

Corporate Governance

Burckhardt Compression is committed to responsible corporate governance. The company adheres to the Directive on Information Relating to Corporate Governance (DCG) issued by SIX Swiss Exchange, where applicable to Burckhardt Compression, and to the “Swiss Code of Best Practice for Corporate Governance” issued by *economiesuisse*.

Burckhardt Compression has scheduled its Annual General Meeting 2024 on July 5, 2024.

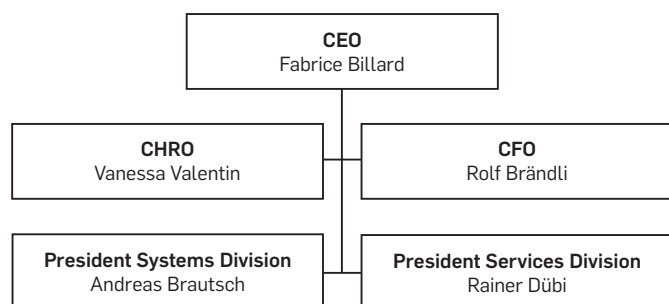
The information presented in this report reflects the situation on March 31, 2024, unless otherwise noted, and this report is structured in accordance with the latest DCG's outline and numbering.

1. Group structure and shareholders

1.1. Group structure

1.1.1. Description of the operational group structure

Burckhardt Compression is managed through a divisional organizational structure consisting of two divisions, the Systems Division (compressor manufacturing business) and the Services Division (compressor services and components). The management structure of the Burckhardt Compression is given in the organizational chart below:



1.1.2. Listed Group companies

Burckhardt Compression Holding AG, a corporation organized under the laws of Switzerland with its legal domicile in Winterthur, is the only listed Group company. Burckhardt Compression registered shares (BCHN) are listed on the SIX Swiss Exchange in Zurich (ISIN: CH0025536027; security number 002553602). Its market capitalization as per March 31, 2024 amounted to CHF 1'921'000'000. Burckhardt Compression Holding AG holds 13'805 BCHN shares (0.41% of the total registered shares) per March 31, 2024.

1.1.3. Unlisted Group companies

Information on the unlisted companies included in the scope of consolidation of Burckhardt Compression Holding AG is given in the financial report on page 147, Note 102, "Subsidiaries".

With the exception of Burckhardt Compression Holding AG, none of the companies included in the scope of consolidation hold any BCHN shares.

1.2. Significant shareholders

According to information available to the company from the disclosure notifications of the SIX Exchange Regulation Ltd., the shareholders listed in the following table reported shareholdings of at least 3% of the voting rights as per March 31, 2024. In accordance with the company's Articles of Incorporation, the voting rights of NN Group N.V., The Goldman Sachs Group Inc. and UBS Fund Management (Switzerland) AG are limited to 5.0% of the total number of BCHN registered shares recorded in the Share Register:

| Name | Country | of shares in % |
|--|---------|----------------|
| MBO Aktionärsgruppe (Valentin Vogt, Daniela Vogt, Harry Otz, Leonhard Keller, Martin Heller, Ursula Heller, Marcel Pawlicek) | CH | 9.97 |
| NN Group N.V.* | NL | 9.86 |
| The Goldman Sachs Group, Inc.** | US | 6.45 |
| UBS Fund Management (Switzerland) AG | CH | 5.06 |
| Credit Suisse Funds AG | CH | 3.24 |
| BlackRock, Inc. | US | 3.07 |
| Swisscanto Fondsleitung AG | CH | 3.01 |

* According to the notification to the Disclosure office of SIX Exchange Regulation Ltd. published on November 19, 2021.

** According to the notifications to the Disclosure Office of SIX Exchange Regulation Ltd. published on June 24, 2022, and May 11, 2023 respectively, with the following remark: "This notification is being made because The Goldman Sachs Group, Inc. ("GS Group") has acquired control of NN Investment Partners Holdings N.V. ("NNIP") and NNIP has a discretionary asset management mandate with respect to BCHN shares which are owned by NN Group N.V."

More detailed information on the disclosure notifications is available on the website of the SIX Swiss Exchange's Disclosure Office: (<https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/>).

1.3. Cross-shareholdings

Burckhardt Compression Holding AG has no cross-shareholdings with any other company or group of companies.

2. Capital structure

2.1. Capital

The issued share capital of Burckhardt Compression Holding AG amounts to CHF 8'500'000, comprising 3'400'000 fully paid registered shares with a nominal value of CHF 2.50 each.

2.2. Capital band and conditional capital in particular

At the Annual General Meeting 2023, a new capital band was introduced in the Articles of Incorporation. As per Article 3a of Burckhardt Compression Holding AG's Articles of Incorporation, Burckhardt Compression Holding AG has a capital band between CHF 8'075'000 (lower limit) and CHF 9'350'000 (upper limit). The Board of Directors is authorized to increase or reduce the share capital at any time, once or several times and in any amounts, to a maximum of CHF 9'350'000 up to July 1, 2028. Within the capital band, the capital can be increased by issuing up to 340'000 fully paid-up registered shares with a nominal value of CHF 2.50 each or decreased by expunging a maximum of 170'000 registered shares with a nominal value of CHF 2.50 each.

The company does not have any conditional capital.

