

# Governance Roadshow 2025

February 2025

Landis+Gyr

# Disclaimer

## Forward-looking Information

This presentation includes forward-looking information and statements, including statements concerning the outlook for Landis+Gyr Group AG and Landis+Gyr group (“Landis+Gyr”). These statements are based on current expectations, estimates and projections about the factors that may affect Landis+Gyr’s future performance, including global economic conditions, and the economic conditions of the regions and industries that are major markets for Landis+Gyr. These expectations, estimates and projections are generally identifiable by statements containing words such as “expects”, “believes”, “estimates”, “targets”, “plans”, “outlook” “guidance” or similar expressions.

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## Alternative Performance Measures

This presentation may contain information regarding (a) preliminary, unaudited numbers that may be subject to change and (b) alternative performance measures such as reported EBITDA, Adjusted EBITDA, Adjusted Gross Profit, Adjusted Research and Development, Adjusted Sales, General and Administrative, and Adjusted Operating Expenses. Definitions of these measures and reconciliations between such measures and their USGAAP counterparts if not defined in the presentation may be found in the ‘Supplemental Reconciliations and Definitions’ section on pages 28 to 30 of the Landis+Gyr Half Year Report 2024 on the website at [www.landisgyr.com/investors/results-center](http://www.landisgyr.com/investors/results-center). Due to rounding, numbers presented may not add up to the totals provided.

# Strategic Initiatives

## Landis+Gyr sharpens its strategic focus to drive value creation



### Focus on Americas business

- Offers the greatest opportunity with higher value software and services solutions as the US market values differentiated edge-to-enterprise solutions in critical infrastructure
- EBITDA margins are >500bps higher than the Group average, (80% of EBITDA)
- Strong emphasis on value creation from US business, offering highest return on capital



### Strategic review of EMEA

- The Company has launched a strategic review for the best value creation from the EMEA business
- Over the last few years, the region's production footprint has been successfully optimized, which positions EMEA to expand its margin profile
- Landis+Gyr intends to communicate the outcome of the strategic review in due course



### Evaluating merits of a US listing

- Today, 60% of Group revenues and >80% of Adjusted EBITDA are generated in the Americas region
- Gaining access to a larger pool of capital and facilitate easier comparisons with key peers
- The Company is already reporting according to US-GAAP and in US Dollar
- Landis+Gyr has engaged advisors to support the review of a potential listing in the US

A holistic update will be provided during a Capital Markets Day in 2025

# New Group Executive Management

Since November '24



**Peter Mainz**  
CEO

6 years with Landis+Gyr  
Over 30 years multinational experience o/w 20+ years in the metering industry

Since December '24



**Elodie Carr-Cingari**  
CFO

4 years with Landis+Gyr  
Over 20 years experience in energy and IT industries



**Prasanna Venkatesan**  
EVP Americas

18 years with Landis+Gyr  
Over 30 years technology and management experience

Since October '24



**Rob Evans**  
EVP EMEA

8 years with Landis+Gyr  
Over 20 years international industrial industry experience

# Developments in 2024/25

## Governance

- Announced strategic review with **focus on the Americas business** and a **potential US listing**
- **CEO** transition to **Peter Mainz** in November 2024 – stepped down from all Board committees
- **Chair Andreas Umbach not standing for re-election** at AGM in 2025
- **Audrey Zibelman to be proposed as new independent Chair** at AGM in 2025
- **Fabian Rauch joined Board** as major shareholder representative in August 2024
- Held a **virtual EGM** for the first time
- Binding vote on **Sustainability report** with **independent assurance** at AGM in 2024

## Remuneration

- **Enhanced disclosures** related to the performance outcome of the short-term and long-term incentive plans planned for FY 2024
- **Outlook:** introduction of **ESG-related targets in LTI** as of financial year **2025**, with a **20%** weight. Targets to be aligned with the **next 3-year ESG cycle** 2025 to 2027

## Sustainability

- **Ongoing implementation of ESG initiatives**, with focus on increasingly embedding sustainability in our business strategy and operations
- **Double Materiality Assessment (DMA) completed** in accordance with CSRD/ESRS requirements
- **ESG roadmaps for FY 2025-2027 defined** based on the outcomes of the DMA
- Upcoming **FY 2024 Sustainability Report** to be prepared in alignment with **GRI** standards & **TCFD** recommendations
- Preparations to **transition to CSRD-aligned reporting** are **underway**, with the first CSRD-aligned report planned for release in May 2026 (covering FY 2025 performance)

# About Landis+Gyr

# Landis+Gyr at a Glance



Global Reach & Local Presence  
Swiss HQ with Locations  
**in over 30 countries**



**6,700 dedicated employees** globally;  
o/w 1,400+ engineers



of services to  
**3,500+ customers**  
as a trusted partner



Frost & Sullivan  
**Global AMI Company  
of the Year 2023** –  
for 7<sup>th</sup> consecutive year



More than  
**USD 2 billion** of  
self-funded R&D  
since 2011



Largest installed base  
**350+ million** devices:  
o/w 167+ million connected  
intelligent devices



**8.9 million tons of CO<sub>2</sub> emission**  
avoided through installed  
smart meter base

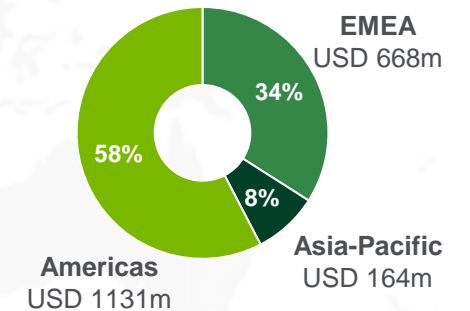


Strategic partnership  
with **Google Cloud**  
for co-innovation  
(AI, ML, Data Analytics)



