

Metall Zug Group

Annual Report **2023**

Quality Competence Innovative strength

Metall Zug comprises four Business Units:

- Infection Control*
- Medical Devices*
- Technologycluster & Infrastructure*
- Others (Belimed Life Science, Gehrig Group, Metall Zug AG)*

The pursuit of innovation and quality at Metall Zug, together with the commitment to operational efficiency and sustainability, underpin the day-to-day work in the Business Units. Its dedicated employees worldwide, its leading-edge products and associated services form the basis for the business success of Metall Zug. The Group companies' ranges thus contribute to their customers' success.



The Metall Zug Group

Metall Zug is a group of industrial companies headquartered in Zug. It comprised four Business Units and had a workforce of around 2 200 at the end of 2023.

The holding company Metall Zug AG is listed in the Swiss Reporting Standard of SIX Swiss Exchange in Zurich (type B registered shares: securities number 3982108, ticker symbol METN).

Infection Control



Belimed Group

The Belimed Infection Control Group is a global provider of product and service solutions for sterilization, disinfection and cleaning of medical and surgical instruments for the central sterile supply departments (CSSDs) in hospitals.

Medical Devices



Haag-Streit Group

The Haag-Streit Group is an international medical technology company in the field of ophthalmology, and develops, manufactures and distributes innovative devices and complete solutions for medical diagnosis, microsurgery and training of eye specialists. The business activities of the Haag-Streit Group are focused on the areas of diagnosis, surgical and simulation.

Technologycluster & Infrastructure



Tech Cluster Zug AG / Urban Assets Zug AG

The Technologycluster & Infrastructure Business Unit is developing V-ZUG's original site in the city of Zug with the aim of creating a technology cluster in Zug North that will serve various needs of modern urban development. The Business Unit makes a significant contribution to reducing the carbon footprint of the Metall Zug Group through its sustainable energy supplies and mobility solutions.

Others



Belimed Life Science

Belimed Life Science develops, produces and distributes equipment and service solutions for cleaning, disinfection and sterilization mainly for the pharmaceutical industry.



Gehrig Group AG

Gehrig Group AG is a leading supplier of dishwashers, thermal equipment, coffee machines and cleaning agents as well as related services for the gastronomy, hotel and tourism sectors in Switzerland. In addition, Gehrig Group AG offers customer service throughout Switzerland seven days a week.



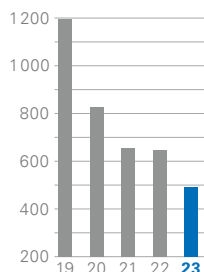
Metall Zug AG

Metall Zug AG is the holding company of the Metall Zug Group. It provides management, financing and other services for the Group and the Business Units.

Key Figures at a Glance

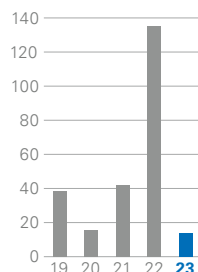
Net sales

CHF million



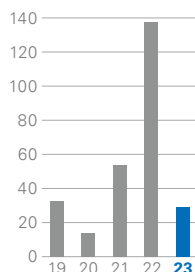
Operating income (EBIT)

CHF million



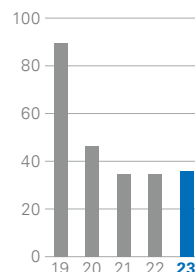
Net income

CHF million

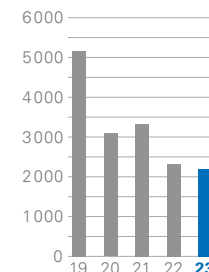


Investments

CHF million



Employees



Metall Zug Group

in CHF million

Performance

	2023 ¹⁾	2022 ¹⁾	2021	2020 ²⁾	2019
Net sales	494.7	645.9	661.9	823.5	1 195.7
– Personnel expenses	–218.8	–282.3	–303.0	–365.8	–491.4
– Research and development	–41.0	–54.6	–60.4	–75.1	–106.7
Operating income (EBIT)	13.8	135.9	42.3	15.5	38.8
– Financial result	17.9	8.7	17.6	4.4	4.2
– Taxes	–5.0	–7.3	–6.6	–4.0	–10.6
Net income	26.7	137.3	53.3	13.5	32.3
Sales development in %	–23.4	–2.4	–19.6	–31.1	2.2
of which foreign currency impact in %	–2.5	–0.3	–0.1	–1.7	–0.5
of which acquisition & divestment impact in %	–25.7 ³⁾	–11.6 ³⁾	1.7	1.0	2.8
of which impact from spin-off of V-ZUG Group in %			–31.7	–23.6	
Organic sales development in %	4.8	9.5	10.5	–6.8	–0.1
Cash flow from operating activities	9.5	–6.0	48.9	60.2	56.9
in % of net sales	1.9	–0.9	7.4	7.3	4.8

Invested Capital

	2023	2022	2021	2020	2019
Total assets	690.7	701.2	715.6	635.2	1 083.1
Current assets	238.5	285.9	378.9	316.7	605.4
in % of total assets	34.5	40.8	52.9	49.9	55.9
Net debt/net cash ⁴⁾	–6.8	14.7	77.7	67.6	151.0
in % of total assets	–1.0	2.1	10.9	10.6	13.9
Fixed assets	452.1	415.3	336.8	318.5	477.8
in % of total assets	65.5	59.2	47.1	50.1	44.1
Total liabilities	168.8	182.9	199.4	152.3	320.6
in % of total assets	24.4	26.1	27.9	24.0	29.6
Shareholders' equity	521.8	518.3	516.2	482.9	762.5
in % of total assets	75.6	73.9	72.1	76.0	70.4
Investments in tangible and intangible assets	36.2	34.8	34.7	46.1	89.3
Employees (FTE)	2 224	2 317	3 321	3 090	5 165

Metall Zug AG

in CHF million

	2023	2022	2021	2020	2019
Total assets	983.3	944.6	927.0	915.5	975.0
Total liabilities	672.2	633.9	617.5	601.2	635.5
Shareholders' equity	311.1	310.7	309.6	314.4	339.5
Net income	10.9	14.6	2.8	8.0	32.4
Dividend in CHF per type B registered share	20.00 ⁵⁾	30.00	30.00	17.00	74.02 ⁶⁾

¹⁾ On August 30, 2022, the Schleuniger Group (Wire Processing Business Unit) was deconsolidated and contributed into Komax Holding AG. In return, Metall Zug AG received a 25% stake in Komax Holding AG. As a consequence, the performance figures for 2023 and 2022 are not comparable with those of previous years.

²⁾ The V-ZUG Group was spun off on June 25, 2020. Accordingly, the 2020 performance figures are not comparable with the other years stated.

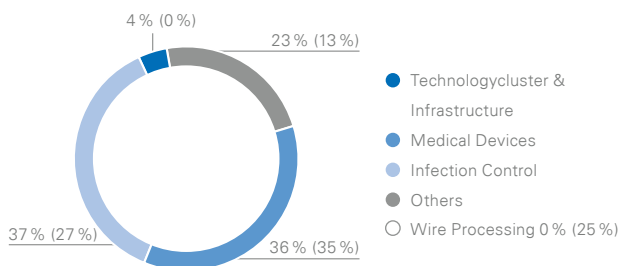
³⁾ Of which in 2023 –24.6% (previous year: –11.1%) are related to the deconsolidation of the Schleuniger Group.

⁴⁾ Net debt/net cash comprises cash and cash equivalents and securities less financial liabilities.

⁵⁾ According to the proposal of the Board of Directors to the General Meeting of Shareholders.

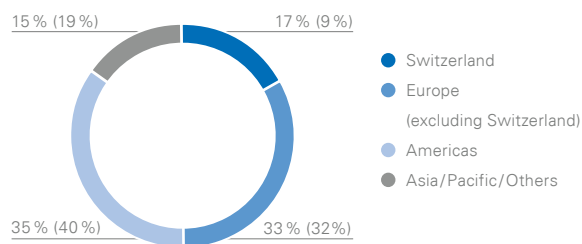
⁶⁾ Includes a cash dividend of CHF 17.00 and a dividend in kind of CHF 57.02.

Net sales by Business Unit, in %



(Previous year in brackets)

Net sales to third parties by region, in %



(Previous year in brackets)

Business Units

in CHF million	2023	2022	2021	2020	2019
Infection Control					
Net sales ¹⁾	186.0	186.3	180.2	176.3	182.8
Operating income (EBIT)	-2.8	1.7	2.6	8.9	0.9
Employees (FTE)	943	1007	993	990	1002
Medical Devices					
Net sales	178.3	225.6	215.2	169.6	204.9
Operating income (EBIT)	15.2	28.8	24.6	-4.4	16.5
Employees (FTE)	749	833	943	928	964
Technologycluster & Infrastructure					
Net sales	19.6	-	-	-	-
Operating income (EBIT)	5.2	2.9	2.5	5.2	-12.5
Employees (FTE)	30	26	22	22	14
Others²⁾					
Net sales ¹⁾	117.3	86.2	68.4	75.6	76.1
Operating income (EBIT)	-4.0	82.6	-2.1	-1.1	-5.4
Employees (FTE)	502	451	369	288	303
Wire Processing					
Net sales		159.0 ³⁾	206.2	150.0	201.4
Operating income (EBIT)		20.0 ³⁾	14.6	-6.0	9.8
Employees (FTE)		0 ³⁾	994	862	942
Household Appliances					
Net sales ¹⁾				261.5 ⁴⁾	543.6
Operating income (EBIT)				12.9 ⁴⁾	29.6
Employees (FTE)				0 ⁴⁾	1940

¹⁾ Includes sales with other Business Units.

²⁾ Contains the Belimed Life Science Group, Gehrig Group AG and Metall Zug AG (Corporate).

³⁾ On August 30, 2022, the Schleuniger Group (Wire Processing Business Unit) was deconsolidated and contributed into Komax Holding AG. In return, Metall Zug AG received a 25% stake in Komax Holding AG.

⁴⁾ The Household Appliances Business Unit, which forms the V-ZUG Group, was spun off on June 25, 2020.

CONTENTS

Key Figures at a Glance **5**

Group Report

Letter to Shareholders	8
Share Information	12
Strategy	14
Infection Control	16
Medical Devices	20
Technologycluster & Infrastructure	25
Others	31
Sustainability	35
Group Structure	59
Corporate Governance	60

Compensation Report **73**

Financial Report

Consolidated Income Statement	84
Consolidated Balance Sheet	85
Consolidated Statement of Cash Flows	87
Changes in Shareholders' Equity	88
Notes to the Consolidated Financial Statements	89
Report of the Statutory Auditor on the Consolidated Financial Statements	114

Annual Financial Statements Metall Zug AG

Income Statement	118
Balance Sheet	119
Notes to the Annual Financial Statements	120
Proposal for the Appropriation of Available Earnings	123
Report of the Statutory Auditor	124

Addresses **127**

Completion of the transformation process through the joint venture with Belimed and Steelco in a challenging year 2023

The Metall Zug Group posted net sales of CHF 494.7 million in 2023 (previous year: CHF 645.9 million, or CHF 487.0 million excluding the Schleuniger Group). The operating result (EBIT) declined to CHF 13.8 million (previous year: CHF 135.9 million or CHF 25.5 million excluding the EBIT contribution of the Schleuniger Group and the book gain from the deconsolidation) while the net result fell to CHF 26.7 million (previous year: CHF 137.3 million). The planned joint venture with Belimed and Steelco marks the third and final planned stage in the transformation of the Metall Zug Group.

Dear Shareholders

The strategy communicated by Metall Zug in 2019, of transforming itself into a holding company with investments in industrial companies with value enhancement potential, was consistently pursued over the past five years. The planned joint venture with Belimed and Steelco represents the final planned stage in this transformation. On November 28, 2023, Metall Zug and Miele signed an agreement whereby Metall Zug will contribute Belimed AG and Belimed Life Science AG, and Miele the Steelco Group into a new joint venture based in Zug. The combination is a unique strategic option for all involved companies and offers a promising and future-proof perspective in the joint venture. Metall Zug will be invested in the long term with a 33 % interest in the joint venture.

In future, Metall Zug will focus on the strategic and operational development of the fully controlled Business Units Medical Devices (Haag-Streit Group) and Technologycluster & Infrastructure, as well as on Gehrig Group AG. The interests in V-ZUG, Komax, and the joint venture with Miele are strategic long-term investments, and Metall Zug is confident about their further performance.

Organic Sales Growth with a Sharp Drop in the Operating Result

Metall Zug posted net sales of CHF 494.7 million in 2023 (previous year: CHF 645.9 million). On a like-for-like basis and adjusted for the Schleuniger Group's contribution to sales of CHF 159.0 million, net sales in the previous year amounted to CHF 487.0 million, meaning that sales in the reporting year were above the previous year's figure. Taking into account the divestment and acquisition effects of – 1.5 % and the currency effect of – 3.3 %, this equates to organic sales growth of 6.4 %.

In the reporting year, the operating result of CHF 13.8 million was well below the previous year's figure (CHF 135.9 million). This is mainly due to the deconsolidation of the Schleuniger Group at the end of August 2022. The 2022 result included Schleuniger's contribution to EBIT of CHF 20.0 million and an extraordinary book gain of CHF 89.7 million. EBIT in 2022 – excluding the Schleuniger Group – came to CHF 25.5 million. In 2023 a sharp drop in EBIT for Medical Devices weighed on the Group result.

The financial result amounted to CHF 17.9 million (previous year: CHF 8.7 million) and includes the pro rata net income

of the V-ZUG Group, in which Metall Zug holds a stake of around 30 %, and the Komax Group, in which Metall Zug holds a 25 % stake. Net income fell to CHF 26.7 million (previous year: CHF 137.3 million) owing in particular to the non-taxable gain in the previous year of CHF 89.7 million from the combination between Schleuniger and Komax.

Progress in Operating Cash Flow

Operating cash flow improved in the reporting year to CHF 9.5 million, despite the lower operating result, and is thus above the 2022 figure of CHF –6.0 million. This is primarily due to the substantial reduction of inventories and accounts receivable.

Net cash (cash and cash equivalents and securities less financial liabilities) amounted to CHF –6.8 million as at December 31, 2023 (previous year: CHF 14.7 million). After continued high investments in real estate projects and the distribution of cash dividends of CHF 15.7 million it was thus CHF 21.5 million below the 2022 figure. The Metall Zug Group still has a solid balance sheet, with shareholders' equity of CHF 521.8 million and an equity ratio of 75.6 %.

Infection Control – Organic Sales Growth but Negative Operating Result

In the reporting year, Belimed Infection Control generated net sales of CHF 186.0 million (previous year: CHF 186.3 million). Adjusted for the acquisition effect of 1.1 % and the foreign exchange impact of –4.8 %, this corresponds to organic growth of 3.6 %. EBIT amounted to CHF –2.8 million (previous year: CHF 1.7 million), thus falling short of the profit zone. A comparison with the previous year needs to take account of the fact that in 2022 EBIT included positive one-time effects totaling CHF 2.5 million. On a like-for-like basis, EBIT in 2022 thus came to CHF –0.7 million. Reasons for the EBIT decline in 2023 were inflation-related salary increases, additional expenses in research and development, and marketing and sales.

In the reporting year, Belimed benefited from the high equipment order backlog at the end of 2022. For the year as a whole, however, the equipment business saw a currency-related decline in sales. The service and consumables business areas reported stable growth, partly due to the acquisition of

Amity in 2022. The Digitalization area performed well again in 2023. Belimed achieved its stated target of having 1000 customer devices connected via the cloud by the end of the year.

Medical Devices: Challenges in the US Market Lead to a Lower Result – Further Increase in Investments in R&D

In 2023, net sales of CHF 178.3 million in the Medical Devices Business Unit (Haag-Streit Group) were much lower compared with 2022 (CHF 225.6 million). Adjusted for currency effects of –2.8 % and the divestment effect of –4.0 %, the decline in organic sales was –14.1 %. EBIT came to CHF 15.2 million (previous year: CHF 28.8 million), which is also significantly lower than the previous year. Taking account of extraordinary effects, both in the reporting year as well as in the previous year, this corresponds to a decline of –55.9 %.

The lower sales figure is primarily due to the key US market where Haag-Streit sells its products via distributors. After record sales and order intake in the previous year, distributors significantly reduced their high inventories in the reporting year, resulting in lower order intake and sales. Moreover, the continuing pressure on healthcare costs led to increased demand for more cost-effective solutions instead of high-quality, durable Haag-Streit products. By contrast, demand for simulators in combination with the surgical business performed well. Demand for microscopes developed positively, although there were delays due to capacity and supply chain bottlenecks in production. Lower net sales, a changed product mix combined with higher investments in research and development were the main drivers for the decline in the operating result. Despite cost savings in other areas it was not possible to offset the decline in EBIT.

Technologycluster & Infrastructure – Significant EBIT Increase Thanks to Extraordinary Effect

Operating income (EBIT) in the Technologycluster & Infrastructure Business Unit came to CHF 5.2 million (previous year: CHF 2.9 million). The increase was largely due to a book gain of CHF 2.2 million relating to the sale of technical equipment at the Multi Energy Hub to the operator company Multi Energy Zug AG (MEZ) in the form of financing leases. Furthermore, additional rental income was generated from the 2022 completed properties Mobility Hub Zug Nord and Westhive.

The preparatory work for SHL-Südtor (new headquarters and production site for SHL Medical) was completed in February 2023. Owing to new findings, the structure of the production floors had to be revised and an alternative cooling concept developed. The revised plans were submitted in January 2024 after a series of changes. Construction of the new building is scheduled to start in April 2024. The preliminary contract to the purchase contract and the general contractor agreement for the CreaTower I building (new headquarters of VZ Depository Bank) were signed. The preliminary project was approved in October 2023. With regard to Project Pi, a timber high-rise which will primarily offer affordable housing, project planning resumed in the third quarter of 2023. The first reading of the development plan by the legislative branch of Zug city council took place on January 23, 2024.

Reporting Segment Others – Strong Sales Growth but Decline in Operating Result Due to One-time Effect in the Previous Year

The Others reporting segment groups together the Belimed Life Science Group, Gehrig Group AG and Metall Zug AG (Corporate). In financial year 2023, the reporting segment achieved net sales of CHF 117.3 million (previous year: CHF 86.2 million) and EBIT of CHF –4.0 million (previous year: CHF 82.6 million). The significant decrease in EBIT is largely the result of the book gain of CHF 89.7 million from the deconsolidation of the Schleuniger Group recognized in Metall Zug AG in the previous year. Compared to the prior-year result of CHF –7.1 million – adjusted for this effect – the segment lifted its result by 44.3 %.

At CHF 81.9 million, sales by the Belimed Life Science Group were well above the 2022 figure of CHF 51.7 million. This is due to the high equipment order backlog at the end of 2022 and the encouraging order intake in the reporting year. This in turn is the result of persistently high market momentum in the pharmaceutical industry, driven by relocalization efforts to reduce production-related dependencies. On account of the rise in sales and higher gross margin, EBIT in 2023 was positive, although higher energy, material and wage costs together with the unfavorable exchange rate trend weighed on the result.

Gehrig Group AG generated net sales of CHF 35.4 million in the reporting year (previous year: CHF 34.5 million). Even though the shortage of skilled labor was ongoing, the additional sales are mainly due to customer service. Despite the slightly positive sales trend, EBIT failed to enter the profit zone. The reasons for this included costs relating to the discontinuation of the Care & Hygiene division and to the industrialization of the new “Ariane” dishwasher generation.

Sustainability Strategy Considered

With its sustainability strategy, Metall Zug is pursuing a realistic and independent approach focussing on climate impact. The Group advocates a critical consideration of sustainability-related issues and accepts that by setting itself apart it does not fall into common assessment schemes. The company’s Greenhouse Gas fund (formerly CO₂ fund) that specifically promotes innovative sustainability projects plays a key role here. The “Association for the Decarbonization of the Industry” – facilitated by the fund – continues to support an innovative hydrogen project. The demonstrator system for the pyrolysis of methane is currently being developed in detail, the corresponding pipelines planned, and the necessary permits obtained. The goal is to integrate the facility into the Tech Cluster Zug site towards the end of 2024, then, after a one-year test phase, to transfer it to regular operations and thus to supply the production of V-ZUG with hydrogen.

Proposal for Dividend Distribution and Contribution to the Greenhouse Gas fund

The Board of Directors will propose to the General Meeting of Shareholders on April 26, 2024, a cash dividend – lower than in the previous year – in the amount of CHF 2.00 gross per type A registered share and CHF 20.00 gross per type B registered share. With a payout ratio of 40 % of the net income attributable to the shareholders this corresponds to the dividend policy of Metall Zug AG.

In addition, the Board of Directors proposes to pay an amount of CHF 450 000 (corresponding to 5 % of the proposed dividend distribution) into the Greenhouse Gas fund – to be charged to the 2024 income statement – for additional innovative projects as part of the sustainability strategy.

Acknowledgements

The joint venture prepared over the past year with Belimed and Steelco constitutes a further milestone in the implementation of Metall Zug's strategy and called for enormous efforts by all parties involved. In addition, the challenging market environment tested the operating business and demanded a great deal of flexibility and stamina. I would like to thank all the employees in our company for their extraordinary commitment, motivation and support in this challenging financial year.

Naturally, we would also like to thank you, our valued shareholders, again this year for your continuing trust and allegiance with our company.

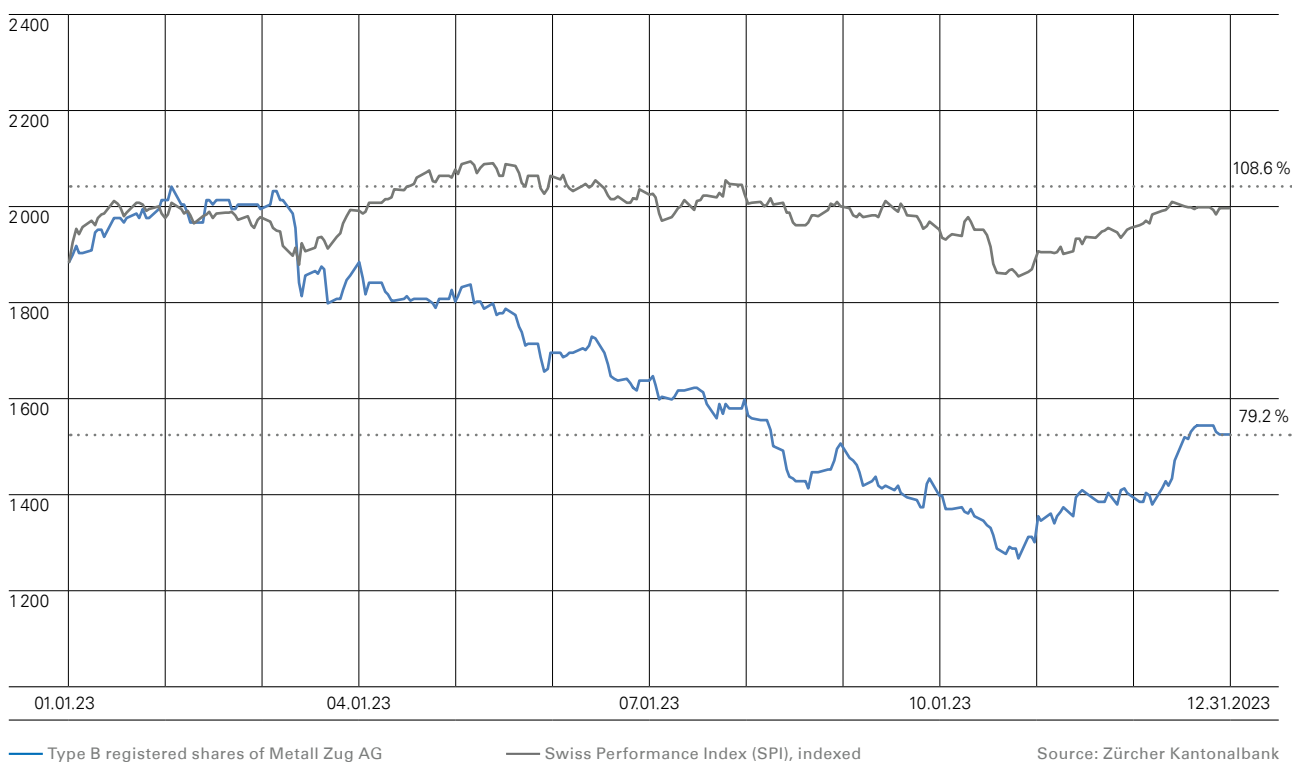
Martin Wipfli
Chairman of the Board of Directors

Share Information

Metall Zug AG has two categories of shares.

The type A registered shares (Swiss securities number 209 262) are not listed, while the type B registered shares are listed in the Swiss Reporting Standard of SIX Swiss Exchange in Zurich (Swiss securities number 3 982 108, ticker symbol METN).

Performance of type B registered shares



The Board of Directors will propose to the General Meeting of Shareholders on April 26, 2024, that a cash dividend be distributed in the amount of CHF 2.00 gross per type A registered share and CHF 20.00 gross per type B registered share.

The dividends approved for the 2022 financial year were CHF 3.00 per type A registered share and CHF 30.00 per type B registered share.

If the General Meeting accepts this proposal, a total of CHF 9.0 million will be paid out to shareholders (previous year: CHF 13.5 million). No dividend is to be paid for treasury shares held by Metall Zug AG.

Important dates

April 26, 2024
General Meeting of Shareholders

May 3, 2024
Payment of dividend

August 8, 2024
Publication of half-year results

Number of shares

			2023	2022	2021	2020	2019
Type A registered shares	nominal CHF	2.50	1 948 640	1 948 640	1 948 640	1 948 640	1 948 640
Type B registered shares	nominal CHF	25.00	255 136	255 136	255 136	255 136	255 136

Figures per type A registered share

in CHF

Net income attributable to shareholders of Metall Zug AG	4.95	29.00	10.88	3.19	6.52
Cash flow from operating activities	2.11	-1.34	10.87	13.38	12.64
Shareholders' equity	115.96	115.18	114.71	107.31	169.45
Dividend	2.00 ¹⁾	3.00	3.00	1.70	7.40 ²⁾

Figures per type B registered share

in CHF

Net income attributable to shareholders of Metall Zug AG		49.49	289.96	108.83	31.93	65.18
Cash flow from operating activities		21.15	– 13.37	108.70	133.79	126.36
Shareholders' equity		1 159.59	1 151.78	1 147.09	1 073.10	1 694.52
Dividend		20.00 ¹⁾	30.00	30.00	17.00	74.02 ²⁾
Dividend yield (in %) ³⁾		1.31	1.56	1.46	1.13	3.40
Total shareholder return (in %) ⁴⁾		– 19.22	– 5.10	38.47	2.99	– 10.00
Stock market price ⁵⁾	High	2 090	2 160	2 220	1 653	1 986
	Low	1 260	1 785	1 500	888	1 294
	At year-end	1 525	1 925	2 060	1 500	1 473

Market capitalization⁶⁾

in CHF million	At year-end	686	866	927	675	981
----------------	-------------	-----	-----	-----	-----	-----

¹⁾ According to the proposal of the Board of Directors to the General Meeting of Shareholders.

²⁾ The amount includes a cash dividend of CHF 1.70 per type A registered share respectively CHF 17.00 per type B registered share and a dividend in kind of CHF 5.70 per type A registered share respectively CHF 57.02 per type B registered share. The latter corresponds to the allocation of 1 registered share of V-ZUG Holding AG per type A registered share (10 registered shares of V-ZUG Holding AG per type B registered share) at book value.

³⁾ Proposed respectively resolved dividend divided by stock market price at year-end.

⁴⁾ Change of year-end stock market price compared to the previous year in addition to the resolved dividend divided by the year-end stock market price of the previous year. For 2020 calculated on the basis of the stock market prices adjusted for the spin-off of V-ZUG Holding AG (factor 0.67568).

⁵⁾ Amounts before 2020 adjusted by the spin-off of V-ZUG Holding AG (factor 0.67568). The factor is calculated based on the stock market price after the spin-off (CHF 1500) divided by the stock market price before the spin-off (CHF 2220) per type B registered share.

⁶⁾ Translation of type A registered shares (ratio 1:10) on the basis of the year-end share price of type B registered shares. The year 2019 is calculated based on the effective year-end share prices at that time (without adjustment for V-ZUG Holding AG).

Strategy

Metall Zug is a listed Swiss holding company with an entrepreneurial family as its main shareholder and adopts a decidedly long-term perspective. By focusing on three strategic pillars, Metall Zug creates sustainable added value for its shareholders. These three pillars comprise the directly controlled industrial Business Units with a focus on ophthalmology, the Tech Cluster Zug as an innovative real estate project, and the anchor shareholdings in industrial companies with premium products in attractive markets.

Over the past five years the Metall Zug Group has undergone a comprehensive strategic transformation. The third Business Unit will likely be strategically spun off in 2024 via the planned joint venture between Belimed (Infection Control and Life Science) and Steelco. This follows the spin-off and independent listing of V-ZUG in 2020 and the merger of Schleuniger with Komax in 2022. Metall Zug remains an anchor shareholder in all three companies, thus creating stability and a long-term orientation, and participates in value-adding potential. In future, the operational focus will be on the fully controlled Business Units, concentrating on ophthalmology and the further development of the Tech Cluster Zug.

The industrial Business Units, the Tech Cluster Zug and the strategic anchor shareholdings constitute the three pillars of Metall Zug. This gives the Metall Zug Group, its Business Units and its shareholdings a high degree of strategic flexibility, allowing them to make the most of their growth potential. Metall Zug AG will continue to hold a significant stake in the independent Business Units and ensure that business development is synonymous with long-term value creation.

Entrepreneurial Freedom and Independence

Metall Zug strives for an optimum balance between conservative financial policies and entrepreneurial ambition. Thanks to its financial strength and conscious diversification, Metall Zug is able to act autonomously and make independent decisions – even during economically difficult periods.

Added Value through Diversity

Metall Zug utilises the diversity of its Business Units and holdings as a source of innovation, benchmarks and best practice. The entrepreneurial freedom and clear focus of those Business Units and holdings remain key elements in its success. The Group companies maintain an independent market presence with their own brands.

Business Development and Growth

The Business Units and holdings seek to achieve sustainable and profitable growth by delivering innovation and high-quality products and services, as well as by extending the offering along the value chains of their customers.

Investment opportunities for external growth are primarily being sought within the existing Business Units.

Driven by Value, Aiming for Success

All those in positions of responsibility act in a success-oriented manner and respect the values of Metall Zug: Any success can only really be counted as such if it is sustainable and has been achieved with due respect for society and without tarnishing the reputation of the company in question and the Metall Zug Group as a whole.

The company follows the basic principle of acting with a long-term view in order to create sustainable success for all its stakeholders, including customers, employees and shareholders. Long-term success takes priority over maximizing short-term profit.

Development of Established Real Estate

With its industrially based real estate portfolio, Metall Zug creates optimal framework conditions for the operational activities of its Business Units and holdings.

Through the Tech Cluster Zug, Metall Zug is developing the original main site of V-ZUG with the aim of creating a technology cluster in the north of the city of Zug. The development of the site aims to incorporate the various needs of modern urban development. An ecosystem of innovative technologies and services, with diverse networking opportunities between users, is to be created.

Sustainability

Metall Zug sees sustainability as a strategic, intrinsically motivated priority and pursues a realistic and independent approach with a focus on climate impact. It sets high standards with regard to resilient energy supplies, durable and resource-saving products, environmentally friendly and material-efficient production, responsible procurement and logistics, and as a committed employer. The Group understands its corporate responsibility in ensuring a future for its business and for the company beyond the next generation by consistently reducing the burden on people, society and the environment. In doing so it remains committed to addressing the topic of sustainability in a critical manner.

Lowering CO₂ emissions is a key element of Metall Zug's sustainability strategy. To ease the burden on the climate, CO₂ emissions of Metall Zug are allocated a price, which is collected in a fund (now called the Greenhouse Gas fund) through an internal CO₂ levy. This fund is used to launch innovative and effective projects in order to support system-relevant reduction measures.

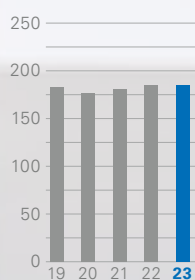
The people in our companies are fundamental to our success. Metall Zug therefore aims to develop and secure its own management and skilled workers in the long term. The main activities in this regard are intensified promotion and succession planning – including the principle of equality – as well as the strengthening of a management culture that places people and employee satisfaction at the centre.

The Metall Zug Group's pioneering role in product durability and repairability is to be further expanded. For Metall Zug, making a regional and social contribution is just as important as economic performance. Metall Zug believes in Switzerland – and Zug in particular – as a production location and is therefore investing significant resources in the development of the Tech Cluster Zug in order to attract further manufacturing companies to the site.

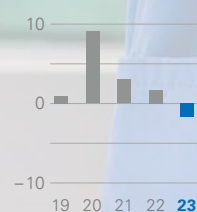
Infection Control



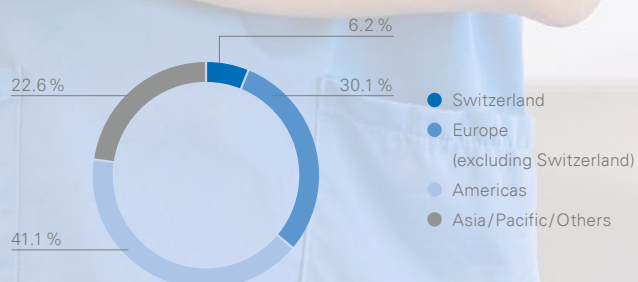
Net sales
CHF million



Operating income (EBIT)
CHF million



Net sales to third parties by region, in %



The Infection Control Business Unit (Belimed Group) is a leading provider of medical and surgical instrument sterilization, disinfection, and cleaning product and service solutions. Belimed is continually evolving its technology-driven portfolio and constantly seeking innovative ways to improve reliability, efficiency and sustainability in hospital central sterile supply departments (CSSDs). The company is headquartered in Zug, Switzerland, has branch offices in nine countries worldwide, and is represented in over 80 countries thanks to a strong distribution network.

Belimed Infection Control employees see themselves as engineers of confidence: they listen to their customers and find the right solutions for their challenges, while at the same time creating optimal conditions for improving their overall work environment. The company's sterile workflow solutions cover the complete spectrum from planning and design to high-quality equipment and consumables, right through to professional servicing and data connectivity options. Belimed also provides comprehensive education and training opportunities for customers.

The central basis of the company's business activities is customer trust. In cooperation with its customers, Belimed makes an important contribution to medical care and ensures the safety and health of patients and medical staff.

Belimed Infection Control has around 950 employees worldwide, including 8 trainees.

Infection Control

in CHF million	2023	2022¹⁾	2021	2020	2019
Net sales	186.0	186.3	180.2	176.3	182.8
Net sales development in %	-0.2	3.4	2.2	-3.5	-8.2
of which foreign currency impact in %	-4.8	-0.1	-0.1	-3.9	-0.8
of which acquisition impact in %	1.1	1.5	0.0	0.0	0.0
Organic net sales development in %	3.6	2.0	2.3	-0.4	-7.4
Net sales to third parties	181.3	177.3	172.8	168.0	170.4
Switzerland	11.2	9.8	9.0	12.2	7.9
Europe (excluding Switzerland)	54.6	48.3	62.6	61.9	57.2
Americas	74.5	79.5	69.7	62.6	70.4
Asia / Pacific / Others	40.9	39.6	31.4	31.3	34.9
Operating income (EBIT)	-2.8	1.7	2.6	8.9	0.9
in % of net sales	-1.5	0.9	1.4	5.0	0.5

¹⁾ As of January 1, 2022, the service business for Life Science customers was transferred to Belimed Life Science, which is included in the Others reporting segment. This effect is included in the organic net sales development. The 2021 sales for this service business amounted to CHF 12.0 million (6.7% of 2021 sales).

The 2023 Financial Year

The Infection Control Business Unit generated net sales of CHF 186.0 million in the reporting year (previous year: CHF 186.3 million). Taking into account the acquisition effect of 1.1 % from the purchase of Amity Ltd. (UK) in July 2022 and the negative foreign currency effect of –4.8 %, this translates into organic growth of 3.6 % compared to the previous year.

The number of surgeries grew again in 2023, and it became apparent that the regulatory requirements in the central sterile supply departments (CSSDs) of hospitals are increasing. In light of this, the acute shortage of skilled labor means rising demand for better integrated, automated and digitally optimized workflow solutions. This strengthens Belimed's position as a high-quality provider of complete solutions. On the other hand, the tense labor market situation as a cost driver, macroeconomic trends and higher healthcare costs combined with higher capital costs had a negative impact on the financial situation of hospitals worldwide. The considerable cost pressure resulted in the postponement or reduction of investments.