Details on the capital band:

The transferability of the shares is restricted as provided for in the Articles of Incorporation. Unless included in the General Meeting's authorization resolution, the Board of Directors issues the required instructions. The Board of Directors determines the issue price, issue date, conditions for exercising the subscription right, the type of contribution in kind, if applicable, and the beginning of the dividend entitlement. The Board of Directors is entitled to exclude the shareholders' subscription right in whole or in part in favor of third parties if such new shares should be used (i) for the acquisition of companies through an exchange of shares, or (ii) to finance the acquisition of companies or parts of companies. The Board of Directors can also exclude the subscription right if the new shares are issued in the context of a public placement. Shares for which subscription rights have been granted, but not exercised are allocated by the Board of Directors at its sole discretion. Further details on the capital band are also included in Chapter 2.2 above.

2.3. Changes in capital

There has been no movement (increase or decrease) in share capital since the Initial Public Offering (IPO) in June 2006.

2.4. Shares and participation certificates

Voting rights may only be exercised after the shareholder has been registered in the Share Register. All shares are entitled to full dividend rights. Voting rights per shareholder are restricted to 5.0% of the total number of the registered shares recorded in the commercial register. This does not apply to shareholders who were in possession of more than 5.0% of the shares of Burckhardt Compression Holding AG before the IPO. The voting rights of treasury shares – held by Burckhardt Compression Holding AG – are suspended. The company has not issued any participation certificates.

2.5. Dividend-right certificates

The company has not issued any dividend-right certificates.

2.6. Limitations on transferability and nominee registrations

2.6.1. Limitations on transferability

No person or entity will be registered as a shareholder in the Share Register for more than 5.0% of the issued share capital. This entry restriction is also applicable to persons whose shares are totally or partially held by Nominees (please refer to below Chapter 2.6.3). This restriction is also valid if shares are acquired through the exercise of subscription, option, or conversion rights, with the exception of shares acquired through inheritance, division of an estate or marital property law. Legal entities and partnerships associated with each other by uniformly managed capital or votes or in any other way, as well as private and legal entities or partnerships which form an association to evade registration restrictions, are regarded as one person.

This restriction on voting rights does not apply to shareholders who were in possession of more than 5.0% of the shares of Burckhardt Compression Holding AG before the IPO. The Board of Directors is entitled to grant exceptions to the registration requirements in special circumstances.

A shareholder may be represented at the Annual General Meeting by the independent proxy holder or by another person with legal capacity. All shares held by a shareholder can only be represented by one person.

The company may further refuse registration as a shareholder with voting rights, if the acquirer does not expressly declare upon request that he/she/it holds the shares in his/her/its own name and for his/her/its own account.

2.6.2 Reasons for granting exceptions

The company has not granted any exceptions during the last year.

2.6.3. Nominee registrations

Individual persons who have not expressly declared in their registration application that they hold the shares for their own account (nominees) will be entered in the Share Register with voting rights if the nominee concerned provides proof that he/she/it is subject to supervision by an accredited bank and financial market regulator and if he/she/it has concluded an agreement with the Board of Directors concerning his/her/its status. Nominees holding up to 2.0% of the issued shares will be entered in the Share Register with voting rights without having to sign an agreement with the Board of Directors. Nominees holding more than 2.0% of the issued shares will be entered in the Share Register with 2.0% voting rights and, for the remaining shares, without voting rights. Above this 2.0% cap, the Board of Directors may have nominees entered in the Share Register with voting rights if they disclose the names, the addresses, the nationalities, and the shareholdings of the persons for whom they hold more than 2.0% of the issued share capital. The Board of Directors is entitled to approve

Corporate Governance

exceptions from the statutory conditions for registration with respect to special circumstances.

2.6.4. Cancelling privileges and limitations on transferability

Amendments to the Articles of Incorporation (including cancelling privileges and limitations on transferability) require the approval of at least two-thirds of the share votes represented at the Annual General Meeting.

2.7. Convertible bonds and options

The company does not have any outstanding convertible bonds and has not issued any option rights.

3. Board of Directors

3.1./3.2. Members of the Board of Directors/

Other activities and vested interests

The Articles of Incorporation stipulate that the Board of Directors consists of a minimum of three (3) and a maximum of seven (7) members. Since the Annual General Meeting 2021, all members are non-executive and independent members of the Board of Directors in the context of the "Swiss Code of Best Practice for Corporate Governance" from *economiesuisse*.

The composition of the Board of Directors is as follows:

| Name | Nationality | Function | First elected | Term expires |
|----------------------|--------------------|--|----------------------|---------------------|
| Ton Büchner | CH/NL | Chair, non-executive; Chair SSC | 2020 | 2024 |
| Kaspar Kelterborn | CH | Member, non-executive; member AC | 2023 | 2024 |
| Dr. Monika Krüsi | CH/IT | Member, non-executive; member SSC, Chair NCC | 2012 | 2024 |
| Dr. Stephan Bross | DE | Member, non-executive; member NCC | 2014 | 2024 |
| David Dean | CH | Member, non-executive; Chair AC | 2019 | 2024 |
| Maria Teresa Vacalli | CH | Member, non-executive; member AC; member NCC | 2022 | 2024 |

AC = Audit Committee | NCC = Nomination and Compensation Committee | SSC = Strategy and Sustainability Committee

No member of the Board of Directors has served as a member of the Executive Management of Burckhardt Compression Holding AG and/or any subsidiary within Burckhardt Compression. Furthermore, none of the members of the Board of Directors has material business relationships with Burckhardt Compression AG and/or any subsidiary within Burckhardt Compression.

