

# Corporate Governance Policy

## Content

1	Preamble .....	1
2	Scope .....	1
3	Core Principles .....	1
4	Topics: Corporate Governance .....	2
4.1	Risk Management .....	2
4.1.1	Relevance .....	2
4.1.2	Overarching Commitment .....	2
4.1.3	Implementation Approach .....	2
4.2	Compliance, Monitoring And Reporting .....	3
4.2.1	Relevance .....	3
4.2.2	Overarching Commitment .....	3
4.2.3	Targets .....	4
4.2.4	Implementation Approach .....	4
4.3	Board Composition And Selection .....	5
4.3.1	Relevance .....	5
4.3.2	Overarching Commitment .....	5
4.3.3	Implementation Approach .....	5
4.4	Board Operations .....	6
4.4.1	Relevance .....	6
4.4.2	Overarching Commitment .....	6
4.4.3	Implementation Approach .....	7
4.5	Compensation .....	7
4.5.1	Relevance .....	7
4.5.2	Overarching Commitment .....	8
4.5.3	Implementation Approach .....	8
4.6	Shareholders And Wider Stakeholder Group .....	9
4.6.1	Relevance .....	9
4.6.2	Overarching Commitment .....	9
4.6.3	Implementation Approach .....	9
5	Changes To This Policy .....	10



# 1 Preamble

SIG is a leading provider of sustainable, innovative, and versatile packaging solutions. We work in partnership with our customers and further stakeholders to deliver food and beverages to consumers across the world in a safe, sustainable, and affordable way.

We are leading the industry by pioneering sustainable innovations to deliver scalable, systemic net positive impacts – for society, the environment, and our business.

At SIG, we believe that strong corporate governance is the foundation for financial integrity, sustainable performance, and investor confidence. Acting ethically, responsibly, and transparently is at the core of our way of conducting our business with the aim of creating long-term value for our shareholders and other stakeholders.

We have adopted comprehensive corporate standards and policies to govern our operations and to assist the board of directors management, and each employee in performing their duties. We review these corporate standards and policies on a regular basis to reflect changing legal and regulatory requirements, evolving practices, and input from our shareholders and other stakeholders.

The framework for our corporate standards and policies is set by applicable laws and regulations, including the listing rules of the SIX Swiss Exchange, and guiding best practice principles, such as the Swiss Code of Best Practice for Corporate Governance. Key corporate standards and policies are included in the Articles of Association and the Organizational Regulations of SIG Group AG ("Company"), and the charters of the standing committees established by its Board of Directors ("Board") as well as SIG's Code of Conduct.

The SIG Corporate Governance Policy ("Policy") has been developed to outline our commitments, goals and approaches regarding corporate governance topics identified as strategic or material. Thus, it is an important foundation of our sustainability approach.

## 2 Scope

The principles and commitments outlined in this Policy apply to SIG Group AG, all of its subsidiaries and controlled entities ("SIG") (if not otherwise indicated). We expect all our directors and employees to understand and adhere to these principles and we engage with our suppliers and business partners so that they understand and promote these principles as well as support SIG's commitments.

## 3 Core principles

- Conduct our business in compliance with all applicable laws, regulatory requirements and our corporate documents and policies.
- Embed compliance extensively and sustainably throughout the Group by establishing a compliance strategy with an effective system to prevent, detect and appropriately respond to compliance breaches.
- Commit to prevent criminal and unethical behavior by instituting a global anti-bribery, anti-corruption, anti-money laundering and anti-fraud compliance framework to give effect to our prohibition on all forms of criminal and unethical behavior.
- Foster a culture of awareness relative to good corporate governance and ethical behavior and encourage reporting of any compliance breaches or unethical behavior.
- Enhance diversity in the Board, Group Executive Board and throughout the workforce.

