



Corporate Governance

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Corporate Structure and Shareholders

from 08.12.2023

Board of Directors

Michael Hauser, Chairman
Walter Fust, Vice-Chairman
Christian Androschin
François Frôté
Till Fust
Bernhard Iseli
Michel Rollier
Adrian Stürm

Executive Board

CEO Michael Hauser	Division CEO Starrag Martin Buyle	Division CEO Tornos Jens Thing
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CFO

Stéphane Pittet

until 07.12.2023

Board of Directors

Michael Hauser, Chairman
Walter Fust, Vice-Chairman
Christian Androschin
Bernhard Iseli
Adrian Stürm

CEO

Martin Buyle from 01.04.2023

Sales

Alexander Attenberger
Aerospace and Turbines / Industrial and Transportation / Luxury Goods and Med Tech / Regional Sales

High Performance Machining Systems

Christian Kurtenbach
from 01.02.2023

Product ranges:

- Ecospeed
 - Heckert
 - Scharmann
 - Starrag
 - TTL
-

Large Parts Machining Systems

Rainer Hansjürgens

Product ranges:

- Berthiez
 - Dörries
 - Droop+Rein
-

Ultra Precision Machining Systems

Jean-Daniel Isoz

Product ranges:

- Bumotec
 - SIP
-

Customer Service

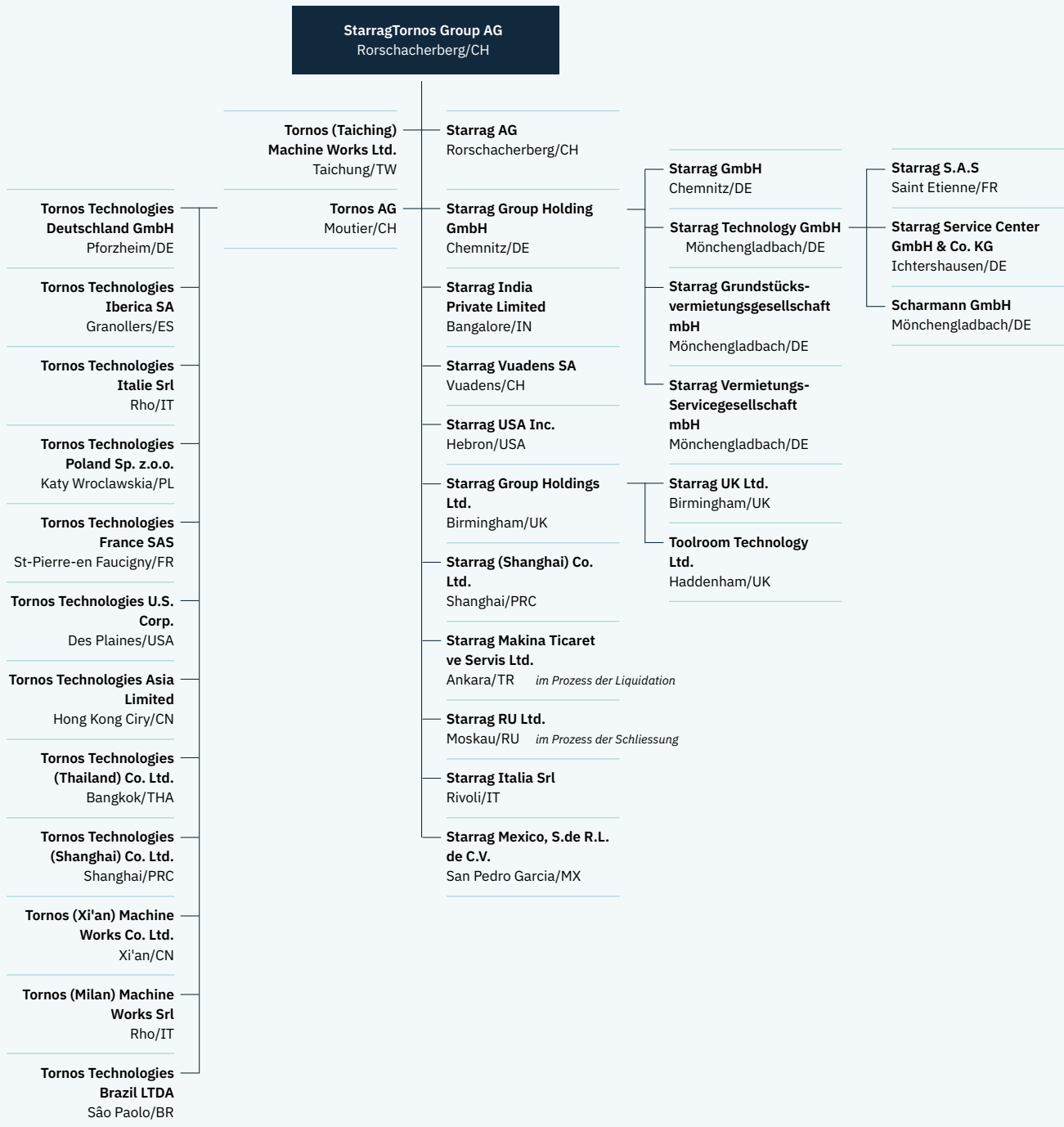
Günther Eller

CFO / Corporate Center

Thomas Erne until 29.02.2024



Participation Structure



Details of share capital and the equity interest held are given in the consolidated financial statements on pages 130 and 131 of this annual report.



The registered shares of StarragTornos Group AG (hereafter referred to as the “company”) are traded at the SIX Swiss Exchange (securities number 236106, ISIN CH0002361068, ticker STGN). The market capitalisation on December 31, 2023 was CHF 271.0 million.

Shareholders

There were 1’838 shareholders registered in the company’s share register on December 31, 2023, who held the following numbers of shares:

More than 100’000 shares	▶ 6 shareholders
10’001 to 100’000 shares	▶ 19 shareholders
1’001 to 10’000 shares	▶ 131 shareholders
1 to 1’000 shares	▶ 1’682 shareholders

452’527 shares or 7.8% were not registered in the share register on December 31, 2023 (cleared shares).

The company knows significant shareholders with more than 5 percent of voting rights as follows:

- Walter Fust, Freienbach, Switzerland
2’846’564 shares, 52.11%
- Eduard Stürm AG, Goldach, Switzerland
311’079 shares, 5.69%
- Michel Rollier, Le Landeron / Rollomatic Holding SA, Le Landeron, Switzerland
302’209 shares, 5.53%

We have received the following disclosure notifications during the 2023 financial year in accordance with Art. 20 of the Swiss Federal Act on Stock Exchanges and Securities Trading.

- 15.12.2023: Michel Rollier / Rollomatic Holding
Le Landeron, Switzerland, 5.53%
- 15.12.2023: Quaero Capital SA
Genf, Switzerland, 3.7%

More detailed information regarding the above-mentioned or earlier publications are 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#/>

