less important by stakeholders. The reduced urgency of these issues is attributed to stronger regulations and a shift in stakeholder priorities.

Methodology and Stakeholder Insights

The methodology for the materiality matrix update involved assessing the probability and severity of each issue. Stakeholder input was pivotal, leading to significant changes in the matrix. The 2023 update of Meyer Burger's materiality matrix marks a nuanced shift in recognizing the importance of sustainability issues, reflecting the company's commitment to responsive and responsible sustainability practices. This update highlights the challenges in the circular economy and the environmental impact of production, as well as shifts in stakeholder perceptions about labor and human rights issues.



Materiality Matrix 2022 in Comparison to 2023

Climate Change

The following table shows Meyer Burger's actual and potential impacts on climate:

Impacts	Positive	Negative
Actual	• We further increased the production volume of PV modules, enhancing our contribution to renewable energy generation and helping to reduce climate change. • We maintained the use of 100% renewable energy to produce cells and modules in Germany. • Our local production in Germany led to a significant reduction in emissions, primarily due to reduced transportation emissions and a higher proportion of renewable energy in the German energy mix compared to China. • We adopted technologies characterized by low energy consumption, including Heterojunction Technology (HJT) cell technology and SmartWire technology modules. • CO_2 accounting was successfully completed in 2023, with a partial update of the Life Cycle Assessment (LCA) from the Fraunhofer ISE Institute. This update revealed a 37% reduction in the global footprint for the glass-glass module compared to the Chinese PERC standard module. • We again achieved reductions in the amounts of raw materials, waste, and energy used. • The increase efficiency of our products resulted in a higher renewable energy output during the usage phase of the modules. • We achieved EN ISO 50001 Energy Management certification for our facilities in Hohenstein-Ernstthal, Thalheim (municipality of Bitterfeld-Wolfen) and Freiberg.	• The production of PV modules and their required components has led to emissions of CO_2 equivalent gases. • There is still a need for some procurement and transportation of materials from Asia. • Antimony is used by our glass suppliers. • There is minor consumption of liquefied natural gas, derived from natural gas, for testing lines, indicating continued use of non-renewable energy sources. • The scheduled module production in Goodyear partially relies on electricity from renewable energy sources.
Potential	• We have a comprehensive program of several R&D projects and partnerships aimed at reducing emissions and combating climate change. • Preparation for the rollout of NF3 (nitrogen trifluoride) elimination is underway, scheduled for 2024.	• Future developments in cell and module technology are expected to require greater resources and energy, posing sustainability challenges.

Table 2: Impacts on Climate Change

Addressing Positive and Negative Impacts

Meyer Burger's increased production volume of PV modules significantly contributes to renewable energy production, supporting the fight against climate change. Additionally, the commitment to using 100% renewable energy in Germany for the production of cells and modules underscores our dedication to sustainability. The local production in Germany further reduces emissions by decreasing transport requirements and the utilization of the country's higher proportion of renewables in its energy mix. Our adoption of HJT cell technology and SmartWire technology modules is a testament to our pursuit of low-energy consumption technologies, enhancing our products' environmental friendliness.

Meyer Burger is aware of the potential negative impacts associated with future cell and module developments, which may require greater resources and energy. To mitigate these impacts, we are considering the full complexity of potential process and module component changes. This includes evaluating global warming potential, the efficiency of cells and modules, their lifetime energy yield, costs, and recyclability during the use and recycling phases. These considerations are vital in our ongoing efforts to balance innovation with environmental stewardship.

Meyer Burger is committed to reducing its environmental and climate impact, recognizing that its operations, particularly in PV module production and component sourcing, contribute significantly to CO_2 emissions and climate change. More than 90% of these emissions arise from our suppliers' production sites. Additionally, the need to source and transport materials from Asia due to limited availability in Europe increases emissions, mainly due to the region's energy mix. Our transparency extends to the use of antimony by our glass suppliers to improve light absorption, a process that unfortunately reduces the glass's recyclability. While we predominantly use green gas, the increased prices and limited availability have led us to also use non-renewable liquid gas for testing purposes.

Commitments and Sustainable Policies
To tackle these challenges, Meyer Burger is developing ESG guidelines focused on climate change, outlining our commitments and policies to:

- implement CO_2 calculations, simulation tools, and a comprehensive database to minimize emissions.
- aim for reductions in waste, materials, and energy usage across our operations.
- improve the yield, lifespan, and efficiency of our cells/modules to boost renewable energy production.
- favor processes and material with a lower carbon footprint.
- establish Key Performance Indicators (KPIs) for effective monitoring and enhancement of these initiatives.

Action and Impact Management
Our efforts to mitigate and manage environmental impacts consider the intricacy of our processes and module components, focusing on aspects such as global warming potential, efficiency, energy yield, cost, and recyclability. We are dedicated to optimizing materials and processes and developing eco-friendly cells and modules. Prioritizing local sourcing and conducting thorough assessments of global warming potential during sourcing are key to our strategy.

In 2023, we achieved significant milestones, including:

- emission reductions through decreased silver use and thinner wafers.
- ISO 50001 certification in Thalheim, municipality of Bitterfeld-Wolfen, Freiberg, and Hohenstein-Ernstthal, leading to generally lower energy consumption.
- reducing the consumption of silicon wafers, silver, glass, and water.
- increased cell and module efficiency.
- waste reduction in foils.
- enhanced cell and module yields.
- rransitioning to 100% recycled cardboard for packaging.
- implementating of CO_2 accounting at the module level.
- reducing the use of backsheet foil by producing glass-glass modules.

Moreover, we are investigating actions to enhance potential positive impacts, such as NF3 replacement, steel frame testing for modules, engaging with aluminum suppliers for partially recycled materials, ITO reduction, SmartWire investigation, aiming for zero waste in recycling, and developing new cell generations, like high-efficiency back contact cells (IBC technology).

By monitoring progress through defined processes, goals, and indicators, we ensure that our actions are effective, with quarterly evaluations for continuous improvement. Our stakeholder engagement is pivotal in shaping our actions and targets, fostering a collaborative approach to achieving our ESG objectives.

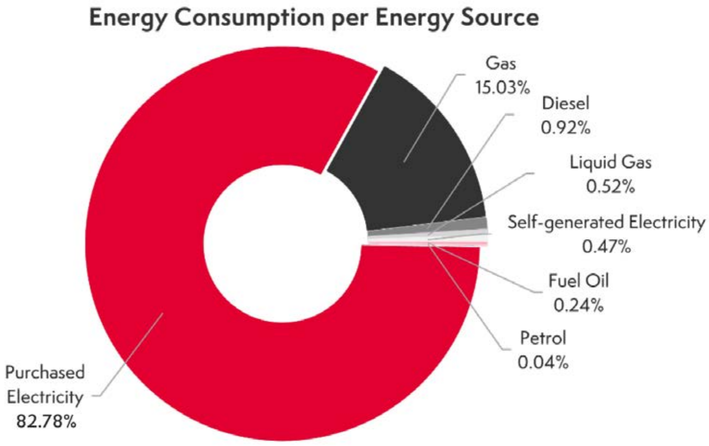
R&D Projects for Reducing Emissions
Meyer Burger has initiated several R&D projects and partnerships aimed at reducing emissions and mitigating climate change. These projects are crucial in exploring innovative solutions to enhance sustainability across our operations. The preparation for NF3 elimination, set for rollout in 2024, exemplifies our proactive approach to addressing environmental challenges and reducing our carbon footprint.

Engagement with Stakeholders
Our stakeholder engagement strategy plays a crucial role in informing our actions and ensuring their effectiveness. By agreeing on actions and targets with stakeholders and verifying progress quarterly, we foster a transparent and collaborative approach to achieving our ESG goals. This engagement ensures that our initiatives are aligned with broader sustainability objectives and stakeholder expectations, enhancing the overall impact of our efforts.

Energy Consumption
Our total energy consumption, excluding the surplus energy sold, followed the GRI calculation logic, totaling 68,182,548 kWh, an increase from 47,359,260 kWh in 2022, due to a 188% production increase. The energy intensity of Meyer Burger in 2023 was 113 MWh/MWp, calculated by dividing the total energy consumed in Scope 1 and 2 by the total production volume in comparison to 2022 with 148MWh/MWp, which is a reduction by 23%.

This significant decrease in energy intensity marks a major achievement for Meyer Burger, underscoring our commitment to enhancing energy efficiency.

In 2023, Meyer Burger consumed 30,427 kWh of gasoline, 629,998 kWh of diesel, 354,657 kWh of liquid gas, and 163,884 kWh of fuel oil from non-renewable sources, alongside 10,247,404 kWh of gas from renewable sources. This breakdown highlights our energy mix and underscores the ongoing efforts to transition towards more sustainable energy sources.



Energy Consumption per Energy Source

Greenhouse Gas Emissions

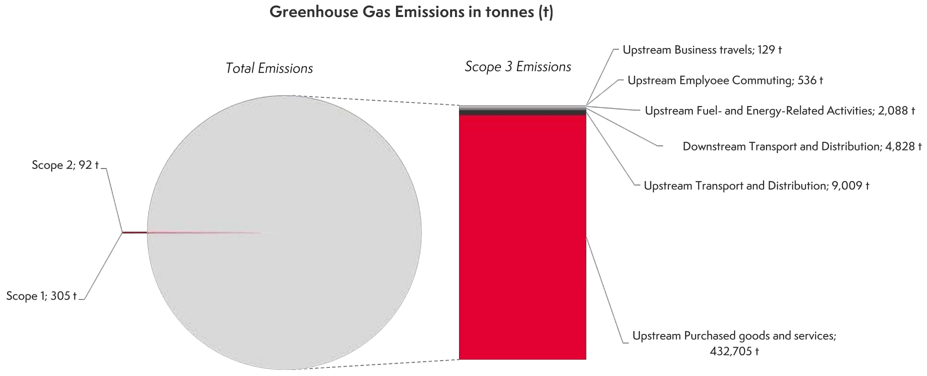
In the span of a year, Meyer Burger has dramatically increased its production output by 188%, escalating from 849,500 to 1,595,390 PV modules. This surge in production has resulted in a total carbon footprint of 449,693 tons of carbon dioxide equivalent (CO_2e), encompassing all greenhouse gases (GHG) as per 2022, the base year. The emission factors for this calculation were derived from the ecoinvent database, with energy consumption data provided by the Energy department. All calculations were performed in accordance with the GHG Protocol and using the Ecospeed software.

Regarding Scope 1 emissions, Meyer Burger achieved a reduction from 327 to 305 tons of CO_2e between 2022 and 2023. This is primarily attributed to a decrease in the consumption of liquid gas, gasoline, and diesel, reflecting the company's dedication to environmental sustainability and its positive impact on reducing the carbon footprint.

For Scope 2 emissions, the gross direct GHG emissions, calculated using the location-based method, were 18,279 tons, while the market-based calculations indicated 92 tons of CO_2e. In contrast, the base year 2022 saw Scope 2 emissions at 6 tons CO_2e using the market-based method and 13,770 tons CO_2e with the location-based method. The increase to 92 tons in 2023 is largely due to the expansion of production facilities in Goodyear, Arizona. The electricity consumed in the US facility in Goodyear is not fully sourced from renewable energies yet. Details reveal that 76 tons of CO_2 emissions were from electricity production in the USA, with zero emissions from European operations and 16 tons from recharging electric vehicles within the company's network using energy from the grid.

The interplay between production growth and Scope 3 emissions at Meyer Burger reveals a compelling narrative. Despite a significant production increase of 188%, the rise in Scope 3 emissions was relatively moderate at 147%. This can be primarily attributed to the use of wafers from existing stock, acquired in 2022 for the 2023 production cycle, significantly impacting the Scope 3 emissions footprint. Utilizing these wafers reduced the need for new raw materials and the energy-intensive processes for their production, thereby curbing emissions. Additionally, a reduction in wafer thickness contributed to this trend, enhancing material efficiency and reducing waste and its associated emissions.

This approach exemplifies Meyer Burger's dedication to optimizing production processes and resource utilization. By leveraging existing materials and improving efficiency, the company has successfully mitigated the growth in Scope 3 emissions, aligning its operations with sustainability objectives. However, the procurement of goods poses a notable challenge in reducing Scope 3 emissions. Significant reductions can only be achieved if supplies can be sourced locally due to the energy mix in Europe and if they provide detailed CO_2 emissions data, enabling Meyer Burger to select the most sustainable options and aim for conscious procurement and decarbonization strategies.



Greenhouse Gas Emissions in Tons (t)

Circular Economy and Resource Efficiency

One fundamental aspect of sustainability is the circular economy. For Meyer Burger, this involves efforts to prolong product lifespans and utilize more efficient modules, thereby decreasing the raw material needed for equivalent power output. Also minimizing the thickness of wafers leads to more efficient manufacturing processes and better resource utilization.

The following table shows Meyer Burger's actual and potential impacts on the circular economy:

Impacts	Positive	Negative
Actual	• The landfill rate achieved for waste in 2023 was zero. • The cardboard packaging materials are exclusively derived from 100% recycled materials. • In 2023, specific targets were set focusing on reducing material consumption, minimizing waste, and enhancing yield and module and cell efficiency. • A strong emphasis was placed on achieving circular material usage in 2023, with monthly meetings and quarterly KPI assessments. • Noteworthy accomplishments include compliance with declarations related to lead-free materials, PFAS, Reach, ROHS, POP, and the attainment of ISO 50001 certification.	• Currently, most materials used are derived from newly produced sources, even though they offer potential for recycling after use.
Potential	• A cooperation contract was signed with Luxchemtech, opening doors for close to 100% recycling with the transition to glass-glass modules. • Plans for the reuse of encapsulant foil are in progress, coming into action in 2024. • Ongoing R&D project activities aim to extend the lifespan of materials. • Meyer Burger's participation in the Swiss PV Cycle project demonstrates its commitment to supporting the reutilization of PV modules in a second life.	• The ramp-up of production, particularly at the new site in Goodyear, Arizona, may result in increased consumption of materials. This escalation is expected as production capacities expand to meet rising demands.

Table 3: Impacts on Circular Economy

At Meyer Burger, we are acutely aware of the environmental challenges facing our industry and proactively implement measures to mitigate our ecological footprint. Our operations predominantly use new materials for a variety of reasons. This choice is partly dictated by the limited availability of recycled materials, such as frames and glass, relative to our production volume. A key driver behind this decision is our commitment to achieving high efficiency in renewable energy production and ensuring the extended durability of PV modules, which necessitates the use of new, high-quality materials.

Central to our efforts is a steadfast commitment to the principles of the circular economy. Our policies are designed to minimize material consumption, monitor production areas to reduce waste, and place a strong emphasis on the reuse and recycling of materials. We actively participate in initiatives like the Swiss PV Circle, aimed at promoting the reuse of PV modules and conserving resources.

Managing Environmental Impacts and Monitoring Progress

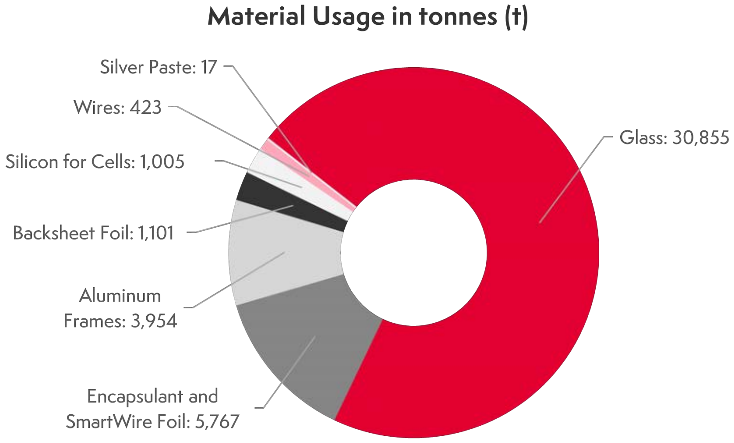
Meyer Burger adopts a forward-looking approach to managing both potential and actual negative impacts related to material usage and waste generation. In response to increased material consumption and waste from higher production volumes, we have initiated various measures. These include modifying module designs and enhancing processes to reduce material use. A significant proportion of PV module components are recycled, in accordance with German regulations. Additionally, our collaboration with LuxChemtech will facilitate the recycling of nearly 100% of Meyer Burger glass-glass modules in the future.

We have been using a monitoring process to assess the effectiveness of our actions, ensuring alignment with our established goals and targets. The success of our actions is evaluated by examining actual consumption and waste figures after process adjustments. Our experience has made it clear that waste reduction initiatives should be integral to product and process design enhancements.

Showing how Meyer Burger's solar modules are broken down into pieces at the Freiberg site of LuxChemtech, an innovative recycling service provider; picture: SMWA/Kristin Schmidt

Material Usage and Environmental Impact

In our operations, waste generation stems from product design and production processes, resulting mainly in plastic foil, glass, and cell breakage. We are transparent about the total weight or volume of materials used, with a significant portion being renewable. This includes 5,767 tons of encapsulant and SmartWire foil, 3,954 tons of aluminum frames, and 1,005 tons of silicon for cells. Additionally, in 2023 we used 17 tons of silver paste and 30,855 tons of glass, along with 423 tons of wire.



We conscientiously manage the use of non-renewable materials, including 1,101 tons of backsheet foil. While recycled materials currently make up less than 1% of our total input of raw materials, we are committed to increasing this percentage wherever feasible, as exemplified by our use of recycled cardboard for module packaging, which is 100% recycled.

Stakeholder Engagement, Effectiveness, and Continuous Improvement

Our commitment to sustainability involves active engagement with stakeholders, including employees, suppliers, and external organizations. We place great emphasis on requesting feedback and sharing progress reports, and transparently disclose our practices in material usage.

We track the effectiveness of our actions through a database for material consumption and waste, with quarterly ESG target reviews. Our actions have been proved effective, as evidenced by the reduction in material consumption and waste. We have learned that waste reduction initiatives must be integrated with product and process design improvements. This approach, combined with broad communication strategies, has been instrumental in enhancing our ESG activities and operational policies.

Upstream Waste Management

Waste generation is primarily attributable to suppliers, notably through packaging materials. Meyer Burger is dedicated to finding solutions to eliminate, reduce, or replace these materials with recyclable options. This effort involves collaboration across our Process department, suppliers, Purchasing department, and recycling companies.

We minimize waste generated directly by production, focusing on products and components that fail to meet our stringent quality standards. Efforts to increase yield through process, quality, and production improvements are ongoing. The company is exploring materials and technologies that facilitate downcycling, reuse, and reintroduction into the circular economy, in partnership with our Engineering and ESG departments.

Downstream Waste Management

Since 2022, Meyer Burger has implemented strategies to decrease the number of modules rejected by customers, including offering extended warranties and detailed information about product lifespan. We ensure that returned modules are recycled or reused whenever feasible, underlining our environmental commitment. In 2023, we meticulously tracked 6,688 returned modules. Despite a 188% increase in production volume, we observed a decrease in customer complaints, affirming our dedication to product quality and longevity.

Waste Reduction Targets and Waste Generation

In 2023, we generated 11,419.5 tons of waste, with diligent data management ensuring transparency. Of that, 9,112.3 tons were classified as non-hazardous. Remarkably, none of this non-hazardous waste was sent to landfill.

Our 2023 targets included reducing cell breakage, module and cell waste, silver consumption, wafer height, and foil waste. We successfully met these goals, notably achieving foil waste reduction by procuring foils precut to final dimensions for production, eliminating the need for trimming.

Meyer Burger is actively engaged in discussions with suppliers of aluminum frames to explore the use of recycled aluminum in our production processes. Another significant step toward sustainability has been the adoption of reusable carriers, eliminating the need for plastic boxes in transporting solar cells. In compliance with German and European waste regulations, we have adopted responsible practices for waste generation and disposal. Moreover, we are exploring additional avenues for waste reduction, including reuse and recycling, as we are fully aware of the potential impact of waste on climate change and are taking proactive steps to mitigate these effects.

	Total Weight in t	
Waste	2022	2023
Direct to disposal	2,714.21	8,979.00
Hazardous	1,204.38	2,297.70
Non-hazardous	1,509.83	6,681.30
Diverted from disposal	1,337.70	2,440.50
Hazardous	3.14	7.20
Non-hazardous	1,334.56	2,433.30
Total	**4,051.91**	**11,419.50**

Overview of Waste Data for 2023

Biodiversity

Below is a detailed table outlining Meyer Burger's specific actual and potential impacts on biodiversity and demonstrating our commitment:

Impacts	Positive	Negative
Actual	• Converted an existing semiconductor production facility into a solar cell manufacturing unit to minimize environmental impact and avoid additional ground sealing. • Launched an employee beekeeping program to enhance regional biodiversity. Produced 40 kilograms of honey, used for corporate gifts and purchased by employees. • Created dual-purpose bifacial PV modules for application such as agri-photovoltaic use, enabling simultaneous agricultural production and energy generation.	• None
Potential	• Considering the expansion of beekeeping activities to support environmental sustainability and biodiversity.	• Potential establishment of new facilities could impact local biodiversity. Committed to mitigating environmental impacts in line with sustainable growth.

Table 4: Impacts on Biodiversity

Sustainable Site Utilization and Environmental Stewardship

In 2023, Meyer Burger reinforced its dedication to environmental sustainability, as is particularly evident in our strategic site utilization. Despite not having a specific policy dedicated to biodiversity, our organization successfully mitigated negative impacts on biodiversity by thoughtfully expanding within existing buildings and using pre-established sites. This approach was notably implemented in Colorado Springs, Colorado, where an existing semiconductor production facility is being repurposed for solar cell manufacturing. This initiative reflects our overarching focus on renewable energy and CO_2 emission reduction, integral to preserving the planet's biodiversity and green spaces. Notably, the Colorado Springs site was developed as a brownfield investment, reusing an existing production site in an industrial area to avoid extra ground sealing.

Meyer Burger's "Company Bees" program in 2023

Innovative Initiatives for Biodiversity Enhancement

Our commitment to biodiversity and environmental stewardship is further illustrated through the launch of the "Company Bees" program in 2023. Aimed at engaging employees in beekeeping, this initiative contributes significantly to nature conservation and enhancing local biodiversity. The successful harvest of 40 kilograms of honey, a tangible outcome of this project, symbolizes our multi-faceted approach to ecological responsibility. Katja Tavernaro, CSO, has been keen to stress the importance of such initiatives in embedding sustainability firmly into our corporate ethos. Our efforts in producing bifacial photovoltaic (PV) modules for agri-photovoltaic applications further demonstrate the innovative stride we have in renewable energy, helping to promote dual land use for agriculture and energy generation.

Future Vision and Expansion of Sustainability Efforts

Looking ahead, Meyer Burger is committed to expanding the "Company Bees" program, aiming to increase honey yield and the number of beehives and beekeepers. This expansion, initially focused on Hohenstein-Ernstthal, will potentially extend to other locations, integrating sustainability and biodiversity support across our operations. We maintain close contact with government and municipal stakeholders, ensuring our strategies align with regional and national environmental initiatives for maximum impact.

Comprehensive Environmental Stewardship Across Operations

Our commitment to environmental stewardship extends to all Meyer Burger locations. In addition to the Colorado Springs project, our production sites in Freiberg and Thalheim, municipality of Bitterfeld-Wolfen, as well as construction sites in Goodyear, Arizona, and Colorado Springs, Colorado, adhere to strict measures to minimize environmental impact. We employ advanced filtration systems and other robust measures to prevent any release of harmful chemicals or substances, reaffirming our dedication to minimizing our ecological footprint and upholding sustainable practices.

In 2023, Meyer Burger made significant strides in promoting biodiversity and sustainable practices. Our strategic site development, innovative beekeeping program, and renewable energy advancements underscore our commitment to environmental stewardship and sustainable growth.

Water Resources

Impacts	Positive	Negative
Actual	• High water efficiency with a significant decrease in consumption based on the increased production volume. • Full suitability of discharged water for biological treatment processes, underscoring a commitment to sustainable water management practices. • Notable reduction in environmental impact through Meyer Burger's strategic and conscientious operational approaches. • A substantial 29% reduction in water usage relative to annual production output, exemplifying our dedication to resource-efficient practices.	• Currently, Meyer Burger requires a high volume of water for its operations, marking it as one of the major consumables.
Potential	• Involvement in continuous research and development aimed at reducing water consumption, improving water quality requirements, and enhancing the efficiency of cleaning and water treatment processes, potentially leading to significant positive environmental impacts.	• Potential for damage to production facilities and local sewage treatment systems if not managed carefully. • Increased water demand anticipated with the scaling up of production activities.

Table 5: Impacts on Water Resources

Water Management and Consumption

Meyer Burger's operations, especially in the wet chemical process in cell production, require a significant quantity of water, with no current alternatives available to reduce this consumption by much. In response to these challenges, Meyer Burger has implemented policies focusing on reducing the consumption of resources, such as water and wastewater and enhancing the efficiency of production processes. Advanced technologies are being utilized to prduce high-purity water required by production processes and ensure the stable quality of discharged water suitable for biological sewage treatment.

A glimpse into wet chemistry at the Thalheim cell production site

Efforts in Reducing Negative Environmental Impacts

To manage the environmental impacts associated with its water use, Meyer Burger employs sophisticated water treatment technologies and control mechanisms to manage water quality effectively. Operators undergo intensive training to ensure that goals related to water management are achieved. Despite the lack of any real alternative processes for the wet chemical process, Meyer Burger is actively working to decrease water consumption and boost the efficiency of cleaning and water treatment processes. This includes efforts to increase the quantities of water reuse, which is a critical aspect of the company's environmental conservation strategy.

Tracking and Effectiveness of Environmental Initiatives

The effectiveness of Meyer Burger's environmental initiatives is closely monitored through ongoing monitoring of water quality parameters and regular checks on water consumption, especially at points of high usage. The company has set clear goals and targets, such as minimizing water consumption, increasing the water reuse rate, and minimizing contamination of water at relevant process steps. A structured approach is adopted to achieve these targets, which includes defining actions, measuring and analyzing required parameters, and adjusting steps to achieve the desired outcomes.

Significant reductions in water withdrawal have been achieved, particularly in the wet chemical process, demonstrating Meyer Burger's commitment to improving water efficiency. For example, the water withdrawal per MWp has dropped from 609 m^3/MWp in 2022 to 431 m^3/MWp in 2023, which is a total reduction of 29%.

Stakeholder Engagement and Continuous Improvement

Engagement with all stakeholders, including equipment suppliers, local authorities, and Meyer Burger employees, is essential in informing and validating the effectiveness of water management actions. This collaborative approach has been pivotal to Meyer Burger's continuous efforts to enhance water management practices, validate established processes, and invest in technologies that significantly reduce environmental impact. The company's proactive stance on addressing water-related environmental challenges is reflected in its commitment to sustainability and environmental stewardship.

Water Withdrawal, Discharge, and Consumption

Meyer Burger has demonstrated commendable efficiency in water management, with a consumption rate below 6%. The discharged water meets the criteria for biological treatment, safeguarding both the production processes and the local wastewater treatment facilities. To keep water quality to th required standard, Meyer Burger has instituted a comprehensive monitoring system, operating continuously throughout the reporting period.

In the year under review, Meyer Burger reported a freshwater withdrawal of 260,734 cubic meters, marking a 133% increase compared to 195,478 cubic meters of freshwater withdrawal in 2022. This upward trend, when aligned with the rise in production volume of 188%, indicates a significant step forward in water conservation efforts. The company's production facilities exclusively used potable water, primarily employing it within a circular system in cell production activities. Furthermore, Meyer Burger discharged a total of 246,264 cubic meters of water, rendered suitable for sewage treatment through meticulous internal water treatment processes. The primary objective of this treatment was to remove fluoride, a by-product of the wet chemical process.

The total water consumption for the current year was recorded at 14,471 cubic meters, representing a 124% increase compared to the consumption of 11,667 cubic meters in 2022. This rise is actually commendable, given the 188% increase in production volume. It is important to note that all water used was sourced from areas identified as water-stressed, underscoring the critical importance of the company's water-saving initiatives.

Environmental Pollution

Impacts	Positive	Negative
Actual	• Adherence to the First General Administrative Regulation on the Federal Emission Control Act (TA Luft) ensures regulated and minimal environmental impact, demonstrating Meyer Burger's commitment to environmental compliance. • Implementation and successful testing of an alternative to NF3 (nitrogen trifluoride) in PV manufacturing processes, aimed at reducing the high global warming potential associated with this gas. • Monitoring and measurement of exhaust gases at Meyer Burger facilities, yielding positive results that indicate effective emission control measures.	• The existing process for Heterojunction PV technology involves emissions that impact the environment, despite Meyer Burger's compliance with regulatory standards.
Potential	• Plans to introduce chemicals with a lower carbon footprint to replace NF3 usage, further enhancing the environmental sustainability of Meyer Burger's operations.	• An anticipated increase in the environmental impact, primarily due to emissions, as Meyer Burger scales up production.

Table 6: Impacts on Environmental Pollution

Compliance and Impact on Environmental Pollution

Meyer Burger is actively engaged in managing its environmental impact, particularly in relation to exhaust gas emissions from various production processes such as wet bench, PECVD/PVD, and printing. These processes are integral to PV manufacturing but inherently contribute to the company's environmental footprint. Meyer Burger acknowledges the importance of minimizing this impact and is committed to sustainable and cleaner production technologies.

Policies and Actions for Emission Control

The company adheres to the First General Administrative Regulation on the Federal Emission Control Act (TA Luft), reflecting its dedication to regulated and minimal environmental impact. This includes efforts like the replacement of NF3, a gas with high global warming potential, with more environmentally friendly alternatives. Additionally, Meyer Burger conducts intermittent measurements of exhaust gases to identify current emission levels and designs its cells and modules to reduce emissions.

Monitoring Effectiveness and Stakeholder Engagement

The effectiveness of Meyer Burger's environmental initiatives is tracked against the required values defined under TA Luft. This involves comparing planned emissions with required limits and collaborating with suppliers, local authorities, and other relevant stakeholders to ensure compliance. The R&D and engineering teams play a crucial role in testing and implementing new technologies like NF3 alternatives, slated for production in 2024.

Reporting on and Compliance with Environmental Standards

Meyer Burger's commitment to environmental stewardship is also evident in its compliance with various environmental regulations. The company has not reported any incidents of non-compliance concerning the health and safety impacts of its products and services. Moreover, all significant product categories undergo assessments to ensure compliance with emission standards as defined by TA Luft. Despite the challenges in measuring the total mass of emissions due to complex process parameters, all current results indicate that the measured values are below the maximum concentrations required.

Employment Practices

The table below illustrates Meyer Burger's real and potential effects on working conditions:

Impacts	Positive	Negative
Actual	• Spearheading the revival of the European solar industry, especially in cell and module manufacturing, thereby creating a substantial number of jobs. • Creating employment opportunities in economically challenged areas, like the Solar Valley in eastern Germany, thereby strengthening the local economy. • Advancing vocational education and professional development through targeted on-the-job training programs within the solar industry and broader energy sector. • Fostering diversity and enhancing intercultural skills in homogeneous work environments through the recruitment of a globally diverse workforce. • Making significant contributions to infrastructure development in economically challenged regions. • Establishing partnerships with local professional institutions and universities to support operational and research initiatives.	• Labor market imbalances caused by workforce shifts from other sectors in economically weaker regions, which may lead to regional labor market criticisms. • Facing challenges in sourcing enough skilled labor, necessitating comprehensive recruitment and training programs to meet operational needs.
Potential	• Driving job growth throughout Germany, Europe, and the USA with the establishment of new solar module production facilities and through operational expansion. • Homogeneous settings, thereby enriching the workplace environment. • Further improving infrastructure in structurally weak locations.	• Difficulty in finding skilled workers in main operating regions, leading to substantial efforts to recruit and train candidates from furher afield. • Risk of unemployment if the solar industry faces sustainability challenges in Germany.

Table 7: Impacts on Employment Practices

Meyer Burger has actively engaged in recruitment for its expanding PV production, notably in Freiberg/Saxony and Thalheim (in the municipality of Bitterfeld-Wolfen) (Solar Valley, Saxony-Anhalt), benefiting from a rich history in PV production in these regions and attracting a skilled workforce. However, the company has observed a trend where individuals are leaving other companies to join Meyer Burger, prompting a focus on regional cooperation and networking to maintain healthy relationships among local industries, municipalities, and suppliers.

Strategic Workforce Development

In response to political uncertainties regarding solar industry support in Germany and Europe, Meyer Burger adjusted its strategy in the latter half of the year by slowing down recruitment. Instead, the company focused on professional training and skills development of the existing workforce to keep employees onboard for future growth. A new works agreement for qualification was adopted, and a position on recruitment and skills development was established. Meyer Burger's workforce is a crucial aspect of its sustainability goals, with specific KPIs established in 2023 for ensuring the required quantity and education of employees, training and staff development, participation, and satisfaction. These KPIs are aimed at ensuring workforce and a low turnover rate, although specific figures are confidential.

Enhancing Workforce and Community Engagement

Meyer Burger has undertaken various HR measures to support its workforce, including partnerships with professional institutions and universities, recruiting through different European platforms, participating in job fairs, and organizing vocational training and career orientation events. The company is committed to fair payment, diversity, and non-discrimination and offers several training and development opportunities. Programs to upgrade employee skills, especially for maintenance technicians, and schemes for retraining non-technical employees for PV production, have been implemented. An employee-friendly shift system and participation in local sports events like the Goitzsche Dragon Boat Company Cup, Goitzsche Marathon and Company Run in Chemnitz highlight Meyer Burger's community engagement and support for a healthy work-life balance.

Actions and Initiatives for Workforce Empowerment

Meyer Burger has taken numerous steps to empower and develop its workforce, reflecting our commitment to sustainable employment practices:

- **Strategic Partnerships and Networking:** We actively partner with various professional institutions and universities to enhance workforce skills.
- **Regional Cooperation:** Engagement in networking activities to support local communities and industries.
- **Diverse Recruitment Efforts:** Utilizing different European platforms for recruitment and taking part in job fairs at several professional institutions and universities.
- **Vocational Training and Career Orientation:** Participation in events with universities, schools, and other educational institutions, focusing on vocational training and career guidance.
- **Employee Development Events:** Conducting and sponsoring events involving students, trainees, and graduates to foster professional development.
- **Commitment to Fair Practices:** Ensuring fair payment, diversity, and non-discrimination as detailed in the Annual Report 2023.
- **Training Opportunities:** Offering several training programs and development opportunities to employees.
- **Skill Upgrade Programs:** Implementing programs to upgrade employee skills, particularly for maintenance technician roles, and retraining non-technical employees for PV production.
- **Employee-Friendly Work Schedules:** Introduction of an employee-friendly shift system with four days off after six days of work.
- **Community Engagement:** Organizing employee festivals and participating in local sports events such as the Dragon Boat Company Cup Goitzsche, Goitzsche Marathon, and Company Run in Chemnitz.

Recruitment Measures

To track the effectiveness of its HR strategies, Meyer Burger employs digital tools to measure website access and social media campaign impacts. In 2023, the company received a total of 4,920 job applications — 2,489 in Germany mainly for solar production, 626 in Switzerland primarily for Research & Development, and 1,805 in the USA to ramp up solar module production in Goodyear, Arizona. Participation in job fairs and recruitment events is evaluated to refine recruitment measures further.

New Hires and Turnover Rate

During the reporting period, Meyer Burger experienced significant workforce changes, characterized by a notable influx of new hires and a relatively low turnover rate. The company welcomed a total of 393 new employees, marking a new hire rate of 26.90%. Meyer Burger maintained a relatively stable workforce with an employee turnover rate of

5.6% during the reporting period. The goal was to keep employee turnover between 5 to 10% over 2023. This goal was achieved. This low turnover rate indicates a positive working environment and a good level of job satisfaction among employees, contributing to the company's overall stability and continuity.

Engagement with Stakeholders

Meyer Burger's engagement with its workforce is facilitated by the MBLive app, which was relaunched in 2023 as an intranet platform with about 70% user engagement among employees. This tool is essential for fostering communication and sharing topics of interest to the company and successes. To help with this, there are plans to launch a new channel focusing on ESG soon to boost engagement and dialog on sustainability among employees.

At Meyer Burger, full-time employment is defined as working 39 hours in Germany (40 hours in Switzerland), with employees entitled to a total of 30 days of vacation, which can vary depending on the country, where the site is located. Additionally, full-time employees benefit from paid sick days. Employee numbers are measured based on headcount, with data reported as of the end of the reporting period, specifically on 31 December 2023.

Working Conditions

To provide further context for understanding employee data, it is important to note that Meyer Burger is committed to offering mainly permanent positions to give employees a high level of job security. The relatively high number of part-time employees is attributed to the shift work required at the PV production sites located in Freiberg and Thalheim, municipality of Bitterfeld-Wolfen. To address this, Meyer Burger introduced a shift system known as 6/4, which allows employees to take four days off after six days of work in shifts that rotate through morning, day, and night. This system is designed to ensure a good work-life balance in what can be a stressful job environment, encouraging employees to opt for part-time work to enjoy more flexibility.

Non-Employee Workers

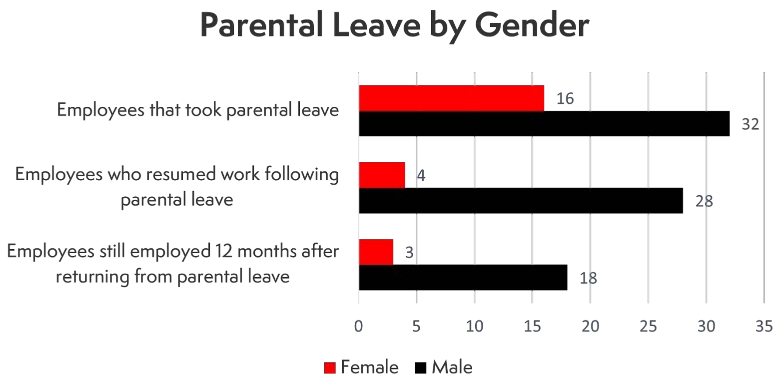
Regarding workers who are not formal employees, Meyer Burger reported a total of 35 contract workers whose work is controlled by the company as of the end of the reporting period. These contract workers are primarily engaged in solar cell and module production, with a few working in marketing. The data regarding these workers is compiled using an SAP-powered HR database and is reported in headcount as of the end of the reporting period. The year 2023 saw a decrease in the number of contract workers compared to expectations and the previous year, primarily due to the solar industry's expansion in Germany and Europe being put on hold. This pause is attributed to pending political decisions by the German parliament and EU authorities, resulting in internal capacities at Meyer Burger being lower than originally planned for 2023.

Employee Benefits

Regarding employee benefits, Meyer Burger offers standard benefits to full-time employees, including health care, disability coverage, parental leave, and retirement provision, as regulated by law in Germany, Switzerland, and the USA. There are differences in seniority payouts between full-time and temporary or part-time employees as defined by company agreements.

Parental Leave

In the reporting period , 48 employees took parental leave in the reporting period (32 male and 16 female), with 32 returning to work (28 male and 4 female), and 21 (18 male and 3 female) still being employed 12 months after their return. The return to work and retention rates for employees who took parental leave are 100% for male employees in Germany and Switzerland, 50% for female employees in Germany, and 100% in Switzerland, with an overall retention rate of 91.43%.



Parental Leave by Gender

Notice Periods
Minimum notice periods for significant operational changes are regulated by employment contracts and law, with specific provisions for circumstances like short-time work and mass layoffs.

Training and Development Programs
Meyer Burger provided an average of 8,700 training hours in Germany (2,750 for female employees and 5,950 for male employees) and 1,040 in Switzerland (150 for female employees and 890 for male employees) during the reporting period. The company offers regular training for team leaders and plans to develop continuous training formats for all managers to strengthen individual skills and improve the production environment.

Meyer Burger is actively engaged in enhancing employee skills through a comprehensive training program aimed at team leaders. The company has enriched its Human Ressources team by hiring a senior specialist for learning & development, who has been conducting training sessions for production managers, shift supervisors, and specialist coordinators at the PV production sites in Thalheim (municipality of Bitterfeld-Wolfen), Freiberg, and Hohenstein-Ernstthal since the end of September 2023. The training emphasizes the significant impact of leadership behavior on team dynamics and individual employee motivation, highlighting the responsibility leaders hold in creating a positive work environment.

The workshops encourage open dialog among participants, allowing them to share personal challenges and solutions. These sessions are designed not just to impart basic knowledge but to foster a trusted space for meaningful discussions on important issues beyond a rigid agenda. Meyer Burger is committed to establishing a continuous training program for managers, with plans to extend offerings to include seminars for maintenance staff and develop a unique format to support new executives in their leadership roles.

Looking ahead, Meyer Burger intends to establish regular training events for all managerial levels, focusing on content-driven input, networking, and discussions about team management. The launch of these two-day seminars marks the beginning of an expansive manager development strategy. According to Susan Herzog, Head of HR Europe, training shift supervisors and specialists is crucial for strengthening individual competencies and enhancing the overall production environment at Meyer Burger.

"At the very beginning, it is also about being personally aware of the responsibility you have for the whole team. Your own behavior has a great influence on each individual in the team."

Susan Herzog
Head of HR Europe
Meyer Burger

Regarding transition assistance programs, Meyer Burger adheres to legal regulations in facilitating continued employability and managing career endings due to retirement or termination of employment. This structured approach ensures compliance with existing laws while supporting employees through transitions.

Benefits Provided to Full-Time Employees
At Meyer Burger, the provision of benefits to employees is designed to ensure fairness and compliance with legal standards across all categories of employment, whether full-time, temporary, or part-time, particularly across its key operating locations.

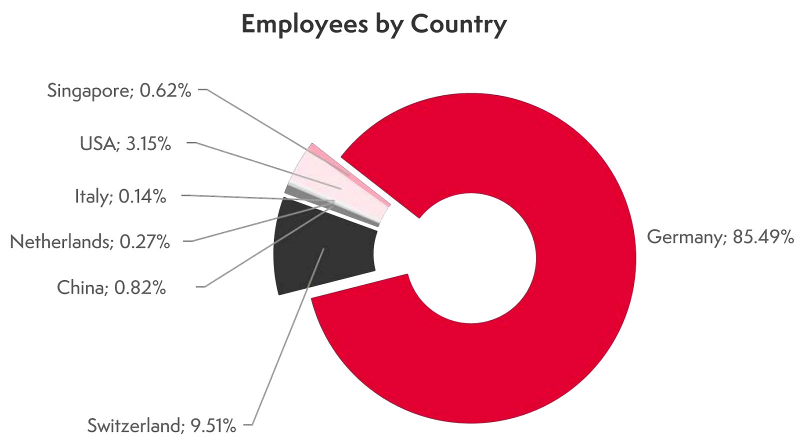
These include the company's photovoltaic production facilities in Thalheim (municipality of Bitterfeld-Wolfen), Germany; Freiberg, Germany; Goodyear, Arizona, USA; and its main research and development sites in Thun, Hauterive, Neuchâtel, (all in Switzerland), and Hohenstein-Ernstthal, Germany.