Worldwide largest  
**IoT Utility Network**  
1.3 billion reads per day  
with 99.99 % accuracy

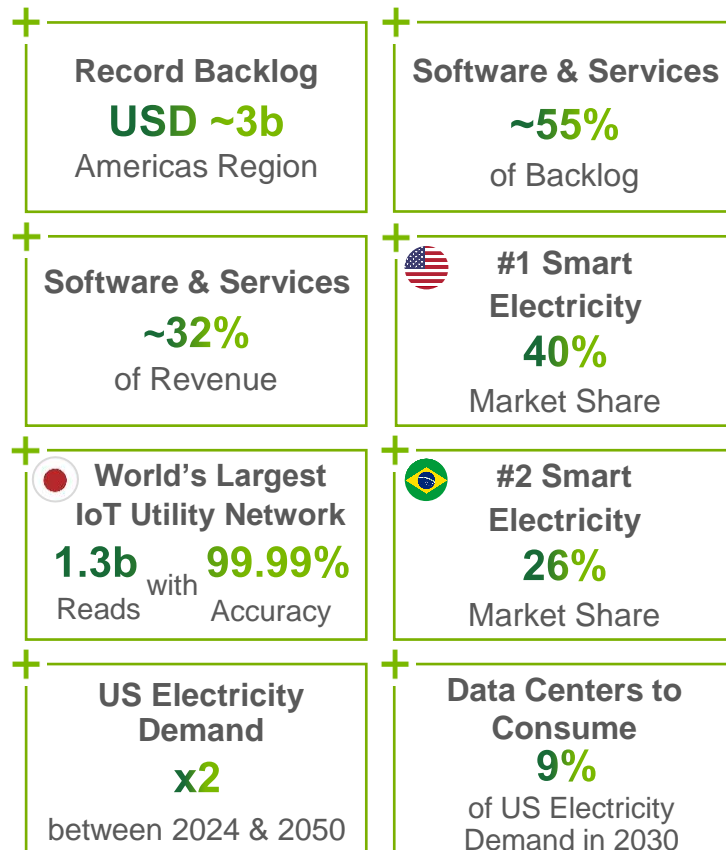
Revenue Split



125+ years of leading innovation in energy efficiency solutions for a more sustainable world

# Americas Region

Leading integrated edge-to-enterprise solutions, record backlog driving profitable growth



## Leading market position

- Largest installed base provides data to support new product and recurring revenue software and service offering
- Scale player with high level of customer intimacy and stickiness
- Leverage current leading position to underpin base level of growth

## Poised to benefit from electrification and decarbonization trends

- Favorable regulatory conditions in key US grid edge intelligence market
- Technology leader with state-of-the-art integrated edge-to-enterprise solutions

## High margin solution focused business

- Americas backlog demonstrating value of strategic transformation investments from FY20 (software ca. 30%) to today (software ca. 55%)
- High return on capital

## Growth opportunities through exposure to highly dynamic segments

- Smart ultrasonic gas, cybersecurity, EV, software and services, including edge-to-enterprise solutions like flexibility management, DERMS, and analytics

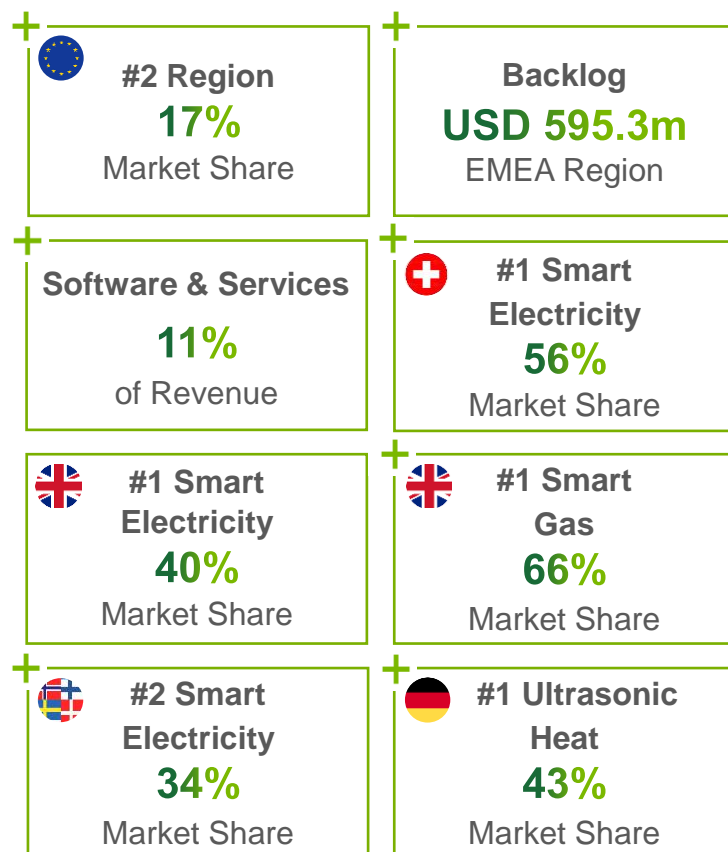
## Strong ESG performance supports prime position for infrastructure investments

Today, 60% of Group revenues and >80% of Adjusted EBITDA are generated in the Americas region



# EMEA Region

European market leader, positioned to benefit from a highly supportive market backdrop



## Leading market position

- Largest installed base provides unique access to data to support new product introductions and to grow recurring revenue software and service revenue
- Scaled player with high level of customer intimacy and stickiness
- Leverage current leading position to underpin base level of growth