Biographical details and information on other activities and commitments of the individual members of the Board of Directors are given below:



Ton Büchner (1965)

Independent Board Member since 2020

Education

MBA, IMD Business School, Switzerland,
MSc in Civil Engineering, Delft University of
Technology, Netherlands

Professional background

2012–2017 Chair of the Executive
Management and CEO, AkzoNobel NV,
Netherlands
2007–2011 CEO, Sulzer AG, Switzerland
2003–2007 President, Sulzer Pumps,
Switzerland
2000–2002 President, Sulzer
Turbomachinery Services, Switzerland
1994–2000 Various management
positions, Sulzer AG, Switzerland

Duties and responsibilities as a director of Burckhardt Compression Holding AG

- Chair of the Board of Directors
- Chair of the Strategy and
Sustainability Committee

Other activities and commitments

- Member of the Board of Directors,
Novartis AG, Switzerland
- Chair of the Board of Directors, Swiss
Prime Site AG, Switzerland
- Member of the Advisory Committee
“Adviescommissie Maatwerkafspraken
Verduurzaming Industrie” of the Ministry
of Economic Affairs and Climate
of the Netherlands
- Advisor, Ammega, Switzerland



Dr. Stephan Bross (1962)

Independent Board Member since 2014

Education

PhD in Mechanical Engineering,
TU Braunschweig, Germany

Professional background

Since 2018 Executive Management
member (CTO), KSB SE & Co. KGaA,
Germany
2017 Executive Management member,
Technology, KSB AG, Germany
2014–2017 Senior Vice President, Pumps,
KSB AG, Germany
2007–2013 Senior Vice President, Service,
KSB AG, Germany
2002–2007 Head Product Management
and Development Engineered Pumps,
KSB AG, Germany
1997–2001 Head Development and
Services Fluid Flow Technical Systems,
KSB AG, Germany
1996–1997 Head of Fluid Mechanics
Research, KSB AG, Germany
1993–1996 R&D Engineer, KSB AG,
Germany

Duties and responsibilities as a director of Burckhardt Compression Holding AG

- Member of the Board of Directors
- Member of the Nomination and
Compensation Committee

Other activities and commitments

- Managing Director, KSB Management SE,
Germany
- Member of the Board of Directors, KSB
Ltd., India (a fully consolidated subsidiary
of KSB SE & Co. KGaA)



David Dean (1959)

Independent Board Member since 2019

Education

Swiss certified Expert for Accounting
and Controlling, Swiss certified Public
Accountant
Completed executive education programs
at Harvard Business School, Boston, USA,
and at IMD, Lausanne, Switzerland

Professional background

Since 2019 Self-employed, Switzerland
2004–2019 CEO, Bossard Group,
Switzerland
1998–2004 CFO, Bossard Group,
Switzerland
1993–1998 Deputy CFO and Corporate
Controller, Bossard Group, Switzerland

Duties and responsibilities as a director of Burckhardt Compression Holding AG

- Member of the Board of Directors
- Chair of the Audit Committee

Other activities and commitments

- Member of the Board of Directors,
Bossard Holding AG, Switzerland
- Member of the Board of Directors
Komax Holding AG, Switzerland
- Member of the Board of Directors,
BRUGG Group AG, Switzerland
- Member of the Board of Directors,
Metall Zug AG, Switzerland



Dr. Monika Krüsi (1962)

Independent Board Member since 2012

Education

PhD in Business Informatics,
MBA University of Zurich, Switzerland

Professional background

Since 2003 Partner, MKP Consulting AG,
Switzerland

2001–2003 Partner, Venture Incubator
Partners AG, Switzerland

1991–2001 Associated Partner,
McKinsey & Co., Inc., Switzerland

1986–1990 Credit Suisse, Switzerland

Duties and responsibilities as a director of Burckhardt Compression Holding AG

- Member of the Board of Directors
- Chair of the Nomination and
Compensation Committee
- Member of the Strategy and
Sustainability Committee

Other activities and commitments

- Chair of the Board of Directors,
Repower AG, Switzerland
- Member of the Board of Directors,
Energy 360° AG, Switzerland
- Member of the Board of Directors
Accelleron Industries AG, Switzerland
- Member of the Board of Trustees,
Ernst Göhner Stiftung, Switzerland



Maria Teresa Vacalli (1971)

Independent Board Member since 2022

Education

MSc in Industrial Management and
Manufacturing, ETH Zurich, Switzerland

Professional background

2019–2022 Chair of the Executive Board
and Head of the Executive Committee,
Bank Cler AG, Switzerland

2018–2019 Head of Digital Market
Services & Member of the Executive
Committee, Basler Kantonalbank,
Switzerland

2016–2018 CEO, Moneyhouse AG,
NZZ Mediengruppe, Switzerland

2013–2016 Sunrise Communication AG,
Switzerland

2008–2013 Executive Director
Wholesale, Switzerland

2002–2008 Director, Cablecom,
Switzerland

2002 Manager GCI Management,
Switzerland

2001 Manager, Ernst & Young, Center
for Business Innovation (CBI), Switzerland

2000–2001 Partner & Owner,
Seavantage, Switzerland

1998–2000 Manager, Pricewaterhouse-
Coopers, Switzerland

Duties and responsibilities as a director of Burckhardt Compression Holding AG

- Member of the Board of Directors
- Member of the Audit Committee
- Member of the Nomination and Compen-
sation Committee