- Maintain a Group-wide compensation framework aiming to attract, engage and retain top talents globally with simple and transparent compensation principles for the benefit of shareholders, Board, and management.
- Engage responsibly and transparently with our shareholders and all relevant stakeholders in developing, managing, and communicating on governance topics, standards, processes, and activities, including by developing channels to enable them to voice their complaints and grievances.
- Clearly allocate roles, responsibilities, and resources within the Group regarding corporate governance topics.

## 4 Topics: Corporate Governance

### 4.1 Risk management

#### 4.1.1 Relevance

Identifying, analyzing, and responding appropriately to business risks and opportunities is vital to attaining SIG's business objectives, protecting the interests of stakeholders, and complying with legal requirements. In this context, SIG's risk management is an important process empowering us with the necessary tools to adequately identify and deal with potential risks. The Group's enterprise risk management process is designed to identify, assess, and mitigate actual and potential, as well as emerging risks to our business to protect the Group from negative financial and/or reputational impact. Furthermore, the risk management process facilitates the disclosure of risks to key stakeholders. It also raises internal awareness and provides a basis for informed decision-making.

#### 4.1.2 Overarching commitment

The objectives of the risk management process are to continuously ensure and improve compliance with laws and regulations as well as corporate governance guidelines and best practices. We strive for a risk management process which is designed to protect the Group from a loss of confidence and/or public reputational damage resulting from, for example, inadequate or failed internal processes or systems. Furthermore, we are committed that our risk management process facilitates disclosures to key stakeholders of potential risks. At the same time, we aim for a process that creates an awareness of all key executives of the magnitude of risks and provides them with information for effective decision-making.

#### 4.1.3 Implementation approach

The enterprise risk management process, which is periodically reviewed by the Audit and Risk Committee and approved by the Board of Directors, is led by the Group General Counsel & Chief Compliance Officer. It is carried out in conformity with the Swiss Code of Best Practice for Corporate Governance. In addition, climate change-related risks and opportunities are identified following the recommendations of the Task Force for Climate-related Financial Disclosures (TCFD). Our approach to addressing climate-related risks and opportunities is integrated in our risk management process and includes transition risks in fast moving consumer goods markets and physical risks for our supply chain as well as opportunities related to our low carbon footprint innovations. Management is responsible for identifying and reporting risks and for implementing and tracking mitigation measures. Each top risk is owned by a member of the Group Executive Board. Each mitigation action has an owner at Group level who works closely with the respective regional functions to ensure local implementation. The mitigation actions are frequently reviewed as part of our strategic initiatives and management processes throughout the year.

At least annually, we review our top risks and mitigation actions in workshops with our regional and functional leadership teams. The results of these workshops are then discussed with the Group Executive Board. The top risks and mitigation actions are subsequently reviewed by the Audit and Risk Committee and ultimately by the Board of Directors. The Audit and Risk Committee also reviews the implementation of the risk management system and the integrity and accountability of the risk management function on an annual basis. As part of the enterprise risk management process, the Audit and Risk Committee also regularly discusses risks that could materially impact our business and financial position, as well as the development of internal controls to mitigate such risks. In addition, the Audit and Risk Committee periodically reviews the internal policies and procedures designed to secure compliance with laws, regulations and internal rules regarding insider information, confidentiality, bribery and corruption, sanctions, and adherence to ethical standards, and assesses the effectiveness thereof. The Audit and Risk Committee also discusses with the Group CFO and the Group General Counsel & Chief Compliance Officer any legal matters that may have a material impact on the Group's business or financial position and any material reports or inquiries by regulatory or governmental agencies that could materially impact the Group's business or financial position. The Audit and Risk Committee reports material matters to the Board of Directors on a regular basis. The risks that we may be exposed to are particularly in the areas of strategy, operations, sustainability, regulatory, legal and compliance, as well as finance. Our risk management approach also reflects actual and potential conflict of interest risks. In this context, Board members and the members of the Group Executive Board must arrange their personal and business affairs to avoid, as much as possible, a conflict of interest. Furthermore, each Board member and each member of the Group Executive Board is obliged to disclose to the Chairman of the Board ("Chairman") and the CEO, respectively, any conflict of interest arising or relating to any matter to be discussed at a meeting, as soon as the Board member or member of the Group Executive Board becomes aware of its potential existence. The Chairman and the CEO, respectively, shall decide upon appropriate measures to avoid any interference of such conflict of interests with the decision-making of the Company. Our conflict-of-interest management also includes the requirement of our Board members or members of the Group Executive Board to complete a Directors and Officers (D&O) questionnaire at least annually. Our risk management approach builds on best available practice where applicable.