## Poised to benefit from positive industry trends

- Energy transition drives smart device rollouts and increases need for intelligent solutions
- Positioned to benefit from second wave of electricity smart device rollouts, given significant market share in Switzerland, UK, and Nordics

## Clear path to short-term growth margin uplift and medium-term EBITDA-margin expansion

- Identified initiatives (footprint optimization, R&D efficiencies, supply chain, etc.) drive profitability

## Growth opportunities through exposure to highly dynamic segments

- Smart water/heat, cybersecurity, EV, software and services, including flexibility management, DERMS, analytics

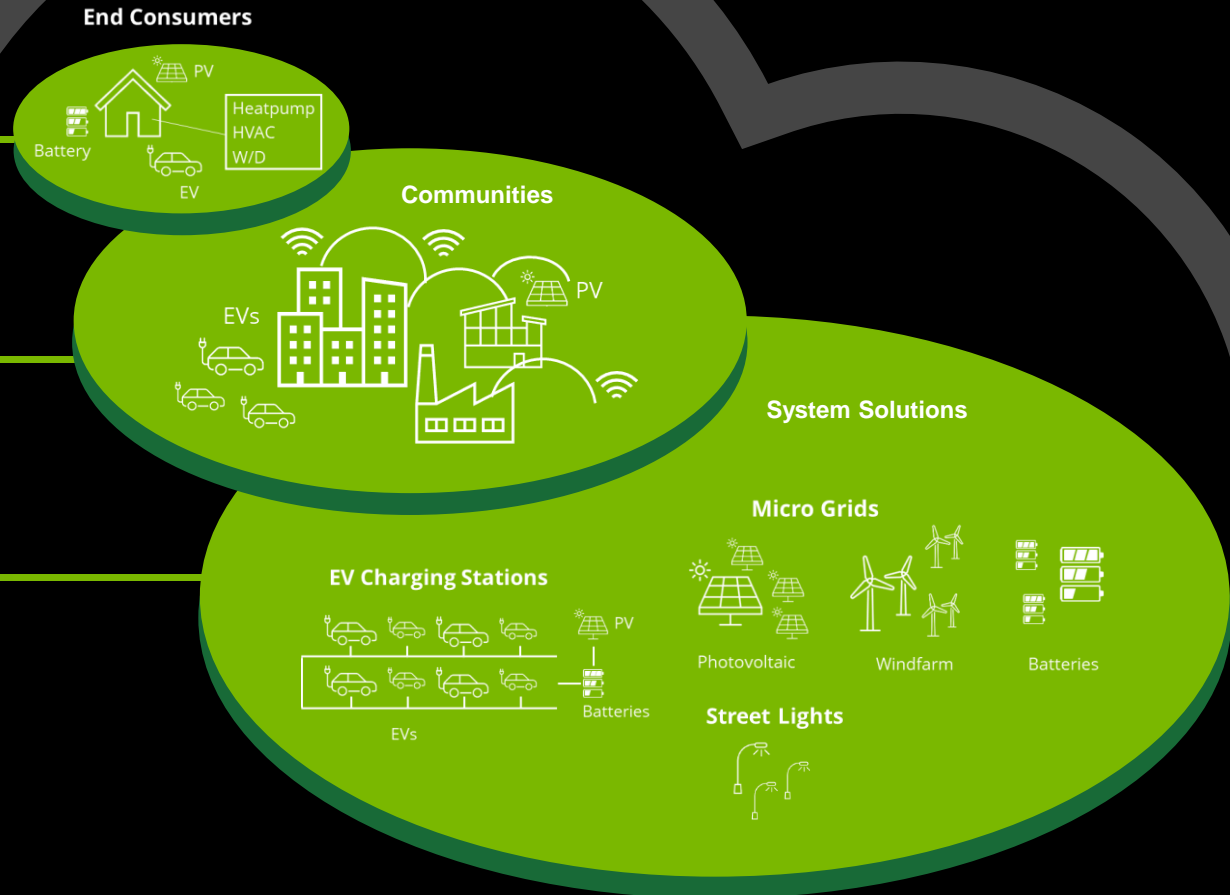
## Strong ESG performance supports prime position to compete in European tenders

EMEA's production footprint has been successfully optimized to position the region to expand its margin profile

# Smart Metering

# Grid Edge Intelligence

# Smart Infrastructure



# Material Topics (FY 2022 – FY 2024)

## Products & Solutions



- Product Social Impact
- Resource Efficiency, including:
  - Waste

## Climate & Environment



- Energy Efficiency & Climate Protection, including:
  - GHG emissions
  - Water

## People & Well-being



- Occupational Health & Safety
- Fair Labor Practices
- Employee Engagement
- Community Engagement

## Business Ecosystem



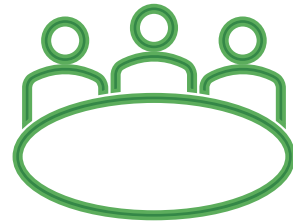
- Business Integrity and Fair Taxes
- Strategic Responsible Sourcing
- Security & Data Privacy

# ESG Program Fundamentals



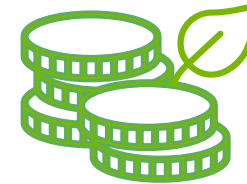
## Long-standing commitment to sustainability

- Measuring corporate carbon footprint since 2007
- Published first 'Environmental Profile' (which would later become our 'Sustainability Report') in 2011



## Clear ESG & governance processes

- ESG priorities identified through a thorough double materiality assessment
- Regular reports on ESG performance and activities to the Board and its committees (mainly NGSC), ensuring effective Board oversight and strategic alignment



## ESG performance linked to incentive pay

- 20% of our employees' short-term incentive is linked to ESG targets (approx. 3,500 employees)
- ESG targets to be introduced in long-term incentive as of 2025