The company is not aware of any agreements between shareholders.

Cross-Shareholdings

There are no cross-shareholdings.



Capital Structure

Ordinary Share Capital

The company's issued share capital amounts to CHF 46'436'528.50 and is split into 5'463'121 fully paid-in registered shares with a nominal value of CHF 8.50 each.

Authorised Share Capital

There is no authorised capital.

Capital Band

There is no capital band.

Conditional Share Capital

As at December 31, 2023, the share capital can be increased by up to CHF 595'000 by issuing a maximum of 70'000 fully paid-up registered shares with a par value of CHF 8.50 each to employees, freelance employees and members of the Board of Directors and Executive Management of the company and its Group companies by exercising the option granted to them under the employee participation plan for the Tornos Group of the former Tornos Holding Ltd., which was taken over by the company through merger. The subscription right or priority subscription right of the shareholders is excluded.

Changes in Capital

In the last three years under report, the share capital of StarragTornos Group AG has changes as follows:

- 08.12.2023: Increase of the company's share capital from CHF 28'560'000 by CHF 17'876'528.50 to CHF 46'436'528.50 by issuing 2'103'121 fully paid-up registered shares with a par value of CHF 8.50 each to 5'463'121 fully paid-up registered shares.



Shares

Shareholder rights of membership are stipulated in the Swiss Code of Obligations as well as in the company's Articles of Association. Each registered share with a nominal value of CHF 8.50 has one vote at the Annual General Meeting. The right to vote can only be exercised if the shareholder is registered in the company's share register as a shareholder with voting rights. Distribution of profit can be decided upon within the framework of the law by the General Meeting and can be carried out in proportion to the equity investment. The company's Articles of Association are published on www.starragtornos.com (click on Articles of Association under Governance) and can be obtained from the company at any time.

Participation and Profit Sharing Certificates

The company has not issued any participation or profit sharing certificates.

Limitations on Transferability and Nominee Registration

In general, there are no limitations to the transfer of shares. The registration of shareholders with voting rights or beneficiaries in the share register can be denied due to the following reasons:

- if the purchaser does not, at the company's request, explicitly confirm that they have acquired and are holding the shares on their own behalf, in their own interests and for their own account;
- if and as long as the recognition of the purchaser may, based on the available information, prevent the company from complying with Swiss law requiring proof of Swiss control of the company.