Due to this situation in hospitals, the market for the equipment business weakened in the year under review, resulting in lower order intake. While Belimed was still able to benefit from the high equipment order backlog at the end of 2022 in the first half of the year, the equipment business posted a decline in sales for the year as a whole owing to unfavorable exchange rate effects.

Thanks to the large installed base, net sales of the service business rose over the course of the year, particularly in the USA and China. This was also thanks to price increases implemented at the beginning of the year, as well as the fact that equipment in hospitals was being used more heavily again due to the rising number of surgeries. In order to increase productivity and efficiency in services, the number of training

courses for service technicians in Europe and the USA was increased, and work was undertaken to supplement and optimize these with digital tools.

Although sales of consumables (chemicals) rose compared to the previous year, they were below expectations. This is linked to the replacement of third-party products by own-products from Amity, which is taking longer than expected. Two top-selling products need to be adapted to the latest regulatory and process-related requirements. In addition, the time spent on developing a successful sales organization was longer than anticipated. Nevertheless, the complete Belimed Protect range was launched on the market. The in-house formulation creates sustainable added value thanks to shorter cycle times and the use of fewer chemicals. Customer feedback on the cleaning efficiency of the new product range is unanimously positive, meaning that steady growth can be expected in this area in the future.

The digitalization business also continues to grow. A rise in demand for the SmartHub solution was recorded, particularly in the USA and Germany. Belimed achieved its goal of connecting more than 1 000 customer devices via the cloud by the end of 2023. However, the speed of the rollout was curbed due to the challenge of hospitals often taking longer to make the IT infrastructure required for cloud integration available because of security requirements.

EBIT amounted to CHF –2.8 million (previous year: CHF 1.7 million) and thus missed the profit zone. Compared to the previous year, it should be noted that EBIT for 2022 includes a positive one-time effect of CHF 2.5 million (release of a provision for a legal case in the amount of CHF 1.6 million that was no longer required, as well as a CHF 0.9 million gain from the sale of a property in the Netherlands). On a comparable basis, the previous year's EBIT was therefore CHF –0.7 million.

The main reasons for the decline in EBIT in 2023 were foreign currency effects, inflation-related salary increases, and additional costs in the research & development area and in marketing and sales. High manufacturing costs, which were reflected in unsatisfactory margins in the equipment business, continued to weigh on Belimed. It was not possible to fully implement price rises in equipment due to continuing consolidation on the purchasing side in the private sector and purchases increasingly being made via tenders in the public sector. Both trends put pressure on selling prices. Belimed countered this by reducing indirect and direct costs through improved processes and efficiency. In addition, Belimed is continuously working on reducing product complexity and thus optimizing prices – one example of this being the recently launched MST-H ground-loading steam sterilizer.

Digitalization Initiatives 2023

SmartHub, which was launched in 2021, acts as a data hub for networked devices, processes data and displays it in real-time on a dashboard. The information helps customers to optimize their internal processes and reliability. Belimed is constantly developing SmartHub further and adding new functions. It is currently examining the possibility of providing services digitally via SmartHub. A pilot project was there-

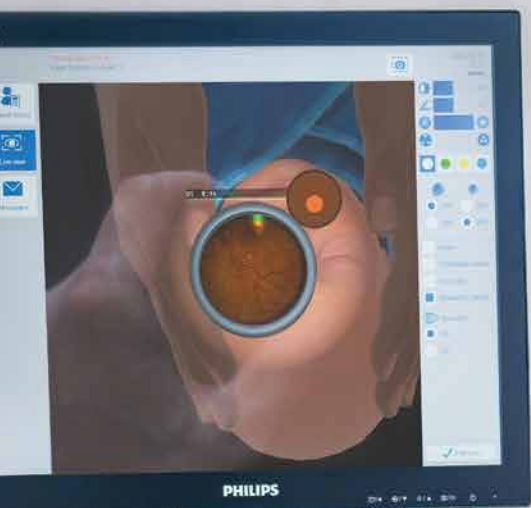
fore launched in Germany in the fourth quarter to resolve service cases more rapidly and with fewer resources by remote diagnosis. The initial results are expected in mid-2024.

Belimed now offers to its customers the free-of-charge self-developed digital Planning Compass application on its website. This provides valuable initial guidance with planning for central sterile supply departments (CSSDs). After entering various framework parameters, such as the number of beds and operating rooms, the customer obtains an overview of all the processing requirements. They are provided with quick, reliable initial estimates regarding capacity, equipment mix and energy consumption, enabling initial conclusions to be drawn regarding the planning of CSSD buildings and optimizing layout.

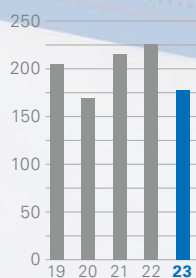
Personnel Changes in Senior Management

The CEO of the Infection Control Business Unit, Dominik Arnold, left Belimed effective December 31, 2023, to take on the role of CEO of the Coltene Group. He made a substantial contribution to the development of Belimed between 2019 and 2023. Metall Zug would like to thank him for his outstanding commitment and his service. Richard Hämmerli has taken on the role of CEO ad interim effective January 1, 2024, in addition to his position as CFO.

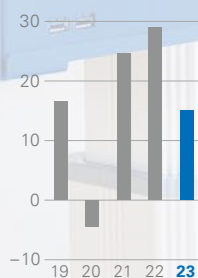
Medical Devices



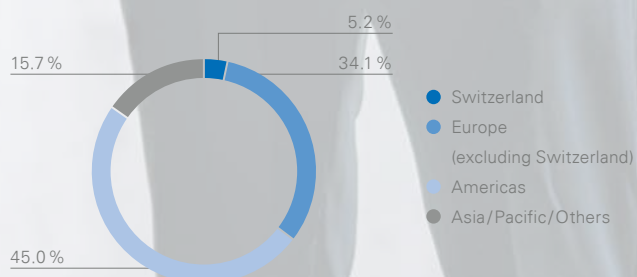
Net sales
CHF million



Operating income (EBIT)
CHF million



Net sales to third parties by region, in %



The Haag-Streit Group (Medical Devices Business Unit) is an international medtech company specializing in ophthalmology. Haag-Streit develops, produces and distributes innovative devices and complete solutions for medical diagnosis, microsurgery and the training of eye care specialists.

The Haag-Streit Group's operations are divided into three main business areas:

Diagnostics

Diagnostics manufactures ophthalmic diagnostic equipment for use in a variety of settings. Haag-Streit is a market leader with its slit lamps, and the name "Haag-Streit" is a guarantee for quality and reliability "Made in Switzerland". It is also among the market leaders in the fields of glaucoma diagnosis, perimetry, as well as in consistently improved and expanded optical biometry for cataract diagnosis and treatment. The product range is complemented by practice equipment for eye care specialists, as well as high-precision optical measuring instruments.

Surgical

Surgical is responsible for developing, producing and distributing high-precision surgical microscopes for use in ophthalmological microsurgery, and other accessories required by eye care professionals.

Simulation

Through Haag-Streit Simulation, the Group is also a pioneer in virtual and augmented reality technology for the medical training of eye care specialists and doctors, as well as in digital imaging in this specific area.

The Haag-Streit Group employs a workforce of around 750 worldwide, including 20 trainees.

Medical Devices					
in CHF million	2023	2022	2021	2020	2019
Net sales	178.3	225.6	215.2	169.6	204.9
Net sales development in %	-20.9	4.8	26.9	-17.2	14.8
of which foreign currency impact in %	-2.8	-0.6	-0.3	-3.0	-0.8
of which acquisition & divestment impact in %	-4.0	-3.2	2.5	3.6	18.2
Organic net sales development in %	-14.1	8.6	24.7	-17.8	-2.6
Net sales to third parties	178.3	225.6	215.2	169.6	204.9
Switzerland	9.4	8.1	8.2	8.3	7.4
Europe (excluding Switzerland)	60.8	71.7	79.6	67.6	68.1
Americas	80.2	111.7	92.1	63.1	90.6
Asia / Pacific / Others	28.0	34.1	35.3	30.6	38.9
Operating income (EBIT)	15.2	28.8	24.6	-4.4	16.5
in % of net sales	8.5	12.8	11.4	-2.6	8.1

The 2023 Financial Year

The Medical Devices Business Unit generated significantly lower net sales year-on-year of CHF 178.3 million in 2023 (previous year: CHF 225.6 million). Adjusted for currency effects of –2.8 % and the divestment effect of –4.0 % from the sale of Clement Clarke International Ltd., Harlow (UK), in the previous year, organic sales declined by 14.1 %.

The lower sales were largely attributable to developments in the key US market. Following record sales and order intake in the previous year, the Business Unit faced an opposing trend in the year under review. Distributors destocked their inventories – considerably in some cases – in 2023 before placing larger new orders. This led to sharply reduced demand in 2023 and correspondingly low order intake. Net sales declined to a lesser extent than order intake as the Business Unit benefited particularly during the first half of the year from the high order backlog at the beginning of 2023.

The market environment in Europe is also tough and business is declining, although the diagnostics business area is considerably more affected than surgical. In Germany, Haag-Streit is also impacted by delays on the part of some customers in implementing larger infrastructure projects, resulting in the postponement of deliveries. The Asian market also faced challenges in 2023. A change of distributor in China led to a short-term decline in sales.

The business performance is additionally impacted by the continuing rise in healthcare costs, which increased demand for efficiency and consistency, thus leading customers to procure less expensive short-term solutions rather than high-quality, durable products, as are mainly provided by Haag-Streit.

Simulation, on the other hand, performed well: In combination with the surgical business area, Haag-Streit was able to offer training institutions an outstanding range in the form of a combination of excellent training equipment and application equipment. For example, Haag-Streit offers integrated and automated solutions for the training of students and advanced training of doctors.

There was also strong demand for microscopes. However, the supply chain situation in microscope production was strained in 2023. Filling open positions that are essential for the execution of various projects and the timely, effective implementation of strategic initiatives continues to be the main challenge. As a result, production output was below expectations and it was not possible to fully satisfy the strong demand in this area.

EBIT came to CHF 15.2 million in the year under review (previous year: CHF 28.8 million), and was thus significantly lower than the previous year. 2023 EBIT includes a positive one-time effect from the release of provisions in connection with pension liabilities at a subsidiary in the UK in the amount

of CHF 2.1 million (previous year: increase in provisions of CHF 2.4 million). The closed pension plan in the UK, which in the past has sometimes led to a major impact on the income statement of Haag-Streit, was outsourced to an insurance company in 2023. The 2022 EBIT also includes a positive one-time effect from the reduction of a restructuring provision in the amount of CHF 1.5 million. Adjusted for these one-time effects, the operating result for 2023 comes to CHF 13.1 million, which corresponds to marked EBIT growth of 55.9 % compared to the adjusted result of CHF 29.6 million in the previous year. This was due not only to lower net sales but also to a change in product mix and to the considerably higher strategic investments in research and development. Because of the lower demand, short-time working was implemented four times at the K niz site for three weeks in each case in August, September, October and December. The lower production utilization meant that fixed costs were not covered, which also had a negative impact on the result. Although cost savings were introduced in other areas, these were unable to offset the decline in profit.

Implementation of the Strategy for 2023–2027

The strategy defined in 2022 and the initiatives included therein continue to apply and point the way forward, and are currently being implemented. Haag-Streit is focusing consistently on ophthalmology in the areas of diagnostics, surgery and training. The strategy also focuses on the further development of the product portfolio with regard to increasing efficiency and effec-

tiveness and data consistency of processes as part of a total solution offering. Business in the area of simulation, training and education will also be continuously expanded. Furthermore, top service quality is ensured with a focus on more direct communication with the market and customers.

On the distribution side, the focus is on the Asian and US markets, where the aim is to strengthen market presence. Marketing and Sales have undergone the biggest, most direct changes with the switch to the functional organization. Distributors in various countries were replaced in 2023 to achieve a better focus on Haag-Streit’s products and sales performance. In the USA, distribution activities were switched from pure dealer support from the US headquarters to proactive distributor support. This entailed building an additional, in-house field sales force to provide direct support to defined key customers. In Asia, the focus is on selecting more competent partners and providing them with support on the ground from Haag-Streit employees to also ensure the focus on its own products. In this respect, a new subsidiary was founded in Japan in 2023, with the aim of cultivating the Japanese market in a more intensive, focused manner together with distributors.

In administration, further tasks were outsourced to the Finance Shared Service Center in Mannheim, Germany. The group-wide ERP systems are being harmonized and processes standardized to carry forward this strategy. The digitalization of processes should enable future cost savings.

Launch of New Products

In the simulation business area, the integration with the existing Haag-Streit products created full training solutions for diagnostic and surgical training in various applications. The resulting offering is managed under the name Ophthalmic Skills Training Center (OSTC) and gives Haag-Streit a unique selling point in training for eye care specialists.

In 2023, Haag-Streit Simulation also presented the Eyesi Indirect ROP Simulator, a virtual reality simulator to diagnose retinopathy of prematurity (ROP), at the conferences of the European Society of Cataract and Refractive Surgeons (ESCRS) in Vienna and the American Academy of Ophthalmology (AAO) in San Francisco. Ophthalmologists can use this simulator to practice examining premature babies whose retina still needs to develop fully, which requires regular monitoring. Left untreated, retinopathy of prematurity can lead to blindness. Complete visualization of the retina with an indirect ophthalmoscope is particularly difficult in premature babies. At the same time, ophthalmologists rarely have the opportunity while training to learn how to perform this examination. The simulator provides the opportunity to practice

using the examination equipment correctly in a stress-free situation with no risk to health, and assessing the findings correctly. The next product version of the system will also feature a training module on laser treatment of retinopathy of prematurity. The training system will be available in the first quarter of 2024.

By leveraging digital technologies combined with outstanding quality optics and mechanics, Haag-Streit will continue to offer functional, high-quality microscopes for ophthalmology in the market in future. This development is going according to plan and is currently in the industrialization phase. The new Metis surgical microscope will be introduced in fall 2024; it is an advancement of the existing Hi-R NEO 900 analog microscope. The upgrade capability of Metis will also enable customers to take significant steps in digitalization in the surgical environment. Metis is a cross-locational development project by the companies in Wedel, Mannheim, Köniz and Aesch. Preparation for the market launch of further new products in 2025 is one of the key product management tasks in 2024. Various solutions relating to digital image processing are currently in the development pipeline.

Technologycluster & Infrastructure



The Technologycluster & Infrastructure Business Unit is responsible for the industrial development of the site in Zug North, together with the establishment of Tech Cluster Zug (TCZ) and other infrastructure tasks. It consists of Tech Cluster Zug AG and Urban Assets Zug AG, which owns a number of properties on the Tech Cluster Zug site. In addition, Tech Cluster Zug AG holds a 50 % stake in Multi Energy Zug AG, a joint venture with WWZ AG, a utility company based in Zug that serves the region with energy, telecommunications and water. Multi Energy Zug AG (MEZ) operates a Multi Energy Hub (MEH) on the site in Zug.

Specifically, the Business Unit is responsible for real estate development, and the management, operation and maintenance of Tech Cluster Zug and the overall real estate portfolio of Urban Assets Zug AG, as well as the two companies belonging to the V-ZUG Group: V-ZUG Infra AG and V-ZUG Assets AG. This also includes the development of sustainable infrastructures, mobility solutions and energy supplies, the acquisition of new tenants, the creation of new offerings, marketing and communication, in particular with the authorities and the site's immediate neighbors. In addition, the Business Unit supports the companies of the Metall Zug Group in real estate and infrastructure projects.

The rental income earned is declared as "other operating income" along with the income from building contractor services. The operating income (EBIT) came to CHF 5.2 million in the year under review (previous year: CHF 2.9 million). The result is primarily due to an extraordinary gain of CHF 2.2 million in connection with the sale of the technical infrastructure of the Multi Energy Hub to MEZ in the form of financial leases. In addition to this, additional rental income was gen-

erated by the Mobility Hub Zug Nord and Westhive properties that were completed in the course of 2022.

Building the Tech Cluster Zug

The aim of the Tech Cluster Zug multi-generational project is to create a viable and lively part of the city in Zug North, combining industrial production, research and development, and commercial and residential activities on a site with limited space. Tech Cluster Zug is to be seen as a commitment to the city and region of Zug, with which the Metall Zug Group strengthens Switzerland as a production location. The TCZ development plan came into legal effect in October 2018.

Transforming a large industrial site that is still being used for production calls for a long-term horizon and constant adjustments to the changing conditions and opportunities. On top of that, the future industrial and commercial users of the site each come with their own specific requirements and must therefore be involved as partners in the planning process. A development plan that allows for flexibility was thus drawn up together with the authorities.

Another strategic objective is sustainability. Important projects in this regard are a sustainable energy supply with the MEH, including the construction of various solar plants and energy storage facilities, and sustainability in construction by reducing CO₂ emissions from building materials, from building construction, and from deconstruction or disposal.

Overview of Ongoing Projects

The development of the TCZ was again highly dynamic in 2023, and mainly involved the four ongoing major projects SHL-Süd-tor, CreaTower I, refActory and Project Pi.

SHL-Südtor – Replanning of Supporting Structure Based on New Findings

From 2026, SHL-Südtor, the new building project in the southern part of the Tech Cluster Zug, will serve as the new headquarter and production site for the manufacturing company SHL Medical. The new site has 16240 m² of rental area and will offer space for around 350 employees and plenty of capacity for the production of drug delivery systems. The preparatory work such as site installations, deconstruction and remediation of contaminated sites was completed in February 2024. Construction of the new building is scheduled to start in April 2024.

Measurements taken at SHL Medical's current production site in Taiwan showed that the supporting structure of the new building needs to be reworked in order to make the production floors more resistant to machine vibrations. On the basis of the new findings, these floors will now be planned as a steel construction that is separate from the rest of the building. The wooden ceilings will be retained on the office floors. As the tenant's cooling energy needs are significantly higher than originally planned, it is not possible to guarantee the necessary cooling capacity with the previous lake water concept alone. An alternative cooling concept has therefore been developed, which is a mixed system combining lake water and an in-house cooling system.

Mitte TCZ

The Mitte TCZ project combines the CreaTowers and Eingang TCZ construction sites with the new V-ZUG headquarters (Zephyr West) and the new refActory building. The CreaTowers project consists of CreaTower I and CreaTower II. CreaTower I, with a maximum building height of 40 meters, is being realized

as an office building for VZ Depotbank. CreaTower II, with a maximum building height of 60 meters, will later serve as a high-rise residential building, with service utilization in the base. Both buildings will share an underground car park. The project will be realized in two stages.

CreaTower I – Requirements for Vaulted Ceilings Tested on 1:1 Model

The CreaTower I building will serve as the new headquarters for VZ Depotbank and will provide 400 to 500 workplaces. On completion, VZ Depotbank will purchase the building as a shell and core. CreaTower I is intended to enable further growth opportunities in the heart of Zug with state-of-the-art office infrastructure. It is also planned to rent out some parts of the premises externally. In addition to the main entrance, the ground floor is also intended for gastronomic use.

The building's vaulted ceilings, which were developed by the Research Group of ETH Zurich, are particularly innovative (Rippmann Floor System). Thanks to their construction, they require only a 16cm thickness of material in certain places, which means that 40 % less concrete and 80 % less steel are needed compared with conventional construction methods. With this, around 355 tons of CO₂ can be saved in the entire concrete support system. Since the planned vaulted ceilings have not yet been realized in practice, they had to be tested in real conditions by constructing a 1:1 mock-up, after which another slight adjustment to the construction was made. It is also planned to install solar panels on the facades that will lie horizontally above the windows, thus not only capturing the sunlight but also keeping it off the windows as a fixed sun screen.

The preliminary contract to the purchase contract, as well as the general planning contract for the shell and core, have been signed. The preliminary project was approved in October 2023. The outside spatial design including seepage areas has been revised, and the planning for the required changes to the surrounding streets is underway. Construction is scheduled to start in 2025 and be completed in fall 2027.

refActory – the Radiant Future Center of the TCZ

In future, the refActory building will be the new center of Tech Cluster Zug and is intended to radiate across the entire Zug North site. V-ZUG will be the anchor tenant of the property, which will house V-ZUG's flagship showroom, the V-ZUG museum, and a culinary offering on the ground and first floors of the refActory. The second to fifth floors are intended to be used as offices for third-party tenants, while the sixth floor has been planned as a "marketplace" with studio spaces. There will also be an underground car park under the building.

The building study by the architect Gion Caminada has already been presented to the Board of Directors of Tech Cluster Zug and the Chairman of the Board of Directors of V-ZUG. The plans are for a natural stone construction with a building height of 30 meters. The general planner tender process was completed at the end of 2023 with Itten Brechtbühl being selected as the general planner. This means that work can now start on the preliminary project. The building is scheduled for completion in fall 2028.

Project Pi – Resumption of Project Planning

Project Pi is an 80-meter-tall, inner-city timber high-rise building including auxiliary buildings, which incorporates various sophisticated technical innovations. The building will primarily offer affordable housing and, to a lesser extent, location-compliant residential housing and commercial space on the ground floor. The new building thus fulfils the obligations regarding affordable housing in the development plan for Tech Cluster Zug. The project also creates additional investment opportunities for the V-ZUG AG pension fund and the

V-ZUG AG welfare fund which, in addition to a housing cooperative, will acquire the majority of the apartments.

The project planning recommenced in the third quarter of 2023. One reason for the delay to this project is the choice of timber materials, which is crucial for this demanding project. There were also postponements due to the Zug "Added value initiative" approved in June 2023, which requires new buildings to include at least 40 % affordable housing. Since Project Pi already meets these requirements, the first reading by the legislative branch of Zug city council was held on January 23, 2024. The second reading is likely to take place in June 2024. Construction on the high-rise is currently scheduled for the end of 2025, with completion in 2029.

Multi Energy Hub Zug – Continuation of the Three Subprojects

In 2022, the Multi Energy Hub Zug, which has been developed over the last eight years and constructed in several stages, was brought into operation, and the construction of the MEH heating/cooling center integrated into V-ZUG's ZUGgate high-bay warehouse was completed. Solar energy, waste heat, groundwater and lake water (Circulago from WWZ) are used as energy sources. The first parts of the Tech Cluster Zug site, including other connected third-party customers, have thus been supplied with heating, cooling, electricity, a data network, gas and infrastructure for e-mobility in a virtually CO₂-neutral way since the 2022/2023 heating period. The entire Tech Cluster Zug and its direct neighbors in Zug North will follow at a later stage. In the 2023 financial year, the existing building on Grienbachstrasse 11 was connected to the MEH. The cross-site pipeline through the new logistics tunnel on the V-ZUG site (Zephyr Ost) was brought into operation at the start of 2024, meaning that V-ZUG's Zephyr Hangar, Zephyr West und Mistral buildings can be supplied from the energy hub in ZUGgate in winter 2023/2024, and the existing gas and oil heating systems on the site can be replaced. The project is divided into the three subprojects described in more detail below.

Communication Network and Energy Management System Subproject

In the Multi Energy Hub, energy consumption and production are harmonized in both economic and environmental terms. To manage all the energy sources, infrastructure and consumers, an overarching control system has been installed that regulates the heating, cooling and electrical energy, taking account of the constantly changing conditions such as the weather, V-ZUG production operations and tenants. To enable this, a communication network has been set up on the basis of fiber optic cables (FOC). The implementation of this communication network in the north part of the site is already complete, and the system is now in operation.

Site Electricity Subproject

The Site Electricity subproject ensures the overarching electrical planning at medium-voltage and low-voltage levels through building connections. It also includes planning and implementation of the transformer stations and the intermediate connecting cables. The construction of all the photovoltaic systems on the site also forms part of this subproject. There are currently three photovoltaic systems on the Zephyr Hangar, Mistral and Mobility Hub Zug Nord buildings. These supply electrical energy for self-consumption on site in the area of electromobility, to power the heat pumps, and for industrial processes.

Site Network Subproject

The Site Network subproject deals with the planning and construction of the various sections for heating and cooling pipes, as well as for electrical conduit block systems. The connections for the buildings and construction sites on the Tech Cluster Zug site are also part of this project. Other work such as the removal of contaminated soil, deconstruction, and plant management, street and infrastructure buildings, will be combined with the construction of the site network as necessary. Certain stages of the project will be implemented in cooperation with the City of Zug, WWZ and V-ZUG. The third-party customer supply network is the responsibility of WWZ and does not form part of this project.

H₂ Project on the Tech Cluster – Detailed Planning for Demonstrator System for Pyrolysis

Founded in 2022, the Association for the Decarbonization of Industry is forging ahead with an innovative hydrogen project on the Tech Cluster Zug site. Meanwhile, in addition to the Canton of Zug, Metall Zug AG and Tech Cluster Zug AG, the idea has also moved many other well-known companies to join the association and provide a great deal of financial and staff resources in order to drive the idea forward as quickly as possible. Together with Empa – which is also a member of the association – a demonstrator system is being developed that uses pyrolysis to heat methane (from biogas or natural gas) in a microwave reactor in order to split it into hydrogen and carbon. Unlike existing methods of industrial hydrogen production, this does not produce CO₂ as a by-product, but solid (powdered) carbon, which can potentially be used as a resource in construction and agriculture. The replacement of fossil fuels with hydrogen produced by pyrolysis is a major step in the decarbonization of high-temperature industrial processes, the third-largest consumer of energy, in many industrial companies.

The Tech Cluster is currently working on the detailed design of the system, planning the corresponding pipelines, and obtaining the required permits. The aim is to incorporate the demonstrator system into the Tech Cluster site as a certified container solution between September and December 2024. After a one-year test phase, the plan is to transfer it to regular operations and to supply V-ZUG's production with hydrogen from January 2026. If the test meets expectations, the Technologycluster & Infrastructure Business Unit will have helped to significantly lower the CO₂ emissions produced by the natural gas used, for example, by industrial customers and district heating networks in the future.

However, the Business Unit is already thinking ahead to enable the customers on the TCZ site to continue to minimize their CO₂ emissions at source over the next few years. This vision involves the use of synthetic methane instead of

fossil-based natural gas. If this methane were to be produced on the Earth's Sunbelt by means of solar power, electrolytically produced hydrogen and CO₂ removed from the atmosphere, this would result in negative emissions. This could reduce the use of natural gas in Zug, Switzerland and Europe, thus paving the way towards a sustainable energy supply in Switzerland.

KunstCluster Zug – Affordable Space for Culture

An affordable cultural space is being created in Halle 11, a former V-ZUG production building on the Tech Cluster Zug site with a usable area of 1600 m². In future, the hall will be temporarily used by creative artists as a studio, as a display area, and for events. The non-profit organization KunstCluster Zug, founded in April 2023, has taken over responsibility for sponsorship. The Canton and City of Zug are also keen to make affordable cultural space available for the two established users, Kunsthaus Zug and Atelier63, as well as for the art scene in general. To this end, they are willing to subsidize the project by covering the infrastructure costs.

Kunsthaus Zug will use its area as a display store, primarily for installations and sculptural artworks, which will be open to the public three or four times a year. The Atelier63 association, a collective of interdisciplinary artists from Zug, will provide 12 studio spaces in the KunstCluster in future. Film Zug, the

association behind the Zug Film Days and the Central Switzerland Film Festival, will mainly use its space for administrative purposes. Halle 11 will also provide space for public use which the association, as well as third parties, will be able to use for a variety of cultural and artistic events and projects. The corresponding planning application was submitted at the beginning of November 2023, and the building permit was granted at the end of January 2024. The construction work will be undertaken in February and March 2024, headed by Tech Cluster Zug AG. The rental space is scheduled to be handed over to the association at the beginning of April 2024.

Personnel Changes in the Board of Directors and Operational Management

After ten years as CEO of the Technologycluster & Infrastructure Business Unit, Beat Weiss, formerly Managing Director of V-ZUG Immobilien AG, handed over responsibility for the operational business on July 1, 2023. Christina Annen has now assumed the position of CEO. She holds a degree in civil engineering from the Swiss Federal Institute of Technology (ETH) and has completed further training in business administration. Most recently, she was Head of the Building Trust Service Unit at pom+ Consulting AG. At the same time, Martin Wipfli handed over his position as Chairman of the Board of Directors of Tech Cluster Zug AG to Beat Weiss.

Others



Reporting Segment Others

The Others reporting segment groups together the Belimed Life Science Group, Gehrig Group AG and Metall Zug AG. In financial year 2023, the reporting segment achieved net sales of CHF 117.3 million (previous year: CHF 86.2 million) and EBIT of CHF –4.0 million (previous year: CHF 82.6 million). The significant decrease in EBIT is the result of the one-time book gain of CHF 89.7 million in 2022 from the deconsolidation of the Schleuniger Group recognized in Metall Zug AG. Compared to the prior-year result of CHF –7.1 million – adjusted for this effect – this represents an improvement in EBIT.

Others					
in CHF million	2023	2022¹⁾	2021	2020	2019
Net sales	117.3	86.2	68.4	75.6	76.1
Net sales development in %	36.1	26.1	–9.5	–0.6	
of which foreign currency impact in %	–1.3	0.5	0.0	–0.3	
of which acquisition impact in %	0.0	0.0	0.0	0.0	
Organic net sales development in %	37.4	25.6	–9.5	–0.3	
Net sales to third parties	115.5	84.1	67.7	74.5	75.4
Switzerland	45.3	41.4	32.5	32.9	41.6
Europe (excluding Switzerland)	45.3	25.5	18.3	18.8	26.9
Americas	18.4	8.4	12.8	19.7	5.8
Asia / Pacific / Others	6.6	8.8	4.1	3.1	1.2
Operating income (EBIT)	–4.0	82.6²⁾	–2.1	–1.1	–11.1
in % of net sales	–3.4	95.8	–3.0	–1.4	–14.7

¹⁾ As of January 1, 2022, Belimed Life Science, which is included in the Others reporting segment, took over the service business for Life Science Customers from the Infection Control Business Unit. This impact is included in the organic net sales development. The 2021 sales for this service business amounted to MCHF 12.0 (17.5% of 2021 sales).

²⁾ Includes the gain of MCHF 89.7 from the contribution of the Schleuniger Group into the Komax Group in exchange for a minority stake of 25% in Komax Holding AG.

Belimed Life Science

Belimed Life Science develops, produces and distributes equipment and service solutions for cleaning, disinfection and sterilization mainly for project business in the pharmaceutical industry.

The 2023 sales figure of CHF 81.9 million was considerably higher than the previous year (CHF 51.7 million). This is due to the high equipment order backlog at the end of 2022 and the once again encouraging order intake in the reporting year, which even exceeded the previous year. This can be attributed to the persistently high market momentum in the pharmaceutical industry, with a correspondingly strong willingness to invest. Furthermore, many of the new customer projects are a result of the global strategic reorientation by the pharmaceutical companies. These are continuing to drive the establishment of local production facilities and reducing dependencies in the production of critical drugs and vaccines. The market's development has also been positively influenced by the expansion

of production capacities for drugs and vaccines that have been newly authorized or are close to being authorized. This primarily concerns mRNA-based vaccines in the field of oncology, as well as new product groups, mainly in the treatment of obesity. Demand for complex system solutions has again increased sharply as a result of this, predominantly in the USA and the East Asia region (South Korea, Indonesia, and Taiwan). The development of new active substances was the primary focus in the US, while the priority in Asia was to expand general production capacities. The annual result was also supported by the stable, high level of demand in the Germany, Austria and Switzerland region, although these developments were dampened by rising costs in the construction industry and high interest rates.

Ongoing external challenges such as the shortage of skilled labor – together with the high order intake – are causing resource bottlenecks in the area of engineering in particular, which are resulting in longer project lead times.

Thanks to the considerable increase in sales compared with the previous year, as well as a higher gross profit margin, the EBIT figure for 2023 was again clearly within the profit zone. The operating result was below expectations, however, as this continued to be impacted by high energy, material and wage costs, as well as the unfavorable exchange rate trend.

Continuous Expansion of Service Business & Insourcing of Component and Chamber Manufacturing

The service business also recorded strong growth, particularly with regard to maintenance contracts and spare parts. The retrofit business also saw steady growth. In addition to the production expansion already mentioned, there was increasing demand in Europe, especially Switzerland, Austria and Germany, for retrofits and upgrades in order to keep established production facilities in operation. The Service area's capabilities were continually increased, with its service activities being augmented by new, additional service components in 2023 such as the qualification/requalification of new or existing systems, customer training, remote support offers, and process optimization.

Belimed Life Science has been able to enhance its vertical integration by insourcing component manufacturing, chamber construction and rack production, resulting in more flexibility and shorter delivery times, as well as large volume expansions at the two production sites in Sulgen and Grosuplje.

Successful Launch of New Generation PST.2 Sterilizers

In 2022, the latest version of the proven PST.2 sterilization system was presented at the "Achema" world trade fair in Frankfurt. This further development of the existing PST and BST steam sterilizers was successfully launched onto the market in April 2023. The PST.2 combines the advantages of the modular concept of the BST with the customizable appliances of the PST, which increases global competitiveness. Customers therefore continue to receive the highest level of quality on the market, which can now be tailored even more flexibly to their individual needs. Lower costs and shorter delivery times thanks to the new generation's modular structure increase companies' competitiveness.

A modified EU Directive requires the permanent monitoring of the sterilization quality for pharmaceutical products. Following

a transitional period up to the end of 2024, this will require new sterilizers to provide the option of automatic and integrated system tests. These have already been included in the new PST.2, giving Belimed a competitive advantage.

Further Development of Innovative Solutions for Customers

The modern B-Touch user interface enables intuitive, safe and less error-prone operation of the systems thanks to short response times and clear symbols. The focus of this development is on digitalization, with the control system including B-Touch being adapted to meet the requirements of the future. This is being achieved by modularizing the software in order to create standardized interfaces and simplify data access. The existing functions and processes will remain unchanged to ensure compatibility with older systems. At the same time, the virtual simulators will be improved to allow the software to be fully tested before being implemented in the systems, with the aim of increasing quality and shortening the test phases in the systems. Siemens Unified will be available as the new software platform in future. This is a new visualization system that functions as an integration platform in order to link data from production operations to data in the IT world. Unified provides an object-oriented approach to structuring the automation solution in the horizontal (along the production process) and vertical (across all processes) integration of equipment.

Gehrig Group

Gehrig Group AG is a leading supplier of dishwashers, thermal equipment, coffee machines and cleaning agents as well as related services for the gastronomy, hotel and tourism sectors in Switzerland. In 2023, these core competencies were bundled with the aim of consolidating and strategically expanding Gehrig Group's strong market position in the long term. As a consequence, the care and hygiene area, with a specific product range for hospitals and nursing homes, was discontinued in spring 2023.

Gehrig Group generated net sales of CHF 35.4 million in the reporting year (previous year: CHF 34.5 million). The slight increase in sales compared with the previous year is mainly due to the service business. On the other hand, as expected, the discontinuation of the care and hygiene area resulted in the opposite effect.

The upward trend in the service business has been hampered by the ongoing shortage of skilled workers. This has resulted in our own service employees having limited capacity to process service orders. At the same time, the shortage of skilled labor in the gastronomy sector has restricted some restaurants' capacity and opening hours.

Despite a slightly positive sales trend, EBIT failed to enter the profit zone. This was mainly due to extraordinary costs in connection with the discontinuation of the care and hygiene business. The result was also affected by higher costs in the industrialization of the new "Ariane" dishwasher generation and in the Administration and Marketing & Sales areas.

Ariane Product Range – the New Generation of Dishwashers

The new "Ariane" product range (GTW line) combines Swiss engineering skill with sustainable innovation, and was presented at the Igeho trade fair in November 2023 with the models GTW3300, GTW3700 and GTW5700. The new products will enable end customers to not only reduce their electricity consumption, but also to use less fresh water and cleaning agents in future. The "Ariane" product range, which is about to be launched onto the market, is produced in Switzerland and thus "Swiss Made".

The Ariane products will be equipped with the GG+ Connectivity modules that interact with the "GG+ connect" software application to enable customers to access key operating data and cleaning logs.

The New, Expanded Rental Model

The new "As a Service" model, which will be offered to customers on a trial basis with the new Ariane GTW3300 dishwasher, was also presented at the Igeho trade fair. Customers will be offered an expanded rental model that includes services and cleaning agents. In the spirit of a circular economy, the appliances will be fully overhauled after six years before being used for another six-year cycle.

Change in Management

On February 1, 2023, Daniel Scheidegger took over the position of CEO at Gehrig Group. The subsequently newly appointed Management Board with three additional newly employed members will work on implementing the strategic focus on its core business of dishwashing. It will also pursue a profiling strategy through service and sales excellence, supported by digitalization.

Report on Non-financial Matters (Sustainability Report)

Foundation

As a holding company with investments in manufacturing companies in the medical technology and industrial sectors, as well as the development of the Tech Cluster Zug with its own and third-party properties, Metall Zug has been intensively dealing with questions related to reducing the burden on people, society and the environment. Based on its own structure of values anchored in the Group, this understanding of sustainability is part of the strategy definition. Metall Zug is pursuing a realistic and independent approach with a focus on climate impact. The bodies of the Metall Zug Group engage with this topic critically and in-depth at all levels.