## Quality reporting and independently verified results

- Sustainability Report is externally assured, approved by the Board, and submitted for vote at the AGM
- Reporting in line with GRI and TCFD frameworks. Preparations to comply with EU's CSRD underway

# Committed to the Science Based Target Initiative

# 2030

100% renewable electricity  
↓ 42% in S1&2 and S3, respectively

# 2050

## Net Zero



Targets validated by SBTi in 2024



Reporting according to GRI since 2020



ESG risk rating of 7.4 (Negligible Risk)



Adhering to TCFD since 2023



Joined in January 2020



ESG corporate rating Prime status (top decile)



Ranked in top 1% of sustainable companies



AA-rated (top 15% in peer universe)

# 8.9

## million tons CO<sub>2</sub>

Direct CO<sub>2</sub> emissions avoided through installed Smart Metering base in FY 2023



CO<sub>2</sub> emissions avoided

Avoided nearly 7x more CO<sub>2</sub> emissions in FY23 than produced



CO<sub>2</sub> emissions produced

# Committed to Sustainable Development

Dimensions	Ambitions	KPIs	FY 2021	FY 2022 <sup>a)</sup>	FY 2023 <sup>b)</sup>	Target 2025 <sup>d)</sup>
<b>Environment</b>	<ul style="list-style-type: none"> <li>– Attain carbon neutrality in Landis+Gyr's operations (Scope 1+2) by 2030</li> <li>– Achieve SBTi targets</li> <li>– Minimize the impact of our operations</li> </ul>	1. Share of renewable electricity	64%	59%	79%	100%
		2. CO <sub>2</sub> e per 100 USD turnover	0.7 kg	0.7 kg	0.3 kg	0.45 kg
		3. Water per employee	13.4 m <sup>3</sup>	12.4 m <sup>3</sup>	10.6 m <sup>3</sup>	12 m <sup>3</sup>
		4. Waste to landfill	7.0 %	6.2 %	6.3 %	1 %
<b>Social</b>	<ul style="list-style-type: none"> <li>– Nourish a global safety culture</li> <li>– Be recognized as an employer of choice</li> <li>– Nurture and sustain a culture of diversity, equity, and inclusion</li> <li>– Be recognized as an industry leader in responsible sourcing</li> </ul>	5. Lost Time Incident Frequency Rate	0.74	1.42	1.14	0.60
		6. Average hours of employee learning	16.5 h	16.8 h	23.7 h	N/A <sup>e)</sup>
		7. Share of suppliers who adhere to our 'Supplier Code of Conduct' (SCoC)	85%	88%	89.5%	90%
		8. Share of suppliers assessed for ESG risks	n/a	Process definition	Process defined	100%
		9. Share of audited 'at-risk' suppliers	n/a	Process definition	Process defined <sup>c)</sup>	100%
		10. Share of female employees in senior roles	n/a	17.2%	17.4%	20%
<b>Governance</b>	<ul style="list-style-type: none"> <li>– Maintain an undisputed reputation as a trusted and reliable partner with the highest integrity standards</li> </ul>	11. Share of employees trained on business ethics	100%	98.3%	93.7%	100%
		12. Annual year-over-year increase in the combined level of security compliance with pertinent frameworks	n/a	+ 15%	+10%	+5% per year
<b>Portfolio Impact</b>	<ul style="list-style-type: none"> <li>– Deliver solutions that empower customers and consumers to achieve their financial and environmental targets</li> </ul>	13. Share of products in Eco-Portfolio	74%	78%	84%	90%

## Description of KPIs

- |   |   |   |
|---|---|---|
| 1. Proportion of electricity sourced from renewable energy, expressed as a percentage of total electricity consumed | 5. Number of work-related incidents resulting in lost time per million hours worked   | 9. % of suppliers flagged as 'at-risk', who were audited  |
| 2. CO <sub>2</sub> e emissions (Scope 1+2) produced per 100 USD of revenue generated by the company                 | 6. Average number of hours dedicated to training per employee   | 10. % of female employees in leadership positions   |
| 3. Water withdrawal (in m <sup>3</sup> ) per company employee   | 7. % of direct material suppliers (based on spend) who have signed L+G's 'Supplier Code of Conduct', or equivalent          | 11. % of employees trained on business ethics per year  |
| 4. % of waste, out of total amount of waste, sent to landfill   | 8. % of direct material suppliers (based on number of suppliers) who have been assessed to determine their ESG risk profile | 12. Combined result of annual security assessments performed following different frameworks (e.g., BSIMM) |
|   |   | 13. % of products shipped that satisfied Landis+Gyr's Eco-Portfolio criteria                              |

# Corporate Governance



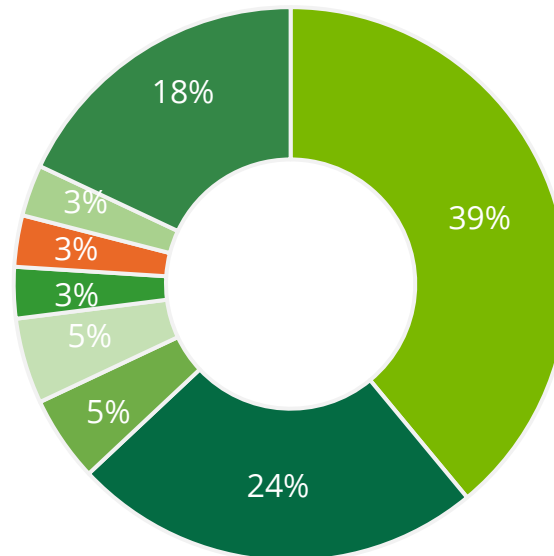
# Strong anchor investors and diversified shareholder base