Nominees who are subject to recognised banking and financial market supervision are entered in the share register with voting rights for shares they acquire on behalf of third parties without limitation. If a nominee acquires more than 3% of the outstanding share capital, they must disclose the names, addresses, nationality and shareholdings of all persons for whose account they hold 0.5% or more of the outstanding share capital prior to registration.

Convertible Bonds and Options

There are no outstanding convertible bonds. Shareholding plans for persons designated by the Board of Directors exist.



Board of Directors

Michael Hauser, Swiss, German, 1961 – Chairman and CEO

- Appointed Chairman to the Board of Directors of StarragTornos Group AG in 2023, term ends in 2024
- **Previous activities for Starrag and Tornos:** Member of the Board of Directors of Starrag Group Holding AG (2018-2023), Chairman (2020-2023); CEO of the Tornos Group (2011-2023)
- **Training – final qualification on completion of studies:** Degree in Business Administration (University of Mannheim)
- **Committees:** None
- **Mandates in listed companies:** Schlatter Industries AG (Member of the Board /Chair of the Remuneration and Compensation Committee)
- **Mandates in non-listed companies and organizations:** SWISSMEM: Swiss Association of Mechanical, Metal and Electrical Engineering Industries (Member of the Board); CECIMO: European Association of Manufacturing Technologies (Swiss Delegate and Member of the Board)
- **Previous professional activities:** Member of the Executive Board of Georg Fischer AG and Head of GF Agie Charmilles division (2008–2010). Member of the Executive Board of the Agie Charmilles Group (2000–2008), Chairman of the Milling Division of the Mikron Technology Group (1996–2000)

Walter Fust, Swiss, 1941 – Member of the Board / Vice-Chairman

- Appointed to the Board of Directors (Vice-Chairman) of StarragTornos Group AG in 2023, term ends in 2024
- **Previous activities for Starrag and Tornos:** Member of the Board of Directors of Starrag Group Holding AG (1988 - 2023), Vice-Chairman (2020 - 2023) Chairman (1992 - 2015 and 2019 - 2020); Member of the Board of Directors of Tornos Holding Ltd. (2014 - 2023)
- **Training – final qualification on completion of studies:** Engineer ETHZ (Swiss Federal Institute of Technology Zurich)
- **Committees:** Remuneration Committee
- **Mandates in listed companies:** None
- **Mandates in non-listed companies and organizations:** Immofust AG, (Chairman); Fraunhofer Institute IWU University of Chemnitz (Member of the council)
- **Previous professional activities:** Dipl. Ing. Fust AG (founder, 1966), Jelmoli Holding AG (Board member 1997–2009, Chairman until 2007)

Christian Androschin, Austrian, 1967 – Member of the Board

- Appointed to the Board of Directors of StarragTornos Group AG in 2023, term ends in 2024
- **Previous activities for Starrag and Tornos:** Member of the Board of Starrag Group Holding AG (2022-2023)
- **Training – final qualification on completion of studies:** Lic. oec. HSG (University of St. Gallen)
- **Committees:** None



- **Mandates in listed companies:** None
- **Mandates in non-listed companies and organizations:** Androschin & Partner Management Consulting GmbH (Managing Director); A&P Consulting GmbH (Managing Director); Rhein Management AG (Member of the Board); Weber Ultrasonics AG (Member of the Board); Hübers Beteiligungs GmbH (Member of the Board); tmax Holding GmbH (Member of the Board)
- **Professional activities:** Managing partner of Androschin & Partner Management Consulting GmbH (since 2005)
- **Previous professional activities:** Partner at Roland Berger (1989–1992 and 1994–2004), Maho AG (1992–1994)

François Frôté, Swiss, 1953 – Member of the Board

- Appointed to the Board of Directors of StarragTornos Group AG in 2023, term ends in 2024
- **Previous activities for Starrag and Tornos:** Member and Chairman of the Board of Directors of Tornos Holding Ltd. (2002-2023); Legal adviser to Tornos Holding Ltd.
- **Training – final qualification on completion of studies:** Lawyer (University of Bern)
- **Committees:** None
- **Mandates in listed companies:** None
- **Mandates in non-listed companies and organizations:** Groupe Parts Indus SA (Chair of the Board); AZ Acquisitions et Financement (Chair of the Board); Fondation Michel Rollier (Member of the Foundation Board); RIM Holding SA (Member of the Board); Daniel Charpillot holding (Member of the Board); Gegeco SA (Member of the Board); Gefco SA (Member of the Board); Dimension SA (Member of the Board); F&P Group SA (Chair of the Board); Schoeb Frôté SA (Chair of the Board); Groupe Bien-Air SA (Member of the Board); Eberhard SA (Member of the Board); GFIE SA (Chair of the Board); FFII SA (Chair of the Board); FFW SA (Chair of the Board)
- **Professional activities:** Law offices of Frôté & Partner: Lawyer and Chairman (since 1979)