## **4.2 Compliance, monitoring and reporting**

### **4.2.1 Relevance**

Non-compliance can have very serious, and sometimes devastating, commercial consequences. Against an increased level of regulatory scrutiny and ethical expectations, and given the financial and reputational damage that results from corporate scandals, compliance has always been an important topic for SIG.

As an international company, ensuring compliance with both local and international laws is part of our ordinary, day-to-day activities. Through our commitment relating to antitrust, anti-corruption and anti-bribery as well as employee and data protection, we are contributing to the creation of a more ethical, moral, and social business environment.

### **4.2.2 OVERARCHING COMMITMENT**

The Group strives to be a leader in packaging systems for liquid food and beverages. To achieve this, the highest possible level of professionalism is needed in all its endeavors.

The Group is committed to adhering to all applicable legal and regulatory requirements, the highest professional and ethical standards, and our corporate values. Strong compliance for us is a key aspect of industry leadership and is vital to securing sustainable profitable growth. We are committed to avoid statutory violations or to discover them in good time and thus to protect the Group from financial damage and loss of reputation, as well as to protect the Company's employees.

We aim for a compliance framework which goes hand in hand with the Company's management teams to effectively identify, mitigate, and manage compliance risk and encourage behavior with integrity. At SIG, integrity and compliance are integral components of our culture and the measurement of our performance.

#### 4.2.3 Targets

SIG's target for Corporate Governance is:

- Mandatory annual Code of Conduct training for all employees

#### 4.2.4 Implementation approach

One of the core statutory tasks of the Board is the supervision of persons entrusted with the management of the Company, including about compliance with the law and our corporate standards and values. The Board must ensure compliance with the law and internal guidelines as well as ethical business practices and supervise and adapt the to any relevant development with a high degree of due diligence. The Board determines the credo and values of the Company and defines the broad outline of the compliance organization. The Group Executive Board ensures compliance with the law and internal guidelines as well as integrity in daily business and provides adequate staff and material resources to do so. The Group Executive Board regularly reports to the Board on the compliance efforts of the Group and how effective they have been.

All employees of the Group are expected to embrace the principles of a Code of Conduct. The Code of Conduct which sets the ground principles for each employee is an expression of the professionalism the Company strives for throughout its business, and of the professionalism the Company expects of its directors, officers, and employees. It is available in 18 languages. All employees are trained on the Code of Conduct when they join the business, and the training is refreshed once a year. All associates of the Group are expected to follow the law and adhere to high ethical standards. They should demonstrate social and environmental responsibility, professionalism, and use good business practices in performing their jobs. Breaches of the Code of Conduct can have an impact on the applicable individual's record or remuneration, suspension, or termination of employment. Trust and integrity are fundamental SIG values which must be respected. Associates shall use good judgement and common sense in all situations when the requirement of the law or of good business practices appears unclear. The principles contained within the Code of Conduct are based on:

- Ethical and legal behavior.
- Fair, courteous, and respectful treatment of fellow employees and others with whom the Group interacts.
- Fair and appropriate consideration of the interests of other stakeholders (customers, other commercial partners, government authorities and the public) and of the environment.
- Professionalism and good business practice. Any violation of the Code of Conduct is considered as misconduct and addressed appropriately.