For health care, short- and long-term disability coverage, parental leave, and retirement provision, Meyer Burger extends these benefits to all employees, including full-time, temporary, and part-time staff, as mandated by the respective legal regulations in Germany, Switzerland, and the USA. This approach ensures that all employees receive essential social security benefits regardless of their employment status. For instance, in Germany, short- and long-term disability coverage is governed by Section 43 of the Sixth Book of the German Social Code (Sozialversicherungsgesetz, SGB6), while in Switzerland, social security law including the Invalidity Insurance Act, InvIA and the Old Age and Survivors Insurance dictate the provision of these benefits.

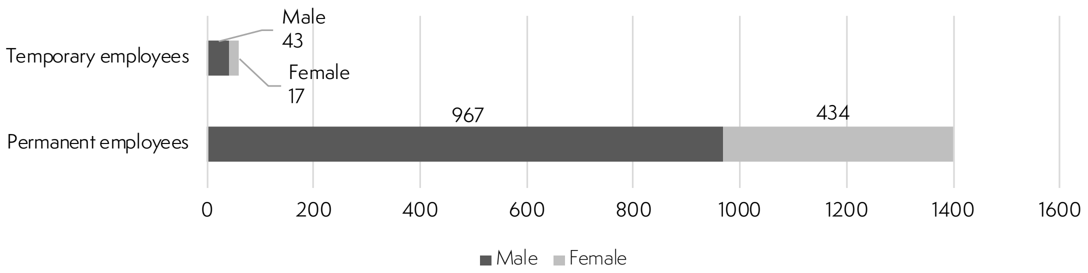
Stock ownership at Meyer Burger does not differentiate between full-time and other forms of employment. The entitlement to stock ownership and the benefits that come with it are defined by a specific policy, highlighting the company's commitment to inclusive financial participation for employees.

Meyer Burger's strategy in offering benefits reflects its adherence to legal standards and its commitment to supporting its workforce across all key operating locations, ensuring a supportive and equitable workplace environment.

Quantitative Employee Data

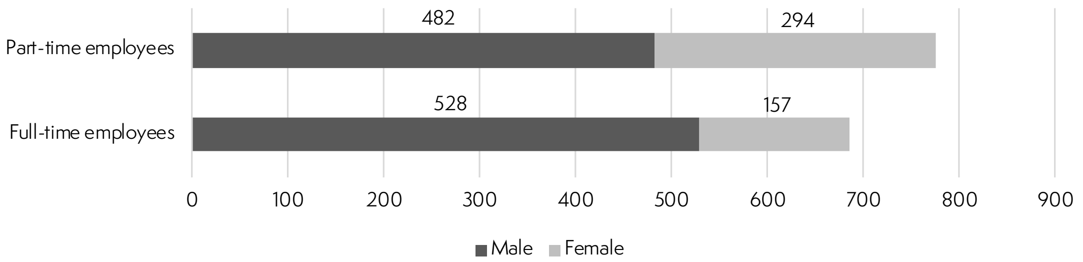


Permanent vs. Temporary Employees by Gender



Permanent vs. Temporary Employees by Gender

Full-Time vs. Part-Time Employees by Gender



Full-Time vs. Part-Time Employees by Gender

Non-Discrimination and Equal Opportunity

Meyer Burger is committed to sustainable and ethical business practices, with a particular focus on addressing issues related to non-discrimination in its workforce. Over the past two years, several key developments and initiatives have been undertaken to further this commitment.

Impacts	Positive	Negative
Actual	• A significant number of managers recruited from local communities, addressing the underrepresentation of managers from eastern Germany in the new federal states, offering a distinct location advantage. • The workforce boasts a high level of internationality, with employees representing 37 different nationalities, enriching the company's cultural diversity. • The company's C-level management is notably youthful, predominantly ranging from 30 to 50 years of age, fostering a dynamic and modern leadership approach.	• Language barriers in production processes increase the likelihood of new hires leaving during their probation period due to communication difficulties. • Female representation in leadership positions is limited, with only 25% of leadership roles occupied by women.
Potential	• There is an opportunity to further enhance diversity in various aspects of the company.	• The emergence and potential growth of right-wing political movements in eastern Germany, especially following the state parliament elections in Saxony in September 2024, could present challenges in attracting and retaining international or intercultural talent at the company.

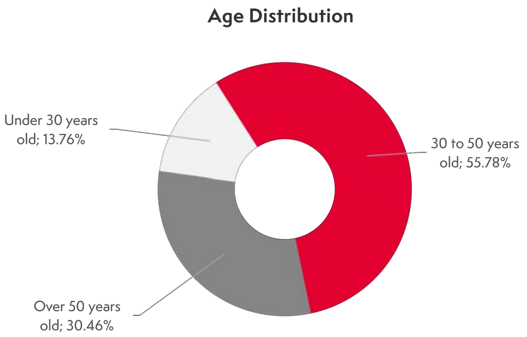
Table 8: Impacts on Non-Discrimination and Equal Opportunity

Language Barriers and Employee Turnover

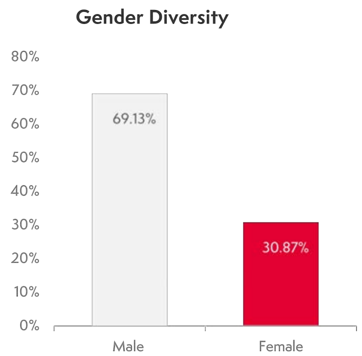
The company's rapid expansion and the extensive recruitment, including people whose mother tongue is not German, has led to language barriers within the workforce. This situation has occasionally has caued difficulties in ensuring smooth operation and team integration. Consequently, the likelihood of new hires leaving during their probation period has increased, impacting the stability of production processes. Meyer Burger recognizes this challenge and is exploring solutions to enhance language support and cultural integration for its employees.

Diversity in Governance Bodies

Meyer Burger is committed to promoting diversity within its governance bodies and among its employees, reflecting a range of perspectives and experiences that contribute to the company's success. As of the latest reporting, the composition of Meyer Burger's BoD and C-level management team demonstrates the company's approach to gender and age diversity, although there is room for improvement, especially in terms of gender balance.



Only 25% of management positions at Meyer



Burger are held by women. This figure has risen from 20% in August, as there are now four instead of five individuals in C-level management. This change signifies a small step toward a greater gender balance within the company's leadership. All members of the C-level team fall within the 30 to 50 age group, indicating a middle-aged leadership team that brings both experience and a dynamic approach to managing the company. To further enhance female representation in leadership, the company is actively exploring proactive steps. These efforts are part of a broader initiative to ensure a more inclusive approach in recruitment and promotion practices.

As of 31 December 2023, th BoD consisted of five members, one female and four male, resulting in a gender distribution of 20% female and 80% male members. The age composition of the BoD predominantly leans towards more experienced members, with 80% over 50 years old and one member aged between 30 and 50, highlighting a wealth of experience within senior leadership roles.

Regarding the broader employee base, Meyer Burger reports a gender distribution of 69.13% male and 30.87% female employees. This indicates a significant gender disparity that reflects broader industry trends but also highlights the need for continued efforts to achieve a greater gender balance. The age distribution among employees shows a diverse workforce, with 13.76% under 30 years old, 55.78% aged between 30 and 50, and 30.46% over 50 years old, suggesting a balanced mix of youth and experience within the company.

Meyer Burger also acknowledges the importance of diversity beyond gender and age. While other indicators of diversity such as minority or vulnerable groups are not specifically reported, the company does note that 2.3% of its employees in Germany are people with disabilities. This data point is specific to Germany due to differences in data collection practices across the company's operational sites.

Potential Impact of Political Changes in Eastern Germany

The rise of right-wing political movements in eastern Germany, particularly surrounding the state parliament elections in Saxony on 1 September 2024, poses a challenge for Meyer Burger in attracting and retaining culturally diverse talent in particular. To address this, the company is actively engaging with local initiatives and politicians to promote an inclusive workplace and mitigate potential negative impacts on its talent acquisition strategy and workforce diversity.

Commitments and Management of Diversity and Inclusion

In response to these challenges, Meyer Burger has implemented several initiatives:

- **Senior HR Marketing Manager Role:** Created in 2023, this role focuses on enhancing workforce diversity and gender equality.
- **Diversity and Non-Discrimination Policy:** A comprehensive policy is under development, following extensive research conducted throughout 2023.
- **Intercultural and Diversity Awareness Training:** Scheduled for implementation across all company sites in 2024, these programs aim to deepen the understanding and appreciation of diversity within the workforce.

Efforts in Integrating a Diverse Workforce

Meyer Burger's intensive recruitment drive in 2023 aimed to integrate employees from various backgrounds, particularly at its Thalheim (municipality of Bitterfeld-Wolfen) and Freiberg solar production sites. The company translated essential materials and ensured that mulilingual personnel were present in each shift to facilitate effective communication and integration into the production processes.

Proactive Stance Against Political and Social Challenges

Meyer Burger actively supports local initiatives, especially in Saxony, that advocate for democracy and oppose right-wing extremism. The company engages in discussions with local politicians and community initiatives to address issues related to political shifts and social integration. In Freiberg, Meyer Burger supports the local magazine "Gesicht Zeigen," which focuses on refugee aid and social integration of refugees from all over the world.

Effective Communication and Training for a Diverse Workforce

To address language barriers, Meyer Burger has translated essential work materials and instructions into all languages represented among its employees. The company also facilitates effective communication through multilingual colleagues. Additionally, mixed leadership trainings and workshops have been organized to leverage the diversity within the company's workforce.

Tracking Effectiveness and HR Goals

Meyer Burger integrates human relations and staff development goals into its sustainability objectives, using Key Performance Indicators (KPIs) to track progress. The company uses SAP software to monitor employee-related metrics and has taken steps to analyze workforce dynamics across various departments.

Promoting Local Talent

Meyer Burger prioritizes hiring local talent for senior management positions at key operating locations. Therefore, the majority of senior managers at these sites are hired from the local community. In defining senior management, the focus is on C-level executives who are crucial to steering the company's strategic direction.

Fair and Equal Remuneration Practices

Meyer Burger maintains fair and equal remuneration practices, ensuring a discrimination-free work environment. Salary and remuneration are determined based on a remuneration table aligned with company agreements. The ratio of basic salary and remuneration between women and men across each employee category is balanced. Additionally, there were no recorded incidents of discrimination during the reporting period, highlighting the effectiveness of Meyer Burger's preventative measures and internal management processes.

Through various initiatives and policies, Meyer Burger demonstrates its ongoing commitment to promoting diversity, inclusion, and non-discrimination, thereby fostering a respectful and inclusive work environment.

Occupational Health and Safety

Impacts	Positive	Negative
Actual	• Safety risks rigorously assessed using safety data sheets to ensure safe use. • Assignment of specialized personnel for occupational safety and engagement of a designated company physician. • Extensive training programs implemented for employees. • Achievement of a notable record of zero serious incidents involving hazardous materials.	• Although there were some accidents, they were not serious in nature, primarily involving minor cuts. • Reported incidents were limited to minor cuts and did not pose any serious risks. • While the number of notified accidents has increased, it is important to note that all of them had a low degree of severity.
Potential	• Meyer Burger enthusiastically supports a range of health and wellness programs for its workforce. These initiatives include organizing back care courses, arranging massage sessions, offering access to an on-site fitness center, and establishing running and walking groups. Furthermore, we partner with health insurance providers to conduct ergonomic evaluations and offer preventive care at work, underscoring our dedication to the holistic well-being of our employees.	• The management system has not been put into effect.

Table 9: Impacts on Occupational Health and Safety

In 2023, Meyer Burger continued its dedication to the health and safety of employees, customers, and the environment, reinforcing its stance as a responsible and conscientious corporate entity.

Enhancing Workplace Safety

Adhering to safety regulations is fundamental to our operations. We meticulously design and maintain our facilities, equipment, and processes to comply with occupational safety, health, fire prevention, and environmental protection standards. Our focus extends to the regular participation of employees in comprehensive occupational safety training, underlining our commitment to a safe and healthy work environment.

Meyer Burger does not have an occupational health and safety management system in place, as this is not mandated by law. However, the processes for worker safety are based on the German Occupational Safety and Health Act (Arbeitschutzgesetz) and Rules of the German Employer's Liability Insurance Association (Regeln der Berufsgenossenschaft). The process of identifying and assessing risks is managed by specialists in occupational safety. Employees are encouraged to report any safety concerns they may have without the threat of retaliation and have the autonomy to withdraw from situations they deem unsafe.

Stakeholder Engagement

Meyer Burger is committed to ensuring the occupational health and safety of all its workers, including both employees and non-employees whose work or workplace is controlled by the organization. To this end, the company has established processes for worker participation and consultation in the development, implementation, and evaluation of its occupational health and safety management system. These processes also ensure that all workers have access to and are informed about relevant information concerning occupational health and safety.

Furthermore, Meyer Burger has instituted a formal joint management-worker health and safety committee to foster a collaborative approach to workplace safety. This committee, comprising the company's medical doctor, management representatives, an occupational safety specialist and members of the works council, is responsible for overseeing and guiding the organization's health and safety initiatives. The committee convenes three times a year to discuss and make decisions on matters related to occupational safety, ensuring that various stakeholder perspectives are considered in the decision-making process. This setup underscores Meyer Burger's dedication to an inclusive and comprehensive approach to occupational health and safety.

Addressing and Mitigating Safety Concerns

The year 2023 saw an increase in reported accidents, predominantly minor cuts, attributed to enhanced data synchronization between our safety and HR departments. Some incidents were not initially reported within the company but were noted during medical visits, leading to underrepresentation in previous statistics. In 2023, HR included all sick leave certifications related to accidents in their counts, some of which had been omitted before, resulting in a higher reported number of accidents. The total number of cases of work-related ill health was 21 and the main type of injury was minor cuts. To address these incidents, we are considering actions such as enhanced safety workshops and comprehensive first aid training. Meyer Burger acknowledges the need for improved reporting processes and data management solutions to ensure accurate documentation of all incidents.

Promoting Health and Well-Being

Meyer Burger actively collaborates with occupational health services to offer various health and wellness programs. These include fitness classes, ergonomic assessments, and back care initiatives, aimed at promoting employee health and preventing impacts on occupational health and safety. Additionally, we ensure that all workers, including those from external companies working at our sites, receive thorough training on occupational health and safety, adhering to our high safety and quality standards.

Future Goals and Continuous Improvement

As we move forward, our objective remains to achieve a zero-injury rate. We closely track various types of injuries and monitor sick days taken due to injuries, employing additional health and safety coordinators for larger projects. Our commitment to continuous improvement involves regular consultation and communication with workers, analyzing workplace injury incidents, and comparing current injury statistics against previous years. These efforts are crucial for identifying trends and areas for improvement and for ensuring comprehensive health and safety evaluations for all employees.

In 2023, Meyer Burger has demonstrated a strong commitment to occupational health and safety, with a focus on continuous improvement and employee well-being. Our actions reflect our dedication to maintaining a safe and healthy work environment, while our future goals emphasize our ongoing dedication to sustainable and responsible business practices.

Asset Integrity and Critical Incident Management

Impacts	Positive	Negative
Actual	• Significant improvements in working conditions have been achieved through identifying and addressing potential workplace risks, enhancing employee well-being and productivity. • A growing emphasis on sustainability within the company is leading to the adoption of initiatives and policies that have a positive impact on environmental stewardship and corporate social responsibility. • The implementation of regular safety briefings and comprehensive workplace analyses substantially promotes employee health and safety, addressing potential hazards effectively.	• Maintaining high standards in working conditions can be resource-intensive, potentially impacting economic efficiency. • Transitioning towards long-term sustainability may involve short-term economic costs and adjustments to operational practices. • Allocating resources for regular safety and health briefings, while beneficial, might put strain on operational resources.
Potential	• Adopting global labor standards in health and safety could enhance employee welfare and productivity across various regions.	• The risk of business closure or increased regulatory demands due to non-compliance with critical incident management standards could negatively impact the company's economic viability and employee livelihoods.

Table 10: Asset Integrity and Critical Incident Management

Maintaining Asset Integrity and Protecting Intellectual Property

Meyer Burger is committed to preserving the integrity of its operational assets, including intellectual property, equipment, and business documents. The company's stringent practices in protecting intellectual property, such as patents and trade secrets, are essential for maintaining a competitive edge and ensuring operational integrity. Similarly, safeguarding physical assets against damage, loss, and misuse is fundamental to maintaining uninterrupted and efficient operations. However, we ecognize that these protective measures, while essential, need to be balanced to avoid hindering innovation and collaboration.

Health, Safety, and Incident Management

A core aspect of our approach to asset integrity is rigorous enforcement of health and safety regulations. This practice is crucial for preventing workplace incidents and ensuring employee safety. We understand that while strict safety protocols are vital, they should not impede the creative and productive work environment. To manage this, Meyer Burger invests in comprehensive training and risk assessment programs, fostering a safety-conscious culture without creating an overly restrictive atmosphere.

Environmental Stewardship and Incident Response

Our commitment to environmental stewardship, particularly in managing and reporting significant spills, is an integral part of our asset integrity and critical incident management strategy. The absence of significant spills in the current reporting period highlights the effectiveness of our risk management and incident prevention measures. These practices demonstrate our ability to respond to and manage environmental incidents, ensuring the protection of both our operational sites and the surrounding communities.

Continuous Monitoring and Improvement

The effectiveness of our asset integrity and critical incident management strategies is continuously monitored and refined. Regular evaluations, training participation tracking, and collaborative goal setting are part of our process of maintaining high safety and operational standards. We acknowledge the importance of adapting our strategies based on ongoing evaluations and feedback, ensuring that our approaches to asset protection, safety, and environmental stewardship are both effective and balanced.

Freedom of Association and Collective Bargaining

Impacts	Positive	Negative
Actual	• The election of an MBI employee representative to the Supervisory Board strengthens democratic governance and enhances worker representation in decision-making processes. • By maintaining high standards in working conditions, Meyer Burger exerts a positive influence on industrial employment practices and sets a benchmark for other companies. • Upholding workers' rights within the company and in its supplier relationships directly supports the human rights of its workforce and sets a standard for ethical business practices. • The establishment of new works councils, particularly the 2022 council at the Thalheim site and the Group Works Council, empowers employees, fostering a workplace culture that respects and promotes workers' rights. • Continuous dialogs with IG Metall reflect the company's commitment to improving labor relations, aiming towards a comprehensive collective bargaining agreement that would enhance employee rights and benefits.	• The absence of a collective bargaining agreement might limit the effectiveness of worker representation and negotiations for better working conditions, potentially affecting employee satisfaction and retention. • Challenges in verifying suppliers' working conditions, especially in distant regions, raise concerns about the enforcement of labor standards and human rights in the supply chain.
Potential	• Successfully concluding collective bargaining negotiations could significantly improve working conditions, potentially making Meyer Burger a leader in employee rights within the region, and thus helping it to attract top talent. • An increased emphasis on regional sourcing could ensure more transparent and ethical supply chains, promoting better labor practices and supporting the local economy.	• If works councils are perceived as uncooperative or not representative of the broader workforce, it might create internal conflicts and hinder the advancement of collective workers' interests. • A disengaged local workforce could lead to lower participation in collective bargaining processes, potentially impacting the effectiveness of such initiatives in improving workplace conditions and respecting human rights.

Table 11: Freedom of Association and Collective Bargaining

Understanding and Addressing Impacts

Meyer Burger actively engages in improving practices related to freedom of association and collective bargaining. This commitment is evident in the ongoing discussions with the relevant trade union, IG Metall, and company management, despite the absence of a formal bargaining agreement. Recognizing the challenges in ensuring good working conditions at suppliers, particularly in Asia, Meyer Burger is aware of its responsibility in its business relationships and strives to address these issues through vigilant practices and policies.

Upholding Standards and Proactive Measures

The company's Supplier Code of Conduct underpins its dedication to ethical standards in business relationships. This is complemented by concerted efforts to establish a collective bargaining agreement, reflecting a proactive approach to worker welfare and employment standards.

In December, a colleague from the Thalheim site (municipality of Bitterfeld-Wolfen), a salesperson and member of the Thalheim Works Council, was elected as an employee representative to the Supervisory Board of Meyer Burger Industries.

Under the stipulations of the One-Third Participation Act (Drittelbeteiligungsgesetz), German companies employing 500 or more individuals are required to establish a supervisory board. This act stipulates that one third of the board members should represent the workforce, leading to the organization of elections at Meyer Burger Industries in October, which were conducted both on site and by mail. The Supervisory Board functions as a regulatory entity, overseeing the management's decisions and activities while playing an active role in various matters.

The new works council, founded in 2022 at one of the production sites, in Thalheim, along with a Group Works Council for the whole company continue to represent the employees' voice. This approach not only addresses potential negative impacts but also actively fosters positive workplace environments.

Also, conversations are ongoing between the management and the relevant trade union at Meyer Burger (IG Metall) to work toward concluding a collective bargaining agreement for the company.

Evaluation, Engagement, and Continuous Improvement

The effectiveness of these measures is continuously evaluated through staff meetings and regular communication between work council representatives and employees. By setting specific milestones for collective bargaining negotiations, Meyer Burger aims to quantify and track its progress. The increased visibility and accessibility of works councils within the company indicate a positive trend, and the company learns from these experiences to enhance its operational policies and procedures.

Stakeholder engagement, particularly with trade unions at new production sites, plays a crucial role in informing the company's actions and evaluating their effectiveness. This engagement has been pivotal in advancing the collective bargaining process, demonstrating Meyer Burger's commitment to collaborative progress. We also have a relevant employee representation system at our site in Switzerland. At Meyer Burger in Thun, there is a chairman and one employee representative who meet once a month and also keep in close contact with the HR department to put employee participation into practice. In 2024, there are plans to further improve employee representation by encreasing the number of employee representatives.

Operations and Suppliers with Potential Risks

Meyer Burger's PV production plants, primarily located in Germany, operate under the German Works Constitution Act (BetrVG), which ensures the rights to freedom of association and collective bargaining. However, the company acknowledges that in countries outside Germany and Switzerland, particularly in some Asian regions, these rights may be at greater risk. Meyer Burger maintains vigilance over these areas and ensures that its values and expectations are clearly communicated through its Supplier Code of Conduct.

To ensure workers' rights on the supplier side, Meyer Burger has a Supplier Code of Conduct in place that states the following:

We are fully committed to supporting and respecting human rights. Meyer Burger seeks to give business to suppliers that are committed to acting fairly and with integrity towards their stakeholders, to observing the applicable rules of law, and to supporting and respecting internationally proclaimed human rights. Meyer Burger is committed to ensuring that working conditions in Meyer Burger's supply chain are safe, that employees are treated with respect and dignity, and that manufacturing processes are environmentally responsible.

The topic of freedom of association and collective bargaining is explicitly mentioned as well:

The Supplier's employees shall have the right to form and join trade unions of their own choice, to bargain collectively and to engage in peaceful assembly or refrain from such activities in conformance with the local laws. Employees shall not be penalized or threatened by the supplier in any way. The supplier shall respect – within the framework of laws, regulations, and prevailing labor relations and employment practices – the right of its employees to be represented by labor unions and other employee organizations.

Measures to Support Worker Rights

In 2023, Meyer Burger reinforced its commitment to worker rights through several initiatives:

– Enhanced backing for the newly established works council at the cell production site in Thalheim, municipality of Bitterfeld-Wolfen, coupled with support for the Group Works Council, to facilitate coordination and communication among employees across various production sites.
– Continuation of discussions with the relevant trade union, IG Metall, to work towards a collective bargaining agreement in the near future.
– Revision and improvement of the existing Supplier Code of Conduct, which underscores the company's commitment to human rights, fair working conditions, and environmental responsibility. This includes explicit provisions for freedom of association and collective bargaining, ensuring that suppliers respect and adhere to these principles.

Meyer Burger is steadfast in its commitment to promoting freedom of association and collective bargaining within its operations and across its supply chain. Through consistent policy implementation, active stakeholder engagement, and a commitment to continuous improvement, Meyer Burger upholds its responsibility toward employees' rights and sets a standard for ethical and responsible business conduct.

Supply Chain Traceability

Meyer Burger's journey towards enhancing the transparency and accountability of its supply chain marks a significant step forward in promoting sustainability and ethical business practices. Our advancements in this area are deeply intertwined with our commitment to positive impacts on the economy, environment, human rights, and ethical conduct.

The following table shows, Meyer Burger's actual and potential impacts on supply chain traceability:

Impacts	Positive	Negative
Actual	• Transparenc in the supploy chain achieved through mandatory Supplier Code of Conduct with higher ethical and sustainability requirements for all active suppliers. • On-site supplier audits conducted in 2023 following a detailed audit plan and utilizing specific questionnaires to ensure compliance. • Activities and resources for supply chain verification significantly expanded using Know Your Business (KYB) software. • Member of the United Nations Global Compact since 2022, aligning with global sustainability goals. • Committed to adhering to relevant international conventions, notably the Multinational Enterprises (MNE) Declaration of the International Labour Organization (ILO), with the purpose of increasing transparency in our supply chain.	• Meyer Burger must engage with suppliers from countries where regulations for human rights and environmental protections are not as stringent. This necessity arises due to the global nature of the supply chain and the concentration of specific materials and manufacturing capabilities in these regions. • Collaborating with these suppliers poses challenges in ensuring complete ethical compliance and sustainability throughout the entire supply chain. Meyer Burger's commitment to high standards occasionally comes up against the practical limitations of aligning practices across diverse legal and regulatory environments.
Potential	• Motivation for suppliers to enhance environmental activities or implement energy-saving policies as a result of audit findings. • Gradual shift towards employing potentially lower-risk suppliers, thereby minimizing risks within the supply chain.	• Risk of ESG criteria dilution: There's an inherent risk that continuous engagement with such suppliers might dilute the company's overall ESG criteria, potentially affecting the company's reputation among stakeholders who prioritize sustainability and ethical business practices. • Stricter compliance requirements could lead to challenges in sourcing materials, potentially causing disruptions in the supply chain. • Implementing and maintaining higher standards and conducting audits may result in increased operational costs, which could impact pricing and competitiveness. • Some suppliers may resist changes or fail to meet the new standards, leading to a re-evaluation of supplier relationships and potential loss of valuable partnerships.

Table 12: Impacts on Supply Chain Traceability

Enhancing Supply Chain Transparency

In 2023, Meyer Burger significantly enhanced its supply chain transparency by implementing a comprehensive Supplier Code of Conduct, which all suppliers must sign. This initiative, pivotal for setting new transparency benchmarks, aligns with our commitment to ethical and sustainable practices. Through clear communication and integration of this policy into contracts, we aim to establish a transparent, ethical supply chain that upholds human rights, environmental sustainability, and social responsibility, reflecting our dedication to integrity and responsible business practices.

Auditing and Verification

Our dedication to ensuring compliance and fostering sustainable practices led us to conduct comprehensive on-site supplier audits, guided by a meticulously planned audit strategy and specific questionnaires. These audits are pivotal in verifying adherence to our standards and fostering improvements where needed.

The introduction of Know Your Business (KYB) software significantly enhanced our capacity to scrutinize and verify our supply chain, ensuring a level of oversight that aligns with our ethical commitments. This is further underscored by our active participation in the UN Global Compact and adherence to the International Labour Organization's Multinational Enterprises Declaration, showcasing our dedication to global sustainability standards.

Navigating Challenges and Negative Impacts

Despite facing challenges in ensuring full compliance across our supply chain, particularly from regions with varying degrees of ESG enforcement, Meyer Burger remains committed to ethical practices. Our approach involves conducting supplier evaluations and audits to address the complexities of global supply chain management.

In the last supply chain assessment, 53% of suppliers were evaluated for social impacts.

Challenges, stemming from the dominance of China in PV manufacturing, the scarcity of resources in Europe and specific commercial needs, motivate us to innovate and uphold our ethical standards diligently. Through continuous improvement and meticulous verification, we strive for excellence in fostering a responsible and transparent supply chain.

Impactful Audits and Continuous Improvement

The outcomes of our supplier audits have not only motivated suppliers to elevate their practices, especially in environmental management and energy conservation, but also underscored the importance of continuous improvement and vigilance in our supply chain operations. Our acknowledgment of these challenges reflects our commitment to transparency and ethical responsibility.

Commitment to Ethical Standards

Our journey is a testament to our unwavering commitment to improving supply chain traceability, aligning with international standards, and addressing the intricate challenges of global supply chain management. Meyer Burger's efforts to promote sustainability, ethical practices, and compliance across its operations and supply chain are a reflection of our broader dedication to making a positive impact on the economy, environment, and society.

Stakeholder Engagement and Tracking Effectiveness

To gauge the effectiveness of our supply chain traceability initiatives, Meyer Burger uses advanced tools and engages with a broad spectrum of stakeholders. Our use of KYB software underscores our commitment to detailed monitoring and verification processes. Our engagement with stakeholders, including internal teams, suppliers, and external partners, is central to our strategy, ensuring a collaborative approach to achieving our sustainability goals.

Local Procurement and Environmental Criteria in Supplier Selection

In our pursuit of sustainability, Meyer Burger places emphasis on local procurement within Europe and screening new suppliers based on environmental and social criteria. This strategic focus not only supports regional economic stability but also ensures adherence to high environmental standards across our supply chain.

The proportion of spending on local suppliers for key operating locations is confidential and not reported, with financial data being collected in the SAP System. Meyer Burger defines "local" within the context of Europe, attributing this to the similar legal and economic framework across the region. The term "key operating location" refers specifically to the cell and module production sites.

As we continue to navigate the complexities of global supply chain management, Meyer Burger remains dedicated to fostering a sustainable, responsible, and transparent supply chain. Our ongoing efforts and strategic initiatives reflect our commitment to making a meaningful impact, demonstrating our role as a leader in sustainable and ethical business practices in the renewable energy sector.

Forced Labor and Modern Slavery

Impacts	Positive	Negative
Actual	• Transparency in the supply chain increased through mandatory Supplier Code of Conduct stringent requirements against forced labor and child labor for all active suppliers. • Implementation of an internal Code of Conduct at Meyer Burger with specific stipulations against forced labor and child labor. • Increased number of on-site supplier audits conducted across the majority of suppliers in 2023. • Use of KYB software to enhance the scrutiny and verification as a significant measure in addressing forced labor. • Participation in the UN Global Compact. • Committed to adhering to relevant international conventions, notably the Multinational Enterprises (MNE) Declaration of the International Labour Organization (ILO), with the purpose of supporting inclusive, responsible, and sustainable workplace practices.	• Continuing necessity to engage with suppliers from countries with a known risk of forced labor, potentially undermining Meyer Burger's commitment to ethical practices and human rights. • Challenges in ensuring full compliance with the enhanced Supplier Code of Conduct across all tiers of the supply chain, leading to potential breaches of labor and environmental standards. • The significant increase in activities and resources dedicated to verifying the supply chain, while positive, also implies a substantial allocation of financial and human resources that could be difficult to sustain over time.
Potential	• Motivation for suppliers to enhance environmental practices and implement energy-saving policies following audit results.	• Association with suppliers not adhering to international human rights and environmental standards may pose reputational risks for Meyer Burger, affecting stakeholder trust and customer loyalty. • Intensive audit processes and stringent compliance requirements may lead to supply chain disruptions, impacting production timelines and operational efficiency. • Meyer Burger has limited control over occasional violations of forced labor in business partners' complete supply chains.

Table 13: Impacts on Forced Labor and Modern Slavery

Due Diligence and Ethical Sourcing in Conflict-Affected Areas

Meyer Burger is dedicated to upholding the highest standards of due diligence, particularly in sourcing minerals and metals from conflict-affected and high-risk areas. Our commitment is manifested in our rigorous verification processes and supplier audits. By adhering to the MNE Declaration of the International Labour Organization (ILO) and being a member of the UN Global Compact, we strive to ensure that our supply chain aligns with global ethical standards. This proactive stance is an integral part of our efforts to mitigate risks associated with the procurement of critical materials, ensuring that our business practices are both sustainable and responsible. For more information, visit: www.meyerburger.com/en/sustainability.

Meyer Burger can leverage the MNE Declaration of the ILO and the UN Global Compact to combat slavery by adhering to their principles and guidelines, which advocate for human rights, fair labor practices, and ethical business operations. By aligning its supply chain policies with these frameworks, Meyer Burger commits to monitoring its business practices and ensuring that they prevent forced labor and slavery. Engaging in regular audits, due diligence, and stakeholder engagement allows the company to identify and mitigate risks related to slavery in its operations and supply chain.

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Risks, Challenges, and Engagements

Meyer Burger is truly committed to eradicating child labor, forced labor, and modern slavery within its supply chain. This commitment is manifested through stringent due diligence, including supplier audits and the implementation of advanced verification technologies. By adhering to international standards and conventions, Meyer Burger aims to ensure ethical sourcing practices. With respect to identified risks, operations, and suppliers in Asia, our main concerns are related to forced or compulsory labor. Details of specific supplier names and locations are not disclosed due to NDAs. As already mentioned, we take proactive measures, such as the mandatory Supplier Code of Conduct and active engagement with suppliers, which are designed to enforce compliance and foster transparency. Through these efforts, we demonstrate dedication to upholding human rights and promoting a socially responsible supply chain.

Actions to Address Impacts

To manage and mitigate potential negative impacts, Meyer Burger has implemented several key measures:

- Implementation of KYB software, which is a significant step toward increasing supply chain verification and transparency. Meyer Burger uses the global data-based software TrustNet by Cargodian to verify companies with forced or compulsory labor and child labor violations, for instance by means of adverse media screening.
- Country-specific risks are identified using UNICEF statistics on the prevalence of child labor. Furthermore, the ILAB report on forced labor and child labor issued by the US Department of Labor is analyzed. This includes 159 products from 78 countries that may be produced using child labor or forced or compulsory labor in violation of international standards.
- Appointment of a Human Rights Officer at Meyer Burger, strengthening our commitment to upholding human rights within our operations and supply chain.
- Enhanced auditing: Increasing on-site audit activities to ensure supplier compliance with our ethical standards. For instance, Meyer Burger employees carry out regular on-site audits on suppliers' premises to verify the prohibition of forced labor and child labor.
- Supplier engagement: Motivating suppliers to adopt better environmental practices and energy-saving policies through audit results.

Tracking Effectiveness and Continuous Improvement

The effectiveness of our actions is rigorously tracked using advanced KYB software, enabling us to monitor compliance and make informed decisions. Our engagement with stakeholders, including suppliers and employees, is critical in informing our strategies and evaluating the impact of our initiatives.

Proactive Measures Against Child and Forced Labor

Meyer Burger is unequivocally committed to the abolition of child labor and forced or compulsory labor within our supply chain. Our approach includes prioritizing local production to reduce dependency on high-risk suppliers and frequent verification of compliance through on-site audits. Our alignment with global databases and use of software tools like TrustNet allows us to identify and address any violations effectively.

Conclusion

Meyer Burger's comprehensive approach to sustainable supply chain management reflects our unwavering commitment to ethical practices, environmental sustainability, and human rights. Through continuous monitoring, stakeholder engagement, and adherence to global standards, we strive not only to mitigate negative impacts but also to drive positive change within the industry. Our ongoing efforts to enhance transparency, accountability, and responsibility within our supply chain are pivotal to achieving our sustainability objectives and contributing to a more equitable and sustainable future.

Economic Impacts

In 2023, Meyer Burger focused on comprehensively evaluating and managing its economic impacts, both positive and negative, across various regions. This assessment was crucial in understanding the implications on the economy, environment, and human rights. The following table shows, Meyer Burger's actual and potential economic impacts:

Impacts	Positive	Negative
Actual	• Enhanced regional supply chain robustness by sourcing nearly three quarters of materials locally within Europe, thus bolstering stability and fostering stronger relationships in local economies. • Developed a sophisticated software system in Germany for comprehensive supplier and customer oversight, including Know Your Business (KYB) and Know Your Customer (KYC) assessments and checks against sanction lists. • Revised the Supplier Code of Conduct to reflect contemporary ethical standards and practices. • Implemented systematic supplier evaluations through standardized questionnaires to ensure adherence to compliance and quality standards. • Leveraged political incentives in the USA to promote growth in the solar industry and enhance the supply chain ecosystem. • Demonstrated innovation in business expansion by self-producing machinery and equipment for new production facilities in the USA. • Contributed significantly to the enhancing energy security by prioritizing renewable energy sources, particularly through the production of PV cells and modules, aiding the transition towards sustainable, green solar energy.	• Highly reliant on Chinese and Asian suppliers for key raw materials such as polysilicon and wafers. • Facing challenges in a tough market landscape, including intense competition from Asian manufacturers of solar modules and cells, exacerbated by an oversupply in the European market.
Potential	• Strategizing to develop an extensive European supply chain, aiming to boost regional self-reliance and resilience. • Envisioning the establishment and operation of two new facilities in the USA for solar cell and module production, with prospects for further expansion in Europe contingent on political backing. • Dedicated to mitigating global warming and climate change through the advocacy of photovoltaic technology and advancement of the energy transition.	• The possibility of not effectively identifying and verifying a sufficient number of European suppliers for photovoltaic production poses a risk. • The potential challenge of competing against well-established Asian solar companies in the market. • Environmental considerations related to new factory constructions, including potential impacts on soil integrity and biodiversity. • Heightened energy demands for new factories, especially in regions with less developed renewable energy infrastructure compared to Germany.

Table 14: Economic Impacts

Meyer Burger's Economic Impacts and Strategic Responses

Meyer Burger, a leader in PV technology, is acutely aware of its economic impacts and the strategic implications of its business operations. In this regard, it takes a comprehensive approach to addressing negative impacts, managing material topics, tracking the effectiveness of actions, and engaging stakeholders, all while navigating the financial implications and risks of climate change.

Addressing Negative Impacts and Business Relationships

Meyer Burger actively addresses its involvement in negative impacts arising from its business activities and relationships. This includes a strategic focus on reducing dependency on non-local suppliers and enhancing the quality and sustainability of its products. To mitigate the high dependency on Chinese/Asian suppliers for raw materials, Meyer Burger is establishing a network of local suppliers for PV materials, particularly in Europe and the USA.

In the face of challenging market conditions and strong competition from Asian producers, Meyer Burger maintains high-quality standards in its products, focusing on efficiency, durability, and sustainability. The company engages in intensive R&D programs and collaborates with scientific institutes to maintain a technological lead. Emphasizing circular economy principles, Meyer Burger designs PV modules to be recyclable and reusable, aiming to save energy and reduce future waste.

Risk Management and Compliance

Meyer Burger is finalizing a risk management policy to systematically manage risks in its operations and business relationships. The company is also committed to complying with the German Supply Chain Due Diligence Act (LkSG), focusing on due diligence in supply chains, particularly regarding human rights and environmental standards.

Actions and Their Effectiveness

The company has implemented software to help ensure LkSG compliance and is strengthening local supplier networks to reduce dependency on high-risk regions. The Supplier Code of Conduct has been updated, and regular supplier questionnaires are being used to assess and mitigate risks in sourcing. Furthermore, the company is diversifying its material supply chain on a global and regional basis. Meyer Burger uses comprehensive supply chain software with various features to track the effectiveness of actions taken. These include mandatory return of questionnaires by suppliers, identifying and evaluating risks and conducting supplier audits.

Stakeholder Engagement

Meyer Burger engages actively with global suppliers, clients, and investors to shape its supply chain strategies and sustainability efforts. The introduction of LkSG has influenced the company's compliance and operational strategies.

Financial Implications and Risks Due to Climate Change

The company recognizes the significant impact of climate change on its operations, revenue, and expenditures. Its risk management process incorporates sustainability risks related to environmental, social, and governance (ESG) factors. Meyer Burger is listed in the CDP global disclosure system for environmental impacts, and adheres to its Green Financing Framework.

Direct Economic Value Generated and Distributed (EVG&D)

For detailed information on EVG&D, Meyer Burger's **Financial Statements** provides comprehensive data, including revenues generated, operating costs, employee wages and benefits, payments made to providers of capital, and community investments.

The Meyer Burger Annual Report also contains detailed EVG&D information categorized by country, region, or market. This is useful for understanding the company's economic impact in different geographical areas.

Infrastructure Investments and Services Supported

Meyer Burger has made infrastructure investments by establishing new production lines for solar modules in Freiberg, Saxony (13,500 sqm) and Goodyear, Arizona (276,216 sq ft or 25,582 sqm), integrating these into existing buildings to minimize construction needs and mitigate negative biodiversity impacts. This approach, primarily employing local companies in both Germany and the USA, was aimed at bolstering the local economy without the extensive environmental impact typically associated with new constructions. Additionally, a completely new construction, the central chemical and gas facility (1,392 sqm), was developed next to the solar cell production site in Thalheim (municipality of Bitterfeld-Wolfen), with a similar focus on utilizing local companies to support the regional economy and reduce ecological footprints. Contrary to our usual approach of prioritizing brownfield investments, it was necessary to build a new gas and chemical farm in order to adapt the supply of liquid and gaseous materials to the growth in solar cell production.

These infrastructure developments have had vaious impacts on local communities and economies. By setting up production sites in Freiberg, Thalheim (municipality of Bitterfeld-Wolfen), and Goodyear, Arizona, Meyer Burger not only created job opportunities but also strengthened local supply chains, contributed to tax revenues, and supported community growth. This includes potential demographic changes as new employees and their families move to these areas, integrating into local schools and community life.

The investments and services provided by Meyer Burger vary by location, with exclusively commercial engagements in the USA. In contrast, the sites in Freiberg and Thalheim (municipality of Bitterfeld-Wolfen) have seen a mix of commercial investments and pro bono contributions aimed at supporting local cultural and educational initiatives. This diversified approach underscores Meyer Burger's commitment to fostering economic and social development in its areas of operation.

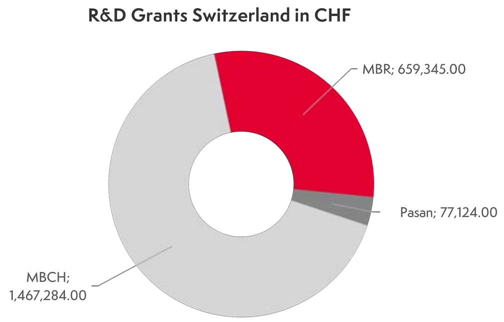
In 2023, Meyer Burger received government funding in the form of subsidies to develop its business. The company received a total of EUR 3,274,774.29 under Germany's GRW funding program – EUR 2,685,800 from the Sächsische Aufbaubank (SAB) in Saxony for solar module production in Freiberg, and another EUR 588,974.29 from the Investitionsbank Sachsen-Anhalt for its solar cell production site in Thalheim (municipality of Bitterfeld-Wolfen). GRW subsidies are financial subsidies for structurally weak regions in Germany, such as Saxony and Saxony-Anhalt.

Total GRW subsidies in 2023:

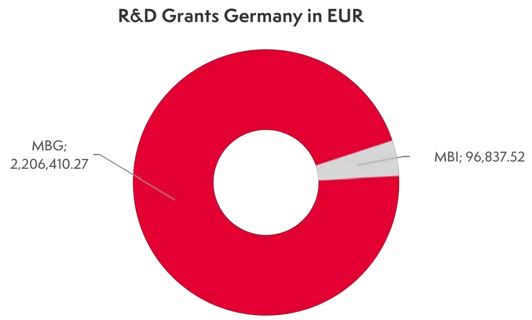
2023	SAB DD (Saxony)	IB Sachsen-Anhalt (Saxony-Anhalt)
	EUR 2,685,800.00	EUR 588,974.29

Moreover, Meyer Burger received financial assistance in the form of research and development grants in Germany and in Switzerland. Research funding is important for enabling us to maintain a technological position, further develop innovative PV equipment and conduct research on enhancing the efficiency of both solar cells and modules. A significant proportion of Meyer Burger's R&D activities is also related to sustainability issues, such as saving resources and raw material, recyclability, durability, and energy efficiency. The R&D grants for Meyer Burger in Germany and Switzerland totaled EUR 4,623,488.97 in 2023.