Till Fust, Swiss, 1993 – Member of the Board

- Appointed to the Board of Directors of StarragTornos Group AG in 2023, term ends in 2024
- **Previous activities for Starrag and Tornos:** Member of the Board of Directors of Tornos Holding Ltd. (2019-2023)
- **Training – final qualification on completion of studies:** Master's degree in international economics (Graduate Institute Geneva)
- **Committees:** None
- **Mandates in listed companies:** None
- **Mandates in non-listed companies and organizations:** None
- **Professional activities:** Solarify GmbH, Co-Managing Director - Finance & Controlling
- **Previous professional activities:** Solarify GmbH, Sales Manager

Bernhard Iseli, Swiss, 1960 – Member of the Board

- Appointed to the Board of Directors of StarragTornos Group AG in 2023, term ends in 2024
- **Previous activities for Starrag and Tornos:** Member of the Board of Directors of Starrag Group Holding AG (2022 - 2023)
- **Training – final qualification on completion of studies:** Mechanical engineer HTL (Engineering School, Berne) and his postgraduate studies as an operation engineer SIB/ISZ in Zurich
- **Committees:** Remuneration Committee
- **Mandates in listed companies:** None
- **Mandates in non-listed companies and organizations:** Krämer AG (Member of the Board)
- **Professional activities:** Since 2021 Co-Founder and Managing Partner of scenarioC GmbH for Innovation Management



- **Previous professional activities:** Within GF Machining Solutions AG, Managing Director Technical Unit Liechti (from 2019 to 2021) and Managing Director of the “Technical Milling” business unit (2009–2019). Various top management positions in companies such as Tecan (Pharma), Mathys AG (Medical) and Fritz Studer AG (Grinding Machines)

Michel Rollier, Swiss, 1959 – Member of the Board

- Appointed to the Board of Directors of StarragTornos Group AG in 2023, term ends in 2024
- **Previous activities for Starrag and Tornos:** Member of the Board of Directors of Tornos Holding Ltd. (2002-2023)
- **Training – final qualification on completion of studies:** Engineer EPFL (Swiss Federal Institute of Technology, Lausanne)
- **Committees:** None
- **Mandates in listed companies:** None
- **Mandates in non-listed companies and organizations:** Group Parts Indus SA (Member of the Board); AZ Acquisition et Financement (Member of the Board); Fondation Michel Rollier (Chair of the Foundation); RIM Holding SA (Chair of the Board); ASA, Action Super Abrasive SA (Member of the Board)
- **Previous professional activities:** Various management functions at Rollomatic SA (from 1989–2018)

Adrian Stürm, Swiss, 1970

- Appointed to the Board of Directors of StarragTornos Group AG in 2023, term ends in 2024
- **Previous activities for Starrag and Tornos:** Member of the Board of Directors of Starrag Group Holding AG (2008 - 2023)
- **Training – final qualification on completion of studies:** Lic. oec. HSG (University of St. Gallen)
- **Committees:** None
- **Mandates in listed companies:** None
- **Mandates in non-listed companies and organizations:** Family-owned company Eduard Stürm AG (Holding) and its subsidiaries Holz Stürm AG and Eduard Stürm Immobilien AG (Chairman); Holz Michel AG (Member of the Board)
- **Professional activities:** Operational Risk Control and Wealth Management Controlling at UBS AG since 2001 and Risk Management at UBS Wealth Management Switzerland AG since 2008
- **Previous professional activities:** Auditor with KPMG Zurich and London (1997–2000)

Maximum Number of Permissible Mandates

The members of the Board of Directors may not hold more than 15 mandates in other companies. Of these, a maximum of five mandates may be held in companies listed on the stock exchange. The following mandates are not subject to the aforementioned limitations:

- 1 Mandates in companies that are controlled by the company;
- 2 Mandates held at the request of the company or companies controlled by it; no member of the Board of Directors or the Executive Board shall hold more than ten such mandates; and
- 3 Mandates in associations, charitable foundations, staff welfare foundations and associations; no member of the Board of Directors or the Executive Board may hold more than six such mandates.