Furthermore, our anti-bribery compliance emphasizes the Group's obligation to act ethically and responsibly in all business dealings. The respective policies provide a clear framework that:

- Prohibits both public sector and commercial bribery.
- Addresses required anti-corruption due diligence processes to be conducted on third parties.
- Explains the rules that must be followed regarding gifts, meals, travel, and entertainment relating to government officials.
- Outlines requirements for donations, sponsorships, and corporate social responsibility (CSR) activities with a government touchpoint; and
- Emphasizes the importance of maintaining accurate books and records for all transactions of the Company.
- In-depth training is provided for people working in high-risk roles to create a general understanding of how the Code of Conduct is to be used in everyday working life.

As part of our expectation that all associates of the Group follow the law and adhere to high ethical standards, the Group implemented an insider trading policy which prohibits trading in the securities of the Company or engaging in any other action or conduct to take advantage of insider information, by a person being in possession of such non-public and price-sensitive information about the Group. To prevent the misuse of insider information, the Group implemented so called blocking periods for any director, officer, or employee of any Group company during which the prohibition to trade in securities of the Company applies absolutely, i.e., irrespective of whether such director, officer or employee is in possession of insider information or not. For the members of the Board, members of the Group Executive Board and a few certain other employees that are personally notified by the Group General Counsel (i) a so-called trading windows policy applies and (ii) they must contact the Group General Counsel and obtain clearance prior to making a transaction in securities of the Company. Furthermore, to emphasize the Group's commitment to act ethically and responsibly, the Group generally prohibits certain transactions in securities of the Company. Such transactions include short sales and hedging of securities of the Company.

## **4.3 Board composition and selection**

### **4.3.1 Relevance**

The composition of our Board is key to ensure the right set of skills and experience allowing for diversity of thought, varying perspectives, and innovative, strategic discussions.

Our Board must secure the necessary qualifications, skills, and diversity to perform all required responsibilities. In addition to appropriate professional backgrounds and experience, we seek diversity among our Board members, in accordance with the Swiss Code of Best Practice for Corporate Governance. We aim to have a well-balanced Board of Directors with individuals who bring a variety of perspectives, backgrounds, and skills, and who apply them to permit the Board of Directors to offer informed stewardship. We strive for diversity of thought and action, as well as diversity of gender, ethnicity, and generation.

An independent majority on the Board is more likely to consider the best interests of shareholders and the broader stakeholder community. It also is likely to foster independent decision-making and to mitigate conflicts of interest that may arise.

Therefore, we strongly believe that a high degree of independence as well as of diversity by education and qualifications, professional background, present activity, sector expertise, special skills, gender, age, nationality and geography in the Board and Group Executive Board will help us to the value and success of SIG and, furthermore, provides a significant contribution to society.

### **4.3.2 Overarching commitment**

Our Board composition shall be made up of directors who are highly qualified, skilled, diverse, and independent to create a solid environment for the fulfilment of the oversight responsibility as well as for sound, independent decision-making in line with the needs of the Group.

We strive for a high degree of diversity by education and qualifications, professional background, present activity, sector expertise, special skills, gender, age, nationality, and geography in the Board. Therefore, the principles of gender and age diversity, inclusion, nationality, race, ethnicity, and regional representation are key in the nomination process of new potential Board members and members of the Group Executive Board.

### **4.3.3 Implementation approach**

In our commitment to foster highly qualified, skilled, diverse, and independent Board candidates, our Nomination and Governance Committee recommends to the Board candidates for nomination and election at the annual shareholders meeting. The Nomination and Governance Committee defines and reviews annually with the Board

the applicable skillset and characteristics required to serve on the Board in the context of current operations. The following criteria are to be considered:

- Personal qualities and characteristics, accomplishments, and reputation in business community.
- Current knowledge and contacts in the communities in which SIG does business and in SIG's industry or other industries relevant to SIG's business.
- Ability and willingness to commit adequate time to Board and Committee matters.
- The fit of the individual's skills and personality with those of other Board members and potential Board members in maintaining a Board that is effective, collegial, and responsive to the needs of the Company; and
- Diversity of viewpoints, background, gender, experience, and other demographics.