- Germany: EUR 2,303,247.79 in research and development grants for Meyer Burger (Germany) GmbH and Meyer Burger (Industries) GmbH (both in Germany)
- Switzerland: CHF 2,203,753 in research and development grants for Meyer Burger in Switzerland (Meyer Burger Research AG, Meyer Burger (Switzerland) AG, PASAN SA)



R&D Grants in Germany in EUR



R&D Grants in Switzerland in CHF

Public Policy

Customers, shareholders, local politicians, and employees are all demanding more green and environmentally friendly energy. For this reason, Meyer Burger is striving to increase the production of solar cells and modules in Europe to provide a safe and peaceful source of energy for the continent and its people.

The following table shows, Meyer Burger's actual and potential impacts on public policy.

Impacts	Positive	Negative
Actual	• Spearheading the resurgence of the solar industry in Europe, narrating a story of innovation and progress. • Actively fostering the development of public policies that accelerate the energy transition and benefit society as a whole. • Engaging a diverse group of stakeholders, including suppliers, investors, customers, employees, local communities, and politicians, in revitalizing PV production in Germany and Europe. • Garnering support from political figures at various levels for the reviving the European solar industry. • Pioneering the shift from fossil fuels to renewable energy sources, contributing significantly to environmental sustainability. • Raising awareness among European Union politicians about unfair business practices that give preference to Chinese PV imports over European-made products.	• Potential for market distortion due to the pursuit of political subsidies aimed at boosting PV production in Germany and Europe. • Influencing markets that are heavily reliant on Chinese solar modules by offering competitive European alternatives.
Potential	• Enhancing the resilience of renewable energy in Europe through strong political backing. • Raising public awareness of human rights violations in the Chinese PV industry, prompting a call for ethical practices.	• Risk of straining diplomatic and trade relations with China due to competition and vocal advocacy for European solar industry independence.

Table 15: Impacts on Public Policy

Meyer Burger's Role in Public Policy

Meyer Burger actively engages in public policy dialogs at various levels, including regional, national, and European arenas. These endeavors encompass lobbying efforts at sector events, active involvement in industry and trade associations, and productive interactions with key stakeholders, particularly politicians. Notably, Meyer Burger has maintained a principled stance of not providing any financial donations or in-kind contributions to political parties, politicians, or causes.

Commitment to Ethical Communication

Meyer Burger's commitment to transparent and ethical communication is enshrined in its Code of Conduct. The company prioritizes consistent and open communication with the media, ensuring that information is conveyed in a respectful and transparent manner. Importantly, Meyer Burger refrains from disclosing information on ongoing business matters and abstains from commenting on rumors. Employees are informed at the same time as the media and other stakeholders to uphold transparency.

Managing Public Policy Impacts

Meyer Burger has undertaken proactive measures to manage this crucial aspect of its operations. These initiatives include issuing media releases, conducting interviews, and making public statements that highlight the resurgence of the solar industry and its pivotal role in the energy transition. Additionally, the company organizes and participates in panels featuring solar professionals and politicians. Meyer Burger actively participates in industry alliances such as the European Solar PV Industry Alliance. The company is playing a significant role in developing a European concept for a resilience bonus system under the EU's Net-Zero Industry Act. Furthermore, Meyer Burger published a book commemorating its 70th anniversary that tells the story of the European solar industry's renaissance.

Strategies for Impact Management

The company adopts strategies to both prevent and address negative impacts. It employs narratives that emphasize Europe's leadership as a technology provider for renewable energy. These narratives set high standards for efficient, resource-saving, and climate-friendly PV production, striving to create a positive concept that rewards European-made solar products while avoiding harm to users or non-European suppliers. Meyer Burger also actively participates in high-level stakeholder groups and holds memberships and board seats in several national and European solar associations to facilitate engagement at multiple levels and maintain vital industry contacts.

Effectiveness Tracking and Continuous Improvement

Meyer Burger uses in-depth media monitoring tools to track the effectiveness of its actions. The company monitors political conversations on regional, national, and EU levels to assess whether its topics of interest are incorporated into legislative processes or gain public attention. The company's journey has taught it some valuable lessons, leading to improvements. Meyer Burger has established tools for media planning to ensure consistent social media coverage. Furthermore, the company is constantly expanding its network of journalists and political stakeholders.

GRI Content Index

This report has been prepared in accordance with the GRI Standards: Core Option (GRI 102-54).

Disclosure No.	Disclosure Name	Chapter in Report	Comment
2-1	Organizational details	About the Company **Organizational Details**	
2-2	Entities included in the organization's sustainability reporting	About the Company **Entities Included in This Report**	More information available: https://www.meyer-burger.com/en/company/locations
2-3	Reporting period frequency and contact point	About the Company **General Information**	
2-4	Restatements of information	About the Company **General Information**	
2-5	External assurance		Not applicable
2-6	Activities, value chain, and other business relationships	About the Organization **Our Value Chain;** **Business Relationships**	
2-7	Employees	Employment Practices **Quantitative Employee Data**	
2-8	Workers who are not employees	Employment Practices **Non-Employee Workers,** **Quantitative Employee Data**	
2-9	Governance structure and composition	Governance, Policies, and Practices **Governance Structure**	c-viii stakeholder representation is not applicable
2-10	Nomination and selection of the governance body	Governance, Policies, and Practices **Nomination and Selection of the Governance Body**	More information available: https://www.meyerburger.com/fileadmin/user_upload/Investors/Generalversammlung/Statuten/Meyer-Burger-Articles-of-Association-04052023.pdf
2-11	Chair of the highest governance body	Governance, Policies, and Practices **Governance Structure**	
2-12	Role of the highest governance body in overseeing the management of impacts	Governance, Policies, and Practices **Governance Structure**	
2-13	Delegation of responsibility for managing impacts	Governance, Policies, and Practices **Governance Structure**	
2-14	Role of the highest governance body in sustainability reporting	Governance, Policies, and Practices **Governance Structure**	
2-15	Conflicts of interest	Governance, Policies, and Practices **Conflicts of Interest**	
2-16	Communication of critical concerns	Governance, Policies, and Practices **Critical Concerns**	
2-17	Collective knowledge of the highest governance body	Governance, Policies, and Practices **Remuneration Policies and Performance Evaluation**	
2-18	Evaluation of the performance of the highest governance body	Governance, Policies, and Practices **Remuneration Policies and Performance Evaluation**	
2-19	Remuneration policies	Governance, Policies, and Practices **Remuneration Policies and Performance Evaluation**	
2-20	Process to determine remuneration	Governance, Policies, and Practices **Remuneration Policies and Performance Evaluation**	The process is defined in the Articles of Association, published on the company's website: https://www.meyerburger.com/fileadmin/user_upload/Investors/Generalversammlung/Statuten/Meyer-Burger-Articles-of-Association-04052023.pdf
2-21	Annual total compensation ratio	Governance, Policies, and Practices **Remuneration Policies and Performance Evaluation**	
2-22	Statement on sustainable development strategy	Sustainability Strategy **Sustainability Statement**	
2-23	Policy commitment	Governance, Policies, and Practices **Policy Commitments**	

Disclosure No.	Disclosure Name	Chapter in Report	Comment
2-24	Embedding policy commitment	**Governance, Policies, and Practices** **Policy Commitments**	
2-25	Processes to remediate negative impacts	**Governance, Policies, and Practices** **Processes to Remediate Negative Impacts**	
2-26	Mechanisms for seeking advice and raising concerns	**Governance, Policies, and Practices** **Policy Commitments**	
2-28	Membership associations	**Governance, Policies, and Practices** **Membership associations**	
2-29	Approach to stakeholder engagement	**Governance, Policies, and Practices** **Stakeholder Engagement**	
2-30	Collective bargaining agreements	**Governance, Policies, and Practices** **Collective Bargaining Agreements**	
3-1	Process to determine material topics	**Material Impacts** **Materiality Assessment: A Foundation for Sustainability Reporting**	
3-2	List of material topics	**Material Impacts** **Methodology and Stakeholder Insights**	Economic impacts Non-discrimination and equal opportunity Asset integrity and critical incident management Forced labor and modern slavery Climate change, GHG emissions Water resources Occupational health and safety Environmental pollution Supply chain traceability Circular economy, resource efficiency Employment practices Biodiversity Freedom of association and collective bargaining Public policy
201-1	Direct economic value generated and distributed	**Economic Impacts** **Direct Economic Value Generated and Distributed (EVG&D)**	
201-4	Financial assistance received from government	**Economic Impacts** **Infrastructure Investments and Services Supported**	
202-2	Proportion of senior management hired from the local community	**Non-Discrimination and Equal Opportunity** **Promoting Local Talent**	
203-1	Infrastructure investments and services supported	**Economic Impacts** **Infrastructure Investments and Services Supported**	Not applicable
203-2	Significant indirect economic impacts	**Economic Impacts** **Meyer Burger's Economic Impacts and Strategic Responses**	
204-1	Proportion of spending on local suppliers		Confidential information not to be published
301-1	Material used by weight or volume	**Circular Economy and Resource Efficiency** **Material Usage and Environmental Impact**	
301-2	Recycled input materials used	**Circular Economy and Resource Efficiency** **Material Usage and Environmental Impact**	
301-3	Reclaimed products and their packaging materials	**Circular Economy and Resource Efficiency** **Downstream Waste Management**	
302-1	Energy consumption	**Climate Change** **Energy Consumption**	

Disclosure No.	Disclosure Name	Chapter in Report	Comment
302-3	Energy ratio	**Climate Change** **Energy Consumption**	
302-4	Reduction of energy consumption:	**Climate Change** **Energy Consumption**	
303-1	Interactions with water as a shared resource (for GER & CH)	**Water Resources** **Water Management and Consumption**	
303-2	Management of water discharge-related impacts	**Water Resources** **Water Withdrawal, Discharge, and Consumption**	
303-3	Water withdrawal	**Water Resources** **Water Withdrawal, Discharge, and Consumption**	
303-4	Water discharge	**Water Resources** **Water Withdrawal, Discharge, and Consumption**	
303-5	Water consumption	**Water Resources** **Water Withdrawal, Discharge, and Consumption**	
304-1	Operational sites owned, leased or managed in or adjacent to protected areas and areas of high biodiversity value outside protected areas		Not applicable
304-2	Significant impacts of activities, products, and services on biodiversity	**Biodiversity** **Comprehensive Environmental Stewardship Across Operations**	
304-3	Habitats protected or restored		Not applicable
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		Not applicable
305-1	Scope 1	**Climate Change** **Greenhouse Gas Emissions**	
305-2	Scope 2	**Climate Change** **Greenhouse Gas Emissions**	
305-3	Other indirect (Scope 3) GHG emissions	**Climate Change** **Greenhouse Gas Emissions**	
305-4	GHG emissions intensity	**Climate Change** **Greenhouse Gas Emissions**	
305-5	Reduction of GHG emissions	**Climate Change** **Greenhouse Gas Emissions**	
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	**Environmental Pollution** **Reporting on and Compliance with Environmental Standards**	Not applicable
306-1	Waste generation and significant waste-related impacts	**Circular Economy and Resource Efficiency** **Waste Generation at Meyer Burger**	
306-2	Management of significant waste-related impacts	**Circular Economy and Resource Efficiency** **Managing Environmental Impacts and Monitoring Progress**	
306-3	Waste generated	**Circular Economy and Resource Efficiency** **Waste Reduction Targets and Waste Generation**	
306-3 (Effluents and Waste 2016)	Significant spills		Not applicable
306-4	Waste diverted from disposal	**Circular Economy and Resource Efficiency** **Greenhouse Gas Emissions**	
306-5	Waste directed to disposal	**Circular Economy and Resource Efficiency** **Waste Reduction Targets and Waste Generation**	
308-1	New suppliers screened using environmental criteria	**Supply chain traceability** **Navigating Challenges and Negative Impacts**	Not applicable

Disclosure No.	Disclosure Name	Chapter in Report	Comment
308-2	Negative environmental impacts in the supply chain and actions taken	**Supply Chain Traceability** **Navigating Challenges and Negative Impacts**	Not applicable
401-1	New employees hired and turnover	**Non-Discrimination and Equal Opportunity** **New Hires and Turnover Rate**	
401-2	Benefits provided to full-time employees not provided for part-time employees	**Employment Practices** **Benefits Provided to Full-Time Employees**	
401-3	Parental leave	**Employment Practices** **Parental Leave**	
402-1	Minimum notice periods with regard to operational changes	**Employment Practices** **Notice Periods**	
403-1	Occupational health and safety management system	**Occupational Health and Safety** **Enhancing Workplace Safety**	
403-10	Work-related ill health	**Occupational Health and Safety** **Addressing and Mitigating Safety Concerns**	
403-2	Hazard identification, risk assessment, incident investigation	**Asset Integrity and Critical Incident Management** **Health, Safety, and Incident Management**	
403-3	Occupational health services	**Occupational Health and Safety** **Promoting Health and Well-Being**	
403-4	Worker participation consultation and communication on occupational health and safety	**Occupational Health and Safety** **Stakeholder Engagement**	
403-5	Worker training on occupational health and safety	**Occupational Health and Safety** **Enhancing Workplace Safety**	
403-6	Promotion of worker health	**Occupational Health and Safety** **Enhancing Workplace Safety**	
403-7	Prevention and mitigation of occupational health and safety impacts – linked to business relationships	**Supply Chain Traceability, Employment Practices**	
403-9	Work-related injuries	**Occupational Health and Safety** **Addressing and Mitigating Safety Concerns**	
404-1	Average hours of training per year per employee	**Employment Practices** **Training and Development Programs**	
404-2	Programs for upgrading employee skills and transition assistance	**Employment Practices** **Training and Development Programs**	
405-1	Diversity of governance bodies and employees	**Non-Discrimination and Equal Opportunity** **Diversity in Governance Bodies**	
405-2	Ratio of basic salary and remuneration	**Non-Discrimination and Equal Opportunity** **Fair and Equal Remuneration Practices**	
406-1	No reported incidents of discrimination during the reporting period	**Non-Discrimination and Equal Opportunity** **Fair and Equal Remuneration Practices**	Not applicable
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	**Freedom of Association and Collective Bargaining** **Operations and Suppliers with Potential Risks**	No operations or suppliers in which the right to freedom of association and collective bargaining may be at risk were identified
408-1	Operations and suppliers at significant risk of incidents of child labor	**Forced Labor and Modern Slavery** **Risks, Challenges, and Engagements**	No operations or suppliers in which there is an indication for a case of child labor were identified

Disclosure No.	Disclosure Name	Chapter in Report	Comment
409-1	Operations and suppliers at significant risk of incidents of forced or compulsory labor	**Forced Labor and Modern Slavery** **Risks, Challenges, and Engagements**	No operations or suppliers in which there is any indication of compulsory labor were identified
414-1	New suppliers that were screened using social criteria	**Supply Chain Traceability** **Navigating Challenges and Negative Impacts**	
414-2	Negative social impacts in the supply chain and actions taken	**Supply Chain Traceability** **Navigating Challenges and Negative Impacts**	
415-1	Political contribution	**Public Policy** **Meyer Burger's Role in Public Policy**	Not applicable
416-1	Assessment of the health and safety impacts of products and service categories	**Environmental Pollution** **Reporting on and Compliance with Environmental Standards**	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	**Environmental Pollution** **Reporting on and Compliance with Environmental Standards**	

Table 16: GRI Index Table

Corporate Governance

The company relies on the recommendations of the economiesuisse Swiss Code of Best Practice for Corporate Governance and adheres to the standards of the Directive on Information Relating to Corporate Governance by SIX Swiss Exchange, if applicable and of significance to Meyer Burger.

All information within this Corporate Governance Report and within the Remuneration Report refers to the company organization, internal regulations and Articles of Association that were in effect as at 31 December 2023.

– The current Articles of Association are published on the company website www.meyerburger.com under Investor Relations – Articles of Association. Website: https://www.meyerburger.com/de/generalversammlung

Group Structure and Shareholders

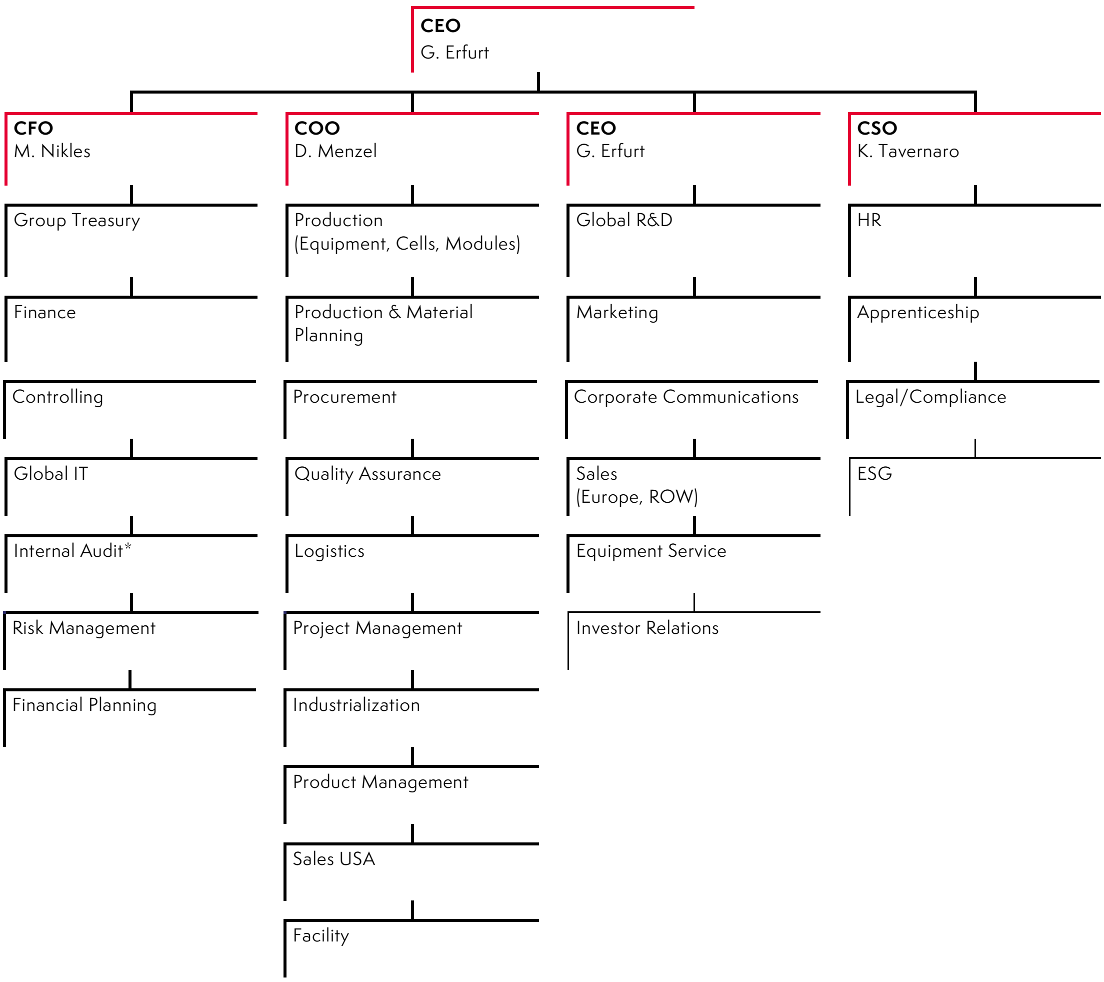
Group structure

Meyer Burger Technology AG (subsequently also referred to as "the Company") is a holding company established in accordance with Swiss law and holding all companies belonging to the Meyer Burger Group ("Meyer Burger" or "Group") either directly or indirectly.

Meyer Burger started production of high-performance solar cells and solar modules in 2021. Its proprietary heterojunction/SmartWire technology enables the Company to set new industry standards in terms of energy yield. With solar cells and modules developed in Switzerland and manufactured in Germany according to high sustainability standards, Meyer Burger aims to become a leading European photovoltaic company with research facilities in Switzerland, development and manufacturing sites in Germany, and sales offices in Europe, the USA and Asia. In 2023, the Company also began setting up production sites in the USA.

For financial reporting, the business activities in fiscal year 2023 are divided into the business segments "Modules," "Photovoltaics," and "Specialized Technologies." Activities under the old business model of equipment sales were reported in the "Photovoltaics" segment. As part of the Company's ongoing transformation, customer projects in the "Photovoltaics" segment are being phased out, but still led to a limited amount of revenue in 2023, mainly due to long-term contracts and services provided. Due to the comprehensive change of Meyer Burger's business model, the "Specialized Technologies" segment is also due to be phased out. Please also refer to Note 2.17 on page 127 in the consolidated financial statements of this Annual Report.

Meyer Burger is operationally managed by the Executive Board. The responsibilities of the Executive Board members are arranged in a functional organization, as reflected in the operating corporate structure overview below:



■ Member of Executive Board
*reports directly to the Board of Directors (BoD)

Listed companies

The shares (registered shares) of Meyer Burger Technology AG, headquartered in Thun, Switzerland, are listed on the SIX Swiss Exchange (Valor number 10850379, ISIN number CH0108503795). The ticker symbol is MBTN. The market capitalization of Meyer Burger Technology AG as at 31 December 2023 amounted to CHF 703 million.

Non-listed companies

The scope of consolidation as at 31 December 2023 includes non-listed companies, which are shown in Note 1.3 on page 109 in the financial statements of this Annual Report.

Significant shareholders

The Company is aware of the following shareholders, who according to Article 120 et seq. FMIA (Financial Market Infrastructure Act) held more than 3 percent of the voting rights (based on the share capital registered in the commercial register) as at 31 December 2023:

Shareholder[1]	Participation
Sentis Capital PCC (Cell 3)[2]	10.01%
BlackRock, Inc.	5.10%
Universal-Investment-Gesellschaft mbH	3.40%
BNP Paribas Funds Energy Transition[3]	3.36%
UBS Fund Management (Switzerland) AG	3.16%

1 Voting rights participation according to the latest disclosure notices received from the shareholder.
2 The beneficial owner was Petr Kondrashev, Austria.
3 The beneficial owner was BNP Paribas Asset Management UK Ltd.

In addition, Meyer Burger Technology AG held a long position of 12,756,435 registered shares (percentage of voting rights: 0.35 percent) as at 31 December 2023. The short position is in connection with the outstanding 3.5-percent convertible bond 2027 of EUR 145 million, based on 278,846,154 shares, and the 3.75-percent convertible bond 2029 of EUR 216.3 million, based on 311,088,738 shares, corresponding to 16.4 percent of the voting rights registered in the commercial register as at 31 December 2023 – see also the description of the convertible bond 2027 on page 70 – and with restricted share units, performance share units and options for the 2021, 2022 and 2023 share participation programs (total for the three years: 62,871,837 shares, corresponding to 1.75 percent of the voting rights).

– Details of individual disclosure notices according to Article 120 et seq. FMIA in relation to the participations of major shareholders of Meyer Burger Technology AG published during the 2023 financial year are available on the SIX Swiss Exchange website: https://www.ser-ag.com/de/resources/notifications-market-participants/significant-shareholders.html#/

Shareholders' agreements

As at 31 December 2023, the Company was not aware of any shareholders' agreements.

Cross-shareholdings

Meyer Burger Technology AG did not have any cross-shareholdings with other companies as at 31 December 2023.

Capital Structure

Capital structure as at 31 December 2023

Ordinary share capital
CHF 179,860,927.55
3,597,218,551 fully paid-in registered shares with a nominal value of CHF 0.05 each
(as registered in the commercial register)

Conditional share capital
CHF 6,287,870.00
125,757,400 registered shares with a nominal value of CHF 0.05 each for the exercise of option rights granted to employees and members of the Board of Directors of the Company or of Group companies (in connection with the Company's share participation program)
(according to the Articles of Association dated 4 May 2023)

CHF 29,500,000.00
590,000,000 registered shares with a nominal value of CHF 0.05 each for the exercise of conversion and/or option rights in connection with convertible bonds, bonds with option rights, or similar financial market instruments of the Company or of Group companies
(according to the Articles of Association dated 4 May 2023)

Conditional share capital

In accordance with Article 3b of the Company's Articles of Association, dated 4 May 2023, the share capital may be increased by a maximum amount of CHF 6,287,870.00 through the issuance of a maximum of 125,757,400 fully paid-in registered shares with a nominal value of CHF 0.05 each, by the exercise of option rights granted to employees and members of the Board of Directors of the Company or of Group companies in accordance with a plan to be prepared and issued by the Board of Directors. The subscription rights of shareholders shall be excluded. Upon acquisition, the new registered shares shall be subject to the limitations for registration in the share register in accordance with Article 4 of the Articles of Association.

In accordance with Article 3c of the Company's Articles of Association, dated 4 May 2023, the share capital may be increased by a maximum amount of CHF 29,500,000.00 through the issuance of a maximum of 590,000,000 fully paid-in registered shares with a nominal value of CHF 0.05 each, by the exercise of conversion and/or option rights which are granted in connection with convertible bonds, bonds with option rights, or similar financial market instruments of the Company or of Group companies.

The subscription rights of the shareholders shall be excluded in connection with the issuance of convertible bonds, bonds with option rights, or other financial market instruments, which carry conversion and/or option rights. The then-current owners of conversion and/or option rights shall be entitled to subscribe for the new shares. The conversion and/or option rights shall be exercised in writing or in electronic form, in accordance with the respective provisions or agreements in the relevant bond or conversion or option agreements.

The acquisition of shares through the exercise of conversion and/or option rights and each subsequent transfer of the shares shall, upon acquisition, be subject, to the restrictions in accordance with Article 4 of the Articles of Association.

The Board of Directors is entitled to restrict or exclude the advance subscription rights in connection with the issuance of convertible bonds, bonds with option rights, or other financial market instruments of existing shareholders, provided that:

1) the financing instruments with conversion or option rights are issued in connection with the financing or refinancing of the acquisition of enterprises, divisions thereof or participations, or of newly planned investments; or
2) there is an issue by firm underwriting through a bank or a banking syndicate followed by a public

offer, thereby excluding the advance subscription rights, which seems to be the best way of issue at that point in time, in particular with respect to the terms and conditions of the issue or the transaction timeline.

If advance subscription rights are denied by a decision of the Board of Directors, the following shall apply:
1) Conversion rights may be exercisable only for up to ten years, and option rights only for up to seven years and from the date of the respective issuance; and
2) the respective financial market instruments must be issued at the relevant market conditions.

The total outstanding amount of conditional capital under Articles 3b (125,757,400 registered shares) and 3c (590,000,000 registered shares) of the Articles of Association represents 19.90 percent of the outstanding ordinary share capital (3,597,218,551 registered shares) as at 31 December 2023.

Changes in capital over the past three reporting years

Changes in capital during 2023

As at 1 January 2023, the ordinary share capital amounted to CHF 179,860,927.55, divided into 3,597,218,551 fully paid-in registered shares. In addition, the Company had conditional capital of CHF 6,287,870.00 (125,757,400 registered shares) for the exercise of option rights in connection with the Company's share participation program, and CHF 12,575,756.00 (251,515,120 registered shares) for the exercise of conversion and/or option rights in connection with convertible bonds.

The Annual General Meeting on 4 May 2023 approved the increase in conditional capital in accordance with Article 3c of the Articles of Association to CHF 29,500,000.00 (590,000,000 fully paid-in registered shares equal to 16.4 percent of ordinary share capital as at the date of approval) to be used for the exercise of conversion and/or option rights in connection with convertible bonds.

The changes to the Articles of Association were registered in the commercial register on 9 May 2023.

On 14 May 2023, Meyer Burger's German subsidiary MBT Systems GmbH had successfully placed green senior unsecured guaranteed convertible bonds due 2029 in the amount of EUR 216.3 million. The bonds were issued with a denomination of EUR 100,000 per bond at 100 percent of their principal amount and carry a coupon of 3.75 percent per annum, payable semi-annually in arrears. Unless previously converted or repurchased and cancelled, the bonds will be redeemed at 100 percent of their principal amount on 19 May 2029. The bonds are initially convertible into approximately 311 million registered shares in Meyer Burger Technology AG, sourced from shares to be newly issued from conditional share capital excluding the existing shareholders' advance subscription rights. The initial conversion price has been set at EUR 0.6953, representing a premium of 27.5 percent over the issue price of the new shares translated into EUR using the EUR/CHF foreign exchange rate at the time of pricing. As at 31 December 2023, no convertible bond conversions into shares in Meyer Burger Technology AG had occurred. Those outstanding are presented in the table on page 70.

Changes in capital during 2022

As at 1 January 2022, the ordinary share capital amounted to CHF 133,524,500.55, divided into 2,670,491,011 fully paid-in registered shares. In addition, the Company had conditional capital of CHF 31,998.60 (639,972 registered shares) for the exercise of option rights in connection with the Company's share participation program, and CHF 12,575,756.00 (251,515,120 registered shares) for the exercise of conversion and/or option rights in connection with convertible bonds. Furthermore, the Company also had authorized capital of CHF 4,808,765.75 (96,175,315 registered shares) with issuance possible up to 4 May 2023.

The Annual General Meeting on 5 May 2022 approved the increase in conditional capital in accordance with Article 3b of the Articles of Association to CHF 6,287,870.00 (125,757,400 fully paid-in registered shares equal to 4.71 percent of ordinary share capital as at the date of approval) to be used for the exercise of option rights granted to employees and members of the Board of Directors of the Company or of Group companies (in connection with the Company's share participation program).

The changes to the Articles of Association were registered in the commercial register on 11 May 2022.

On 1 July 2021, Meyer Burger's German subsidiary MBT Systems GmbH had successfully placed green senior unsecured guaranteed convertible bonds due 2027 in the amount of EUR 145 million. As at 31 December 2022, no convertible bond conversions into shares in Meyer Burger Technology AG had occurred. Those outstanding are presented in the table on page 70. On 28 October 2022, the Extraordinary General Meeting of Meyer Burger Technology AG approved an ordinary capital increase in the amount of up to CHF 46,733,592.50

by issuing up to 934,671,850 new registered shares with a nominal value of CHF 0.05 per share. On 10 November 2022, the company issued 926,727,540 new registered shares with a nominal value of CHF 0.05 per registered share. The ordinary share capital was thus increased to CHF 179,860,927.55 divided into 3,597,218,551 registered shares.

The change to the Articles of Association and the capital increase were registered in the commercial register on 14 November 2022.

Subsequently and according to clause 6 (Adjustments to the Conversion Price) of the Terms of the Bonds, the conversion conditions of the convertible bond provide for an adjustment of the initial conversion price in case of a capital increase (issue of shares or other securities by way of conferring subscription or purchase rights). The conversion price was therefore reduced from EUR 0.5868 and CHF 0.643774 per registered share to EUR 0.52 and CHF 0.57 respectively. All other conditions remain unchanged. Therefore, the number of shares that needs to be available for sourcing and issuance from the conditional share capital in connection with the convertible bond, following the capital increase and conversion price adjustment, amounted to approximately 279 million shares and therefore exceeded the 251,515,120 shares available at the time from conditional capital (in accordance with Article 3c of the Company's Articles of Association, dated 10 November 2022). As a result, the company expected to submit a resolution to increase the Company's conditional share capital to the forthcoming Ordinary Shareholders' Meeting to be held in May 2023. The convertible bond will mature at 100 percent of its nominal value on 8 July 2027.

Changes in capital during 2021

As at 1 January 2021, the ordinary share capital amounted to CHF 125,757,560.30, divided into 2,515,151,206 fully paid-in registered shares. In addition, the Company had conditional capital of CHF 31,998.60 (639,972 registered shares) for the exercise of option rights in connection with the Company's share participation program, and CHF 3,450,000.00 (69,000,000 registered shares) for the exercise of conversion and/or option rights in connection with convertible bonds. Furthermore, the Company also had an authorized capital of CHF 5,138,803.75 (102,776,075 registered shares) with issuance possible up to 13 May 2022.

The Annual General Meeting on 4 May 2021 approved the increase in authorized capital of CHF 12,575,756.00 (251,515,120 fully paid-in registered shares equal to 10 percent of ordinary share capital as at the date of approval) with issuance possible up to 4 May 2023.

Furthermore, the Annual General Meeting on 4 May 2021 approved the increase in conditional capital in accordance with Article 3c of the Articles of Association to CHF 12,575,756.00 (251,515,120 fully paid-in registered shares equal to 10 percent of the ordinary share capital as at the date of approval) to be used for the exercise of conversion and/or option rights in connection with convertible bonds, bonds with option rights, or similar financial market instruments of the Company or of Group companies.

The changes to the Articles of Association were registered in the commercial register on 5 May 2021.

On 1 July 2021, the Company issued 155,339,805 new registered shares with a nominal value of CHF 0.05 per registered share by way of an accelerated bookbuild from the previously authorized capital. The ordinary share capital was thus increased to CHF 133,524,550.55 divided into 2,670,491,011 registered shares. The change to the Articles of Association and the capital increase were registered in the commercial register on 2 July 2021.

Additionally, on 1 July 2021, Meyer Burger's German subsidiary MBT Systems GmbH, Hohenstein-Ernstthal, Germany, (the "Issuer") successfully placed green senior unsecured guaranteed convertible bonds due 2027 in the amount of EUR 145 million. Meyer Burger placed bonds with an aggregate principal amount of EUR 145 million that were issued by the Issuer and guaranteed by Meyer Burger Technology AG. The bonds were issued with a denomination of EUR 100,000 per bond at 100 percent of their principal amount and carry a coupon of 3.5 percent per annum, payable semi-annually in arrears. Unless previously converted or repurchased and cancelled, the bonds will be redeemed at 100 percent of their principal amount on 8 July 2027. The bonds are initially convertible into approximately 247 million registered shares in Meyer Burger Technology AG, sourced from shares to be newly issued from conditional share capital excluding the existing shareholders' advance subscription rights. The initial conversion price was set at EUR 0.5868, representing a premium of 25 percent over the issue price of the new shares translated into EUR using the EUR/CHF foreign exchange rate at the time of pricing.

As at 31 December 2021, no convertible bond conversions into shares in Meyer Burger Technology AG had occurred.

Shares

The outstanding share capital of Meyer Burger Technology AG, as at 31 December 2023, was divided into 3,597,218,551 registered shares with a nominal value of CHF 0.05 each as reflected in the commercial register. All shares are fully paid-in. Each share is entitled to one vote. All shares are entitled to dividends. The Company recognizes only one entitled party for each share. A share register is kept on the shares issued, in which the owners, usufructuaries, and nominees of the registered shares are entered along with their name, domicile, address, and nationality. Entry in the share register depends on identification by means of transfer of the ownership interest or the creation of a usufruct in the correct form and in accordance with the Articles of Association. The Company will only consider as shareholders those who are registered in the share register.

Participation or dividend-right certificates

The Company has neither participation certificates nor dividend-right certificates outstanding.

Limitations on transferability and nominee registrations

As a matter of principle, the Company's Articles of Association do not include any restrictions on transferability. However, the Articles do include the following registration limits:

- Acquirers of registered shares are entered into the share register upon request as shareholders with voting rights, provided that they expressly declare that they have acquired these registered shares on their own behalf and for their own account.
- The Board of Directors may enter nominees with up to a maximum of 3 percent of the registered share capital as recorded in the commercial register with voting rights in the share register. In accordance with this regulation, nominees are persons who do not expressly declare in the share register entry form that they hold the shares for their own account and with whom the Board of Directors has entered into an agreement to this effect.
- Beyond this limit, the Board of Directors can enter registered shares of nominees with voting rights in the share register, if the nominee in question states the name, address, and shareholdings of those persons for whose account it holds 0.5 percent or more of the registered share capital as recorded in the commercial register.
- Legal entities or partnerships or other associations or joint ownership arrangements linked through capital ownership or voting rights, through common management or in like manner, as well as individuals, legal entities, or partnerships (especially syndicates) that act jointly with the intention of evading the entry restrictions are considered as one shareholder or nominee.
- The entry restrictions also apply to registered shares that were purchased or acquired through the exercise of subscription rights, options, or conversion rights.

Please refer to the section "Voting rights restrictions and representation" on page 84 of this Corporate Governance Report for the procedure and requirements for changes to or the cancellation of the above-listed restrictions.

Convertible bonds, options, share participation program

Convertible bonds

As at 31 December 2023 and as at 31 December 2022, MBT Systems GmbH, Hohenstein-Ernstthal, Germany, a direct wholly owned subsidiary of Meyer Burger Technology AG, had the following convertible bonds outstanding, for which Meyer Burger Technology AG acted as a guarantor:

Bond issued on	Outstanding amount as at 31.12.2023[1]	Principal amount	Conversion ratio *	Conversion price*	Fixed foreign exchange rate	Bond maturity
08.07.2021	EUR 145 000 000	EUR 100 000	192 307.69	EUR 0.52 or CHF 0.57 (adjusted)	EUR 0.9115/CHF 1.00	08.07.2027
17.05.2023	EUR 216 300 000	EUR 100 000	143 822.81	EUR 0.69 or CHF 0.67	EUR 1.0249/CHF 1.00	17.05.2029

1 As at 31.12.2022 the outstanding amount was the same as at 31.12.2023
* from July 2021 until capital increase in November 2022: conversion ratio 170416.81 and conversion price EUR 0.5868

Options, share participation program

During the 2023 financial year, Meyer Burger granted 15,507,225 options and 1,754,036 share units as part of the share-based payment plans. During the 2022 financial year, Meyer Burger granted 17,234,885 options and 875,256 share units as part of the share-based payment plans.

The details of the Company's share-based payment plans are disclosed in the Remuneration Report on page 98 et seq.

As at 31 December 2023, the number of shares and options that were offered under the share participation program (RSU, PSU, and options) amounts to:

Grant/Purchase	Number of share units originally granted	Number of share units outstanding as at 31.12.2023[1]	Number of options originally granted	Number of options outstanding as at 31.12.2023[1]	Acquisition price	Vesting period
24.05.2021	668 896	668 896	7 838 000	7 838 000	n/a	24.05.2021 – 23.05.2024
03.06.2021	–	–	14 902 836	12 556 257	n/a	03.06.2021 – 02.06.2024
30.12.2021	480 526	–	–	–	n/a	no vesting period[2]
08.06.2022	–	–	17 234 885	16 458 616	n/a	08.06.2022 – 07.06.2025
24.06.2022	433 947	–	–	–	n/a	no vesting period[2]
15.12.2022	441 309	–	–	–	n/a	no vesting period[2]
13.04.2023	–	–	15 507 225	15 350 068	n/a	13.04.2023 – 12.04.2026
23.06.2023	411 992	–	–	–	n/a	no vesting period2
15.12.2023	1 342 044	–	–	–	n/a	no vesting period[2]

1 The number of outstanding shares and options can be lower than the shares and options originally granted, mainly due to employees leaving the group before the end of the vesting period.
2 The shares were granted as part of the compensation for the Board of Directors. There is no vesting period attached to these shares.

The outstanding shares and options shown in the table above correspond in total to 1.6 percent of the Company's outstanding and listed share capital as at 31 December 2023. In general, shares and options granted in the share participation program are expected to be sourced from the conditional capital and/or treasury shares. As at 31 December 2023, Meyer Burger had conditional capital of 125,757,400 shares for the implementation of the employee share program.

Board of Directors

Board of Directors as at 31 December 2023

Name	DOB	Position	Held since
Dr. Franz Richter	1955	Chair	2020
Mark Kerekes	1976	Vice Chair	2020
Andreas R. Herzog	1957	Member	2019
Prof. Dr. Urs Schenker	1957	Member	2021
Katrin Wehr-Seiter	1970	Member	2022

Dr. Franz Richter has been the Chairman of the Board of Directors since 13 May 2020. He has been a member of the Board of Directors since 29 April 2015.

Dr. Franz Richter

Chairman and non-executive member of the Board of Directors, German citizen

Education: BSc Mechanical Engineering, Münster University of Applied Sciences, Münster, Germany. MSc Physics, University of Bielefeld, Bielefeld, Germany and Technical University of Darmstadt, Darmstadt, Germany. PhD Mechanical Engineering, Technical University of Aachen, Aachen, Germany.

Experience — 2016–2021 CEO of Süss Micro Tec SE, Garching, Germany — **2007–2016** CEO and Co-Founder of Thin Materials, Eichenau, Germany — **2005–2007** President of the Semiconductor Equipment Segment, Unaxis, at OC Oerlikon, Pfäffikon, Switzerland — **1990–2004** Various roles at Süss MicroTec, including CEO (1998–2004), Garching, Germany — **1988–1990** Scientist at Fraunhofer Institute for Laser Technology, Aachen, Germany — **1985–1988** Scientist at Carl Zeiss, Oberkochen, Germany.

Other activities and vested interests

Current mandates: Chairman of the Board of Trustees of Fraunhofer Institute IZM, Berlin, Germany, since 2009. Chairman of the Board of Directors of Scint-X Technologies AB, Kista, Sweden, since 2014. CEO of Dr. Hönle AG, Gilching, Germany, since 2023.

No other mandate at a publicly listed company, two non-remunerated mandates at a non-listed company and a research organization. No significant official functions or political offices.

No business relationship with the Company or any of its Group companies. Not a member of the management of the Company or any of its Group companies in the three financial years preceding the current financial year.

Mark Kerekes

Non-executive member and Vice Chair of the Board of Directors, Austrian citizen

Education: Master's in Business Administration, Capital Market Theory and Business Informatics, Vienna University of Economics and Business, Vienna, Austria.

Experience — Since 2016 Member of the Board and Co-Manager of Sentis Capital PCC, Cell 1, Cell 2, Cell 4, Balzers, Liechtenstein — **Since 2014** Member of the Board and Co-Manager of Elbogross SA, Zug, Switzerland — **Since 2013** Co-Founder and General Manager of Aerius Advisors GmbH, Zug, Switzerland — **2012–2013** Co-Founder and General Manager of Hidden Pearl Invest GmbH, Vienna, Austria — **2009–2012** Senior Fund Manager, Product Developer and Team Leader at Advisory Invest GmbH, Vienna, Austria — **2000–2009** Various roles at Raiffeisen Group, Vienna, Austria.

Other activities and vested interests

Current mandates: Member of the Board of Directors of Elbogross SA, Zug, Switzerland, since 2014. Member of the Board of Directors of Aerius Holding AG, Zug, Switzerland, since 2016. Member of the Board of Directors of Sentis Capital PCC, Cell 1, Cell 2, Cell 4, Balzers, Liechtenstein, since 2016.

No other mandate at a publicly listed company, three remunerated mandates and no non-remunerated mandates at non-listed companies. No significant official functions or political offices.

No business relationship with the Company or any of its Group companies. Not a member of the management of the Company or any of its Group companies in the three financial years preceding the current financial year.