Mandates are defined as mandates in the supreme governing body of a legal entity that is required to be registered in the Swiss Commercial Register or a comparable foreign register. Mandates in different legal entities that are under joint control are deemed to be a single mandate.



Election and Term of Office

The members of the Board of Directors, the Chairman of the Board of the Directors, the members of the Compensation Committee and the independent proxies are elected annually at the Annual General Meeting of the Shareholders. There are no restrictions on terms of office.

The terms of office of the incumbent members of the Board of Directors are as follows:

Board of Directors	First time election	Expiry of term of office
Michael Hauser, President	2018	2024
Walter Fust, Vice-President	1988	2024
Adrian Stürm	2008	2024
Christian Androschin	2022	2024
Bernhard Iseli	2022	2024
François Frôté	12.2023	2024
Till Fust	12.2023	2024
Michel Rollier	12.2023	2024

Internal Organisation

The Board of Directors shall constitute itself, unless otherwise provided by law. The Chairman shall convene meetings of the Board of Directors if and when the need arises or upon the written request of any other member. Except in urgent cases, callings for meetings are to be sent out five days before the meeting, stating the items for discussion.

Minutes are to be kept of the discussions, and are to be signed by the Chairman and the minute-taker. The minute-taker will be designated by the Board of Directors. They do not need to be a member of the Board of Directors. A majority of the Board of Directors must be present in order for resolutions to be validly adopted. No attendance quorum is required to determine the execution of a capital increase and to resolve the subsequent amendment of the Articles of Association. Resolutions shall be passed by a simple majority of the votes cast. In the event of a tied vote, the Chairman, who shall always cast a vote, shall have the casting vote. Resolutions can also be passed in writing by way of circular letter, provided no members request a verbal discussion of the item in question. These are to be included in the minutes.

There are usually six Board meetings a year, each lasting about five hours. Members of the Executive Board will be called in to these meetings if and when necessary. In the financial year 2023, nine meetings of the Board of Directors took place, with an average duration of six hours. Four of the meetings were held by conference call. Walter Fust and Michel Rollier were excused at one meeting. Apart from that, all members of the Board of Directors attended all meetings.

During the merger process, Tornos Holding SA and Starrag Holding SA have established separate committees within their respective boards of directors to oversee governance and spearhead negotiations. Throughout the process, both parties have conducted regular meetings individually and jointly.

The tasks and responsibilities of the Compensation Committee are presented in the Remuneration Report (from page 104). The Board of Directors has set up a Merger Committee, which held



several meetings both via video link and in person. At our mid-sized company, the respective tasks are performed by the Board of Directors as a whole. Moreover, the Executive Board regularly consults with the Chairman of the Board of Directors and individual members on an informal basis regarding important aspects of specific topics.

Definition of Areas of Responsibility

The Board of Directors has the overall responsibility for the management of the company as well as the supervision of the executive management. The Board of Directors has delegated most of the executive management powers to the CEO. However, the Board of Directors remains responsible for tasks that legally cannot be delegated and other important business. These include in particular matters such as business strategy, approval of the annual budget, decisions with regard to acquisitions and important personnel matters.

Information and Control Instruments Vis-à-Vis the Executive Board

Executive management control is exercised primarily through regular reporting by the Executive Board to the Board of Directors, in particular by means of:

- monthly and quarterly financial reports including commentary on the corresponding key figures (incoming orders, sales revenues, margins, profits, investments, liquidity, capital commitment);
- regular information about market and business developments as well as important projects;
- detailed information about market and business developments at every Board meeting, which are partially attended by the CEO and CFO and by other members of the Executive Board as required.

In addition, the Chairman of the Board of Directors discusses current developments with the CEO on a regular basis. Walter Fust as a member of the Board of Directors of Starrag Vuadens SA exercises further control functions.

Risk Management

As a leading global manufacturer of precision machine tools, the StarragTornos Group is faced with various risks.

The most significant risks include:

- the weakening of the economic environment in customer markets as well as business cycles could lead to a reduction in demand,
- misjudgments of developments in customer markets or in the competitive environment could lead to missed business opportunities or losses,
- failure in research and development as well as other innovation-based activities could prevent business potential from being realised,
- a lack of availability of financial resources could impair the performance and operations of the StarragTornos Group,
- cyber attacks could affect operations across the Group and
- natural events (such as fires) could impair operating activities.