In our Annual Report, we publish a Board skill matrix, summarizing the current set of skills/traits represented by the Board members and grouped into 13 categories. This currently includes, amongst others, qualifications, and experience around enterprise risk management, legal and regulatory affairs, as well as in environmental, social and governance (ESG) aspects.

A primary responsibility of the Board is planning for succession of members of the Group Executive Board and overseeing identification and development of executive talent. The Board, with the assistance of the Nomination and Governance Committee and working with management, oversees the development and corporate succession plans for the Group Executive Board to provide for continuity in senior management.

SIG's approach to an independent Board includes the requirement that a majority of the Board members shall be independent. As part of this commitment, the Nomination and Governance Committee annually assesses with the Board the independence of each Board member. The Board periodically evaluates whether a larger or smaller number of directors would be preferable.

A Board member is expected to spend the time and effort necessary to properly discharge his or her responsibilities. Accordingly, a Board member is expected to regularly prepare for and attend meetings of the Board and all Committees on which the director sits (including separate meetings of non-management directors and the independent directors). In the interest of good governance, the Company's Articles of Association limit the number of outside mandates by the members of our Board.

The Board has established three standing Committees: The Audit and Risk Committee, the Compensation Committee and the Nomination and Governance Committee. The Board appoints the members of the Audit and Risk Committee and the Nomination and Governance Committee and the Committee chairs using criteria it determines to be in the best interest of the Company and its shareholders. In accordance with Swiss law, the members of the Compensation Committee are elected by the annual shareholders meeting. Committee assignments are reviewed each year by the Nomination and Governance Committee. All members of the Compensation Committee and the Audit and Risk Committee and at least the majority of the members of the Nomination and Governance Committee have to be non-executive and independent.

## **4.4 Board operations**

### **4.4.1 Relevance**

Clear allocation of tasks and responsibilities between the Board's supreme managerial responsibility for the Company and its supervision of business conduct and the Group Executive Board's management of the daily business is a pillar of continuous success.

### **4.4.2 Overarching commitment**

We are committed towards an elaborate corporate governance system which allows our Board to fulfil its oversight responsibility as well as to engage in a sound and independent decision-making in line with the needs of SIG.

We aim for an organization and procedures which allow the Board and Group Executive Board to operate in an effective and focused manner.

### 4.4.3 Implementation approach

The three standing Board Committees support the Board in fulfilling its duties.

The Audit and Risk Committee, *inter alia*, assists the Board in fulfilling its supervisory responsibilities with respect to (a) the integrity of the Company's financial statements and financial reporting process, (b) the Company's compliance with legal, regulatory, and compliance requirements, (c) the system of internal controls, and (d) the audit process. The Audit and Risk Committee considers the proper assessment and professional management of risks by reviewing the implementation of the risk management system and the integrity and accountability of the risk management function on an annual basis.

The Compensation Committee assists the Board in fulfilling its responsibilities relating to the compensation of the members of the Board and the Group Executive Board.

The Nomination and Governance Committee assists the Board in fulfilling its responsibilities and discharging the Board's responsibility to (i) establish and maintain a process relating to the nomination of the members of the Board and the Group Executive Board and (ii) establish sound practices in corporate governance across the Group.

Each Committee must ensure that the Board is kept informed in a timely and appropriate manner of material matters requiring such attention. Each Committee chairman (personally or through another Committee member) regularly reports to the full Board at the Board meetings on the current activities of the Committee and on important Committee issues.

To foster the Board's role to perform independent oversight and supervision of the Group, meetings of the Board are held as often as the business requires but, as a rule, at least 4 times per year. At each quarterly Board meeting, time is set aside for the independent directors to meet in executive session with or without Company management present. In addition, at each of its meetings, the Board is informed by the CEO, or by another member of the Group Executive Board, of the current business and significant events. The course of business and all major issues of corporate relevance are discussed between the Chairman and the CEO at least once a month. Executive management provides monthly reports to the Board regarding the financial and operational performance of the business. This may also include relevant sustainability updates, including those related to progress on our science-based targets, which are regularly reported to the Board of Directors. Similarly, every Group Executive Board meeting includes standing items on responsibility topics, including climate-related issues.