Business Model and ESG Strategy

Metall Zug is a group of industrial companies headquartered in Zug. At the end of 2023, the holding structure comprised four Business Units and had a workforce of 2366. The Senior Management of Metall Zug AG is responsible for the operational management of the holding company, while the Business Units are operationally managed by their own Boards of Directors and Senior Management. Following the implementation of the joint venture between Metall Zug and Miele (Belimed and Steelco), Metall Zug will place a strategic and operational focus on the development of the fully controlled Business Units Medical Devices (Haag-Streit Group) and Technologycluster & Infrastructure, as well as Gehrig Group AG. The interests in V-ZUG, Komax, and the joint venture with Miele are strategic long-term investments, and Metall Zug is confident about their further value performance.

Metall Zug views sustainability – in the sense of reducing the burden on people, society and the environment – as a strategic, intrinsically motivated priority. This aspiration is enshrined in the Articles of Association and the Code of Conduct. In doing so, Metall Zug remains committed to addressing the topic in a critical manner. Metall Zug is therefore following strategies towards a resilient and low-carbon energy supply, buildings with the lowest possible climate-damaging emissions, durable and resource-saving industrial products, environmentally friendly and material-efficient production, as well as responsible procurement and logistics. Furthermore, as an appreciative employer, Metall Zug aims to focus on people and enable them to make a meaningful and effective contribution to society through their work.

In pursuing these ESG objectives (“Environment, Social, Governance”), the Metall Zug Group has defined specific targets in the four strategic focus areas of Climate & Resources, Employees, Products & Services and Society & Value Creation. The Business Units implement specific projects within these focus areas and are supported by Metall Zug in anchoring these goals, refining strategies, and implementing, measuring and communicating appropriate measures in a more targeted way. Specific ESG objectives and a coherent ESG strategy are also expected from the companies in which Metall Zug holds an anchor participation.

Embraced by the Organization

Metall Zug’s Business Units strive for sustainability in their day-to-day activities. Through internal processes, Metall Zug ensures that any risks with regard to environmental, social and employee matters, as well as respect for human rights and the fight against corruption, can be identified. No material risks regarding these matters were identified in these processes. To broadly anchor these ambitions within the Group, the ESG strategy is defined by the Board of Directors and delegated for implementation to the senior management teams of Metall Zug and their Business Units. In this context, the Tech Cluster Zug plays a special role and acts as a catalyst for climate and energy projects by implementing concrete and effective pilot projects. The ESG strategy is analyzed, discussed in depth and updated where necessary every year at one of the Board of Directors’ strategy workshops. To this end, the Board of Directors and Senior Management are assisted by Metall Zug AG’s sustainability project leader. The Business Units are responsible for implementing the ESG strategy and defining targets and measures specific to the Business Units. They, in turn, have each appointed a sustainability officer to support their Senior Management in order to define, implement, monitor and communicate relevant projects. The Business Units’ sustainability officers and the sustainability project leader at Metall Zug AG meet regularly to monitor implementation progress and define measures for achieving targets. The Senior Management of Metall Zug and of the Business Units have defined qualitative targets in the bonus-related target agreements, which also include ESG aspects as strategic goals.

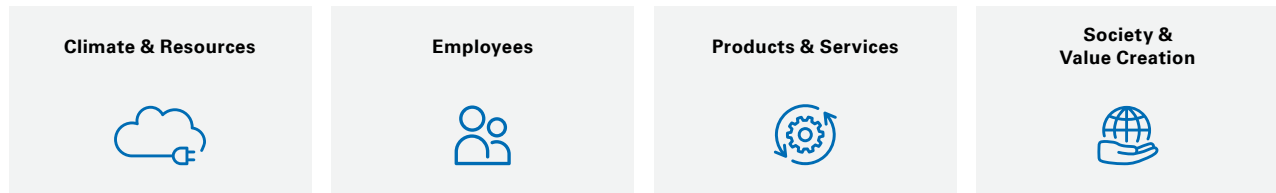
Definition of Success

All those in positions of responsibility in the Group act in a success-orientated manner and in line with the Metall Zug values: any success can only really be counted as such if the ESG targets are met in the long term, and if it is sustainable and has been achieved with due respect for society and without tarnishing the reputation of the company in question and the Metall Zug Group as a whole. The future of the company must be secured for the next generation and beyond.

Focus Areas, Material Topics, Targets and KPIs

Within the framework of its four defined strategic focus topics, Metall Zug considers ten specific topics to be material and sets quantitative targets where sensible and possible. The defined topics and associated targets are defined as follows:

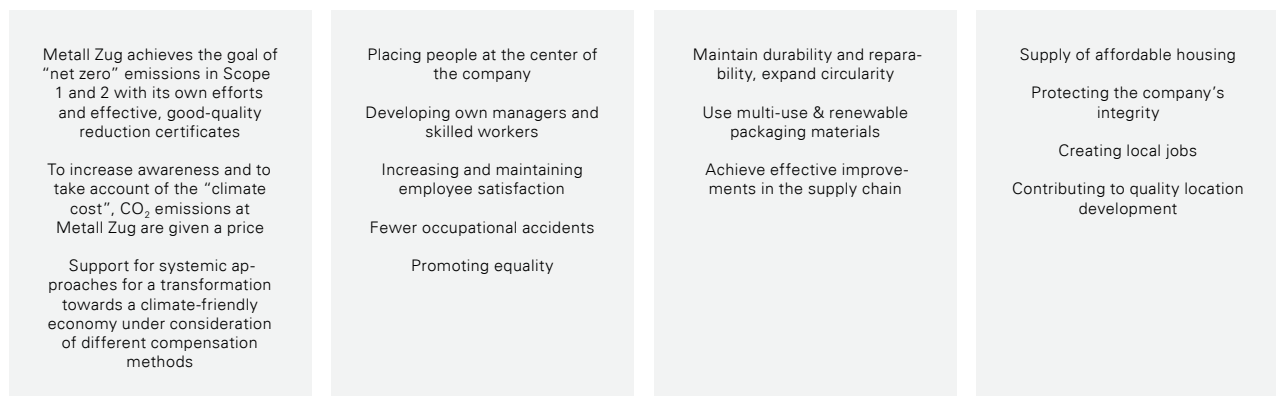
Focus Topics



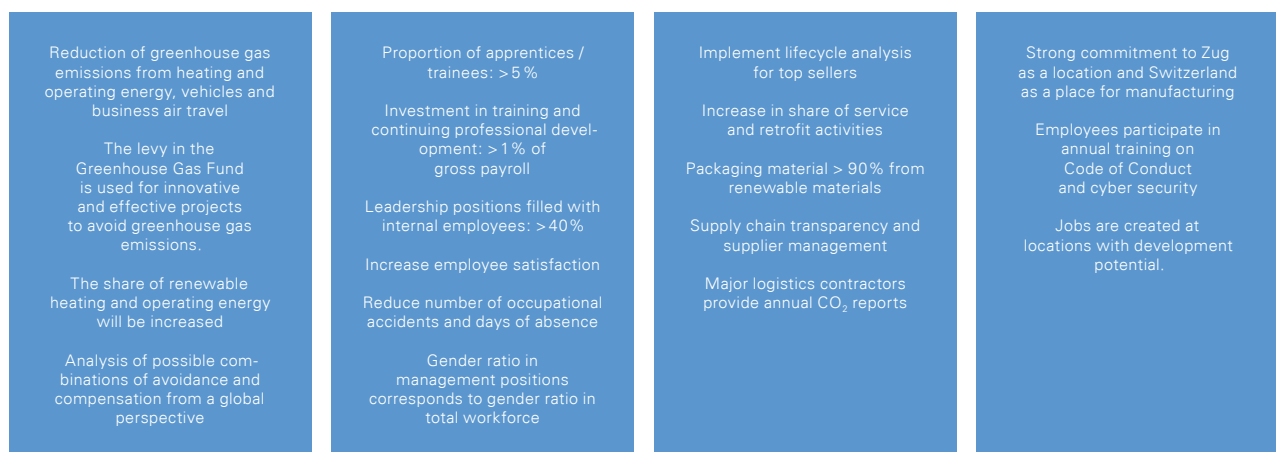
Material Topics



Targets and initiatives



KPIs



Specific Initiatives and Key Figures

Climate & Resources



CO₂ strategy

Switzerland's goal of being "net zero" in terms of CO₂ emissions by 2050 is anchored in the Swiss Federal Act on Climate Protection Goals, Innovation and Strengthening Energy Security. Metall Zug not only respects this goal, but is also intrinsically motivated to try and achieve this goal earlier. To this end, Metall Zug does not determine the time frame, but instead the means to achieve this goal. Attractive solutions to increase energy efficiency and measures to reduce greenhouse gases in the company are being developed and pursued together with the consultancy firms Energy Agency for Industry (EnAW) and the Cleantech Agency of Switzerland (act) that are appointed by the Federal Office of Energy (SFOE). Innovative research projects to reduce greenhouse gas emissions in the company and its products receive substantial financial support from Metall Zug through its internal Greenhouse Gas Fund (formerly CO₂ Fund). Metall Zug's production sites in Switzerland are already being CO₂-offset with regard to greenhouse gas emissions in Scope 1, Scope 2 and Scope 3 (limited to business flights). The reported compensation of the recorded CO₂ emissions is carried out via marketable quality certificates from additional reduction projects. Internal and external projects for Negative Emission Technologies (NET), which remove CO₂ from the atmosphere and bind it in or below the ground in the long term, are also being examined.

Greenhouse Gas Fund

In 2023, the internal CO₂ Fund was renamed to "Greenhouse Gas Fund by Tech Cluster Zug (member of Metall Zug)" (GHG Fund). This was done to broaden the focus, increase awareness and improve communication.

Metall Zug decided to charge an internal levy on CO₂ emissions as a measure for implementing the CO₂ strategy back in 2018, so that business decisions at all management levels have an additional incentive to reduce CO₂ emissions. The Business Units each include a separate section on sustainability in their budget documentation, which outlines specific initiatives, investments and expenditure. This also includes the internal CO₂ levy of CHF 120 per ton of CO₂ for the benefit of the GHG Fund, which is being paid by all companies at all sites of the Metall Zug Group globally from the 2023 financial year onwards. This levy is collected in addition to existing public charges on fuels. It is not only limited to fuels, but also applies to emissions from the company's own vehicle fleet, electricity consumption and business flights. While the public CO₂ levies on fuels can be reimbursed if the agreed reduction path as defined by EnAW or act is adhered to, the internal CO₂ levies are paid into the company's own GHG Fund. The resources from the fund are intended to provide substantial financial support to the companies of the Metall Zug Group

in developing and implementing innovative internal projects that reduce greenhouse gases. To further boost the innovative strength of the Business Units in this specific area, Metall Zug AG has since 2023 been proposing that the General Meeting of Shareholders approves an additional 5 % of the dividend to be paid into the GHG Fund. Together with the extension of the levy to all locations and the dividend subsidy, the GHG Fund can thus expect an increase in resources. As at the end of 2023, the fund has resources amounting to CHF 3.1 million, of which CHF 1.6 million is earmarked for projects that have already been approved. The understanding for and awareness of the GHG Fund within the Group was increased significantly this year with the help of workshops for those responsible in the Business Units. As a result, the fund management of the GHG Fund received a total of twelve financing applications from all the Metall Zug Group Business Units, nine of which were approved. In this context, all Business Units received capital for innovative projects in 2023. As the impact of these projects is strongly linked to the success of research and development, the promising projects also entail risks in the effectiveness of their implementation. If they are successful, the investments will be primarily reflected in more circulating material flows and in the reduction of emissions for end customers and in our own business activities. In 2024, more than CHF 1.6 million from the GHG Fund will be invested in projects that promote the circular economy, increase the energy efficiency of products, and reduce greenhouse gas emissions from service activities. Moreover, some of this money will flow into internal projects for NET, green energy projects, and the methane pyrolysis project by the Association for the Decarbonization of Industry.

Association for the Decarbonization of Industry

The "Association for the Decarbonization of Industry", co-initiated by Tech Cluster Zug and Metall Zug and founded at the beginning of 2022 with the support of the Canton of Zug, aims to launch an innovative hydrogen project embedded in the Tech Cluster Zug ecosystem. In addition to Metall Zug AG and Tech Cluster Zug AG, members of the association include the Swiss Federal Laboratories for Materials Science and Technology (Empa) and well-known companies such as Accelleron, AMAG, AVAG, Holcim, Partners Group, SHL Medical, Siemens, Sika, Sulzer, Swiss Safety Center, VZ Depotbank, V-ZUG and WWZ. The members of the association, together with the Canton of Zug, have raised

more than CHF 8 million in financial and own contributions for the project in order to develop novel approaches to the industrial production of hydrogen.

To date, it has barely been possible to obtain hydrogen from natural sources. It is typically found in bonded form: in water, in hydrocarbons or in biomass. To produce hydrogen from these, it must be split off from the corresponding molecules, which requires the use of energy. Previously, this was commonly carried out using electricity (electrolysis). Alternatively, hydrogen can be produced using novel pyrolysis processes which are less dependent on electricity and electricity prices.

The Association for the Decarbonization of the Industry aims to use pyrolysis to demonstrate a new method of hydrogen production that is not based on splitting water using electricity, but on the thermal splitting of methane. A demonstrator for the microwave-based process is being devised together with the development partner Sakowin, under the leadership of Empa. The methane required can be sourced directly from the natural gas grid and broken down on-site into hydrogen that can be used for energy and solid (powdered) carbon. In a further scenario, the use of synthetic methane instead of fossil natural gas would also be possible, whereby hydrogen could be electrolytically produced using solar energy on the earth's Sunbelt and CO₂ would be removed from the atmosphere, and, together with the pyrolysis, would result in negative emissions.

In contrast to existing industrial hydrogen production via steam reforming, pyrolysis does not produce CO₂ as a by-product, but solid (powdered) carbon, which has the potential to be reused as a resource in construction and agriculture. Pyrolytically produced hydrogen is less pure than electrolytically produced hydrogen, but is considerably less expensive to produce. It is particularly suitable for high-temperature process plants, such as those operated by V-ZUG, and for generating electricity and heat in cogeneration power plants or gas heating systems. If these measures are successful, the companies on the Tech Cluster Zug site could potentially reduce their CO₂ emissions by up to 900 tons per year. In addition, the companies, Empa and Canton Zug would realize a multiplier effect for further global savings thanks to their support and the innovations achieved.

Energy Efficiency and Greenhouse Gas Emissions

Metall Zug's focus is on implementing energy-efficient and emission-reducing measures in the Group companies. In its CO₂ strategy, Metall Zug obliges its Swiss sites to participate in the federal program based on the applicable CO₂ legislation. It is possible to reclaim the legally stipulated levies on fuels if the company realizes previously agreed projects to reduce CO₂. However, the federal government may only require those measures or investments that also pay for themselves in economic terms within two (e.g. LED lighting) or four years (e.g. insulation of buildings). The private organizations EnAW and act, which were appointed by the SFOE, provide companies with advice. An emissions reduction path will be pursued based on this potential. To increase energy efficiency and reduce CO₂ emissions in its own company, Haag-Streit in Köniz has reached an agreement with act, while Belimed in Switzerland is working with EnAW.

As a management approach for monitoring energy consumption, Belimed is ISO 14064-certified in Switzerland and Slovenia, thus creating the basis for identifying measures to reduce emissions. As the production site in Slovenia is connected to groundwater, heat pumps are used to control the temperature of the building. The waste heat from the production compressors is absorbed and recycled to heat the water in the sanitary facilities. In 2023, the heating and cooling system in the building was also automated and better regulated for a more pleasant working environment with lower energy requirements for building cooling. While all production locations in Switzerland are supplied with Swiss hydropower, Belimed in Slovenia invested in a photovoltaic project in 2023 which will take the Metall Zug Group one step closer to sustainable production. To this end, the roof of the production plant in Grosuplje was covered with solar panels. With an installed capacity of 720 kWp, the solar power system will generate around 800 MWh of electrical energy for own use each year. This will cover almost 40 % of the total electricity requirements for production.

Gas is the dominant energy resource at Belimed Life Science, as gas is used for building heating and for the steam processes in production. The project for CO₂-free steam generation (steam processing and gas consumption reduction), which started in 2023 and is financed by the GHG Fund, will be continued in 2024. Initial analyses carried out by the Fraunhofer Institute in 2023 show enormous potential in terms of the expected efficiency. To make the sustainability successes that have been achieved visible to existing and potential customers, Belimed Life Science was evaluated by EcoVadis in 2023. The EcoVadis rating covers a broad range of non-financial management systems, including environmental impacts, labor and human rights, ethics and sustainable procurement. Belimed Life Science was awarded the bronze medal (58 out of 100 points, in the top 35 % of companies evaluated by EcoVadis). Belimed Life Science is committed to improving this rating in the future.

Gehrig Group is working on process optimizations and digitalization projects in the service area with the aim of reducing the number of service trips. Gehrig is also testing an electric service van to significantly reduce CO₂ emissions during service trips.

Multi Energy Hub Zug

The Multi Energy Hub (MEH) is a new overall energy supply which has been planned and gradually implemented over eight years within the framework of the development of Tech Cluster Zug. The basic idea of the Multi Energy Hub is to create a low-emission, energy-saving and secure overall supply for the new district of Zug North. The different forms of energy – heating, cooling, electricity and gas – as well as data are routed in convergent networks. The profiles of all consumers and producers are synchronized in real time by an intelligent control system, so that energy can be used efficiently. The sector coupling links mobility, industry and buildings, and helps to align the different profiles. Photovoltaic systems on the buildings, water from Lake Zug (Circulago) and the company's own 140-meter-deep groundwater wells serve as energy sources, with the wells being used not only as a

source but also as an important seasonal storage facility for heat. The structural implementation is being carried out in several stages. There are currently three photovoltaic systems on the Zephyr Hangar and Mistral buildings of V-ZUG and the Mobility Hub Zug Nord buildings of the TCZ. They supply electrical energy for internal use on site in the area of electromobility, to power the heat pumps, and for industrial processes. Parts of the site's low-voltage and medium-voltage network, with up to 13 planned transformer stations, were also completed. Multi Energy Zug AG was founded in 2021 as a joint venture together with WWZ AG for operation of the MEH.

The Multi Energy Hub has enabled parts of the Tech Cluster Zug site, including other connected third-party customers, to be supplied with heating, cooling, electricity, a data network, gas, and infrastructure for e-mobility in an almost CO₂-neutral way since the 2022/2023 heating period. In the 2023 financial year, the existing building on Grienbachstrasse 11 was connected to the MEH. In the near future, the entire Tech Cluster and its direct neighbors in Zug North will be connected. A logistics tunnel was brought into operation at the beginning of 2024, meaning that V-ZUG's Zephyr Hangar, Zephyr Ost and Mistral buildings can be supplied from the energy center in ZUGgate in winter 2023/2024, and the existing gas and oil heating systems on the site can be replaced.

Resource Efficiency

In addition to intelligent solutions that reduce concrete consumption, the concept of sustainable construction for new buildings in the Tech Cluster Zug also relies on cyclicity. As an example, the RFS ceilings (thin concrete shells with no reinforcement) developed at ETH are planned to be trialled in a high-rise building for the first time in CreaTower I. These not only require up to 40 % less concrete and 80 % less steel, but can also be dismantled as individual parts. All concrete components in the supporting structures are checked during the planning stage of each project and reduced as much as possible. An example of this is the Project Pi timber high-rise, which uses innovative flat ceiling systems that only require the struc-

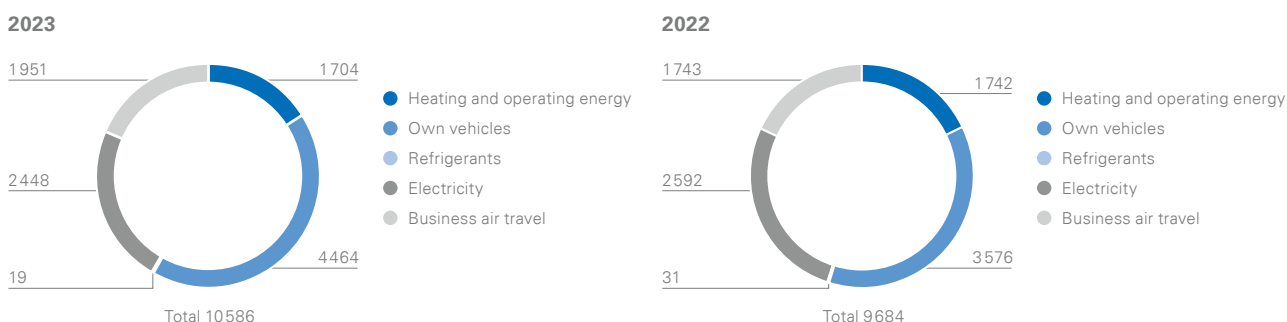
tural minimum of concrete and transfer the ceiling loads via visible wooden panels. The 80-meter tower is the first building to be completely braced using a "tube-in-tube" wooden frame structure to dissipate forces from wind and earthquakes. The densification of the site results in the careful use of land as a resource. In addition, no existing green zones will be built on in order to protect biodiversity.

Overall, activities relating to the circular economy are increasing at the Metall Zug Group. In October 2023, Haag-Streit carried out a Life Cycle Analysis (LCA) with the assistance of an external partner to obtain a new basis for future improvements to product design. At 16 %, only a small proportion of the CO₂ footprint and energy consumption of the slit lamps was due to the use phase. The remaining 84 % comes from material costs, production, packaging and transport, with material costs amounting to around 75 %. With this in mind, Haag-Streit is launching a return project in the USA for slit lamps that are still functional, which will be offered through dealers on the second-hand market and thus kept in circulation.

Newly launched by the Gehrig Group, the "Ariane" dishwasher product line enables end customers to save electricity and also use less fresh water and cleaning agents. The new "As a Service" model for the GTW3300 from the Ariane line was presented at Igeho, the largest catering trade fair in Switzerland. In this model, the machine, together with a maintenance subscription and cleaning agents, is rented to customers. In the spirit of a circular economy, the machine will be fully overhauled after six years before being used for another six-year cycle. The success and effectiveness of the "As a Service" model will become apparent in the coming years.

As Belimed Life Science only works with stainless steel, no chemicals are required in the machines' cleaning processes, and all remaining operational waste is recycled. At Gehrig Group and Haag-Streit in Köniz, only environmentally friendly, biodegradable cleaning products are used for all cleaning work.

Climate & Resources KPIs

Greenhouse gas emissions in t CO₂-eq by emission source

- Metall Zug and all its companies and sites emitted a total of 10,584 t CO₂ in 2023. This includes Scope 1 (heating and operating energy for owned and leased buildings, owned and leased vehicles, loss of refrigerants), Scope 2 (purchased electricity) and Scope 3 (business flights). This approach is also applied when calculating the levies to the internal GHG Fund. CO₂ emissions increased by 9.3 % compared to the previous year. Emissions from vehicles (service and business vehicles) increased by 24.8 %. An increase in the quality of data and the rebound effect of reduced service trips made a significant contribution to this. The previous year was curbed by COVID-19. The effect is especially evident at Belimed Infection Control in the USA, with 21.1 % more service trips. Furthermore, the service vehicle fleet at Belimed Life Science in Slovenia was expanded.
- Emissions from business flights also increased by around 11.9 % across the entire Metall Zug Group. This can also be mainly explained by the rebound effect after the reduction in business flights in the previous year, which was still influenced by COVID-19.
- While natural gas consumption remained stable, heating oil consumption fell by around 11 %. This is primarily due

to the fact that a Medical Devices site had to switch to a temporary oil heating system in the previous year due to a defect in the heat pump. The problem was fixed in the reporting year.

- Around 19 % less electricity was consumed by Medical Devices this year. The reason for this is that the Köniz location implemented short-time working from August to December and production was reduced. This effect contributed significantly to the Group-wide reduction in emissions from electricity consumption of 5.6 %.
- By increasing the activity of the groundwater heat pump at Belimed Infection Control in Slovenia, the renewable share of heating and operating energy rose by around 8.0 % to 1.9 GWh. It should be noted that the new solar energy system in Slovenia with an output of 720 kW did not deliver any renewable energy for 2023, as it was only put into operation at the end of 2023.
- The emission factors were updated in the 2023 financial year using clearly defined, publicly available data sources. Scope 1 emission factors were adjusted downwards, while Scope 2 were adjusted upwards. Overall, the effect of the changes on the consolidated CO₂ emissions at Group level is negligible.

Greenhouse gas emission factors

Scope 1 GHG emissions	2023 emission factor	2022 emission factor	Unit	2023 data source
Natural gas	202.26	201.96	g CO ₂ /kWh	DEFRA 2023
Heating oil	258.49	265.35	g CO ₂ /kWh	DEFRA 2023
Gasoline vehicles	200.40	220.62	g CO ₂ /km	Mobitool v3.0 – passenger car – gasoline – large
Diesel vehicles	175.70	190.02	g CO ₂ /km	Mobitool v3.0 – passenger car – diesel – large
Refrigerant R407C	1.624	1.774	t CO ₂ /kg	DEFRA 2023
Refrigerant R404A	3.943	3.922	t CO ₂ /kg	DEFRA 2023
Assumption of refrigerant leakage	2.00	2.00	%	Basic assumption

Scope 2 GHG emissions (location based)	2023 emission factor	2022 emission factor	Unit	2023 data source
Electricity mix AT	147.23	111.18	g CO ₂ /kWh	Association of Issuing Bodies (AIB) 2023 (CO ₂ only) – generation + T&D
Electricity mix CH	112.00	95.94	g CO ₂ /kWh	aliunid – average consumer electricity mix 2022
Electricity mix CN	557.20	537.40	g CO ₂ /kWh	Climate Transparency Report 2022
Electricity mix DE	684.03	588.83	g CO ₂ /kWh	Association of Issuing Bodies (AIB) 2023 (CO ₂ only) – residual mix
Electricity mix FR	124.96	58.85	g CO ₂ /kWh	Association of Issuing Bodies (AIB) 2023 (CO ₂ only) – residual mix
Electricity mix NL	438.97	451.72	g CO ₂ /kWh	Association of Issuing Bodies (AIB) 2023 (CO ₂ only) – residual mix
Electricity mix SI	370.80	345.20	g CO ₂ /kWh	Association of Issuing Bodies (AIB) 2023 (CO ₂ only) – residual mix
Electricity mix UK	365.15	316.00	g CO ₂ /kWh	Association of Issuing Bodies (AIB) 2023 (CO ₂ only) – residual mix
Electricity mix US	407.06	423.94	g CO ₂ /kWh	Association of Issuing Bodies (AIB) 2023 (CO ₂ only) – residual mix

Scope 3 GHG emissions	2023 emission factor	2022 emission factor	Unit	Source
Business flight, Europe, economy	0.2918	0.2906	kg CO ₂ /km	Mobitool v.3.0 – flight – Europe – economy
Business flight, Europe, business	0.4488	0.4471	kg CO ₂ /km	Mobitool v.3.0 – flight – Europe – business
Business flight, intercontinental, economy	0.1895	0.1902	kg CO ₂ /km	Mobitool v.3.0 – flight – intercontinental – economy
Business flight, intercontinental, business	0.3914	0.3930	kg CO ₂ /km	Mobitool v.3.0 – flight – intercontinental – business
Business flight, intercontinental, first	0.6031	0.6056	kg CO ₂ /km	Mobitool v.3.0 – flight – intercontinental – first

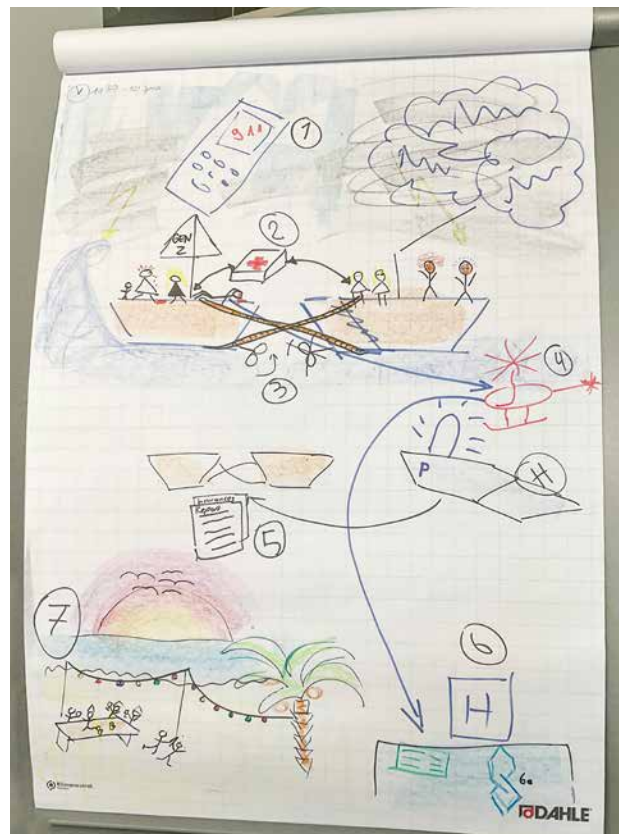
	Infection Control		Medical Devices		Technology- cluster & Infrastructure		Belimed Life Science		Gehrig Group		Metall Zug Group (total)	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Greenhouse gas emissions in t CO₂-eq. by source of emission	5489	4486	3287	3325	56	67	1069	1100	660	692	10586	9684
Scope 1	3830	2954	1235	1219	55	66	410	417	646	679	6187	5348
Natural gas	149	171	838	783	55	66	278	300	45	40	1365	1361
Heating oil	218	173	107	195	0	0	3	0	0	0	339	381
Refrigerants	7	8	10	14	0	0	0	8	2	2	19	31
Vehicles	3456	2602	280	227	0	0	129	109	599	637	4464	3576
Scope 2	897	883	1344	1567	1	1	192	126	13	13	2448	2592
Electricity, location-based	897	883	1344	1567	1	1	192	126	13	13	2448	2592
Scope 3	762	648	707	539	0	0	466	557	1	0	1951	1743
Business flights	762	648	707	539	0	0	466	557	1	0	1951	1743
Total CO₂ emissions with CO₂-levy	5489	521	3286	752	56	66	1068	755	660	680	10584	2776
Share of heating and operating energy from renewable sources	25.5 %	21.2 %	2.2 %	2.7 %	0.0 %	0.0 %	10.7 %	10.8 %	0.0 %	0.0 %	10.3 %	8.9 %

Employees

Employee Motivation and Development

The people in our companies are fundamental to our success. Metall Zug therefore aims to develop and retain its own management and skilled workers in the long term. The main activities in this regard are intensified promotion and succession planning, as well as the strengthening of a management culture that focuses on people and employee satisfaction. Therefore, 40 % of management positions are to be staffed internally. In the 2023 financial year, the Metall Zug Leadership Training was expanded to all companies and was held with a total of 85 participants. Following on from the Leadership Training, Belimed Infection Control organized a Winning Team workshop with over 100 participants to give the newly trained leaders the opportunity to immediately put what they had learned into practice and to integrate employees into processes in order to carry the knowledge gained into the organization and anchor it there. The Winning Team strategy implemented at Infection Control thus empowers and engages employees, promotes comprehensive collaboration, and establishes a culture of "speaking up". Furthermore, over 60 employees at Belimed Infection Control worldwide were trained in various operational excellence courses.

Group-wide employee surveys have been carried out regularly across the Business Units since the end of 2021, and also in fall 2022. The findings were used to define and implement overarching measures with a focus on the areas of development opportunities, culture and communication. Haag-Streit introduced a personal training budget of CHF 2000 per year each for all employees in Köniz. This year, the management



of Haag-Streit Holding is examining whether this arrangement should be introduced throughout the Group. The construction of a cultural space – which is also available for private use – was very well received by the employees of Belimed Life Science. The Gehrig Group and Tech Cluster Zug optimized their internal communication and sharing of information by introducing regular town hall events. A total of over 1900 employees took part in the latest survey, which was held in January 2024. The participation rate was high, at 84 %. The engagement score, consisting of questions such as: "How much do you enjoy working for your employer?" and "Would you recommend your employer?", came to a total of 76 out of 100 possible points and has remained constant since the previous survey. With 76 points, Metall Zug is 2 points above the benchmark score from December 2023 from the Glint survey platform.

Belimed Life Science uses a performance management tool to define development plans and targets for each employee. Together with regular performance reviews, this promotes the development of our workforce. Furthermore, financial resources were made available to hold internal departmental activities and promote team building. In mid-2023, all Belimed Life Science employees were invited to a big summer event which was organized in Sulgen.

During 2023, Tech Cluster Zug moved to the new office at Grienbachstrasse 11. The rooms were consciously designed to be modern and furnished with a shared desk philosophy, a separate kitchen and recessed seating areas for meetings.

Occupational Health and Safety

The health and safety of employees at the workplace is fundamental to a functioning organization. Preventive measures are also taken to address these aspects. Alongside the use of health management systems at Haag-Streit in Köniz and compliance with all health and safety obligations according to local regulations, regular training sessions on safety rules based on the SUVA specifications are held, for example, at Belimed Life Science in Sulgen. At Belimed Infection Control in Slovenia, safety declarations are updated every three years based on a risk assessment that takes measurements to monitor working conditions (air quality, availability of daylight, temperature measurements, etc.). In the area of production, staff are provided with personal protective equipment adapted to the risks assessed, and there is increased reliance on new technologies, such as a new, more highly-automated laser. Employees are trained in medical first aid, including the use of defibrillators. Moreover, additional height-adjustable work tables were purchased for offices and the production area. In 2023, Belimed USA introduced the Beli-Safe safety refresher training and has already recorded over 390 hours of learning.

In the USA, Belimed offers its employees a company-wide Employee Assistance Program (EAP), which helps them to deal with personal and professional challenges. This is a free, confidential consultation service which is implemented by external experts. This program provides resources for mental health, stress management, financial well-being, and legal assistance, among others.

When implementing construction projects, Tech Cluster Zug relies on the model solution of the Federal Coordination Commission for Occupational Safety (FCOS) with an annual external occupational safety audit by the Swiss Safety Center. Tech Cluster Zug has also introduced standardized, high-quality work clothing for the Facility Management team and organizes regular internal and external safety and ergonomics training sessions for all employees.

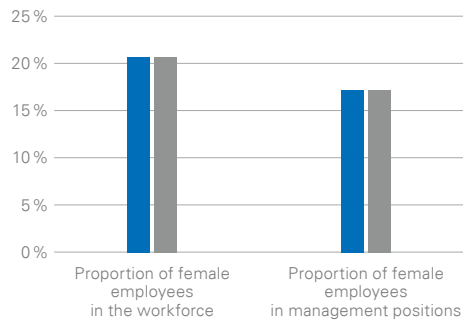
Diversity and Equal Opportunities

In order to promote equality, the Metall Zug Group has set itself the target of ensuring that the gender ratio in management positions does not deviate significantly from the gender ratio in the workforce as a whole. This requires a neutral recruitment and promotion process that focuses on commitment, training and experience, and in which there are no restrictions based on gender, age, origin or other potentially discriminatory characteristics.

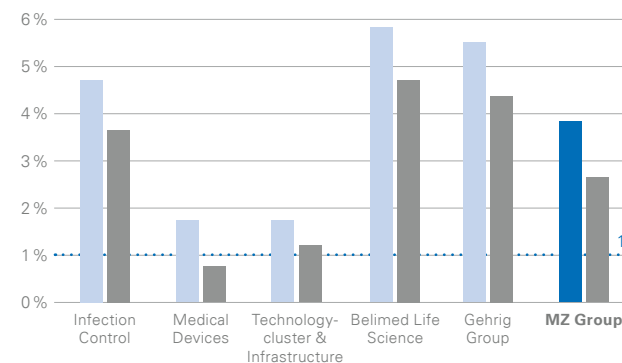
Metall Zug is committed to ensuring that there should be no gender-specific salary differences. Employers in Switzerland are legally obliged to pay equal wages – men and women are entitled to equal pay for work of equal value. In Switzerland, equal pay analyses are carried out every four years using the Swiss Confederation's standard analysis model. In the last analysis in 2021, no gender effects were identified.