The Board of Directors and the Executive Board give high priority to the careful handling of strategic, financial and operational risks. The StarragTornos Group has a holistic risk management process which is analysed every year by the Executive Board and the Board of Directors.

The following goals are pursued:

- systematically identifying special risks,
- establishing processes to monitor, reduce and ideally to prevent risks and
- finding the right balance between risks and opportunities.

The risk management system is based on a classic risk matrix involving the probability of occurrence and possible extent of damage (identification and classification) and includes internal instructions as well as a risk log, in which operational data as well as action planning for risk management are documented.

The Executive Board has appointed an officer to implement and moderate risk management, who reports directly to the CFO, as well as a responsible member of the Executive Board for each risk area.

In the annual risk review, the risks are carefully identified, analysed and evaluated, and appropriate measures are defined to reduce the risks. This information is documented in a comprehensive group-wide risk matrix. The implementation of the measures is monitored by the risk management officer. In business processes with recurring risks, the resolved measures are integrated as process steps in the operative processes of the daily business.

On an annual basis, the Executive Board reports on the nature, extent and assessment of significant risks and the measures taken for risk minimization to the Board of Directors. Risks in the area of accounting and financial reporting are monitored and reduced by a suitable internal control system.

Additional information on financial risk management can be found on page 133.

Internal Auditing

In accordance with the simplifications stated in the Swiss Code of Best Practice for Corporate Governance, the Board of Directors has decided not to implement an internal audit.

The codex implies corresponding simplifications for small and medium companies as well as for companies with active majority shareholders.



Executive Board

Members of the Executive Board

The Board of Directors has appointed an Executive Board and has specified its powers and responsibilities in organisational guidelines and an accompanying functional chart.

Michael Hauser, Swiss, German, 1961 – Chairman and CEO

- Appointed Chairman to the Board of Directors of StarragTornos Group AG in 2023, term ends in 2024
- **Previous activities for Starrag and Tornos:** Member of the Board of Directors of Starrag Group Holding AG (2018-2023), Chairman (2020-2023); CEO of the Tornos Group (2011-2023)
- **Training – final qualification on completion of studies:** Degree in Business Administration (University of Mannheim)
- **Committees:** None
- **Mandates in listed companies:** Schlatter Industries AG (Member of the Board /Chair of the Remuneration and Compensation Committee)
- **Mandates in non-listed companies and organizations:** SWISSMEM: Swiss Association of Mechanical, Metal and Electrical Engineering Industries (Member of the Board); CECIMO: European Association of Manufacturing Technologies (Swiss Delegate and Member of the Board)
- **Previous professional activities:** Member of the Executive Board of Georg Fischer AG and Head of GF Agie Charmilles division (2008–2010). Member of the Executive Board of the Agie Charmilles Group (2000–2008), Chairman of the Milling Division of the Mikron Technology Group (1996–2000)

Martin Buyle, Austrian, 1974 – Division CEO Starrag

- **Previous activities for Starrag and Tornos::** CEO of the Starrag Group (2023)
- **Training – final qualification on completion of studies:** Degree in mechanical engineering, MBA (IESE Business School)
- **Committees:** None
- **Mandates in listed companies:** None
- **Mandates in non-listed companies and organizations:** Mozaiq Switzerland AG (Member of the Board)
- **Previous professional activities:** Managing Director of Starrag Technology GmbH (2020–2022); CEO at Orell Füssli AG (2014–2019); CEO and member of the Group Management at Jakob Müller AG (2009 to 2014, from 2013 Chairman); Managing Director at Kramer Werke GmbH (2005–2009); Senior Consultant Competence Center Engineered Products/High-Tech at Roland Berger Strategy Consultants in Munich (2002–2005); Development Engineer at MTU Friedrichshafen GmbH (1997–2000).

Jens Thing, Swiss, Danish, 1964 – Division CEO Tornos

- **Previous activities for Starrag and Tornos:** CSO and member of the Group Management (2020-2023)
- **Training – final qualification on completion of studies:** Executive Master of Business Administration (MBA) degree from the University of Toronto (Canada), the University of St. Gallen (Switzerland), and the Rotman School of Management (Canada)



- **Committees:** None
- **Mandates in listed companies:** None
- **Mandates in non-listed companies and organizations:** None
- **Previous professional activities:** Mikron Ltd., Nidau (CH): Regional Sales Manager (from 1987 to 1994); Mikron Ltd., Hannover (DE): Managing Director (from 1994 to 2000); Mikron Agie Charmilles Ltd., Nidau (CH): Head of Marketing and Sales Support Milling (from 2000 to 2008); GF Agie Charmilles Management Ltd., Geneva (CH): Head of Global Marketing (from 2008 to 2011); GF Agie Charmilles Management Ltd., Geneva (CH): Head of Business Unit Services and Group Management member (from 2011 to 2014); Haas Automation Europe NV, Brussels (BE): Managing Director (from 2014 to 2020)