The Board and its Committees may consult with auditors, financial advisors, compensation consultants, outside counsel, and other outside advisors, as it deems appropriate. Before retaining any such advisor, the Board or the relevant Committee evaluates the advisor's independence consistent with applicable regulations. It is the policy of the Board that any advisor that it retains must be independent of the Group Executive Board.

At least annually, the Board reviews its own performance, as well as the performance of each of the Committees. Each of the Committees also conducts at least annually a self-evaluation. Such assessments seek to determine whether the Board and the Committees function effectively and efficiently.

The Nomination and Governance Committee reviews, together with the Chairman, the performance of the CEO and, together with the CEO, the performance of each other member of the Group Executive Board.

## 4.5 Compensation

### 4.5.1 Relevance

An elaborated compensation governance is key to promote an entrepreneurial, prudent, and long-term mindset and approach among all our employees and management. In addition, the future success of SIG is dependent on



its ability to attract, engage and retain those top talents globally who are best suited to the Group and fit well with our SIG culture. Our remuneration principles form an integral part to support this ambition.

#### **4.5.2 Overarching commitment**

The principles guiding SIG's compensation framework are to attract, engage and retain top talent globally, to drive sustainable performance and to encourage behaviors that are in line with SIG's values as well as with the long-term interests of shareholders. The Group endeavors to make its compensation principles simple and transparent for the benefit of shareholders, Board, and management.

The objectives of our compensation framework for Executives and selected key employees are to be balanced in terms of weight between base salary, short-term incentive plan (STIP) and long-term incentive plan (LTIP) and to be aligned with shareholders' interests. The company also offers an opportunity to participate in the long-term value creation and prosperity of the Company through a share invest program as part of our LTIP. On the level of the Board, our compensation system aims to foster the Board's role to perform independent oversight and supervision of the Group.

#### **4.5.3 Implementation approach**

Authority for decisions related to compensation at the Board and Group Executive Board level is governed by the Articles of Association and the Organizational Regulations, including the Compensation Committee Charter. To underline the role of the Board to perform independent oversight and supervision of the Group, the entire compensation of the Board is fixed and does not contain any variable pay component. The compensation for the members of the Board is composed of two components: a fixed annual base fee and fixed annual committee fee(s) for assuming the role of the chairperson or a member of Committees. The individual sum of the annual base fee and, where applicable, the annual committee fee per member is to be paid 60% in cash and 40% in blocked SIG shares. The equity component is intended to further strengthen the long-term focus of the Board in performing its duties. Both the cash and share elements are paid out in arrears on a quarterly basis in four equal instalments.

Compensation of the members of the Group Executive Board is provided through the following main components: Annual base salary and pension contributions/other benefits, which together form the fixed compensation component, a short-term incentive plan and a long-term incentive plan, which together form the variable compensation component. The STIP, is awarded to members of our Group Executive Board as well as managers and experts with a variable income component, for the achievement of pre-defined annual targets for multiple KPIs, including financial aspects as well as an ESG element. The assessment of achievements relating to the ESG element is based on a third-party assessment of our ESG performance by Eco Vadis. Eco Vadis assesses the quality of a company's sustainability management system through its policies, actions, and results. Compensation principles are generally reviewed on a regular basis.

All details of Board and executive management compensation, including details of the variable compensation components for the executive management, are listed in the Compensation Report of the Company which is available on the Company's website. Our approach to transparency is also reflected in the fact that the Company asks its shareholders at the annual shareholders meeting to approve prospectively in binding votes the maximum aggregate amount of compensation for the Board until the next annual shareholders meeting and the maximum aggregate amount of compensation for the Group Executive Board for the following year. Further, the Compensation Report is submitted for a non-binding, consultative vote of the shareholders on an annual basis.