## Top shareholders

Rudolf Maag	10.38%
UBS Fund Mgmt	5.15%
Spectrum EO	5.01%

*About 7,900 registered shareholders*

## Geographical distribution



## Capital structure

- One class of registered shares outstanding
- “One share, one vote” principle
- No share blocking, vote ceilings or any other form of voting restrictions<sup>1</sup>
- Conditional capital of up to 10% with a capital band (-10% to +10%)

Sources: SIX filings, share register as of January 2025

<sup>1</sup> Standard regulations for nominees as set forth in Articles of Association apply



# Group Executive Management (GEM)



**Peter Mainz**  
CEO

6 years with Landis+Gyr  
Over 30 years multinational experience o/w 20+ years in the metering industry



**Elodie Carr-Cingari**  
CFO

4 years with Landis+Gyr  
Over 20 years experience in energy and IT industries



**Prasanna Venkatesan**  
EVP Americas

18 years with Landis+Gyr  
Over 30 years technology and management experience



**Rob Evans**  
EVP EMEA

8 years with Landis+Gyr  
Over 20 years international industrial industry experience

# Board of Directors (I)



**Andreas Umbach**

Chair since 2017  
Not independent<sup>1</sup>  
(former executive)

#### Experience

- President and CEO/COO of Landis+Gyr Group (2002-17)
- Various managerial positions within Siemens



**Audrey Zibelman**

Vice Chair, member since 2023  
Independent

#### Experience

- VP of X, Alphabet Moonshot Factory (2021-22)
- MD/CEO of Australian Energy Market Operator (2017-20)
- Chair/CEO of New York Public Services Commission (2013-17)
- Founder/CEO of Viridity Energy (2007-13)



**Eric Elzvik**

Lead Independent Director since 2017  
Independent

#### Experience

- CFO of ABB Ltd. (2013-17)
- Various senior positions within ABB (finance, M&A, ventures)



**Peter Mainz**

Member since 2018  
Independent

#### Experience

- Board member of Itron (2016-18)
- President and CEO of Sensus (2008-14)



**Andy Spreiter**

Member since 2017  
Independent

#### Experience

- CFO of Forbo (2013-17)
- CFO of Landis+Gyr Group (2002-12)

<sup>1</sup> Qualifies as Independent Member according to the DCG and Swiss Code of Best Practice for Corporate Governance, but not under Landis+Gyr Corporate Governance Standards

# Board of Directors (II)



**Fabian Rauch**  
Member since 2024  
Not independent  
(SEO Representative)

### Experience

- Managing Partner of SEO (since 2022)
- ENA Investment Capital (2018-21)
- Vice President at Cevian Capital (2010-17);
- Oliver Wyman (2009-10)



**Christina Stercken**  
Member since 2017  
Independent

### Experience

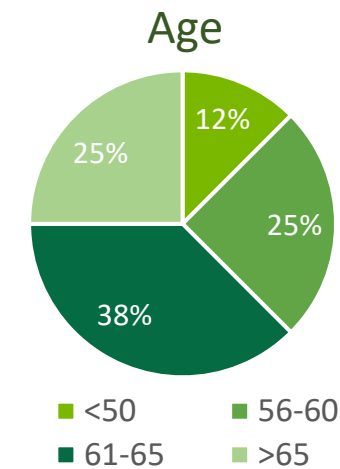
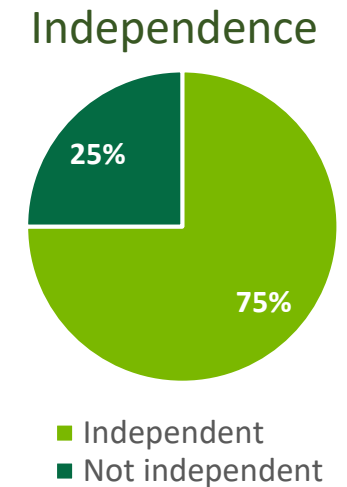
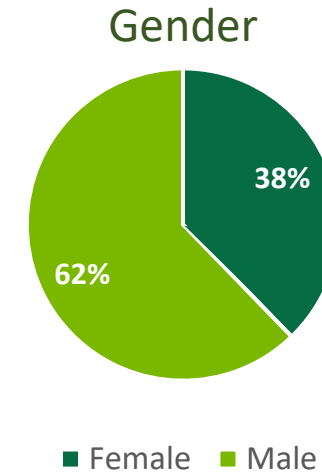
- Partner in EAC International Consulting (2006-17)
- Managing Director Corporate Finance M&A of Siemens AG (2000-2006)



**Lauren Tolson**  
Member since 2021  
Independent

### Experience

- Chief Digital Officer of Wabtec / GE Transportation (2017-20)
- ABB Enterprise Software (2012-17)
- VP Systems Management Software at Dell (2008-12)



# Board of Directors Governance (I/II)

## Lead Independent Director

- Provides leadership to the independent directors
- Positioned to address any potential issue where the Chair – due to his previous role as CEO of the Group – may be conflicted
- May call a Board meeting without Chair and chairs meetings if the Chair and Vice-Chair is indisposed or conflicted
- Included in any deliberations or decision-taking involving the assessment of the Chair's work
- Point of contact for investors

*LID only in the event the Chair is non-independent*

## Audit, Finance & Risk Committee

- Oversight of financial reporting
- Assessment of the adequacy of the Group's systems, policies, and controls regarding financial and non-financial risks
- Compliance with legal and regulatory obligations, insurance and related matters
- Evaluates the work of the internal control functions (e.g. Audit and Compliance) and of the external auditors

