

Compensation report

The compensation report for the financial year 2023/2024 contains information about the compensation system, procedures for determining compensation, and the compensation paid to members of the Board of Directors and the Delegate of the Board of Directors of Private Equity Holding AG (“PEH” or the “Company”).

The content and scope of the information provided is based on the Articles of Incorporation of PEH, the provisions of the Articles 734a – 737f of the Swiss Code of Obligations, the SIX Swiss Exchange Directive on Information relating to Corporate Governance and the principles of the Swiss Code of Best Practice for Corporate Governance drawn up by Economiesuisse.

1. Governance

On February 7, 2014, the Board of Directors of PEH established a Compensation Committee. The members of the Compensation Committee were individually elected at the 2023 Annual General Meeting and the committee consists of Martin Eberhard, Fidelis Götz and Dr. Petra Salesny. The members of the Committee elected Martin Eberhard as Chairperson of the Committee.

The Compensation Committee supports the Board of Directors in the determination and implementation of the guidelines and rules for the compensation of the members of the Board of Directors and the Delegate of the Board and prepares all board matters referring to Compensation. In particular, the Committee approves the compensation of the individual members of the Board (including the Chairman) and the Delegate of the Board.

The Committee meets upon invitation of the Chairperson of the Compensation Committee or at the request of another member of the Compensation Committee, as frequently as necessary, and has met twice for quarter of an hour during the reporting year 2023/2024 (met once for quarter of an hour in 2022/2023)

Dr. Hans Baumgartner is Chairman of the Board of Directors and also Delegate of the Board of Directors with overall responsibility for the day-to-day management of the Company. See also section 3.5.1 of the Corporate Governance report.

2. Procedures for determining compensation

The 2023 Annual General Meeting approved a maximum total compensation in the amount of CHF 200,000 p.a. for the members of the Board of Directors and a maximum total compensation in the amount of CHF 100,000 p.a. for the Delegate of the Board of Directors (in addition to Chairman’s/Member’s compensation). The compensation awarded to the members of the Board of Directors and to the Delegate of the Board of Directors is determined within this range at the Compensation Committee’s sole discretion taking into account the scope of activities and the responsibility and functions of the individual members. Neither the Board nor the Compensation Committee have consulted external advisors for this purpose.

3. Compensation policy

The compensation of the Board of Directors of the Company is effected in accordance with the provisions of the Articles of Association, in particular Art. 26 (<https://www.peh.ch/portrait/corporate-documents/>). Compensation is fixed and does not contain any variable components dependent on the financial performance of the Company; further, the Company does not grant credits or loans to the Directors. While the Board of Directors is compensated in cash for all its duties, it may elect bodily to be fully or partially paid in shares of the Company. In this case, shares are allotted at market price replacing the respective cash compensation. The Board of Directors decides on the timing of the allotment and may set lock-up periods for such shares.

In accordance with the maximum amounts approved by the 2023 Annual General Meeting, the Compensation Committee determined that the members of the Board of Directors and the Delegate be compensated annually as follows (pro-rata when a mandate is not executed for a full year):

Compensation (unchanged from prior years)	CHF
Chairman	75,000
Member ¹	50,000
Delegate (in addition to Chairman’s/Member’s compensation)	75,000

¹ Dr. Petra Salesny foregoes the compensation for her work as a member of the Board of Directors.

The compensation is set and paid annually. The employer’s share of the AHV/ALV contribution is borne by the Company.

Travel and other reasonable out-of-pocket expenses related to the attendance of Board meetings are covered by the Company. Directors may furthermore be paid all other expenses properly incurred by them in connection with the business of the Company.

3.1 Compensation for the financial years 2023/2024 and 2022/2023 (Article 734a CO)

The following tables show the compensation for the members of the Board of Directors in the financial years 2023/2024 and 2022/2023. In addition, the Company paid a Directors & Officers liability insurance fee of CHF 40,583 (2022/2023: CHF 42,000). Travel and other out-of-pocket expenses amounted to nil (2022/2023: nil).

The Board of Directors compensation is defined and paid out in CHF:

Compensation for the financial year 2023/2024

As of 31 March 2024	Base Compensation (Cash) CHF	Base Compensation (Shares) CHF	Social security payments CHF	Total compensation CHF
Dr. Hans Baumgartner, Chairman & Delegate of the Board of Directors	75,000	75,000	7,060	157,060
Martin Eberhard, Chairman of the Compensation Committee	25,000	25,000	1,380	51,380
Dr. Petra Salesny, Member of the Compensation Committee ¹	—	—	—	—
Fidelis Götz, Member of the Compensation Committee	25,000	25,000	3,200	53,200
Total	125,000	125,000	11,640	261,640

Compensation for the financial year 2022/2023

As of 31 March 2023	Base Compensation (Cash) CHF	Base Compensation (Shares) CHF	Social security payments CHF	Total compensation CHF
Dr. Hans Baumgartner, Chairman & Delegate of the Board of Directors	75,000	75,000	7,060	157,060
Martin Eberhard, Chairman of the Compensation Committee	25,000	25,000	3,200	53,200
Dr. Petra Salesny, Member of the Compensation Committee ¹	—	—	—	—
Fidelis Götz, Member of the Compensation Committee	25,000	25,000	3,200	53,200
Total	125,000	125,000	13,460	263,460

¹ Dr. Petra Salesny foregoes the compensation for her work as a member of the Board of Directors.

3.2 Loans and credits to Board Members and Management (Article 734b CO)

For the financial year 2023/2024, no loans or credits by the Company or its Subsidiaries have been granted to members of the Board of Directors (2022/2023: None).