## 4.6 Shareholders and wider stakeholder group

### 4.6.1 Relevance

We believe that good corporate governance and transparency towards shareholders and other stakeholders are key drivers of sustainable value creation.

As society's expectations continue to grow, building trust with our stakeholders is critical to delivering on our purpose, as well as our long-term financial performance.

### 4.6.2 Overarching commitment

SIG recognizes the relevance of shareholder engagement and of transparent reporting to its stakeholders as an integral part of its commitment to create a more transparent and ethical business environment.

As part of the global community, SIG is committed to engage responsibly and transparently with all relevant and affected stakeholders in developing, managing, and communicating on governance topics, standards, processes, and activities, including by developing channels to enable them to voice their complaints and grievances. We foster engagement with a wide range of stakeholders, including customers, international organizations, shareholders and other financial market participants, local communities, and other partners from our and other industries.

Our commitment towards an ongoing dialogue with our stakeholders allows us to stay abreast of current developments, inform and shape the policy debate about matters of interest for us, and, not least, learn about trends and developments important for our business at all levels.

Our engagement and dialogue with all our stakeholders are based on trust, mutual respect and integrity and is governed by published governance guidelines such as our Code of Conduct.

### 4.6.3 Implementation approach

The Group is committed to communicating in a timely and transparent way to shareholders, potential investors, financial analysts, and customers. Toward this end, the Board takes an active interest in fostering good relations and engagement with shareholders and other stakeholders. This commitment is also reflected in the Board's engagement to maintain a regular dialogue with proxy advisors. Furthermore, our stakeholders are invited to contact the Board about corporate governance matters.

The Company annually publishes a Corporate Governance Report describing its corporate governance principles, i.e., the relationship between shareholders, the Board, and the Group Executive Board. The report includes information on the corporate and capital structure, the composition of governing bodies and shareholder participation rights. Furthermore, the Company annually publishes a Compensation Report which provides an overview of its remuneration model and remuneration principles. Both reports are available on the Company's website.

To foster a transparent and open culture, we have implemented an ethics and compliance (whistle-blower) hotline that encourages to report any concern about questionable accounting or auditing matters or possible violations of the Code of Conduct or other applicable laws and regulations.

In fulfilling their responsibilities, the members of the Board must comply with the duty to treat shareholders equally. The duty of equal treatment requires the Board to treat shareholders under the same circumstances alike and deviations from the principle of equal treatment is only permitted if such deviations are in the Company's interests and justified by valid reason.

To reinforce the long-term focus of the members of the Board and the Group Executive Board and to sustain and increase the alignment of their interests with those of the Company's shareholders, SIG implemented Shareholding Guidelines. Over a five-year period from the first equity grant date in 2019, the members of the Board and the Group Executive Board are expected to build up an investment in the Company worth the equivalent of a percentage of their respective base salary. If the Shareholding Guidelines are not met by a member of the

Board or the Group Executive Board at the end of the build-up period, non-fulfilment consequences, including sale restrictions on equity instruments received as compensation, would apply until the Shareholding Guidelines are met.

Shareholders of SIG are obliged to report to the Company and to SIX Swiss Exchange if their shareholding in the Company reaches, exceeds, or falls below the threshold of, inter alia, 3% of voting rights in SIG. The published notifications can be found on the website of SIX Swiss Exchange. Such requirement to disclose shareholdings provides transparency regarding the amount of control that a particular shareholder has over SIG.

Members of the Board and Group Executive Board have a duty to inform the Company if they engage in trading in equity, conversion, or purchase rights in the Company. Subsequently, such information is published on the website of SIX Swiss Exchange. This duty to disclose transactions increases transparency and may be an important source of information for market participants.

## 5 Changes to this Policy

This Policy will be regularly reviewed by the respective policy owner. Any changes or updates will be communicated. This Policy was last updated on February 27, 2024.