*Comprising fully independent board members*

## Remuneration Committee

- Establishes and reviews the remuneration systems in alignment with business strategy and shareholders' interests
- Ensures executives and employees are paid in a way that incentivizes and rewards performance and innovation and that attracts and retains talent
- Prepares proposals to the Board and the shareholders' meeting regarding remuneration
- Sets remuneration related targets for the Executive Management

*Comprising fully independent board members*

## Nomination, Governance & Sustainability Committee

- Establishes and maintains a process for approving new Board members, the CEO, and the other Group Executives (GEM)
- Oversees the succession planning regarding all members of the Board and the GEM
- Supports the Board and its Committees in their self-assessment as well as in their assessment of the GEM
- Responsible for Corporate Governance matters and practices
- Responsible for sustainability and certain ESG matters incl. the Sustainability Report

# Board of Directors Governance (II/II)

## Limitation of Board mandates

- No more than total four (Chair: no more than three) mandates (besides LAND) at publicly traded companies:
  - Directors' average: one
  - Chair: one

## Attendance / decision making process

- Board and Committees meet minimum every two months; hold telephone conferences on an as needed basis
- Meeting attendance in both FY 2023 and FY 2024 was 100%
- Annual two-day strategy session
- Introduction program, regular training sessions and site visits for new Board members

## Board review

- Board conducts an annual self-assessment based on a comprehensive and anonymous questionnaire; conducted in 2024 a more detailed assessment with the support of an external governance specialist
- Regular review of skills/traits of Directors – see “Board Skill Matrix” on next page

## Gender diversity

- Gender diversity actively considered in succession planning
- Target of at least 30% female directorship



# Board Skill Matrix

## Board Member

Board Member	General				Governance				Technical / Functional					Industry Experience		
	Independence	Financial Proficiency	Global / International / Emerging Markets Experience	Leadership, General Management and P&L Experience	Understanding Fiduciary, Legal and Compliance Duties	Board Experience	Risk Management (incl. Health and Safety) and Audit	Environmental, Social and Governance (Sustainability)	Strategy Development and Execution	Growth and Innovation	Operational Excellence	Financial Expertise	Digitalization incl. Cybersecurity	Utility Markets and Regulation	Solutions, Software & Services in Energy	M&A Expertise
Andreas Umbach		■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Eric Elzvik	◆	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Peter Bason		■	■	■	■	■	■	■	■	■	■	■				■
Peter Mainz	◆	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Andreas Spreiter	◆	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Christina Stercken	◆	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Laureen Tolson	◆	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Audrey Zibelman	◆	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■

- Very experienced / expert
- Relevant experience / proficient
- ◆ Independent

# Overview Board Committees

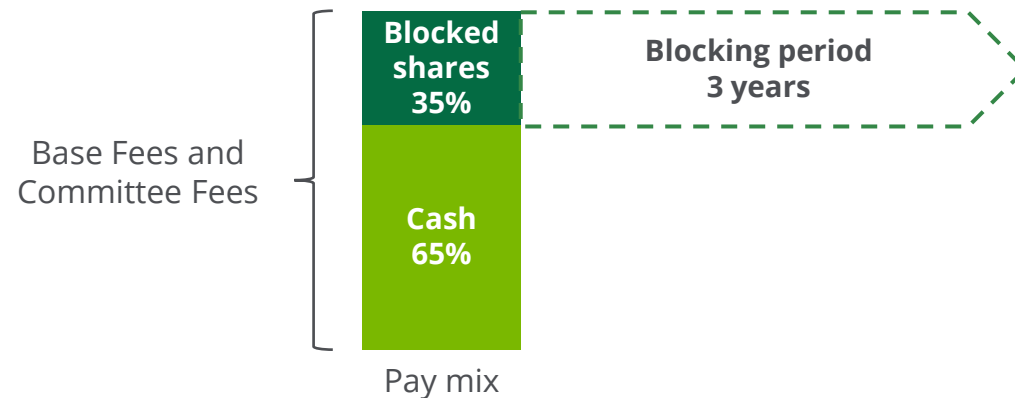
	<b>Audit, Finance &amp; Risk Committee</b>	<b>Remuneration Committee</b>	<b>Nomination, Governance &amp; Sustainability Committee</b>
Andreas Umbach, Chair			Member
Audrey Zibelman, Vice Chair			Member
Eric Elzvik, LID		Member	Chair
Peter Mainz			
Fabian Rauch			
Andy Spreiter	Chair		
Christina Stercken	Member		Member
Laureen Tolson		Chair	

# Remuneration



# Board of Directors remuneration system: aligned with shareholder value

- The remuneration of the Board of Directors **is fixed and does not contain any performance-based variable component**. This provides for the Board of Directors' independence in fulfilling its supervisory duties.
- Except for the Chair of the Board, who receives a fixed annual base fee covering all activities, **Directors are also entitled to committee membership fees**.
- The amounts of the base fee and committee membership fee reflect the responsibility and time requirement inherent to the function and are **paid 65% in cash and 35% in Landis+Gyr's shares**, which are **blocked for sale for a period of three years** following their grant.



- Due to his previous employment relationship, and in accordance with the **requirements of Swiss pension regulations, the Chair of the Board continues to participate in the company's collective pension scheme**. However, all contributions, including the employer contributions, are funded by the Chair himself; his base fee payment is reduced accordingly by the amount of employer contributions which the company remits directly to the pension fund on behalf of the Chair.