Employee KPIs

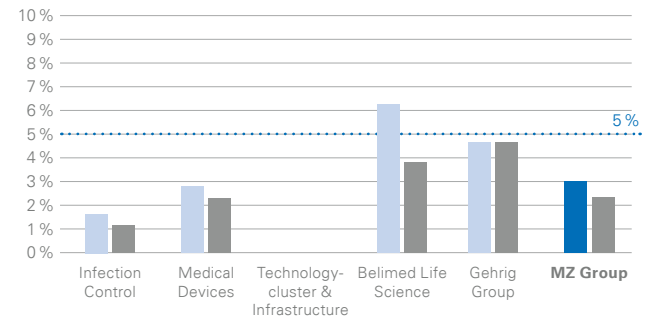
Proportion of female employees in the workforce & proportion of female employees in management positions



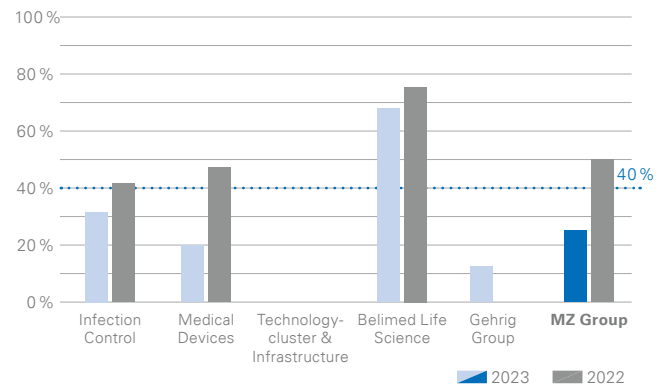
Investment in training and continuing professional development as % of gross payroll



Proportion of apprentices/trainees in the workforce



Proportion of management positions filled by the company's own employees



- On December 31, 2023, Metall Zug employed a total of 2366 people. The proportion of female employees in the workforce has increased by 0.3 % and now amounts to 20.8 %. The proportion of female managers is 0.8 % higher than in the previous year, at 17.7 %. Although closer, this figure is still below the overall proportion of female employees in the Metall Zug Group and therefore below the target value.
- The number of management positions that were able to be filled internally in 2023 is 25 %, which is below the target value of 40 %. Female employees accounted for 30 % of job vacancies filled internally.
- Metall Zug is aware of its responsibility as a training center and for education, and invests in the development of its own specialists and managers. The number of apprentices and trainees is still below the target value of 5 %, but increased from 2.1 % to 3.0 %. Around 3.8 % of gross payroll was invested in employee training and continuing professional development (total expenditure including related personnel expenses). This significantly exceeds the minimum

- target of at least one percent of gross payroll for training in all Business Units. The strong increase of investments at Medical Devices can be explained by the internal training that had to be postponed in the previous year due to COVID-19. The roll-out of the internal Metall Zug Leadership Training to the entire Group also made a significant contribution to the overall increase in investments in training and continuing professional development.
- Efforts have been made to reduce voluntary departures (fluctuation), but can still be intensified. Metall Zug considers this topic essential and is therefore continuing to work on an appreciative and people-oriented corporate culture. Fluctuation was reduced by 1 % across the Group. Belimed Infection Control is particularly noteworthy, as the figure fell from 12.1 % to 9.5 %.
- Absences due to illness (including non-occupational accidents) and occupational accidents are at a low level, at 3.4 % of target working hours, and have fallen by a further 0.5 %.
- An anonymous case of discrimination was reported during the financial year, which is currently being investigated.

	Infection Control		Medical Devices		Technology-cluster & Infrastructure		Belimed Life Science		Gehrig Group		Metall Zug Group (total)	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Proportion of apprentices / trainees in the workforce	1.7 %	1.1 %	2.9 %	2.2 %	0.0 %	0.0 %	6.3 %	3.9 %	4.7 %	4.7 %	3.0 %	2.1 %
Investment in training and continuing professional development in % of gross payroll	4.7 %	3.7 %	1.8 %	0.7 %	1.8 %	1.1 %	5.7 %	4.8 %	5.4 %	4.2 %	3.8 %	2.7 %
Proportion of new management positions filled by the company's own employees	30.8 %	41.2 %	20.0 %	47.1 %	0.0 %	0.0 %	66.7 %	75.0 %	12.5 %	0.0 %	25.0 %	50.0 %
of which internal female employees	50.0 %	28.6 %	0.0 %	25.0 %	0.0 %	0.0 %	0.0 %	0.0 %	100.0 %	0.0 %	30.0 %	26.1 %
Fluctuation (only voluntary departures)	9.5 %	12.1 %	9.3 %	9.1 %	9.1 %	20.0 %	7.2 %	6.2 %	15.5 %	12.8 %	9.4 %	10.4 %
Absence due to illness and accidents as % of target working time	3.9 %	4.3 %	3.3 %	3.9 %	4.4 %	6.6 %	3.1 %	3.2 %	2.2 %	2.9 %	3.4 %	3.9 %
Share of female employees in the workforce	20.4 %	19.4 %	24.1 %	24.4 %	36.4 %	26.7 %	14.0 %	15.6 %	14.9 %	13.4 %	20.8 %	20.5 %
Share of female employees in management functions	27.5 %	25.8 %	15.3 %	14.3 %	33.3 %	0.0 %	4.0 %	5.0 %	3.8 %	3.6 %	17.7 %	16.9 %
Number of reported cases of discrimination or harassment	0	0	1	1	0	1	0	0	0	0	1	2

Products & Services

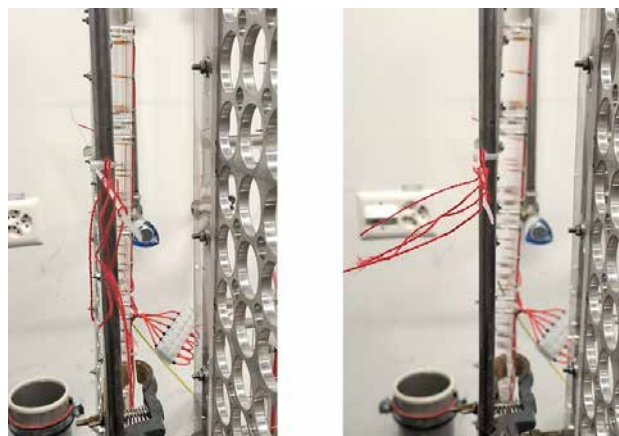
Safe, High-quality Products and Services

Metall Zug Group products represent quality, durability and reparability, which is why only raw materials and components of the highest quality are used for production. As a manufacturer and supplier of medical devices, Haag-Streit is obliged to ensure the requirements of ISO 13485 at every level of the product life cycle. Haag-Streit is able to extend product life cycles thanks to a product design approach that takes into account sustainability criteria, the durability of the devices and the provision of spare parts, which results in a product lifespan of up to 30 years. To underline this, Haag-Streit offers a 10-year guarantee on slit lamps.

Tech Cluster Zug invests in new technologies and works with well-known planning offices, architects and engineers to ensure a high level of quality in all new building projects. It not only makes investments in high-quality construction projects, paying attention to the entire life cycle – the inclusion of future users in materialization decisions is also important in order to make sustainable decisions.

Innovative and Resource-efficient Products and Services

The innovative strength of the Business Units is not only driven by the GHG Fund, but is also based on cooperation with universities, research institutes and key opinion leaders, with whom we generate ideas for future products. With the Belimed Innovation Management Process (BIMP), ideas from employees around the world are gathered and evaluated on a digital Kanban board. If they can improve the sustainability



of the products and generate a direct customer benefit, they are included directly in the product increment planning and implemented immediately if possible. More than 100 ideas have already been received since the BIMP was launched in 2022. The projects involved product adaptations that reduce or eliminate service call-outs and improve energy efficiency in terms of water and electricity consumption. For example, the functionality of the Belimed washer has been expanded so that water from the previous rinse cycle is used to pre-rinse the next rinse cycle.

Belimed Life Science has successfully completed the development of a software tool that visualizes the resource consumption of its machines for customers. Based on this information, it will be possible to suggest measures to reduce and optimize resource consumption (energy, water and cleaning agents) to customers in the future.

In 2023, Belimed Infection Control received the financial means required to develop EHD technology (Electro Hydro Dynamic Air Amplifier – see image above) from the GHG Fund. The use of EHD technology makes it possible to replace conventional, motor-driven fans for the drying process. EHD shortens drying time significantly, by up to 50 %, which means Belimed customers can potentially enjoy energy savings of up to 90 % during the drying process. As fans need to be replaced at regular intervals and every 3-5 years on average, there is the potential to expand the new technology to the entire installed base of Belimed washers in just a few years, saving around 6.6 GWh of electrical energy. Owing to the fact that around 1 200 of the fans, which weigh almost 2 kg and are made of various metals and electronic components, are

replaced globally every year, the use of EHD technology can potentially save around 2.4 tons of expensive and rare materials annually. EHD technology is also maintenance-free and thus ensures long operating times, as there are no interruptions due to customer service call-outs.

In addition, an electrostatic filtration solution, called “ESP” (Electro Static Particulate filter), is used. The ESP is not a conventional mechanical filter made of dense fiber mats (HEPA filter) which extracts small dust particles from the air. ESP technology employs an electrostatic field to collect the particles. Combined with energy-saving EHD technology, ESP filters bring additional benefits in the form of potential savings of around 5.6 tons of annual HEPA filter waste. This combination of technologies has already been verified and a mock-up has been created. The next planned development step is to install the technology in a Belimed washer and verify the process capability.

The effectiveness of these innovative products will become apparent over the coming years.

Responsible Procurement (Including Due Diligence and Transparency in Relation to Minerals and Metals from Conflict-Affected Areas and Child Labor)

Supplier Code of Conduct

Respecting and protecting human rights is an essential corporate responsibility for the Metall Zug Group when procuring goods and services. Against this background, the Metall Zug Group introduced a Supplier Code of Conduct on January 1, 2023, which has been implemented since then. Suppliers are free to sign the Code of Conduct or, alternatively, to confirm that they have an equivalent company policy of their own.

All suppliers in the Medical Devices and Infection Control Business Units with whom business was conducted in 2022 have received the Code of Conduct. Belimed Life Science has sent the Code of Conduct to all suppliers for whom a supplier assessment has been carried out. The Gehrig Group has announced the introduction of the Code of Conduct for major suppliers and plans to roll out distribution by the end of April 2024.

The completion rate for the Supplier Code of Conduct was around 59 % in the first year, 2023. Although those suppliers who have not yet signed usually only generate lower sales, buyers remain committed to this issue and are trying to improve the rate. The challenge often lies in reaching the person responsible for signing the Code of Conduct. At Belimed Life Science, suppliers received training at the beginning of 2024 in the Supplier Relationship Management (SRM) tool, through which the Supplier Code of Conduct is sent, so that the response rate to inquiries will be higher in future.

Supplier Audits

Suppliers are assessed by the Business Units in accordance with various criteria. Depending on the assessment, a decision is made as to whether an audit will be carried out. As a general rule, new and potential direct suppliers complete an initial supplier assessment form. For Belimed Infection Control and Belimed Life Science, the following applies in this form: if a supplier has not implemented a quality management system and produces goods in line with Belimed's technical drawings, supplies a safety-relevant component, the forecast turnover is more than CHF 60 000 per year, or the overall result of the initial assessment shows a low score, the supplier is classified as critical. All critical suppliers must be audited by the Quality department. Following this, suppliers are sent a self-assessment in which they are asked about their processes for complying with internationally recognized human rights stand-

ards, the minimum age of employees, health and safety rules, as well as data on accidents and ambitions for training initiatives for employees, in addition to investments in production machines, manufacturing capacities and quality management. Suppliers are then classified as level A, B or C. Belimed only works with suppliers who have at least B classification and re-evaluates suppliers at least once a year using a re-evaluation form. The criteria for the re-evaluation of direct suppliers include the following:

- Supplier of safety-relevant components and materials
- Supplier of components and materials recorded under serial or batch numbers
- Supplier that produces in line with Belimed's technical drawings, with an annual turnover of more than CHF 100 000
- Supplier with an annual turnover of more than CHF 200 000

- Suppliers of cleaning agents in accordance with the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) according to European Regulation No. 1907/2006
- Supplier of Belimed labeled products
- Supplier that produces goods in accordance with Belimed's specifications
- Suppliers of medical devices in accordance with MDR in line with ISO 13458

Suppliers are re-evaluated to assess their performance and productivity, and to monitor the price and quality of deliveries. If the supplier reaches assessment level C, an audit must be carried out. Indirect suppliers must also be audited if they have direct contact with customers or a direct influence on the quality of the products.

Overview of Supplier Code of Conduct

	Infection Control	Medical Devices	Technology cluster & Infrastructure	Others
Number of suppliers that have received the Metall Zug Supplier Code of Conduct	753	1216	0	Life Science: 59 Gehrig Group: 0 (announced)
Threshold for sending the Supplier Code of Conduct	All suppliers with whom business was conducted in 2022.	All suppliers with whom business was conducted in 2022.	Currently being defined.	Life Science: All suppliers for whom an annual supplier assessment is carried out. Gehrig Group: Currently being defined.
Number of active suppliers who have signed the Metall Zug Supplier Code of Conduct or have confirmed that they have an equivalent Code of Conduct	473 (62.8 %)	687 (56.5 %)	0 (0 %)	Life Science: 21 (35.6 %) Gehrig Group: 0 (0 %)
Threshold for conducting audits for tier 1 suppliers	New critical suppliers, suppliers with assessment level C, indirect suppliers with direct contact to customers or direct influence on the quality of products	Annual implementation for key suppliers ¹⁾	No audits	Life Science: New critical suppliers, suppliers with assessment level C, indirect suppliers with direct contact to customers or direct influence on the quality of products Gehrig Group: The 10–15 suppliers, including partner companies, with the highest sales
Number of audits conducted	7	21	0	Life Science: 8 Gehrig Group: 0
Number of pieces of concrete evidence or indications of child labor in the supply chain	0	0	0	0

¹⁾ Haag-Streit defines key suppliers as the ten suppliers with the highest sales in the previous year and suppliers who delivered products with a red CRP level (complexity, risk and process level) in the previous year.

Due Diligence in Relation to Child Labor

According to Article 964j of the Swiss Code of Obligations (CO), companies in the supply chain must comply with due diligence obligations and report on them if they offer products or services for which there is reasonable suspicion that they were manufactured or provided using child labor. If there is no reasonable suspicion, this must be documented.

At the end of 2023, each Group company in the Metall Zug Group confirmed as part of a compliance questionnaire (called the "Letter of Assurance") that it does not offer any products or services for which there is reasonable suspicion that they were manufactured or provided using child labor. To be able to answer this question properly, at Belimed Infection Control and Belimed Life Science, for example, the self-assessment questionnaires for suppliers include the question of suspected child labor and/or human rights violations at their suppliers or in their suppliers' supply chain. Haag-Streit requires confirmation from potential new suppliers that they respect the Metall Zug Supplier Code of Conduct. If they do not sign, this supplier will not be approved.

In addition, the Supplier Code of Conduct includes a ban on child labor in the supply chain. If suppliers or their employees have reasonable suspicion or knowledge of child labor in the Metall Zug Group's supply chain, they are obliged to report this to the Metall Zug Group's compliance address.

As at the editorial deadline, the compliance address had not received any reports of child labor at a Group company or in the Metall Zug Group's supply chain.

In summary, it can be stated that Metall Zug AG has no reasonable suspicion that products or services offered by a company in the Metall Zug Group were manufactured or provided using child labor.

Due Diligence in Relation to Minerals and Metals from Conflict-Affected Areas

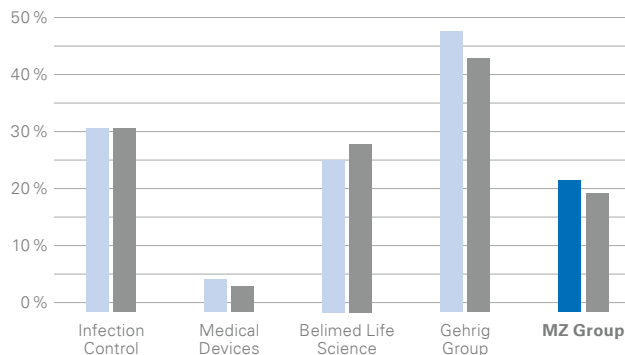
The law provides for special due diligence and reporting obligations for companies based in Switzerland in connection with minerals and metals from conflict-affected areas (conflict minerals) (see Article 964j ff CO). The details are regulated in the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (DDTrO). The term conflict minerals includes ores, concentrates and metals that contain tin, tantalum, tungsten or gold from conflict-affected areas (Article 2 DDTrO). Companies that do not reach the annual import and processing quantities set by the Federal Council are exempt from the special obligations (Article 4 DDTrO).

Metall Zug carries out an annual survey of the Business Units on the imported and processed quantities of conflict minerals in accordance with the DDTrO appendix. To this end, the quantities of minerals and metals listed in the DDTrO appendix that were imported and processed in 2023 were determined based on customs tariff numbers. In addition, a parallel review of the import and processing of conflict minerals is carried out as part of the annual "Letter of Assurance", in which all Metall Zug Group companies complete a compliance questionnaire.

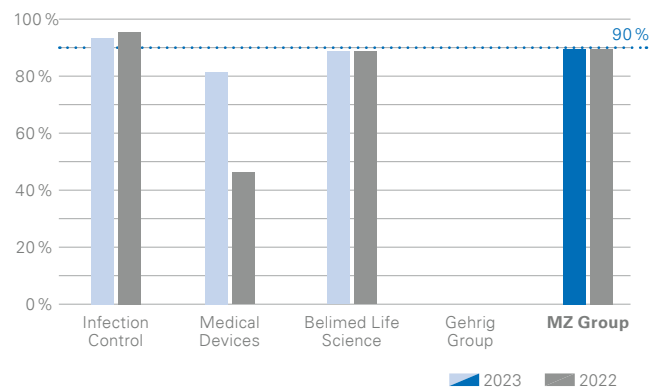
It was found that Metall Zug was significantly below the threshold values listed in the DDTrO for special due diligence and reporting obligations in connection with conflict minerals in 2023.

Products & Services KPIs

Share of services and retrofit services in sales



Share of self-used packaging material made from renewable materials by weight in %



– The ambition of increasing the share of service and retrofit in total sales was achieved with an increase of 1.7 % to 22.6 %. Metall Zug made extensive investments in the implementation of this goal. This will help to extend the lifespan of products even further, and promote the circular economy. The reason for the relatively low proportion of services provided by the Medical Devices Business Unit is that the products have a very long life-time, in some cases more than 30 years. Additionally, services are primarily provided via external local providers. The Technologycluster & Infrastructure Business

Unit invests in the durability of its construction projects by ensuring flexibility of purpose and using high-quality building materials with the lowest possible emissions.

– The proportion of packaging material made from renewable materials such as wood or cardboard, or returnable packaging, was 88.9 % and remained relatively stable compared to the previous year. By improving the quality of data and predominantly shipping pallets from Haag-Streit USA, Medical Devices was able to increase its share of renewable packaging materials from 45.9 % to 81.0 %.

	Infection Control		Medical Devices		Technology-cluster & Infrastructure		Belimed Life Science		Gehrig Group		Metall Zug Group (total)	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Share of services and retrofit services in sales	33.5 %	31.8 %	6.4 %	4.7 %	–	–	25.8 %	29.4 %	48.6 %	44.7 %	22.6 %	20.9 %
Share of self-used packaging material made from renewable materials by weight in %	92.7 %	95.1 %	81.0 %	45.9 %	–	–	88.5 %	89.3 %	–	–	88.9 %	89.8 %
Number of supplier assessments	320	105	125	139	0	0	86	66	0	0	531	310
Number of supplier audits	7	6	21	29	0	0	8	7	0	0	47	42

Society & Value Creation

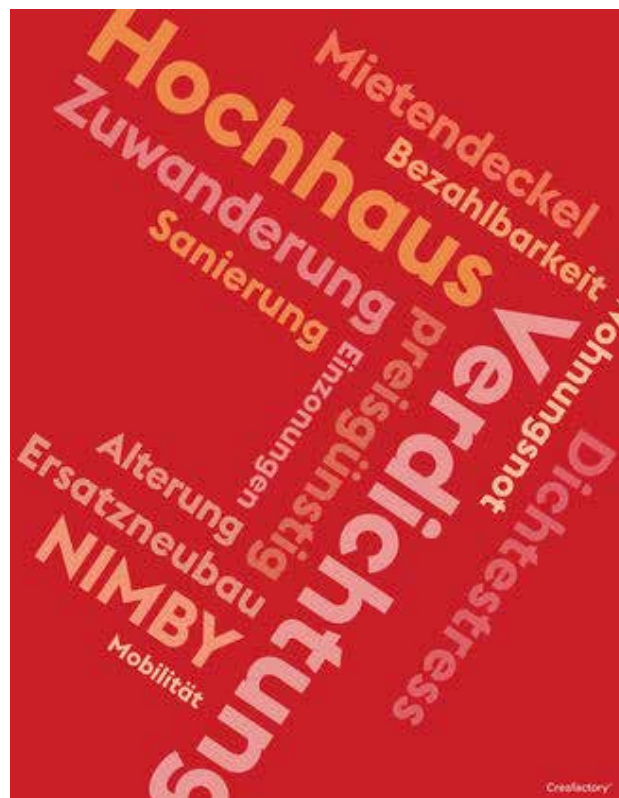
Code of Conduct

The Metall Zug Group's Code of Conduct of January 1, 2021 applies globally to all employees and Boards of Directors, Supervisory Boards or Executive Boards of the companies in the Metall Zug Group. Adopting the motto "Any success can only really be counted as such if it is achieved by fair and honest means," the Code of Conduct further enhances the Metall Zug Group's own understanding of corporate governance by laying out its basic values: sustainable and long-term value creation (corporate governance, equal opportunities, health and safety, environment and local commitment), excellence (customer focus and reputation, confidentiality and data protection, business ownership and assets, communication and stock market regulation) and business integrity (conflicts of interest, corruption and bribery, competition and antitrust law, business books and documents). The Metall Zug Group meets all legal and regulatory corporate governance requirements to which the Group is subject.

Employees of the Metall Zug Group regularly undergo Code of Conduct and cyber security training.

Respect for Human Rights

Metall Zug maintains a culture of mutual respect, dignity and fairness. Employment and promotions are based on professional and social skills, relevant qualifications and individual performance. Metall Zug does not tolerate harassment or discrimination of any kind in the workplace, in particular because



of origin, race, gender, age, religion or any other legally protected personal characteristic. Metall Zug does not accept any form of forced, compulsory or child labor, neither in its own company nor in the business activities of its business partners.

Combating Corruption

Metall Zug employees do not tolerate any kind of bribery or corruption. Gifts and invitations may be offered and accepted if they are moderate in value and frequency, appropriate to the circumstances, and in compliance with standard business practices and applicable law. At Metall Zug, care is taken to ensure that such gifts, invitations and personal favors do not influence business decisions. Metall Zug employees respectfully refrain from offering or accepting gifts, invitations or personal favors if they involve cash or comparable means of payment, if these could give the impression that orders, business or other services are being obtained or maintained in an unreasonable manner, or if these could cause a conflict of interest for the parties involved.

Employees or other representatives (or family members or friends of these persons) of customers, business partners, government or government-related institutions do not promise, offer or grant bribes or kickbacks, other unlawful payments or benefits of value for entering into business relationships, obtaining information, receiving or obtaining official authorizations and approvals, taking an action or granting any other business advantage.

To safeguard respect for human rights and to combat corruption, employees of the Metall Zug Group regularly undergo Code of Conduct and cyber security training courses.

Social Engagement and Regional Contribution

For Metall Zug, making a regional and social contribution is just as important as economic performance. The goals are to ensure the integrity of business activities, the creation and preservation of local structures and jobs, and high-quality site development.

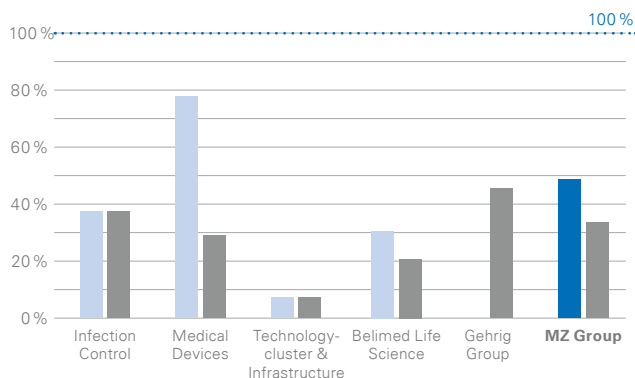
Belimed Life Science places great importance on local suppliers. In addition to its commitment to the local area, this also

has the advantage of faster delivery times. Belimed Life Science also encourages its suppliers to produce locally. Thurgau Technology Day was held on the site in Sulgen in May 2023. The theme of the Technology Day was "The Future of Energy – Power for Thurgau". Together with V-ZUG Kühltchnik, Belimed Life Science was able to provide an exchange and networking platform for over 300 participants from business, science, and research and educational institutions.

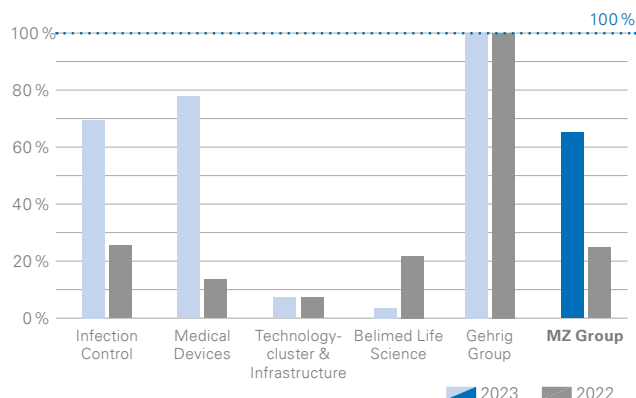
Tech Cluster Zug wishes to closely network the site with the city. Together with KunstCluster Zug, this offers the opportunity for a new kind of interim use that will help shape cultural life in Zug. In addition, a variety of offers such as co-working spaces, various events and information sessions for neighbors and interested parties are creating a new urban focal point in the north of the city of Zug. One example of this is the ZIZ (Zukunft Industrie Zug) event, which features information sessions and panel discussions on current relevant challenges in politics, society and the environment. Metall Zug also provides financial support to selected cultural institutions in the Zug region.

Society & Value Creation KPIs

Proportion of employees who received training in the Code of Conduct and Compliance



Proportion of employees who received training in cyber security



– In 2023, 48.8 % of employees participated in Code of Conduct training and 65.4 % of employees in cyber security training. Participation increased significantly compared to the previous year (32.3 % and 24.6 %). The aim is for as many employees as possible to undertake training in both areas annually in future.

– Metall Zug's compliance address was contacted once in 2023. These reports are handled by members of the Legal department and the Audit Committee, and confidentiality is ensured. The receipt of a report is confirmed within seven days at the latest. A response is provided within a maximum of three months.

	Infection Control		Medical Devices		Technology-cluster & Infrastructure		Belimed Life Science		Gehrig Group		Metall Zug Group (total)	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Percentage of employees trained on Code of Conduct / compliance	39.8 %	37.7 %	77.5 %	29.0 %	6.1 %	6.7 %	30.1 %	20.5 %	0.0 %	45.6 %	48.8 %	32.3 %
Percentage of employees trained on cyber security	69.8 %	24.3 %	82.9 %	12.7 %	6.1 %	6.7 %	2.9 %	21.1 %	100.0 %	100.0 %	65.4 %	24.6 %
Number of reports to the compliance address	1	1	0	1	0	0	0	1	0	0	1	3

Overview Table of the Requirements of the Code of Obligations

Key:

AR	Annual Report
CoC	Code of Conduct
S CoC	Supplier Code of Conduct
OrgReg	Organizational Regulations

Provision in the Code of Obligations	Corresponding GRI Topic Standards and other references to the report	References
Description of the business model	GRI 2: General Disclosures 2021	<ul style="list-style-type: none"> – The Metall Zug Group, AR p. 4 – Group Structure, AR p. 59 – Embraced by the Organization, AR p. 35 – OrgReg p. 1–12 – Articles of Association 2023, p. 1–17 – CoC, p. 1–7 – Editorial info, AR p. 128
Accountability for environmental matters (especially CO ₂ targets)	<ul style="list-style-type: none"> GRI 301: Materials 2016 GRI 302: Energy 2016 GRI 304: Biodiversity 2016 GRI 305: Emissions 2016 GRI 308: Supplier Environmental Assessment 2016 	<ul style="list-style-type: none"> – Climate and Resources, AR p. 37–42 – Material and Resource Efficiency, AR p. 40 – Responsible Procurement, Supplier Audits, AR p. 48–50 – S CoC p.2 – Embraced by the Organization, AR p. 35
Accountability for employee matters	<ul style="list-style-type: none"> GRI 401: Employment 2016 GRI 403: Occupational Health and Safety 2018 GRI 404: Training and Education 2016 GRI 405: Diversity and Equal Opportunity 2016 GRI 406: Non-discrimination 2016 	<ul style="list-style-type: none"> – CoC p. 3 – Employees, AR p. 43–46 – Embraced by the Organization, AR p. 35
Accountability for respect for human rights	<ul style="list-style-type: none"> GRI 409: Forced or Compulsory Labor 2016 GRI 414: Supplier Social Assessment 2016 	<ul style="list-style-type: none"> – Code of Conduct p. 3 – Supplier Audit, AR p. 48–51 – Embraced by the Organization, AR p. 35 – Respect for Human Rights, AR p. 52
Accountability for other social matters	<ul style="list-style-type: none"> GRI 413: Local Communities 2016 GRI 416: Customer Health and Safety 2016 GRI 418: Customer Privacy 2016 	<ul style="list-style-type: none"> – Social Engagement and Regional Contribution, AR p. 53 – Safe and High-quality Products and Services, AR p. 47 – Society and Value Creation KPIs, AR p. 54 – Embraced by the Organization, AR p. 35 – Society and Value Creation KPIs, AR p. 52–53
Accountability for combating corruption	<ul style="list-style-type: none"> GRI 205: Anti-corruption 2016 GRI 408: Child Labor 2016 	<ul style="list-style-type: none"> – CoC , p. 5 – Child Labor, AR p. 49–50 – Embraced by the Organization, AR p. 35 – Combating Corruption, AR p. 52–53
Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labor	Responsible Procurement (Including Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labor)	<ul style="list-style-type: none"> – AR section, p. 48–51 – Embraced by the Organization, AR p. 35

Annex

GRI Index

Metall Zug AG has reported on the information provided in this GRI Index for the period from January 1, 2023 to December 31, 2023 with reference to the GRI Standards.

The years shown in the GRI Standards refer to the year in which the Standards were last updated.

Key:

AR	Annual Report
CoC	Code of Conduct
S CoC	Supplier Code of Conduct
OrgReg	Organizational Regulations

GRI 1: Foundation 2021

GRI 2: General Disclosures 2021

		Reference(s)
2-1	Organizational details	The Metall Zug Group, AR p. 4
2-2	Entities included in the organization's sustainability reporting	Group Structure, AR p. 59
2-3	Reporting period, frequency and contact point	2023 calendar year, annual reporting, Editorial info, AR p. 128
2-4	Restatements of information	Climate & Resources KPIs, AR p. 41–42
2-5	External auditing	Report of the Statutory Auditor, AR pp. 80–82, 114–117, 124–126
2-6	Activities, value chain and other business relationships	The Metall Zug Group, AR p. 4
2-7	Employees	Employee KPIs, AR p. 45–46
2-9	Governance structure and composition	OrgReg p. 2 Corporate Governance, AR p. 60–72
2-10	Nomination and selection of the highest governance body	OrgReg p. 2–5
2-11	Chair of the highest governance body	OrgReg p. 5
2-12	Role of the highest governance body in overseeing the management of impacts	OrgReg p. 5
2-13	Delegation of responsibility for managing impacts	OrgReg p. 2–5
2-14	Role of the highest governance body in sustainability reporting	Embraced by the Organization AR p. 35
2-15	Conflicts of interest	CoC p. 5
2-16	Communication of critical concerns	CoC p. 7
2-17	Collective knowledge of the highest governance body	OrgReg p. 3
2-18	Evaluation of the performance of the highest governance body	OrgReg p. 5–6
2-19	Remuneration policies	OrgReg p. 6, AR p. 73–79
2-20	Process to determine remuneration	OrgReg p. 6
2-22	Statement on sustainable development strategy	Business Model and ESG Strategy, AR p. 35
2-23	Policy commitments and actions	CoC p. 1–7
2-24	Embedding policy commitments and actions	CoC p. 1–7
2-25	Processes to remediate negative impacts	CoC p. 7
2-26	Mechanisms for seeking advice and raising concerns	CoC p. 7
2-27	Compliance with laws and regulations	CoC p. 4–6
2-28	Membership of associations and interest groups	SwissHoldings

GRI 3: Material Topics 2021

3-2	List of material topics	Focus Areas, Material Topics, Targets and KPIs, AR p. 36
3-3	Management of material topics	Focus Areas, Material Topics, Targets and KPIs, AR p. 36

GRI 201: Economic Performance 2016

201-1	Direct economic value generated and distributed	Consolidated Income Statement, AR p. 84 Proposal for the appropriation of available earnings, AR p. 123
201-3	Defined benefit plan obligations and other retirement plans	Pension Obligations, AR pp. 91, 112–113
201-4	Financial assistance received from government	Personnel expenses, AR p. 96

GRI 202: Market Presence 2016

202-2	Proportion of senior management hired from the local community	Employee KPIs, AR p. 45–46
-------	--	----------------------------

GRI 203: Indirect Economic Impacts 2016

203-1	Infrastructure investments and services supported	Technologycluster & Infrastructure, AR p. 25–30 Climate & Resources, AR p. 37–40
-------	---	---

GRI 205: Anti-corruption 2016

205-2	Communication and training on anti-corruption policies and procedures	Society and Value Creation KPIs, AR p. 54 Combating Corruption, AR p. 52–53
205-3	Confirmed incidents of corruption and actions taken	Society and Value Creation KPIs, AR p. 54

GRI 207: Tax 2019

207-4	Country-by-country reporting	Net sales to third parties by region, AR p. 96
-------	------------------------------	--

GRI 301: Materials 2016

301-1	Materials used by weight or volume	Products and Services KPIs, AR p. 51
-------	------------------------------------	--------------------------------------

GRI 302: Energy 2016

302-1	Energy consumption within the organization	Climate and Resources KPIs, AR p. 41–42
-------	--	---

GRI 304: Biodiversity 2016

304-2	Significant impacts of activities, products and services on biodiversity	Resource Efficiency, AR p. 40
-------	--	-------------------------------

GRI 305: Emissions 2016

305-1	Direct (Scope 1) GHG emissions	Climate and Resources KPIs, AR p. 41–42
305-2	Energy indirect (Scope 2) GHG emissions	Climate and Resources KPIs, AR p. 41–42
305-3	Other indirect (Scope 3) GHG emissions	Climate and Resources KPIs, AR p. 41–42
305-5	Reduction of GHG emissions	Climate and Resources KPIs, AR p. 41–42

GRI 308: Supplier Environmental Assessment 2016

308-1	New suppliers that were screened using environmental criteria	Supplier Code of Conduct p. 3, AR p. 48–49
-------	---	--

GRI 401: Employment 2016

401-1	New employee hires and employee turnover	Employee KPIs, AR p. 45–46
-------	--	----------------------------

GRI 403: Occupational Health and Safety 2018

403-1	Occupational health and safety management system	CoC p. 3 Occupational Health and Safety, AR p. 44
403-2	Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety, AR p. 44
403-3	Occupational health services	Occupational Health and Safety, AR p. 44
403-5	Worker training on occupational health and safety	Occupational Health and Safety, AR p. 44
403-6	Promotion of worker health	Occupational Health and Safety, AR p. 44
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Supplier Audits, AR p. 48–50
403-9	Work-related injuries	Employee KPIs, AR p. 45–46
403-10	Work-related ill health	Employee KPIs, AR p. 45–46

GRI 404: Training and Education 2016

404-2	Programs for upgrading employee skills and transition assistance programs	Employee Motivation and Development, AR p. 43–44
-------	---	--

GRI 405: Diversity and Equal Opportunity 2016

405-1	Diversity of governance bodies and employees	Diversity and Equal Opportunity, AR p. 44
405-2	Ratio of basic salary and remuneration of women to men	Diversity and Equal Opportunity, AR p. 44

GRI 406: Non-discrimination 2016

406-1	Incidents of discrimination and corrective actions taken	Employee KPIs, AR p. 45–46
-------	--	----------------------------

GRI 408: Child Labor 2016

408-1	Operations and suppliers at significant risk for incidents of child labor	Child Labor, AR p. 50
-------	---	-----------------------

GRI 409: Forced or Compulsory Labor 2016

409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Supplier Audit, AR p. 48–50 Respect for Human Rights, AR p. 52
-------	--	---

GRI 413: Local Communities 2016

413-1	Operations with local community engagement, impact assessments, and development programs	Social Engagement and Regional Contribution, AR p. 53
-------	--	--

GRI 414: Supplier Social Assessment 2016

414-1	New suppliers that were screened using social criteria	Supplier Code of Conduct and Supplier Audit, AR p. 48–50
-------	--	--

GRI 416: Customer Health and Safety 2016

416-1	Assessment of the health and safety impacts of product and service categories	Safe and High-quality Products and Services, AR p. 47
-------	---	---

GRI 418: Customer Privacy 2016

418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Society and Value Creation KPIs, AR p. 54
-------	--	---

Group Structure

Operational organization of the Metall Zug Group (as at December 31, 2023)

Metall Zug Group Zug

Infection Control

Belimed AG Zug

Belimed GmbH (DE)

Belimed GmbH (AT)

Belimed SAS (FR)

Belimed B.V. (NL)

Belimed d.o.o. (SI)

Belimed Ltd. (UK)

Amity Ltd. (UK)

Belimed, Inc. (US)

Belimed Medical Equipment (Shanghai)
Co., Ltd. (CN)

Medical Devices

Haag-Streit Holding AG Köniz

Haag-Streit AG (CH)

Spectros AG (CH)

Haag-Streit Deutschland GmbH (DE)

Haag-Streit GmbH (DE)

Haag-Streit Engineering GmbH & Co. KG (DE)

HS DOMS GmbH (DE)

MÖLLER-WEDEL OPTICAL GmbH (DE)

Möller-Wedel Beteiligungen GmbH (DE)

Haag-Streit UK Ltd. (UK)

Haag-Streit USA, Inc. (US)

Haag-Streit Far East Ltd. (CN)

Haag-Streit Japan K.K. (JP)

Technologycluster & Infrastructure

Tech Cluster Zug AG Zug

Urban Assets Zug AG (CH)

Others

Metall Zug AG Zug

Belimed Life Science AG (CH)

Belimed Life Science d.o.o. (SI)

Belimed Life Science GmbH (DE)

Belimed Life Science, Inc. (US)

Gehrig Group AG (CH)

Corporate Governance

All information in this Corporate Governance Report refers to the situation as at December 31, 2023, or to the 2023 reporting year, unless stated otherwise. The Metall Zug Group complies with all the legal and regulatory requirements for corporate governance in Switzerland that the Group is subject to, including the principles of the "Swiss Code of Best Practice for Corporate Governance" (Swiss Code) issued by *economiesuisse*.