Other activities and commitments

- Member of the Board of Directors,
Kardex Holding AG, Switzerland
- Member of the Board of Directors,
Die Schweizerische Post AG, Switzerland
- Member of the Board of Directors,
PostFinance AG, Switzerland



Kaspar Kelterborn (1964)

Independent Board Member since 2023

Education

Lic. oec. HSG, University of St. Gallen,
Switzerland

Professional background

Since 2021 Managing Partner, Kelterborn
Advisory AG, Switzerland

2006–2021 CFO & Member of the
Executive Board, Conzzeta AG, Switzerland

2002–2005 CFO & Member of the
Executive Board, Unaxis Holding AG,
Switzerland

2000–2002 Divisional Head Finance &
Divisional Controller, Clariant BTP Ltd.,
United Kingdom

1999–2000 Regional Finance Director,
Clariant Singapore Pte, Singapore

1997–1998 Country Finance Director,
Clariant Chemicals Ltd., Bangkok

1996–1997 Head Controlling, Clariant
Productos SA, Spain

1993–1995 Controller, Sandoz Venezuela
SA, Venezuela

Duties and responsibilities as a director of Burckhardt Compression Holding AG

- Member of the Board of Directors
- Member of the Audit Committee

Other activities and commitments

- Member of the Board of Directors, Ruag
International AG (Beyond Gravity),
Switzerland
- Member of the Board of Directors,
Wipf Holding AG, Switzerland
- Member of the Board of Directors, CPH
Chemie + Papier Holding AG, Switzerland
- Member of the Board of Directors,
Karl Bubenhofer AG, Switzerland

Independence of the Board of Directors

All members are non-executive and independent members of the Board of Directors in the context of the Swiss Code of Best Practice for Corporate Governance from *economiesuisse*. Non-executive members of the Board of Directors are considered independent if they have never, or not within the last three (3) years, worked for Burckhardt Compression, and have no or only relatively small business relationships with the company.

3.3. Rules in the Articles of Incorporation concerning the number of permitted activities

Members of the Board of Directors may not hold more than ten (10) additional board memberships, of which not more than four (4) in listed companies.

3.4. Election and term of office

Each member of the Board of Directors, the Chair of the Board of Directors, and each member of the Nomination and Compensation Committee are elected annually by the Annual General Meeting. The members of the Board of Directors shall be automatically retired from the Board of Directors in the year in which they reach the age of 70.

3.5. Internal organization and structure

3.5.1. Allocation of tasks within the Board of Directors

The competencies of the Board members are depicted in the following matrix:

| | Ton Büchner | Stephan Bross | David Dean | Monika Krüsi | Maria Teresa Vacalli | Kaspar Kelterborn |
|-------------------------------------|-------------|---------------|------------|--------------|----------------------|-------------------|
| Executive competence (>200 FTE) | • | • | • | | • | • |
| Strategic competence | • | • | • | • | • | • |
| Competence in non-European cultures | • | • | • | • | | • |
| Sustainability competence | • | • | | • | | • |
| Supply chain competence | | • | • | • | | |
| Competence in BC markets | • | • | | | | |
| Technological competence | • | • | | • | • | |
| Financial competence | • | | • | | • | • |
| M&A competence | • | • | • | • | • | • |
| Board-level competence | • | • | • | • | • | • |
| CEO coaching competence | • | • | • | • | | |

The company's General Counsel, who serves as Secretary to the Board of Directors, holds a degree in law (mag. iur.).

3.5.2. Committees of the Board of Directors

The Board of Directors has set up the following committees:

Audit Committee

The Audit Committee advises and supports the Board in all matters related to external and internal audits, risk management, accounting policies and practices and compliance with accounting standards issued. The CEO, the CFO, the Head of the Internal Group Audit and representatives of the external auditors also participated in the Audit Committee's ordinary meetings. The members are David Dean (Chair), Maria Teresa Vacalli and Kaspar Kelterborn.

Nomination and Compensation Committee

This committee advises and assists the Board of Directors on appointing, assessing and dismissing members of the Executive Management, and draws up proposals for the appointment or dismissal of members of the Board of Directors. Furthermore, the Nomination and Compensation Committee advises and assists the Board of Directors on questions relating to the compensation of the directors and the Executive Management members. The CEO and the CHRO also attend the ordinary meetings of the Nomination and Compensation Committee. The members are Dr. Monika Krüsi (Chair), Dr. Stephan Bross and Maria Teresa Vacalli.

Corporate Governance

Strategy and Sustainability Committee

The Strategy and Sustainability Committee supports the CEO in developing corporate strategy, advises the Board of Directors on strategic matters such as acquisitions and divestments, and ensures that sustainability (and social responsibility) is an integral part of the company strategy. It evaluates the implementation of the company strategy on a regular basis and submits proposals to the Board of Directors if adjustments or other measures are deemed necessary. The members are Ton Büchner (Chair) and Dr. Monika Krüsi. Additionally, the Strategy and Sustainability Committee helps prepare together with the CEO the annual strategy day.

3.5.3. Working methods

The Board of Directors has the final responsibility for the business strategy and the management of Burckhardt Compression. It has final authority and defines the guidelines regarding strategy, organization, financial planning, and accounting for Burckhardt Compression. The Board of Directors has delegated executive management responsibility to the CEO of Burckhardt Compression. The Board of Directors

appoints a Secretary for the Board and for the company. The Secretary does not need to be a member of the Board.