Andreas R. Herzog

Non-executive member of the Board of Directors, Swiss citizen

Education: Training as a banker at Business Training College, Winterthur, Switzerland. Bachelor's in Economics at University of Applied Sciences, Zurich, Switzerland. Postgraduate studies in the following fields: Marketing Management, Western University, London, Canada. Corporate Financial Strategy in Global Markets, INSEAD, Paris, France. Strategic Management, Harvard University, Boston, USA. International Tax Law, University of Applied Sciences, Basel, Switzerland. Leadership Management, Harvard University, Boston, USA.

Experience — 2002–2019 CFO, Bühler Group, Uzwil, Switzerland — **2001–2002** CFO, Eichhof Group, Lucerne, Switzerland — **1996–2001** Vice President, Finance, Swarovski, Feldmeilen, Switzerland — **1990–1995** Various management positions as Senior Controller & Operational Auditor and as Co-CEO Germany SMH/SWATCH, Biel, Switzerland, and Bad Soden am Taunus, Germany — **1984–1990** Various positions in finance, controlling, logistics, Ciba-Geigy AG, Mexico, Switzerland, Colombia and Ivory Coast.

Other activities and vested interests

Current mandates: Member of the Board of Seed Capital Invest AG, Luzern, Switzerland (since 2018). Chairman of the Board of Directors of Systemcredit AG, Schlieren, Switzerland (since 2019). Member of the Board of Directors, HOCHDORF Holding AG, Hochdorf, Switzerland (since 2020). Member of the Board of Directors of Kleiderberg AG, Rüschlikon, Switzerland (since 2021). Member of the Advisory Board of Planetary SA, Cologny, Switzerland (since 2021). Member of the Board of Directors of SBB Swiss Federal Railways, Bern, Switzerland (since 2021). Member of the Board of Directors of Brandsoul AG, Zurich, Switzerland (since 2023). Member of the Advisory Board of the Swiss-Chinese Chamber of Commerce, Zurich, Switzerland (since 2023).

No other mandate (as explained above) at a publicly listed company, two remunerated mandates and four non-remunerated mandates at non-listed companies. No significant official functions or political offices.

No business relationship with the Company or any of its Group companies. Not a member of the management of the Company or any of its Group companies in the three financial years preceding the current financial year.

Prof. Dr. Urs Schenker

Non-executive member of the Board of Directors, Swiss citizen

Education: Studied Law at University of Zurich, Zurich, Switzerland, graduated 1981 lic. iur. and 1985 Dr. iur. LLM from Harvard Law School, Harvard University, Boston, USA. Habilitation thesis: "Swiss Takeover Law," University of St. Gallen, St. Gallen, Switzerland.

Experience — Since 2015 Attorney at Walder Wyss Ltd. attorneys at law, Zurich, Switzerland — **Since 2009** Adjunct Professor for commercial and business law, University of St. Gallen, St. Gallen, Switzerland — **1991–2015** Attorney at Baker McKenzie, Zurich, Switzerland.

Other activities and vested interests

Current mandates: Member of the Board of Directors of Bellevue Group AG and its subsidiary Bellevue Asset Management AG, Zurich, Switzerland. Chairman of the Board of Directors of Geschäftshaus City AG, Zurich, Switzerland. Member of the Board of Directors of Ufenau Capital Partners AG, Zurich, Switzerland. Member of the Board of Directors of Ornak AG, Zurich, Switzerland. Chairman of the Board of SWISA Holding AG, Baar, Switzerland. Member of the Board of Directors of Indicium Technologies AG, Hünenberg, Switzerland. Chairman of the Board of Directors of EBV Immobilien AG, Urdorf, Switzerland. Chairman of the Board of Directors of Invico Asset Management AG, Zurich, Switzerland. Chairman of the Foundation Board of Personalvorsorgestiftung der Pfizer AG, Zurich, Switzerland. Member of the Foundation Board of Stiftung für Herz- und Kreislaufforschung, Zurich, Switzerland. Chairman of the Foundation Board of Stiftung Zuversicht für Kinder, Zug, Switzerland.

One other mandate at a publicly listed company, four remunerated mandates and four non-remunerated mandates at non-listed companies.

No significant official functions or political offices.

No business relationship with the Company or any of its Group companies. Not a member of the management of the Company or any of its Group companies in the three financial years preceding the current financial year.

Katrin Wehr-Seiter

Non-executive member of the Board of Directors, German citizen

Education: Diploma (MSc) in Mechanical Engineering, Technical University of Chemnitz, Germany. Master of Business Administration (MBA), INSEAD, Fontainebleau, France. High Performance Boards Program, IMD, Switzerland.

Experience — Since 2012 Managing Director, Partner, BIP Investment Partners S.A. / BIP Capital Partners, Luxembourg **— 2010–2012** Independent M&A, strategy and investment advisory; Senior Advisor Bridgepoint GmbH, Frankfurt am Main, Germany **— 2000–2009** Principal, Permira Beteiligungsberatung GmbH, Frankfurt am Main, Germany **— 1996–2000** Consultant, Siemens AG (Siemens Management Consulting), Munich, Germany **— 1995–1996** Proposal Manager, Project Engineer, Siemens AG, Germany and USA **— 1991–1994** Various internships, incl. Siemens Power Corporation, USA; Rolls-Royce Industrial Power Group, United Kingdom; Siemens AG, Germany.

Other activities and vested interests

Current mandates: Member of the Board of Directors of SES S.A. Betzdorf, Luxembourg (since 2015). Member of the Board of Directors of Unite Holding SE, and its subsidiaries Unite Network SE and Mercateo Deutschland AG, Leipzig/Munich, Germany (since 2017). Member of the Board of Directors of The Simpleshow Company S.A., Luxembourg (since 2017). Member of the Board of Managers of BIP (GP) S.à r.l. (since 2017) and BIP Interim (GP) S.à r.l., Luxembourg (since 2021). Member of the Board of Directors of Bellevue Group AG and its subsidiary Bellevue Private Markets AG, Küsnacht, Switzerland (since 2019). Member of the Advisory Board of Wellcosan Beteiligungs GmbH, Schlüchtern, Germany (since 2022).

Two other mandates at a publicly listed company, four remunerated mandates and three non-remunerated mandates at non-listed companies. No significant official functions or political offices.

No business relationship with the Company or any of its Group companies. Not a member of the management of the Company or any of its Group companies in the three financial years preceding the current financial year.

Board of Directors

Dr. Franz Richter
Chairman, non-executive

Mark Kerekes
Vice Chairman, non-executive

Andreas Herzog
Member, non-executive

Prof. Dr. Urs Schenker
Member, non-executive

Katrin Wehr-Seiter
Member, non-executive

Changes to the Board of Directors in fiscal year 2023

At the General Meeting of Shareholders on 5 May 2023, shareholders re-elected Dr. Franz Richter as a member and Chairman of the Board of Directors and re-elected Andreas R. Herzog, Mark Kerekes, Prof. Dr. Urs Schenker, and Katrin Wehr-Seiter as members of the Board of Directors.

Executive activities for the Company or one of its Group companies

As at 31 December 2023, the current members of the Board of Directors have never been members of the Executive Board of the Company or any of the Group companies.

In accordance with Article 28 of the Articles of Association dated 4 May 2023, members of the Board of Directors and the Executive Board may not hold or exercise more than the following number of additional activities in the highest management or administrative bodies of other legal entities that are obliged to be registered in the commercial register or in a comparable foreign register and are not controlled by the Company or do not control the Company:

- Ten mandates (for members of the Board of Directors) or three mandates (for members of the Executive Board) in comparable positions in other undertakings,
- of which five mandates (for members of the Board of Directors) and one mandate (for members of the Executive Board) for public companies, and
- Ten (for members of the Board of Directors) or two (for members of the Executive Board) non-remunerated mandates with non-profit, charitable, or other not-for-profit legal entities, whereby reimbursement of expenses does not count as remuneration.

Several mandates with different companies belonging to the same group count as one mandate. The above limitation does not apply to mandates held by a member of the Board of Directors or the Executive Board on behalf of the Company (e.g. joint ventures or pension funds of these legal entities or in companies in which this legal entity holds a significant [non-consolidated] interest). The acceptance of mandates or employment by members of the Executive Board outside the Meyer Burger Group requires the prior approval of the Board of Directors. The Board of Directors may refuse approval at its own discretion.

Elections and terms of office

In accordance with Article 18 of the Articles of Association dated 4 May 2023, the Board of Directors consists of one or more, but a maximum of nine members. The General Meeting of Shareholders elects annually:

- the members of the Board of Directors and the Chairman of the Board
- the members of the Nomination & Compensation Committee, who must be members of the Board of Directors

The members of the Board of Directors are elected individually and for a term of office up to and including the next Annual General Meeting. Re-election is possible. The term of office of a member of the Board of Directors will, however, end irrevocably on the date of the Annual General Meeting following the 70th birthday of the member in question.

Internal organization

The Board of Directors constitutes itself, except for the mandatory competences of the Annual General Meeting (election of the Chairman of the Board of Directors and the members of the Nomination & Compensation Committee). The Board shall choose its Vice Chairman and a Secretary, who does not need to be a member of the Board of Directors. As at 31 December 2023, Dr. Franz Richter was serving as Chairman of the Board of Directors and Mark Kerekes as Vice Chairman.

The Board of Directors holds ordinary Board meetings at least four times per year; usually at least one meeting per quarter. Additional meetings are held as often as necessary. In fiscal year 2023, the Board of Directors held 25 Board meetings, of which two were physical meetings and 23 were held as virtual conferences. In addition, the Board was constantly updated on, and involved in, the progress of Meyer Burger's business transition. In this regard, 23 circular resolutions were also passed. Meetings of the Board of Directors with physical attendance usually lasted a full day. The length of virtual conferences was up to four hours depending on the issues discussed. In general, the Executive Board participated in the meetings of the Board of Directors.

The Board of Directors can introduce permanent or ad-hoc committees for preparating individual resolutions, for performing certain control functions, or for other special tasks. The committees do not have decision-making authority in most cases (with certain exceptions, for example, regarding decisions of execution that have been delegated by the Board of Directors in single resolutions).

As at 31 December 2023, the Board of Directors had two permanent committees: the Risk & Audit Committee and the Nomination & Compensation Committee. The duration of the committees' meetings depended on the issues discussed.

Risk & Audit Committee (R&A Committee)
Committee members as at 31 December 2023: Andreas R. Herzog (Chairperson), Mark Kerekes, Katrin Wehr-Seiter.

The R&A Committee has the following principal responsibilities:
- Reviewing the accounting system
- Reviewing the annual financial statements and other financial information published
- Supervising risk assessment within the Group
- Monitoring compliance and risk management, and the effectiveness and efficiency of the internal control system ("ICS")
- Reviewing the scope and effectiveness of the internal audit system and ensuring that the internal audit function is adequately resourced
- Planning the risk-based annual internal audit plan with the Head of Internal Audit and reviewing the findings and recommendations of the internal audit reports
- Supervising business activities concerning compliance with resolutions by the Board of Directors, internal regulations and guidelines, directives and statutory provisions, along with — in particular — compliance with stock exchange laws
- Reviewing the services, independence, and fees of the external auditors as well as making recommendations to the Board of Directors regarding the proposal to the General Meeting of Shareholders in respect of the auditors
- Detailed consideration of the audit letters, examination of all important conclusions and recommendations of the external auditors with the Executive Board and the auditors themselves
- Monitoring the implementation of the recommendations of the external auditors
- Reviewing the services and fees regarding consulting mandates with related parties
- Periodic examination of the Group's insurances
- Further special tasks as assigned by the Board of Directors

The Committee meets as often as business requires, which is usually at least three times per year. The meetings usually last up to three hours. The CFO usually participates in these meetings. Other members of the Board of Directors, the CFO or other members of the Executive Board, representatives of the external auditors, representatives of the internal auditors, or other specialists may also be invited to these meetings. The decision is made by the Chairperson of the R&A Committee. The designation of assignments to third parties requires the approval of the Board of Directors or, in urgent cases, the Chairman of the Board of Directors. The Committee meets at least twice per year with representatives of the external auditors. None of the members of the Executive Board shall be present for the duration of such a meeting with the auditors.

In fiscal year 2023, the R&A Committee held twelve meetings. The external auditors participated in eight meetings. The Head of Internal Audit was present at ten meetings. The Committee did not consult regularly with external advisors.

Nomination & Compensation Committee (N&C Committee)
Committee members as at 31 December 2023: Prof. Dr. Urs Schenker (Chairperson), Andreas R. Herzog.

The N&C Committee has the following principal responsibilities:
- Responsibility for the process of selecting and proposing new members of the Board of Directors
- Responsibility for the process of selecting and proposing the appointment of the CEO
- Examination and approval of, and proposals related to, the selection of members of the Executive Board and of management members of important Group companies (including occasional interviews at the end of the selection process) as well as examining the most important conditions of their employment contracts
- Proposing the compensation of the members of the Board of Directors and the Board's committees
- Review, negotiation, and proposal of the CEO's remuneration
- Review and proposal (together with the CEO) of the remuneration of the members of the Executive Board

- Reviewing and deciding on the targets and their achievement by members of the Executive Board
- Review of the targets and total remuneration of important Group companies
- Preparation and proposal of the Remuneration Report
- Review, proposal, and monitoring of the implementation of participation programs for the Board of Directors, the CEO, the other members of the Executive Board, and other employees
- Examination, proposal (together with the CEO), and monitoring of the implementation of the structure and organization of the highest level of operating management
- Planning succession at the highest level of management
- Planning and implementing a self-assessment of the Board of Directors
- Further special tasks as assigned by the Board of Directors in the areas of nomination, organization, and remuneration
- Detailed information on the decision-making authority regarding the remuneration of the Board of Directors and the Executive Board is included in the Remuneration Report on page 90.

The Committee meets as often as business requires, which is usually at least four times per year. The meetings usually last up to four hours. The Chairperson of the Committee can invite members of the Executive Board, members of the management of significant subsidiaries, or third parties to the meetings. The delegation of assignments to third parties requires the approval of the Board of Directors or the Chairman of the Board of Directors.

In fiscal year 2023, the N&C Committee held four meetings. The Committee was supported by independent external consultancy providers with regard to compensation and the Remuneration Report.

Participation of the members of the Board of Directors at Board of Directors and Committee meetings (incl. telephone conferences) in fiscal year 2023

Members	Board of Directors	R&A Committee	N&C Committee
Dr. Franz Richter	25	7	4
Mark Kerekes	25	12	2
Andreas Herzog	24	12	4
Prof. Dr. Urs Schenker	24	5	4
Katrin Wehr-Seiter	24	12	2
Total meetings	**25**	**12**	**4**
Average attendance ratio at meetings[1] in %	**98%**	**100%**	**100%**

– Not a member of the committee

[1] The average attendance ratio at the committee meetings refers directly to the members of the relevant committee (additional participants who participate as guests in the committee meetings are not included in the table above and in the percentage calculations). For the newly elected Board members, attendance ratios are calculated as at the date of their election at the 2023 Annual General Meeting.

Definition of areas of responsibility

The main tasks of the Board of Directors are to determe and periodically review the corporate strategy and Company policy, as well as the organization (including control systems) of the Group, and the control of the operational management and risk management. In addition, it is responsible for the periodic assessment of its own performance and that of the Executive Board.

In addition to the non-transferable and irrevocable tasks pursuant to Article 716a of the Swiss Code of Obligations, the Board of Directors has explicitly reserved the approval of various matters (see the list below). In general, the Board of Directors has delegated the operational management of the Group to the CEO and the Executive Board, respectively.

The Board of Directors explicitly reserves approval to itself in the following circumstances:

- Incorporation/financing/closure of subsidiaries; investment in/divestment of participations, changes in participation quotas or of shareownership ratios; purchase of a business or a company or parts thereof through the acquisition of assets or of assets and liabilities (including workforce); opening balance sheet of business sectors that are to be transferred to subsidiaries as well as the concept and main details of contracts between Group companies
- Contracts/cancellation of contracts for strategic alliances that have an influence on the business scope, geographic scope, or the capital structure of Meyer Burger Technology AG or any of its Group companies
- Decisions on business affairs that are of major importance to Meyer Burger
- Individual expenditure, investment, divestment; sale of assets, abandonment of plants or assets, liquidation of investments, waiving of receivables; granting of sales reductions or adjustments

to invoices; write-off of receivables: above CHF 1.5 million, if included in the budget; above CHF 1 million, if not included in the budget
- Bids and contracts with customers above CHF 30 million
- Agreements to and allowance of letters of comfort and guarantees, loans, and credits to third parties above CHF 5 million
- Loans to members of the Board of Directors or members of the Executive Board (possible up to a maximum of CHF 50 thousand)
- Financing transactions (bank loans, bonds issues), leasing above CHF 5 million
- Structured financing transactions
- Decisions concerning communication (identity, design, branding, communication policy, marketing communication strategy)
- Personnel and salary policy of the Group
- Wage negotiations and social planning for the Group
- Appointment, dismissal, and compensation of members of the Executive Board
- Employment conditions for the highest-level management positions
- Share and option programs, including profit sharing programs for associates and employees
- Principles for pension plans and social benefits
- Large restructuring programs

Members of the Board of Directors and members of the Executive Board of the Company have joint signature authority.

Information and control instruments vis-à-vis the Executive Board

Every month, the Board of Directors receives a report from the Executive Board on business development and the key figures for all Group companies as part of a structured information system. The information relates in particular to:
- detailed monthly reports and consolidated monthly financial statements including results since the beginning of the year (year-to-date figures, comparisons with the budget, and the results of the previous year's period) and key figures for the Group
- detailed treasury reporting with information on liquidity, debt position, the currency situation, and working capital
- information on incoming orders, order backlog, the inventory situation, production data, development of the number of employees
- the share register

The members of the Board of Directors additionally receive the following information prior to Board meetings:
- Interim reports on the course of business
- Information about business and market developments
- Appropriate information regarding events that concern the internal control system and risk management

Both the CEO and the CFO participate in Board of Directors' meetings, at which financial results are discussed.

- Detailed information regarding the participation of members of the Executive Board at meetings of the Board of Directors and the committees is included in the comments on the "Internal organization" section and the descriptions of the different committees on page 75 et seq.

During Board meetings, each member of the Board of Directors can request information from the other members of the Board, as well as from the members of the Executive Board on all affairs of the Company. Outside of Board meetings, each member of the Board of Directors can request information on the course of business or important business transactions from the CEO, the CFO, or from other members of the Executive Board. Members of the Board of Directors can also contact other associates (in agreement with members of the Executive Board).

Risk management

Meyer Burger's risk management process essentially consists of four components. These are as follows: risk identification, risk assessment, risk treatment, and risk communication. Relevant risks are identified and described as part of the risk identification stage. During the risk assessment process, the probability of occurrence and the extent of the loss are considered. The Company uses both quantitative and qualitative methods for this, applying these on a uniform basis across the Group as a whole and thereby enabling risk assessments to be compared across different areas of the Company. Based on the results regarding probability of occurrence and expected implications, a clear risk assessment matrix is drawn up. Control measures are identified for relevant risks. These measures are tracked and monitored to determine whether they are successful. Risk reporting is carried out on a regulatory basis in order to inform the relevant stakeholders. The Board of Directors receives detailed risk management reports on a regulatory basis. In fiscal year 2023, two risk management reports were presented and communicated to the R&A Committee.

- For further information regarding risk management please refer to Note 3 of the consolidated financial statements on page 130 et seq.

Internal control system

The Board of Directors approved an optimized internal control system ("ICS"). The ICS applies a risk-oriented approach (focused on major risks and controls). Meyer Burger's ICS consists of systematically designed organizational and technical measures and controls to ensure compliance with guidelines and to avert damage that may be caused by the company's own personnel or third parties. The controls can be either independent of or dependent on the underlying process. The scope of the ICS depends on the size and risks of each subsidiary within the Group. This classification is reviewed once per year.

The key risks identified are continuously monitored and at regular intervals, all control measures for the major processes that are relevant for the financial reporting are reviewed with regard to their appropriateness. In the future, in addition to appropriateness, their effectiveness and efficiency will also be tested on a regular basis. At the Group level, controls are implemented with regard to the consolidated financial statements of the Group.

In addition, the relevant processes are reviewed annually to ensure that the documentation is up to date. The following processes were defined as financially relevant: sales, procurement, financial reporting, inventory, fixed assets, human resources, treasury, and information technology. A process owner has been defined for each of these processes. The process owners are responsible for ensuring that the controls identified for the respective processes are complied with and implemented.

The Board of Directors receives a detailed report on the ICS once per year. In fiscal year 2023, the R&A Committee discussed the ICS at one of its meetings and the Board of Directors discussed it at one Board meeting. The external auditors also audit compliance with ICS regulations as part of their annual audit and report their conclusions directly to the R&A Committee and the Board of Directors.

Where control weaknesses exist, actions to eliminate these weaknesses must be defined and monitored.

Internal audit

After its organizational transformation, the Company reprised the internal audit function as of November 2021. The first half of 2022 saw the implementation of an internal audit system based on the Institute of Internal Auditors' International Professional Practices Framework (IPPF). In order to preserve the independence of the internal audit function, the Head of Internal Audit reports functionally to the R&A Committee. The internal audit has unrestricted access to information that allows it to review all aspects of the Group's risk management, control, and governance processes. The Executive Board and the subsidiary concerned are notified of the deficiencies found so that they can be rectified and the Head of Internal Audit follows up with the implementation of audit recommendations.

Since the second half of 2022, the internal audit function has been properly in place and performing independent, objective assurance and consulting activities designed to add value and improve the organization's operations. Five assurance and two consulting activities of the internal audit were issued in 2023.

The internal audit generally results in written reports detailing the audit carried out and the findings from the audit and, if necessary, giving recommendations to improve systems and processes. The internal audit carries an obligation to immediately report possible irregularities or fundamental shortcomings to the R&A Committee and to the Chairman of the Board of Directors.

Executive Board

Executive Board as at 31 December 2023

Name	DOB	Position	Member of Executive Board
Dr. Gunter Erfurt	1973	Chief Executive Officer	since 2017
Markus Nikles	1972	Chief Financial Officer	since 2022
Katja Tavernaro	1977	Chief Sustainability Officer	since 2021
Daniel Menzel	1979	Chief Operating Officer	since 2022

Dr. Gunter Erfurt

Chief Executive Officer (CEO), German citizen

Education: Degree in Engineering Physics from the West Saxon University of Applied Science, Zwickau, Germany. Degree in Physics and PhD in Physics, Technical University Bergakademie Freiberg, Germany.

Experience — Since 2020 CEO and Member of the Executive Board, Meyer Burger Technology AG — **2017–2020** COO, CTO, and Member of the Executive Board, Meyer Burger Technology AG — **2015–2017** Managing Director and Member of the Management Board of Meyer Burger (Germany) AG, Hohenstein-Ernstthal, Germany — **2011–2015** Managing Director, Solarworld Innovations GmbH, Freiberg, Germany. Responsible for global strategic technology development — **2009–2011** Global Head of Planning and Investment/Technology Transfer, Solarworld AG, Bonn, Germany. Staff position to the COO — **2006–2009** Head of Planning and Investment, Solarworld Industries America LLC, Hillsboro, USA — **2005–2006** Project Manager, planning and investments, Deutsche Solar AG, Freiberg, Germany. Project Manager for building a factory for solar cell production — **2003–2005** Development Engineer/Laboratory Manager, Deutsche Solar AG, Freiberg, Germany. Establishment and management of material and module test laboratory — **1998–2003** Research Associate, Sächsische Akademie der Wissenschaften zu Leipzig, Leipzig, Germany.

Other activities and vested interests

Current mandates: Member of the Scientific Advisory Board of the Institute for Solar Energy Research (ISFH), Hamelin, Germany, since 2019 (non-remunerated mandate), Member of the Board of the Federal Association Solarwirtschaft e.V., Berlin, Germany, since 2020 (non-remunerated mandate), Member of the Board of Directors, Supervisory Board and/or of the Executive Board of various subsidiaries of the Company, Member of the Board of Directors of Oxford Photovoltaics Limited, London, United Kingdom, since 2020 (non-remunerated mandate), Member of the Board of Trustees of Fraunhofer Institute for Solar Energy Systems (ISE), Freiburg, Germany, since 2022 (non-remunerated mandate), Member of the Board of Directors of SolarPower Europe, since 2022 (non-remunerated mandate).

No further Board of Directors memberships or consultancy activities for important Swiss or foreign organizations. No significant official functions or political offices.

Markus Nikles

Chief Financial Officer (CFO), Swiss citizen

Education: Executive Master of Corporate Finance (EMCF), IFZ Institute for Financial Services Zug, Switzerland. Bachelor's in Business Administration, University of Applied Sciences of the Grisons, Chur, Switzerland. Commercial apprenticeship, Swiss Bank Corporation (today UBS), Interlaken, Switzerland.

Experience — Since 2022 CFO and Member of the Executive Board, Meyer Burger Technology AG — **2019–2022** CFO Bühler Asia, Wuxi, China, responsible for the sub-regions of China, Southeast Asia, Japan, and Korea — **2015–2019** CFO Bühler Germany, Braunschweig, Germany — **2005–2014** Controller and subsequently CFO, Vice President, Bühler USA, Minneapolis, USA — **2000–2004** Export Finance Specialist & Corporate Controller, Bühler Uzwil, Switzerland — **1992–1996** Various functions (last position: Customer Relationship Manager) with Swiss Bank Corporation Interlaken, Münchenbuchsee and Bern, Switzerland.

Other activities and vested interests

Current mandates: No further Board of Directors memberships or consultancy activities for important Swiss or foreign organizations. No significant official functions or political offices.

Katja Tavernaro

Chief Sustainability Officer (CSO), German citizen

Education: Law studies, Technical University of Dresden, Dresden, Germany. Degree in Human Resources Management, German Academy for Management, Berlin, Germany.

Experience — Since 2021 CSO and Member of the Executive Board, Meyer Burger Technology AG — **Since 2020** Head of Global Human Resources Meyer Burger Technology AG — **Since 2017** Head of Global Legal & Compliance Meyer Burger Technology AG — **Since 2016** Member of the Executive Board of Meyer Burger (Germany) AG, Hohenstein-Ernstthal, Germany. Head of the central functions Human Resources, Legal & Compliance, Staff units (data protection, customs, environmental protection, occupational safety, health protection), site management for the Hohenstein-Ernstthal site, Germany — **Since 2013** Corporate Counsel of the Company, Hohenstein-Ernstthal, Germany — **2006–2013** Attorney at law, Madaus Law Firm, focus on corporate and tax law, insolvency, and contract law, Colditz, Germany.

Other activities and vested interests

Current mandates: No further mandates for Board memberships or consulting activities for important Swiss or foreign organizations. No significant official functions or political offices.

Daniel Menzel

Chief Operating Officer (COO), German citizen

Education: Bachelor of Law (LL.B.), economic law, University of Wismar, Germany. Diploma Business Economics (BWA), Distance study of economics and management at European Business School, Education and Business Academy St. Gallen, Switzerland. Graduation as Industrial Manager, apprenticeship at M + W Zander GmbH, Dresden, Germany. Mechanical Engineering/Technical Building Equipment, University of Applied Sciences in Dresden, Dresden, Germany.

Experience — **Since 2022** COO and Member of the Executive Board, Meyer Burger Technology AG — **Since 2021** Managing Director Operations, Meyer Burger (Industries) GmbH, Freiberg, Germany — **2018–2021** Chief Executive Officer, G.S. Stolpen GmbH & Co. KG, Stolpen, Germany — **2017–2018** Director Sales and Marketing, Member of the Executive Board, SolarWorld Industries GmbH, Bonn, Germany/Qatar Solar Technologies, Doha, Qatar — **2015–2017** Vice President Global Procurement and Global Sales, Member of the Executive Board, SolarWorld AG, Bonn, Germany — **2013–2015** Director Global Procurement and Supply Chain Management, SolarWorld AG, Bonn, Germany — **2011–2013** Division Manager Purchase Department, Germany, SolarWorld AG, Bonn, Germany — **2008–2011** Team Leader Purchase Department, SolarWorld AG, Bonn, Germany — **2005–2008** Purchaser, Linde AG/Linde KCA GmbH, Dresden, Germany — **2003–2005** Employment abroad in the USA and Canada, Team Leader of a humanitarian organization.

Other activities and vested interests

Current mandates: No further Board of Directors memberships or consultancy activities for important Swiss or foreign organizations. No significant official functions or political offices.

Changes to the Executive Board during fiscal year 2023

In line with the Company's aims regarding the transition to a cell and module producer, and especially the production and sales aspects of this transformation, the Executive Board was reduced from five to four members. Dr. Moritz Borgmann (CCO) stepped down and left the Executive Board on 24 July 2023.

Management contracts

There are no management contracts between Meyer Burger Technology AG or any of the Group companies and third parties.

Mandates held by the Executive Board (outside of Meyer Burger) as at 31 December 2023

Mandates	Remunerated mandates at publicly listed companies	Remunerated mandates at other legal entities	Non-remunerated mandates
Limit set by Articles of Association	**1**	**3**	**2**
Dr. Gunter Erfurt	–	–	3
Markus Nikles	–	–	–
Katja Tavernaro	–	–	–
Daniel Menzel	–	–	–

For the exact wording of Article 28 of the Articles of Association regarding the maximum number of mandates allowed outside Meyer Burger, please refer to the section concerning members of the Board of Directors on page 75. The Board of Directors separately approved of the mandates exceeding the limit set by the Articles of Association.

Executive Board

Dr. Gunter Erfurt
Chief Executive Officer

Markus Nikles
Chief Financial Officer

Katja Tavernaro
Chief Sustainability Officer

Daniel Menzel
Chief Operating Officer

Compensation, Shareholdings, and Loans

- Detailed information on compensation, shareholdings, and loans to active and former members of the Board of Directors and the Executive Board is included in the Remuneration Report (pages 88 to 99).
- Statutory rules regarding the principles of compensation, participation plans, loans, credit, and pension benefits are set out in Articles 30 to 34 of the Articles of Association. The rules regarding the approval of the remuneration by the General Meeting of Shareholders are set out in Article 17 of the Articles of Association.

Shareholders' Participation Rights

Voting rights restrictions and representation

Each share is entitled to one vote. The shareholder rights can be exercised by anyone who is registered in the share register as a shareholder ten days prior to the General Meeting of Shareholders and who has not sold their shares up to the end of the General Meeting of Shareholders.

A shareholder may be represented at the General Meeting of Shareholders by a person with a written power of attorney, who does not need to be a shareholder. All shares held directly or indirectly by a shareholder can only be represented by one person. For voting rights of nominees, please refer to the section "Limitations on transferability and nominee registrations" on page 69 of this Corporate Governance Report. Any cancellation, liberalization, or intensification of the limitations on nominee registration stipulated in the Articles of Association must be approved by at least two thirds of the votes represented and the absolute majority of the nominal value of shares represented at the Meeting of Shareholders.

Independent proxy holder

The General Meeting of Shareholders elects an independent proxy holder. Natural persons, legal entities, and partnerships are eligible for election. The term of office expires with the conclusion of the next Ordinary Shareholders' Meeting. Re-election is permitted.

The Annual General Meeting of Shareholders held on 5 May 2023 elected Mr. lic. iur. André Weber as independent proxy holder for a term of office until the conclusion of the 2023 Ordinary Shareholders' Meeting. Mr. Weber is independent and has no further mandates for Meyer Burger Technology AG.

The Company enables its shareholders to transfer their votes to the independent proxy holder by electronic means through the eComm platform (https://ip.computershare.ch/meyerburger) for any General Meeting. The description of the procedure to register and vote through the platform is sent to shareholders who are registered in the share register together with the invitation to the Shareholders' Meeting.

- For statutory rules regarding the independent proxy holder, please refer to Article 13 of the Articles of Association.

Statutory quorums

The General Meeting of Shareholders drafts its resolutions and carries out its votes on the basis of the absolute majority of the voting rights represented. At least two thirds of the votes represented and the absolute majority of the nominal value of shares represented are required, among other things, for resolutions in accordance with Article 704 paragraphs 1 and 2 of the Swiss Code of Obligations (CO).

Convocation of a General Meeting of Shareholders

General Meetings of Shareholders are convened by the Board of Directors, or if necessary by the auditors, or at the request of one or more shareholders who together represent at least 10 percent of the share capital with voting rights. The convocation of a General Meeting of Shareholders will take place by means of the publication of an invitation in the Swiss Official Gazette of Commerce at least 20 days prior to the date of the Meeting. In addition, shareholders who are registered in the share register will receive a written invitation from the Company to participate in the General Meeting of Shareholders. The invitation must include the motions and proposals by the Board of Directors and by those shareholders who have requested either the convocation of a Meeting or the inclusion of a certain motion on the agenda.

Agenda

Shareholders representing shares that account for at least 0.5 percent of the voting rights or shares may request the inclusion of an item on the agenda of the General Meeting of Shareholders. Such requests must be submitted to the Board of Directors at least 35 days prior to the General Meeting of Shareholders in writing, specifying the items and proposals to appear on the agenda.

Requests with regard to motions that have not been properly announced may be permitted for discussion if the General Meeting of Shareholders decides to do so. However, it will not be possible, to take a decision on such a request until the next General Meeting of Shareholders. This rule does not apply to requests for an Extraordinary General Meeting or for the performance of a special audit.

No prior notice is required for requests regarding motions that are on the agenda.

Registration in the share register

No entries will be made in the share register for a period of ten days prior to a General Meeting of Shareholders, including the day after the General Meeting.

Change of Control and Defense Measures

Duty to make an offer

Pursuant to the Swiss FMIA (Financial Market Infrastructure Act), any person who acquires equity securities in a company whose shares are listed on a Swiss stock exchange, whether directly or indirectly or acting in concert with third parties, and, as a result, exceeds the threshold of $33^1/_3$ percent of the voting rights (whether exercisable or not) of such a company, must submit a public tender offer to acquire 100 percent of the listed equity securities of that company. Meyer Burger Technology AG's Articles of Association do not provide for opting out of this rule or opting-up of the threshold for a mandatory offer.

Clauses on changes of control

In the event that a third party would acquire more than $33^1/_3$ percent of the voting rights of Meyer Burger Technology AG, 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 grace period in case of a successful public tender offer. There are no further clauses regarding a change of control that would favor the members of the Board of Directors, members of the Executive Board, or other members of management or associates.

Auditors

Mandate and fees of the lead auditor

PricewaterhouseCoopers AG has been the Company's auditor since fiscal year 2003. The lead auditor, René Rausenberger, has been responsible for the audit mandate since 2020. The auditors have to be elected each year by the General Meeting of Shareholders.

The auditing fees of PricewaterhouseCoopers AG, for services related to the audit of the annual financial statements of Meyer Burger Technology AG and its subsidiaries, the consolidated financial statements of Meyer Burger, the review of the Half-Year Report, and the audit of the Remuneration Report for fiscal year 2023 are as follows.

In TCHF	2023
Audit fees	1 023
Additional fees	9
Total	**1 032**

The additional fees relate to non-audit confirmation services.

Supervisory and control instruments vis-à-vis the auditors

Once a year, the R&A Committee examines the auditing concept, the auditing plan, and the fee structure, as well as the auditors' independence from the Company.

At least once a year, the external auditors provide a detailed audit report and brief the R&A Committee extensively. The important statements and recommendations in the audit reports compiled by the external auditors are then discussed in detail with the entire Board of Directors and the Executive Board.

In fiscal year 2023, the external auditors issued two detailed audit reports (one each for the fiscal year and half-year report). Representatives of the external auditors participated in eight meetings of the R&A Committee.

Once a year, the Board of Directors verifies the selection of potential auditors, in order to propose the preferred audit firm for election to the shareholders at the General Meeting of Shareholders. The R&A Committee evaluates the effectiveness of the auditors in accordance with Swiss law. In this evaluation, the R&A Committee attaches great importance to the following criteria: independence of the external auditors (personal independence of the lead auditor and independence of the audit firm in general), understanding of the Company's business areas, sufficient resources set aside by the auditors, practical recommendations for the implementation of regulations in accordance with Swiss law and Swiss GAAP FER, the global network of the auditors, understanding of the specific business risks of the Company, the focus of the audit within the audit program, and cooperation with the R&A Committee, the internal audit, and the Executive Board.

The Board of Directors follows the regulations of the Swiss Code of Obligations with regard to the rotation intervals of the lead auditor, i.e. the lead auditor will be rotated every seven years.

The R&A Committee also examines the ratio between the auditing fee for the annual financial statements and the additional non-audit services performed by the auditors. The Committee will examine potential consequences regarding the independence of the auditors. The Executive Board is permitted to assign non-audit mandates to the auditors up to an amount of TCHF 50. For any non-audit mandates exceeding this amount, the R&A Committee or the Board of Directors must be informed. The auditing fee for the annual audit mandate is approved definitively by the entire Board of Directors.

For fiscal year 2023, the Board of Directors concluded that the independence of the auditors was fully ensured at all times.

Information Policy

Meyer Burger Technology AG communicates openly and transparently and treats shareholders, analysts, business partners, employees, and the public equally when it informs them promptly about any development in the Company.

– Company website www.meyerburger.com

Meyer Burger Technology AG publishes its financial results in an annual report and an interim report, as well as through press releases. When the annual results are released, the Company organizes a physical conference for the media and the financial community and a conference call to discuss details of the reported earnings. For the interim results, the Company organizes a conference call. The Company's financial reports are available on the Company website in electronic format or can be ordered from the Company in print form and free of charge.

– Financial reports are available directly at https://www.meyerburger.com/en/investor-relations/financial-reports-publications

Official notices are published in the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt, SOGC). Publications in conjunction with the listing of the registered shares on the SIX Swiss Exchange are made in accordance with the SIX Swiss Exchange listing rules. The rules can be viewed at:
https://www.ser-ag.com/dam/downloads/regulation/listing/listing-rules/lr-en.pdf

Detailed information regarding disclosure notices of major shareholders of Meyer Burger Technology AG is available at https://www.ser-ag.com, (Product Search "MBTN," Overview, Major Shareholders).

Price-sensitive information is published according to the ad-hoc publicity rules. The methods of distribution of ad-hoc press releases (known as push and pull systems) have been implemented in accordance with the SIX Swiss Exchange ad-hoc publicity rules.

– Press releases can be viewed at: https://www.meyerburger.com/en/investor-relations/ad-hoc-announcements
– The contact form to subscribe for direct receipt of the ad-hoc press releases is available at: https://www.meyerburger.com/en/newsroom/registration-news-service

Information on Company share transactions by members of the Board of Directors and members of the Executive Board are published at www.six-swiss-exchange.com, (Product Search "MBTN," Overview, Management Transactions).

– For details regarding investor relations contacts, address details of the Company, and the schedule of important dates for fiscal year 2023, please refer to page 160 of this Annual Report.

Quiet Periods

Based on Meyer Burger's Insider Trading Regulations, members of the Company's Board of Directors and Executive Board and all other persons participating in the Company's employee share ownership plans are prohibited from trading in the Company's shares and/or derivatives on the date of publication of the Company's half-year or fiscal year figures or within the 40 days preceding that date, unless the Board of Directors has given express written consent to an acquisition or disposal during the quiet period.

If insider information exists, as defined in Article 2 (j) FMIA, insiders are also prohibited from acquiring or disposing of ownership rights, whether directly or indirectly, outside the lock-up periods.

If special circumstances exist, the Board of Directors also reserves the right to restrict or prohibit trading in ownership rights outside the lock-up periods.

Remuneration Report

Letter to shareholders

Dear Shareholders,

On behalf of the Board of Directors and the Nomination & Compensation Committee (N&C Committee), I am pleased to present to you the 2023 Remuneration Report. In 2023, Meyer Burger successfully expanded its production capacities and started to implement its plans to open the US production sites. This report outlines how the performance in 2023 impacted the incentive payouts to the members of the Board of Directors and Executive Board.

At the Annual General Meeting (AGM) in 2023, the shareholders again confirmed all compensation-related motions with high approval rates. The maximum compensation amount for the Executive Board for the fiscal year 2024 received an approval rate of 86.9% (previous year: 91.1%); the maximum compensation amount for the Board of Directors was accepted with an approval rate of 92.6% (previous year: 93.0%); and the consultative vote on the 2022 compensation report passed with an approval rate of 82.8% (previous year: 87.5%). This demonstrates that Meyer Burger successfully developed and maintained compensation models over the past few years in a sensible and appropriate way, taking into account shareholder interests, market expectations, company needs, and possibilities. During the reporting year, compensation models broadly remained unchanged, with only two specific adjustments.

Firstly, the base salary levels of the Executive Board members were adjusted in 2023. On the one hand, the Board decided to increase the base salary for three Executive Board members as of March 2023, in order to reasonably align with relevant market practice. On the other hand, since former CCO Moritz Borgmann has stepped down from his Executive Board role, the Board has decided to not replace him for the time being and, consequently, the total number of Executive Board members was reduced from five to four. The CEO and the COO jointly took over the former CCO's tasks and responsibilities, and their base salary was increased as of that time, to appropriately reflect their extended role and responsibility.

Secondly, the Board decided to extend the term of outstanding employee share options previously granted to the CEO and the CSO on 18 December 2020, so that the expiry date (which is also the date when they will be exercised automatically at the latest) will now be 24 May 2024 (instead of 18 December 2023), in line with the existing expiry date of outstanding options of the COO. This is intended to promote equal and fair treatment among Executive Board members with respect to their share option opportunities.

Further details about these amendments are provided on 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 N&C Committee 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,

Andreas Herzog
Member of the N&C Committee

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 the members of the Executive Board of Meyer Burger Technology AG (Meyer Burger). The report also provides information on the compensation programs and the compensation awarded to members of the Board of Directors and the Executive Board for the 2023 fiscal year.

The Remuneration Report is based on the Corporate Governance Directive issued by the SIX Swiss Exchange and Article 734 et seq. of the Swiss Code of Obligations (CO).

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

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 2022 AGM to 2023 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

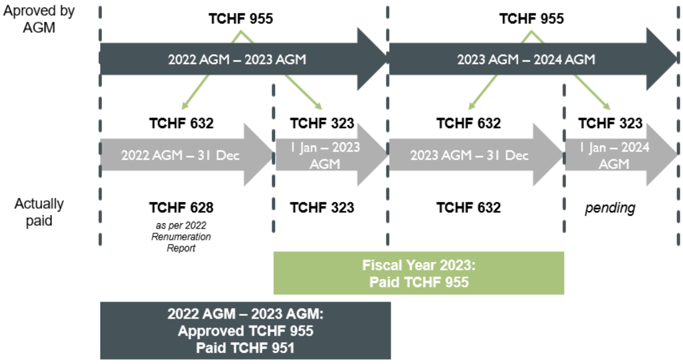
Reconciliation between approved compensation and compensation awarded for 2023

At the 2022 AGM, compensation amounts for the Board of Directors were approved for the annual term of office between the 2022 AGM and the 2023 AGM. The 2023 AGM then further approved the Board compensation for the term between the 2023 AGM and the 2024 AGM. As a result, the amount of compensation that is disclosed in this Remuneration Report (paid for the 2023 fiscal year) overlaps with two separate compensation periods.