This Corporate Governance Report refers to the Metall Zug AG Articles of Association of April 28, 2023, and the Organizational Regulations of March 10, 2023 (valid as of May 1, 2023). No material changes have come into force between December 31, 2023, and the publication date of the Annual Report, other than the facts disclosed in this report. The content, order and numbering of the following chapters are in line with those of the "Directive on Information relating to Corporate Governance" issued by SIX Swiss Exchange on June 29, 2023.

1 Group Structure and Shareholders

1.1 Group Structure

The operational group structure is illustrated on page 59 of this Annual Report. The management organization of the Metall Zug Group is generally based on decentralized responsibility.

The holding company, Metall Zug AG, headquartered in Zug, is the sole listed fully consolidated company in the Group. The type B registered shares are listed on the Swiss Reporting Standard of SIX Swiss Exchange, Zurich (securities number: 3982 108, ISIN CH0039821084). More detailed information on the Metall Zug AG shares, including their stock market capitalization, is available on pages 107 of this Annual Report. The list of consolidated companies and their subsidiaries is shown in the Financial Report (see page 94) and includes the material investments. This list also includes the main non-fully consolidated investments, including the 30.27 % stake in the publicly listed V-ZUG Holding AG, the 25 % stake in the publicly listed Komax Holding AG and the 50 % stake in Multi Energy Zug AG (joint venture together with WWZ AG), which are treated as associated companies.

1.2 Significant Shareholders

All the significant shareholders with voting rights in excess of 3 % who are known to Metall Zug AG as at December 31, 2023, are listed in the Financial Report (see page 107) under Note 17 ("Significant Shareholders"). Elisabeth Buhofer and Heinz M. Buhofer together with the Buhofer Trust I, a fixed-interest trust according to the law of Liechtenstein, own a total of 67.6 % of the voting rights in Metall Zug AG. By means of the Buhofer Trust I, alongside Elisabeth

Buhofer and Heinz M. Buhofer, Annelies Häcki Buhofer, the community of heirs of Martin Buhofer and Julia Häcki also indirectly have a participating interest in Metall Zug AG.

In the reporting year, disclosure notifications were made on April 12, 2023, and December 14, 2023, pursuant to Art. 120 of the Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading of June 19, 2015, (Financial Market Infrastructure Act) and the corresponding regulations. Further details of these and earlier disclosure notifications can be found on the website of the disclosure office, i.e. www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html.

As at December 31, 2023, 2313 shareholders with voting rights were registered in the share register of Metall Zug AG (previous year: 2362). As at December 31, 2023, the disposition (shareholders not entered in the share register) amounted to 1.86 % (previous year: 1.65 %).

1.3 Cross-shareholdings

There are no cross-shareholdings in excess of 5 % of capital or voting rights with any other party.

2 Capital Structure

2.1 Capital

The structure of the share capital and the ordinary capital is described in the Financial Report (see page 107) under Note 18 ("Shares").

Metall Zug AG has neither authorised or conditional capital nor a capital band.

2.2 Capital Band and Conditional Capital in Particular

There is neither a capital band nor conditional capital.

2.3 Changes in Capital

Information on the changes in capital in the last two reporting years is set out in the Financial Report (see page 88) under "Changes in shareholders equity". Information on the changes in capital in 2021 can be found on page 78 of the Annual Report 2022 under "Changes in shareholders equity".

2.4 Shares and Participation Certificates

Detailed information on the shares of Metall Zug AG (number of shares, type and par value) is available in the Financial Report (see page 107) under Note 18 ("Shares").

The type A registered shares with a par value of CHF 2.50 are not listed. The type B registered shares with a par value of CHF 25.00 are listed on the Swiss Reporting Standard of SIX Swiss Exchange, Zurich (securities number: 3982 108, ISIN CH0039821084). Dividend entitlement is in proportion

to the share capital held. Each share entitles the holder to one vote.

Metall Zug AG has not issued any participation certificates.

2.5 Profit Sharing Certificates

Metall Zug AG has not issued any profit sharing certificates.

2.6 Limitations on Transferability and Nominee Registrations

In relation to the company, only those registered in the share register are recognized as shareholders. In accordance with Art. 10 of the Articles of Association, the transferability of registered shares is restricted as follows:

Acquirers of registered shares (of types A and B) are registered in the share register as shareholders with the right to vote, provided that:

- the recognition of an acquirer as a shareholder, according to the information available to the company, does not or could not prevent the company and/or its subsidiaries from providing the evidence required by law regarding the composition of its shareholder group and/or beneficial owners. The company particularly reserves the right to refuse entry in the share register if the acquirer does not prove that he is not a foreign non-resident pursuant to the Federal Act of December 16, 1983, on the Acquisition of Immovable Property in Switzerland by Foreign Non-Residents (ANRA) and if the company considers such registration could obstruct, threaten or prevent the provision of statutory evidence regarding Swiss control of the company, and
- they expressly declare that they have acquired the shares in their own name and for their own account.

In addition, the transfer of shares of type A is subject to approval by the Board of Directors in each instance. Approval can be denied for good cause. This includes:

- keeping away buyers who operate a business that competes with the purpose of the company, who have a participating interest in such a business or who are employed by such a business;
- to ensure that the company remains independent based on the voting-rights-related control of the group of current reg-

- istered shareholders. Usually, spouses and descendants of the current circle of shareholders must be admitted;
- to acquire or to hold shares on behalf of third parties or in the interests of third parties.

Approval can also be denied without giving reasons, provided that the Board of Directors acquires the type A shares (for the account of the company, specific shareholders or third parties) at their actual value at the time when the request was submitted.

In financial year 2023, the company did not refuse transfers or approve any exceptions for type A registered shares or type B registered shares.

Metall Zug AG does not provide registration of nominees. To date, no need has been expressed by existing shareholders and potential investors for registration of this kind. For the procedure and conditions for cancelling the restrictions on transferability, see section 6.2 of this Corporate Governance report.

2.7 Convertible Bonds and Options

Metall Zug AG does not have any outstanding convertible bonds or options.

3 Board of Directors

3.1 Members of the Board of Directors

Since the General Meeting of Shareholders of April 28, 2023, the Board of Directors has comprised five members. David Dean was elected as a member of the Board of Directors for the first time at that General Meeting of Shareholders. An overview of the members in the reporting year, providing information on nationality, age, education, professional background, function, first election and term of office, is available on pages 62 to 64. All current members of the Board of Directors are non-executive.

The members of the Board of Directors did not belong to the Senior Management of Metall Zug AG nor to the Senior Management of a Group company in the three financial years preceding the reporting year, and they do not have any significant business connections with Metall Zug AG or the Metall Zug Group.

Board of Directors

as of December 31, 2023



Martin Wipfli (CH) *1963
Chairman of the Board of Directors
since September 1, 2019
(non-executive)



Dominik Berchtold (CH) *1971
Member of the Board of Directors
(non-executive)



David Dean (CH) *1959
Member of the Board of Directors
(non-executive)



Bernhard Eschermann (DE/CH) *1963
Member of the Board of Directors
(non-executive)



Claudia Pletscher (CH) *1974
Member of the Board of Directors
(non-executive)

Martin Wipfli (CH) *1963

Attorney-at-law, lic. iur., University of Berne

- Chairman of the Board of Directors since September 1, 2019 (non-executive)
- First elected as Member of the Board of Directors: 2010
- Elected until: General Meeting of Shareholders 2024

Professional background:

Partner at Baryon AG, since 2023 (before managing partner at Baryon AG, 1998–2023)

Previous operational activities for the Metall Zug Group:

None

Other functions within the Metall Zug Group (including mandates on the instructions and in the interests of Metall Zug):

Member of the Audit Committee (until April 28, 2023); Chairman of the Board of Directors of Belimed AG; Member of the Board of Directors of Tech Cluster Zug AG and Urban Assets Zug AG (until June 30, 2023, Chairman of the Board of Directors of both companies); Member of the Board of Directors of Multi Energy Zug AG; Chairman of the Foundation Board of Haag-Streit Foundation in (liquidation).

Activities in management or supervisory bodies of important Swiss and foreign corporations, institutions and foundations under private and public law with a commercial purpose (outside Metall Zug Group):

Chairman of the Board of Directors of Elma Electronic AG, Wetzikon, and of nebag ag, Zurich; Member of the Board of Directors of Zug Estates Holding AG, Zug, and of other non-listed companies (a complete list of activities within other companies with an economic purpose can be found in the remuneration report on page 76)

Activities in management or supervisory bodies of important Swiss and foreign corporations, institutions and foundations under private and public law without a commercial purpose (outside Metall Zug Group):

Chairman of the Foundation Board of the BPN Foundation (Business Professionals Network), Berne, and the Pro Pferd Foundation, Zurich; Vice-Chairman of the Foundation Board of the Professor Dr. Max Cloëtta Foundation, Zurich; Managing Director of the R. & K. Vogel Foundation, Bremgarten bei Berne; Member of the Foundation Board of the AJS Förder-Foundation, Feusisberg, GGK Gedächtnis Foundation, Schaan (Liechtenstein), Joseph and Adele Falk-Wolf Foundation, Altdorf (UR), Schlageter-Hofmann Foundation, Zurich

Official functions and political offices:

Head of the Municipal Council of Feusisberg, President of the Association Municipalities and Districts of Schwyz

Dominik Berchtold (CH) *1971

Master's degree in business management, University of Fribourg, Switzerland

- Member of the Board of Directors (non-executive)
- First elected as Member of the Board of Directors: 2019
- Elected until: General Meeting of Shareholders 2024

Professional background:

Founder and CEO of ViAir AG, Zug, since 2019; CEO of the Zehnder Group, Gränichen, 2014–2018 (2013–2014 designated CEO); CFO of the Zehnder Group, 2008–2012; Director of Business Development Zehnder Group, 2006–2008; Manager Corporate Restructuring KPMG, Zurich, 2005–2006; various management positions at Pilatus Aircraft, 1997–2005

Previous operational activities for the Metall Zug Group:

None

Other functions within the Metall Zug Group (including mandates on the instructions and in the interests of Metall Zug):

Chairman of the Human Resources and Compensation Committee

Activities in management or supervisory bodies of important Swiss and foreign corporations, institutions and foundations under private and public law with a commercial purpose (outside Metall Zug Group):

Chairman of the Board of Directors and CEO of ViAir AG, Zug; Member of the Offering Board Viessmann Group GmbH & Co. KG, Allendorf, Germany; as well as Member of the Board of Directors of other non-listed companies (a complete list of activities within other companies with an economic purpose can be found in the remuneration report on page 76).

Activities in management or supervisory bodies of important Swiss and foreign corporations, institutions and foundations under private and public law without a commercial purpose (outside Metall Zug Group):

None

David Dean (CH) *1959

Swiss Certified Expert for Accounting and Controlling with a federal diploma, AKAD Business, Zurich; Swiss Certified Accountant, Expertsuisse, Zurich; Executive management trainings at Harvard Business School, Boston, USA and at the IMD, Lausanne

- Member of the Board of Directors (non-executive)
- First elected as Member of the Board of Directors: 2023
- Elected until: General Meeting of Shareholders 2024

Professional background:

CEO of Bossard Group, Zug, 2005–2019; CFO of Bossard Group, Zug, 1998–2004, Corporate Controller of Bossard Group, Zug, 1992–1997; experience in emerging countries as part of professional activities, particularly in India, China, Malaysia, Thailand, Taiwan and South Korea

Previous operational activities for the Metall Zug Group:

None

Other functions within the Metall Zug Group (including mandates on the instructions and in the interests of Metall Zug):

Member of the Audit Committee (since April 28, 2023); Chairman of the Board of Directors of Haag-Streit Holding AG

Activities in management or supervisory bodies of important Swiss and foreign corporations, institutions and foundations under private and public law with a commercial purpose (outside Metall Zug Group):

Member of the Board of Directors of Bossard Holding AG, Zug, Komax Holding AG, Dierikon, Burckhardt Compression Holding AG, Winterthur, as well as Member of the Board of Directors of other non-listed companies (a complete list of activities within other companies with an economic purpose can be found in the remuneration report on page 76).

Activities in management or supervisory bodies of important Swiss and foreign corporations, institutions and foundations under private and public law without a commercial purpose (outside Metall Zug Group):

None

Dr. Bernhard Eschermann (DE/CH) *1963

PhD in Computer Science from the University of Karlsruhe, Germany; Master of Science in Electrical Engineering and Computer Science from the University of California, Berkeley, USA; Diploma in Electrical Engineering from the University of Karlsruhe, Germany

- Member of the Board of Directors (non-executive)
- First elected as Member of the Board of Directors: 2022
- Elected until: General Meeting of Shareholders 2024

Professional background:

Head of Technology (Chief Technology Officer) of the ABB group division Process Automation since 2013 and Head of the Group Technology Leadership Team since 2020 at ABB, Zurich; joined ABB in 1993 and since then has held various leadership positions within the company

Previous operational activities for the Metall Zug Group:

None

Other functions within the Metall Zug Group (including mandates on the instructions and in the interests of Metall Zug):

Member of the Human Resources and Compensation Committee

Activities in management or supervisory bodies of important Swiss and foreign corporations, institutions and foundations under private and public law with a commercial purpose (outside Metall Zug Group):

Head of Technology (Chief Technology Officer) of ABB group division Process Automation and Head of the Group Technology Leadership Team at ABB, Zurich

Activities in management or supervisory bodies of important Swiss and foreign corporations, institutions and foundations under private and public law without a commercial purpose (outside Metall Zug Group):

Member of the Board of Trustees of OPC Foundation, Scottsdale, Arizona, USA, and HASLER Foundation, Berne; Member of the Swiss Academy for Technical Sciences SATW, Zurich

Claudia Pletscher (CH) *1974

Master's degree in law, Universities of Berne and Poitiers, MBA from Henley Business School (UK)

- Member of the Board of Directors (non-executive)
- First elected as Member of the Board of Directors: 2019
- Elected until: General Meeting of Shareholders 2024

Professional background:

Founder and Managing Director of Fineminds GmbH, since 2021; Head of Development and Innovation and a member of the extended Executive Management Board of Swiss Post Ltd., 2014–2020; various executive positions at IBM (Switzerland), 2003–2014. Experience in emerging countries in the context of professional activities with India, China, Argentina, CEEMEA (Center Eastern Europe Middle East Africa) region

Previous operational activities for the Metall Zug Group:

None

Other functions within the Metall Zug Group (including mandates on the instructions and in the interests of Metall Zug):

Chairwoman of the Audit Committee

Activities in management or supervisory bodies of important Swiss and foreign corporations, institutions and foundations under private and public law with a commercial purpose (outside Metall Zug Group):

Managing Director of Fineminds GmbH, Alpnach; Member of the Board of Directors of Flughafen Zürich AG, Kloten, Medbase AG, Winterthur, and Migros Vita AG, Gossau (SG)

Activities in management or supervisory bodies of important Swiss and foreign corporations, institutions and foundations under private and public law without a commercial purpose (outside Metall Zug Group):

Member of the Innovation Council of Innosuisse, Berne; Member of the Digital Advisory Board of the University of Zurich DSI, Zurich; Member of the Digital Advisory Board of Swissmedic, Berne

3.2 Other Activities and Vested Interests

Apart from the functions mentioned in this Corporate Governance report and in the remuneration report on pages 76 to 77, none of the members of the Board of Directors hold positions on management or supervisory bodies of important Swiss and foreign corporations, institutions and foundations under private and public law, nor do they have a permanent management or advisory function for important Swiss and foreign interest groups, nor an official function or political position.

3.3 Number of Permitted Activities

In accordance with Art. 25e of the Articles of Association, the number of permitted activities of the members of the Board of Directors and of Senior Management in comparable functions at other companies with a commercial purpose that are not controlled by the company or that control the company is restricted as follows:

Type of Mandate	Members of the Board of Directors and of Senior Management
Mandates in listed companies	5
Mandates in other, non-listed legal entities with compensation	15

Mandates are deemed to be mandates in comparable functions in other companies with a commercial purpose. Mandates in a number of different companies under uniform control count as a single mandate. Insofar as the company holds an ownership interest in another company and a member of the Board of Directors or of Senior Management holds a man-

date in such company on the instruction of and in the interests of the company, such a mandate does not count as an additional mandate. The figures above are cumulative; the mandate at Metall Zug has not been taken into account. In calculating the number of mandates, a chairmanship counts double.

3.4 Election and term of office

Members of the Board of Directors are elected by the General Meeting of Shareholders, on an individual basis and for a period of one year in each case. They may be reelected at any time but must step down upon reaching the age of 70, i.e. on the date of the subsequent General Meeting of Shareholders. This does not apply to members of the Board of Directors who have been involved with the Metall Zug Group for less than six years at that time. They may be elected for up to nine years (Art. 18 of the Articles of Association). Details of when each member was first elected to the Board of Directors can be found on page 63 and 64.

The Chairman of the Board of Directors, the members of the Human Resources and Compensation Committee and the independent representatives are elected directly by the General Meeting of Shareholders for a term of one year (Art. 16a and 18 of the Articles of Association).

3.5 Internal Organizational Structure

According to the law, the Board of Directors holds the highest decision-making power and specifies, among other things, the organizational, financial-planning-related and accounting-related directives that Metall Zug AG and the Metall Zug Group undertake to comply with. Decisions are made by the entire Board of Directors with the Board of Directors being assisted by the following two committees: the Audit Committee and the Human Resources and Compensation Committee. The latter has all the competencies assigned to the "Compensation Committee" under the applicable law. The Board of Directors of Metall Zug AG is responsible for overall supervision and exerts an influence on the strategic direction of the individual Business Units and subsidiaries, allocates the financial resources, appoints the members of Senior Management, and is involved in the staffing of further top executive positions. It is supported in these tasks by the Audit Committee, the Human Resources and Compensation Committee and the Senior Management. The Board of Directors may issue guidelines and recommendations to the subsidiaries for the purpose of realizing a coherent business policy.

The Board of Directors of Metall Zug AG has delegated responsibility for the day-to-day management of the business to Metall Zug AG's Senior Management. Where not reserved for the Senior Management of Metall Zug AG, the operational management of the Business Units has been delegated

by the Board of Directors of the respective highest-ranking subsidiaries of the Business Units to the Senior Management of the respective Business Units.

Overview of meeting attendance by members of the Board of Directors 2023

Meetings	Martin Wipfli	Dominik Berchtold	Bernhard Eschermann	David Dean	Claudia Pletscher
Ordinary meeting (March) (8.30 a.m. – 5.00 p.m.)	Attended	Attended	Attended	Did not attend (not yet a member of the BoD)	Attended
Constituent meeting (April) (6.00 – 6.15 p.m.)	Attended	Attended	Attended	Attended	Attended
Strategy workshop 1 (May) (8.00 a.m. – 6.05 p.m.)	Attended	Attended	Attended	Attended	Attended
Ordinary meeting (June) (8.00 a.m. – 12.30 p.m.)	Attended	Attended	Attended	Attended	Attended
Ordinary meeting (August) (8.00 a.m. – 1.30 p.m.)	Attended	Attended	Attended	Attended	Attended
Strategy workshop 2 (September) (9.00 a.m. – 7.10 p.m.)	Attended	Attended	Attended	Attended	Attended
Extraordinary meeting (November) (10.00 – 11.00 a.m.)	Attended	Attended	Attended	Attended	Attended
Ordinary meeting (December) (9.00 a.m. – 5.50 p.m.)	Attended	Attended	Attended	Attended	Attended

In the reporting year, the Board of Directors of Metall Zug AG met for a total of eight meetings, specifically for four ordinary meetings, one extraordinary meeting, the constituent meeting and two strategy workshops (special meetings at which selected topics relating to the strategy of the Metall Zug Group and its Business Units were addressed).

The agenda items for the meetings of the Board of Directors are specified by the Chairman and prepared by the Secretary together with the Senior Management and the subsidiaries. Every member of the Board of Directors and every member of the Senior Management is entitled to request the summoning of a meeting, upon specification of the meeting's purpose. As a rule, the members of the Board of Directors receive the invitation to the meeting no later than ten days prior to the meeting of the Board of Directors, along with the documentation that allows them to prepare for the discussion of the agenda items. Furthermore, the Board of Directors regularly takes decisions by circular vote.

Audit Committee

The Audit Committee met four times in the reporting year. It makes an independent assessment of the quality of the annual financial statements and discusses these with Senior Management and the external auditors. The Audit Committee proposes to the Board of Directors whether the financial state-

ments may be recommended for submission to the General Meeting of Shareholders. The Audit Committee nominates the internal auditors, determines the organization of the internal audit department, assigns tasks to it and forwards its reports to the entire Board of Directors. It sets up the audit plan and defines the audit scope for internal and external auditing and evaluates the cooperation between internal and external auditors and their effectiveness. The Audit Committee assesses the efficiency of the internal control system considering risk management, and evaluates compliance with laws, regulations and accounting standards as well as adherence to internal rules and directives. It also assesses the external auditors' performance and their remuneration. The Audit Committee ensures that the external auditors are independent, and assesses the compatibility of their auditing function with any advisory mandates.

The Chairwoman of the Audit Committee is Claudia Pletscher. She attended all meetings of the Audit Committee in the reporting year. Martin Wipfli was member of the Audit Committee until April 28, 2023, and attended the first meeting of the Audit Committee in the reporting year as a member and all meetings thereafter as a guest. David Dean became a member of the Audit Committee on April 28, 2023, and thereafter attended all meetings of the Audit Committee in the reporting year. Matthias Rey (CEO) and Urs Scherrer (CFO) also

attended all meetings as permanent guests in the reporting year. The statutory auditors and internal auditor participated in all meetings in the reporting year.

Human Resources and Compensation Committee

The Human Resources and Compensation Committee held six ordinary meetings in the reporting year. As well as performing the duties and responsibilities assigned to the Compensation Committee under applicable law, the Human Resources and Compensation Committee develops the principles of corporate governance, which are then submitted to the Board of Directors for approval. This also includes periodic revision of the composition and size of the Board of Directors and its committees and of the Boards of Directors of the subsidiaries. In addition, the Committee proposes to the Board of Directors qualified candidates for the various bodies and also submits proposals to the Boards of Directors regarding the compensation of the Board of Directors and Senior Management. It further develops and reviews the objectives and principles of human resources policy for approval by the Board of Directors, prepares the appointment of members of Senior Management and approves selected personnel decisions. Finally, it reviews the basic structures in the area of the pension fund with regard to the scope and content of benefits, evaluates the annual target achievement of the members of Senior Management of Metall Zug AG as well as the CEOs of the Business Units, and keeps up to date on employee development and HR succession planning.

At the General Meeting of Shareholders on April 28, 2023, Dominik Berchtold and Bernhard Eschermann were re-elected as members of the Human Resource and Compensation Committee. Dominik Berchtold is Chairman of the Human Resources and Compensation Committee. Both members attended all meetings of the Human Resources and Compensation Committee in the reporting year. Matthias Rey (CEO) and Urs Scherrer (CFO) participated as permanent guests at all meetings of the Human Resources and Compensation Committee in the reporting year.

(Self-)evaluation of the Board of Directors

The Board of Directors of Metall Zug AG carries out an annual self-evaluation. It also initiates an evaluation by the Senior Management of Metall Zug AG and by the CEO and Chairman of the Boards of Directors of the Business Units. For 2023, the committees of the Board of Directors (Audit Committee and Human Resources and Compensation Committee) were also evaluated for the first time. In general, the feedback from the (self-)evaluation was good to very good. The consistent implementation of the strategic reorganisation was rated as very positive. However, the organisation and structure of the Group should be adapted even more once the strategy has been fully implemented, and should enable more efficient decision-making processes. Open

communication and the culture of trust were considered positive. The work of the Audit Committee was also commended. The Human Resources and Compensation Committee's tasks are to be defined even more clearly as part of the Group's strategic reorganisation. The Board of Directors will take the results of the (self-)evaluation into account when carrying out its activities in 2024.

3.6 Definition of Areas of Responsibility

Metall Zug AG announced in 2019 that it intends to move away from being an industrial group of companies with regard to individual Business Units and instead to confine itself to the role of strategic anchor shareholder in the form of a holding company with a diversified portfolio of substantial investments. This can mean Business Units being given legal autonomy and independence in implementing their strategies. This transformation will take several years to complete. In this context, the group and organizational structure is to be adapted gradually, with the spin-off of V-ZUG Holding AG in 2020 representing a first step and the contribution of the Schleuniger Group into the Komax Group in 2022 a second step in this direction. The planned joint venture with Miele, into which Belimed (Infection Control Business Unit and Belimed Life Science Group) and Steelco will be contributed, represents a further milestone and the last planned step in the implementation of this strategy. Metall Zug will now focus strategically and operationally on the development of the fully controlled Medical Devices (Haag-Streit Group) and Technologycluster & Infra Business Units as well as Gehrig Group AG. The interests held in V-ZUG, Komax and the planned joint venture with Miele represent strategic and long-term investments that Metall Zug is confident of developing in terms of value. In 2019, various responsibilities assigned to the CEO of Metall Zug AG were also transferred to the Boards of Directors of the respective principal companies of the Business Units. Further information on the Metall Zug Group strategy is set out in the section on "Strategy" on page 14 of the Annual Report.

The definition of areas of responsibility for the Board of Directors and Senior Management is based on the Organizational Rules of March 10, 2023 (valid as of May 1, 2023), and the current version is available (in German) at www.metallzug.ch/en/ueber-uns/corporate-governance. In addition, there is a set of guidelines in force (Group Governance Guidelines of March 10, 2023 (valid as of May 1, 2023), which governs the organization of the Group as resolved by the Board of Directors, the areas of responsibility and duties of the Senior Management of Metall Zug AG and of the Boards of Directors and Senior Management boards of the Business Units and subsidiaries. These Group Governance Guidelines also govern fundamental compliance aspects that apply to the entire Metall Zug Group. They also form the legal basis for the issuing of further sets of rules within the Metall Zug Group and refer to these. The Group Governance Guidelines are supple-

mented by a comprehensive competency matrix, which defines the specific responsibilities and powers of the various bodies at the Metall Zug AG level and the Business Unit level within the Metall Zug Group in general and for different business cases.

The Board of Directors delegates the management of the business of Metall Zug AG to the Senior Management, whose role given the previously explained holding strategy and the role of Metall Zug AG as a holding company with a diversified portfolio of substantial investments is restricted to operational matters concerning Metall Zug AG. Moreover, the Senior Management is also responsible for all aspects of the Metall Zug Group in connection with investor relations/communications and compliance, legal, corporate housekeeping and corporate governance, accounting and controlling, risk management, internal audit, M&A activities, strategic projects, sustainability and the management of investments. These are key management areas under the holding strategy. The Senior Management of Metall Zug AG has the corresponding powers in relation to its investments and the strategic direction of the holding company. Where not reserved for the Senior Management of Metall Zug AG, the operational management of the Business Units has been delegated by the Board of Directors of the respective highest-ranking subsidiaries of the Business Units to the Senior Management of the respective Business Units. With regard to the Business Units, this additional level of the management structure is thus based on the formation of areas of responsibility with wide business management powers and business responsibility. However, these are restricted exclusively to the respective Business Units, and the Senior Management boards of the Business Units have no additional powers within the Group or in relation to the other Business Units. The Chairman of the Board of Directors of the respective highest-ranking subsidiaries and the CEO of a Business Unit will, as a rule, represent the respective Business Unit vis-a-vis the Board of Directors of Metall Zug AG. Within each Business Unit, management generally takes place along reporting lines.

3.7 Information and Control Instruments vis-a-vis Senior Management

Detailed governance and management information is prepared semi-annually in the Metall Zug Group in the form of separate financial statements (income statement, balance sheet and statement of cash flows) for the individual subsidiaries and in the form of consolidated financial statements for the Business Units and the Metall Zug Group. These are submitted to both the Audit Committee and the Board of Directors and commented on in detail by Senior Management. Depending on the size and the risks of the business, separate financial statements may also be prepared either monthly or quarterly. The results are prepared for each Business Unit and are consolidated for the Metall Zug Group. In each case, the results are compared to the prior-year period and to the budget. The achievability of budgets

is reviewed several times a year on the basis of forecasts. The heads of the Business Units submit regular reports on results and on the progress of budget achievement to the Board of Directors of the respective highest-ranking subsidiary of the Business Unit and to the Senior Management of Metall Zug AG. The members of the Board of Directors of Metall Zug AG and of the respective highest-ranking subsidiary receive, on a monthly basis, the key figures and written comments on other aspects of the operations of the Business Units and on the relevant market environment. In addition, key figures and brief commentaries on the course of business at the level of the Metall Zug Group are provided to the Board of Directors on a monthly basis along with a rolling three-month forecast. At meetings of the Board of Directors, the Senior Management and the Business Unit heads provide information about the course of business in the Business Units and the Group.

The internal auditors conducted four audits in the reporting year. The results of each audit are discussed in detail with the respective companies and Business Units, and the key measures are agreed. The Chairman of the Board of Directors, members of the Audit Committee, members of Senior Management, and other line managers of the head of the audited unit receive a copy of each audit report. In addition, the reports and the key measures agreed are discussed by the Audit Committee. The internal audit unit is administratively subordinated to the CFO, but reports on functional issues to the Chairwoman of the Audit Committee.

The Metall Zug Group has put in place an appropriate system for monitoring and managing the risks associated with the company's activities. Risk management is a structured process that basically comprises all hierarchical levels and involves risk identification, risk analysis, risk management and risk reporting. The Business Unit heads are responsible for monitoring and managing their risks at an operational level. In all Business Units, certain persons are assigned responsibility for significant individual risks. These persons are responsible for taking concrete measures to manage these risks and for monitoring their implementation. On behalf of the Audit Committee, a risk report is drawn up at regular intervals (generally once a year) for submission to the Board of Directors.

In terms of insurance, the companies in the Metall Zug Group enjoy risk-compatible cover in line with the industry and are insured appropriately against operational risks such as damage to property, business interruption and third-party liability.

In terms of business risks, the Metall Zug Group deals with interest-rate and currency risks in addition to those set out under the risk management system above. Currency risks are basically evaluated on a decentralized basis by the Business Units and hedged on a case-by-case basis. As a rule, hedging strategies are approved by the CFO in line with the applicable regulations.

4 Senior Management

4.1 Members of Senior Management

The Senior Management of Metall Zug AG has been comprised of two members since September 1, 2022: CEO Matthias Rey and CFO Urs Scherrer. The Senior Management of the Business Units report to the Board of Directors of the main company of their respective Business Unit (Belimed AG, Haag-Streit Holding AG, Tech Cluster Zug AG, and in the Others reporting segment to the Board of Directors either of Belimed Life Science AG or Gehrig Group AG). Information on the nationality, age and function of the members of Senior Management in the reporting year is set out below.



Matthias Rey (CH) *1982

Dr. iur. (University of Berne), Attorney at law (Zurich); Executive MBA, IMD Lausanne
CEO of Metall Zug AG since September 1, 2022

Professional background:

Associate at Homburger, Zurich, 2014; Legal Counsel at Nobel Biocare, Kloten, 2010–2013; Junior Associate at Homburger, Zurich, 2008–2009; Academic Assistant, University of Berne, Berne, 2005–2008

Previous operational activities for the Metall Zug Group:

Head of Legal, Metall Zug AG, 2014–2022

Other functions within the Metall Zug Group (including mandates on the instructions and in the interests of Metall Zug):

Member of the Board of Directors of Gehrig Group AG, Glattbrugg; Member of the Foundation Board of the Pension Fund of V-ZUG AG, Zug, and of the Welfare Fund of V-ZUG AG, Zug.

Activities in management or supervisory bodies of important Swiss and foreign corporations, institutions and foundations under private and public law with a commercial purpose (outside Metall Zug Group):

None

Activities in management or supervisory bodies of important Swiss and foreign corporations, institutions and foundations under private and public law without a commercial purpose (outside Metall Zug Group):

None



Urs Scherrer (CH) *1980

Business Economist FH/Swiss Certified Public Accountant
CFO of Metall Zug AG since September 1, 2022

Professional background:

Head of Finance and Accounting at Edisun Power Europe AG, Zurich, 2012–2014; Auditor at KPMG, Zug, 2004–2012; Consultant private and commercial customers at St. Galler Kantonalbank, Nesslau, 1996–2000

Previous operational activities for the Metall Zug Group:

Head of Group Controlling & Reporting Metall Zug, 2015–2022

Other functions within the Metall Zug Group (including mandates on the instructions and in the interests of Metall Zug):

President of the Investment Committee of the Pension Fund of V-ZUG AG, Zug

Activities in management or supervisory bodies of important Swiss and foreign corporations, institutions and foundations under private and public law with a commercial purpose (outside Metall Zug Group):

None

Activities in management or supervisory bodies of important Swiss and foreign corporations, institutions and foundations under private and public law without a commercial purpose (outside Metall Zug Group):

None

4.2 Other Activities and Vested Interests

Apart from the functions mentioned in this Corporate Governance report and in the remuneration report on page 79, none of the members of Senior Management hold positions on management or supervisory bodies of important Swiss and foreign corporations, institutions and foundations under private and public law, nor do they have a permanent management or advisory function for important Swiss and foreign interest groups, nor an official function or political position.

4.3 Number of Permitted Activities

The statutory rules regarding the number of permitted activities of the members of the Board of Directors and of Senior Management in comparable functions at other companies with a commercial purpose that are not controlled by the company or that control the company are explained in section 3.3 of this Corporate Governance Report. Members of Senior Management generally require the approval of the Board of Directors before taking up external mandates.

4.4 Management Contracts

Metall Zug AG has not concluded any management contracts with third parties.

5 Compensation, Shareholdings and Loans

For disclosures regarding compensation, please refer to the separate Compensation Report published on pages 73 et seq.

6 Shareholders' Participation

6.1 Voting Rights and Representation

All shareholders may attend the General Meeting of Shareholders in person to exercise their rights or act at the General Meeting of Shareholders through written proxy to a duly authorized person, or the independent representative. However, this remains subject to any extraordinary legal provisions or orders of the authorities.

The independent representative is obliged to exercise the voting rights transferred to him by the shareholders in accordance with their instructions. Pursuant to Art. 16a of the Articles of

Association, the Board of Directors ensures that shareholders have the opportunity to submit instructions to the independent representative

- on every motion relating to agenda items mentioned in the invitation to the meeting,
- submit general instructions to the independent representative regarding unannounced motions and new agenda items,
- submit proxies and instructions electronically,

whereas the Board of Directors sets the rules for the procedure and deadlines for the electronic submission of proxies and instructions.

In accordance with Art. 14a of the Articles of Association, the Board of Directors determines the place of the General Meeting of Shareholders. The General Meeting of Shareholders is generally held in person. In the event of special circumstances, the Board of Directors may determine that shareholders who are not attending the meeting may exercise their rights electronically, provided that the votes of the participants are transmitted directly in sound and vision.

6.2 Statutory Quorums

In addition to the instances stated in Article 704 of the Swiss Code of Obligations (CO), resolutions on the easing or cancellation of such restriction, or the transferability of registered shares require the approval of at least two-thirds of the votes of the shares represented and the absolute majority of the share par value represented.