The Board of Directors meets as often as business requires, but at least four times per year. In fiscal year 2023, the Board of Directors and Board committees convened the following meetings (see table below).

The Board of Directors has a quorum when the majority of the members are present. Decisions are passed by a simple majority. In the event of a tie, the Chair has the casting vote.

The CEO, the two Presidents of the Systems and Services Divisions, the CFO, the CHRO and the General Counsel, in his role as Secretary, are regularly invited to attend Board meetings to report on developments in their respective business areas.

| Meeting | Governing body | Duration | Ton Büchner | Stephan Bross | David Dean | Monika Krüsi | Maria Teresa Vacalli | Kaspar Kelterborn | Urs Leinhäuser |
|------------------------|----------------|-----------|-------------|---------------|------------|--------------|----------------------|-------------------|----------------|
| 04/27/2023, meeting of | NCC | 2 hours | | • | | • | | | |
| 05/25/2023, meeting of | AC | 4.5 hours | | | • | | • | | • |
| 05/31/2023, meeting of | NCC | 3 hours | • | • | | | • | | |
| 06/01/2023, meeting of | BOD | 8 hours | • | • | • | • | • | | • |
| 09/06/2023, meeting of | BOD | 6 hours | • | • | • | • | • | • | |
| 10/25/2023, meeting of | AC | 4 hours | | | • | | • | • | |
| 10/25/2023, meeting of | NCC | 3.5 hours | • | • | | • | • | | |
| 10/26/2023, meeting of | BOD | 6 hours | • | • | • | • | • | • | |
| 11/17/2023, meeting of | NCC | 1.5 hours | • | • | | • | • | | |
| 12/07/2023, meeting of | AC | 2 hours | | | • | | | | |
| 12/08/2023, meeting of | BOD | 5 hours | • | • | • | • | • | • | |
| 12/18/2023, meeting of | NCC | 1 hour | • | • | | • | • | | |
| 01/17/2024, meeting of | NCC | 1.5 hours | • | • | | • | • | | |
| 01/17/2024, meeting of | AC | 9 hours | | | • | | • | • | |
| 01/18/2024, meeting of | SCC | 7.5 hours | • | • | • | • | • | • | |
| 02/19/2024, meeting of | NCC | 1 hour | • | • | | • | • | | |
| 02/26/2024, meeting of | SCC | 2 hours | • | | | • | • | | |
| 03/05/2024, meeting of | NCC | 2.5 hours | | • | | • | • | | |
| 03/06/2024, meeting of | BOD | 7 hours | • | • | • | • | • | • | |
| 03/18/2024, meeting of | BOD | 1.5 hours | • | • | • | • | • | • | |

BOD = Board of Directors | AC = Audit Committee | NCC = Nomination and Compensation Committee | SSC = Strategy and Sustainability Committee

3.6. Definition of areas of responsibility

The Board of Directors has delegated the Executive Management of the company and the Group to the CEO of Burckhardt Compression, with the exception of the duties which may not be delegated by law and in particular the following:

- Definition of the Group's business policies and strategy
- Definition of the top-level organizational structure of the Group
- Approval of the periodic forecasts, the annual report and of reporting and accounting policies
- Ensuring adequate internal control systems based on the recommendations of the Audit Committee
- Determination of the appropriate capital structure
- Appointment and dismissal of members to and from the Executive Management, as well as compensation of the Executive Management
- Decisions on new subsidiaries, major capital expenditure projects, acquisitions, financing transactions, the insurance concept and the provision of guarantees if such decisions exceed the powers conferred to the CEO.

The powers of the Executive Management and of the Group company executives are listed in detail in the organization regulation (<https://www.burckhardtcompression.com/investors/corporate-governance>).

3.7. Information and control instruments vis-à-vis the Executive Management

Order intake, the income statement, balance sheet, liquidity planning and cash flow, headcount, personnel costs and capital expenditure are consolidated and annotated on a monthly basis. A rolling forecast of the Burckhardt Compression results for the current and the coming fiscal years is also prepared and annotated four times a year (April, July, October and January). Targets for the coming fiscal year are determined based on the January forecast. The financial reports and the forecasts are distributed to the members of the Executive Management and all members of the Board of Directors. At every meeting of the Board of Directors, the members of the Executive Management report on the course of business and on all issues of relevance to Burckhardt Compression.

Internal Group Audit and internal control system (ICS)

The Internal Group Audit reports to the Chair of the Audit Committee of the Board of Directors. Management responsibility for Internal Group Audit has been delegated to the Head of Group Controlling, who is also responsible for planning and conducting the audits. The CFO is responsible for the coordination between the Audit Committee and the Head of the Internal Group Audit. Internal Group Audit consists of qualified staff from Finance and Controlling of Burckhardt Compression AG and several selected financial specialists from Burckhardt Compression's subsidiaries. Qualified experts from other departments (e.g., IT, Legal or Human Resources) may be consulted, depending on the auditing assignment. This efficient organization is tailored to the needs and size of Burckhardt Compression and fosters

an active exchange of information and best practice with the objective of creating sustained added value for Burckhardt Compression by means of continual process improvement. The internal auditors undergo regular training for the performance of their tasks. The training received is coordinated by the Head of Internal Group Audit. The schedule for internal audits is determined by the Audit Committee of the Board of Directors on an annual basis and may be changed or expanded by the Audit Committee as and when required. Eight (8) internal audits were carried out in fiscal year 2023. The Internal Group Audit's reports were distributed to the management of the audited company, the members of the Audit Committee of the Board of Directors, the Executive Management members and to the external company auditors. The statutory auditor assesses the effectiveness of the internal control system (ICS) in a written report submitted to the Audit Committee and the Board of Directors once a year.