# Group Executive Management remuneration system: driven by performance

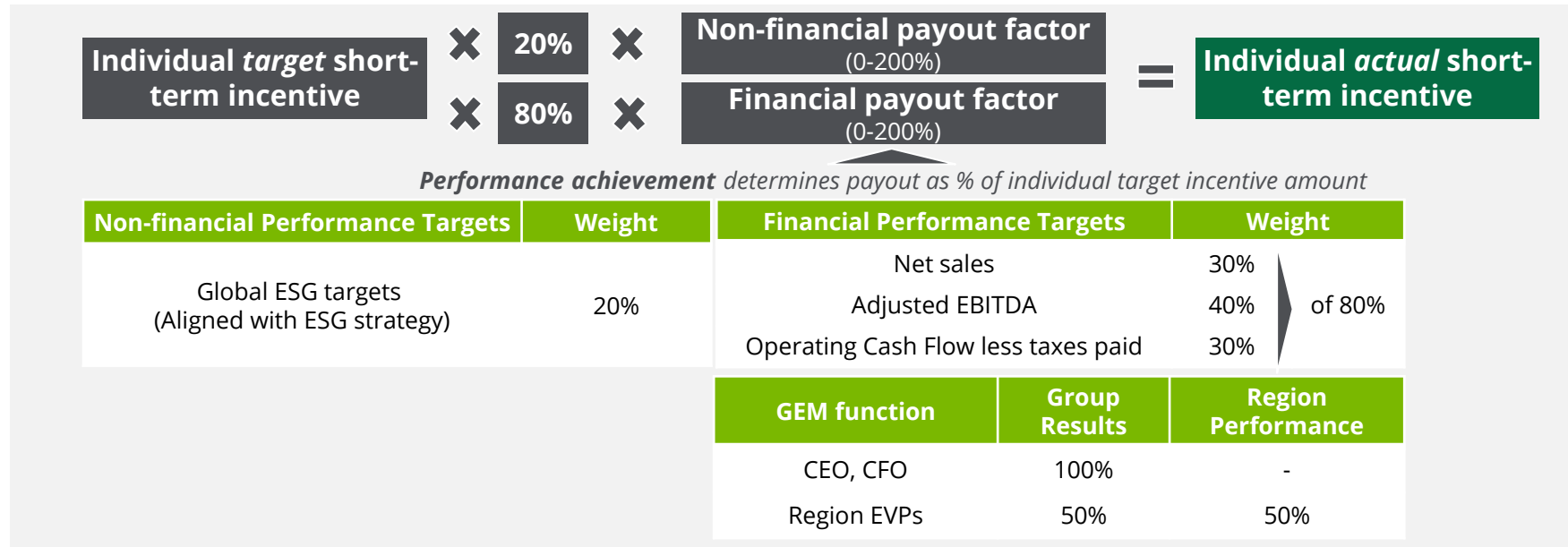
Year 1	Year 2	Year 3	
<b>Base salary</b>			<ul style="list-style-type: none"> <li>Fixed compensation reflecting the scope and responsibilities of the role, qualifications and experience required to perform the role and market value of the role in the location in which the Company competes for talent, skills and expertise.</li> </ul>
<b>Benefits</b>			<ul style="list-style-type: none"> <li>Defined considering local market practice as well as legal requirements and covering pension benefits, fringe benefits, etc.</li> </ul>
<b>Short-term incentive</b> 0-200% of target amount			<ul style="list-style-type: none"> <li>Annual cash incentive</li> <li>80% measured against Group and (if relevant) regional financial performance</li> <li>20% measured against targets aligned with ESG strategy</li> <li>In FY2023 target incentive amounts did not exceed 75% of base salary</li> <li>Payout capped at 200% of target incentive amount</li> </ul>
<b>Long-term incentive</b> 0-200% of number of granted PSUs  3-year performance-based award			<ul style="list-style-type: none"> <li>Performance Share Units (PSUs)</li> <li>Settled in Landis+Gyr shares subject to performance achievement (relative TSR and EPS)</li> <li>In FY2023 target award values did not exceed 80% of base salary; converted into PSUs at grant</li> <li>Settlement in shares capped at 200% of number of granted PSUs</li> </ul>
<b>Shareholding guidelines</b>	<b>300%</b> base salary for CEO <b>200%</b> base salary for other GEM members		<ul style="list-style-type: none"> <li>Guidance on share retention to build up within 5 years and hold as long as in office</li> </ul>
<b>Clawback Policy</b>			<ul style="list-style-type: none"> <li>Allows for partial or full recovery of performance-based cash or equity paid or vested to members of the GEM during the previous three financial years, in the event of material restatement of accounts, fraud, gross negligence or wilful misconduct, any serious breach of Landis+Gyr's code of business ethics and conduct or in the event of actions that cause serious reputational harm to the Company.</li> </ul>

# Group Executive Management remuneration system: Details on short-term incentive plan

## Purpose:

- Annual cash incentive plan with financial performance targets, focusing on Landis+Gyr's one-year operational and financial performance (80%), and non-financial performance targets (20%), aligned with Landis+Gyr's ESG strategy
- Designed to motivate participants to deliver effective performance and increased contribution to the Company's success
- Performance targets are recommended by the RemCo and set by the Board of Directors at the beginning of each financial year and correlate with the mid-term plan and long-term strategy and are aligned with business priorities, with the aim of achieving sustainable profitability and growth in alignment with shareholder's interests.

## Design:



For the **financial performance targets** threshold performance levels apply, at which payout is 25% of target incentive (and 0% below threshold), and maximum performance levels, at which payout is capped at 200% of target incentive.

For the **ESG targets** threshold performance levels apply, at or below which payout is 0% of target incentive and maximum performance levels, at which payout is capped at 200% of target incentive.

Linear interpolation applies between threshold, target and maximum performance.