In all other instances, the General Meeting of Shareholders of Metall Zug AG adopts resolutions and holds elections by the majority of votes validly cast (excluding blank and invalid ballot papers) unless otherwise provided by law or the Articles of Association.

6.3 Convocation of the General Meeting of Shareholders

The General Meeting of Shareholders is convened by the Board of Directors or, where necessary, by the external auditors. The liquidators are also entitled to convene a general meeting.

6.4 Agenda Items

The following applies in accordance with Art. 13 para. 4 of the Articles of Association. Shareholders who hold at least 0.5 % of the share capital or votes may, unless the company sets

a different deadline by way of publication, request in writing within 50 days prior to the General Meeting of Shareholders that an item be included on the agenda or that a motion on an item be included in the notice convening the general meeting. The written request must be accompanied by a statement issued by a bank, confirming that the shares are deposited until after the General Meeting of Shareholders.

The shareholders of Metall Zug AG were informed by publication in the Swiss Official Gazette of Commerce on January 30, 2024, (UP06-0000001116) that shareholders who meet the requirements set out in Art. 13 para. 4 of the Articles of Association and thus hold at least 0.5 % of the share capital or votes have the right to request the inclusion of items on the agenda or the inclusion of a motion on an item on the agenda by March 22, 2024, at the latest. The written proposals must be submitted to Metall Zug AG by this deadline. As stipulated in the Articles of Association, the request must be accompanied by proof of the shares represented and a blocking declaration by a bank stating that these shares are deposited until after the Ordinary General Meeting of Shareholders. The 50-day deadline pursuant to Art. 13 para. 4 of the Articles of Association for the General Meeting of Shareholders on April 26, 2024, is therefore not applicable.

6.5 Entries in the Share Register

Only those registered shareholders who are listed in the share register as shareholders with the right to vote on a given cut-off date may exercise the right to vote at the General Meeting of Shareholders. The company's Articles of Association, issued on April 28, 2023, do not contain any rules regarding the cut-off date. It is determined by the Board of Directors and generally fixed for a date a few days prior to the General Meeting of Shareholders. The cut-off date is published along with the invitation to the General Meeting of Shareholders in the Swiss Official Gazette of Commerce. There are no exceptions to the cut-off date rule.

7 Changes of Control and Defense Measures

7.1 Duty to Make an Offer

The duty to make a public offer to purchase in accordance with Articles 135 and 163 of the Financial Market Infrastructure Act has been waived (opting out) in accordance with Art. 6 of the Articles of Association.

7.2 Clauses on Changes of Control

In the event of a change of control, Metall Zug AG is not obliged to make any additional payments for the benefit of members of the Board of Directors, members of Senior Management or any other executives.

8 Auditors

8.1 Duration of the Mandate and Term of Office of the Lead Auditor

Auditors: Ernst & Young AG, Zug

Duration of mandate: since 2006

Lead auditor: Christoph Michel

Assumption of office of the lead auditor: 2020

8.2 Auditing Fees

In the reporting year, the independent auditors, in particular Ernst & Young AG, charged Metall Zug AG, or the Metall Zug Group respectively, TCHF 729 for services related to the audit of the annual financial statements of Metall Zug AG and its subsidiaries, as well as for services related to the audit of the consolidated financial statements of the Metall Zug Group.

8.3 Additional Fees

The independent auditors charged Metall Zug AG, or the Metall Zug Group respectively, additional fees of TCHF 107, of which TCHF 14 was for audit-related additional services and TCHF 93 for tax consulting services.

8.4 Informational Instruments pertaining to the External Audit

The General Meeting of Shareholders elects a state-supervised auditing company as auditor each year for a term of office of one financial year. Their term of office ends with the approval of the annual financial statements for the relevant financial year by the General Meeting of Shareholders. The lead external auditor is replaced at the latest after seven years. The Audit Committee is responsible for evaluating the external auditors. At least once a year, the members of the Audit Committee receive from the external auditors a summary of the audit results including suggestions for improvements or other findings developed by the external auditors in the scope of their audit activities. The lead external auditor is invited to all meetings of the Audit Committee. In 2023, he attended all four meetings of the committee. The Audit Committee assesses the performance of the external auditors on the basis of the documents, reports and presentations issued by the external auditors. In doing so, the Audit Committee evaluates the quality, relevance and contribution toward improving transparency on the basis of the statements and documentation made available by the external auditors. In addition, the committee seeks the opinion of the CFO. The amount of fees charged by the external auditors is reviewed and compared with the auditing fees of other comparable Swiss industrial companies on a regular basis. Further information on the external auditors, in particular the amount of auditing fees, and fees charged by the external auditors for additional services outside the agreed audit scope can be

found in sections 8.2 and 8.3 of this Corporate Governance Report. The Audit Committee takes care to ensure that the fees for services that fall outside the agreed audit scope do not exceed a reasonable amount, in order to safeguard the independence of the external auditors.

9 Information Policy

Metall Zug AG and the Metall Zug Group pursue a transparent information policy toward the public and the financial markets. Metall Zug AG communicates openly and regularly with shareholders, the capital market and the general public. The CFO and Head of Corporate Communications & Investor Relations serve as direct points of contact.

The company's organ of publication is the Swiss Official Gazette of Commerce. The Board of Directors may designate other publication organs in individual cases.

The company informs shareholders about the course of business through the annual report and half-year report. Shareholders receive a hard copy of the annual report and the half-year report only if explicitly requested. Full versions of the annual report and half-year report are available online at www.metallzug.ch/en/investoren/geschaeftsberichte-praesentationen. A media and analysts conference is held at least once a year. In addition, investor meetings and roadshows are held on a regular basis.

Ad-hoc announcements or media releases are issued when an important event occurs. Current ad-hoc announcements and media releases and others published in the last few years can be accessed at www.metallzug.ch/en/medien/medienmitteilungen.

The financial calendar showing the publication date of the annual and half-year reports as well as the date of the General Meeting of Shareholders and the media conference is avail-

able at www.metallzug.ch/en/investoren/kalender. General information about Metall Zug AG and the Metall Zug Group can be found at www.metallzug.ch/en. The address of the headquarters of Metall Zug AG is Industriestrasse 66, 6300 Zug, Switzerland.

At www.metallzug.ch/en/news-service, interested persons can subscribe to a mailing list to receive ad hoc announcements and other media releases and further company information. The contact details for queries regarding Investor Relations can be found at www.metallzug.ch/en/kontakt.

10 Quiet periods

In relation to its semi-annual financial reporting, the Metall Zug Group provides for general quiet periods (ban on trading) running from January 1 for the annual report (full year) and from July 1 for the half-year report until the start of trading on SIX Swiss Exchange on the date of publication of the respective annual or half-year report. The ban on trading covers the registered shares of types A and B of Metall Zug AG as well as to equity securities, options, derivatives and other financial instruments relating to Metall Zug AG. The ban on trading applies to the Members of the Board of Directors and the Senior Management, and to all employees of Metall Zug AG, the Members of the Board of Directors and the Senior Management of all highest-ranking companies in the Business Units and all other persons directly or indirectly involved in the preparation of the financial reports. The ban on trading applies both to Metall Zug AG itself and to all Group companies. Exceptions to the quiet period rules are generally not provided for and would have to be approved by the Board of Directors of Metall Zug AG on a case-by-case basis. In addition to the general quiet periods mentioned above, there may be specific quiet periods, for example in relation to price-sensitive strategic projects or other price-sensitive issues. These specific quiet periods vary according to their timing, duration and recipients.

Compensation Report

About this Compensation Report

The Compensation Report describes the compensation principles and governance framework for compensation to the Board of Directors and Senior Management of Metall Zug AG in the financial year 2023. It has been prepared in accordance with legal requirements and the principles of the Swiss Code of Best Practice for Corporate Governance (Swiss Code) issued by *economiesuisse*. The following remarks are based on the remuneration regulations dated March 10, 2023, (valid as of May 1, 2023). The fees of the Board of Directors until April 30, 2023, are based on the remuneration regulations dated April 30, 2021.

General Remuneration Principles

The members of the Board of Directors and members of Senior Management of Metall Zug AG are entitled to compensation commensurate with their activities, and to the usual social insurance as well as reimbursement of the expenses incurred in the interests of the company.

The Group's compensation policy provides an adequate basis for the performance-based remuneration and motivation of employees and managers in line with the market.

The members of the Board of Directors only receive a fixed remuneration for their work, and the members of Senior Management receive an annual variable remuneration in cash in addition to the fixed remuneration. Moreover, both

the members of the Board of Directors and the members of Senior Management are paid a lump-sum expense allowance.

Long-term Incentive and Participation Programs

The compensation system does not provide for any long-term incentive in the form of compensation components that are deferred, vested or blocked for a number of years, or share-based compensation dependent upon the attainment of medium- or longer-term goals. Accordingly, no remuneration components in the form of shares are envisaged. The Board of Directors decided against such a long-term incentive and aims to align the interests of managers with those of the company by other means.

As Metall Zug AG does not conduct any participation or option programmes, no shares were allocated to members of the Board of Directors and Senior Management or related parties. There are no regulations in the Articles of Association that would permit such an allocation of participation, conversion and option rights. Any acquisition of shares in Metall Zug AG by members of the Board of Directors or Senior Management is made exclusively for their own account at market conditions and is disclosed in accordance with stock exchange regulations. The following overview shows all participation rights of the current members of the Board of Directors and Senior Management at Metall Zug, including related parties:

Share Ownership by Current Members of the Corporate Bodies

	as at 12.31.2023		as at 12.31.2022	
	Type A Registered Shares	Type B Registered Shares	Type A Registered Shares	Type B Registered Shares
Martin Wipfli , Chairman of the Board of Directors	0	4050 ¹⁾	0	3625 ¹⁾
Dominik Berchtold , Member of the Board of Directors	0	67	0	42
Claudia Pletscher , Member of the Board of Directors	0	15	0	15
Dr. Bernhard Eschermann , Member of the Board of Directors	0	20	0	20
David Dean , Member of the Board of Directors (since April 2023)	0	50	0	0
Dr. Matthias Rey , CEO	0	45 ²⁾	0	30 ²⁾
Urs Scherrer , CFO	0	25	0	25

¹⁾ Held by a related company.

²⁾ Held together with a related party.

Pensions and Other Retirement Benefits

In accordance with Art. 25d of the Articles of Association, pensions and other post-employment benefits are only paid to the members of the Board of Directors and the members of Senior Management by pension funds (including insurance companies, collective foundations or similar second-pillar institutions); whereby the respective benefits and the employer and employee contributions are determined by the applicable regulations.

Loans and Credits

There are no loans or credits granted to members of the Board of Directors, members of Senior Management or related parties, and there are no provisions in the Articles of Association that would authorise the granting of loans or credits.

Compensation System for the Board of Directors

All members of the Board of Directors are non-executive. The members of the Board of Directors only receive a fixed compensation for their work as well as a lump-sum reimbursement of business expenses. Members of the Board of Directors who serve as Chairman of the Board of Directors or as chairman or member of a committee or who perform other special tasks (e.g. member of the Board of Directors of subsidiaries) receive an additional fee for this additional function. The compensation of the members of the Board

of Directors is defined in the compensation regulations as follows:

Function	Fee (incl. expense allowance) CHF
Basic fee for Chairman of the Board of Directors	195'000
Basic fee Member	82'000
Additional fee for AC/PVA Chairmanship	18'000
Additional fee for AC/PVA Membership	9'500
Additional fee for Chairman of the BoD of Business Unit	80'000
Additional fee for Member of the BoD of Business Unit	40'000
Additional fee for Chairman of the BoD of Reporting Segment Others	50'000
Additional fee for Member of the BoD of Reporting Segment Others	25'000

These amounts are gross amounts, which means that the employee contributions for the relevant social insurance schemes are paid by the employee (until April 30, 2023, these were paid out as net amounts, whereby the employer also paid the employee contributions). If members have the fee paid to a company (legal entity), the fee is increased accordingly as compensation for employer contributions assumed. Members of Senior Management do not receive any additional remuneration for Board memberships in subsidiaries. The compensation of the Board of Directors is determined at the request of the Human Resources and Compensation

Committee by the entire Board of Directors on an annual basis, usually in the first quarter of the year, for the period from the ordinary Annual General Meeting of Shareholders to the ordinary Annual General Meeting of Shareholders of the following year and presented to the Annual General Meeting of Shareholders for approval in accordance with Art. 25c of the Articles of Association.

Compensation for the Members of the Board of Directors

All compensation paid to current members of the Board of Directors, i.e. during their term of office, by companies controlled by Metall Zug AG is disclosed below. Remuner-

ation paid to former members is disclosed if it is related to their former activities or is not in line with the customs of the market. In the two financial years reported, 2022 and 2023, no remuneration was paid to former members in connection with their previous activities or that was not in line with the customs of the market. The reported remuneration includes additional fees received for bodies of the Board of Directors and directorships with subsidiaries (see list of activities below). The lump-sum expense allowances for members of the Board of Directors, which are based on expense regulations approved by the tax authorities, are also recognized as remuneration in the interests of transparency.

Compensation to the Board of Directors

	2023			2022		
Compensation for the financial year, in CHF	Fixed compensation/fee (gross) ¹⁾	Social contributions ²⁾	Total	Fixed compensation/fee (gross) ¹⁾	Social contributions ²⁾	Total
Martin Wipfli ³⁾	362 298	0	362 298	328 798	0	328 798
Dominik Berchtold	101 937	5 564	107 501	99 470	5 470	104 940
David Dean ⁴⁾ (Member as of April 28, 2023)	114 333	18 373	132 706	0	0	0
Bernhard Eschermann (Member as of April 29, 2022)	93 278	5 106	98 384	64 556	3 556	68 112
Claudia Pletscher	107 502	0	107 502	99 470	5 470	104 940
Heinz M. Buhofer ⁵⁾ (No longer a member as of April 29, 2022)	0	0	0	80 945	0	80 945
Sandra Emme ⁶⁾ (No longer a member as of April 29, 2022)	0	0	0	28 929	1 595	30 524
Peter Terwiesch ⁶⁾ (No longer a member as of April 29, 2022)	0	0	0	32 278	1 778	34 056
Total Board of Directors	779 348	29 043	808 391	734 446	17 869	752 315

¹⁾ The declared compensation includes additional fees received for bodies of the Board of Directors and directorships with subsidiaries (see list of activities below). Lump-sum expense allowances are also disclosed as compensation under this heading.

²⁾ Employer contributions to AHV (old-age and survivors' insurance), IV (disability insurance), EO (loss of earnings compensation), ALV (unemployment insurance) and any contributions to staff pension schemes.

³⁾ The compensation to Martin Wipfli includes his fees as Chairman of the Board of Directors of Tech Cluster Zug AG, Urban Assets Zug AG (until April 30, 2023, thereafter member of the Board of Directors of both companies) and Belimed AG (from November 2022).

⁴⁾ The compensation to David Dean includes his fees as Chairman of the Board of Directors of Haag-Streit Holding, compensation has been taken into account from the date he joined the Board of Directors of Metall Zug AG on April 28, 2023.

⁵⁾ The compensation to Heinz M. Buhofer includes his fees as a member of the Board of Directors of Belimed Life Science AG, Belimed AG, Tech Cluster Zug AG and Urban Assets Zug AG. The compensation has been taken into account up to his departure from the Board of Directors of Metall Zug AG on April 29, 2022.

⁶⁾ The payments to Sandra Emme and Peter Terwiesch have been taken into account up to their departure from the Board of Directors of Metall Zug AG on April 29, 2022.

The remuneration paid to the members of the Board of Directors in the 2023 financial year is higher than in the previous year due to the increase from four to five members following the Annual General Meeting of Shareholders on April 28, 2023. David Dean was elected as a new member.

At the Annual General Meeting of Shareholders on April 29, 2022, the total amount of CHF 900 000 was approved, which was allocated for the fixed remuneration of the members of the Board of Directors for the term of office until the Annual General Meeting of the Shareholders on April 28, 2023. Of this total amount, CHF 645 162 was utilized for remuneration

to the Board of Directors in the corresponding term of office. The Board of Directors will propose to the next Annual General Meeting of Shareholders on April 26, 2024, a total amount of CHF 900 000 (unchanged from the previous year) for the fees paid to the members for the term of office until the 2025 Annual General Meeting of Shareholders.

Activities of the members of the Board of Directors

As at December 31, 2023, the members of the Board of Directors performed the following internal Group functions and other comparable functions at other companies with a commercial purpose:

Board of Directors	Internal Group tasks (including mandates on the instruction of and in the interests of Metall Zug)	Comparable functions at other companies with an economic purpose (companies under uniform control count as a single mandate)
Martin Wipfli	<ul style="list-style-type: none"> • Metall Zug AG, Zug (Chairman of the Board of Directors) • Metall Zug AG, Zug (member of the Audit Committee, up to April 28, 2023) • Belimed AG, Zug (Chairman of the Board of Directors) • Tech Cluster Zug AG and Urban Assets Zug AG, both Zug (member of the Board of Directors, up to June 30, 2023, Chairman of the Board of Directors) • Multi Energy Zug AG, Zug (member of the Board of Directors) • Haag-Streit Foundation in liquidation, Bern (Chairman of the Foundation Board) 	<ul style="list-style-type: none"> • Elma Electronic AG, Wetzikon (Chairman of the Board of Directors, listed) • FISBA AG, St. Gallen (Chairman of the Board of Directors, not listed) • Frutiger AG, Thun (Chairman of the Board of Directors, not listed); Frutiger AG Immobilien, Thun (Chairman of the Board of Directors, not listed); Frutiger Unternehmungen AG, Bern (member of the Board of Directors, not listed) • GRAPHIA-Holding AG, Hergiswil (Chairman of the Board of Directors, not listed); Müller Martini Holding AG, Hergiswil (Chairman of the Board of Directors, not listed) • nebag AG, Zurich (Chairman of the Board of Directors, listed) • Peletop AG, Zug (Chairman of the Board of Directors, not listed); Peter J. Lehner & Partner AG, Zug (Chairman of the Board of Directors, not listed) • Plaston Holding AG Widnau, Widnau (Chairman of the Board of Directors, not listed) • VV Vermögensverwaltung AG, Zug (Chairman of the Board of Directors, not listed) • WBG Holding AG, Bern (Chairman of the Board of Directors, not listed) • Zug Estates Holding AG, Zug (Chairman of the Board of Directors, listed)
Dominik Berchtold	<ul style="list-style-type: none"> • Metall Zug AG, Zug (member of the Board of Directors) • Metall Zug AG, Zug (Chairman of the Human Resources and Compensation Committee) 	<ul style="list-style-type: none"> • ViAir AG, Zug (Chairman of the Board of Directors and CEO, not listed); Viessmann Group GmbH & Co. KG, Allendorf, Germany (member of the Offering Board, not listed); Polybloc AG, Winterthur (member of the Board of Directors, up to December 31, 2023, not listed); Nu-Air Ventilation Systems Inc., Windsor, Canada (Chairman of the Board of Directors, up to December 31, 2023, not listed); Oxygen8 Solutions Inc., Vancouver, Canada (member of the Board of Directors, up to December 31, 2023, not listed)

David Dean (Joined April 28, 2023)	<ul style="list-style-type: none"> • Metall Zug AG, Zug (member of the Board of Directors, from April 28, 2023) • Metall Zug AG, Zug (member of the Audit Committee, from April 28, 2023) • Haag-Streit Holding AG, Köniz (Chairman of the Board of Directors) 	<ul style="list-style-type: none"> • Bossard Holding AG, Zug (Chairman of the Board of Directors, listed); • Komax Holding AG, Dierikon (member of the Board of Directors, listed); • Burckhardt Compression Holding AG, Winterthur (member of the Board of Directors, listed); Compressor Tech Holding AG, Zug (member of the Board of Directors, not listed); Burckhardt Compression AG, Winterthur (member of the Board of Directors, not listed) • BRUGG GROUP AG, Brugg (member of the Board of Directors, not listed); BRUGG eConnect AG, Brugg (member of the Board of Directors, not listed); BRUGG Immobilien AG, Brugg (member of the Board of Directors, not listed); BRUGG Lifting AG, Birr (member of the Board of Directors, not listed); BRUGG Rohrsystem AG, Kleindöttingen (member of the Board of Directors, not listed); BRUGG Ropes AG, Romanshorn (member of the Board of Directors, not listed); Fatzer AG, Romanshorn (member of the Board of Directors, not listed); Geobruagg AG, Romanshorn (member of the Board of Directors, not listed); Rittmeyer AG, Baar (member of the Board of Directors, not listed)
Bernhard Eschermann (Joined April 29, 2022)	<ul style="list-style-type: none"> • Metall Zug AG, Zug (member of the Board of Directors) • Metall Zug AG, Zug (member of the Human Resources and Compensation Committee) 	<ul style="list-style-type: none"> • ABB Schweiz AG, Zurich, Head of Technology (Chief Technology Officer) of the Process Automation division, and Head of the Group Technology Leadership Team, not listed, but subsidiary of listed company ABB AG)
Claudia Pletscher	<ul style="list-style-type: none"> • Metall Zug AG, Zug (member of the Board of Directors) • Metall Zug AG, Zug (Chair of the Audit Committee) 	<ul style="list-style-type: none"> • Fineminds GmbH, Alpnach (Managing Director, not listed) • Flughafen Zürich AG, Kloten (member of the Board of Directors, listed) • Medbase AG, Winterthur (member of the Board of Directors, not listed) • Migros Vita AG, Gossau (SG) (member of the Board of Directors, not listed)

Compensation System for Senior Management

The compensation of the members of Senior Management consists of a fixed basic salary and a performance-related variable compensation in cash. In addition, the members of Senior Management receive a lump-sum expenses allowance. The employment contracts of the members of Senior Management do not provide for any severance payments. The notice period is six months.

The amount of the fixed compensation is determined at the request of the Human Resources and Compensation Committee by the entire Board of Directors, taking into account the fixed component agreed with Senior Management in their employment contracts, in the fourth quarter for the following financial year, with reference to the total amount approved by the General Meeting of Shareholders. Approval of the total amount available for the fixed compensation of the members of Senior Management is given by the General Meeting of Shareholders in accordance with Art. 25c of the Articles of Association for the following calendar year (prospective model).

If an approved total amount for the compensation of the Senior Management is not sufficient to compensate the members appointed after the resolution by the General Meeting of Shareholders until the start of the next approval period, in accordance with Art. 25c of the Articles of Association an additional amount of no more than 40 % of the previously approved

total compensation for Senior Management per person is available to the company for the approval period in question.

Comments on the Variable Remuneration of the Senior Management

In accordance with Art. 25b of the Articles of Association, the variable compensation may not exceed 100 % of the fixed component. It is linked to quantitative (financial) objectives, the structure of which may be determined by the Human Resources and Compensation Committee with full discretion, taking into consideration the function of the member of Senior Management in question.

The amount of the target bonus for Senior Management is determined at the request of the Human Resources and Compensation Committee by the entire Board of Directors before the beginning of a financial year, taking into consideration the target bonus agreed with Senior Management in their employment contracts. The variable compensation for Senior Management for a past financial year is also determined at the request of the Human Resources and Compensation Committee by the entire Board of Directors following presentation of the annual financial statements in the first quarter of the following year on the basis of the achievement of the quantitative and qualitative targets agreed. It is paid out in accordance with Art. 25c of the Articles of Association following approval by the General Meeting of Shareholders (retrospective model).

The employment contracts and target agreements of the members of the Executive Board stipulate a target bonus of between around 13 % (CFO) and around 18 % (CEO) of the fixed remuneration in 2023. The target bonus can be exceeded by a maximum of 25 % in each case (maximum target achievement per target of 125 %).

In 2023, a share of 35 % of the bonus for all members of Senior Management is linked to the Group's budgeted EBIT as a quantitative target (financial target). The Metall Zug Group did not achieve the budgeted EBIT in 2023, so the quantitative target was missed completely, resulting in a target achievement level of 0 %.

The qualitative targets amount to 65 % of the bonus and, depending on the member of Senior Management, are based on their contribution, their commitment and their focus on the long-term and sustainable development of the company, with a comprehensive evaluation going beyond quantitative measurement systems. In addition, the qualitative targets also include ESG aspects and at least one ESG target. In 2023, the focus was on establishing new management structures and strategic objectives alongside the implementation of expanded ESG structures within the Group. These targets were achieved with a degree of fulfilment of between 114 % (CEO) and 125 % (CFO). The specific amounts of variable remuneration can be found in the table below.

Compensation to Senior Management

All remuneration paid to members of Senior Management is disclosed below. Lump-sum expense allowances for members of Senior Management, which are based on expense regulations approved by the tax authorities, are also recognized as remuneration in the interests of transparency.

The General Meeting of Shareholders on April 29, 2022, approved the total amount of CHF 1 000 000 that was available for the fixed remuneration of the members of Senior Management in the financial year 2023. Of this total amount, CHF 525 095 was used for fixed remuneration to the Board of Directors in the reporting year. The approved total amount for the 2024 financial year is CHF 800 000. For the 2025 financial year, the Annual General Meeting will be asked to approve an identical total amount of CHF 800 000 for the fixed remuneration of the members of Senior Management compared to the previous year.

From the amount of CHF 100 000 approved by the Annual General Meeting on April 28, 2023, for variable remuneration to the members of Senior Management for the 2022 financial year, CHF 92 243 was actually paid out. The Board of Directors will propose a total amount of CHF 75 000 for the variable remuneration of the members of Senior Management for the 2023 financial year to the Annual General Meeting on April 26, 2024.

Compensation to Senior Management

	2023		2022	
Compensation for the financial year, in CHF	Highest Amount ¹⁾	Senior Management (total)	Highest Amount ¹⁾	Senior Management (total)
Fixed compensation (gross)	226 776	409 991	250 417	383 417
Other payments/benefits ²⁾	15 390	35 016	20 282	33 264
Social contributions ³⁾	44 067	80 088	74 423	99 715
Total fixed compensation	286 233	525 095	345 122	516 396
Variable compensation (gross)	24 375	48 135	68 000	87 600
Social contributions ³⁾	1 292	2 551	3 604	4 643
Total variable compensation⁴⁾	25 667	50 686	71 604	92 243
Total compensation	311 900	575 781	416 726	608 639

¹⁾ In 2023, the highest amount was paid to Urs Scherrer as CFO. The CEO Matthias Rey was employed in an 80% position. In 2022, the highest compensation amount to a single member of Senior Management was paid to Daniel Keist who, as CFO and from April 1, 2020, until his departure (retirement) on August 31, 2022, the only member of the Executive Committee, also performed the duties of CEO.

²⁾ Other payments, benefits and compensation (supplementary insurance, etc.), and lump-sum expense allowances are disclosed as compensation under this heading. Child and family allowances are not disclosed.

³⁾ Employer contributions to pension schemes, AHV (old-age and survivors insurance), IV (disability insurance), EO (loss of earnings compensation), ALV (unemployment insurance), daily sickness benefits insurance and accident insurance.

⁴⁾ The variable compensation to the members of Senior Management is generally paid out in May of the following year subject to approval by the General Meeting of Shareholders (on April 26, 2024, for the variable compensation 2023). The amounts in the table are disclosed on an accrual basis.

Activities of the Members of Senior Management

As at December 31, 2023, the members of the Senior Management performed the following internal Group functions and other comparable functions at other companies with a commercial purpose (without additional remuneration)

	Internal Group tasks (including mandates on the instruction of and in the interests of Metall Zug)	Comparable functions at other companies with an economic purpose (companies under uniform control count as a single mandate)
Matthias Rey	<ul style="list-style-type: none"> • Gehrig Group AG, Glattbrugg (Member of the Board of Directors) • Pension Fund of V-ZUG AG, Zug (Member of the Foundation Board and of the Investment Committee) • Welfare Fund of V-ZUG AG, Zug (Member of the Foundation Board) 	<ul style="list-style-type: none"> • none
Urs Scherrer	<ul style="list-style-type: none"> • Pension Fund of V-ZUG AG, Zug (Chairman of the Investment Committee) 	<ul style="list-style-type: none"> • none

Report of the Statutory Auditor



Ernst & Young Ltd
Gothardstrasse 26
CH-6300 Zug

Phone: +41 58 286 75 55
www.ey.com/en_ch

To the General Meeting of
Metall Zug AG, Zug

Zug, 8 March 2024

Report of the statutory auditor on the audit of the remuneration report



Opinion

We have audited the remuneration report of Metall Zug AG (the Company) for the year ended 31 December 2023. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the tables on pages 73, 75 and 78 as well as in the summaries on pages 76/77 and 79 of the remuneration report.

In our opinion, the information pursuant to Art. 734a-734f CO in the remuneration report (pages 73 to 79) 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 on pages 73, 75 and 78 as well as the summaries on pages 76/77 and 79 in the remuneration report, the consolidated financial statements, the stand-alone 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 Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this remuneration report.

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

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

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



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

Ernst & Young Ltd

Christoph Michel
Licensed audit expert
(Auditor in charge)

Simon Balmer
Licensed audit expert

Financial Report

Financial Report

Consolidated Income Statement	84
Consolidated Balance Sheet	85
Consolidated Statement of Cash Flows	87
Changes in Shareholders' Equity	88
Notes to the Consolidated Financial Statements	89
Report of the Statutory Auditor on the Consolidated Financial Statements	114

Annual Financial Statements Metall Zug AG

Income Statement	118
Balance Sheet	119
Notes to the Annual Financial Statements	120
Proposal for the Appropriation of Available Earnings	123
Report of the Statutory Auditor	124

Addresses	127
------------------	------------

Consolidated Income Statement

in CHF 1 000	Notes	2023	2022 ¹⁾
Net sales	1	494 715	645 941
Cost of goods and services sold		-343 061	-419 249
Gross profit		151 654	226 692
Marketing and sales expenses		-56 734	-73 739
Research and development expenses		-40 961	-54 638
Administration expenses		-53 833	-65 568
Other operating income	2	13 530	109 103
Other operating expenses	16	96	-5 968
Operating income (EBIT)	1	13 752	135 882
Financial income	4	8 553	8 154
Financial expenses	4	-7 646	-9 626
Result of associated companies	11	17 005	10 178
Financial result		17 912	8 706
Income before taxes		31 664	144 588
Taxes	5	-4 966	-7 295
Net income		26 698	137 293
Net income attributable to:			
– Shareholders of Metall Zug AG		22 217	129 981
– Non-controlling interest holders	6	4 481	7 312
Net income per type A registered share (in CHF) ²⁾	7	4.95	29.00
Net income per type B registered share (in CHF) ²⁾	7	49.49	289.96

¹⁾ On August 30, 2022, the Schleuniger Group (Wire Processing Business Unit) was deconsolidated and incorporated into Komax Holding AG. In return, Metall Zug AG received a 25% stake in Komax Holding AG. Since then, the participation in Komax Holding AG has been accounted for using the equity method (proportional equity) and Metall Zug AG's share in Komax Group's net result has been reported in the financial result. The previous year includes the pro rata result of the Schleuniger Group up to the date of deconsolidation and is therefore not comparable to the current year.

²⁾ There is no dilution for 2023 or 2022 with regard to net income per share, refer to Note 7 on page 99.

Details of the individual items are available in the Notes to the consolidated financial statements from page 95.

Consolidated Balance Sheet

Assets

in CHF 1000	Notes	12.31.2023	12.31.2022
Cash and cash equivalents		29 571	31 428
Securities		230	305
Trade receivables	8	74 704	84 749
Other receivables		10 849	17 895
Inventories	9	110 557	129 592
Assets for sale, under construction		4 728	14 025
Prepaid expenses		7 885	7 885
Current assets		238 524	285 879
Land	10	3 365	2 946
Land and buildings	10	132 045	128 445
Plant and equipment	10	11 603	10 200
Prepayments and assets under construction	10	17 615	8 152
Other tangible assets	10	4 927	5 177
Tangible assets	10	169 555	154 920
Associated companies	11	249 003	244 727
Other financial assets	12	30 196	11 288
Financial assets		279 199	256 015
Software	12	3 382	4 375
Intangible assets	12	3 382	4 375
Fixed assets		452 136	415 310
Total assets		690 660	701 189

Details of the individual items are available in the Notes to the consolidated financial statements from page 95.

Liabilities and Shareholders' Equity

in CHF 1 000	Notes	12.31.2023	12.31.2022
Current financial liabilities	13	36 600	17 000
Trade payables		13 968	21 452
Other current liabilities	9, 14, 15	38 929	52 856
Accrued liabilities		49 164	48 989
Current provisions	16	11 509	24 502
Current liabilities		150 170	164 799
Other long-term liabilities	15	6 027	4 727
Long-term provisions	16	12 645	13 360
Non-current liabilities		18 672	18 087
Total liabilities		168 842	182 886
Share capital	18	11 250	11 250
Capital reserves	18	349 003	349 003
Treasury shares	18	0	-6 027
Retained earnings		95 261	99 133
Non-controlling interest		66 304	64 944
Shareholders' equity		521 818	518 303
Total liabilities and shareholders' equity		690 660	701 189

Details of the individual items are available in the Notes to the consolidated financial statements from page 95.

Consolidated Statement of Cash Flows

in CHF 1 000	2023	2022, restated ¹⁾
Net income	26 698	137 293
Financial result, net (excluding result of associated companies)	– 907	1 472
Result of associated companies	– 17 005	– 10 178
Income from sale of fixed assets and participations	– 1 221	– 93 559
Depreciation and amortization	11 311	16 024
Net changes in provisions	– 12 858	– 4 607
Taxes	4 974	7 295
Other non-cash items ²⁾	– 3 570	– 2 075
Change in trade receivables	5 946	– 20 063
Change in other receivables and prepaid expenses	1 331	– 5 334
Change in inventories	13 855	– 47 820
Change in trade payables	– 7 017	4 355
Change in other current liabilities and accrued expenses	– 8 548	15 922
Interest paid	– 512	– 135
Taxes paid	– 2 960	– 4 608
Cash flow from operating activities	9 517	– 6 018
Investments in tangible assets ³⁾	– 35 482	– 33 098
Investments in financial assets	– 400	– 470
Investments in intangible assets	– 750	– 1 691
Investments in Group companies, net of cash acquired ⁴⁾	– 2 494	– 23 739
Disposal of Group companies, net of cash disposed ⁵⁾	6 348	8 553
Disposals of tangible assets ⁶⁾	4 593	7 378
Disposals of financial assets	4 659	897
Disposals of intangible assets	3	0
Interest received	9	51
Dividends received	7 107	36
Cash flow from investing activities	– 16 407	– 42 083
Issuance of short-term financial liabilities	51 700	52 550
Repayment of short-term financial liabilities	– 32 100	– 35 550
Repayment of long-term financial liabilities	0	– 397
Disposal of treasury shares	2 958	0
Dividend to shareholders of Metall Zug AG	– 13 470	– 13 448
Dividend to non-controlling interest holders	– 2 194	– 3 787
Cash flow from financing activities	6 894	– 632
Currency translation effects	– 1 861	– 1 387
Change in "Cash and cash equivalents"	– 1 857	– 50 120
Opening balance Cash and cash equivalents	31 428	81 548
Closing balance Cash and cash equivalents	29 571	31 428

¹⁾ Previous year restated, see Notes to the Consolidated Financial Statements on page 89, chapter Changes in the Presentation of the Statement of Cash Flows. Furthermore, the Schleuniger Group was deconsolidated on August 30, 2022. As a consequence, the figures of the previous year are not comparable to the current year.

²⁾ The position Other non-cash items includes the book profit of TCHF 2 227 from the sale of technical systems in the form of financial leases. The remaining items mainly relate to changes in inventory and trade receivables valuation allowances.

³⁾ Investments in tangible assets 2023 include investments in Assets for sale, under construction, in the amount of TCHF 5 272 (previous year: TCHF 5 264).

⁴⁾ In 2023, the position Investments in Group companies, net of cash acquired, contains deferred purchase price payments for the 2020 acquisition of the minority interests in VRmagic Holding GmbH, Mannheim (DE). In the previous year, the position included the acquisition of the remaining minority interests of 40% in adaptronic Prüftechnik GmbH, Wertheim (DE), and the purchase of Amity Ltd., Barnsley (UK). See Note 23 for more information.

⁵⁾ The position Disposal of Group companies, net of cash disposed, includes the sales proceeds received in 2023 for Clement Clarke International Ltd., Harlow (UK), which was sold at the end of 2022. The previous year included the disposal of cash and the related transaction costs from this sale. Furthermore, the previous year comprised the net cash flow of the contribution of the Schleuniger Group into the Komax Group. This consisted of the repayment of loans taken over in this context by Komax Holding AG to Metall Zug AG less the disposal of the Schleuniger Group's cash. See Note 23 for more information.

⁶⁾ The Disposals of tangible assets 2023 include an advance payment received in connection with Assets for sale, under construction, in the amount of TCHF 4 098 (previous year: TCHF 0).