For the first compensation period, from 1 January 2023 to the 2023 AGM, the compensation awarded to the Board of Directors amounts to CHF 323 thousand. The pro-rated approved amount for the same periods is also CHF 323 thousand (total amount of CHF 955 thousand approved at the 2022 AGM for the total 22/23 term). Thus, the compensation awarded is within the pre-approved amounts.

For the second compensation period, from the 2023 AGM to the 2024 AGM, the unchanged maximum compensation amount of CHF 955 thousand was approved. Adjusted for the period from AGM 2023 to 31 December 2023, this amounts to CHF 632 thousand. The compensation for the portion of this term of office included in this Remuneration Report (up to 31 December 2023) is within this approved limit. A definitive assessment for the remainder of the entire compensation (CHF 323 thousand) period will be provided in the next Remuneration Report.

The diagram below shows how the relevant compensation periods and amounts come together:



Summary of the compensation system for the Executive Board

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 2023

The compensation awarded to the Executive Board for the fiscal year 2023 in the amount of CHF 3,340 thousand is within the amount of CHF 3,800 thousand approved by the shareholders at the AGM.

Compensation Governance

The role of the shareholders regarding compensation matters has become increasingly important in recent years. First of all, shareholders approve the maximum aggregate compensation amounts for 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 in the Investor Relations section:
www.meyerburger.com/en/annual-general-meeting

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 N&C Committee 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. Since the 2021 AGM, Prof. Dr. Urs Schenker (Chair) and Andreas R. Herzog have been members of the N&C Committee. Prof. Dr. Urs Schenker voluntarily stepped down in early 2024 (succeeded by Franz Richter) but was still in office through the entire 2023 calendar year, and is therefore mentioned in this report accordingly.

The N&C Committee 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 the N&C Committee

The N&C Committee usually meets in accordance with the annual schedule below. In the year under review, the N&C Committee held four meetings. The N&C Committee members participated in all N&C Committee meetings as noted in the Corporate Governance Report on page 76. Usually, the activities of the N&C Committee are reported to the Board of Directors following each committee meeting. The N&C Committee minutes are shared with all Board members and form the basis for the approval of N&C Committee 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
• Review and determination of the target compensation of members of the Board of Directors and the Executive Board for the following year • Preliminary review of the Remuneration Report for the reporting year	• Performance assessment and determination of variable compensation of members of the Executive Board for the previous year • Review and approval of the Remuneration Report for the reporting year • 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	• Preparation of equity grants for the Board of Directors, the Executive Board, and participants in equity programs • Review of external stakeholders' feedback on the Remuneration Report and on the compensation policies • Benchmarking of the compensation of the Board of Directors and the Executive Board	• Nomination matters relating to the Board of Directors, the Executive Board and other key management positions • Succession Planning for positions on the Board of Directors and Executive Board • Review of compensation policies for the Board of Directors and the Executive Board

In compliance with the Swiss Code of Obligations (CO), the maximum aggregate compensation amounts of the Board of Directors and the Executive Board are subject to shareholders' 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	N&C	BoD	AGM
Compensation of Board of Directors members		N&C	BoD
Grant of equity to members of the Board of Directors		N&C	BoD
Maximum aggregate compensation amount of the Executive Board	N&C	BoD	AGM
Compensation of the CEO, including fixed and variable compensation		N&C	BoD
Compensation of Executive Board members other than the CEO, including fixed and variable compensation	CEO	N&C	BoD
Grant of equity to the Executive Board members		N&C	BoD
Selection and proposal of new members of the Board of Directors		N&C	BoD
Selection and proposal of new members of the Executive Board and other key management positions		N&C	BoD
Succession planning for the Executive Board		N&C	BoD

BoD = Board of Directors

The N&C Committee may decide to consult external advisors on specific compensation matters. In 2023, long-term incentive plan specialists from [di-alog]unlocked and valuation experts from 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 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 success and long-term value creation, promote an entrepreneurial attitude, and strengthen the alignment with shareholders' interests.

Board of Directors

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 installments.

Executive Board

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

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 N&C Committee on an annual basis and, if necessary, adjusted by the Board of Directors based on a proposal by the N&C Committee. The level of compensation is set by the N&C Committee, taking into account the work required by Board and committee members, and is approved by the Board of Directors.

In 2023, the mix of cash and equity compensation as well as the type of equity instrument used in the compensation system remained unchanged.

The members of the Board of Directors continue to receive an annual retainer settled 50% in cash and 50% in the form of restricted shares (RS), subject to a three-year blocking period.

This compensation structure will strengthen both the independence of the Board of Directors in exercising its supervisory duties and the alignment with shareholders´ interests.

The amount of compensation per member of the Board of Directors remains unchanged from the previous term, consisting of the following amounts:

in TCHF	Cash	RS
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. 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) must 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.

Outstanding share-based compensation granted prior to 2022

Until May 2021, compensation to the members of the Board included grants of performance share units (PSUs). No such awards were granted after May 2021.

On 23 December 2023, the PSUs granted in 2020 were due to vest. However, due to the threshold share price not being met, all PSUs lapsed without any compensation.

As at 31 December 2023, the following PSUs from previous grants were outstanding:

Grant date	Vesting date	Currently expected vesting percentage
24 May 2021	24 May 2024	0%

Compensation of the Board of Directors in 2023

Compensation of members of the Board of Directors (audited)

2022/2023

in TCHF	Year	Board of Directors	R&A Committee	N&C Committee	Cash	RS[1]	Total compensation 2023/2022
Dr. Franz Richter	2023	C	–	–	107	108	**215**
	2022	C	–	–	107	108	**215**
Mark Kerekes	2023	V	M		92	93	**185**
	2022	V	M	–	92	93	**185**
Andreas Herzog	2023	M	C	M	92	93	**185**
	2022	M	C	M	92	93	**185**
Prof. Dr. Urs Schenker	2023	M	–	C	92	93	**185**
	2022	M	–	C	92	93	**185**
Katrin Wehr-Seiter[2]	2023	M	M	–	92	93	**185**
	2022	M	M	–	61	61	**122**
Total before mandatory employer contributions	**2023**				**475**	**480**	**955**
	2022				444	448	892
Mandatory employer contributions	2023						**37**
	2022						53
Total	**2023**						**992**
	2022						945

C: Chair, V: Vice Chair, M: Member, R&A: Risk & Audit Committee, N&C: Nomination & Compensation Committee.

1 Restricted shares, semi-annual installments. 24 June 2022 grant: value of CHF 0.4436 per RS. 15 December 2022 grant: value of CHF 0.5410 per RS. 23 June 2023 grant: value of CHF 0.5795 per RS. 15 December 2023 grant: value of CHF 0.1779 per RS.

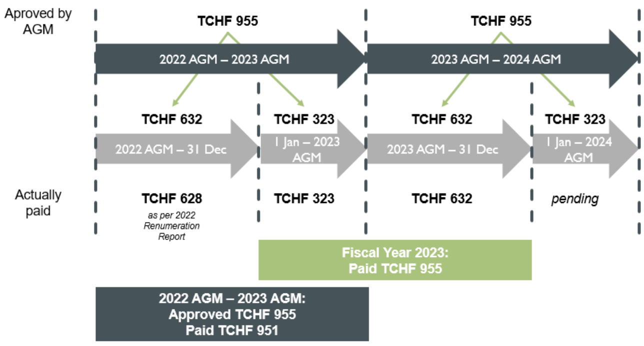
2 From 5 May 2022.

Explanatory comments on the compensation table

No member of the Board of Directors served in an executive role in 2022 or 2023. The number of members of the Board of Directors increased from four to five as of the 2022 AGM, and it has remained unchanged since then through 31 December 2023. Therefore, the total compensation amount in the reporting year (before employer contributions) increased by 7.1%: This reflects the fact that there were four members during a significant part of 2022, but five members throughout 2023. The compensation amounts per individual remain unchanged.

At the 2022 AGM, a maximum aggregate amount of compensation of CHF 955 thousand (excluding mandatory employer contributions) was approved for the Board of Directors for the compensation period from the 2022 AGM to the 2023 AGM. Adjusted for the period from 1 January 2023 to the 2023 AGM, the approved amount corresponds to CHF 323 thousand. The total value of the compensation awarded to the Board of Directors for this period was CHF 323 thousand (again excluding mandatory employer contributions) and is therefore within the approved limits.

At the 2023 AGM, the same maximum aggregate amount of compensation of CHF 955 thousand (excluding mandatory employer contributions) was approved for the Board of Directors for the compensation period from the 2023 AGM up to the 2024 AGM. Adjusted for the period from the AGM 2023 to 31 December 2023, this amounts to CHF 632 thousand. The compensation for the portion included in this Remuneration Report (up to 31 December 2023) is within this approved limit. A definitive assessment for the entire period will be provided in the next Remuneration Report.



Other remuneration (audited)

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 2023 fiscal year (2022: 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 2023 or 2022.

No compensation was paid to any former members of the Board of Directors of Meyer Burger, or a Group company, or related parties in 2023 or 2022.

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 comprehensive benchmark review of the entire compensation structure was conducted in 2019. In 2023, the compensation system, the components, and the pay mix remained broadly unchanged from previous years, except for specific adjustments to the base salary of certain Executive Board members and the extension of the expiry date of certain share options for two Executive Board members, both of which are set out in more detail further below.

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, the economic environment, and individual performance.

In 2023, two kinds of adjustments were made to the base salary of Executive Board members, both of which are described in more details below: (a) market adjustments for three members; and (b) an adjustment due to extended role and responsibility for two members.

a) Market adjustments for three members

At the beginning of 2023, the Board analyzed the relevant market and resolved that the base salaries for the CEO, the COO, and the CCO should be adjusted to be reasonably competitive and in line with base salaries of comparable roles in similar companies. As a result, with effect from March 2023, the CEO's base salary was increased by 18.8%, and the salaries of the COO and the CCO were increased by 10.4%. The adjusted base salaries as of March are included in the compensation for 2023 disclosed below and they are within the total compensation amounts approved by the AGM for 2023.

b) Adjustment due to extended role and responsibility for two members

During 2023, former CCO Moritz Borgmann stepped down from his Executive Board role and was not replaced. The corresponding tasks were taken over by the CEO and the COO, and the Board has decided to continue with this leaner Executive Board structure. In order to appropriately reflect the extended roles and responsibilities of the CEO and the COO after jointly taking over the former CCO's tasks, their base salaries were increased accordingly (+28.1% for the CEO and +37.7% for the COO, both effective as of June 2023).

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 STI target is expressed as a percentage of base salary. The target payout levels (at 100% performance achievement) per member of the Executive Board remained unchanged; however, in consideration of the partially increased base salaries (as explained above), this led to a lower STI target if expressed as a percentage of base salary for some members. In 2023, the STI target amounted to 39% (previous year: 55%) of base salary for the CEO and 25–44% (previous year: 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 proposed annually by the N&C Committee (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. These mechanisms remained unchanged in 2023.

	Achievement level	
	Target (% of base salary)	Maximum (% of target)
Chief Executive Officer	39%	150%
Other Executive Board members	25–44%	150%

For the fiscal year 2023, the Board of Directors decided to focus on financial targets in the STI performance measurement. Consequently, while the relevant KPIs in previous years included strategic targets with a 30% weighting and financial targets with a 70% weighting, the 2023 STI was based 100% on financial targets. Such financial objectives in 2023 focused on growth, profitability, and the generation of cash, which was measured using production volume, EBITDA margin, and CAPEX. These KPIs are key to the business success of Meyer Burger. The three KPIs are weighted as follows: production volume at 30%, EBITDA margin at 50% and CAPEX at 20%. Financial targets are based on the annual budget and the payout on the actual financial results.

Objectives, performance measures, and their weighting

Objectives	Performance Measures	Weighting
Financial (100%)	Production volume	30%
	EBITDA margin	50%
	CAPEX	20%

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

Long-term incentive (LTI) program

The long-term incentive program is an employee share option plan. It remains unchanged from the previous year.

The LTI target amount is determined as a fixed amount in local currency, not linked to the base salary. However, if expressed as a percentage of base salary for ease of reference, it amounts to 110% (previous year: 55%) of base salary for the CEO; and 54–83% (previous year: 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.

	2023 target amount (% of base salary)
Chief Executive Officer	110%
Other Executive Board members	54–83%

The share options are subject to a three-year cliff vesting period. Upon vesting, the share options are immediately and automatically exercised, 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 granted on 13 April 2023 was set at CHF 0.65, while the share price at grant amounted to CHF 0.60. The vesting of the share options is subject to continued employment and to the achievement of a business-crucial financial KPI: If the 12-month trailing free cash flow at Group level immediately prior to the vesting date is negative, the share options lapse without any compensation on the vesting date.

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. If the employment relationship ends for any other reason (such as death, disability, retirement, or termination by the employer without cause and not for performance reasons), unvested share options are pro-rated (in proportion to the part of the total vesting period expired up to the termination date), but the vesting date of this pro-rated number of share options will remain unchanged, and the free cash flow condition continues to apply on the vesting date.

The shares acquired through option exercise 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.

Outstanding long-term incentives awarded prior to 2022

In 2019 and 2020, the long-term incentive was awarded in the form of PSUs subject to a three-year vesting period conditional upon the relative total shareholder return (TSR). The last grant of PSUs under that previous LTI plan was made in 2020, subject to a three-year performance period from 2020 to 2022. Due to not meeting the minimum performance threshold, no PSUs vested at the end of 2022. In 2023, no further PSUs from previous LTI plans were outstanding.

In addition, there was a previous share option model with grants in 2020. Share options under that plan could be exercised after one year from the grant date at the earliest (further details in the Remuneration Report 2020), vesting not being subject to any further specific financial performance conditions. Such share options granted prior to 2021 continue to be exercisable in 2022 and 2023. 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 2022 and 2023.

Extension of 2020 share options expiry date

The share options granted under the old model (as described above) to the CEO and the CSO on 18 December 2020, were due to expire on 18 December 2023. All those share options were still unexercised through December 2023. The Board decided on 11 December 2023 to extend the term of those outstanding share options of the CEO and the CSO, so that the expiry date (which is also the date when they will be exercised automatically at the latest) will now be 24 May 2024. This is in line with the existing expiry date of outstanding options of the COO and it is intended to promote equal and fair treatment among Executive Board members with respect to their share option opportunities.

Even though the options were under water at the time, the above extension of the expiry date resulted in an increased fair value of the options, effective on the date of the Board's decision on 11 December 2023. The incremental fair value per share option was determined by an external valuation expert as CHF 0.0238 and it is included in the compensation table for 2023 below.

Overview of outstanding share options as at 31 December 2023

Grant date	Strike price[1]	Expiry date
18 December 2020	CHF 0.265	24 May 2024[2]
3 June 2021	CHF 0.458	3 June 2024
8 June 2022	CHF 0.445	8 June 2025
13 April 2023	CHF 0.650	13 April 2026

1 After adjustment in October 2022 (for details, see Remuneration Report 2022).
2 Extended expiry date, see comments above.

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 six 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 period of 12 months following termination of employment.

Compensation in 2023

Realized compensation

The following section shows the total annual pay components realized in 2023, including salary and bonus payments, contributions to pension plans, perquisites, and the actual value of equity plans that vested in 2023. This reflects the income received by members of the Executive Board in 2023, which amounted to total annual compensation of CHF 1,777 thousand (2022: CHF 1,349 thousand), with the increase mainly due to higher STI payments made in

2023 (for performance year 2022) than in the previous year. The highest compensation received by an individual member of the Executive Board in 2023 was CHF 434 thousand for the CEO (2022: CEO with CHF 350 thousand), due to the higher STI payment made in 2023 (for performance year 2022) than in the previous year, and also the increase in base salary described above.

Compensation realized by members of the Executive Board in 2023

		Fixed compensation			Variable compensation		
2023 in TCHF[5]	Year	Base salary	Pension	Other[1]	STI[4]	LTI (effective value at vesting date)[2]	**Total realized compensation**
Total compensation of members of the Executive Board[3]	2023	1 325	70	130	252	–	**1 777**
	2022	1 112	40	106	65	26	**1 349**
Thereof highest paid: Dr. Gunter Erfurt CEO	2023	300	23	18	93	–	**434**
Dr. Gunter Erfurt CEO	2022	256	25	17	52	–	**350**

1 Other compensation includes perquisites such as a car allowance or the value of a company car as well as employer social security costs (other than pensions), vacation payments and minor benefits.
2 No LTI awards were realized in 2023. The share options granted in 2020 were due to vest in 2023, but the expiry date was extended until May 2024 (see above).
3 During 2022, the Executive Board was increased to five members (previously three). 2022 includes compensation awarded to Nathalie Benedikt in her capacity as a CFO in office from 1 January to 31 March 2022, and to Markus Nikles as new CFO from 1 September 2022. Between 1 April and 1 September 2022, the CFO tasks were shared between the other Executive Board members, thus no additional CFO compensation was awarded for that period. During 2023, after the former CCO Moritz Borgmann stepped down, the Executive Board was reduced to four members. However, the compensation disclosed above includes the contractual payments to Moritz Borgmann until the end of the year (ongoing notice period).
4 The realized value for the STI (TCHF 256) is slightly lower than the STI value disclosed as "granted" in the Remuneration Report 2022 (TCHF 265), since a higher target achievement was forecast as a precaution. The decision on the final achievement for 2022 was made after finalization of the Remuneration Report 2022.
5 EUR amounts converted into CHF amounts on the basis of the same rate used for the overall financial reporting, i.e., 1/0.9260. For the Remuneration Report 2022, the rate used for the overall financial reporting was 1/0.9847.

Granted compensation (audited)

This section shows the pay components granted for 2023, which in total amounted to CHF 3,340 thousand (2022: CHF 2,648 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 1,325 thousand (2022: CHF 1,112 thousand), contributions to pension plans of CHF 70 thousand (2022: CHF 40 thousand), other perquisites of CHF 59 thousand (2022: CHF 37 thousand), bonus payments of CHF 268 thousand (2022: CHF 265 thousand), and the fair value of the LTI award at grant date of CHF 1,529 thousand (2022: CHF 1,125 thousand). The highest compensation granted to an individual member of the Executive Board in 2023 was CHF 956 thousand (2022: CHF 833 thousand).

Compensation granted to members of the Executive Board

in TCHF[6]	Year	Fixed compensation: Base salary	Fixed compensation: Pension	Fixed compensation: Other[1]	Variable compensation: STI	Variable compensation: LTI[2]	**Total granted compensation**
Total compensation of members of the Executive Board before mandatory employer contributions[3]	2023	1 325	70	59	268	1 529	**3 251**
	2022	1 112	40	37	265	1 125	**2 579**
Thereof highest granted to one individual: Dr. Gunter Erfurt (CEO)	2023	300	23	4	67	562	**956**
Dr. Gunter Erfurt (CEO)	2022	256	24	4	99	450	**833**
Estimated mandatory employer contributions[4]	2023						**89**
	2022						**69**
Total compensation of members of the Executive Board[5]	**2023**						**3 340**
	2022						2 648

1 Other compensation includes perquisites such as a car allowance or a company car as well as vacation payments and minor benefits.
2 LTI compensation includes the following:
- The fair value of the share option at grant date: In 2022 CHF 0.206 and in 2023 CHF 0.259 per option (valuation per Enhanced American Model). The grant date in 2023 was 13 April 2023.
- In addition, for 2023: incremental value of CHF 0.0238 per share option because of the extended expiry date (see details in explanatory comments below).

3 During 2022, the Executive Board was increased to five members (previously three). 2022 includes compensation awarded to Nathalie Benedikt in her capacity as a CFO in office from 1 January to 31 March 2022, and to Markus Nikles as new CFO from 1 September 2022. Between 1 April and 1 September 2022, the CFO tasks were shared between the other Executive Board members, thus no additional CFO compensation was awarded for that period. During 2023, after the former CCO Moritz Borgmann stepped down, the Executive Board was reduced to four members. However, the compensation disclosed above includes the contractual payments to Moritz Borgmann until the end of the year (ongoing notice period).
4 For the LTI awards granted in 2023 (where any social security contributions will only be due upon actual vesting/exercise in future years), a reasonable estimate of employer social security cost, on the basis of the grant fair value, is included.
5 In 2022, the Executive Board was increased to five members (previously three, with Katja Tavernaro as Chief Sustainability Officer as of her stepping into that post in June 2021). During 2023, after the former CCO left the company, the Executive Board was reduced to four members.
6 EUR amounts converted into CHF amounts based on the same rate used for the overall financial reporting, i.e. 1/0.9260. For the Remuneration Report 2022, the rate used for the overall financial reporting was 1/0.9847.

Explanatory comments on the compensation table

The overall compensation awarded to the Executive Board was higher in 2023 than in 2022. This change can be explained by the following:

- Base salaries: As explained further above, base salaries for some Executive Board members were increased during 2023, (i) in order to adjust to competitive market levels pursuant to the Board's benchmarking analysis, and (ii) for the CEO and the COO in consideration of their extended roles and responsibilities after taking over the tasks of the former CCO.
- STI: In 2022, while functional cost reduction goals were achieved convincingly, production volume was below expectations, thus leading to an overall payout of 76% of target on average (see Remuneration Report 2022). In 2023, while EBITDA and production volume fell short of expectations, the CAPEX target was exceeded, thus leading to an overall payout of 50% of target on average (ignoring the former CCO's remaining STI in the context because he stepped down during the course of the year).
- LTI: The total value of share options granted in 2023 increased by 36% compared to the previous year. On the one hand, this is due to the higher fair value per share option on the grant date (CHF 0.206 in 2022 and CHF 0.259 in 2023), driven by share price and further valuation parameters at the time of grant. On the other hand, an additional value had to be included for the extension of outstanding options in December 2023 (see details in the separate section below).
- The variable compensation amounted to 210% of the annual base salary for the CEO (2022: 214%) and to 114% of the annual base salary for the other members of the Executive Board on average (2022: 98%).

In 2022, the ordinary AGM approved a maximum aggregate amount of compensation for the Executive Board of CHF 3,800 thousand (excluding mandatory employer contributions) for the fiscal year 2023, and therefore the overall compensation granted of CHF 3,340 thousand is within the limits approved by the shareholders.

During 2022 and 2023, 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 2022 or 2023 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 2022 or 2023.

During 2022 and 2023, no compensation was paid to related parties, either by Meyer Burger or by any other company in the Meyer Burger Group.

Adjustments to outstanding share options in December 2023

The share options granted to the CEO and the CSO under the old model on 18 December 2020 were due to expire on 18 December 2023. All those share options were still unexercised through December 2023. The Board decided on 11 December 2023 to extend the term of those outstanding share options of the CEO and the CSO, so that the expiry date (which is also the date when they will be exercised automatically at the latest) will now be 24 May 2024. This is in line with the existing expiry date of outstanding options of the COO and it is intended to promote equal and fair treatment amongst Executive Board members with respect to their share option opportunities.

Even though the options were under water at the time, the above extension of the expiry date resulted in an increased fair value of the options, effective on the date of the Board's decision on 11 December 2023. The incremental fair value per share option was determined by an external valuation expert as CHF 0.0238, and it is included in the above compensation table for 2023.

Share ownership and related instruments Board of Directors

As at 31 December 2023, members of the Board of Directors held a total of 23,647,784 registered shares, 3,249,738 RSUs, and 501,672 PSUs. This comprises both privately acquired shares and those allocated under Meyer Burger's compensation system.

Share ownership as at 31 December 2023 (audited)

Name	Year	No. of shares	No. of RSUs	No. of PSUs
Members of the Board of Directors				
Dr. Franz Richter	2023	4 133 754	889 501	167 224
	2022	4 133 754	494 613	675 699
Mark Kerekes	2023	7 925 812	644 987	167 224
	2022	7 925 812	305 200	675 699
Prof. Dr. Urs Schenker	2023	11 069 762	644 987	–
	2022	11 069 763	305 200	–
Andreas Herzog	2023	518 456	644 987	167 224
	2022	518 456	305 200	675 699
Katrin Wehr-Seiter (from 2022 AGM)	2023	–	425 276	–
	2022	–	85 489	–
Total	**2023**	**23 647 784**	**3 249 738**	**501 672**
	2022	23 647 785	1 495 702	2 027 097

Executive Board

As at 31 December 2023, the members of the Executive Board held a total of 842,647 registered shares, no performance share units, and 31,617,679 employee stock options.

Name	Year	No. of shares	No. of stock options
Members of the Executive Board			
Dr. Gunter Erfurt	2023	505 734	12 577 770
	2022	505 734	11 006 202
Katja Tavernaro	2023	86 913	6 538 884
	2022	86 913	5 753 100
Markus Nikles (from September 2022)	2023	250 000	1 055 341
	2022	250 000	–
Dr. Moritz Borgmann (stepped down on 23 July 2023; ongoing notice period through 31 December 2023)	2023	–	6 341 842
	2022	–	5 556 058
Daniel Menzel	2023	–	5 103 842
	2022	–	4 318 058
Total	**2023**	**842 647**	**31 617 679**
	2022	842 647	26 633 418

Equity Overhang and Dilution as at 31 December 2023

As at 31 December 2023, the equity overhang, defined as the total number of unvested share units and options divided by the total number of outstanding shares (3,597,218,551 dividend-bearing shares) amounted to 1.7%.

The Company's gross "burn rate," defined as the total number of equities (shares, share units, and options) granted in 2023 divided by the total number of outstanding shares (3,597,218,551 dividend-bearing shares) amounted to 0.4%.

External Mandates of Board and Executive Board Members (Audited)

Pursuant to Article 28 of Meyer Burger Technology's Articles of Association, "the members of the Board of Directors and the Executive Board may not hold or exercise more than the following number of additional activities in the highest management or administrative bodies of other legal entities that are obliged to be registered in the commercial register or in a comparable foreign register and are not controlled by the Company or do not control the Company:

- Ten mandates (for members of the Board of Directors) or three mandates (for members of the Executive Board) in comparable positions in other undertakings,
- whereof five mandates (for members of the Board of Directors) and one mandate (for members of the Executive Board) for public companies, and
- Ten (for members of the Board of Directors) or two (for members of the Executive Board) non-remunerated mandates with non-profit, charitable, or other not-for-profit legal entities, whereby reimbursement of expenses does not count as remuneration.

Several mandates with different companies belonging to the same group count as one mandate. The above limitation does not apply to mandates held by a member of the Board of Directors or the Executive Board on behalf of the Company (e.g. joint ventures or pension funds of these legal entities or in companies in which this legal entity holds a significant (non-consolidated) interest)."

As at 31 December 2023, members of the Board of Directors and of the Executive Board held the following external mandates outside the Meyer Burger Group, all mandates being compliant with the rule of the Company's Articles of Association stated above:

Name	External mandates
Members of the Board of Directors	
Dr. Franz Richter	Fraunhofer Institute IZM, Berlin: Chairman of the Board of Trustees. Scint-X Technologies AB, Kista: Chairman of the Board of Directors. Dr. Hönle AG, Germering: CEO.
Mark Kerekes	Elbogross SA, Zug: Member of the Board of Directors. Aerius Holding AG, Zug: Member of the Board of Directors. Aerius Advisors GmbH, Zug: Member of the Executive Board. Sentis Capital PCC, Cell 1, Cell 2, Cell 4, Balzers: Member of the Board of Directors.
Prof. Dr. Urs Schenker	Bellevue Goup AG, Zurich: Member of the Board of Directors. Bellevue Asset Management AG, Küsnacht: Member of the Board of Directors. Geschäftshaus City AG, Zurich: Chairman of the Board of Directors. Ufenau Capital Partners AG, Zurich: Member of the Board of Directors. Ornak AG, Zurich: Member of the Board of Directors. SWISA Holding AG, Baar: Chairman of the Board of Directors. Indicium Technologies AG, Hünenberg: Member of the Board of Directors. EBV Immobilien AG, Urdorf: Chairman of the Board of Directors. Invicio Asset Management AG, Zurich: Chairman of the Board of Directors. Personalvorsorgestiftung der Pfizer AG, Zurich: Chairman of the Foundation Board. Stiftung für Herz- und Kreislaufforschung, Zurich: Member of the Foundation Board. Stiftung Zuversicht für Kinder, Zug: Chairman of the Foundation Board.
Andreas Herzog	Kleiderberg AG, Rüschlikon: Member of the Board of Directors. Planetary SA, Cologny: Member of the Advisory Board. SBB CFF, FFS, Bern: Member of the Board of Directors. HOCHDORF Holding AG, Hochdorf: Member of the Board of Directors. Systemcredit AG, Schlieren: Chairman of the Board of Directors. Seed Capital Invest AG, Luzern: Member of the Board of Directors. Swiss-Chinese Chamber of Commerce, Zurich: Member of Advisory Board. Brandsoul AG, Zurich: Member of the Board of Directors. Andreas Herzog Consulting, Laax: Owner.
Katrin Wehr-Seiter	SES S.A., Betzdorf: Member of the Board of Directors. Unite Holding SE, Leipzig, and its subsidiaries Unite Network SE, Leipzig and Mercateo Deutschland AG, Munich: Member of the Board of Directors. The Simpleshow Company S.A., Luxembourg: Member of the Board of Directors. Bellevue Group AG, Küsnacht, and its subsidiary Bellevue Private Markets AG, Küsnacht: Member of the Board of Directors. BIP (GP) S.à r.l., Luxembourg: Member of the Board of Directors. BIP Interim (GP) S.à.r.l., Luxembourg: Member of the Board of Managers.
Members of the Executive Board	
Dr. Gunter Erfurt	Oxford Photovoltaics Limited, London: Member of the Board of Directors. Fraunhofer Institute for Solar Energy Systems, Freiburg: Member of the Board of Trustees. SolarPower Europe: Member of the Board of Directors. Federal Association Solarwirtschaft e.V., Berlin: Member of the Board of Directors. Institute for Solar Energy Research (ISFH) Hamelin: Member of the Scientific Advisory Board.
Markus Nikles	None.
Katja Tavernaro	None.
Daniel Menzel	None.
Dr. Moritz Borgmann	None.

Report of the statutory auditor

to the General Meeting of Meyer Burger Technology AG

Thun

Report on the audit of the remuneration report

Opinion

We have audited the remuneration report of Meyer Burger Technology AG (the Company) for the year ended 31 December 2023. The audit was limited to the information pursuant to article 734a-734f CO in the tables/sections marked 'audited' on pages 87 to 99 of the remuneration report.

In our opinion, the information pursuant to article 734a-734f CO in the remuneration report complies with Swiss law and the Company’s articles of incorporation.

Basis for opinion

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

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

Other information

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

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

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

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

Board of Directors' responsibilities for the remuneration report

The Board of Directors is responsible for the preparation of a remuneration report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a remuneration report that is free from material misstatement, whether due to fraud or error. It is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor’s responsibilities for the audit of the remuneration report

Our objectives are to obtain reasonable assurance about whether the information pursuant to article 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or

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error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this remuneration report.

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

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

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

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

PricewaterhouseCoopers AG

René Rausenberger	Rahel Sopi
Licensed audit expert Auditor in charge	Licensed audit expert

Bern, 13 March 2024

Financial Statements

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Consolidated Financial Statements – Meyer Burger Group

Consolidated Balance Sheet

in TCHF	Notes	31.12.2023		31.12.2022	
Assets					
Current assets					
Cash and cash equivalents		150 225		293 163	
Trade receivables	**2.1**	7 115		11 540	
Other current receivables	**2.2**	93 624		48 907	
Inventories	**2.4**	130 811		118 542	
Prepaid expenses and accrued income	**2.5**	4 293		1 646	
Total current assets		**386 068**	**56.7%**	**473 798**	**65.8%**
Non-current assets					
Financial assets	**2.6**	25 094		29 951	
Property, plant and equipment	**2.7**	266 330		210 712	
Intangible assets	**2.8**	3 228		5 286	
Deferred tax assets	**2.14**	496		695	
Total non-current assets		**295 148**	**43.3%**	**246 644**	**34.2%**
Total assets		**681 216**	**100.0%**	**720 442**	**100.0%**
Liabilities and equity					
Liabilities					
Current liabilities					
Financial liabilities	**2.9**	21 314		22 673	
Trade payables	**2.10**	28 218		33 250	
Net liabilities from production contracts	**2.3**	–		2 662	
Customer prepayments	**2.4/2.10**	79 133		872	
Other liabilities	**2.11**	3 910		2 259	
Provisions	**2.12**	5 041		4 078	
Accrued expenses and prepaid income	**2.13**	22 901		23 658	
Total current liabilities		**160 517**	**23.6%**	**89 452**	**12.4%**
Non-current liabilities					
Financial liabilities	**2.9**	326 189		198 148	
Other liabilities	**2.11**	168		377	
Provisions	**2.12**	1 291		1 132	
Deferred tax liabilities	**2.14**	1 641		2 452	
Total non-current liabilities		**329 289**	**48.3%**	**202 109**	**28.1%**
Total liabilities		**489 806**	**71.9%**	**291 561**	**40.5%**
Equity					
Share capital	**2.15**	179 861		179 861	
Capital reserves		1 401 980		1 354 438	
Treasury shares	**2.15**	–4 440		–4 984	
Reserve for share-based payments		7 670		4 632	
Accumulated losses		–1 393 661		–1 105 066	
Total equity		**191 410**	**28.1%**	**428 881**	**59.5%**
Total liabilities and equity		**681 216**	**100.0%**	**720 442**	**100.0%**

The Notes starting on page 108 are an integral part of the consolidated financial statements.

Consolidated Income Statement

in TCHF	Notes	1.1.–31.12.2023		1.1.–31.12.2022	
Net sales	**2.16/2.17/2.18**	**135 035**	**100.0%**	**147 214**	**100.0%**
Other operating income	**2.19**	7 922		9 084	
Currency translation gains and losses on trade receivables and customer prepayments	**4.3**	–1 673		–1 099	
Total income		**141 284**		**155 199**	
Changes in inventories of finished and semi-finished products and machines before acceptance		59 373		26 692	
Cost of products and work in progress		–246 681		–150 725	
Capitalized goods and services	**2.7**	41 459		41 845	
Operating income after costs of products and services	**1.1**	**–4 565**		**73 011**	
Personnel expenses	**2.20**	–94 850		–68 047	
Operating expenses	**2.21**	–64 177		–39 594	
Earnings before interests, taxes, depreciation and amortization (EBITDA)	**1.1**	**–163 592**	**–121.1%**	**–34 630**	**–23.5%**
Depreciation and impairment on property, plant and equipment	**2.7**	–84 257		–17 994	
Amortization and impairment on intangible assets	**2.8**	–2 326		–970	
Earnings before interests and taxes (EBIT)	**1.1**	**–250 175**	**–185.3%**	**–53 594**	**–36.4%**
Financial result	**2.22**	–42 587		–16 441	
Earnings before income taxes		**–292 762**	**–216.8%**	**–70 035**	**–47.6%**
Income taxes	**2.14**	824		185	
Result		**–291 938**	**–216.2%**	**–69 850**	**–47.4%**
Attributable to					
Shareholders of Meyer Burger Technology AG		–291 938	–216.2%	–69 850	–47.4%

in CHF					
Earnings per share					
Basic earnings per share	**4.4**	–0.08		–0.02	
Diluted earnings per share	**4.4**	–0.08		–0.02	

The Notes starting on page 108 are an integral part of the consolidated financial statements.

Consolidated Statement of Changes in Shareholders' Equity

in TCHF	Attributable to shareholders of Meyer Burger Technology AG	
	Share capital	**Capital reserves**
Notes	2.15	
Equity at 1.1.2022	**133 525**	**1 161 846**
Result	–	–
Currency translation differences recognized in reporting period	–	–
Capital increase	46 336	203 664
Costs of capital increase	–	–11 950
Sale/use of treasury shares	–	–
Share-based payments	–	–
Transfer of shares for employees to the plan participants after vesting period	–	–
Gain and losses from treasury share valuation	–	878
Equity at 31.12.2022	**179 861**	**1 354 438**
Result	–	–
Currency translation differences recognized in reporting period	–	–
Capital increase	–	–
Costs of capital increase	–	–
Equity share of convertible net of transaction cost	–	47 142
Sale/use of treasury shares	–	–
Share-based payments	–	–
Acquisition of treasury shares	–	–
Transfer of shares for employees to the plan participants after vesting period	–	–
Gain and losses from treasury share valuation	–	400
Equity at 31.12.2023	**179 861**	**1 401 980**

The Notes starting on page 108 are an integral part of the consolidated financial statements.

					Attributable to shareholders of Meyer Burger Technology AG
Treasury shares	**Reserve for share-based payments**	Currency translation differences	Other retained earnings	**Accumulated losses**	**Total equity**
2.15					
–5 307	**3 369**	**–27 508**	**–1 004 495**	**–1 032 003**	**261 430**
–	–	–	–69 850	**–69 850**	**–69 850**
–	–	–3 213	–	**–3 213**	**–3 213**
–	–	–	–	**–**	**250 000**
–	–	–	–	**–**	**–11 950**
431	–	–	–	**–**	**431**
–	2 032	–	–	**–**	**2 032**
769	–769	–	–	**–**	**–**
–878	–	–	–	**–**	**–**
–4 984	**4 632**	**–30 721**	**–1 074 345**	**–1 105 066**	**428 881**
–	–	–	–291 938	**–291 938**	**–291 938**
–	–	3 343	–	**3 343**	**3 343**
–	–	–	–	**–**	**–**
–	–	–	–	**–**	**–**
–	–	–	–	**–**	**47 142**
478	–	–	–	**–**	**478**
–	3 504	–	–	**–**	**3 504**
–	–	–	–	**–**	**–**
466	–466	–	–	**–**	**–**
–400	–	–	–	**–**	**–**
–4 440	**7 670**	**–27 378**	**–1 366 283**	**–1 393 661**	**191 410**

Consolidated Cash Flow Statement

in TCHF	Notes	1.1.–31.12.2023	1.1.–31.12.2022
Result		**–291 938**	**–69 850**
Depreciation and amortization	**2.7/2.8**	29 203	18 854
Impairment/reversal of impairment on non-current assets	**2.6/2.7/2.8**	57 380	110
Gains/losses from sale of property, plant and equipment and business activities	**2.7/2.8**	–72	–192
Deferred income taxes	**2.14**	–524	–217
Decrease (+)/increase (–) in other (non-current) assets		1 271	–2 278
Increase (+)/decrease (–) in (non-current) provisions	**2.12**	192	–20
Increase (+)/decrease (–) in other (non-current) liabilities		10 351	5 213
Decrease (+)/increase (–) in trade receivables	**2.1**	3 864	–1 700
Decrease (+)/increase (–) in net assets from construction contracts	**2.3**	–	6 264
Decrease (+)/increase (–) in inventories [1]	**2.4**	–21 284	–81 016
Decrease (+)/increase (–) in other receivables and accruals	**2.2/2.5**	–38 442	–207
Increase (+)/decrease (–) in (current) provisions	**2.12**	1 214	1 597
Increase (+)/decrease (–) in trade payables		–7 160	11 865
Increase (+)/decrease (–) in customer prepayments		83 715	–2 911
Increase (+)/decrease (–) in other (current) liabilities and deferrals	**2.11/2.13**	2 105	11 076
Exchange differences		17 751	4 039
Other non-cash-related changes		–	–654
Cash flow from operating activities		**–152 374**	**–100 027**
Investments in property, plant and equipment	**2.7**	–157 149	–122 000
Investment subsidies received	**2.7**	3 182	8 428
Sale of property, plant and equipment	**2.7**	482	550
Sale of investment property	**2.7**	1 929	1 188
Investments in intangible assets	**2.8**	–496	–448
Sale of business activities (net of cash)		–165	–
Increase in rent deposits		–1 645	–1 059
Decrease in bank deposits with limited availability	**2.2**	5 519	6 024
Increase in bank deposits with limited availability	**2.2**	–19 578	–10 786
Cash flow from investing activities		**–167 921**	**–118 103**
Capital increase		–	250 000
Cost of capital increase		–2 503	–9 447
Issuance of convertible bond		210 655	–
Issuance costs of convertible bond		–4 503	–
Repayment of current financial liabilities		–22 194	–11 156
Increase of non-current financial liabilities		–	55 750
Cash flow from financing activities		**181 455**	**285 147**
Change in cash and cash equivalents		**–138 840**	**67 017**
Cash and cash equivalents at the beginning of the period		**293 163**	**231 391**
Currency translation differences on cash and cash equivalents		–4 098	–5 245
Cash and cash equivalents at the end of the period		**150 225**	**293 163**

The Notes starting on page 108 are an integral part of the consolidated financial statements.
Cash and cash equivalents include all cash, bank account balances, time deposits with an original maturity of up to 90 days and money market funds with only insignificant fluctuations in value. Cash and cash equivalents are measured at nominal value.
[1] "Decrease (+)/increase (–) in inventories" include non-cash effects of CHF 55.5 million (2022: CHF -9.1 million) resulting from value adjustments on inventories.

Notes to the Consolidated Financial Statements

1 General information

1.1 Accounting policies

Meyer Burger Technology AG is a limited company established in accordance with Swiss law. The address of the company's registered office is Schorenstrasse 39, 3645 Gwatt/Thun, Switzerland. Meyer Burger Technology AG's registered shares (ticker: MBTN) are listed on the SIX Swiss Exchange in Zurich. The fiscal year of Meyer Burger Technology AG runs from 1 January to 31 December.

The Board of Directors approved these consolidated financial statements on 13 March 2024. They will be submitted for approval to the Annual General Meeting to be held probably on May 2024.

The Group currency (reporting currency) is the Swiss francs (CHF). The consolidated financial statements are presented in thousands of Swiss francs.

The consolidated annual financial statements have been prepared in accordance with the complete set of current standards of Swiss GAAP FER and give a true and fair view of financial positions, cash flows, and results of operations. The provisions of Swiss law have also been complied with.

Meyer Burger uses certain key figures to measure its performance that are not defined by Swiss GAAP FER, so there might be limited comparability with similar figures presented by other companies. In order to provide a clear understanding of these key figures, the following definitions are presented:

- "Operating income after costs of products and services" corresponds to total income including other operating income, e.g., gains from sales of Group companies or property, plant and equipment, less changes in inventories or finished and semi-finished products and machines before acceptance, cost of products and work in progress and capitalized goods and services.
- "EBITDA" corresponds to the operating result (EBIT) before depreciation and impairment of tangible fixed assets and amortization on intangible assets.
- "EBIT" corresponds to the result before the financial result, the result from investment in associates, the non-operating result, and income taxes.

1.2 Principles of consolidation

Group companies are all companies in which Meyer Burger Technology AG either directly or indirectly holds more than half of the voting rights or over which it has control in another form.

New Group companies are fully consolidated from the time at which control of the company is transferred to Meyer Burger. The net assets acquired are revalued on the acquisition date at fair value. The difference between the purchase price and the interest in revalued net assets is recognized as goodwill in the balance sheet and amortized on a straight-line basis in the income statement over its useful life, which is normally five years and in justified cases up to a maximum of 20 years. Group companies are deconsolidated at the point in time when control ceases.

Assets and liabilities as well as income and expenditure for these companies are fully consolidated. All intercompany transactions, balances, and unrealized gains and losses resulting from intercompany transactions are eliminated.