Risk management

Burckhardt Compression has an integrated risk management policy. In a two-stage process, key risks are identified using an anticipatory approach and grouped under one of four risk categories – strategic, financial, operational or legal/compliance – that have been defined by the Board of Directors. The risks are then evaluated, managed and stringently monitored, avoided, mitigated or transferred to third parties through appropriate risk management measures. The first stage of risk management consists of a continuous risk management process, in which the Division Presidents and the Burckhardt Compression Group functions (CEO, CFO, CHRO, CIO, Legal & Compliance) systematically identify and assess the risks in a regular rhythm, define the necessary risk mitigation measures together with the responsible persons, and set and monitor deadlines for implementation. Internal and external factors are included in the evaluation of potential risks.

The second stage of the risk management process consists of a periodic risk management review that takes place twice a year at the meetings of the Board of Directors' Audit Committee. To this end, the Executive Management prepares an overview of the main risks faced by Burckhardt Compression and an assessment of the likelihood of these risks occurring and the effects they would have. This overview is presented to the Audit Committee together with the risk mitigation measures, the people responsible for implementing them, and an implementation timetable. The Audit Committee then reports to the Board of Directors about the findings of the risk management review.

Compliance

Burckhardt Compression has a group-wide compliance focusing on compliance with legal and internal regulations which also include the Code of Conduct and the Burckhardt Compression "Values and Behaviors". The Compliance program has a three-pillar framework:

- prevention (through policies and trainings),
- early detection (through different grievance channels) and
- response (different actions on compliance breaches and fine tuning of policies).

The updated Code of Conduct was launched in 2021 and conveyed to all employees accompanied by e-trainings. A grievance channel was introduced to all employees and business partners. Also, data protection is an important topic taken very seriously at Burckhardt Compression. In 2023, the Data Protection Officer has continued to prioritize and focus on the implementation of the EU's General Data Protection Regulation (GDPR) requirements within Burckhardt Compression's projects, processes, and documentation. Additionally, Burckhardt Compression has assured sufficient training prior to the rollout of the New Federal Act on Data Protection which came into effect on September 1, 2023. For many years, Burckhardt Compression has also been investing in IT Security to ensure technical resilience to cyberattacks. In 2023, the focus of the work was on further strengthening the safety awareness of all employees.

3.8. Gender guidelines

As part of its extended duties, the Nomination and Compensation Committee assesses succession planning for the Board of Directors in order to ensure a balanced composition of the Board of Directors. The Board of Directors has increased the gender ratio from 20% to 33% of women on the Board of Directors during the elections in 2022.

3.9. Self-evaluation of the Board of Directors

Regarding the previous fiscal year, the Board of Directors conducted a self-evaluation looking at the work of the Board of Directors and its individual committees. The evaluation process covered purpose, scope, composition and responsibilities and was done as an internal evaluation only. Each of the members of the Board of Directors completed a questionnaire and the detailed findings were presented back to the Board of Directors. Improvement measures were defined and will be regularly reviewed.

4. Executive Management

4.1./4.2 Members of the Executive Management/ Other activities and vested interests

| Name | Nationality | Function |
|------------------|-------------|-----------------------------|
| Fabrice Billard | CH/FR | CEO |
| Rolf Brändli | CH | CFO |
| Vanessa Valentin | CH | CHRO |
| Andreas Brautsch | DE | President Systems Division |
| Rainer Dübi | CH | President Services Division |

Biographical details and information on other activities and commitments of the members of the Executive Management:

Corporate Governance



Fabrice Billard (1970)

Education

MSc in Aeronautics and Aerospace Engineering, Ecole Centrale Paris, France

Professional background

Since April 2022 CEO Burckhardt Compression Group, Switzerland
2016–2022 President Systems Division, Burckhardt Compression Group, Switzerland
2015–2016 Chief Strategy Officer, Sulzer, Switzerland
2012–2015 Head Business Unit Mass Transfer Technology, Sulzer Chemtech, Switzerland/Singapore
2010–2012 Head Europe, Middle East, India, Russia & Africa Business Unit, Mass Transfer Technology, Sulzer Chemtech, Switzerland
2008–2010 Vice President Business Development, Sulzer Chemtech, Switzerland
2005–2008 Head Global Customer Services, Sulzer Pumps, Switzerland
2004–2005 Strategic Development Manager, Sulzer Corporate, Switzerland
1999–2004 Principal, The Boston Consulting Group, Switzerland/France



Rolf Brändli (1968)

Education

Degree in Business Administration, HWV Zürich, Switzerland

Professional background

Since 2008 CFO, Burckhardt Compression Group, Switzerland
2001–2008 Head of Finance & Administration, Sulzer Brasil S.A., Brazil; Regional Controller, Sulzer Pumps South America & South Africa
1997–2001 Regional Controller Asia/Pacific, Sulzer International Ltd.; General Manager, Sulzer Hong Kong Ltd., Hong Kong, SAR China
1994–1997 Management Consultant, OBT Treuhand AG Zurich, Switzerland



Vanessa Valentin (1979)

Education

BSc in Developmental Psychology, University of Sussex, UK
MSc in Human Resources, The London School of Economics and Political Science (LSE), UK