Stéphane Pittet, Swiss, 1973 – Chief Financial Officer

- **Previous activities for Starrag and Tornos:** CFO of the Tornos Group (2021 - 2023)
- **Training – final qualification on completion of studies:** Master of Business Administration (MBA) degree from the University of Lausanne (Switzerland)
- **Committees:** None
- **Mandates in listed companies:** None
- **Mandates in non-listed companies and organizations:** Institution de Prévoyance Tornos SA (Member of the foundation committee and of the investment committee)
- **Previous professional activities:** Interdica Ltd. (Richemont), Freiburg (CH): Various positions (from 1997 to 2001); Rado Watch Company Ltd. (Swatch Group), Lengnau (CH): Project Manager and Head of Procurement (from 2001 to 2005); Hamilton International & Endura Ltd. (Swatch Group), Biel (CH): Head of Operations (from 2006 to 2007); Swatch Group Ltd. (Headquarter), Biel (CH): Corporate Controller (from 2007 to 2011); Rado Watch Company Ltd. (Swatch Group), Lengnau (CH): Vice-President Finance and Operations (from 2011 to 2021)

Maximum Number of Permissible Mandates

The members of the Executive Board may not hold more than 15 mandates in other companies, out of which a maximum of 5 in listed companies

- 1 Mandates in companies that are controlled by the company;
- 2 Mandates held at the request of the company or companies controlled by it; no member of the Board of Directors or the Executive Board may hold more than ten such mandates; and
- 3 Mandates in associations, charitable foundations, staff welfare foundations and associations; no member of the Board of Directors or the Executive Board may hold more than six such mandates.

Mandates are defined as mandates in the supreme governing body of a legal entity that is required to be registered in the Swiss Commercial Register or a comparable foreign register. Mandates in different legal entities that are under joint control are deemed to be a single mandate. Acceptance of mandates/appointments outside the StarragTornos Group by members of the Executive Board requires prior approval by the Board of Directors.

Management Contracts

There are no management contracts with companies outside the StarragTornos Group.



Compensation, Shareholdings and Loans

Information on compensation and loans are specified in the Remuneration Report (from page 104) and information regarding participation can be found in the Notes to the Financial Statement (from page 165).



Shareholders' Participation Rights

Shareholders of Swiss stock corporations have extensive participation and protective rights. The protective rights include the right to inspection and information, the right to a special audit, the right to convene a General Meeting, the right to add topics to the agenda, the right to challenge resolutions and the right to raise claims regarding responsibility.

The participation rights include, in particular, the right to participate in General Meetings, the right to express opinions and the right to vote.

Voting Rights Restrictions and Representation

There are no restrictions on voting rights for shareholders entered in the share register with voting rights. Every shareholder is entitled to be represented at the Annual General Meeting by a representative of their choice or by the independent proxy.

The Board of Directors determines the requirements for proxy and the instructions given to the independent voting representative.

Statutory Quorum

There is no statutory quorum.

Convening of the Annual General Meeting

The AGM must be held within six months of the end of our financial year (December 31), and normally takes place in April. The Board may at any time until June 30, 2028 also order that the AGM be held electronically without a venue.

Extraordinary General Meetings may be requested by the Board, the external auditor, or shareholders representing at least 3% of the share capital. A notice convening a General Meeting must be sent in writing or by electronic message to shareholders at least 20 days before the scheduled date of the General Meeting.



Additions to the Agenda

The notice convening a General Meeting shall state the agenda items and the motions of the Board of Directors as well as any proposals by shareholders who have duly requested that a General Meeting be called or that an item be included in the agenda. Shareholders representing at least 0.5% of the share capital can request the addition to the agenda of an item to be discussed. Such inclusion must be requested in writing at least 40 days prior to the next scheduled General Meeting, specifying the agenda items to be discussed and shareholder proposals to be voted on.

Registrations in the Share Register

The Board of Directors keeps a share register in which the shareholders and beneficiaries are entered with their names and addresses. With respect to the company, shareholders and beneficiaries are only recognised as such if they are registered in the share register. The Board of Directors may request from the applicant all information necessary for the assessment of the registration request that appears to be relevant to the request. The entry in the share register of a shareholder with the right to vote or a beneficiary can be denied for the following reasons:

- if the acquirer does not, at the company's request, explicitly confirm that they have acquired and are holding the shares on their own behalf, in their own interests and for their own account;
- if and as long as the recognition of the acquirer may, based on the available information, prevent the company from complying with Swiss law requiring proof of Swiss control of the company.