The preparation of the consolidated financial statements requires that the Board of Directors and management make estimates and assumptions that could affect the reported amounts of income and expenses, assets and liabilities, and contingent liabilities at the time of preparing of the accounts. If such estimates and assumptions, which were made to the best of the Board of Directors' and the Executive Board's knowledge at the time of preparing of the accounts, deviate from actual events, the original estimates and assumptions are updated accordingly in the reporting period in which the altered circumstances arise.

These consolidated financial statements are published in English only, and are therefore the legally binding version.

1.3 Scope of consolidation

The scope of consolidation comprises the following companies:

Consolidated companies				Participation[1]	
Company	Registered office	Currency	Share capital	31.12.2023	31.12.2022
Meyer Burger Technology AG	Thun, Switzerland	CHF	179 860 928		Parent company
Fully consolidated subsidiaries					
Meyer Burger (Singapore) Pte. Ltd	Singapore, Singapore	SGD	1	100.00%	100.00%
MBT Systems GmbH	Hohenstein-Ernstthal, Germany	EUR	96 000 000	100.00%	100.00%
Meyer Burger (Americas) Ltd	Goodyear, USA	USD	100	100.00%	100.00%
Meyer Burger (Americas) Lease Co., LLC	Goodyear, USA	USD	0	100.00%	100.00%
Meyer Burger (Americas) Colorado Lease Co., LLC	Colorado Springs, USA	USD	0	100.00%	0.00%
Meyer Burger (Germany) GmbH	Hohenstein-Ernstthal, Germany	EUR	112 000 000	100.00%	100.00%
Meyer Burger (Industries) GmbH	Freiberg, Germany	EUR	96 000 000	100.00%	100.00%
Meyer Burger (Solar Valley) GmbH	Bitterfeld-Wolfen, Germany	EUR	50 025 000	100.00%	100.00%
Meyer Burger (Italy) S.r.l.	Milan, Italy	EUR	10 000	100.00%	100.00%
Meyer Burger (NL) B.V.	Eindhoven, Netherlands	EUR	18 200	100.00%	100.00%
Meyer Burger (Switzerland) AG	Thun, Switzerland	CHF	500 000	100.00%	100.00%
Meyer Burger Co. Ltd	Zhubei City, Taiwan	TWD	n/a	0.00%	100.00%
Meyer Burger GmbH	Hohenstein-Ernstthal, Germany	EUR	25 000	100.00%	100.00%
Meyer Burger India Private Ltd	Pune, India	INR	18 552 930	100.00%	100.00%
Meyer Burger Kabushiki Kaisha	Tokyo, Japan	JPY	10 000 000	100.00%	100.00%
Meyer Burger Research AG	Hauterive, Switzerland	CHF	100 000	100.00%	100.00%
Meyer Burger Sdn. Bhd.	Cyberjaya, Malaysia	MYR	n/a	0.00%	100.00%
Meyer Burger Trading (Shanghai) Co. Ltd	Shanghai, China	CNY	1 655 400	100.00%	100.00%
Meyer Burger Systems (Shanghai) Co. Ltd	Shanghai, China	CNY	n/a	0.00%	100.00%
Meyer Burger (Australia) Pty Ltd	Britinya, Australia	AUD	10	100.00%	0.00%
Pasan SA	Neuchâtel, Switzerland	CHF	102 000	100.00%	100.00%

[1] The share of equity corresponds to the share of voting rights.

Changes in scope of consolidation

Newly founded companies				Participation	
Company	Registered office	Currency	Share capital	31.12.2023	31.12.2022
Meyer Burger (Americas) Colorado Lease Co., LLC	Colorado Springs, USA	USD	0	100.00%	0.00%
Meyer Burger (Australia) Pty Ltd	Birtinya, Australia	AUD	10	100.00%	0.00%

Companies excluded from the scope of consolidation				Participation	
Company	Registered office	Currency	Share capital	31.12.2023	31.12.2022
Meyer Burger Co. Ltd	Zhubei City, Taiwan	TWD	102 317 000	0.00%	100.00%
Meyer Burger Sdn. Bhd.	Cyberjaya, Malaysia	MYR	1 000 000	0.00%	100.00%
Meyer Burger Systems (Shanghai) Co. Ltd	Shanghai, China	CNY	102 172 722	0.00%	100.00%

Foundation of Meyer Burger (Australia) Pty Ltd
On 14 March 2023, Meyer Burger (Australia) Pty Ltd, Birtinya, Australia, was founded with the aim of offering its premium solar panels in Australia, a significant and growing market.

Foundation of Meyer Burger (Americas) Colorado Lease Co., LLC
Meyer Burger (Americas) Colorado Lease Co., LLC, Colorado Springs, USA, was founded on 27 June 2023, with the aim of further strengthening Meyer Burger's operations in the USA.

Liquidation of Meyer Burger Sdn. Bhd.
On 26 July 2021, Meyer Burger announced that the service activities in Asia will be concentrated at the locations in China and Singapore, leading to the closure of certain subsidiaries in Asia. As a result, Meyer Burger Sdn. Bhd., Cyberjaya, Malaysia, was liquidated as of 26 January 2023.

Sale of Meyer Burger Systems (Shanghai) Co. Ltd
On 22 February 2023, Meyer Burger Systems (Shanghai) Co. Ltd, Shanghai, China, was sold to a third party. The purchase price amounted to CHF 0.2 million. The existing business relating to the sales and service of high-precision metrology products of Meyer Burger's subsidiary Pasan SA, Neuchâtel, Switzerland, is carried out by the remaining Meyer Burger subsidiary Meyer Burger Trading (Shanghai) Co. Ltd, Shanghai, China.

Liquidation of Meyer Burger Co. Ltd
Meyer Burger Co. Ltd, Zhubei City, Taiwan, was liquidated as of 31 March 2023. This liquidation completes the restructuring process in Asia, following the shift to the new business model of manufacturing and selling solar modules.

1.4 Foreign currency translation of subsidiaries' financial statements in foreign currencies
Individual Group companies compile their financial statements in their local currency (functional currency). Assets and liabilities in the balance sheets prepared in foreign currencies are translated into Swiss francs at the closing rate on the reporting date. Equity is translated at historical rates and income, expenses, and cash flows at the average rate for the year. Foreign currency translation differences arising from the application of this method are offset against retained earnings or accumulated losses without affecting the income statement.

Other translation differences, including those from foreign currency transactions for operating activity, are recognized in the income statement. Foreign exchange differences in the consolidated cash flow statement are presented in the cash flow from operating activities. Non-cash items are corrected in the cash flow from operating activities.

Intercompany loans are considered as liabilities in respect of the treatment of foreign exchange translation differences as long as future positive cash flows are expected and no decision has been taken to convert them into equity or debt waivers. A semi-annual reassessment of the subsidiaries' capital situation is carried out and the share of intercompany loans that are regarded as having an equity status is analyzed. Foreign currency effects attributable to these long-term intercompany loans, regarded as having an equity status, are recognized directly in equity. The currency differences recognized in equity are derecognized only in the event of a disposal or liquidation of the respective subsidiary. In the event of any repayment of intragroup loans with equity character, the accumulated foreign currency differences remain in equity.

Currency translation adjustments are regognized in profit and loss on the disposal of investments.

The following translation rates into Swiss francs were used during the reporting year:

		Closing rate		Average rate	
Foreign currency exchange rates	Unit	2023	2022	2023	2022
Euro (EUR)	1	0.926	0.9847	0.9718	1.0047
US Dollar (USD)	1	0.838	0.9232	0.8988	0.9541
British Pound (GBP)	1	1.0655	1.1102	1.1173	1.1782
Chinese Yuan Renminbi (CNY)	100	11.7948	13.3823	12.6866	14.1932
Japanese Yen (JPY)	100	0.5923	0.7001	0.6394	0.7279
Indian Rupee (INR)	100	1.0076	1.1168	1.0882	1.2151
South-Korean Won (KRW)	100	0.0646	0.0733	0.0688	0.074
Malaysian Ringgit (MYR)	100	18.2373	20.9582	19.7041	21.71
Singapore Dollar (SGD)	1	0.6346	0.6886	0.6691	0.6923
Australian Dollar (AUD)	1	0.5694	0.6275	0.5966	0.6624
Taiwan Dollar (TWD)	100	2.7325	3.0034	2.8866	3.2077

1.5 Going concern

In 2023, Meyer Burger incurred a net result of CHF –291.9 million (2022: CHF –69.9 million) and negative cash flows from operating activities of CHF –152.4 million (2022: CHF –100.0 million). This performance mainly reflects the difficult market conditions in Europe, caused by Chinese production overcapacity and the trade restrictions imposed by India and the USA leading to significant oversupply and unprecedented disruption in the European solar market. Political support measures in Germany, are currently under discussion but no decision was made.

Based on current projections, Meyer Burger will require further funding to fulfil its payment obligations and until the Group's cash flow is expected to be positive, Meyer Burger is evaluating and pursuing a combination of different financing options to close the funding gap.

On 23 February 2024 the company published an invitation to an Extraordinary General Meeting to be held on 18 March 2024, to approve a rights issue targeting gross proceeds of CHF 200 million to CHF 250 million which is scheduled for end of March 2024. Such a capital increase is necessary to ensure the Group's solvency from April 2024 and builds the first essential step to financing the operations of Meyer Burger in the future. It serves as a prerequisite for various other financing options and the Group's ability to continue as a going concern.

Additionally, the federal government of Germany has indicated to approve, subject to conditions and with several required pledges, which are not yet finally decided upon, an export agency credit guarantee for financing to be provided by a commercial bank with a target amount of up to USD 95 million under certain conditions. Funding is expected to occur following the entry into long-form credit documentation and the satisfaction of customary conditions precedent. The facility is expected to have a ten-year duration

In addition, Meyer Burger is targeting an advanced manufacturing production tax credit ("45X") financing in the amount of up to USD 300 million, with a term of 5 to 6 years, to be provided by a leading global investment bank that has provided initial non-binding terms.

Also, Meyer Burger continues to pursue additional financing options including a USD 200 million to USD 250 million U.S. Department of Energy ("DOE") guaranteed loan from the Federal Financing Bank under the Title 17 Clean Energy Financing Loan Program.

Meyer Burger's ability to continue as a going concern is dependent on the success of the measures taken in improving its capital basis and liquidity. As a minimum, the capital increase as described above and the timely execution of the export agency credit guarantee and the 45X financing or the DOE loan are required to provide sufficient funding to execute Management's strategy and to ensure the Group's ability to continue as a going concern. If the capital increase as announced is not successful, the Group would most likely not be able to continue as a going concern considering the significance of the capital increase and the interdependency between the successful execution of the capital increase and the other financing options.

Also required is the timely ramp-up of the production sites in the USA including the successful achievement of the assumptions in the business plan. These measures align with Meyer Burger's business strategy and its focus on shareholder value creation.

As a result, material uncertainties regarding the financing of Meyer Burger and the successful implementation of the Group's business model exist that may cast significant doubt regarding the going concern capability of Meyer Burger. However, the Board of Directors is of the opinion that Meyer Burger Technology AG will be successful in the above endeavors and, accordingly, has prepared the consolidated financial statements on a going concern basis.

2 Notes to the Consolidated Financial Statements

2.1 Trade receivables

in TCHF	31.12.2023	31.12.2022
Trade receivables (gross)	8 970	13 406
Allowances	–1 855	–1 866
Trade receivables	**7 115**	**11 540**

The maximum credit risk for Meyer Burger corresponds to the carrying amount of the receivables recognized. The allowances consist entirely of individual allowances relating to a small number of customers, estimated based on these customers' solvency and payment history.

The trade receivables mainly consist of the US module business. The decrease against previous year is due to the settlement of a remaining order from the legacy business that was not covered by the factoring agreement. The trade receivables of Meyer Burger (Industries) GmbH, Freiberg, Germany, are covered by factoring, for which a factoring agreement was concluded on 15 June 2021 with Deutsche Factoring Bank GmbH & Co. KG, Bremen, Germany, (factor) with a term of three years. The bank's purchase price payments are intended to enable Meyer Burger (Industries) GmbH, Freiberg, Germany, to meet its suppliers´ liabilities on time and accordingly do not constitute a common loan or credit. Under the contract, the bank purchases receivables up to a maximum amount of EUR 60 million per annum. Meyer Burger assigns all trade receivables to which it is or will be entitled to the bank in advance as securities. Excluded from this security assignment are all claims that are already assigned as securities within the scope of the blanket assignment of the syndicated loan agreement as outlined in Note 2.9 Financial liabilities. Amounts retained by the factorer for bonus payments are paid directly to the customer by the factorer.

Accounting policies

Trade receivables are measured at nominal value less any allowances. Individual allowances are generally considered based on the specific debtor risks and other known risks. An allowance can also be made on a portfolio basis where this is deemed appropriate based on historical experience. In such cases, the risk pattern is regularly assessed and adjusted where necessary.

Trade receivables in the scope of the factoring agreement are measured at nominal value. No allowance is considered as the payments are virtually certain. With the receipt of cash from the factorer, the trade receivables are settled and the factoring fee is accounted for through profit and loss. The factorer retains a certain percentage of the receivables until the receivable has been collected. This amount is reported in other current receivables. Amounts retained by the factorer for bonus payments are paid directly to the customer by the factorer.

Changes to valuation allowances for doubtful receivables and actual losses on receivables are recognized in operating expenses.

2.2 Other current receivables

in TCHF	31.12.2023	31.12.2022
Prepayments to suppliers	40 524	5 160
Bank deposits with limited availability	30 886	17 877
VAT receivables	9 301	12 103
Other receivables	12 913	13 767
Other current receivables	**93 624**	**48 907**

The increase in advance payments to suppliers compared to the previous year is primarily due to increase results from advance payments to an export financier. In the previous year, the item related to advance payments on wafer orders.

Bank deposits with limited availability of CHF 30.9 million (31 December 2022: CHF 17.9 million) contain various bank balances that are not readily available for use by Meyer Burger. Such accounts include retentions for interest payments and scheduled repayments of the syndicated loan until the third quarter of 2024 with CHF 18.6 million (31 December 2022: none), bank deposits used as securitization for Meyer Burger's guarantee line, amounts relating to guarantees issued by third parties in connection with the syndicated loan agreement and rent deposits.

Other receivables as at 31 December 2023 include the short-term portion of receivables from the sale of the headquarters building in Thun in 2019 of CHF 4.9 million (31 December 2022: CHF 2.4 million) as well as subsidy receivables of CHF 0.6 million (31 December 2022: CHF 3.2 million). Furthermore, an amount of CHF 5.1 million (31 December 2022: CHF 4.3 million) relates to guarantees for factored receivables where a certain percentage of the receivables is withheld by the factorer until the receivable has been collected. The remaining part refers to multiple smaller categories, such as receivables from social security, other deposits, or debtor balances in payables.

Accounting policies

Other current receivables include receivables such as VAT credits, withholding tax credits, and social security receivables. Bank balances with restricted use and prepayments made to suppliers are also included in this category.

Other receivables are measured at nominal value less any allowances.

2.3 Net receivables and liabilities from production contracts

in TCHF	31.12.2023	31.12.2022
Work in progress	–	22 103
Customer prepayments	–	–24 765
Net production contracts	**–**	**–2 662**
thereof		
Net liabilities from production contracts	–	–2 662
Additional information		
Net sales from the PoC method (income statement)	–1 815	905

Production contracts comprise long-term contracts entered into under Meyer Burger's previous business model as a manufacturer of industrial production equipment. As at 31 December 2023, the last remaining production contract was brought to completion. The negative net sales from the POC method relates to a sales correction from a closed settlement.

Accounting policies

Production contracts are contracts for the production of customer-specific assets or groups of assets that normally extend over several months.

Production contracts are measured using the percentage-of-completion (PoC) method where these contracts have a material impact on total sales or income. The stage of completion is calculated individually for each production contract and is equal to the proportion of contract costs incurred for work performed up to the reporting date as against the estimated total production costs. Accrued costs and realized net revenue calculated based on the stage of completion are recognized on an ongoing basis in the income statement.

If the outcome of a production contract can be estimated reliably, a proportion of profit is realized. If the earnings cannot yet be estimated reliably, sales are recognized in the amount of the costs already incurred.

The accrued costs plus the proportion of profit (if this can be estimated reliably) minus customer prepayments are reported in the balance sheet as net assets or net liabilities from production contracts.

An allowance is considered to cover the full amount of anticipated losses. If the impairment is higher than the value of the asset, a provision is created in the amount of the difference.

When the project is complete and the final acceptance is issued by the customer on its premises, prepayments are offset and only the final payment due is recognized as a trade receivable.

2.4 Inventories

in TCHF	31.12.2023	31.12.2022
Raw materials, purchased parts, goods for resale	58 852	89 297
Semi-finished goods and work in progress	12 124	6 980
Finished goods	128 045	36 934
Machines before acceptance	1 338	2 583
Customer prepayments	–1 320	– 689
Value adjustment inventories	–68 228	–16 563
Inventories	**130 811**	**118 542**

The increase in inventories is due to higher production activities at the sites in Freiberg, Germany, and Bitterfeld-Wolfen, Germany. Contrary, due to the disruptions in the European solar market as a result of the significant oversupply of solar modules led to lower than expected sales of products. Value adjustments increased by CHF 51.7 million compared to the prior year predominantly due to the net realizable value being lower than the acquisition or production costs at the balance sheet date, resulting in a significant negative effect on the income statement. Value adjustments on finished and semi-finished goods have been recognized in changes in inventories of finished and semi-finished products and machines before acceptance. Value adjustments on raw materials have been recognized in cost of products and work in progress.

As at 31 December 2023, Meyer Burger has pledged inventories in the amount of CHF 76.4 million (31 December 2022: CHF 93.2 million) to third parties as collateralization of the syndicated loan as outlined in Note 2.9.

Accounting policies

Inventories
Depending on the stage of completion of the individual products and their purpose, inventories are categorized into raw materials, purchased parts and goods for resale, semi-finished goods and work in progress, finished goods, and machines before acceptance. Inventories are classified as machines before acceptance from the time of delivery of the machine to the time of final acceptance by the customer. Spare parts are included in the respective categories.

Raw materials, purchased parts, and goods for resale are measured at the lower of acquisition or production cost and fair value less cost to sell. Semi-finished goods and work in progress, finished goods, and machinery before acceptance are measured at the lower of production cost or fair value less costs to sell. Cash discounts are treated as reductions in purchase price. The fair value less costs to sell is the estimated selling price less estimated cost of completion and distribution costs.

Allowances are considered for excessively high levels of inventories that most likely cannot be sold, for inventories where there is no or virtually no inventory turnover, and for damaged and unsellable inventories.

Customer prepayments
A prepayment is a non-interest-bearing payment made by a customer under an existing contract for production and/or delivery of products. Customer prepayments are recognized at the nominal value. The prepayments are only offset against inventories up to the maximum amount of the value of the goods carried in the balance sheet. Prepayments that exceed the value of the manufacturing costs already incurred are reported in current liabilities.

2.5 Prepaid expenses and accrued income

in TCHF	31.12.2023	31.12.2022
Prepaid expenses and accrued income	3 510	1 646
Tax prepayments	783	–
Prepaid expenses and accrued income	**4 293**	**1 646**

Prepaid expenses and accrued income include positions from the usual course of business, such as prepaid rent, insurance, and other costs as well as accrued rental income. The increase compared to the previous year results from prepaid lease payments for the rental of land and buildings in Colorado Springs, Colorado, USA.

Accounting policies

Prepaid expenses, taxes prepayments and accrued income are measured at nominal value less any allowances.

2.6 Financial assets

in TCHF	31.12.2023	31.12.2022
Other non-current receivables	129	5 286
Allowances	–	– 333
Financial investments	19 689	19 689
Deposits (rent and other)	3 940	2 537
Derivatives	1 336	2 772
Financial assets	**25 094**	**29 951**

As at 31 December 2022, other non-current receivables mainly comprised the long-term portion of receivables from the sale of the headquarters building in Thun in 2019 with a net amount of CHF 4.9 million. As at 31 December 2023, this amount had been reclassified to other current receivables.

Financial investments refer to the investment in Oxford Photovoltaics Limited, London, United Kingdom, and its fully owned subsidiary Oxford PV Germany GmbH, Brandenburg an der Havel, Germany. The initial measurement was at the determined cost value at the date of reclassification to financial investments. The market value indicators available supported the investment value as at 31 December 2023. Accordingly, no impairment was recognized as at 31 December 2023.

The deposits with CHF 3.9 million (31 December 2022: CHF 2.5 million) include bank balances with restricted use of CHF 0.7 million (31 December 2022: CHF 0.7 million).

On 2 September 2021, Meyer Burger (Industries) GmbH, Freiberg, Germany, concluded an interest limitation agreement in the form of a maximum rate agreement ("cap") until 28 February 2027 to secure the interest rate of the syndicated loan agreement. The market value of the cap amounts to CHF 1.3 million as at 31 December 2023 (31 December 2022: CHF 2.8 million). The base value of the cap amounts to EUR 80.5 million and reflects the outstanding amount of the syndicated loan facility. The hedging ratio amounts to 50 % of the nominal value of the loan. Gains and losses from the interest cap are recognized through profit and loss.

Accounting policies

Financial assets include loan receivables and other long-term receivables from third parties as well as derivatives and financial equity investments where less than 20 % of the voting rights are held and no significant influence exists through other means.

Loan receivables and other long-term receivables are initially measured at nominal value. Subsequent measurement is at nominal value less any necessary impairment. Amounts are discounted if the effect is material.

Derivative financial instruments are initially measured at acquisition cost and subsequently measured at market value, or at acquisition cost less impairments where a market value is not available.

Financial investments refer to securities with no directly observable market value and are initially measured at acquisition cost, or at the fair value at the acquisition date and subsequently measured at acquisition cost less impairments.

2.7 Property, plant and equipment

in TCHF	Land and buildings	Equipment	Machines	IT	Vehicles	Assets under construction	Total property, plant and equipment
Purchase price							
Balance as at 1.1.2022	**24 815**	**11 518**	**112 921**	**374**	**41**	**27 782**	**177 450**
Increase	10	1 169	40 277	–	–	29 591	71 047
Capitalization	–	–	22 044	–	–	19 797	41 841
Reclassification	–152	249	5 335	–	–	–5 432	–
Disposal	–573	–151	–977	137	–40	–97	–1 701
Currency translation differences	–1 139	–604	–6 981	2	–1	–2 166	–10 889
Balance as at 31.12.2022	**22 961**	**12 181**	**172 618**	**513**	**–**	**69 475**	**277 748**
Increase	6 406	3 204	23 690	–	17	85 856	119 173
Capitalization	–	199	22 903	–	–	18 357	41 459
Reclassification	5 558	–101	47 824	–	–	–53 281	–
Disposal	–25	–64	–1 510	–	–	–	–1 599
Currency translation differences	–1 937	–926	–15 716	–	–1	–7 261	–25 841
Balance as at 31.12.2023	**32 963**	**14 493**	**249 809**	**513**	**16**	**113 146**	**410 940**
Cumulative depreciation and impairments							
Balance as at 1.1.2022	**–8 419**	**–8 231**	**–36 000**	**–374**	**–41**	**–114**	**–53 178**
Ordinary depreciation	–815	–1 040	–16 029	–	–	–	–17 884
Impairment	–	–15	–95	–	–	–	–110
Disposal	544	115	909	–137	40	97	1 568
Currency translation differences	390	444	1 733	–2	1	2	2 568
Balance as at 31.12.2022	**–8 300**	**–8 727**	**–49 482**	**–513**	**–**	**–15**	**–67 036**
Ordinary depreciation	–1 134	–1 567	–25 397	–	–3	–	–28 101
Impairment	–	–1	–55 667	–	–	–489	–56 157
Disposal	30	61	1 465	–	–	–	1 556
Currency translation differences	547	645	3 912	–	–	24	5 128
Balance as at 31.12.2023	**–8 857**	**–9 589**	**–125 168**	**–513**	**–3**	**–480**	**–144 609**
Net book value							
01.01.2022	16 396	3 287	76 920	–	–	27 668	124 271
31.12.2022	14 661	3 454	123 137	–	–	69 460	210 712
31.12.2023	24 106	4 904	124 641	–	13	112 666	266 330
Amount thereof pledged:							
31.12.2022	14 691	2 694	117 969	–	–	50 676	186 030
31.12.2023	23 833	4 181	119 190	–	–	19 368	166 572

The main increase in property, plant and equipment relates to Meyer Burger’s investments toward becoming a solar cell and module producer. Investments of CHF 160.6 million net of government subsidies were made in property, plant and equipment, predominantly in the German entities.

Based on the previous business model, Meyer Burger has the expertise to produce its own machinery and self-manufactured machines amounting to CHF 41.4 million were capitalized accordingly.

A sharp increase in Chinese production overcapacity and the trade restrictions imposed by India and the USA led to a significant oversupply and unprecedented disruption in the European solar market in particular in the second half of 2023. In view of the deteriorating European market environment, a triggering event was identified, and consequently an impairment test was carried out. For the cash-generating unit (CGU) comprising solar cell and module production in Germany, the carrying amount exceeded the recoverable amount determined under the concept of fair value less costs of disposal resulting in an impairment loss of total CHF 55.6 million. Due to the uncertainty on the final outcome of the political debate about possible support measures in Germany and Europe to address the survival of the European Solar industry, Management applied a weighted fair value calculation based on two scenarios. One scenario - called the "resilience case" - assumes that political support measures known as resilience bonus and auctions will be taken enabling the continued operation of production sites in Europe and that the module production in Goodyear, USA, will be ramped up in the second quarter of 2024. The other scenario - called the "management case" - does not factor in any support measures and consequently, assumes the restructuring and ultimately closure of the production facilities in Europe.

If the management case had been used as a sole basis, the impairment charge would have been increased by CHF 98 million and if the resilience case had been used as a sole basis, no impairment would have been recognized.

The “resilience case” is assuming that political decisions in Europe would be in favor of the resilience program and the German business would not need to be restructured. The key assumptions in this scenario is that the resilience bonus is granted to customers which leads to higher demand for the modules with higher prices resulting in all production capacities sold. In the USA the module production in Goodyear will be ramped-up in the second quarter of 2024.

The “management case” assumes to close the module production in Freiberg in March 2024 and the cell production in Bitterfeld-Wolfen would continue until 2025 to support the ramp-up of the module production in the USA. It also assumes that all existing modules in Germany are sold in 2024, however at lower prices compared to the resilience case, and received subsidies are repaid.

The recoverable amount of the cash-generating unit comprising solar cell and module production in Germany is determined based on its fair value less cost of disposal, applying the discounted cash flow (DCF) method. The projected free cash flows were estimated on the basis of the business plans approved by management, which cover a 4-year period. For free cash flows extending beyond the detailed planning period within the “resilience case”, one transition year and a terminal value were computed.

The terminal value was computed by capitalising the normalised cash flows assuming a steady long-term growth rate of 0.75%, which is below the long-term inflation expectations. The projected cash flows and management assumptions are corroborated by external sources of information. The discount rate is based on the weighted average costs of capital (WACC) and comprises the weighted value of equity and debt. The cost of equity is calculated from the Capital Asset Pricing Model (CAPM). For the calculation of the risk-free rate, a present value-equivalent risk-free rate based on the Nelson-Siegel-Svensson parameters provided by Swiss National Bank (SNB) was derived as of 31 December 2023, amounting to 0.5 %.

Compared to the “resilience case” the recoverable amount within the “management case” was derived on a basis of a planning period until 2025 without a terminal value. For the calculation of the risk-free rate, a present value-equivalent risk-free rate based on the Nelson-Siegel-Svensson parameters provided by Swiss National Bank (SNB) for a term of two years was derived as of 31 December 2023, amounting to 1.1 %.

Weighted average cost of capital (WACC)	WACC	Long-term	Risk	Market	Cost
Cash-generation unit (scenario)	after-tax	growth rate	free rate	risk premium	of debt
CGU comprising solar cell and module production in Germany ("resilience case")	8.5%	0.8%	0.5%	6.0%	3.6%
CGU comprising solar cell and module production in Germany ("management case")	9.0%	n.a.	1.1%	6.0%	4.1%

The two planning scenarios contain different upside and downside risks. Depending on the design and duration of resilience measures, the long-term development of the market and competitive environment and other economical factors, the planned sales and margins may be higher or lower. The value contribution of the management case depends largely on the assumed sales proceeds for the existing inventories and fixed assets with the associated downside and upside risks for prices and sales speed. To consider these risks, the following sensitivity analyzes based on the derived impairment loss of total CHF 55.6 million were carried out:

Sensitivity analysis for impairment loss at CGU Meyer Burger Industries (in CHF million)	10%	-10%
Impairment change		
Increase/decrease of terminal value EBIT margin within resilience case	–6.4	6.4
Increase/decrease of terminal value WACC within resilience case	6.9	–8.6
Increase/decrease of PPE liquidation value within management case	–4.4	4.4

Furthermore, impairment tests on a value in use basis were carried out for the other cash-generating units which did not result in any impairment.

Further commitments to purchase property, plant and equipment are outlined in Note 4.5 Off-balance sheet liabilities.

In 2023, Meyer Burger accrued government subsidies of CHF 3.0 million, which were directly deducted from the cost of acquisition or production of its property, plant and equipment (2022: CHF 10.1 million). Subsidies amounting to CHF 24.4 million were deducted from the acquisition costs from 2020 to 2023. Meyer Burger has received subsidies from the states of Saxony-Anhalt and Saxony for the development of environmentally friendly solar cell production via environmental protection subsidies (Umweltschutzbeihilfe) and as part of the improvement of the regional economic structure. The investments financed by the subsidies are earmarked for a period of five years after the investment period. The subsidies serve to support material expenditure for investing in an creating new permanent jobs linked to the investment after the end of the project, maintaining these posts for at least five years, as well as to secure the existing permanent jobs.

Meyer Burger has pledged certain property, plant and equipment in the amount of CHF 166.6 million to third parties as collateral as outlined in Note 2.9 Financial liabilities (31 December 2022: CHF 186.0 million).

Meyer Burger sold its headquarters building in Thun in 2019 for a total transaction price of CHF 42.5 million, of which CHF 2.3 million became due and was received in 2023. The cash flow from this transaction is split between the sale of investment property and property, plant and equipment according to the underlying classification as per the date of the sale.

None of the property, plant and equipment listed above was held under a lease.

Accounting policies

Property, plant and equipment includes land, property used for operational purposes, facilities, machines, IT and vehicles, as well as assets under construction. The part of the headquarters building rented out to third parties was classed as investment property until its sale in 2019 based on its investment nature.

Property, plant and equipment and investment property are measured at cost less any cumulative depreciation and any cumulative impairment losses. Self-manufactured machines are capitalized and also measured at cost less any cumulative depreciation and any cumulative impairment losses. Production costs for self-manufactured machines include directly attributable material costs, directly attributable wages, manufacturing overheads and other directly attributable costs.

Depreciation is generally calculated using the straight-line method over the following expected useful lives:

	Useful life in years
Land	No depreciation
Buildings	10–30
Equipment	5–20
Machines	3–10
IT	3
Vehicles	4–8

Government grants are only recognized when there is reasonable assurance that the entity will comply with the attached conditions and that the grant will be received. Government grants relating to asset investments are presented as a deduction from the carrying amount of the respective asset and are accordingly recognized in profit and loss as a reduction of costs such as depreciation and amortization over the useful lifetime of the asset.

Assets are reviewed for triggering events at every reporting date. This review is carried out to identify individual assets that may be affected by an impairment. If such indications exist, the recoverable amount must be determined. If the recoverable amount is below the carrying amount, an impairment is recognized.

Indications of impairment may include:

- an adverse development in the legal or business environment that materially affects the value of the asset,
- indications that cash flows from the reporting period, the past and/or budgets are below expectations, indicating a reduced economic performance of the asset,
- a significant change in the way an asset is used or evidence of obsolescence due to technical innovation or damage to the asset,
- a significant reduction in the market value of an asset (e.g., contaminated properties),
- increased credit risk on receivables and financial assets,
- the future interest rates relevant to the organization have increased to such an extent that they substantially reduce the value in use as a result of the cash flows discounted at the interest rates,
- the capitalized costs are significantly higher than the originally planned acquisition or production costs of an asset,
- the book value of the organization's equity is higher than its market capitalization.

If there is an indication that an asset may be impaired, the asset's recoverable amount must be determined: If the Fair value less cost of disposal is higher than the carrying amount, it is not necessary to calculate the other value. The asset is then not impaired. If the Fair value less cost of disposal cannot be determined, the recoverable amount is the value in use.

In determining value in use and fair value less costs of disposal, the discount rate applied shall be a pre-tax rate and post-tax rate respectively that reflects market assessments of the time value of money and the risks specific to the asset. The discount rate shall not reflect risks for which future cash flows have been adjusted and should be consistent with the return expected by investors when they choose an investment that generates the same cash flows as those expected from the asset.

The recoverable amount must be calculated for the individual asset or for a group of assets if possible. If this is not possible, the recoverable amount must be calculated for the cash-generating unit of the asset. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets. Within the Meyer Burger Group, cash-generating units are generally formed at the level of the individual companies, as, generally speaking, the companies each produce and sell one type of product or related product groups, or are otherwise strongly focused in their business activities, so that a further subdivision is not meaningful or does not correspond to the business model.

The same method is applied to reversals of impairments as to identifying impairments, i.e., a review is carried out on each reporting date to assess whether there are indications that a reversal has occurred. If this is the case, the amount of the reversal (the difference between the recoverable amount and the maximum carrying amount excluding the original impairment) must be determined and the impairment reversed accordingly.

2.8 Intangible assets

in TCHF	Technology	Trade names	Software	Capitalized services	Goodwill	Other intangible assets	Total
Purchase price							
Balance as at 1.1.2022	**178 297**	**44 638**	**8 269**	**795**	**257 130**	**6 341**	**495 470**
Increase	–	–	448	–	–	–	448
Disposal	–	–	–404	–	–	–	–404
Currency translation differences	–4 882	–1 401	–289	–38	–8 289	–	–14 899
Balance as at 31.12.2022	**173 415**	**43 237**	**8 024**	**757**	**248 841**	**6 341**	**480 615**
Increase	–	–	496	–	–	–	496
Disposal	–	–	–402	–	–	3	–399
Currency translation differences	–4 203	–1 698	–365	–45	–10 053	–	–16 364
Balance as at 31.12.2023	**169 211**	**41 539**	**7 753**	**712**	**238 788**	**6 343**	**464 346**
Cumulative depreciation and impairments							
Balance as at 1.1.2022	**–173 174**	**–44 638**	**–7 311**	**–795**	**–257 130**	**–6 340**	**–489 388**
Change in scope of consolidation	–	–	–	–	–	–	–
Ordinary amortization	–502	–	–468	–	–	–	–970
Impairment	–	–	–	–	–	–	–
Disposal	–	–	404	–	–	–	404
Currency translation differences	4 652	1 401	246	38	8 289	–	14 626
Balance as at 31.12.2022	**–169 025**	**–43 237**	**–7 129**	**–757**	**–248 841**	**–6 340**	**–475 329**
Ordinary amortization	–486	–	–617	–	–	–	–1 103
Impairment	–1 223	–	–	–	–	–	–1 223
Disposal	–	–	402	–	–	–3	399
Currency translation differences	4 022	1 698	318	45	10 053	–	16 136
Balance as at 31.12.2023	**–166 711**	**–41 539**	**–7 026**	**–712**	**–238 788**	**–6 342**	**–461 118**
Net book value							
01.01.2022	5 122	–	959	–	–	1	6 082
31.12.2022	4 390	–	895	–	–	1	5 286
31.12.2023	2 500	–	727	–	–	1	3 228

Intangible assets mostly originate from past company acquisitions and have accordingly been acquired in business combinations or through specific transactions. In 2023, no major investments in intangible assets were made. As at 31 December 2023, Meyer Burger has pledged intangible assets in the amount of CHF 0.5 million (31 December 2022: CHF 0.6 million) to third parties as collateralization of the syndicated loan as outlined in Note 2.9.

In view of the deteriorating European market environment, a triggering event was identified and consequently an impairment test had to be carried out. A triggering event has been identified for the IP solar roof tiles. The recoverable amount is based on the fair value less costs of disposal of the individual asset. The value is based on a discounted cash flow over a period of 7 years. The cash flows are discounted using a term-dependent WACC. This resulted in an impairment loss of CHF 1.2 million for the respective IP. Further information can be found in Note 2.7 Property, plant and equipment.

Accounting policies

Intangible assets relate in particular to goodwill, development costs, acquired software, patents, licences, and intangible assets from acquisitions. Intangible assets are recognized if they are clearly identifiable and their costs reliably determinable, and if the assets bring measurable benefit to the company over the course of several years.

Intangible assets from acquisitions, e.g., technology or brands, are measured at fair value at the time of acquisition and are then amortized using the straight-line method over their scheduled useful lives.

Development costs are only capitalized if they are documented and if they relate to a project that is technically feasible, a future inflow of benefits is probable, and the costs can be reliably determined. Costs for improving, enhancing, and reworking existing products as well as research costs are expensed.

Development costs and all other intangible assets are measured at cost less any cumulative amortization and cumulative impairment charges.

Intangible assets from acquisitions are amortized over the following useful lives:

	Useful life in years
Technology	6–10
Customer relationships	6–10
Trade names	6–10
Goodwill	5–20
Software	3

Intangible assets and goodwill are amortized on a straight-line basis over their scheduled useful lives, subject to a maximum of ten years.

Intangible assets and goodwill are reviewed for triggering events at every reporting date. This review is carried out to identify individual assets that may be affected by an impairment. If such indications exist, the recoverable amount must be determined and an impairment is recorded if the carrying value exceeds the recoverable amount. Please refer to information on property, plant and equipment.

The same method is applied to reversals of impairments except for goodwill, i.e. a review is carried out on each reporting date to assess whether there are indications that a reversal has occurred. If this is the case, the amount of the reversal (the difference between the recoverable amount and the maximum carrying amount excluding the original impairment) must be determined and the impairment reversed accordingly.

2.9 Financial liabilities

in TCHF	31.12.2023	31.12.2022
Liabilities toward banks	21 314	22 673
Current financial liabilities	**21 314**	**22 673**
Convertible bonds	274 756	121 358
Loan facility	51 433	76 790
Non-current financial liabilities	**326 189**	**198 148**
Financial liabilities	**347 503**	**220 821**

As at 15 June 2021, a debt facility was concluded with a bank syndicate for a total of EUR 125.0 million, of which EUR 115.0 million is designated as investment loans and EUR 10.0 million as working capital loans. As at 31 December 2023, EUR 80.5 million of the debt facility of EUR 115.0 million (31 December 2022: EUR 115.0 million) was drawn and EUR 10.0 million (31 December 2022: EUR 10.0 million) was granted as a documentary credit and guarantee facility (contingent liability). In the period mandatory repayments of EUR 34.5 million (31 December 2022: EUR 11.5 million) have been made. The loan, which matures on 8 March 2027, has been used to finance investments in the production sites in Bitterfeld-Wolfen, Germany, and Freiberg, Germany. The loan is guaranteed through comprehensive transfers of asset collateral from Meyer Burger with current assets of CHF 88.6 million (31 December 2022: CHF 120.4 million), of which CHF 11.9 million (31 December 2022: CHF 22.2 million) relates to pledged bank accounts without restricted use and non-current assets of CHF 167.1 million (31 December 2022: CHF 186.0 million) that corresponds to the book value after depreciation and impairment as well as an internal comfort letter declaring a guarantee of EUR 125.0 million (31 December 2022: EUR 125.0 million) by Meyer Burger Technology AG. In addition, 80% of the loan volume is guaranteed by the Federal Republic of Germany and by the federal states of Saxony and Saxony-Anhalt. The transaction costs of CHF 3.3 million were accrued and are released through profit and loss over the credit period of the loan.

As of 31 December 2023, the syndicated loan amounts to CHF 72.7 million, of which CHF 21.3 million is reported under short-term financial liabilities and CHF 51.4 million is reported under long-term financial liabilities. The continuation of the syndicated loan is subject to compliance with certain covenants in line with standard market practice. A liquidity risk exists as outlined in Note 3.5.

Among other conditions, the credit agreement contains certain covenants and further applicable conditions, as it is customary in syndicated loan agreements. The agreed financial covenants of the syndicated loan, precisely the achievement of customary financial ratios, are currently suspended until 30 September 2024, meaning that compliance with them is not required as at 31 December 2023. Given the current loss situation and funding requirements, there are indications that the covenants cannot be complied with after the suspension period and therefore, that the syndicated loan may be terminated immediately by the lenders and become payable. Management continuously monitors the covenants and measures will be taken to ensure continued financing.

On 8 July 2021, MBT Systems GmbH, a directly wholly owned subsidiary of the guarantor Meyer Burger Technology AG, issued a green bond with an aggregate principal amount of EUR 145 million. The bond was issued with a denomination of EUR 100,000 per bond at 100% of the principal amount and carries a coupon of 3.5% per annum, payable semi-annually in arrears. Unless previously converted or bought back and cancelled, the bond will be redeemed on 8 July 2027 at 100% of the principal amount. Following the capital increase during 2022, the bonds are convertible into approximately 279 million registered shares in Meyer Burger Technology AG, sourced from shares to be newly issued from conditional share capital excluding the existing shareholders' advance subscription rights. The initial conversion price has been set at EUR 0.5868, representing a premium of 25% over the issue price of the new shares translated into EUR using the CHF foreign exchange rate at the time of pricing on 1 July 2021, i.e., EUR 0.9115 per CHF 1.00. Following the increase in share capital during 2022, the conversion price has been adjusted to EUR 0.52 and CHF 0.57 respectively. As at 31 December 2023, no convertible bond conversions into shares in Meyer Burger Technology AG have occurred.

On 14 May 2023, MBT Systems GmbH, a directly wholly owned subsidiary of the guarantor Meyer Burger Technology AG, issued a green bond with an aggregate principal amount of EUR 216.3 million. The bond was issued with a denomination of EUR 100,000 per bond at 100% of the principal amount and carries a coupon of 3.75% per annum, payable semi-annually in arrears. Unless previously converted or bought back and cancelled, the bonds will be redeemed on 19 May 2029 at 100% of the principal amount. The bond is initially convertible into approximately 311 million registered shares in Meyer Burger Technology AG, sourced from shares to be newly issued from conditional share capital excluding the existing shareholders' advance subscription rights. The initial conversion price has been set at EUR 0.6953, representing a premium of 27.5% over the issue price of the new shares translated into EUR using the EUR/CHF foreign exchange rate at the time of pricing. As at 31 December 2023, no convertible bond conversions into shares in Meyer Burger Technology AG have occurred.

Accounting policies

Financial liabilities are divided into current and non-current liabilities based on the time to maturity and include in particular liabilities to banks, bonds and convertible bonds, liabilities from finance leases, loans, and mortgages.

The convertible bonds issued were split into a debt component and an equity component upon first recognition (bifurcation). The debt components were obtained by discounting the future coupon payments and the repayment of the principal amounts at the maturity date by a discount rate appropriate to a comparable straight bond. This discount rates are higher than the effective interest rates for the convertible bonds since the latter includes a discount for the conversion rights received. The equity components, in turn, reflect the conversion rights for the bonds. Early conversions of the convertible bonds will be considered by reclassifying the debt component into equity as of the conversion date. The remaining convertible bonds will still be measured at amortized cost using the effective interest rate method.