Professional background

Since June 2022 Chief Human Resources Officer, Burckhardt Compression Group, Switzerland
2016–2022 Senior VP Human Resources, VAT Group, Switzerland
2012–2016 Human Resources Director, Alstom, Switzerland
2007–2012 Human Resources Leader, GE Oil & Gas, Italy, Australia, US
2005–2007 Human Resources Leadership Program, GE, Germany, Italy, US
2003–2005 Human Resources Manager, Health Protection Agency, UK



Rainer Dübi (1969)

Education

Degree in Mechanical Engineering,
HTL Winterthur, Switzerland
MASBA School of Management,
Switzerland

Professional background

Since 2019 President Services Division,
Burckhardt Compression Group,
Switzerland
2012–2019 Head of Design &
Manufacturing, Burckhardt
Compression AG, Switzerland
2010–2012 Senior Sales Manager,
Burckhardt Compression AG, Switzerland
2007–2010 Manager Sizing, Burckhardt
Compression AG, Switzerland
2003–2007 Sizing Project Engineer,
Burckhardt Compression AG, Switzerland
2001–2003 Commissioning Lead
Engineer, Alstom, Switzerland
1999–2001 Commissioning Engineer,
ABB, Switzerland



Andreas Brautsch (1974)

Education

MSc in Mechanical Engineering,
TH Regensburg, Germany
PhD, Mechanical Engineering, Heriot
Watt University, Edinburgh, UK

Professional background

Since October 2022 President Systems
Division, Burckhardt Compression
Group, Switzerland
2019–2022 Group Vice President, Global
Lead Switchgear Business Hitachi Energy,
Switzerland
2017–2019 Group Vice President, Business
Transformation Lead Hitachi Energy,
Switzerland
2015–2017 Global Business Lead Industrial
Gas Power Business, General Electric, USA
2012–2015 Platform Director H-class
Gas Power Generation, Alstom Power,
Switzerland
2008–2012 Head of Products, Carbon
Capture Systems, Alstom Power,
Switzerland
2002–2008 Global Innovation Lead,
Alstom Power, USA
1998–2000 Implementation Lead for local
joint venture, Siemens, China

4.3. Rules in the Articles of Incorporation concerning the number of permitted activities

Members of the Executive Management may not hold more than five (5) additional board memberships, of which not more than two (2) additional may be in listed companies.

4.4. Management contracts

There are no management contracts with third parties.

4.5. Gender guidelines

As part of its extended duties, the Nomination and Compensation Committee assesses succession planning for the Executive Management in order to ensure a balanced composition of the Executive Management. The Board of Directors aims to ensure a diversified Executive Management. The gender ratio is currently 20% women in the Executive Management.

5. Compensation, shareholdings and loans

5.1. Compensation and shareholding programs

The principles and elements of compensation paid to members of the Board of Directors and the Executive Management as well as the authority and the mechanisms used to determine such compensation are explained in the Compensation Report on pages 98 to 106.

The shareholdings of the members of the Board of Directors and the Executive Management in Burckhardt Compression Holding AG are listed in the Compensation Report on pages 98 to 106 and in the financial statements, note 103, "Share capital and shareholders" on page 147.

Burckhardt Compression did not grant any loans, credit or collateral to any of the members of the Board of Directors or the Executive Management in fiscal year 2023 and there are no arrangements of this nature outstanding.

5.2. Rules in the Articles of Incorporation

5.2.1. on performance-related payments and allocations

The rules in the Articles of Incorporation on the principles applicable to performance-related pay and to the allocation of shares, contingent rights to receive shares or comparable instruments of the company, as well as the additional amount for payments to members of the Executive Management newly appointed after the vote on pay at the Annual General Meeting of shareholders are available on the website of Burckhardt Compression in the Articles of Incorporation (Art. 25, Art. 26 and Art. 27).

(<https://www.burckhardtcompression.com/investors/corporate-governance>).

5.2.2. on loans, credit facilities and post-employment benefits

The rules in the Articles of Incorporation on loans, credit arrangements and pension plan benefits for members of the Board and the Executive Management are available on the website of Burckhardt Compression in the Articles of Incorporation (Art. 29).

(<https://www.burckhardtcompression.com/investors/corporate-governance>).

5.2.3. on the vote on pay at the Annual General Meeting

The rules in the Articles of Incorporation on the vote on pay at the Annual General Meeting are available on the website of Burckhardt Compression in the Articles of Incorporation (Art. 24).

(<https://www.burckhardtcompression.com/investors/corporate-governance>).

6. Shareholders' participation rights

6.1. Voting rights restrictions and representation

6.1.1. Rules in the Articles of Incorporation on restrictions to voting rights

Please refer to above Chapter 2.6.1. To amend the restrictions to voting rights, the statutory quorum for changes to the company's Articles of Incorporation is required (please refer to below Chapter 6.2)

6.1.2. Rules in the Articles of Incorporation on the issue of instructions to the independent proxy, and any rules in the Articles of Incorporation on the electronic participation in the General Meeting of shareholders

The rules in the Articles of Incorporation on the issue of instructions to the independent proxy and on the provision that a shareholders' meeting may be held by electronic means without a physical venue are available on the website of Burckhardt Compression in the Articles of Incorporation (Art. 9 and Art. 13).

(<https://www.burckhardtcompression.com/investors/corporate-governance>).