# Non-financial performance targets in the short-term incentive plan

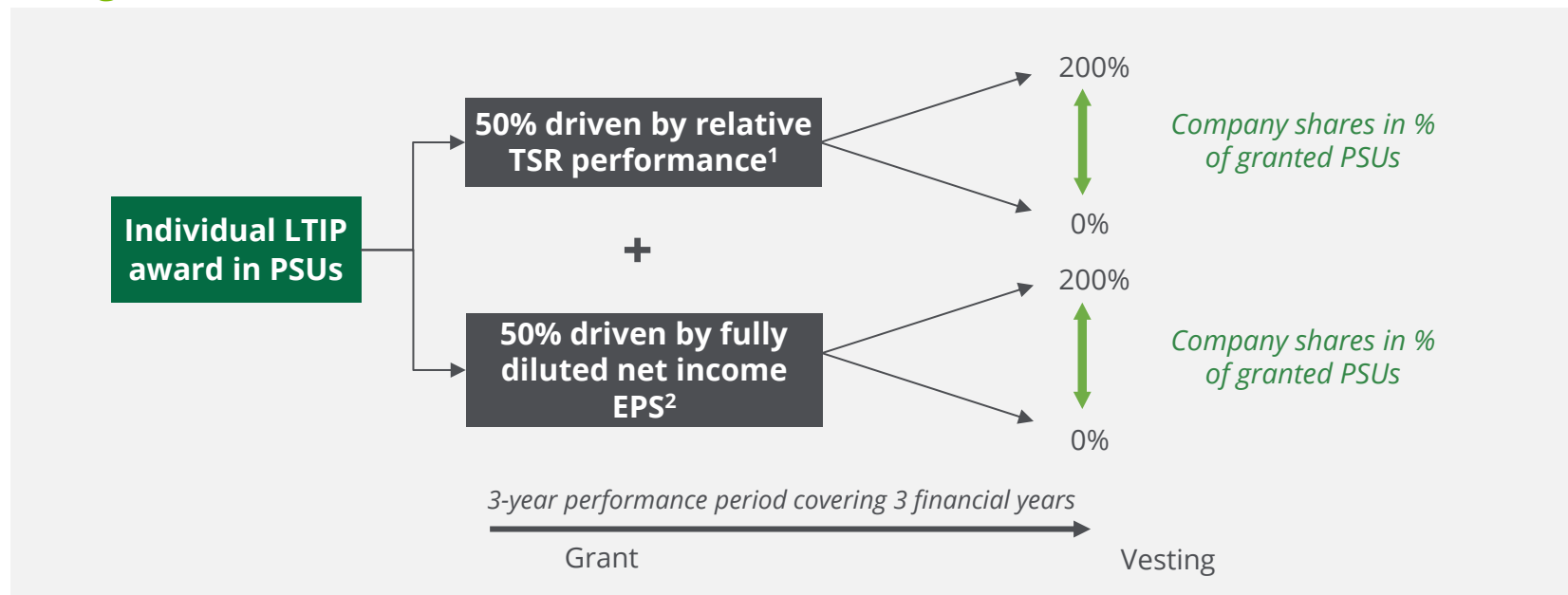
- **20%** of the short-term incentive plan is measured against **quantitative ESG-related** performance targets.
- The targets are derived directly from Landis+Gyr's **material ESG topics**, thereby creating a **direct link between our ESG strategy and our incentive system**.
- **Targets** relate to topics such as **energy efficiency and climate protection, resource efficiency, strategic responsible sourcing, employee engagement and security & data privacy**, and are measured against the following KPIs:
  - 1) % of electricity sourced from renewable energy sources
  - 2) Million tons of CO<sub>2</sub> savings enabled through Landis+Gyr products & solutions
  - 3) % of shipped units that are part of the Landis+Gyr Eco-Portfolio
  - 4) % of direct material spend covered by ESG supplier audits
  - 5) Number of employee learning hours
  - 6) % share of female employees
  - 7) Average % BSIMM<sup>1</sup> score
- For each target **quantifiable threshold, target and stretch performance levels** are defined against which performance is measured and payout calculated.
- ESG **targets** in the short-term incentive plan are **reviewed each year**, to ensure good representation of our material ESG topics and alignment with our ESG ambitions and roadmap.
- The performance levels for threshold, target and stretch are set each year at a level that ensures continued progress for the respective topic.
- Future **inclusion of ESG in long-term incentive plan** is planned for financial year 2025, with the targets to be aligned with the priorities defined for the next 3-year ESG cycle 2025 to 2027.

# Group Executive Management remuneration system: Details on long-term incentive plan

## Purpose:

- To support long-term value creation for the Company by providing the members of the GEM and other eligible key managers with a possibility to participate in the future long-term success and prosperity of Landis+Gyr, and
- To further align the long-term interests of the management with those of the shareholders.

## Design:



For each KPI (TSR and EPS) threshold performance levels, at or below which vesting is 0% of granted PSUs, and maximum performance levels, at which vesting is capped at 200% of granted PSUs, apply.

Linear interpolation applies between threshold, target and maximum performance levels.

The vesting curves for both KPIs support symmetrical performance and payout situations below and above the target and allow for a realistic performance-related chance to realize vesting.

<sup>1</sup> TSR is measured relative to a custom peer group of 24 Swiss and international companies; performance is assessed as a percentile rank compared to the peer companies.

<sup>2</sup> EPS target will not be disclosed on a prospective basis as it represents commercially sensitive information; information on achieved performance will be disclosed at the end of the respective performance period

# Appendix

# Landis+Gyr Remuneration Framework



## Highlights

**Comprehensive remuneration governance** with the Board of Directors' direct oversight of the remuneration policy at Landis+Gyr

Remuneration strategy based on the principles of **performance, shareholder value, talent management and market orientation**

Board of Directors remuneration system **aligned with shareholder value**

Group Executive Management (GEM) remuneration system **driven by performance**

GEM Remuneration **balances short-term and long-term** performance drivers