Other financial liabilities are carried at their fair value including transaction costs recognized in profit and loss over the credit term. Subsequent measurement is at amortized cost using the amortization over the term, which generally corresponds to the principal amount.

2.10 Trade payables and customer prepayments

in TCHF	31.12.2023	31.12.2022
Trade payables	28 218	33 250
Trade payables	**28 218**	**33 250**
Customer prepayments from modul business	79 133	872
Customer prepayments	**79 133**	**872**

The decrease in trade payables is due to the completed ramp-up of the production lines in Freiberg and Bitterfeld-Wolfen, Germany, and the associated reduction in incoming invoices.

An amount of CHF 79.1 million (31 December 2022: CHF 0.9 million) is reported as customer prepayments within current liabilities on the balance sheet. In 2023, this predominantly concerns prepayments received in the USA as part of the long-term module supply agreements.

2.11 Other liabilities

in TCHF	31.12.2023	31.12.2022
Other liabilities	3 910	2 259
Other current liabilities	**3 910**	**2 259**
Employee benefits	113	332
Other liabilities	55	45
Other non-current liabilities	**168**	**377**

Other liabilities include various items, such as liabilities for social security payments, customers with credit balances, and VAT liabilities. Long-term employee benefits mainly include accruals for social costs related to stock-based compensation. The increase compared to the previous year is mainly due to outstanding incoming invoices.

Accounting policies

Other liabilities include non-interest-bearing liabilities, in particular VAT liabilities, liabilities for social security payments, current and non-current employee benefits such as accrued paid annual leave and overtime, profit-sharing, short-term incentives, and social costs related to stock-based compensation.

Other liabilities are measured at cost, which is generally the nominal value. Subsequent measurement is at amortized cost, which is generally also the nominal value.

2.12 Provisions

in TCHF	Warranties	Restructuring	Onerous contracts	Litigation	Other provisions	Total
Balance as at 1.1.2022	**1 812**	**550**	**652**	**180**	**519**	**3 713**
Increase	2 110	55	482	202	3	2 852
Use	–148	–244	–	–104	–	–496
Release	–40	–	–652	–66	–	–758
Reclassification	–	–	–	–	–	–
Currency translation differences	–66	–	–10	–2	–24	–102
Balance as at 31.12.2022	**3 668**	**361**	**472**	**210**	**498**	**5 209**
Increase	431	–	700	326	3 017	4 474
Use	–295	–361	–136	43	–	–749
Release	–1 871	–	–317	–97	–	–2 285
Currency translation differences	–75	–	–52	–17	–174	–318
Balance as at 31.12.2023	**1 858**	**–**	**667**	**465**	**3 341**	**6 331**
Of which current						
01.01.2022	1 008	550	297	180	519	2 554
31.12.2022	2 538	361	472	210	497	4 078
31.12.2023	568	–	667	465	3 341	5 041

Warranties: Provisions for services to be rendered during the contractual warranty period for Meyer Burger's products. The amount of the provisions is determined from past historical data, industry benchmarks, and recognized warranty risks. If insufficient empirical data is available, a reasonable estimate is made on the basis of the available knowledge. The outflow of cash is expected within the term of the warranty given, in the majority of cases under the old business model of machine manufacturing within one or two years (maximum). The portion of the warranty provision relating to the old business model amounts to CHF 1.3 million (31 December 2022: CHF 3.1 million). For the sales of Meyer Burger's solar modules under the new business model, Meyer Burger grants its customers a product and performance guarantee limited to 25 or 30 years. The portion of the warranty provision relating to the new business model amounts to CHF 0.6 million (31 December 2022: CHF 0.6 million).

The warranty provision is split into a current and a non-current portion. The non-current portion is discounted as at 31 December 2023.

Restructuring: Restructuring provisions are recognized for probable costs of specific reorganizations within the Group. In 2021, Meyer Burger announced the closure of the sites in Taiwan, Korea, and Malaysia and the downsizing of its site in China. As at 31 December 2023, all restructuring measures were completed.

Onerous contracts: Onerous contracts provisions are made for contracts under which the unavoidable costs of meeting the contractual obligations exceed the expected economic benefits. This mainly relates to binding sales contracts that are not profitable for Meyer Burger.

Litigation: Provisions for legal cases are recognized based on the best estimates of expenses to be incurred in individual ongoing legal proceedings of the Group.

Other: Other provisions generally cover various risks arising during the normal course of business based on specific transactions or situations such as possible contractual liabilities. A provision totaling with the amount of CHF 1.3 million (31 December 2022: none) was formed for potential payment obligations for wafer and glass delivery quantities not accepted in the financial year 2023 and CHF 1.4 million (31 December 2022: none) for restoration obligations from existing rental agreements were recognized.

Accounting policies

Meyer Burger makes a distinction between the following categories of provisions: warranties, restructuring, onerous contracts, litigation, and other provisions.

Provisions are only created if there is a present obligation to third parties based on a past event, a reliable estimate can be made of the amount of the obligation, and an outflow of resources is probable. If an obligation cannot be estimated with sufficient reliability, it is reported as a contingent liability but not recognized in the balance sheet. Provisions are measured using the best estimate concept, i.e. the amount recognized as a liability is the best estimate of the expenditure required to settle the present obligation on the reporting date. The appropriateness of the amount of provisions is reviewed at every reporting date. Non-current provisions are discounted if this has a significant impact.

2.13 Accrued expenses and prepaid income

in TCHF	31.12.2023	31.12.2022
Accrued customer bonuses	4 470	4 333
Accrued employee benefits	4 326	4 010
Accrued interest convertible bond	3 422	2 415
Current income taxes	233	204
Other accrued expenses and prepaid income	10 450	12 696
Accrued expenses and prepaid income	**22 901**	**23 658**

As at 31 December 2023 and 31 December 2022, other accrued expenses and prepaid income predominantly include accrued expenses relating to various goods and services, for which invoices have not yet been received and prepayments from subsidies related to a research and development project.

Accounting policies

Accrued expenses and prepaid income mainly include employee benefits payable and interest payable that have been incurred during the financial year but have not yet been paid. Furthermore, expenses relating to goods and services for which an invoice has not yet been received as well as accrued customer bonuses and prepayments from subsidies related to a research and development projects from which income was generated in the following year are reported here.

Accrued expenses and prepaid income are measured at cost, which is generally the nominal value. Subsequent measurement is at amortized cost, which is generally also the nominal value.

2.14 Taxes

Deferred tax assets and liabilities

	Deferred tax assets		Deferred tax liabilities	
in TCHF	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Trade receivables	12	12	58	–
Inventories	129	347	–	–
Financial assets	–	–	371	797
Property, plant and equipment	246	205	266	23
Intangible assets	3	6	–	–
Other assets	3 178	–	–	–
Financial liabilities	–	–	4 471	1 695
Net liabilities from construction contracts	–	804	–	786
Other liabilities	102	–	496	–
Provisions	894	183	47	13
Subtotal	**4 564**	**1 557**	**5 709**	**3 314**
Netting	–4 068	–862	–4 068	–862
Deferred income taxes	**496**	**695**	**1 641**	**2 452**

Deferred income taxes are reported as a net position for each taxable entity. As at 31 December 2023 and 31 December 2022, deferred income tax liabilities exceed deferred income tax assets. The deferred income tax liabilities as at 31 December 2023 mainly result from differences in financial liabilities due to the accounting treatment of transaction costs.

Tax loss carry-forwards not recognized

in TCHF	31.12.2023	31.12.2022
Expiry in 1 year	–	97 345
Expiry in 2–3 years	309 008	205 825
Expiry in 4–5 years	54 036	200 272
Expiry in more than 5 years	499 994	81 656
Non-forfeitable	531 734	358 349
Tax loss carry-forwards not recognized	**1 394 772**	**943 447**

The total potential income tax claim on unrecognized tax loss carry-forwards amounts to CHF 180.5 million (31 December 2022: CHF 141.4 million). This takes into account the fact that CHF 746.9 million (31 December 2022: CHF 411.3 million) of the total unrecognized tax loss carry-forwards originate from losses of Meyer Burger Technology AG, which are taxed at a reduced rate. Also, due to the Swiss tax reform, certain tax loss carry-forwards in Switzerland will not be usable at the level of cantons and municipalities. The potential tax claim on unrecognized tax loss carry-forwards of the German entities facilitating the new business model amounts to CHF 136.5 million (31 December 2022: CHF 83.7 million).

Income taxes

in TCHF	31.12.2023	31.12.2022
Current income taxes	300	–32
Deferred income taxes	524	217
Income taxes	**824**	**185**

Reconciliation from expected to effective income taxes

in TCHF	31.12.2023	31.12.2022
Earnings before taxes (EBT)	–292 762	–70 035
Expected average weighted tax rate (%)	28.18%	21.62%
Expected income taxes	**82 500**	**15 142**
Cause for variance:		
Waive of capitalization of tax losses incurred in reporting period	–61 593	–17 133
Deviation from tax rate to expected tax rate of the Group	–21 388	10 262
Deviation in tax-deductible expenses	1 526	–8 991
Income tax in other accounting periods and corrections for prior years	–	–60
Non-taxable income	–	777
Other effects	–221	188
Effective income taxes	**824**	**185**
Effective income taxes (%)	**-0.43%**	**-0.26%**

The expected average weighted tax rates of 28.18% in 2023 and 21.62% in 2022 have been calculated on the basis of the weighted operating results of the Group companies, considering positive results only.

Accounting policies

Deferred income taxes are recognized using the liability method on all temporary valuation differences between the tax basis of assets and liabilities and their carrying amounts in the financial statements under Swiss GAAP FER. Deferred income taxes are measured using tax rates and laws that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred taxes on loss carry-forwards are not capitalized in accordance with Swiss GAAP FER.

Deferred income tax assets are offset against deferred income tax liabilities provided they relate to the same entity and are expected to be settled net or in the same accounting period.

Income taxes comprise current and deferred income taxes. Current income taxes are the expected taxes payable on the taxable income for the year including any adjustment to taxes payable in respect of previous years. Current income taxes are accrued in the year to which they relate and are recognized in accrued or prepaid expenses.

2.15 Equity

Share capital

	Number of shares	in CHF
Balance as at 1.1.2022	**2 670 491 011**	**133 524 550**
Capital increase	926 727 540	46 336 377
Balance as at 31.12.2022	**3 597 218 551**	**179 860 927**
Balance as at 31.12.2023	**3 597 218 551**	**179 860 927**

The share capital of Meyer Burger Technology AG as at 31 December 2023 was divided into 3,597,218,551 registered shares with a nominal value of CHF 0.05 each. On 11 November 2022, Meyer Burger carried out a capital increase that led to an increase by 926,727,540 registered shares based on the previous 2,670,491,011 registered shares outstanding as at 31 December 2021. The share capital is fully paid up.

No dividend was paid in the reporting period or in the previous year.

As at 31 December 2023, non-distributable reserves in Group equity totaled CHF 35.9 million (31 December 2022: CHF 225.3 million). These are largely attributable to the capital reserves of Meyer Burger Technology AG arising from the capital increases.

Conditional share capital

In accordance with Article 3b of the company's Articles of Association, dated 4 May 2023, the share capital may be increased by a maximum amount of CHF 6,287,870.00 through the issuance of a maximum of 125,757,400 fully paid-in registered shares with a nominal value of CHF 0.05 each, by the exercise of option rights granted to employees and members of the Board of Directors of the company or of Group companies in accordance with a plan to be prepared and issued by the Board of Directors. The subscription rights of shareholders are excluded. Upon acquisition, the new registered shares will be subject to the limitations for registration in the share register in accordance with Article 4 of the Articles of Association.

In accordance with Article 3c of the company's Articles of Association, dated 4 May 2023, the share capital may be increased by a maximum amount of CHF 29,500,000.00 through the issuance of a maximum of 590,000,000 fully paid-in registered shares with a nominal value of CHF 0.05 each, by the exercise of conversion and/or option rights that are granted in connection with convertible bonds, bonds with option rights, or similar financial market instruments of the company or of Group companies.

The subscription rights of the shareholders are excluded in connection with the issuance of convertible bonds, bonds with option rights, or other financial market instruments, which carry conversion and/or option rights. The then-current owners of conversion and/or option rights will be entitled to subscribe for the new shares.

The acquisition of shares through the exercise of conversion and/or option rights and each subsequent transfer of the shares will be subject to the limitations for registration in the share register in accordance with Article 4 of the Articles of Association.

The Board of Directors is entitled to restrict or exclude the advance subscription rights in connection with the issuance of convertible bonds, bonds with option rights, or other financial market instruments of existing shareholders, provided that:
1) the financing instruments with conversion or option rights are issued in connection with the financing or refinancing of the acquisition of enterprises, divisions thereof or participations, or of newly planned investments; or
2) an issue by firm underwriting through a bank or a banking syndicate followed by a public offer, thereby excluding the advance subscription rights, seems to be the best way of issue at that point in time, in particular with respect to the terms and conditions of the issue or the timeline of the transaction.

If advance subscription rights are denied by decision of the Board of Directors, the following shall apply:
1) conversion rights may be exercisable only for up to ten years, option rights only for up to seven years from the date of the respective issuance; and
2) the respective financial market instruments must be issued at the relevant market conditions.

Treasury shares

Treasury shares held by Meyer Burger Technology AG

	Number of shares	Price/share in CHF	Value of treasury shares in TCHF
1.1.2022	**18 147 882**	**0.29**	**5 307**
Grant/use	–2 147 035	0.15	–323
31.12.2022	**16 000 847**	**0.31**	**4 984**
Grant/use	–3 244 412	0.17	–544
31.12.2023	**12 756 435**	**0.35**	**4 440**

In the course of the capital increase on 11 November 2022, Meyer Burger Technology AG did not exercise the subscription rights to treasury shares.

All treasury shares held in conjunction with the employee share plans are held by Meyer Burger Technology AG. As at 31 December 2023, these are reserved in full and will be transferred to the respective employees upon expiry of the vesting period.

Meyer Burger is not aware of any shares in the company being held by the pension fund.

Accounting policies

Equity includes share capital, capital reserves, treasury shares, the reserve for share-based payments, retained earnings or cumulative losses.

Share capital is the nominal value of all outstanding shares.

Capital reserves contain payments by shareholders in excess of the nominal value. This is the premium, reduced by the excess value over the nominal value of canceled treasury shares. Gains and losses realized on the sale of treasury shares are also recognized directly in capital reserves. In addition, the reserves for share-based payment are reallocated to the capital reserves upon expiry of the vesting period. Any difference between the purchase price and the acquired minority interests is also recognized in capital reserves.

Treasury shares comprise shares in Meyer Burger Technology AG held by Meyer Burger Technology AG itself. Treasury shares are recognized at cost and are not remeasured as at the reporting date. Any gains or losses realized on the sale of treasury shares are transferred to capital reserves. The reserve for share-based payments includes the fair value of shares issued to the Board of Directors, the Executive Board, and key employees and recognized over the vesting period.

Retained earnings or cumulative losses are undistributed gains and losses of Meyer Burger that are freely available for the most part. They include the legal, statutory, and free reserves. Foreign currency translation differences from the translation of annual financial statements prepared by foreign subsidiaries are also recognized in retained earnings. Foreign currency effects on non-current intercompany loans with an equity character are also recognized directly in equity.

2.16 Net sales

in TCHF	2023	2022
Net sales from sales of goods	135 818	144 766
Net sales from rendering of services	1 032	1 543
Net sales from production contracts	–1 815	905
Net sales	**135 035**	**147 214**

Accounting policies

Revenue corresponds to the fair value of the consideration received or receivable from the sale of goods and services. Revenue is recognized net of sales or transaction taxes, deductions of credit notes, returns, and discounts.

Appropriate provisions are recognized for expected warranty claims arising from the sale of goods and services.

Revenue is recognized when the amount of revenue can be measured with reliability, when it is probable that the future economic benefits associated with the transaction will flow to the company, and when the following specific criteria are fulfilled:

Net revenue from the sale of goods and services is generally recognized after deduction of discounts at the time of the sale to the customer once the risks and rewards of product ownership are transferred to the buyer.

Net revenue from the sale of machinery is also recognized after deduction of discounts at the time of the sale to the customer once the risks and rewards of product ownership are transferred to the buyer. At Meyer Burger, net revenue from the sale of machinery is generally not realized until a final acceptance test has been signed by the customer at the destination.

Revenue from production contracts is recognized over time in line with the PoC method as outlined in Note 2.3. Net revenue from service agreements is recognized on the basis of the proportion of services performed by the reporting date.

2.17 Segment reporting

The activities of Meyer Burger are divided into the following reportable business segments: "Modules," "Photovoltaics," and "Specialized Technologies." Activities under the old business model of equipment sales were reported in the "Photovoltaics" segment. As part of the ongoing company transformation, customer projects in the "Photovoltaics" segment are being phased out, but still led to a limited amount of revenue in 2023, mainly due to long-term contracts and service provided. Due to the comprehensive change in Meyer Burger's business model, the "Specialized Technologies" segment was phased out in the current year.

Net sales by segments 2023

in TCHF	Modules	Photovoltaics	Specialized Technologies	**Total**	Consolidation	**Total after consolidation**
Net sales third parties	127 905	7 130	–	**135 035**	–	**135 035**
Net sales intersegment	–	14 527	–	**14 527**	–14 527	**–**
Net sales	**127 905**	**21 657**	**–**	**149 562**	**–14 527**	**135 035**

Net sales by segments 2022

in TCHF	Modules	Photovoltaics	Specialized Technologies	**Total**	Consolidation	**Total after consolidation**
Net sales third parties	124 981	17 553	4 680	**147 214**	–	**147 214**
Net sales intersegment	–	24 168	–	**24 168**	–24 168	**–**
Net sales	**124 981**	**41 721**	**4 680**	**171 382**	**–24 168**	**147 214**

Modules

This segment comprises Meyer Burger's new business model. At its modern sites in Freiberg, Germany, and Bitterfeld-Wolfen, Germany, and in the future at its site in Goodyear, Arizona, USA, Meyer Burger manufactures or will manufacture high-quality solar cells and modules. These are equipped with the proprietary heterojunction/SmartWire technology, which guarantees the highest efficiency and cost-effectiveness. The product range includes innovative and highly efficient solar modules for roof systems in the private and commercial sector as well as solutions for the solar power plant segment.

Photovoltaics

The Photovoltaics segment largely comprises Meyer Burger's previous core business of photovoltaics and covers the processing of solar cells, solar modules, and solar systems with its portfolio of systems, production equipment, and services. Meyer Burger's strategic long-term technological approach, which considers core technologies of the photovoltaic value chain and optimally harmonizes technologies across the different processes (cells, modules, solar systems), now serves as the foundation of the company's reorientation directly toward cell and module production. With the ongoing business transition, the respective equipment manufacturing facilities will be utilized for the internal development and setup of production equipment with the exception of our ongoing Pasan business (cell and module measurement equipment and related services), which will be continued.

Specialized Technologies

With Specialized Technologies, Meyer Burger provided technologies that are successfully deployed in photovoltaics, particularly in the field of applying or removing layers on different substrates in a wide range of other high-tech markets. As part of a settlement agreement, by order of Meyer Burger (NL) B.V., Eindhoven, Netherlands, business was concluded and reported under the Specialized Technologies segment. With the completion of this project, the segment was phased out.

Segment results

Disclosure of the segment results would lead to much higher transparency in terms of Meyer Burger's cost and margin structure than that of the relevant competitors. Most of the relevant competitors are companies without publicly available financial information or are large companies with large reporting segments in which comparable information is diluted accordingly. The disclosure of segment results would therefore lead to a considerable competitive disadvantage for Meyer Burger in comparison with its competitors. In addition, such information may have negative impacts on the company's negotiating position with customers and suppliers. For these reasons, Meyer Burger does not disclose segment results. There were no changes compared to the previous year.

2.18 Segmentation of net sales by geographic market

in TCHF	2023	2022
Switzerland	21 981	20 926
Germany	69 285	74 088
Rest of Europe	18 656	21 428
Asia	5 726	8 940
America	19 383	22 205
Rest of world	4	2
Net sales	**135 035**	**147 214**

2.19 Other operating income

in TCHF	2023	2022
Gain from sale of property, plant and equipment	46	229
Other income	7 876	8 855
Other operating income	**7 922**	**9 084**

Other operating income decreased by CHF 1.2 million compared to the prior year. Other income mainly consists of the release of provisions for bad debts, social subsidies, and non-core revenue, e.g., from the employee restaurant and kindergarten.

Accounting policies

Other operating income results from regularly conducted secondary business that has an indirect connection to the main purpose and business of the company.

Other operating income is recognized when the amount of income can be measured reliably and when it is probable that the future economic benefits associated with the transaction will flow to the company, e.g., when a specific amount of rent is due or when a sale transaction of property, plant and equipment or an investment is completed.

2.20 Personnel expenses

in TCHF	2023	2022
Wages and salaries	–70 743	–50 489
Social security	–11 941	–8 856
Pension benefit expenses	–947	–786
Share-based payment expenses	–3 186	–1 969
Temporary personnel	–3 550	–2 401
Other personnel expenses	–4 483	–3 546
Personnel expenses	**–94 850**	**–68 047**

Personnel expenses increased by CHF 26.8 million compared to the prior year, which is attributable to the higher number of employees due to the ramp-up.

The subsidies for research and development costs in the financial year included employee-related grants of CHF 2.4 million (2022: CHF 2.4 million), which were offset against personnel expenses.

2.21 Operating expenses

in TCHF	2023	2022
Rental costs	–12 060	–4 135
Maintenance and repair	–3 670	–1 877
Vehicles and transportation expenses	–3 985	–3 479
Property insurance, fees and contributions	–2 629	–2 147
Energy and waste disposal expenses	–19 121	–10 718
Administration expenses	–9 118	–8 001
IT expenses	–3 036	–2 535
Marketing expenses	–3 181	–1 752
Loss on sale of property, plant and equipment	–5	–9
Expenses on research and development	–5 210	–3 673
Other operating expenses	–2 162	–1 268
Operating expenses	**–64 177**	**–39 594**

Operating expenses increased by CHF 24.6 million compared to the prior year. This is predominantly due to the ongoing ramp-up of production at the two sites in Freiberg, Germany, and Bitterfeld-Wolfen, Germany, as well as the ramp-up of production at the site in Goodyear, USA. This mainly impacted rental costs, energy, and waste disposal expenses in particular, as well as maintenance and repair expenses and marketing expenses.

2.22 Financial result

in TCHF	2023	2022
Interest income		
Cash and cash equivalents	8 033	719
Gain/loss of financial asset fair value through profit and loss	–214	2 581
Financial income	**7 819**	**3 300**
Interest expenses		
Liabilities toward banks	–3	–222
Interest paid on other financial liabilities	–1 031	–99
Loan facility	–5 334	–2 585
Adjustments to present value provisions	–16	–
Convertible bond	–19 022	–9 454
Currency translation differences (net)	–22 144	–4 174
Other financial expenses	–2 856	–3 207
Financial expenses	**–50 406**	**–19 741**
Financial result (net)	**–42 587**	**–16 441**

The financial result increased significantly, mainly due to higher currency translation differences of CHF 22.1 million (2022: CHF 4.2 million) and interest on convertible bond of CHF 19.0 million (2022: CHF 9.5 million).

3 Financial Risk Management

In its capacity as an international group, Meyer Burger is exposed to various financial and non-financial risks that are inextricably linked to its business activities. In the broadest sense, the risks are defined as the threat that it might not be possible for the Group to achieve its financial, operational, or strategic aims as planned. In order to ensure the company's long-term success, it is therefore crucial to identify, analyze, and evaluate risks effectively and to eliminate, reduce, or transfer them by means of appropriate steering mechanisms.

Clearly defined management information and control systems are used to measure, monitor, and control the risks to which Meyer Burger is exposed. A suitably detailed risk report is drawn up on a regular basis and submitted to the Board of Directors. In 2023, the risk reporting was presented to the Board of Directors and discussed at two Board meetings.

For the purposes of effective risk management, transparency, and the proper aggregation of risks in the risk reporting, Meyer Burger has opted for a uniform and integrated approach to corporate risk management across the Group as a whole. The probability of occurrence and the extent of the possible loss are considered for each risk in the risk assessment process. Meyer Burger uses both quantitative and qualitative methods for this process, applying these on a uniform basis across the Group as a whole, thereby ensuring that risk assessments are comparable across different areas of the company. A clear risk assessment matrix is drawn up based on the respective results.

The main financial risks are described below.

3.1 Foreign currency risks

Meyer Burger is mainly exposed to exchange rate fluctuations in connection with operating expenses (e.g., raw material sourced in US dollars) and loans denominated in a currency other than the local functional currencies of the Group companies concerned. The extent of the risk exposure of revenue denominated in a foreign currency is lower.

The Group seeks to realize a high portion of its revenues in the same currencies in which the individual Group companies source their operating material and services – and therefore incur the respective expenses – with the aim of mitigating the exposure to particular currencies (known as "natural hedging"). Also, the Group aims to pass on higher raw material prices due to currency fluctuations (e.g., an appreciation of the US dollar against the euro) to European customers in the form of price increases.

The net proceeds from the EUR 216.3 million green convertible bond issuance in May 2023 have been or will be mostly invested and spent in the same currency (euro).

At a consolidated level, the Group is also exposed to exchange rate fluctuations between the Swiss franc and the respective local currencies of the Group companies. The major foreign currencies relevant to Meyer Burger are the euro and US dollar.

The Group Treasury is responsible for managing of foreign currency risks based on the Treasury policy issued by the executive bodies. According to this policy, derivative financial instruments such as forward currency contracts or currency options may be used for hedging purposes. Meyer Burger may use forward currency contracts to hedge against exchange rate risks. As at 31 December 2023 and 31 December 2022, there were no open currency hedge contracts. Foreign exchange rate risks relating to the carrying amount of the net investment in a foreign entity or to the conversion of results posted by foreign entities are currently not hedged.

3.2 Interest rate risks

Meyer Burger's current financial liabilities can generally bear both fixed and variable interest rates. Both outstanding convertible bonds (EUR 145 million maturing in 2027 and EUR 216.3 million maturing in 2029) have been issued with a fixed interest rate, while the EUR 125 million syndicated loan facility (of which EUR

80.5 million was outstanding as at 31 December 2023), also maturing in 2027, is subject to a variable interest rate. Meyer Burger has partially hedged against interest rate fluctuations on the outstanding loan amounts with an interest rate cap derivative.

A low interest rate risk exists due to fluctuations in interest paid by financial institutions on cash and cash equivalents, which are subject to the risk of interest rate fluctuations on different capital markets with a corresponding potential impact on cash flow.

Overall, the risks arising from interest rate fluctuations are analyzed regularly and, with the respective mitigating measures in place, they are deemed to have no material impact on the Group's cash flows and results. Based on the variable interest-bearing assets and liabilities that existed at 31 December 2023, it is expected that a one-percentage-point increase in the general level of interest rates including underlying refinancing base rates (e.g., EURIBOR) would improve the result of the Group by CHF 0.6 million on an annual basis, taking into consideration the partial interest rate hedge. Similarly, a one-percentage-point decrease in the interest rate is expected to reduce the result of the Group by approximately CHF 0.6 million on an annual basis.

3.3 Other financial price risks

Meyer Burger holds financial equity investments that are not publicly listed and are accordingly subject to the respective financial price risk. The valuation of the respective financial instruments is monitored regularly to mitigate, and particularly to minimize, negative financial effects.

Meyer Burger is exposed to fluctuations in commodity prices through the raw materials and semi-finished products it purchases. A commodity is a physical substance, generally a basic resource such as iron ore, nickel, silicon, aluminum, copper, silver or other metals, crude oil, natural gas, coal, etc. The actual price risk arises from the time difference between cost increases implemented by suppliers due to the rise in commodities prices or derivative products thereof and the opportunity for Group companies to increase their sales prices. Each Group company is responsible for identifying and quantifying its commodity price risks. Meyer Burger did not trade in any commodity derivatives during the financial years 2023 and 2022.

3.4 Credit risks

Meyer Burger is exposed to various credit risks through its operating activities. The Group has guidelines in place to ensure that products and services are only sold to customers with reliable credit. Outstanding debts are regularly monitored. Credit risks in relation to trade receivables and prepayments are considered in the financial statements by means of individual valuation allowances. Default risks are minimized wherever possible through customer prepayments and trade finance instruments such as factoring and credit insurance. The Group's counterparties in securities transactions, derivative financial instruments, and financial investments are carefully selected financial institutions with a minimum rating of A- or A3 (or equivalent) from a recognized rating agency, which are monitored within defined limits. The present limits in respect of banks are subject to periodic monitoring and duly reallocated where necessary.

With regard to financial assets that were neither impaired nor in arrears as at the reporting date, there are no obvious signs that the debtors concerned will be unable to meet their payment obligations. Based on its debtors' credit ratings as well as the factoring facility with a volume of up to EUR 60 million, Meyer Burger does not expect to incur any losses on account of the non-performance of contracts in addition to the positions already value-adjusted.

3.5 Liquidity risks

Liquidity risk is the risk that Meyer Burger might be unable to meet its financial obligations as and when they fall due. The availability of sufficient liquidity is monitored permanently and reported on a regular basis to the management and the Board of Directors.

Due to the change in business model and current ramp-up phase, as well as the market distortion in Europe, Meyer Burger does not yet generate sufficient operating results to sustain its operations and is dependent on external debt and equity financing. In the 2021 to 2023 financial years, Meyer Burger raised liquidity through capital increases of CHF 80 million in 2021 and CHF 250 million in 2022, the issuance of green convertible bonds of EUR 145 million in 2021 and EUR 216.3 million in 2023, a syndicated loan facility of EUR 125 million, of which EUR 80.5 million (CHF 72.7 million) was outstanding and EUR 10 million was granted as a multipurpose money-market and documentary credit and guarantee facility as at 31 December

2023, and a factoring agreement for up to EUR 60 million, both set up in 2021. The factoring facility duly expires at the end of June 2024 and was utilized with EUR 3.6 million as at the end of 2023. Additionally, in 2022 a EUR 10 million cash-collateralized documentary credit and guarantee facility was arranged.

The convertible bonds placed in the market and the syndicated credit facility are subject to cross default clauses customary in the market, according to which the outstanding amounts can be called due if the borrower, the guarantor or certain subsidiaries are required to repay another financial obligation early due to non-compliance with credit terms.

Based on current projections, Meyer Burger will require funding to fulfill its future payment obligations. This funding gap, which is expected to enable the Group to become cash flow positive in the mid-term. In order to close the funding gap, additional equity and debt financing including renegotiation of existing loan facilities is required. Therefore, management is evaluating various financing instruments and concepts in a proactive dialog with financing partners and investors. Accordingly, Meyer Burger intends to take further measures to address this risk as outlined in Note 1.5 (Going concern).

4 Other Disclosures

4.1 Pension plans

Meyer Burger provides pension benefits for its employees for retirement, disability, and death. Meyer Burger maintains a defined-benefit pension plan with a collective insurance foundation for the entities in Switzerland. From a legal point of view, autonomous pension funds carry the risks related to defined benefits. An obligation beyond the payment of its contributions exists for the employer only in the event of recapitalization measures of the pension fund.

The defined-benefit pension plan is a collective pension plan. Due to its nature, the information to be disclosed cannot be determined on the basis of the individual participation agreement. The level of coverage of the collective plan as a whole amounted to 105.2% at the end of 2023 (31 December 2022: 100.6%). Accordingly, the table below shows the changes in pension benefit expenses only.

The employees of Group companies outside Switzerland are members of defined-contribution state pension plans in the respective countries in accordance with local legislation.

As at 31 December 2023, contributions of CHF <0.1 million were outstanding (31 December 2022: CHF <0.1 million).

The economic benefit or obligation and the pension expenses are as follows:

Pension institutions 31.12.2023

Economic benefit/economic obligation and pension benefit expenses in TCHF	Surplus/deficit 31.12.2023	Economic part of the organization 31.12.2023	Economic part of the organization 31.12.2022	Change to prior-year period or recognized in the current result of the period	Contributions relating to the business period	Pension benefit expenses within personnel expenses 2023
Pension schemes without funding surplus/deficit in Switzerland	–	–	–	–	804	804
Pension schemes abroad	–	–	–	–	143	143
Total	**–**	**–**	**–**	**–**	**947**	**947**

Pension institutions 31.12.2022

Economic benefit/economic obligation and pension benefit expenses in TCHF	Surplus/deficit 31.12.2022	Economic part of the organization 31.12.2022	Economic part of the organization 31.12.2021	Change to prior-year period or recognized in the current result of the period	Contributions relating to the business period	Pension benefit expenses within personnel expenses 2022
Pension schemes without funding surplus/deficit in Switzerland	–	–	–	–	646	646
Pension schemes abroad	–	–	–	–	140	140
Total	**–**	**–**	**–**	**–**	**786**	**786**

4.2 Share-based payment

The company has a share-based payment program as a long-term incentive for the members of the Board of Directors and the Executive Board, as well as for other selected employees within the Group. The share-based payment program consists of periodic share or option plans. The Board of Directors determines the individual participants of each plan based on a recommendation from the Executive Board at its reasonable discretion. Shares or options may only be allocated to employees with an employment contract for an indefinite-term and in positions not under notice, and to serving members of the Board of Directors.

Each participant receives an individual offer letter, stipulating the number of share units or options being offered, the acquisition price per share (if any), the respective exercise price per option, the payment conditions, the period within which the participant has to declare acceptance of the offer, and the (optional) retention periods.

The entitlements to share and option units allocated by the Board of Directors generally have a vesting period of three years and an optional fiscal retention period (Switzerland only) 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 the title of ownership to the restricted shares or options during the vesting period. During the vesting period and the optional retention period, the participants therefore cannot sell (in part or in full), assign, transfer, pledge or debit the shares or options in any form or exercise voting rights. If notice is given, the right to acquire ownership of the shares or options conditionally allocated under the respective plan lapses without payment.

The fair value of the shares and options granted is expensed and accumulated in the share-based payment reserve in equity over the corresponding vesting period. The share-based payment reserve is then released at the vesting date. The fair value of shares refers to the share price of the grant, while the fair value of options is calculated taking into account the exercise price, the share price at the grant date, the expected volatility, the risk-free interest rate, and the expected dividend yield. Plan adjustments, especially to neutralize dilutive effects from the capital increase, are reflected in the fair value of the shares and options granted at the time of the adjustment and accordingly affect expenses and the accumulation of the share-based payment reserve over the remaining duration of the plan.

Share plan

in TCHF	2023	2022
Number of options granted	15 507 225	17 234 885
Date of grant	13.04.2023	08.06.2022
Options price/fair value at date of grant in CHF	0.26	0.21
Fair value of shares and options granted in CHF	4 016 371	3 550 386

For the 2023, 2022, and 2021 LTI Share Plans, the Executive Board was granted share options. The actual vesting ratio (actual number of shares) that a member of the Executive Board receives after the three-year contractual life will depend on the development of the company’s share price and the exercise date of the options.

Share payment

In 2023 and 2022 the Board of Directors received shares as part of its remuneration.

in TCHF	2023	2022
Number of shares transferred	1 754 036	875 256
Date of transfer	23.06.2023/15.12.2023	24.06.2022/15.12.2022
Share price/fair value at date of transfer in CHF	0.58/0.18	0.44/0.54
Fair value of shares transferred in CHF	477 499	431 247

Accounting policies

A share-based payment is generally a transaction in which an entity receives or acquires goods or services as consideration for its equity instruments. Meyer Burger only makes share-based payments in connection with its share-based payment programs for employees, including the Executive Board, and the Board of Directors.

When shares are issued, the value of the shares to be issued corresponds to the current market price of the Meyer Burger Technology AG share at the time of allocation. A comprehensive external appraisal is obtained in each case for the share and option valuation, which takes into account any defined performance criteria, expected market developments/volatilities, and other relevant parameters in the valuation. This forms the basis for the accounting of the share-based payments.

The share-based payments are recognized evenly over the vesting period in the income statement under personnel expenses (account for share-based payments). The vesting period corresponds to the period between the allocation of the shares and the date on which the shares can be freely disposed of. Over the vesting period, the reserve for share-based payments is thus accumulated in equity. After the vesting period, the entire reserve for share-based payments for the relevant share plan is transferred to the capital reserves of Meyer Burger Technology AG if the shares were newly created. Otherwise, the reserve for share-based payments and the treasury shares reserved for the plan distribution are derecognized. Any social security contributions payable on the share-based payments after the end of the vesting period must be accrued accordingly and recorded on an accrual basis.

4.3 Currency translation differences

in TCHF	2023	2022
Currency translation differences on trade receivables and customer prepayments	–1 673	–1 099
Currency translation differences on cost of products and services	126	2 108
Currency translation differences on other operating expenses	302	37
Currency translation differences on financial expenses/income	–22 144	–4 181
Currency translation differences	**–23 389**	**–3 135**

The effect from unrealized currency translation differences is generally recognized in the financial result. The currency loss on Group loans totaled CHF 22.7 million (2022: CHF 2.3 million), of which a loss of CHF 20.1 million (2022: CHF 1.7 million) was recognized in the financial results and a loss of CHF 2.6 million (2022: CHF 0.6 million) directly in equity due to the equity-like nature of the respective loans. The increase compared to the previous year is due to higher credit volumes and less favorable exchange rates. The remaining currency differences are deducted in other items.

4.4 Earnings per share

in TCHF	2023	2022
Basic		
Net result attributable to shareholders of Meyer Burger Technology AG (in TCHF)	–291 938	–69 850
Weighted average number of ordinary shares (in 1 000)	3 440 077	2 796 080
Basic earnings per share (in CHF)	**–0.08**	**–0.02**
Diluted		
Diluted earnings per share (in CHF)	**–0.08**	**–0.02**

Basic earnings per share are calculated by dividing the net result for the reporting period by the average number of outstanding shares.

In both 2023 and 2022, there was no dilution effect from the convertible bond as the share price was below the conversion price of the 2021 convertible bond of EUR 0.5868 and the 2023 convertible bond of EUR 0.6953. Also, as the net result attributable to shareholders of Meyer Burger Technology AG is negative in both years, dilutive effects, if any, are disregarded.

4.5 Off-balance sheet liabilities

in TCHF	31.12.2023	31.12.2022
Investment obligations from contracts already signed	158 178	172 930

The investment obligations as at 31 December 2023 and as at 31 December 2022 mainly refer to the acquisition of the necessary equipment in the German and U.S. entities related to Meyer Burger's business transition and the ramp-up of cell and module production.

4.6 Future liabilities from operating leases

in TCHF	31.12.2023	31.12.2022
Due date in the next financial year	17 630	14 764
Due date in 2 to 5 years	54 822	30 532
Due date in more than 5 years	103 171	28 139
Future liabilities from operating leases	**175 623**	**73 435**

Obligations arising from operating leases mainly relate to rental agreements. Subsequent to the sale of the headquarters building in Thun in 2019, Meyer Burger rents its offices in this location with a related rent obligation of CHF 3.1 million that will fall due in 2024 to 2029. In addition, operating lease obligations include EUR 6.4 million for the rent of the production facility in Bitterfeld-Wolfen, Germany, with a contractual term until 2027, and EUR 27.6 million for the rent of the warehouse in Bitterfeld-Wolfen, Germany, with a contractual term until 2037. Meyer Burger (Americas) Lease Co., Goodyear, USA has concluded a leasing contract with a remaining volume of USD 7.7 million running until 2027 to establish a production site for high-performance solar modules in Goodyear, Arizona. In addition, a warehouse lease agreement was concluded with a contractual term until 2032 and a remaining value of USD 14.3 million. In order to establish a production site for solar cells in Colorado Springs, Colorado, USA, Meyer Burger (Americas) Colorado Lease Co. has concluded a leasing contract with a remaining volume of USD 128.1 million running until 2041.

Accounting policies

A fundamental distinction is made between finance leases and operating leases. Meyer Burger does not have any finance leases, only operating leases. Operating leases are treated in the same way as normal rents, i.e. the resulting payments are recognized as an expense.

4.7 Contingent liabilities

in TCHF	2023	2022
Guarantees (not product-related)	4 921	7 369
Contingent liabilities	**4 921**	**7 369**

During 2019, Meyer Burger entered into a sales contract for the building in Thun, Switzerland. Through the contract, Meyer Burger guaranteed a minimum level of annual rent payments to the buyer. The guarantee is limited to CHF 10 million, with respect to the outstanding receivables, over its duration until 30 June 2024, and Meyer Burger has the right to take over any defaulted rent contract and sublet the respective space during this time. Meyer Burger will also bear the external costs, should any court proceedings against tenants be initiated during this time. Such payments are secured by a retention in the amount of CHF 0.2 million.

4.8 Transactions with related parties

Balances and transactions between companies within the scope of consolidation (see Note 1.3) were eliminated on consolidation and are not included in this note. The related parties consist primarily of shareholders, members of the Board of Directors and the Executive Board, and associated companies.

Information on the allocation of shares to the Board of Directors and the Executive Board is disclosed in detail in the Remuneration Report.

As at 31 December 2023, no material transactions were conducted and no receivables or liabilities were outstanding toward other related parties or associated companies. All business relations with related parties are conducted at arm’s length. No unusual transactions were effected with either the main shareholders or other related parties.

4.9 Events after the reporting date

Meyer Burger announced on 17 January 2024 that it has prepared a plan to stop sustained losses in Europe and focus on profitable growth in the US together with its existing and potentially new offtake and industrial partners. Also Meyer Burger announced a funding gap to realize this successful ramp-up in the USA.

On 23 February 2024 Meyer Burger has published the invitation to its Extraordinary General Meeting to be held on 18 March 2024, to approve a rights issue targeting gross proceeds of CHF 200 million to CHF 250 million. The proceeds from the rights issue in combination with other financing should enable Meyer Burger to close the financing gap announced on 17 January 2024. As there has not yet been any decision on policy support measures to remediate current market distortions created by oversupply and dumping prices of solar modules in Germany, known as resilience bonus and auctions, Meyer Burger also announced that it has decided to start preparations for the closure of its Freiberg site, which would take effect in April 2024. A negative decision on the resilience bonus and auctions would cause the closing the Freiberg site and a restructuring in Europe which would have additional financial impact such as approximately CHF 100 million higher impairments on the group's assets and restructuring costs, that cannot yet be conclusively and reliably assessed since a ultimate decision is not yet made. A positive decision on the resilience bonus and auctions would cause the need to revisit the impairment expenses and potentially reverse charges recorded in the financial statements.

No further events occurred between 31 December 2023 and 13 March 2024 that would have a material effect on the recognized carrying amounts of assets and liabilities of the Group.

Report of the statutory auditor

to the General Meeting of Meyer Burger Technology AG

Thun

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Meyer Burger Technology AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2023, and the consolidated income statement, the consolidated statement of changes in shareholders’ equity, the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements (pages 103 to 136) give a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law.