3.3 Compensation, loans and credits to related parties (Article 734c CO)

For the financial year 2023/2024, no further compensation, loans or credits by the Company or its Subsidiaries have been granted to related parties (2022/2023: None) in addition to the related party transactions described in Note 15 to the IFRS Financial Statements on page 36 of this report. While Petra Salesny foregoes the direct compensation for her work as a member of the Board of Directors, Petra Salesny is a Managing Partner of Alpha Associates AG, which renders administrative services to PEH AG and is compensated for such services as disclosed in Note 15 on page 36 of this report. Alpha Associates AG does not indirectly and separately compensate Petra Salesny for her work as a member of the Board of Directors of PEH AG.

3.4 Compensation to former Members of the Board of Directors or Management

For the financial year 2023/2024, no compensation was paid to former members of governing bodies (2022/2023: None).

3.5 Participation rights in the entity and options on such rights (Article 734d CO)

March 31, 2024	Share ownership	Options	Total
Board of Directors			
Dr. Hans Baumgartner (Chairman and Delegate)	202,077	—	202,077
Dr. Petra Salesny ¹	101,054	—	101,054
Fidelis Götz	2,890	—	2,890
Martin Eberhard	78,837	—	78,837
Total	384,858	—	384,858

¹ Dr. Petra Salesny is listed in her capacity as member of the Board of Directors. She remains COO of the Investment Manager and member of the shareholder group C+E.

3.6 Functions of the members of the board of directors, the executive board and the board of advisors in other entities (Article 734e CO)**Dr. Hans Baumgartner, Chairman and Delegate, 1954, Swiss citizen**

Dr. Hans Baumgartner is an attorney-at-law in Zurich. He graduated from the University of Zurich in 1978 with a degree in law and obtained a PhD in 1990. He also holds an LL.M. from the European Institute of the University of Zurich in banking and insurance law. From 1981 until 1992, Dr. Hans Baumgartner was district attorney in Zurich, from 1986 he specialised in economic crime. In 1992 he became judge at the District Court of Zurich. Since 1994, Dr. Hans Baumgartner works as an independent attorney-at-law in Zurich. He is Senior Partner at the law office Baumgartner Mächler. In addition, he has been a judge at the Military Court of Appeals from 1988 to 2004. He is a member of the Board of Directors of Elster & Salis AG, Zurich, LinthSol AG, Linthal, and of miniswys AG, Biel, and tbgs Technische Betriebe Glarus Süd, Schwanden.

Martin Eberhard, Member, 1958, Swiss citizen

Martin Eberhard works as an entrepreneur specialising in project financing. From 2000 until 2009 Martin Eberhard served as founder and CEO of Neue Zürcher Bank. Prior, Mr. Eberhard held various senior positions at Bank Julius Baer, Zurich; in 1996 he became a Member of the Management Board and in 1998 a member of the Executive Board Brokerage Europe. Before joining Julius Baer he worked for Swiss Bank Corporation in Zurich, Geneva and New York. Mr. Eberhard completed the Swiss Banking School and an Advanced Executive Program at Kellogg Graduate School of Management, USA.

Fidelis Götz, Member, 1966, Liechtenstein citizen

Fidelis Götz is a Partner at Daniel Gresch & Partner, an independent financial services consultancy, acting as a counsel for boards and management of foundations and family offices. Mr. Götz was Co-Head Private Banking at Bank Sarasin & Cie and Head Private Banking North Asia at Credit Suisse and brings 25 years of experience in investment banking, private banking and asset management as well as non-profit management in emerging markets. Mr. Götz serves as Chairman of RealUnit Schweiz AG, as Chairman of miniswys AG, is a member of the Board of Directors of VP Bank (Schweiz) AG, Mentoring Weissenstein AG and PROPBase AG, and is involved in several non-profit organisations. Fidelis Götz holds a Master of Political Science from the University of St.Gallen (HSG) with a major in International Relations, a MAS in Real Estate from the University of Zurich (UZH) and a CAS in General Management for board members from the University of Bern.

Dr. Petra Salesny, Member, 1971, Austrian citizen

Dr. Petra Salesny is a founding partner and COO of Alpha Associates and prior to the team's spin-out from Swiss Life Private Equity Partners (SLPEP) was Chief Operations Officer of SLPEP. Previously, Dr. Petra Salesny was the legal advisor to the private equity team at Bank Vontobel and a consultant for M&A at Helbling CFT International Ltd. in Düsseldorf and Zurich, where she structured and coordinated cross-border transactions of mid-sized companies. Dr. Petra Salesny is admitted to the New York Bar and holds a Master of Laws from New York University. She graduated from the Law School of the University of Vienna and received a Ph.D. in law from the University of Basel.

Report of the Statutory Auditor on the Compensation Report



Report of the statutory auditor

To the General Meeting of Private Equity Holding AG, Zug

Report on the Audit of the Compensation Report

Opinion

We have audited the Compensation Report of Private Equity Holding AG (the Company) for the year ended 31 March 2024.

In our opinion, the information pursuant to Art. 734a-734f CO in the Compensation Report (pages 66 to 68) complies with Swiss law and the Company's articles of incorporation.

Basis for Opinion

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

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

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, the financial statements, and our auditor's reports thereon.

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

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

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

Board of Directors' Responsibilities for the Compensation Report

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



Auditor's Responsibilities for the Audit of the Compensation Report

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Compensation Report.

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

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

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

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

KPMG AG

A handwritten signature in black ink, appearing to read 'A. Walder'.

Adrian Walder
Licensed Audit Expert
Auditor in Charge

A handwritten signature in black ink, appearing to read 'S. Di Maggio'.

Sabrina Di Maggio
Licensed Audit Expert

Zurich, 6 May 2024