Acquirers who are not yet recognised by the company are to be registered in the share register as shareholders without voting rights after the transfer of rights. The corresponding shares are deemed not to be represented at the General Meeting.

After hearing the person in question, the Board of Directors can delete registrations in the share register if these have resulted from invalid information by the acquirer. The acquirer has to be informed immediately of this deletion.

The key date for the registration of registered shareholders in the share register with regard to attendance of the General Meeting will be set on a date about 10 days before the General Meeting.



Changes in Control and Defense Measures

Obligation to Make an Offer

There are no statutory regulations regarding “opting out” and “opting-up” which differ from law.

Clauses on Changes in Control

There are no clauses on changes in control.



Auditors

Duration of the Mandate and Term of Office of the Auditor in Charge

PricewaterhouseCoopers AG, St. Gallen, has been the statutory and consolidated financial statement auditor since 1981. They are elected for a term of office of one year by the General Meeting. The auditor in charge, Oliver Kuntze, was first assigned the auditing mandate with the auditing of the 2019 financial statement. The rotation rhythm of the leading auditor corresponds to the maximum duration of seven years legally applicable for Swiss companies.

Audit Fees

PricewaterhouseCoopers invoiced the StarragTornos Group CHF 512'000 in the 2023 financial year for services in connection with auditing the annual statements of StarragTornos Group AG and the Group companies (Starrag and Tornos), as well as the consolidated statements of the StarragTornos Group, the half year reports and the capital increase. The total amount includes CHF 212'000 relating to Tornos Group, that was merged with StarragTornos Group AG in July 2023. The Tornos Group related audit fees comprise the full amount for the entire year 2023 as a reasonable allocation to the period before and after the merger is not possible.

Additional audit fees

During the 2023 financial year, PricewaterhouseCoopers invoiced additional fees amounting to a total of CHF 440'000. This comprises additional audit work closely related to the merger of Starrag and Tornos, such as purchase price allocation, merger audit, auditors work on the pro forma financials, etc.

Supervisory and Control Instruments Pertaining to the Auditors

The external audit is supervised by the Board of Directors. The Board of Directors assesses the audit plan, the audit scope, the audit and the results of the audit. The auditor's report significant findings directly to the Board of Directors. In the reporting year, the auditor in charge attended one meeting of the Board of Directors. At these meetings, the audit plan, scope, and results of the audit, as well as other important aspects of auditing were discussed.



Information Policy

The company informs its shareholders and the capital market in an open and timely fashion and with the highest possible levels of transparency. The most important information tools are the Annual and Half-Year Reports, the www.starragtornos.com website, media releases, presentations for the media and analysts and the Annual General Meeting.

As a company listed on the stock exchange, the StarragTornos Group AG is required to disclose information relevant to the share price in accordance with the ad hoc publicity guidelines of the listing regulations of the SIX Swiss stock exchange. Any interested party can register at www.starragtornos.com/en/e-mail-distribution/subscribe/ to receive potential information relevant to the share price directly from the company via the e-mail distribution list.

Important Data

20.04.2024

Annual General Meeting in Rorschach

25.07.2024

Half-Year Report 2024

30.01.2025

Sales and order situation 2024

14.03.2025

Annual Report 2024, Analysts and Media Conference

17.04.2025

Annual General Meeting in Rorschach

The information mentioned will be published on our website www.starragtornos.com as far as possible.

Official announcements and invitations will be sent by post to shareholders using the addresses recorded in the share register. Public announcements prescribed by law are made by publication in the Swiss Official Gazette of Commerce.



Trading blackout periods

General trading restrictions

Purchase and sale of share of StarragTornos Group AG and corresponding financial instruments is prohibited for members of the Board of Directors, members of the Executive Board, members of the Division Management and employees of the accounting departments in Rorschacherberg, Moutier, Vuadens, Chemnitz and Mönchengladbach from the beginning of the year until the publication of the annual report and from July 1 until the publication of the half-year report.

Special trading blackout periods

Both the Chairman (or the Vice-Chairman if the Chairman is prevented from attending or is absent) and the CEO are entitled in individual cases to set additional trading blackout periods for individual persons and to designate those persons who must comply with them. There trading blackout periods must be observed regardless of the personal assessment of their necessity and duration.

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