Basis for opinion

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

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

Material uncertainty related to going concern

We draw your attention to note 1.5 to these financial statements, which states that the Group depends on significant new funding such as the capital increase and further financing as well as the successful implementation of its business plans. If the capital increase as described in note 1.5 is not successful, the Group would most likely not be able to continue as a going concern considering the significance of the capital increase and the interdependency between the successful execution of the capital increase and the other financing options. This, along with other matters as described in note 1.5, indicates the existence of a material uncertainty which may cast significant doubt about the ability of the Group to continue as a going concern. Our opinion is not modified in respect of this matter.

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Our audit approach

Overview

Overall Group materiality: CHF 2.50 million

We concluded full scope audit work at three Group companies in two countries.

Our audit scope addressed 82 % of the Group’s Net sales. In addition, we performed specified procedures on the reporting packages of three companies in two countries, which addressed a further 14 % of the Group's Net sales and four further companies, which we addressed other risk characteristics

As key audit matters the following areas of focus have been identified:

- Valuation of inventories
- Recoverability of property, plant, and equipment (PP&E)

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

Overall Group materiality	CHF 2.50 million
Benchmark applied	Total expenses
Rationale for the materiality benchmark applied	We chose total expenses as the benchmark because, in our view, it is a key benchmark in the current situation and the Meyer Burger Group has had volatile results in the past.

We agreed with the Risk & Audit Committee that we would report to them misstatements above CHF 0.25 million identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

Audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

We identified three Group companies that, in our view, required a full scope audit and three Group companies that required specified procedures due to the size and/or risk characteristics. The full scope audits of Group companies addressed 82% of the Group's net sales, while the specified procedures at three Group companies addressed 14% of net sales and four companies with other risks.

The audit of the consolidated financial statements was performed by the supporting audit team in Germany, to whom we provided instructions and with whom we were in constant contact to discuss the treatment of transactions that are material to the consolidated financial statements as well as questions regarding valuation and disclosure. In addition, we participated in important discussions with Meyer Burger's management and Board of Directors.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the 'Material uncertainty related to going concern' section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Valuation of inventories

Key audit matter	How our audit addressed the key audit matter
The Group accounts for inventories of CHF 130.8 million which is a significant proportion of total assets as of 31 December 2023. Inventories are measured at the lower of acquisition or production cost and fair value less cost to sell. In 2023, the Group recognized an expense for value adjustments of CHF 51.7 million. We consider the valuation of inventories to be a key audit matter as they represent a significant amount and the Board of Directors applies significant judgement in performing the value adjustments triggered by the market fluctuations of solar modules. Please refer to note 2.4 «Inventories» in the notes to the consolidated financial statements.	In particular, we performed the following audit procedures to test the valuation of inventories: • We conducted sample-based inspections to verify compliance with the lower of acquisition or production cost and fair value less cost to sell principle. • We assessed the appropriateness of key assumptions, which include sales price trends and marketability of solar modules. • We assessed slow-moving inventories and the appropriateness of the resulting write-downs. • We performed sample-based inspections to determine whether the Group's calculation of valuation was mathematically correct and appropriate. • We assessed the intercompany profit elimination process at Group level being adequate. • We assessed the reasonableness of the disclosures in the consolidated financial statements. Based on our audit procedures, we consider the Board of Directors' approach as a reasonable basis for the valuation of inventories.

Recoverability of property, plant, and equipment (PP&E)

Key audit matter	How our audit addressed the key audit matter
The Group accounts for property, plant, and equipment of CHF 266.3 million which is a significant proportion of total assets as of 31 December 2023. PP&E is stated at historical cost less depreciation and impairment, if needed. In 2023, the Group recognized an impairment expense of CHF 56.2 million. We consider the recoverability of PP&E to be a key audit matter due to the significant amount that these assets represent, and the Board of Directors' significant judgement required in performing the impairment tests. In particular, the following risks exist related to Board of Directors' recoverability assessment: • Property, plant, and equipment are assessed by comparing the carrying amount of the respective cash-generating unit (CGU) to the recoverable amount. If the carrying amount exceeds the recoverable amount, an impairment loss is recognized. The recoverable amount is the higher of value in use and fair value less costs of disposal, which management has calculated at the level of a CGU. The value in use is determined based on the discounted future cash flows expected to be generated by the CGU. The valuation at fair value less costs of disposal is based on the perspective of a market participant and includes the immediate sale of the assets or their discounted future cash flows forecasted to be generated by the CGU. • Impairment testing is complex and based on a range of assumptions that require judgement. These include assumptions for achieving estimated cash flows in the detailed planning period, terminal value, discount rates and long-term growth rates. Please refer to note 2.7 « Property, plant, and equipment » of the notes to the consolidated financial statements.	To assess the recoverability of PP&E, we performed in particular the following audit procedures: • We analyzed the Board of Directors' business plan for plausibility, with the support of internal experts. • We verified the Group's underlying valuation model, as well as the discount rates applied to determine the recoverable amounts with the support of valuation experts. • We compared the resulting recoverable amounts against the corresponding book values and assessed the completeness and appropriateness of the recorded impairment loss. • We assessed the reasonableness of the disclosures in the consolidated financial statements. Based on our audit procedures, we consider the Board of Directors' approach as a reasonable basis to assess the recoverability of PP&E.

Other information

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

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

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

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

Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them regarding all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the consolidated financial statements.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

René Rausenberger

Licensed audit expert
Auditor in charge

Rahel Sopi

Licensed audit expert

Bern, 13 March 2024

Statutory Financial Statements – Meyer Burger Technology AG

Balance Sheet

in TCHF	Notes	31.12.2023	31.12.2022
Assets			
Current assets			
Cash and cash equivalents		92 013	196 732
Other receivables			
Intercompany		19 186	5 336
Third parties		3 966	8 202
Accrued income and deferred expenses		88	152
Total current assets		**115 253**	**210 422**
Non-current assets			
Financial assets	2.1		
Intercompany		290 070	163 040
Third parties		19 689	19 689
Investments	2.2	44 814	357 943
Total non-current assets		**354 573**	**540 672**
Total assets		**469 826**	**751 094**
Liabilities and equity			
Current liabilities			
Other payables			
Intercompany		9 776	5 674
Third parties		972	372
Accrued expenses and deferred income		2 739	6 397
Current provisions		519	492
Total current liabilities		**14 006**	**12 935**
Non-current liabilities			
Loans - Intercompany		101 860	–
Provisions		26	143
Total non-current liabilities		**101 886**	**143**
Equity			
Share capital	2.3	179 861	179 861
Legal capital reserves			
Capital contribution reserves	2.4	773 452	773 452
Other capital reserves		6 039	6 191
Legal retained earnings			
General legal retained earnings		140	140
Treasury shares	2.5	–4 440	–4 984
Accumulated losses		–216 644	–264 646
Loss/gain for period		–384 474	48 002
Total equity		**353 934**	**738 016**
Total liabilities and equity		**469 826**	**751 094**

Income Statement

in TCHF	Notes	1.1.–31.12.2023	1.1.–31.12.2022
Other operating income	**2.6**	8 505	8 131
Other operating expenses	**2.7**	–1 350	–
Personnel expenses	**2.8**	–2 164	–1 603
Administration expenses	**2.9**	–13 840	–13 454
Impairments/reversal of impairments on intercompany loans, investments and financial assets	**2.10**	–373 640	63 525
Earnings before interests and taxes		**–382 489**	**56 599**
Financial costs			
Interest expenses	**2.11**	–2 109	–216
Other financial expenses	**2.12**	–129	–7 706
Loss from currency translations	**2.13**	–21 789	–2 992
Financial income			
Interest income	**2.14**	22 268	2 317
Earnings before taxes		**–384 248**	**48 002**
Income taxes		–226	–159
Net result		**–384 474**	**47 843**

Notes to the Financial Statements

1 Accounting Policies

1.1 General

Meyer Burger Technology AG is a limited company established in accordance with Swiss law. The address of the company's registered office is Schorenstrasse 39, 3645 Gwatt/Thun, Switzerland. These annual financial statements have been prepared in accordance with the provisions of the Swiss Code of Obligations (32nd Title of the Code of Obligations). Any significant valuation policies employed that are not prescribed by the Code are described below.

1.2 Financial assets

Financial assets consist of non-current loans and financial equity investments where less than 20% of the voting rights are held. Loans granted in foreign currencies are measured at the rate on the actual reporting date, with unrealized foreign currency losses being taken into account, but not unrealized foreign currency gains (prudence principle).

1.3 Investments

Meyer Burger generally applies the principle of individual valuation while aggregating investments in Group companies with close business interrelationships.

1.4 Provisions and contingent liabilities

Provisions are only created if there is a present obligation to third parties as a result of a past event, a reliable estimate can be made of the amount of the obligation, and a future outflow of resources is probable. If an obligation cannot be identified with sufficient reliability, it is reported as a contingent liability but not recognized.

Provisions are measured at the best estimate, i.e., the amount recognized as a liability is the best estimate of the expenditure required to settle the present obligation on the reporting date. The appropriateness of the amount of provisions is reviewed at every reporting date.

1.5 Equity

Equity includes share capital, legal capital reserves, legal retained earnings, accumulated losses, and treasury shares. Share capital is the nominal value of all outstanding shares.

Capital reserves contain payments by shareholders in excess of the nominal share value reflecting the share premium. The position is reduced by the excess value over the nominal value of any canceled treasury shares. Gains and losses realized on the sale of treasury shares are also recognized directly in capital reserves. Costs related to capital increases are charged to the income statement.

Treasury shares comprise shares in Meyer Burger Technology AG held by Meyer Burger Technology AG itself. Treasury shares are recognized at cost and are not remeasured as at the reporting date.

Retained earnings or accumulated losses consist of undistributed gains and/or accumulated losses.

1.6 Share-based payments

A share-based payment is a transaction in which an entity receives or acquires goods or services as consideration for its equity instruments or by incurring liabilities to the supplier of those goods or services for amounts that are based on the price of the entity's shares or other equity instruments of the entity. The accounting treatment of share-based payments depends on how the transaction is settled, namely whether it is settled by equity instruments or in cash. Under the current share participation program, Meyer Burger Technology AG makes an individual offer to every plan participant in an offer letter stipulating the number of conditional rights to purchase shares, the acquisition price per share (if any), the payment conditions, the acceptance period, and the (optional) retention periods. The fair value at the time of the grant of conditional rights, shares, or options is recognized in personnel expenses over the vesting period.

1.7 Cash flow statement and additional disclosures not included in the notes

Since Meyer Burger Technology AG prepares consolidated financial statements in accordance with a recognized accounting standard (Swiss GAAP FER), in compliance with the statutory provisions, it has not included disclosures on interest-bearing liabilities and audit fees in these notes, nor has it presented a cash flow statement prepared a report on the financial year in these annual financial statements.

1.8 Going concern

In 2023, Meyer Burger Technology AG incurred a net result of CHF –384.5 million (2022: CHF 47.8 million), resulting mostly from impairments on investments. This performance mainly reflects the difficult market conditions in Europe for Group companies, caused by Chinese production overcapacity and the trade restrictions imposed by India and the USA leading to significant oversupply and unprecedented disruption in the European solar market which consequently influence the valuation of investments and intercompany loans of Meyer Burger Technology AG as a holding company. Political support measures in Germany, are currently under discussion but no decision was made.

Based on current projections, Meyer Burger Technology AG and Group companies will require further funding to fulfil its payment obligations and until the Company's cash flow is expected to be positive the Group is evaluating and pursuing a combination of different financing options to close the funding gap.

On 23 February 2024 the Company published an invitation to an Extraordinary General Meeting to be held on 18 March 2024, to approve a rights issue targeting gross proceeds of CHF 200 million to CHF 250 million which is scheduled for end of March 2024. Such a capital increase is necessary to ensure the Company's solvency from April 2024 and builds the first essential step to finance the operations of Meyer Burger in the future. It serves as a prerequisite for various other financing options and the Company's ability to continue as a going concern.

Additionally, the federal government of Germany has indicated to approve, subject to conditions and with several required pledges, which are not yet final decided upon, an export agency credit guarantee for financing to be provided by a commercial bank with a target amount of up to USD 95 million under certain conditions. Funding is expected to occur following the entry into long-form credit documentation and the satisfaction of customary conditions precedent. The facility is expected to have a ten-year duration.

In addition, Meyer Burger is targeting an advanced manufacturing production tax credit ("45X") financing in the amount of up to USD 300 million, with a term of 5 to 6 years, to be provided by a leading global investment bank that has provided initial non-binding terms.

Also, Meyer Burger continues to pursue additional financing options including a USD 200 million to USD 250 million U.S. Department of Energy ("DOE") guaranteed loan from the Federal Financing Bank under the Title 17 Clean Energy Financing Loan Program.

Meyer Burger Technology AG is exposed to the risk that investments in the Group companies do not generate sustainable cash flows and lose value as well as loans granted to Group companies could default if the planned financing measures cannot be successfully realized. The Company has also provided various funding guarantees for Group companies (Note 3.3 Contingent liabilities). If the Group companies are not able to meet their payment obligations as part of this funding, there is the risk that guarantees could become due, resulting in additional payment obligations of CHF 548.4 million for the Company.

The continuing viability of Meyer Burger Technology AG and its ability to continue as a going concern is dependent on the success of measures taken by Meyer Burger and Group companies to improve its capital basis and liquidity, the ramp-up of the production sites in the USA according to plan, the successful achievement of the assumptions in the business plan as well as in its continuing efforts to make sustainable profits. These measures align with Meyer Burger's business strategy and its focus on shareholder value creation.

As a result, there is a material uncertainty that may cast significant doubt regarding the going concern capability of Meyer Burger Technology AG. However, the Board of Directors is of the opinion that Meyer Burger Technology AG and its Group companies will be successful in the above endeavors and, accordingly, has prepared the financial statements on a going concern basis.

2 Disclosures Relating to Items in the Balance Sheet and Income Statement

2.1 Financial assets

Financial assets mainly consist of loans to direct and indirect subsidiaries of Meyer Burger Technology AG aimed at financing their ordinary business. As of December 2023, the loan from Meyer Burger (Industries) GmbH was impaired by CHF 19.3 million, as a result of an impairment test. The remaining amount of the financial assets represents a financial equity investment.

As at 31 December 2022, Meyer Burger Technology AG made significant reversals of impairments on loans to Meyer Burger (Americas) Ltd., Goodyear, USA, amounting to CHF 63.8 million. Based on a business valuation, it is expected that the future cash flows of Meyer Burger (Americas) Ltd. after the successful ramp-up of production in the USA will be sufficient to serve and to repay the loans in the medium to long term.

2.2 Investments

Meyer Burger Technology AG holds the following direct and indirect investments in subsidiaries:

Companies

				Participation[1]	
Company	Registered office	Currency	Share capital	31.12.2023	31.12.2022
Meyer Burger (Singapore) Pte. Ltd	Singapore, Singapore	SGD	1	100.00%	100.00%
MBT Systems GmbH	Hohenstein-Ernstthal, Germany	EUR	96 000 000	100.00%	100.00%
Meyer Burger (Americas) Ltd	Goodyear, USA	USD	100	100.00%	100.00%
Meyer Burger (Americas) Lease Co., LLC	Goodyear, USA	USD	0	100.00%	100.00%
Meyer Burger (Americas) Colorado Lease Co., LLC	Colorado Springs, USA	USD	0	100.00%	0.00%
Meyer Burger (Germany) GmbH	Hohenstein-Ernstthal, Germany	EUR	112 000 000	100.00%	100.00%
Meyer Burger (Industries) GmbH	Freiberg, Germany	EUR	96 000 000	100.00%	100.00%
Meyer Burger (Solar Valley) GmbH	Bitterfeld-Wolfen, Germany	EUR	50 025 000	100.00%	100.00%
Meyer Burger (Italy) S.r.l.	Milan, Italy	EUR	10 000	100.00%	100.00%
Meyer Burger (NL) B.V.	Eindhoven, Netherlands	EUR	18 200	100.00%	100.00%
Meyer Burger (Switzerland) Ltd	Thun, Switzerland	CHF	500 000	100.00%	100.00%
Meyer Burger Co. Ltd	Zhubei City, Taiwan	TWD	n/a	0.00%	100.00%
Meyer Burger GmbH	Hohenstein-Ernstthal, Germany	EUR	25 000	100.00%	100.00%
Meyer Burger India Private Ltd	Pune, India	INR	18 552 930	100.00%	100.00%
Meyer Burger Kabushiki Kaisha	Tokyo, Japan	JPY	10 000 000	100.00%	100.00%
Meyer Burger Research AG	Hauterive, Switzerland	CHF	100 000	100.00%	100.00%
Meyer Burger Sdn. Bhd.	Cyberjaya, Malaysia	MYR	n/a	0.00%	100.00%
Meyer Burger Trading (Shanghai) Co. Ltd	Shanghai, China	CNY	1 655 400	100.00%	100.00%
Meyer Burger Systems (Shanghai) Co. Ltd	Shanghai, China	CNY	n/a	0.00%	100.00%
Meyer Burger (Australia) Pty Ltd	Britinya, Australia	AUD	10	100.00%	0.00%
Pasan SA	Neuchâtel, Switzerland	CHF	102 000	100.00%	100.00%

1 The share of equity corresponds to the share of voting rights.

Foundation of Meyer Burger (Australia) Pty Ltd

On 14 March 2023, Meyer Burger (Australia) Pty Ltd, Birtinya, Australia, was founded with the aim of offering its premium solar panels in Australia, a significant and growing market.

Foundation of Meyer Burger (Americas) Colorado Lease Co., LLC

Meyer Burger (Americas) Colorado Lease Co., LLC, Colorado Springs, USA, was founded on 27 June 2023, with the aim of further strengthening Meyer Burger's operations in the USA.

Liquidation of Meyer Burger Sdn. Bhd.

On 26 July 2021, Meyer Burger announced that the service activities in Asia will be concentrated at the locations in China and Singapore, leading to the closure of certain subsidiaries in Asia. As a result, Meyer Burger Sdn. Bhd., Cyberjaya, Malaysia, was liquidated as of 26 January 2023.

Sale of Meyer Burger Systems (Shanghai) Co. Ltd

On 22 February 2023, Meyer Burger Systems (Shanghai) Co. Ltd, Shanghai, China, was sold to a third party. The existing business relating to the sales and service of high-precision metrology products of Meyer Burger's subsidiary Pasan SA, Neuchâtel, Switzerland, is carried out by the remaining Meyer Burger subsidiary Meyer Burger Trading (Shanghai) Co. Ltd, Shanghai, China.

Liquidation of Meyer Burger Co. Ltd

Meyer Burger Co. Ltd, Zhubei City, Taiwan, was liquidated as of 31 March 2023. This liquidation completes the restructuring process in Asia, following the shift to the new business model of manufacturing and selling solar modules.

Foundation of Meyer Burger (Solar Valley) GmbH

Meyer Burger (Solar Valley) GmbH, Bitterfeld-Wolfen, Germany, was founded on 8 November 2022, with the aim of strengthening Meyer Burger's operations in producing of solar cells for the company's own solar module production in Goodyear, USA.

Merger of Hennecke Systems GmbH

Hennecke Systems GmbH, Zülpich, Germany, was retroactively merged into Meyer Burger GmbH, Hohenstein-Ernstthal, Germany, as of 1 January 2022. The transaction did not lead to any changes in control over the underlying assets of the business and did not have any financial effects. On 5 August 2022, the merger was entered in the commercial register of the acquiring company Meyer Burger GmbH, Hohenstein-Ernstthal, Germany, on the basis of the merger agreement of 14 July 2022 and the resolutions of the shareholders' meetings.

Liquidation of MB Systems Co. Ltd

On 26 July 2021, Meyer Burger announced that its service activities in Asia would be concentrated, leading to the closure of the sites in Taiwan, Korea, and Malaysia. As a result, MB Systems Co. Ltd, Seoul, South Korea, was liquidated as of 14 April 2022 as the first of the three local companies to be liquidated.

2.3 Share capital

The share capital of Meyer Burger Technology AG as at 31 December 2023 was divided into 3,597,218,551 registered shares with a nominal value of CHF 0.05 each. The share capital is fully paid up. On 10 November 2022, Meyer Burger Technology AG carried out a capital increase. The capital increase led to an increase of 926,727,540 registered shares.

No dividend was paid in the reporting period or in the previous year.

Conditional share capital

In accordance with Article 3b of the company's Articles of Association, dated 4 May 2023, the share capital may be increased by a maximum amount of CHF 6,287,870.00 through the issuance of a maximum of 125,757,400 fully paid-in registered shares with a nominal value of CHF 0.05 each, by the exercise of option rights granted to employees and members of the Board of Directors of the company or of Group companies in accordance with a plan to be prepared and issued by the Board of Directors. The subscription rights of shareholders are excluded. Upon acquisition, the new registered shares will be subject to the limitations for registration in the share register in accordance with Article 4 of the Articles of Association.

In accordance with Article 3c of the company's Articles of Association, dated 4 May 2023, the share capital may be increased by a maximum amount of CHF 29,500,000.00 through the issuance of a maximum of 590,000,000 fully paid-in registered shares with a nominal value of CHF 0.05 each, by the exercise of conversion and/or option rights that are granted in connection with convertible bonds, bonds with option rights, or similar financial market instruments of the company or of Group companies.

The subscription rights of the shareholders are excluded in connection with the issuance of convertible bonds, bonds with option rights, or other financial market instruments, which carry conversion and/or option rights. The then-current owners of conversion and/or option rights will be entitled to subscribe for the new shares.

The acquisition of shares through the exercise of conversion and/or option rights and each subsequent transfer of the shares will be subject to the limitations for registration in the share register in accordance with Article 4 of the Articles of Association.

The Board of Directors is entitled to restrict or exclude the advance subscription rights in connection with the issuance of convertible bonds, bonds with option rights, or other financial market instruments of existing shareholders, provided that:

1) the financing instruments with conversion or option rights are issued in connection with the financing or refinancing of the acquisition of enterprises, divisions thereof or participations, or of newly planned investments; or
2) an issue by firm underwriting through a bank or a banking syndicate followed by a public offer, thereby excluding the advance subscription rights, seems to be the best way of issue at that point in time, in particular with respect to the terms and conditions of the issue or the timeline of the transaction.

If advance subscription rights are denied by decision of the Board of Directors, the following shall apply:

1) conversion rights may be exercisable only for up to ten years, and option rights only for up to seven years from the date of the respective issuance; and
2) the respective financial market instruments must be issued at the relevant market conditions.

Significant shareholders

The company is aware of the following shareholders, who according to Article 12 of the Financial Market Infrastructure Act (FMIA) held more than 3% of the voting rights (based on the share capital registered in the commercial register) as at 31 December 2023 and 31 December 2022, respectively. The disclosure notices are published on the website of the disclosure office.[1]

	Registered shares[3]	
Shareholder[2]	31.12.2023	31.12.2022
Sentis Capital PCC (Cell 3)[4]	10.01%	10.01%
BlackRock, Inc.	5.10%	5.10%
Universal-Investment-Gesellschaft mbH	3.40%	3.40%
BNP Paribas Funds Energy Transition[6]	3.36%	–
UBS Fund Management (Switzerland) AG	3.16%	–
Norges Bank (the Central Bank of Norway)	–	4.03%
Millenium Partners LP[5]	–	3.05%
Swisscanto Fondsleitung AG	–	3.02%

1 https://www.ser-ag.com/de/resources/notifications-market-participants/significant-shareholders.html#/
2 Voting rights participation according to the latest disclosure notice received from the shareholder.
3 Registered shares held in Meyer Burger Technology AG according to the disclosure notice.
4 The beneficial owner was Petr Kondrashev, Austria.
5 The beneficial owner was Israel Englander.
6 The beneficial owner was BNP Paribas Asset Management UK Ltd.

2.4 Capital contribution reserves

Of the total CHF 773.5 million capital contribution reserves as at 31 December 2023, CHF 736.3 million was approved by the Swiss Federal Tax Administration as available for distribution free of withholding tax (31 December 2022: CHF 544.5 million).

The capital contribution reserves as at 31 December 2023 include capital transaction costs of CHF 37.2 million not approved for potential distribution free of withholding tax by the Swiss Federal Tax Administration based on current practice.

The increase of CHF 191.7 million is based on the capital increase in the 2022 financial year.

2.5 Treasury shares

Treasury shares held by Meyer Burger Technology AG

	No. of shares	Price/share in CHF	Value of treasury shares in TCHF
01.01.2022	**18 147 882**	**0.29**	**5 307**
Grant/use	–2 147 035	0.15	–323
31.12.2022	**16 000 847**	**0.31**	**4 984**
Grant/use	–3 244 412	0.17	–544
31.12.2023	**12 756 435**	**0.35**	**4 440**

In the course of the capital increase on 11 November 2022, Meyer Burger Technology AG did not exercise the subscription rights to treasury shares.

Treasury shares held by subsidiaries

All treasury shares held in conjunction with the employee share plans are held by Meyer Burger Technology AG. As at 31 December 2023, these are reserved in full and will be transferred to the respective employees upon expiry of the vesting period.

Meyer Burger is not aware of any shares in the company being held by the pension fund.

2.6 Other operating income

Other operating income mainly includes management fees that were invoiced to subsidiaries.

2.7 Other operating expenses

In 2023, other operating expenses reflect losses on bad debts from Group companies of CHF 1.3 million. In 2022, no other operating expenses were incurred.

2.8 Personnel expenses

Personnel expenses in 2023 mainly consist of payments to the Board of Directors of CHF 1.0 million (2022: CHF 0.9 million), employee remuneration of CHF 0.7 million (2022: CHF 0.2 million), external staff remuneration of CHF 0.6 million (2022: CHF 0.7 million), and accruals for reserves for share-based payments of CHF 0.4 million (2022: CHF 0.4 million).

2.9 Administration expenses

In 2023, administration expenses mainly include management costs of CHF 7.4 million (2022: CHF 4.6 million), which were largely passed on to subsidiaries, and consulting costs of CHF 2.4 million (2022: CHF 3.2 million).

2.10 Impairments on intercompany loans, investments and financial assets

The valuation of investments and loans to subsidiaries as well as financial assets is reviewed at least annually. As at 31 December 2023, additional impairments on investments and loans to Group companies in the amount of CHF 374 million were deemed necessary based on expected future cash flows. For further information on the impairment see Note 2.7 on page 116.

In December 2023, loans from Meyer Burger (Switzerland) AG in the amount of CHF 155.0 million and from Pasan SA in the amount of CHF 4.2 million as well as receivables in the amount of CHF 0.8 million, which had previously been fully impaired, were converted into a capital contribution. The contribution was preceded by an offset against the loss carry-forwards. Only the portion exceeding the loss carry-forwards was included in the capital contribution. As at 31 December 2023, the investments in both companies were written down.

In addition, the investment in MBT Systems GmbH in the amount of CHF 358.4 million, including a capital contribution of CHF 45.3 million in 2023, and the loan from Meyer Burger (Industries) GmbH in the amount of CHF 19.3 million were impaired. In addition, the value adjustment on the Meyer Burger (Switzerland) AG loan was reversed due to repayment of CHF 7.3 million. The disposal of Meyer Burger Co. Ltd, Meyer Burger Systems (Shanghai) Co. Ltd and Meyer Burger Sdn. Bhd. resulted in reversals of impairments of CHF 0.5 million.

2.11 Interest expenses

In 2023, intagroup interest and losses from money market funds were recognized as interest expenses. In 2022, interest expenses included negative interest.

2.12 Other financial expenses

In 2023, there were no significant other financial expenses. In 2022, other financial expenses mainly refer to capital increase costs in the amount of CHF 7.5 million.

2.13 Loss from currency translation

The currency translation rate of the US dollar (USD) decreased by 9% (2022: increase of 1%) while the currency translation rate of the euro (EUR) decreased by 7% (2022: 5%) in the reporting year. This resulted in a cumulative loss from currency translation.

2.14 Interest income

Interest income includes the interest received on loans granted to Group companies and bank balances. In 2023, it also includes gains from money market funds.

3 Other Disclosures

3.1 Full-time employees

The average number of full-time employees did not exceed 50 employees in both the reporting period and the previous period.

3.2 Liabilities to pension funds

As at 31 December 2023, contributions to pension funds of CHF <0.1 million were outstanding to be paid (31 December 2022: none).

3.3 Contingent liabilities

As at 31 December 2023, several guarantees were granted by Meyer Burger Technology AG for Group companies in favor of third parties for a maximum amount of CHF 548.4 million (31 December 2022: CHF 274.9 million). This amount relates to a letter of comfort for the syndicated loan toward Meyer Burger (Industries) GmbH, Freiberg, Germany. As at 31 December 2023, the entire debt facility of EUR 115.0 million (31 December 2022: EUR 115.0 million) was drawn and EUR 10.0 million (31 December 2022: EUR 10.0 million) was granted as a documentary credit and guarantee facility. As at 31 December 2023, a EUR 80.5 million (31 December 2022: EUR 113.5 million) from the syndicated loan were outstanding. In addition, as at 31 December 2023, EUR 3.6 million (31 December 2022: EUR 17.9 million) of the guarantee for the factoring facility toward Meyer Burger (Industries) GmbH, Freiberg, Germany, was utilized. This guarantee is limited to EUR 60 million. In addition, a guarantee for the convertible bond issued by MBT Systems GmbH, Hohenstein-Ernstthal, Germany, was issued on 30 June 2021 in the amount of EUR 145 million, of which EUR 2.4 million in accrued interest was outstanding as at 31 December 2023 (31 December 2022: EUR 2.4 million). As at 31 December, a guarantee for the convertible bond issued by MBT Systems GmbH, Hohenstein-Ernstthal, Germany, was issued on 17 May 2023 in the amount of EUR 216.3 million, of which EUR 1.0 million in accrued interest was outstanding.

Meyer Burger (Americas) Ltd and DESRI PROCUREMENT LLC (DESRI), Delaware, USA, have signed a binding agreement to supply at least 3.75 GW of solar modules for DESRI's large-scale projects. It is planned that the modules will be manufactured at Meyer Burger's site in Goodyear, Arizona, USA, with delivery of the modules between 2024 and 2029. As at 6 October 2022, Meyer Burger Technology AG has a seller parent guarantee for DESRI. As at 31 December 2023, the guarantee amounted to CHF 24.6 million. As of 21 March 2023, there is also a guarantee for INGKA with an amount of CHF 47.8 million as at 31 December 2023.

During 2020, Meyer Burger Technology AG signed a bilateral framework agreement for credit products with a Swiss financial institution, which was still valid throughout 2022. The bank's claims are secured with a right of lien of up to a principal amount of CHF 25.0 million, and as at 31 December 2023, CHF 0.1 million in cash collateral was deposited (31 December 2022: CHF 4.2 million).

In addition, Meyer Burger Technology AG is the borrower and pledger of a credit facility from a German financial institution. The credit line amounted to CHF 2.3 million as at 31 December 2023 (31 December

2022: CHF 2.5 million), of which CHF 0.9 million was cash collateralized (31 December 2022: CHF 1.7 million). The credit facility can be drawn by subsidiaries by way of guarantees for advance payments, warranty bonds, or other types of guarantees. It cannot be used for the collateralization of loans.

3.4 Letters of comfort and liquidity commitments in favor of Group companies

Meyer Burger Technology AG has issued liquidity commitments in favor of several Group companies. This enables the respective Group companies to confidently settle their accounts payable to creditors on time.

3.5 Shares allocated to the Board of Directors, Executive Board and employees

In 2023 and 2022, participation rights were allocated to members of the Board of Directors and employees as follows:

Name	No. of shares	No. of options	Price/share in CHF	Price/option in CHF	Value of treasury shares/options in TCHF
2023					
Allocated to the Board of Directors	1 754 036	–	0.580/0.1779	–	478
Allocated to the Executive Board	–	4 984 261	–	0.259	1 291
Allocated to employees	–	10 522 964	–	0.259	2 725
Total	**1 754 036**	**15 507 225**	**–**	**–**	**4 494**
2022					
Allocated to the Board of Directors	875 256	–	0.4436/0.5410	–	431
Allocated to the Executive Board	–	5 090 291	–	0.206	1 049
Allocated to employees	–	12 144 594	–	0.206	2 502
Total	**875 256**	**17 234 885**	**–**	**–**	**3 982**

3.6 Share ownership by the Board of Directors and the Executive Board

2023

Members of the Board of Directors and the Executive Board (including related parties) held the following shares in Meyer Burger Technology AG as at 31 December 2023:

Name	Position	Registered shares (number)	RSU/PSU/ restricted shares under share plan[1] (number)	Options under share plan[1] (number)	Total participation[2] (in % of outstanding shares)
Dr. Franz Richter	Chairman of the Board of Directors	4 133 754	1 056 725	–	0.14%
Mark Kerekes	Member of the Board of Directors	7 925 812	812 211	–	0.24%
Prof. Dr. Urs Schenker	Member of the Board of Directors	11 069 762	644 987	–	0.33%
Andreas R. Herzog	Member of the Board of Directors	518 456	812 211	–	0.04%
Katrin Wehr-Seiter	Member of the Board of Directors	–	425 276	–	0.01%
Dr. Gunter Erfurt	Chief Executive Officer	505 734	–	12 577 770	0.36%
Markus Nikles	Chief Financial Officer	250 000	–	1 055 341	0.04%
Katja Tavernaro	Chief Sustainability Officer	86 913	–	6 538 884	0.18%
Daniel Menzel	Chief Operating Officer	–	–	5 103 842	0.14%
Total as at 31 December 2023		**24 490 431**	**3 751 410**	**25 275 837**	**1.49%**

[1] In the participation table, the number of restricted registered shares under RSU/PSU plans for the Executive Board and Board of Directors includes the maximum potential amount of shares that could be vested from the 2021/2022/2023 LTI Share Plans. The number of options under a share plan includes the maximum amount of shares that could be vested under the 2023 option plans.

Grant/purchase date	Number of shares	Number of options	Vesting period until
15.12.2023	1 342 044		14.12.2026
23.06.2023	411 992		22.06.2026
13.04.2023		4 984 261	12.04.2026
15.12.2022	441 309		14.12.2025
24.06.2022	433 947		23.06.2025
08.06.2022		5 090 291	07.06.2025
30.12.2021	480 526		30.12.2024
03.06.2021	–	11 543 127	02.06.2024
24.05.2021	501 672	–	23.05.2024
18.12.2020	–	10 000 000	24.05.2024

[2] Participation as a percentage of the number of outstanding registered shares as at 31 December 2023 (3,597,218,551 shares).

2022

Members of the Board of Directors and the Executive Board (including related parties) held the following shares in Meyer Burger Technology AG as at 31 December 2022:

Name	Position	Registered shares (number)	RSU/PSU/ restricted shares under share plan[1] (number)	Options under share plan[1] (number)	Total participation[2] (in % of outstanding shares)
Dr. Franz Richter	Chairman of the Board of Directors	4 133 754	1 170 312	–	0.15%
Mark Kerekes	Member of the Board of Directors	7 925 812	980 899	–	0.25%
Prof. Dr. Urs Schenker	Member of the Board of Directors	11 069 763	305 200	–	0.32%
Andreas R. Herzog	Member of the Board of Directors	518 456	980 899	–	0.04%
Katrin Wehr-Seiter	Member of the Board of Directors	–	85 489	–	0.00%
Dr. Gunter Erfurt	Chief Executive Officer	505 734	–	11 006 202	0.32%
Markus Nikles	Chief Financial Officer	250 000	–	–	0.01%
Katja Tavernaro	Chief Sustainability Officer	86 913	–	5 753 100	0.16%
Dr. Moritz Borgmann	Chief Commercial Officer	–	–	5 556 058	0.15%
Daniel Menzel	Chief Operating Officer	–	–	4 318 058	0.12%
Total as at 31 December 2022		**24 490 432**	**3 522 799**	**26 633 418**	**1.52%**

1 In the participation table, the number of restricted registered shares under RSU/PSU plans for the Executive Board and Board of Directors includes the maximum potential amount of shares that could be vested from the 2020/2021/2022 LTI Share Plans.

Grant/purchase date	Number of shares	Number of options	Vesting period until
15.12.2022	441 309		14.12.2025
24.06.2022	433 947		23.06.2025
08.06.2022		5 090 291	07.06.2025
30.12.2021	480 526		30.12.2024
03.06.2021	–	11 543 127	02.06.2024
24.05.2021	501 672	–	23.05.2024
23.12.2020	1 525 425	–	22.12.2023
18.12.2020	–	10 000 000	17.12.2023

2 Participation as a percentage of the number of outstanding registered shares as at 31 December 2022 (3,597,218,551 shares).

3.7 Events after the reporting date

On 23 February 2024 Meyer Burger Technology AG has published the invitation to its Extraordinary General Meeting to be held on 18 March 2024, to approve a rights issue targeting gross proceeds of CHF 200 million to CHF 250 million. The proceeds from the rights issue in combination with other financing should enable Meyer Burger to close the financing gap announced on 17 January 2024. As there has not yet been any decision on policy support measures to remediate current market distortions created by oversupply and dumping prices of solar modules in Germany, known as resilience bonus and auctions, Meyer Burger also announced that it has decided to start preparations for the closure of its Freiberg site, which would take effect in April 2024. Closing the Freiberg site and a restructuring in Europe would have different financial effects that cannot yet be conclusively and reliably assessed since a ultimate decision has not yet been made.

No further events occurred between 31 December 2023 and 13 March 2024 that would have a material effect on the recognized carrying amounts of assets and liabilities of Meyer Burger Technology AG.

Proposed carry forward of the accumulated losses to the Annual General Meeting of Shareholders

The Board of Directors proposes that:

in TCHF	2023	2022
	Proposal by the Board of Directors	Resolution by the General meeting of Shareholders
For decision by the General Meeting		
Balance carried forward from the previous year	–216 644	–264 487
Net loss/gain for period	–384 474	47 843
Total accumulated losses	**–601 118**	**–216 644**
Proposal by the Board of Directors		
Balance to be carried forward	**–601 118**	**–216 644**

Report of the statutory auditor

to the General Meeting of Meyer Burger Technology AG

Thun

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Meyer Burger Technology AG (the Company), which comprise the balance sheet as at 31 December 2023, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 143 to 154) comply with Swiss law and the Company's articles of incorporation.

Basis for opinion

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

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

Material uncertainty related to going concern

We draw your attention to note 1.8 to these financial statements, which states that the Company depends on significant new funding such as the capital increase and further financing as well as the successful implementation of its business plans. This, along with other matters as described in note 1.8, indicates the existence of a material uncertainty which may cast significant doubt about the ability of the company to continue as a going concern. If it is not possible for the company to continue as a going concern, the financial statements will need to be prepared on the basis of liquidation values. This would lead to a substantiated concern that the Company's liabilities exceed its assets within the meaning of article 725b CO requiring compliance with the corresponding legal provisions. Our opinion is not modified in respect of this matter.

Our audit approach

Overview	Overall materiality: CHF 2.0 million

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

As key audit matter the following area of focus has been identified:

Valuation of investments in Group companies, of intercompany loans, and of receivables

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall materiality	CHF 2.0 million
Benchmark applied	Total assets
Rationale for the materiality benchmark applied	We chose total assets as the benchmark, because, in our view, it is the benchmark against which the performance of the Company, which primarily holds investments in and grants loans to Group companies, is most commonly measured, and it is a generally accepted benchmark for holding companies.

We agreed with the Risk & Audit Committee that we would report to them misstatements above CHF 0.2 million identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the 'Material uncertainty related to going concern' section, we have determined the matters described below to be the key audit matter to be communicated in our report.

Valuation of investments in Group companies, of intercompany loans, and of receivables

Key audit matter	How our audit addressed the key audit matter
As at 31 December 2023, Meyer Burger Technology AG reported investments in Group companies (CHF 44 million), intercompany loans (CHF 290 million) and receivables (CHF 19 million). These line items are measured at historical cost less impairment, if needed. The Company has tested the valuation of these investments, intercompany loans and receivables. This testing resulted in an impairment charge of CHF 374 million in total. Please refer to note 2.10 'Impairments on intercompany loans, investments and financial assets' in the notes to the financial statements. We consider the valuation of the investments in Group companies, intercompany loans and receivables to be a key audit matter as these assets represent a significant amount and the Board of Directors applies significant judgement in the choice of model and assumptions made in the impairment test. .	We assessed the valuation of the investments in Group companies, intercompany loans and receivables by performing the following audit procedures: • We compared the market capitalization with the book value of the shareholders' equity of Meyer Burger Technology AG. • We analyzed the Board of Directors business plan for plausibility, with the support of internal experts. • We verified the Company's underlying valuation model, as well as the applied discount rate to determine the recoverable amount with the support of valuation experts. • We compared the results of management's valuations against the corresponding book value and assessed the completeness and appropriateness of the recorded impairment charges. • We assessed the reasonableness of the disclosures in the financial statements. We consider the Board of Directors approach to be a reasonable basis to support the valuation of the investments in Group companies, intercompany loans and receivables.

Other information

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

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

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

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

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them regarding all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

We further confirm that the proposed carry forward of the accumulated losses complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

René Rausenberger

Licensed audit expert
Auditor in charge

Rahel Sopi

Licensed audit expert

Bern, 13 March 2024

Other Information

Information for Investors and the Media

Registered shares
Meyer Technology AG
Swiss VALOR number 10850379
ISIN CH0108503795
Listing SIX Swiss Exchange
Ticker symbol MBTN
Reuters MBTN.S
Bloomberg MBTN SW
Nominal value per registered share CHF 0.05
Number of outstanding shares 3,597,218,551
as at 31 December 2023
Share price low/high 2023 CHF 0.16/0.70
Closing price as at 31 December 2023 CHF 0.196

Other information
Accounting standard Swiss GAAP FER
Auditors PricewaterhouseCoopers AG
Share register Computershare Switzerland Ltd

Important dates
14 March 2024 Publication of Annual Report 2023,
Analyst and Media Conference
18 March 2024 Extraordinay General Meeting
Probably May 2024 Ordinary Annual General Meeting,
Kultur- und Kongresszentrum, Thun

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Addresses

Interesting and useful product portfolio and background information about the technology company on the whole can be found on the corporate website: www.meyerburger.com.

All companies within the Meyer Burger Group can be contracted using the email address: mbtinfo@meyerburger.com.

Group Companies

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Legal Disclosure

Declaration on forward-looking statements

This Meyer Burger Technology AG Annual Report 2023 contains statements that constitute “forward-looking statements,” relating to the company. Because these forward-looking statements are subject to risks and uncertainties, the reader is cautioned that actual future results may differ from those expressed in or implied by the statements, which constitute projections of possible developments.

All forward-looking statements are based only on data available to Meyer Burger at the time of preparing the Annual Report 2023. Meyer Burger does not undertake any obligation to update any forward-looking statements contained in these documents as a result of new information, future events or otherwise.

The Annual Report 2023 is also available in electronic format. The Meyer Burger Annual Report 2023 is published in English only, which is therefore the binding version.

The Annual Report 2023 is available on the internet:
www.meyerburger.com

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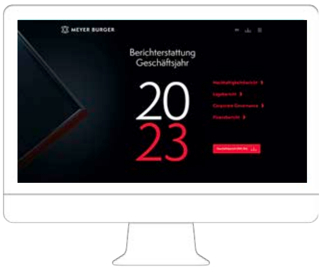
Also available from Meyer Burger:



gb.meyerburger.com/gb2023

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