Changes in Shareholders' Equity

in CHF 1000	Share Capital	Capital Reserves	Treasury Shares	Retained Earnings	Goodwill Offset ¹⁾	Accumu- lated Currency Transla- tion Differ- ences	Total Retained Earnings	Total Equity excl. Non-con- trolling Interests	Non-con- trolling Interests	Equity
Balance on 01.01.2022	11 250	349 003	-6 027	525 775	-416 380	-12 677	96 718	450 944	65 246	516 190
Cash dividend				-13 448			-13 448	-13 448	-3 787	-17 235
Acquisitions					-239 656		-239 656	-239 656		-239 656
Divestments				-5 333	135 930	5 333	135 930	135 930		135 930
Purchase of non-controlling interests				-7 777		-417	-8 194	-8 194	-3 452	-11 646
Currency transla- tion effects				-1 128		-1 070	-2 198	-2 198	-375	-2 573
Net income				129 981			129 981	129 981	7 312	137 293
Balance on 12.31.2022	11 250	349 003	-6 027	628 070	-520 106	-8 831	99 133	453 359	64 944	518 303
Balance on 01.01.2023	11 250	349 003	-6 027	628 070	-520 106	-8 831	99 133	453 359	64 944	518 303
Cash dividend				-13 470			-13 470	-13 470	-2 194	-15 664
Sale of treasury shares			6 027	-3 069			-3 069	2 958		2 958
Acquisition					1 336		1 336	1 336		1 336
Other ²⁾				-5 673			-5 673	-5 673		-5 673
Currency translation effects				-129		-5 084	-5 213	-5 213	-927	-6 140
Net income				22 217			22 217	22 217	4 481	26 698
Balance on 12.31.2023	11 250	349 003	0	627 946	-518 770	-13 915	95 261	455 514	66 304	521 818

¹⁾ Goodwill Offset contains the goodwill allocated to the shareholders of Metall Zug AG, which was offset directly against equity. Unchanged compared to the previous year, the goodwill allocated to and included in non-controlling interests amounts to TCHF 3678.

²⁾ Other contains the proportional equity postings of associated companies.

See Note 18 (page 107) for more detailed information on treasury shares and Note 23 (page 110) for more detailed information on acquisitions and divestments.

Notes to the Consolidated Financial Statements

General

The consolidated financial statements of the Metall Zug Group comply with the complete Swiss GAAP FER financial reporting standard currently applicable and are prepared on the basis of historical cost (acquisition cost or production cost) or actual values. The financial year taken as the basis for the consolidated financial statements is equivalent to the calendar year.

The Board of Directors released the consolidated financial statements for publication on March 8, 2024.

Scope of Consolidation

The full consolidation method is used for all Group companies in which the Group has a participation of more than 50 % and de facto control. This means that assets and liabilities as well as expenses and income are consolidated at 100 %. Any share of non-controlling interests in net income and shareholders' equity is reported separately. Associated companies and joint ventures in which the Metall Zug Group holds direct or indirect investments of 20 % to 50 % are accounted for using the equity method (proportional equity). Participations below 20 % are not consolidated.

At the time of the initial consolidation, assets and liabilities of the acquired companies and business parts are stated at fair value and in accordance with uniform Group policies. The excess of the acquisition price over the revalued net assets of the acquired companies or business parts is recognized as goodwill. This goodwill is offset against retained earnings without affecting net income. The impact of a theoretical capitalization is presented in the Notes to the Consolidated Financial Statements (see Note 12, page 104). The useful life of the goodwill is determined at the time of acquisition. It is generally 5 years, and up to 20 years in exceptional cases.

The acquisition of non-controlling interests of already fully consolidated participations is recognized directly in equity. The difference between the purchase price and the proportional book value of the acquired non-controlling interests is charged to retained earnings.

Changes in the Presentation of the Statement of Cash Flows

Swiss GAAP FER offers the option of recognizing current financial liabilities as part of the "Net cash and cash equivalents" fund or using only Cash and cash equivalents as a fund. In 2023, the fund was adjusted from "Net cash and cash equivalents" to "Cash and cash equivalents", as this is considered a more meaningful presentation of the cash flow statement. The previous year was adjusted accordingly. The effects on the statement of cash flows are shown below.

in CHF 1000	2022, restated	2022
Cash flow from operating activities	-6018	-6018
Cash flow from investing activities	-42083	-41 720
Cash flow from financing activities	-632	-17 632
Change in fund "Cash and cash equivalents" / "Net cash and cash equivalents"	-50 120	-66 757

Changes in Swiss GAAP FER

From January 1, 2024, the new Swiss GAAP FER 28 "Government Grants" and the revised Swiss GAAP FER 30 "Consolidated Financial Statements" will be applied. The relief granted under Swiss GAAP FER 30 with regard to a restatement of the previous year's financial statements will be utilized. Furthermore, goodwill continues to be offset against retained earnings without affecting net income. No significant changes to the financial figures are expected from the first-time application of these recommendations.

Principles of Consolidation

Consolidation Method

Capital consolidation is performed to present the equity of the entire Group. In this context, the acquisition method is applied.

Currency Translation

With regard to currency translation for consolidation purposes, the annual financial statements of the Group companies are translated into Swiss francs according to the current rate method. The exchange rate at the end of the year is applied to assets and liabilities, while the average exchange rate during the period under review is used for income statements and statements of cash flows. Equity is converted on the basis of historical exchange rates, and the resulting currency effects are offset against retained earnings without affecting net income.

Exchange Rates into CHF

Income Statement (Average Rate)	2023	2022
1 EUR	0.9718	1.0048
1 USD	0.8991	0.9550
1 GBP	1.1173	1.1792
100 CNY	12.7047	14.1997
100 JPY	0.6415	0.7298

Balance Sheet (Exchange Rate on 12.31.)	2023	2022
1 EUR	0.9260	0.9847
1 USD	0.8380	0.9232
1 GBP	1.0655	1.1102
100 CNY	11.7948	13.3823
100 JPY	0.5923	0.7001

Sales and Revenue Recognition

Net sales include the inflow of economic benefits from sales of goods and services within the scope of ordinary business during the period under review. Sales reductions such as discounts, rebates and other concessions and any value added tax have been deducted in net sales reported.

Revenues are reported when the significant risks and rewards related to the ownership of products sold to the client (according to the contractual agreement) are transferred. Revenue from services is recognized in the accounting period in which the service is rendered.

In the case of agency transactions, only the value of our own services is recognized. Business transactions involving identifiable multiple elements are recognized and valued separately.

Intercompany Transactions

Intercompany receivables, payables and transactions are eliminated for fully consolidated companies. Allowances and value adjustments for intercompany receivables and investments are reversed. The individual Group companies' intercompany profits on inventories and tangible assets are also eliminated.

Principles of Valuation**Securities**

Listed securities are recorded at stock market prices at the balance sheet date. Unlisted securities are shown in the balance sheet at acquisition cost less any impairment.

Trade Receivables

In addition to individual value adjustments, general value adjustments of up to 2 % for domestic receivables and up to 5 % for foreign receivables are made according to past experience.

Inventories

Purchased goods are recognized in the balance sheet at acquisition cost, predominantly according to the standard cost method or at market value if lower. Cash discounts on goods purchased are recorded as cost reductions. Self-produced goods are valued at production costs including indirect production costs or at market value if lower. In addition to individual value adjustments, general value adjustments for general valuation risks are made according to past experience.

Tangible Assets

Tangible assets are recorded at historical costs or at production costs less straight-line depreciation according to the following table. If required from an economic point of view, impairments are recorded to reflect the decrease in value.

Depreciation and Amortization Table

	years
Industrial, commercial and office buildings	33–50
Residential buildings	50–66
Plant and equipment	5–12
Special tools	3–5
Vehicles	5–10
Other tangible assets	2–8
Software	2–5
Other intangible assets	2–20

Financial Assets

Financial assets are recorded at their cost of acquisition less necessary impairments.

Associated Companies

Associated companies are accounted for using the equity method (proportional equity). The associated companies' share in the result is recorded and shown in the result for the period. Adjustments to the equity of associated companies are recorded in shareholders' equity and do not affect net income. If the financial information of associated companies is not available at the time of preparation of the consolidated financial statement, the proportion of the net income of the investment is estimated based on the publicly available information and management estimates at that time. In this case, the adjustments to the published result of the associated companies are accounted for in the following period.

Intangible Assets

Acquired intangible assets are recognized in the balance sheet if they are to bring measurable benefits to the company over several years. They are measured at historical cost less straight-line amortization according to the above depreciation and amortization table. Self-developed intangible assets are not capitalized.

Liabilities

Liabilities are measured at their nominal value.

Employee Benefits

The Group provides pension plans for the majority of its personnel in compliance with the respective country-specific legal provisions. The most important companies are located in Switzerland, where pension schemes are organized through independent foundations or collective foundations. These plans cover the economic consequences of old age, death or disability. Most pension plans are financed through employer and employee contributions. Pension contributions are calculated as a percentage of the insured salary. In Germany, Slovenia and the United Kingdom, pension benefit obligations are established based on actuarial calculations. These pension benefit obligations are partially re-insured.

Changes in the employer's contribution reserves as well as any economic impact of surpluses or deficits of pension schemes on the Group are recorded as personnel expenses. They affect net income.

Income Taxes

Current income taxes are calculated at the prevailing tax rates based on the expected statutory, respectively fiscal result for the period as per commercial law and according to the respective tax assessment rules. They are disclosed under Other receivables and Other current liabilities.

Deferred Taxes

Deferred taxes are calculated on the differences between the Group companies' tax balance sheet and the balance sheet prepared for consolidation purposes, insofar as these deviations affect income tax. The individual Group companies' current or expected tax rates are applied to calculate deferred taxes. Tax loss carryforwards are neither capitalized nor offset against provisions for deferred taxes. Net deferred tax assets from temporary differences are not capitalized except if they arise from the tax impact on intercompany profit elimination.

Provisions

A provision is recognized if the Group has a probable obligation based on past events for which the amount and due date are still uncertain but can be estimated. The provisions position also includes deferred taxes. They are structured according to their maturity, i.e. a distinction is made between current provisions with an expected cash outflow within the next 12 months, and long-term provisions with an expected cash outflow after more than one year. Provisions for guarantees are calculated based on historical data (average of actual costs in recent years).

Contingent Liabilities

Contingent liabilities are assessed according to the probability and scope of future unilateral contributions and costs, and are disclosed in the Notes.

Risk Management**Risk Assessment and Management Process**

Risk assessment and risk control within the Metall Zug Group are based on a standardized four-stage risk management process which includes the following steps:

1. Identification of risks: Every three years, an extensive Group-wide risk identification process is conducted. Within the scope of the survey, all business risks are compiled and documented on the basis of standard criteria. The identified risks are analyzed, updated and amended as necessary on an annual basis until the next extensive survey is conducted.
2. Risk analysis: The senior executives of the respective Business Units evaluate the risks identified in step 1 with a view to their probability of occurrence and their impact. When assessing the impact of a risk, both the financial implications and the effect on reputation are considered.
3. Risk control: The Business Units assign risk managers to each individual business risk and risk category who define specific measures and monitor the implementation of these measures.
4. Risk reporting: The Audit Committee and the Board of Directors of Metall Zug AG receive a consolidated risk report on an annual basis.

Country Risks

As a Group that operates globally (share of sales generated abroad: 82.7 %; previous year: 90.7 %) the Metall Zug Group is exposed to risks such as political, financial and societal insecurity in addition to turmoil, terrorism and unrest.

Financial Risk Management

Overall, the Metall Zug Group adopts a conservative and risk-averse approach. The Group's business activities expose it to a variety of financial risks, including those related to currency and interest rate risks. Derivative financial instruments such as foreign exchange, commodity and interest rate contracts may be used to hedge these risks.

The principles of financial risk management are determined at Group level and apply to all Business Units. Besides providing guidance on general financial risk management, the principles also set forth requirements for specific areas such as the management of interest rate, currency and counterparty risks,

the use of derivative financial instruments, and the investment policy for excess liquidity.

Liquidity Risks

The Group uses a periodic liquidity planning instrument to monitor liquidity risk and has sufficient cash and cash equivalents and unused credit facilities to meet its liabilities.

The Metall Zug Group reports negative net liquidity of CHF 6.8 million as at the balance sheet date (previous year: positive net liquidity of CHF 14.7 million). Cash and cash equivalents and readily marketable securities of CHF 29.8 million (previous year: CHF 31.7 million) were lower than the financial liabilities of CHF 36.6 million (previous year: CHF 17.0 million). A maturity analysis of financial liabilities is provided in Note 13.

In addition, the Group's excellent credit rating allows it to make efficient use of the financial markets for financing purposes.

Market Risks and Interest Rate Risks

The Business Units of Metall Zug are exposed to commodity price risks. In addition, the purchase price for components is partly dependent on the market price of commodities like steel, aluminum, copper and plastics. The Metall Zug Group hedges the resulting price risk partially by entering into long-term purchasing agreements equivalent to the projected purchasing volumes.

Due to the low level of interest-bearing financial liabilities, changes in interest rates currently have no significant direct impact on the financial development of Metall Zug. Furthermore, there are no assets that are subject to significant interest.

Currency Risks

In Switzerland and abroad, the Metall Zug Group generates both revenues and costs in foreign currencies. Exchange rate movements therefore have an impact on the consolidated results. These risks are partly mitigated through the concept known as natural hedging. This involves neutralizing currency risks from cash inflows in a certain currency with cash outflows in the same currency. However, the cash inflows and outflows do not match in size. As a result, currency fluctuations can affect

the Group's earnings margins, which means that the Group is exposed to a transaction risk. Specifically, the USD/EUR and USD/CHF exchange rates have a significant impact on the currency risks of the group (income in USD, costs in EUR and CHF). This means that the EUR/CHF exchange rate is also a major influencing factor.

In general, part of the transaction risks are systematically hedged, usually for 6–12 months.

Foreign Currencies in the Financial Result

in CHF 1 000	2023	2022
Foreign exchange losses (net)	–1 555	–362
in % of income before taxes	–4.9	–0.3
Change from previous year	–1 193	–1 437
Change in % of income before taxes	–3.8	–1.0

Counterparty Risks from Treasury Activities

Financial transactions are only entered into with counterparties with a high credit rating. Cash and cash equivalents and securities are invested in a variety of counterparties to avoid cluster risks.

Credit Risks

Credit risks for the Group mainly arise from the sale of products and services (risk of default). The customer's financial circumstances are monitored on a regular basis (wherever this makes sense). It is not customary to require additional collateral. As the Group has a broad customer base, its exposure to individual default risks is low. Specific allowances for doubtful receivables are established for anticipated bad debts. In addition, general provisions for doubtful receivables of maximum 2 % are formed for domestic receivables and maximum 5 % for foreign receivables, which are based on empirical values.

Allowance for Doubtful Receivables

in CHF 1 000	2023	2022
Allowance for doubtful receivables	–2 564	–2 795
in % of trade receivables (gross)	3.3	3.2
Change from previous year	231	–382 ¹⁾
Change in % of income before taxes	0.7	–0.3

¹⁾ Adjusted for the deconsolidation impacts of TCHF – 1 662 of Schleuniger Group and Clement Clarke International Ltd.

List of Investments (as at 12.31.2023)

Company	Domicile	Currency	Share Capital	Share of Capital and Votes
Belimed AG	Zug	CHF	6500000	100%
Belimed GmbH	Mühldorf am Inn (DE)	EUR	6135550	100 %
Belimed d.o.o.	Grosuplje (SI)	EUR	27675	100 %
Belimed GmbH	Feldkirchen (AT)	EUR	180000	100 %
Belimed B.V.	Capelle aan den IJssel (NL)	EUR	18151	100 %
Belimed SAS	Sausheim (FR)	EUR	1650000	100 %
Belimed Ltd.	Shipley (UK)	GBP	200000	100 %
Amity Ltd.	Barnsley (UK)	GBP	1000	100 %
Belimed, Inc.	Ladson (US)	USD	3000000	100 %
Belimed Medical Equipment (Shanghai) Co., Ltd.	Shanghai (CN)	CNY	4223180	100 %
Haag-Streit Holding AG	Köniz	CHF	750000	70%
Haag-Streit AG	Köniz	CHF	8000000	100 %
Spectros AG	Ettingen	CHF	500000	100 %
Haag-Streit Deutschland GmbH	Wedel (DE)	EUR	500000	100 %
Möller-Wedel Beteiligungen GmbH	Wedel (DE)	EUR	1510000	100 %
Haag-Streit Engineering GmbH & Co. KG	Wedel (DE)	EUR	1000	100 %
Möller-Wedel Optical GmbH	Wedel (DE)	EUR	500000	100 %
HS DOMS GmbH	Saalfeld (DE)	EUR	25000	100 %
Haag-Streit GmbH	Mannheim (DE)	EUR	21050000	100 %
Haag-Streit Far East, Ltd.	Shanghai (CN)	CNY	500000	100 %
Haag-Streit Japan K.K. ¹⁾	Tokyo (JP)	JPY	1000000	100 %
Haag-Streit UK Ltd.	Harlow (UK)	GBP	7200000	100 %
Haag-Streit USA, Inc.	Mason (US)	USD	100	100 %
Urban Assets Zug AG	Zug	CHF	1000000	100%
Tech Cluster Zug AG	Zug	CHF	100000	100%
Multi Energy Zug AG ²⁾	Zug	CHF	100000	50 %
Belimed Life Science AG	Sulgen	CHF	3000000	100%
Belimed Life Science d.o.o.	Grosuplje (SI)	EUR	7500	100 %
Belimed Life Science GmbH	Dresden (DE)	EUR	25000	100 %
Belimed Life Science, Inc.	Delaware (US)	USD	10000	100 %
Gehrig Group AG	Rümlang	CHF	2000000	100%
Hildebrand France S.a.r.l.	La Boisse (FR)	EUR	426720	100 %
V-ZUG Holding AG³⁾	Zug	CHF	1735714	30%
Komax Holding AG³⁾	Dierikon	CHF	513333	25%

Changes in the investments held compared to the previous year are explained in the footnotes below.

¹⁾ Haag-Streit Japan K.K., Japan, was founded on October 10, 2023.

²⁾ Joint venture.

³⁾ Associated companies.

1 Segment Information

The Business Units of the Metall Zug Group and their business activities are explained in more detail below:

Infection Control	Equipment for hospitals, as well as services and consumables
Medical Devices	Products and services for diagnosis and surgery, mainly in the fields of ophthalmology and microsurgery
Technologycluster & Infrastructure	Management and development of real estate
Others	– Belimed Life Science: equipment and services for the pharmaceutical industry and laboratories – Gehrig Group AG: products and services for gastronomy and healthcare – Metall Zug AG: management functions and corporate finance services
Wire Processing (Until August 30, 2022)	Wire processing equipment, test systems, software and services

By Business Unit

in CHF 1000	Net Sales		Operating Income (EBIT)	
	2023	2022	2023	2022
Infection Control	185 976	186 280	– 2 756	1 719 ¹⁾
Medical Devices	178 342	225 562	15 165 ²⁾	28 806 ²⁾
Technologycluster & Infrastructure	19 574 ³⁾	–	5 177 ³⁾	2 870
Others	117 288	86 196	– 3 968	82 616 ⁴⁾
Wire Processing		158 979 ⁵⁾		19 986 ⁵⁾
Consolidation	– 6 465	– 11 076	134	– 115
Total	494 715	645 941	13 752	135 882
in percent	EBIT as % of Net Sales		Contribution to Operating Income (EBIT)	
	2023	2022	2023	2022
Infection Control	– 1.5 %	0.9 % ¹⁾	– 20.0 %	1.3 % ¹⁾
Medical Devices	8.5 % ²⁾	12.8 % ²⁾	110.3 % ²⁾	21.2 % ²⁾
Technologycluster & Infrastructure	26.4 % ³⁾	–	37.6 % ³⁾	2.1 %
Others	– 3.4 %	95.8 % ⁴⁾	– 28.9 %	60.8 % ⁴⁾
Wire Processing		12.6 % ⁵⁾		14.7 % ⁵⁾
Consolidation	0.0 %	0.0 %	1.0 %	– 0.1 %
Total	2.8 %	21.0 %	100.0 %	100.0 %

¹⁾ Includes the release of a provision for legal costs of TCHF 1 586 and the gain on disposal of a property of TCHF 854.

²⁾ 2023 contains the release of a provision of TCHF 2084 related to the disposal of a pension plan in the United Kingdom. The prior year includes the net expense of TCHF 2 359 from the partial release of an actuarial pension liability of TCHF 2 526 minus the creation of a provision to revalue this pension liability at disposal values of TCHF 4 885, see Note 16.

³⁾ Net Sales of the Technologycluster & Infrastructure Business Unit of TCHF 19 574 relate to the sale of technical systems in the form of financial leases to a related party. The EBIT impact of this transaction is TCHF 2 227, see Note 19.

⁴⁾ Includes the gain of TCHF 89 743 from the contribution of the Schleuniger Group into the Komax Group in exchange for a minority stake of 25 % in Komax Holding AG, see Note 23.

⁵⁾ For the consolidation period from January 1, 2022, to August 30, 2022. Includes the gain on disposal of a property of TCHF 2 786.

Net Sales to Third Parties by Region**2023**

in CHF 1 000	Infection Control	Medical Devices	Technology-cluster & Infrastructure	Others	Wire Processing	Total
Switzerland	11 235	9 358	19 574	45 314		85 481
Europe (excluding Switzerland)	54 642	60 802	0	45 261		160 705
Americas	74 486	80 220	0	18 381		173 087
Asia / Pacific / Others	40 906	27 962	0	6 574		75 442
Total 2023	181 269	178 342	19 574	115 530		494 715

2022

in CHF 1 000	Infection Control	Medical Devices	Technology-cluster & Infrastructure	Others	Wire Processing ¹⁾	Total
Switzerland	9 832	8 052	0	41 379	899	60 162
Europe (excluding Switzerland)	48 344	71 722	0	25 543	63 969	209 578
Americas	79 491	111 727	0	8 384	56 661	256 263
Asia / Pacific / Others	39 648	34 061	0	8 783	37 446	119 938
Total 2022	177 315	225 562	0	84 089	158 975	645 941

¹⁾ For the period of consolidation from January 1, 2022, to August 30, 2022.**2 Other Operating Income**

Other operating income of TCHF 13 530 (previous year: TCHF 109 103) includes in particular the income from rental and property management of TCHF 11 065 (previous year: TCHF 10 436). This position also includes the income of TCHF 1 221 (previous year: TCHF 4 106) from the sale of property, plant and equipment and other participations. In the previous year, Other operating income further included the gain of TCHF 89 743 from the contribution of the Schleuniger Group into the Komax Group in exchange for a 25 % stake in Komax Holding AG (see Note 23) and the dissolution of a provision for a legal claim in the amount of TCHF 1 586.

3 Personnel Expenses

in CHF 1 000	2023	2022
Wages and salaries	-175 469	-230 693
Pension contributions	-9 114	-10 222
Other welfare and personnel expenses	-34 191	-41 357
Total personnel expenses	-218 774	-282 272

The number of full-time equivalents decreased by 93 in the reporting year (previous year: decrease of 1 004) to 2 224 (previous year: 2 317). This represents a decrease of 4.0 % (previous year: decrease of 31.2 %). The full-time equivalents have been adjusted for the effects of short-time work. Government compensation for short-time work is presented net in the personnel expenses. This amounts to TCHF 907 in 2023 (previous year: TCHF 704).

4 Financial Result

in CHF 1 000	Note	2023	2022
Interest income		22	22
Income from securities		4 112	99
Income from financial assets		121	300
Foreign exchange gains		4 298	7 733
Total financial income		8 553	8 154
Interest expenses		-754	-316
Losses on securities		-189	-236
Expenses from financial assets		-88	0
Other financial expenses		-762	-979
Foreign exchange losses		-5 853	-8 095
Total financial expenses		-7 646	-9 626
Result of associated companies	11	17 005	10 178
Net financial result		17 912	8 706

5 Taxes**Expenses****in CHF 1 000**

	2023	2022
Current income taxes	-4832	-8501
Deferred income taxes	-134	1 206
Total expenses	-4966	-7295

Liabilities**in CHF 1 000**

	12.31.2023	12.31.2022
Current income tax liability	4497	3 118
Deferred income tax liability	464	335
Total liabilities	4961	3453

Assets**in CHF 1 000**

	12.31.2023	12.31.2022
Current income tax asset	1 799	1 663
Total assets	1799	1663

Income Taxes 2023

	Tax rate	in CHF 1 000
Income before taxes		31 664
Weighted average applicable tax rate / calculated taxes	21.9 %	6 939
Utilization of previously unrecognized tax loss carry forwards		-1 961
Additional unrecognized tax losses		4 464
Change of unrecognized temporary differences		-2 185
Tax effects on investments and from participation reduction regime		-1 351
Non-tax deductible expenses / non-taxable income		6
Income tax from prior periods		21
Tax rate changes		-110
Research and development tax credits		-617
Other effects		-240
Reported tax rate / taxes according to the income statement	15.7 %	4 966

Income Taxes 2022

	Tax rate	in CHF 1 000
Income before taxes		144 588
Weighted average applicable tax rate / calculated taxes	16.9 %	24 436
Utilization of previously unrecognized tax loss carry forwards		-3 105
Additional unrecognized tax losses		1 162
Change of unrecognized temporary differences		-914
Tax effects on investments		-12 685
Non-tax deductible expenses / non-taxable income		-544
Income tax from prior periods		286
Tax rate changes		89
Research and development tax credits		-1 582
Other effects		152
Reported tax rate / taxes according to the income statement	5.0 %	7 295

Tax expenses amount to 15.7 % (previous year: 5.0 %) of income before taxes. The weighted average applicable tax rate of 21.9 % is calculated from the income tax rates likely to apply to the income of the individual Group companies in the respective tax jurisdiction, which naturally varies according to the individual earnings. The increase in this calculated tax rate to 21.9 % for the year 2023 from 16.9 % in the previous year is due to changes in weighted earnings of the respective Group companies. The average weighted tax rate for deferred income taxes on temporary differences is 20.0 % (previous year: 20.2 %). The tax effect on investments of TCHF – 12 685 reported in the previous year's tax rate reconciliation was mainly due to a non-taxable gain from the contribution of the Schleuniger Group into the Komax Group in exchange for a 25 % share in Komax Holding AG.

Potential tax reductions resulting from tax loss carry forwards and temporary differences decreased in 2023 in net terms by TCHF 4 169 to TCHF 56 257 (previous year: decrease by TCHF 15 245 to TCHF 60 426). Potential tax reductions are not capitalized due to their uncertain recoverability.

6 Result Attributable to Non-controlling Interests

in CHF 1 000	2023	2022
Haag-Streit Holding AG	4 481	7 312
Total result attributable to non-controlling interests	4 481	7 312

At the end of 2023 and unchanged to the previous year, non-controlling interests of 30 % in Haag-Streit Holding AG, K niz, are held by third parties.

7 Net Income per Share

	2023	2022
Issued type A registered shares	1 948 640	1 948 640
Average outstanding type A registered shares	1 948 640	1 948 640
Issued type B registered shares	255 136	255 136
Average outstanding type B registered shares	254 037	253 406
Net income attributable to shareholders of Metall Zug AG (in CHF 1 000)	22 217	129 981
Weighted average number of shares	448 901	448 270
Net income per type A registered share (in CHF)	4.95	29.00
Net income per type B registered share (in CHF)	49.49	289.96

Net income per share is calculated by dividing the net income attributable to the shareholders of Metall Zug AG by the weighted average of issued shares less the weighted average of treasury shares. The 1 948 640 type A registered shares correspond to 194 864 type B registered shares.

There is no dilution for 2023 or 2022 with regard to net income per share.

8 Trade Receivables

in CHF 1 000	12.31.2023	12.31.2022
Gross trade receivables	77 268	87 544
Allowance for doubtful receivables	-2 564	-2 795
Total trade receivables	74 704	84 749

9 Inventories

in CHF 1 000	12.31.2023	12.31.2022
Raw materials	31 624	37 124
Trade goods	38 432	39 078
Semifinished and finished products	67 112	84 845
Advance payments to suppliers	1 088	1 088
Specific value adjustments	-17 928	-20 573
General value adjustments	-9 771	-11 970
Total inventories	110 557	129 592

Advance payments from customers are not offset against inventories; they are reported as other current liabilities and amount to TCHF 21 003 (previous year: TCHF 35 565).

10 Fixed Assets**Tangible Assets**

in CHF 1000

	Land	Land & Buildings	Plant & Equipment	Prepay-ments & Assets Under Construction	Other Tangible Assets	Total Tangible Assets
Acquisition costs						
Balance on 01.01.2022	2348	195380	44229	27 127	35 158	304242
Changes in scope of consolidation	-570	-38858	-8810	-1084	-10349	-59671
Additions	980	3947	1811	20096	2887	29721
Disposals		-5200	-1 127	-699	-3391	-10417
Reclassifications	227	37450	-1312	-37 263	624	-274
Currency translation effects	-39	-1076	-361	-25	-648	-2 149
Balance on 12.31.2022	2946	191643	34430	8 152	24281	261452
Additions	649	2234	1676	23 721	1924	30204
Disposals		-1 673	-1 290		-297	-3260
Reclassifications		7929	2274	-14 248	145	-3900
Currency translation effects	-230	-1 773	-765	-10	-781	-3559
Balance on 12.31.2023	3365	198360	36325	17615	25272	280937
Accumulated depreciation						
Balance on 01.01.2022	0	-72621	-29178	0	-27093	-128892
Changes in scope of consolidation		12642	5570		7747	25959
Depreciation current year		-4899	-2992		-3535	-11 426
Disposals		2099	1 163		3395	6657
Reclassifications		-748	873		-122	3
Currency translation effects		329	334		504	1 167
Balance on 12.31.2022	0	-63 198	-24230	0	-19 104	-106532
Depreciation current year		-5046	-2240		-2 145	-9431
Disposals		1451	1264		287	3002
Currency translation effects		478	484		617	1 579
Balance on 12.31.2023	0	-66315	-24722	0	-20345	-111382
Net book values on 01.01.2022	2348	122759	15051	27 127	8065	175350
Net book values on 12.31.2022	2946	128445	10200	8 152	5 177	154920
Net book values on 12.31.2023	3365	132045	11603	17615	4927	169555
Of which land 12.31.2022		47 126				
Of which land 12.31.2023		47 366				
Of which investment property 12.31.2022		11 435				
Of which investment property 12.31.2023		18 590				

In 2023, assets under construction in the amount of TCHF 3530 were reclassified from tangible assets to assets for sale, under construction, within current assets (previous year: TCHF 0).

11 Associated Companies

Metall Zug AG holds a 30.27 % stake in V-ZUG Holding AG and since August 30, 2022, a 25 % stake in Komax Holding AG. Metall Zug AG also holds minority investments in other smaller companies which are included in the balance sheet position Associated companies.

Book Value of Associated Companies

in CHF 1000	V-ZUG Holding AG	Komax Holding AG	Others	Total Associated Companies
Balance on 01.01.2022	135 464		356	135 820
Change in scope of consolidation ¹⁾		326 608	-531	326 077
Dividends received			-36	-36
Adjustment to previous year's published result	536			536
Proportional consolidated net income for the current year	3 632	5 750	260	9 642
Proportional equity postings	12	-227 317	-7	-227 312
Balance on 12.31.2022	139 644	105 041	42	244 727
Dividends received		-7 058		-7 058
Adjustment to previous year's published result	-1 228	-345		-1 573
Proportional consolidated net income for the current year	4 329	14 250	1	18 580
Proportional equity postings	-1 480	-4 193		-5 673
Balance on 12.31.2023	141 265	107 695	43	249 003

Proportional Results of Associated Companies

in CHF 1000	V-ZUG Holding AG	Komax Holding AG	Others	Total Associated Companies
Adjustment to previous year's published result	536			536
Proportional consolidated net income for the current year	3 632	5 750	260	9 642
Total proportional result of associated companies 2022	4 168	5 750	260	10 178
Adjustment to previous year's published result	-1 228	-345		-1 573
Proportional consolidated net income for the current year	4 327	14 250	1	18 578
Total proportional result of associated companies 2023	3 099	13 905	1	17 005

¹⁾ The 25 % interest in Komax Holding AG was initially recognized at market value of TCHF 326 608. The proportional equity at the time of initial recognition amounted to TCHF 99 291. The resulting goodwill of TCHF 227 317 was recognized through equity. See Note 23.

As the published financial data of the V-ZUG Group and Komax Group for the current financial year is not available at the time the consolidated financial statements are prepared, Metall Zug AG's share in the results is estimated based on the latest publicly available information (analyst reports and ad-hoc publications). Any discrepancies between the actual results published and these estimates will be accounted for in the following financial year.

12 Other Financial Assets and Intangible Assets

in CHF 1000	Employer's Contribution Reserves	Shares in Companies ¹⁾	Long-term Loans and Receivables	Other	Total Other Financial Assets	Intangible Assets
Acquisition costs						
Balance on 01.01.2022	0	13 613	363	0	13 976	38 132
Changes in scope of consolidation			-282		-282	-13 703
Additions	22	354	187		563	1 426
Disposals	-22	-876			-898	-39
Reclassifications						274
Currency translation effects		1	-6		-5	-185
Balance on 12.31.2022	0	13 092	262	0	13 354	25 905
Additions		366	601	68	1 035	568
Disposals		-1 014			-1 014	-1 032
Reclassifications			18 880		18 880	368
Currency translation effects		-1	-21	-3	-25	-205
Balance on 12.31.2023	0	12 443	19 722	65	32 230	25 604
Accumulated amortization						
Balance on 01.01.2022	0	-2 366	0	0	-2 366	-24 143
Changes in scope of consolidation						7 015
Amortization current year						-4 598
Release of Impairments		300			300	
Disposals						39
Reclassifications						-3
Currency translation effects						160
Balance on 12.31.2022	0	-2 066	0	0	-2 066	-21 530
Amortization current year						-1 880
Release of impairments		32			32	
Disposals						1 029
Currency translation effects						159
Balance on 12.31.2023	0	-2 034	0	0	-2 034	-22 222
Net book values on 01.01.2022	0	11 247	363	0	11 610	13 989
Net book values on 12.31.2022	0	11 026	262	0	11 288	4 375²⁾
Net book values on 12.31.2023	0	10 409	19 722	65	30 196	3 382²⁾

¹⁾ Incl. private-equity investments.²⁾ Only contains software.

Financial Assets

Shares in Companies incl. Private-Equity Investments

In 2023, impairments in the amount of TCHF 32 were released on shares in companies incl. private-equity investments (previous year: TCHF 300). This relates, as in the previous year, mainly to the financial investment in Schlatter Industries AG.

Long-term Loans and Receivables

The 2023 reclassifications mainly include the non-current portion of receivables from the sale of technical systems in the form of finance leases to a related party (see Note 19 for details).

Goodwill Treatment

Goodwill is offset against the retained earnings at the time of acquisition. The table below shows the theoretical effects of goodwill on net result and shareholders' equity as if goodwill had been capitalized and amortized over a useful life of 5 years.

Goodwill (shadow statement)

in CHF 1000	2023	2022
Acquisition costs 01.01.	523 784	420 058
Additions ¹⁾	0	239 656
Disposals ²⁾	-1 336	-135 930
Acquisition costs 12.31.	522 448	523 784
Theoretical accumulated amortizations 01.01.	-298 286	-406 154
Theoretical amortization current year	-49 669	-23 055
Disposals ²⁾	0	130 923
Theoretical accumulated amortizations 12.31.	-347 955	-298 286
Theoretical net book value goodwill 01.01.	225 498	13 904
Theoretical net book value goodwill 12.31.	174 493	225 498

¹⁾ In 2023, no goodwill additions occurred. In the previous year, the additions include TCHF 12 339 goodwill from the acquisition of Amity Ltd., Barnsley (UK) and the goodwill of TCHF 227 317 from the minority stake in Komax Holding AG, which Metall Zug AG has received in return for the contribution of the Schleuniger Group. See Note 23 for more information.

²⁾ In 2023, goodwill from the acquisition of Amity Ltd., Barnsley (UK), was reduced by TCHF 1 336 due to a subsequent purchase price adjustment. The disposals in the previous year included the goodwill recycling from the deconsolidation of the Schleuniger Group. The theoretical net book value of the goodwill belonging to the Schleuniger Group amounted to TCHF 5 007 at the deconsolidation date. See Note 23 for more information.