6.2. Statutory quorums

A majority of at least two-thirds of the voting rights represented is required for changes to the company's Articles of Incorporation. Dissolution or merging of the company requires the presence or representation of at least half of the issued shares and the approval of at least two-thirds of the present or represented share votes on the petition submitted.

6.3. Convocation of the Annual General Meeting of Shareholders

None of the applicable rules deviate from the law.

6.4. Inclusion of items on the agenda

Under the Articles of Incorporation, shareholders representing jointly at least 0.5% of the share capital or of the votes may request discussion of an item at a General Meeting. Subject to the same requirements, the shareholders may request that petitions relating to items on the agenda be included in the notice convening the General Meeting. The corresponding petition should be submitted in writing to the Board of Directors of the company at least forty (40) days prior to the scheduled meeting stating the proposed item and petitions of the shareholders.

6.5. Entries in the Share Register

The record date for registered shareholders to be entered in the Share Register prior to an Annual General Meeting will be stated in the invitation to the Annual General Meeting.

7. Changes of control and defensive measures

7.1. Duty to make an offer

Once a shareholder acquires 33% of share capital and voting rights, he/she/it will be under an obligation to submit a public tender offer. The Articles of Incorporation contain neither an opting-out nor an opting-up clause.

7.2. Clauses on change of control

There are no provisions for special severance payments for members of the Board of Directors or members of the Executive Management or other employees in the event of a change of control over Burckhardt Compression Holding AG.

7A. Transparency on non-financial matters

The report on non-financial matters (in accordance with the requirements of the Articles 964b and 964c of the Swiss Code of Obligations) is included on page 34. This report will be submitted to the Annual General Meeting for a consultative vote.

8. Auditors

8.1. Duration of mandate and term of office of the auditor in charge

8.1.1. Date of assumption of the current audit mandate

PricewaterhouseCoopers AG (PwC) has been the statutory auditor of Burckhardt Compression Holding AG since 2002 and is also in charge of the audit of the consolidated financial statements. The statutory auditor is elected by the Annual General Meeting of shareholders for one (1) year at a time. As a matter of good practice, Burckhardt Compression tenders its external audit contracts at least every ten (10) years and examines all bids received. The most recent invitation to tender was issued during fiscal year 2023. Ernst & Young AG (EY) has been pre-selected by the Board of Directors and EY will be proposed for a vote as statutory auditor at the upcoming Annual General Meeting. In the pre-selection process, three (3) companies underwent a detailed evaluation based on quality and pricing criteria. EY emerged as the front-runner in the process, this based on a competitive fee structure but also its offer ranked first in terms of the audit concept and team structure. If elected, EY will commence work as statutory auditor in the fiscal year 2024.

8.1.2. Date on which the lead auditor responsible for the current audit mandate took up office

The auditor in charge will be changed after a maximum period of seven (7) years. Oliver Illa has served as auditor in charge since the 2023 reporting period.

8.2. Auditor's fees

Total fees for auditing services provided by PwC worldwide during fiscal year 2023 amounted to TCHF 429 (previous year: TCHF 406).

8.3. Additional fees

The additional fees for services provided by PwC worldwide during fiscal year 2023 are in the amount of TCHF 72 (previous year: TCHF 41) for transfer pricing assessment and documentation services (TCHF 15), other tax services (TCHF 12) and for the execution of a limited scope audit on sustainability indicators (TCHF 45). Additional services rendered by PwC outside the audit mandate are compatible with the audit assignment.

8.4. Information instruments pertaining to the external audit

The Audit Committee assists the Board of Directors in monitoring the company's accounting and financial reporting. It assesses the internal control procedures, the management of business risks, the audit plan and scope, the conduct of the audits and their results. The Audit Committee also reviews the auditor's fees. The statutory auditor is present during the examination of the consolidated annual and semi-annual financial statements. Once a year, the members of the Audit Committee receive from the statutory auditor a summary of the audit findings and suggested improvements. The Audit Committee held four meetings during the 2023 reporting period. The auditor in charge and another representative of the auditor took part in two of these meetings.

9. Information policy

In general, Burckhardt Compression Holding AG reports order intake, sales, operating results, balance sheet, cash flow, and changes in shareholders' equity on a semi-annual basis, together with comments on the trend of business and the outlook for the future. Burckhardt Compression Holding AG provides price-sensitive information in accordance with the ad hoc disclosure requirements set out in the Listing Rules of the SIX Swiss Exchange. Burckhardt Compression Holding AG will send price-sensitive information to all interested parties via an email distribution list. Financial reports are available on our website (www.burckhardtcompression.com) and will be delivered to interested parties on request.

Key dates for 2024 and 2025

July 5, 2024

Annual General Meeting

November 5, 2024

Results for the first half of 2024 (closing September 30, 2024)

June 5, 2025

2024 Annual Report (closing March 31, 2025)

July 5, 2025

Annual General Meeting

Details of these dates, possible changes, the company profile, current share prices, presentations, and contact addresses can be found at www.burckhardtcompression.com, where interested parties can also subscribe to the email distribution list.

10. Quiet periods

No member of the Board of Directors, member of the Executive Management or other employee of Burckhardt Compression specifically notified by the CFO may trade with Burckhardt Compression shares listed in the stock exchange or any other exchange-traded financial instruments relating to BCHN shares, such as derivatives, during the period starting from March 1 and September 1, respectively and ending with the close of the second trading day after Burckhardt Compressions' public release of the relevant annual or half-year report. Besides these recurring lock-out periods, there was no specific lock-out period during the fiscal year 2023.