The capitalization and amortization of goodwill would have the following theoretical impact on shareholders' equity and net result:

Theoretical impact on income statement, in CHF 1000	2023	2022
Reported net result	26 698	137 293
Theoretical amortization current year	-49 669	-23 055
Theoretical net result after amortization of goodwill	-22 971	114 238
Theoretical impact on shareholders' equity, in CHF 1000	12.31.2023	12.31.2022
Reported shareholders' equity	521 818	518 303
Theoretical capitalization of net book value goodwill	174 493	225 498
Theoretical shareholders' equity including net book value of goodwill	696 311	743 801

13 Financial Liabilities

in 1 000

Financial liabilities 12.31.2023	Currency	Term	Amount CHF	Interest Rate
Unsecured bank loans with fixed interest rate	CHF	January 2024	25 000	2.3 %
Unsecured bank loans with fixed interest rate	CHF	February 2024	11 600	2.2–2.3 %
Total current financial liabilities			36 600	

in 1 000

Financial liabilities 12.31.2022	Currency	Term	Amount CHF	Interest Rate
Unsecured bank loans with fixed interest rate	CHF	January 2023	17 000	1.3–1.5 %
Total current financial liabilities			17 000	

As in the previous year, the unsecured bank loans as of December 31, 2023, are fixed advances from Swiss banks.

14 Pension Liabilities

Pension liabilities are recorded as other current liabilities and amount to TCHF 298 (previous year: TCHF 292).

15 Other Long-term Liabilities

In 2019 a Metall Zug Group company concluded an agreement with V-ZUG AG to compensate for additional expenses due to the site transformation in Zug in the total amount of TCHF 6 000. As at December 31, 2023, the remaining liability amounts to TCHF 900 (previous year: TCHF 2 100), which is reported as other current liabilities. The position also includes an advance payment received in 2023 for an asset for sale, under construction of TCHF 4 098, and, as in the previous year, a tenant's deposit received of TCHF 1 003.

Additionally, as at December 31, 2023, long-term deferred purchase price payments of TCHF 926 are included, which relate to the purchase of the minority interests in VRmagic Holding GmbH, Mannheim (DE, new: Haag-Streit GmbH). The associated short-term deferred purchase price payments in other current liabilities amount to TCHF 527. The previous year included long-term deferred purchase price payments of TCHF 2 824 for the purchase of the minority interests in VRmagic Holding GmbH and the acquisition of Amity Ltd, Barnsley (UK). The short-term deferred purchase price payments for these acquisitions amounted to TCHF 2 462 and were included in other current liabilities. The deferred purchase price payment in connection with the acquisition of Amity Ltd. is no longer owed as at December 31, 2023, and was reversed in 2023 as an adjustment to goodwill off-set against equity (see Note 12, page 104).

16 Provisions

in CHF 1000	Deferred Taxes	Guarantees	Pension	Restruc- turing	Other	Total
Balance on 01.01.2022	293	7562	10141	10848	18722	47566
Change in scope of consolidation	1248	-2031	-804	-165	-799	-2551
Additions		6812	185	206	6924	14127
Utilization	-1206	-5350	-146	-3792	-1877	-12371
Release		-718	-2718	-1577	-2556	-7569
Currency translation effects		-131	-651	-351	-207	-1340
Balance on 12.31.2022	335	6144	6007	5169	20207	37862
Of which current provisions		5351	3529	5169	10453	24502
Balance on 01.01.2023	335	6144	6007	5169	20207	37862
Additions	685	4995	44	37	4575	10336
Utilization	-543	-4203	-3492	-3714	-5362	-17314
Release		-1136	-432	-860	-3677	-6105
Currency translation effects	-13	-296	-113	-89	-114	-625
Balance on 12.31.2023	464	5504	2014	543	15629	24154
Of which current provisions		4839	126	543	6001	11509

Provisions for guarantees are calculated on the basis of historical data (average of actual costs in recent years).

As at December 31, 2023, restructuring provisions of TCHF 543 (previous year: TCHF 5169) exist. The restructuring provisions are related to the complete closure of a German production facility of the Medical Devices Business Unit, which was decided in 2021. In the previous year, the respective provision amounted to TCHF 4876.

Other provisions include the provision for ground remediation work at the main site of V-ZUG held by a Metall Zug Group company and the future site of the Technology Cluster Zug. This provision amounts to TCHF 9280 (previous year: TCHF 10189). As part of the preparations for construction work, extensive contamination investigations were carried out in consultation with the Canton of Zug Environment Office. These investigations identified various areas that require remediation. It should be possible to rectify these areas at the same time as the planned construction work. Given the legal remediation obligation and the advanced planning stage for some construction plots, these remediation costs must be provided for. Due to the longer-term remediation process, the remediation provision was discounted with 2.3 % (previous year: 1.5 %). Whether, and, if so, when further remediation costs will be incurred depends on the realization of further buildings on the site in Zug.

In 2023, a closed pension plan with deficit in the United Kingdom was sold to an insurance company, which had already been decided in the previous year. In this context an other provision of TCHF 4885 was recognized in the previous year from the revaluation of the liability at disposal values based on an external opinion. In 2023, a payment of TCHF 5243 was made to the insurance company in connection with the disposal, of which TCHF 2442 was recognized as a utilization of pension provisions and TCHF 2801 as a utilization of other provisions. Furthermore, TCHF 2084 of the other provisions was released to the income statement.

As at December 31, 2023, the other provisions also include the Greenhouse Gas Fund (GHG Fund, previously CO₂ Fund) for the promotion of climate protection measures amounting to TCHF 3132 (previous year: TCHF 1890). Furthermore, other provisions include the expected cash outflows related to various legal cases.

17 Significant Shareholders

As at December 31, 2023, the following shareholders own more than 3 % of the total number of votes:

	Type A Registered Shares	Type B Registered Shares	Votes	Votes Previous year
Elisabeth Buhofer and Heinz M. Buhofer ¹⁾	1 484 140	5 003	67.6 %	67.5 %
Shareholder group Stöckli ²⁾	340 794	18 327	16.3 %	16.3 %
Werner O. Weber, indirectly through Wemaco Invest AG	82 000	42 429	5.6 %	5.6 %

¹⁾ For the most part held through Buhofer Trust I, Vaduz, as well as Annelies Häcki Buhofer, community of heirs Martin Buhofer and Julia Häcki, to the extent that they are acting in mutual agreement (Buhofer Trust I).

²⁾ Elisabeth Stöckli Enzmann, Johannes Stöckli, Matthias Stöckli-Aguilar, Helen Jauch-Stöckli, Hubert Stöckli-Hernandez (shareholders' agreement).

18 Shares

Composition of Share Capital					
1 948 640	Type A registered shares at par value CHF	2.50	Swiss security no. 209 262	CHF	4 871 600
255 136	Type B registered shares at par value CHF	25.00	Swiss security no. 398 2108	CHF	6 378 400
2 203 776	Votes		Share capital	CHF	11 250 000

No equity instruments were issued in the year under review or in the previous year. Undistributable, statutory or legal reserves amount to TCHF 11 954 (previous year: TCHF 11 925).

In the course of 2023, 1 730 type B treasury shares held by Metall Zug AG were sold at an average price of CHF 1 710 per share. Of these, 1 713 treasury shares were sold to shareholders, who exercise significant influence together with others (see Note 19 for further information). As at December 31, 2023, Metall Zug AG does not hold any treasury shares. In the previous year, Metall Zug AG held 1 730 type B treasury shares at an average purchase price of CHF 3 484.

19 Transactions with Related Parties

Income statement				2023			2022		
				Multi Energy Zug AG	Komax Group	V-ZUG Group	Multi Energy Zug AG	Komax Group	V-ZUG Group
in CHF 1 000									
Net sales				19 574		27			95
Income from property management, building contractor services and rent				11		11 179	8		11 368
Income from other services					35	564		74	62
Interest income				418				32	
Total income from related parties				20 003	35	11 770	8	106	11 525
Rental expenses						-1 834			-1 527
Expenses from other services					-61	-1 153		-286	-782
Total expenses from related parties				0	-61	-2 987	0	-286	-2 309
Balance sheet				12.31.2023			12.31.2022		
				Multi Energy Zug AG	Komax Group	V-ZUG Group	Multi Energy Zug AG	Komax Group	V-ZUG Group
in CHF 1 000									
Current receivables from related parties				766		9	340	32	1 660
Non-current receivables from related parties				19 237					
Current liabilities to related parties						-1 412			-1 501
Non-current liabilities to related parties									-900
Other transactions				2023			2022		
				Multi Energy Zug AG	Komax Group	V-ZUG Group	Multi Energy Zug AG	Komax Group	V-ZUG Group
in CHF 1 000									
Net payouts/contributions GHG Fund from related parties						-144			632
Purchase of tangible assets						313			10
Sale of tangible assets					-229				

In 2023, the net sales include the sale of technical systems in the amount of TCHF 19 574 in the form of finance leases to Multi Energy Zug AG. The contract terms are generally between 20 and 50 years. The interest rate on which the leasing contracts are based and which is fixed annually corresponds to the average of the 10-year Swiss Federal bond of the last twelve months with a premium of 1.5 %. This transaction resulted in an EBIT contribution of TCHF 2 227.

In addition to the above table and as indicated in Note 15, a compensation obligation in the amount of TCHF 900 (previous year: TCHF 2 100) exists to V-ZUG AG as at December 31, 2023. In this context, TCHF 1 200 was paid out in 2023, as in the previous year.

In 2023, 741 type B registered shares of Metall Zug AG were sold in March for TCHF 1 501 and 972 type B registered shares were sold in December for TCHF 1 432 to shareholders of Metall Zug AG, who exercise significant influence together with others. These transactions were carried out at the volume-weighted average price on the respective transaction date.

In the previous year, in connection with the contribution of the Schleuniger Group into the Komax Group on August 30, 2022, Komax Holding AG took over a short-term loan from Metall Zug AG to Schleuniger AG in the amount of TCHF 30 633 at an interest rate of 1.38 %. The loan was repaid in full on September 26, 2022.

Information on the compensation paid to the Board of Directors and Senior Management is disclosed in the compensation report on pages 75 and 78.

20 Leasing Liabilities

The liabilities from operating leases and rental arrangements that are not shown in the balance sheet are structured as follows, according to maturity:

in CHF 1 000	12.31.2023	12.31.2022
up to 1 year	8 486	8 163
1 to 3 years	10 550	8 943
over 3 years	4 903	4 430
Total	23 939	21 536

21 Derivative Financial Instruments

To hedge future cash flows and balance sheet positions in foreign currencies, the following financial instruments are kept, which are presented in line with the underlying transaction:

in CHF 1 000	12.31.2023			12.31.2022		
Underlying	Contract Values	Market Values		Contract Values	Market Values	
		Positive	Negative		Positive	Negative
Foreign exchange	47 131	1 780	– 170	41 033	1 260	– 126

22 Contingent Liabilities / Other Off-Balance Sheet Obligations

The carrying amount of the pledged assets amounts to TCHF 65 (previous year: TCHF 0).

The Group has long-term purchase commitments of TCHF 3 047 (previous year: TCHF 3 045) and long-term employment contracts of TCHF 580 (previous year: TCHF 676).

Furthermore, Metall Zug AG made investment commitments to two private equity funds totaling TCHF 10 000 (previous year: TCHF 10 000), of which TCHF 9 192 was paid in at the end of 2023 (previous year: TCHF 8 692).

Additionally, a subsidiary of Metall Zug AG made a commitment to the City of Zug to invest TCHF 8 000 (previous year: TCHF 8 000) in affordable housing.

In connection with the sale of Clement Clarke International Ltd., a subsidiary of Metall Zug AG had issued a guarantee in the amount of TCHF 7 771 in favour of pensioners in the previous year. The guarantee was redeemed in 2023 as part of the sale of the underlying pension plan.

23 Acquisition and Sale of Consolidated Subsidiaries

On November 27, 2023, Metall Zug AG and Miele Group signed an agreement under which Metall Zug will contribute Belimed AG and Belimed Life Science AG and Miele will contribute the Steelco Group into a new joint venture to be established. Metall Zug will participate in the joint venture based in Zug with 33 % and Miele with 67 %. The transaction is subject to the approval of the relevant authorities. The approval of the authorities is expected in the first half of 2024. In the financial year 2023, the Belimed Group (Infection Control Business Unit) and the Belimed Life Science Group together achieved net sales of TCHF 262 749 and EBIT of TCHF 236 with around 1 300 employees.

No acquisitions or divestments of consolidated subsidiaries occurred in the 2023 financial year. A deferred purchase price payment of TCHF 1 336 from the acquisition of Amity Ltd. explained below is no longer due as at December 31, 2023, and was reversed against goodwill recorded in equity.

The following information relates to the previous year.

Deconsolidation of the Schleuniger Group and initial recognition of minority participation in Komax Holding AG

On August 30, 2022, the Metall Zug Group merged its Wire Processing Business Unit (the Schleuniger Group) into the Komax Group in exchange for a participation of 25 % in Komax Holding AG. The transaction was carried out through a "quasi-merger" in which Komax Holding AG issued 1 283 333 new shares in the course of a capital increase and allocated these to Metall Zug AG in exchange for 100 % of the shares of Schleuniger AG. This resulted in the following changes in the balance sheet and the income statement:

in CHF 1 000	Notes	Schleuniger Group
Cash and cash equivalents		-21 517
Other current assets		-122 420
Non-current assets		-41 008
Short-term financial liabilities		471
Other current liabilities		49 212
Long-term financial liabilities		3 309
Other non-current liabilities		385
Disposal of net assets Schleuniger Group		-131 568
Minus goodwill recycling Schleuniger Group	12	-135 930
Recognition of market value of 25 % minority interest in Komax Holding AG based on 1 283 333 shares multiplied with the closing price of CHF 254.50 as of Aug. 30, 2022		326 608
Plus assumption of loans from Metall Zug AG to Schleuniger AG by Komax Holding AG	19	30 633
Gain on disposal included in income statement	2	89 743
Goodwill on the minority interest in Komax Holding AG		
in CHF 1 000		
Market value of 25 % minority interest in Komax Holding AG		326 608
Proportional equity (25 % in equity of Komax Group as at Aug. 30, 2022)		99 291
Goodwill on the minority interest in Komax Holding AG	12	227 317
Directly offset against equity (see Changes in Shareholders' Equity, page 88)		

Schleuniger AG fully owned the following subsidiaries, which are therefore no longer included in the scope of consolidation of Metall Zug AG since August 30, 2022:

- Schleuniger GmbH, Radevormwald (DE)
- Schleuniger Test Automation GmbH, Jettingen (DE)
- DilT GmbH, Krailling (DE)
- adaptronic Prüftechnik GmbH, Wertheim (DE)
- Schleuniger Messtechnik GmbH, Sömmerda (DE)
- Schleuniger, Inc., Manchester (US)
- Cirris, Inc., Salt Lake City (US)
- Schleuniger S. de R.L. de C.V., Queretaro (MX)
- Schleuniger Japan Co., Tokyo (JP)
- Schleuniger Trading (Shanghai) Co., Shanghai (CN)
- Schleuniger Machinery (Tianjin) Co., Ltd., Tianjin (CN)

Schleuniger AG and its investments as listed above corresponded to the Wire Processing Business Unit disclosed in the segment report. The consolidated income statement of Metall Zug AG and the segment result of the Wire Processing Business Unit both contained the result of Schleuniger AG and its subsidiaries until August 30, 2022. Since the combination of the Schleuniger Group with the Komax Group, Metall Zug AG holds a 25 % stake in Komax Holding AG. Since then, this stake in Komax Holding AG is valued applying the equity method (proportional equity) and is disclosed under the position Associated companies. The proportional net result is reported in the financial result. See Note 11 for further information. Furthermore, the goodwill of the minority interest in Komax Holding AG resulting from the initial recognition of this participation has been offset against equity, see Note 12.

Acquisitions of other participations and minority shares

On January 4, 2022, Schleuniger GmbH, Radevormwald (DE), which was part of the Wire Processing Business Unit, purchased the remaining minority stake of 40 % in adaptronic Prüftechnik GmbH, Wertheim (DE), held by third parties. Since then, Schleuniger GmbH holds 100 % of the shares of adaptronic Prüftechnik GmbH.

On July 13, 2022, Belimed AG, Zug, which is part of the Infection Control Business Unit, acquired 100 % of Amity Ltd., Barnsley (UK). Amity Ltd. is a manufacturer of specialty chemicals and detergents. The following assets and liabilities were taken over on the basis of the full consolidation method:

in CHF 1 000	Amity Ltd.
Cash and cash equivalents	3960
Other current assets	1893
Non-current assets	41
Other current liabilities	-823
Total identifiable net assets	5071

The purchase price of these transactions amounted to TCHF 29056 and included acquisition costs of TCHF 393. The related deferred purchase price payments amounted to TCHF 1336 as at December 31, 2022.

The goodwill paid as part of the acquisition of Amity Ltd. totaled TCHF 12339 and was offset against equity at the time of acquisition. The purchase price exceeding the book value of the purchased non-controlling interest of adaptronic Prüftechnik GmbH of TCHF 8169, included in equity, was offset directly against retained earnings (refer to Changes in Shareholders' Equity, page 88).

Disposal of Clement Clarke International Ltd.

On December 23, 2022, Clement Clarke International Ltd., Harlow (UK), was sold for a sales price of TCHF 6687. At this point in time, the company contained the following book values:

in CHF 1 000	Clement Clarke International Ltd.
Cash and cash equivalents	501
Other current assets	5324
Non-current assets	246
Current liabilities	-734
Net assets sold	5337

In connection with the sale, third-party costs for tax, legal and consulting services amounting to TCHF 323 were incurred. In addition, disposal-related value adjustments and provisions in the amount of TCHF 828 were made by a subsidiary of Metall Zug AG. The resulting gain on disposal amounted to TCHF 199. TCHF 3032 of the purchase price was settled at the beginning of January 2023. The remaining purchase price was paid in mid-2023.

24 Pension Benefit Obligations

The companies with the most relevant pension plans for the consolidated financial statements are located in Switzerland, where pension schemes are organized through independent foundations or insured pension plans according to Swiss pension law (BVG). Another significant closed pension plan with actuarial underfunding existed in the UK and was sold in 2023. The purpose of these funds is to provide contributions to current and former employees to assist with the economic consequences of old age, disability, death and hardship circumstances.

Economical Benefit / Economical Obligation and Pension Benefit Expenses

	Surplus / Deficit According to Pension Plans ¹⁾	Economical Part of the Organization ²⁾		Change or Impact on Net Income in Business Year ³⁾	Change from Disposal of a Pension Plan ³⁾	Contribu- tions for the Period ⁴⁾	Pension Expenses in Personnel Expenses	
in CHF 1000	12.31.2023	12.31.2023	12.31.2022	2023	2023	2023	2023	2022
Pension plans without surplus/deficit						-8405	-8405	-10408
Pension plans with surplus	65	65		68			68	
Pension plans with deficit	-2014	-2014	-6007	1438	2442	-2215	-777	186
Total	-1949	-1949	-6007	1506	2442	-10620	-9114	-10222

¹⁾ In the previous year, pension schemes with deficits of TCHF -6007 existed (no plans with surpluses).

²⁾ The economical part of the organization on pension plans with deficits of TCHF 2014 (previous year: TCHF 6007) originates mainly from defined benefit plans abroad and is recognized in full as a pension provision.

³⁾ In 2023 a change in the economical part of TCHF 4058 is recognized, of which TCHF 2442 originate from the disposal of a closed pension plan with deficit in the UK. The change also includes a decrease of TCHF 1506 in favor of net income and a foreign currency effect of TCHF 110 not recognized in profit or loss. In 2022 a change in the economical part of TCHF 4134 is recognized, of which TCHF 804 originated from the deconsolidation of the Schleuniger Group. The change also included a decrease of TCHF 2679 in favor of net income and a foreign currency effect of TCHF 651 not recognized in profit or loss.

⁴⁾ Includes payments to pension schemes that bear pension risks themselves in the amount of TCHF 9393 (previous year: TCHF 10504) and payments to pension schemes that do not bear risks themselves in the amount of TCHF 1227 (previous year: TCHF 2397).

Most pension plans are financed through the employer's and the employee's contributions. Pension contributions are calculated as a percentage of the insured salary. There were no employer's contribution reserves in the current year or the previous year.

Composition of Pension Expenses

in CHF 1 000

	2023	2022
Pension contributions at the organization's expense	-10 620	-12 901
Contributions to pension plans from employer's contribution reserves	0	-22
Total contributions¹⁾	-10 620	-12 923
Change in employer's contribution reserves due to allocation, asset development, value adjustment, discounting, interest payments, etc.	0	22
Contributions and changes in employer's contribution reserves	-10 620	-12 901
Change in economic benefits for the organization from surplus	68	0
Change in economic liabilities for the organization from deficit	1 438	2 679
Total change in economic impact of surplus / deficit	1 506	2 679
Pension expenses in personnel expenses	-9 114	-10 222

¹⁾ No extraordinary contributions impacting the income statement were agreed upon or paid in the reporting year or in the previous year.

25 Events After the Balance Sheet Date

No events requiring disclosure took place after the balance sheet date.

Report of the Statutory Auditor



Ernst & Young Ltd
Gotthardstrasse 26
CH-6300 Zug

Phone: +41 58 286 75 55
www.ey.com/en_ch

To the General Meeting of
Metall Zug AG, Zug

Zug, 8 March 2024

Report of the statutory auditor

Report on the audit of the consolidated financial statements



Opinion

We have audited the consolidated financial statements of Metall Zug AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2023, the consolidated income statement, the consolidated statement of cash flows and statement of changes in shareholders' equity 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 83 to 113) give a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and of 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.



Key audit matters

Key audit matters are those matters that, in our professional judgment, 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to



address the matters below, provide the basis for our audit opinion on the consolidated financial statements.

Inventory valuation

Risk	Gross carrying amount of inventory and the related value adjustments amount to TCHF 138'256 and TCHF 27'699, respectively. During our audit, we focus on this position, since it is material to the consolidated financial statements and the related value adjustments are based on assumptions that have a significant impact on the consolidated financial statements. Information regarding the valuation of inventory is disclosed under 'Inventories' in the principles of valuation section (page 90) as well as under '9 Inventories' (page 100).
Our audit response	Besides the assessment of the acquisition or production cost of inventory, we evaluated the calculation of the value adjustments and compared management's assumptions with past experience. We examined the aging analysis in order to identify excess inventory. Furthermore, we compared acquisition and production costs with net realizable values and thus analyzed the valuation of inventories. Our audit procedures did not lead to any reservations concerning the measurement of inventory.

Revenue recognition

Risk	Revenue from sale of goods is recognized when rights and obligations of ownership of the goods are transferred to the buyer. There are different contractual arrangements that determine the point in time at which the risks and rewards are transferred. Furthermore, a certain degree of judgment is involved in terms of determining when all requirements to recognize revenue are fulfilled, in particular for products that have a long production time of up to several months. Revenue from service contracts is realized over the corresponding term. Details of revenue recognition are disclosed under 'Sales and revenue recognition' (page 90) as well as under '1 Segment Information' (pages 95/96).
Our audit response	We analyzed the revenue recognition process from order placement to billing and tested the implemented controls. Among other procedures, we focused on the assessment of the recognition of sales transactions that took place close to the balance sheet date. We evaluated the transactions based on documents, such as contracts and delivery notes. We compared the credit notes in the new financial year with the respective accrual in the reporting year. Moreover, taking into account delivery terms (Incoterms), we assessed whether the rights and obligations were transferred to the customer in the period under review. Our audit procedures did not lead to any reservations relating to the recognition of revenues.



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 consolidated financial statements, the stand-alone 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 the consolidated financial statements, which 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.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.



4

Report on other legal and regulatory requirements



In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Ernst & Young Ltd

Christoph Michel
Licensed audit expert
(Auditor in charge)

Simon Balmer
Licensed audit expert

Income Statement

in CHF	Notes	2023	2022
Dividend income		12 251 846	14 836 700
Other operating revenue		2 412 555	2 218 099
Operating revenue		14 664 401	17 054 799
Personnel expenses		-2 391 242	-2 623 313
Other operating expenses		-4 454 236	-2 507 060
Depreciation		-166 700	-185 633
Operating expenses		-7 012 178	-5 316 006
Operating income (EBIT)		7 652 223	11 738 793
Increase / release of provisions		-20 000 000	8 000 000
Extraordinary result		-20 000 000	8 000 000
Financial income	1	36 986 177	43 543 982
Financial expenses	2	-12 062 966	-48 719 161
Financial result		24 923 211	-5 175 179
Income before taxes		12 575 434	14 563 614
Taxes		-1 671 000	0
Net income		10 904 434	14 563 614

Balance Sheet

Assets

in CHF	Notes	12.31.2023	12.31.2022
Cash and cash equivalents		7 612 544	3 553 455
Listed securities		101 329	151 255
Other receivables third parties		103 621	197 744
Other receivables subsidiaries		613 195	385 535
Accrued expenses third parties		22 512	57 250
Accrued expenses subsidiaries		110 000	0
Current assets		8 563 201	4 345 239
Other financial assets		10 395 214	11 011 139
Long-term loans to subsidiaries	3	234 229 305	190 777 128
Investments	4	411 703 159	420 003 159
Associated companies	5	316 474 024	316 474 024
Tangible assets		1	1
Intangible assets	6	1 893 126	2 000 101
Fixed assets		974 694 829	940 265 552
Total assets		983 258 030	944 610 791

Liabilities and Shareholders' Equity

Current financial liabilities		36 600 000	17 000 000
Other payables third parties		3 234 041	313 756
Accrued liabilities third parties		385 500	346 864
Accrued liabilities subsidiaries		115 000	0
Current liabilities		40 334 541	17 660 620
Provisions		511 838 180	491 838 180
Long-term loans from subsidiaries		120 010 036	124 428 436
Non-current liabilities		631 848 216	616 266 616
Total liabilities		672 182 757	633 927 236
Share capital		11 250 000	11 250 000
Statutory capital reserves			
Capital contribution reserves		535 052	535 052
Statutory profit reserves		562 500	562 500
Voluntary profit reserves		246 728 869	249 798 352
Retained earnings			
Retained earnings carried forward		36 031 918	34 938 634
Net income		10 904 434	14 563 614
Treasury shares	7	0	-602 709
Shareholders' equity		311 075 273	310 683 555
Total liabilities and shareholders' equity		983 258 030	944 610 791

Notes to the Annual Financial Statements

Metall Zug AG is a company limited by shares and its registered offices are at Industriestrasse 66, Zug, Switzerland.

Financial Reporting Principles Applied in these Financial Statements (as far as these are not specified by law)

The financial statements presented here were prepared in accordance with the provisions on commercial accounting contained in the Swiss Code of Obligations (articles 957–963b CO).

Listed Securities

Listed securities are recorded at stock market prices on the balance sheet date.

Other Financial Assets and Associated Companies

Other Financial assets and Associated companies are recorded at acquisition cost less necessary impairments.

Loans to Subsidiaries

Loans to subsidiaries are recorded at their nominal value less necessary impairments.

Tangible Assets

Tangible assets are recorded at acquisition cost less accumulated depreciation permitted for tax purposes and comprise furniture. The straight-line depreciation method is applied on the basis of a useful life of two to five years. If there are indications that tangible assets are overvalued, the book values are reviewed and impaired if necessary.

Intangible Assets

Acquired intangible assets are recognized in the balance sheet if they are to bring measurable benefits to the company over several years. Software is measured at acquisition cost less straight-line amortization over the useful life of three years. Brands are measured at acquisition cost less straight-line amortization over 20 years. If there are indications that intangible assets are overvalued, the book values are reviewed and impaired if necessary.

Provisions

Various provisions are built up to secure the lasting prosperity of the company.

Treasury Shares

Treasury shares are recognized at the time of purchase at acquisition cost as minus items under equity. In the event of a subsequent resale, the gain or loss is directly taken to equity.

Information, Breakdowns and Explanations of Balance Sheet and Income Statement Items

1 Financial Income

in CHF	2023	2022
Income from securities	3614730	68137
Income from financial assets	126868	307146
Income from release of impairment on investments in subsidiaries	25250000	37800000
Income from release of impairment on loans to subsidiaries	0	1500000
Interest income from loans to subsidiaries	7994579	3868699
Total financial income	36986177	43543982

2 Financial Expenses

in CHF	2023	2022
Expenses from securities	-185 130	-248 726
Loss from sale of investments	0	-694 286
Impairment on financial assets	-88 200	0
Interest expense loans from subsidiaries	-2949 113	-485 184
Interest expense third parties	-540 523	-90 965
Impairment on loans to subsidiaries	0	-45 700 000
Impairment on investments	-8 300 000	-1 500 000
Total financial expenses	-12 062 966	-48 719 161

3 Loans to Subsidiaries

in CHF	12.31.2023	12.31.2022
Loans to subsidiaries, gross	269 479 305	251 277 128
Accumulated impairment on loans to subsidiaries	-35 250 000	-60 500 000
Total loans to subsidiaries, net	234 229 305	190 777 128

As at December 31, 2023, subordinations on loans to subsidiaries amounted to TCHF 56 000 (previous year: TCHF 54 000).

4 Investments

in CHF	12.31.2023	12.31.2022
Investments	427 503 159	427 503 159
Impairment on investments	-15 800 000	-7 500 000
Total investments, net	411 703 159	420 003 159

Detailed information on the investments of Metall Zug AG, Zug, as at December 31, 2023, is available on page 94.

5 Associated Companies

On December 31, 2023, Metall Zug AG held 30.27 % of V-ZUG Holding AG and 25 % of Komax Holding AG, which is unchanged from the previous year.

6 Intangible Assets

in CHF	12.31.2023	12.31.2022
Software, gross	379 015	319 290
Accumulated amortization	-319 289	-319 289
Software, net	59 726	1
Brands, gross	3 334 000	3 334 000
Accumulated amortization	-1 500 600	-1 333 900
Brands, net	1 833 400	2 000 100
Total intangible assets	1 893 126	2 000 101

Additional Information Required by Law

7 Treasury Shares

In the previous year, Metall Zug AG held 1 730 type B treasury shares at an average purchase price of CHF 3 484. These were sold in the financial year 2023.

8 Share Ownership by Current Members of the Corporate Bodies

	as at 12.31.2023		as at 12.31.2022	
	Type A Registered Shares	Type B Registered Shares	Type A Registered Shares	Type B Registered Shares
Martin Wipfli , Chairman of the Board of Directors	0	4 050 ¹⁾	0	3 625 ¹⁾
Dominik Berchtold , Member of the Board of Directors	0	67	0	42
Claudia Pletscher , Member of the Board of Directors	0	15	0	15
Dr. Bernhard Eschermann , Member of the Board of Directors	0	20	0	20
David Dean , Member of the Board of Directors (since April 2023)	0	50	0	0
Dr. Matthias Rey , CEO	0	45 ²⁾	0	30 ²⁾
Urs Scherrer , CFO	0	25	0	25

¹⁾ Held by a related company.

²⁾ Held together with a related party.

9 Sureties

There are sureties to secure credit lines to Group companies from banks amounting to TCHF 32 140 (previous year: TCHF 34 260).

10 Contingent Liabilities

Metall Zug AG made investment commitments to two private equity funds totaling TCHF 10 000 (previous year: TCHF 10 000), of which TCHF 9 192 (previous year: TCHF 8 692) was paid by the end of 2023.

11 Number of Full-time Equivalents

Unchanged compared to the previous year, the average number of full-time equivalents for the year is less than 10.

12 Release of Hidden Reserves

In 2023, no hidden reserves were released (previous year: TCHF 8 000).

13 Significant Events After the Balance Sheet Date

No events requiring disclosure took place after the balance sheet date.

Proposal for the Appropriation of Available Earnings

in CHF	12.31.2023	12.31.2022
	Proposal of the Board of Directors	Resolution of the General Meeting of Shareholders
Retained earnings carried forward	36031918	34938634
Net income	10904434	14563614
Retained earnings	46936352	49502248
Distribution of a cash dividend		
for each type A registered share CHF 2.00 gross	3897280	5845920
for each type B registered share CHF 20.00 gross	5102720	7654080
Total cash dividend	9000000	13500000
minus cash dividend on treasury shares ¹⁾	0	-29670
Retained earnings to be carried forward	37936352	36031918

¹⁾ As at December 31, 2023, Metall Zug AG holds no treasury shares. The share capital entitled to a distribution, and thus the distributed dividend, may vary due to possible changes in the portfolio of treasury shares until the record date of the dividend payment. At the time of the distribution of the 2022 dividend, 989 type B treasury shares were not entitled to a dividend.

Subject to the General Meeting of Shareholders' approval of the Board of Directors' proposal, the dividend is expected to be paid on Friday, May 3, 2024 (payment date). The last trading date with entitlement to receive the cash dividend is expected to be Monday, April 29, 2024. The shares of Metall Zug AG will be traded ex-dividend as of Tuesday, April 30, 2024.

Report of the Statutory Auditor



Ernst & Young Ltd
Gotthardstrasse 26
CH-6300 Zug

Phone: +41 58 286 75 55
www.ey.com/en_ch

To the General Meeting of
Metall Zug AG, Zug

Zug, 8 March 2024

Report of the statutory auditor

Report on the audit of the financial statements



Opinion

We have audited the financial statements of Metall Zug AG (the Company), which comprise the balance sheet as at 31 December 2023, the income statement for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 118 to 122) 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.



Key audit matters

Key audit matters are those matters that, in our professional judgment, 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. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the financial statements.



Valuation of investments and loans

Risk	The core business of Metall Zug AG is granting loans to subsidiaries (CHF 234'229'305) and holding investments (CHF 411'703'159) and these two items make-up 66% of all assets. Depending on the operational developments of the individual business units, there is a valuation risk with regard to investments and loans. Loans are disclosed under section 3 and Investments under section 4 in the notes to the financial statements.
Our audit response	We assessed the impairment considerations of management and reviewed the impairments recorded on investments and loans. We compared the carrying amounts of the investments with the company's proportional share in equity. Where this net asset value consideration was insufficient, we considered valuations as determined by management (e.g., using the discounted cash flow method) to support the book value. We examined the significant assumptions made in these calculations and involved internal valuation specialists if necessary. In case of loans to companies with negative equity, we reviewed the valuation adjustments recorded. Our audit procedures did not lead to any reservations concerning the measurement of investments and loans.



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 consolidated financial statements, the stand-alone 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 the 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.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on other legal and regulatory requirements



In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Furthermore, we confirm that the proposed appropriation of available earnings (page 123) complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

Christoph Michel
Licensed audit expert
(Auditor in charge)

Simon Balmer
Licensed audit expert

Addresses

(as at March 1, 2024)

Metall Zug AG

Industriestrasse 66
6302 Zug
SWITZERLAND
Phone +41 58 768 60 50
info@metallzug.ch
www.metallzug.ch

Business Unit

Medical Devices

Haag-Streit Holding AG
Headquarters
Gartenstadtstrasse 10
3098 Köniz
SWITZERLAND
Phone +41 31 978 01 00
holding@haag-streit.com
www.haag-streit-group.com

Business Unit

Infection Control

Belimed AG
Headquarters
Grienbachstrasse 11
6300 Zug
SWITZERLAND
Phone +41 41 449 78 88
info@belimed.com
www.belimed.com

Business Unit

Technologycluster & Infrastructure

Tech Cluster Zug AG
Industriestrasse 66
6302 Zug
SWITZERLAND
Phone +41 58 768 68 68
info@techclusterzug.ch
www.techclusterzug.ch

Reporting Segment

Others

Belimed Life Science AG

Headquarters
Zelgstrasse 8
8583 Sulgen
SWITZERLAND
Phone +41 71 644 85 00
info@belimed-lifescience.com
www.belimed-lifescience.com

Gehrig Group AG

Headquarters
Bäulerwissenstrasse 1
8152 Glattbrugg
SWITZERLAND
Phone +41 43 211 56 56
info@gehriggroup.ch
www.gehriggroup.ch

Editorial info

Key dates 2024

March 11, 2024: Publication of the 2023 annual report
Financial press and analysts' conference
April 26, 2024: General Meeting of Shareholders of Metall Zug AG
August 8, 2024: Publication of the half-year report

Contact

Chief Financial Officer
Urs Scherrer
Phone +41 (0)58 768 60 50
urs.scherrer@metallzug.ch

Head of Corporate Communications & Investor Relations
Bettine Killmer
Phone +41 (0)58 768 60 50
bettine.killmer@metallzug.ch

or: investorrelations@metallzug.ch

Disclaimer

All statements in this publication which are not based on historical facts are forward-looking statements that provide no guarantee of future performance. They are subject to risks, uncertainties, and other factors outside the control of the Metall Zug Group.

Publisher

Metall Zug AG

Editor: Metall Zug AG, Corporate Communications & Investor Relations
Design concept: Hotz Brand Consultants
Translation: bmp translations
Pre-press: gateB AG

The annual report is published in German and English. In the event of a discrepancy between the two versions, the German version takes precedence.

The internet links listed in the report were checked on March 8, 2024, for the last time.

Metall Zug AG

Industriestrasse 66, 6302 Zug, SWITZERLAND
Phone +41 (0)58 768 60 50, info@metallzug.ch
www.metallzug.ch