

SULZER

Remuneration Committee Regulations

Sulzer Ltd, Winterthur

February 16, 2023

REMUNERATION COMMITTEE REGULATIONS

SULZER LTD, WINTERTHUR

(hereinafter the "**Company**")

In accordance with § 23 of the Articles of Association, the Board of Directors (the "**Board**") hereby issues the following regulations:

1 Organization

- 1.1 The members of the Remuneration Committee (the "**Committee**") are elected by the ordinary General Meeting. The Board elects the Committee chair. The Committee comprises at least three members. The majority of the Committee members shall be independent. An independent member shall mean a non-executive member of the Board who (i) has never been a member of the Executive Committee, or at least not in the previous three years, (ii) who has no or comparatively minor business relations with the Company and (iii) who has never served as lead auditor of the external auditor of the Company or had a decision-making function in the relevant audit firm, or at least not in the two previous years. Each member who may be exposed to a potential conflict of interest shall not only immediately inform the other members but also refrain from participating in the respective deliberations and taking of resolutions (i.e., recommendations).
- 1.2 The term of office shall extend until completion of the following ordinary General Meeting; the members are re-electable.
- 1.3 If there are vacancies on the Committee, the Board shall appoint substitute members from among its members for a term of office extending until completion of the next ordinary General Meeting.
- 1.4 Committee meetings are held as often as required for business purposes, but at least twice annually.
- 1.5 The Committee chair is responsible for administrative matters (distribution of Committee meeting invitations, including agenda and respective documentation).
- 1.6 Committee meetings are generally attended by the CEO and the Head of Corporate HR, unless such meeting is concerned with the assessment of their performance and remuneration. The Committee can also invite to its meetings further representatives of the Company management and any other persons whose presence is regarded by the Committee as necessary for fulfilling its responsibilities.
- 1.7 Resolutions of the Committee must be carried by at least two members. If only two members are present at the respective meeting, the Committee chair's vote counts double. Resolutions can also be passed within the framework of video or telephone conferences, by ballot or in electronic form, unless direct debate is requested by any member.

- 1.8 No management decisions are taken by the Committee. Committee resolutions are submitted as proposals to the Board for final decision.
- 1.9 The Committee chair designates for each meeting a keeper of the minutes, in which all resolutions passed shall be recorded. Copies of the minutes shall be distributed to all persons attending the meeting as well as to all members of the Board. The minutes are to be treated confidentially. The Committee chair furthermore reports verbally to the next Board meeting on all matters debated, and as far as necessary submits the respective proposals.

2 Mandate

The Committee supports the Board in establishing and reviewing the compensation strategy and guidelines and the performance targets as well as in preparing the proposals to the General Meeting regarding the compensation of the members of the Board and of the Executive Committee. It may submit proposals to the Board on other compensation-related matters.

3 Tasks

The tasks of the Committee are in particular as follows:

- a) Periodic assessment of the remuneration system and Board member fees;
- b) Periodic assessment of the Total Reward policy and Global Grading system;
- c) Annual definition, no later than December, of key bonus factors ("target drivers") for the following calendar year at the two upper management levels;
- d) Annual definition of proposals to the Board of the proposals to be submitted to the General Meeting for approval regarding maximum aggregate amounts of compensation of the Board and of the Executive Committee pursuant to the Articles of Association;
- e) Annual definition, no later than February, of total remuneration for the year (basic salary, short-term and long-term variable compensation elements) at the two upper management levels (with regard to the Executive Committee subject to approval by the General Meeting);
- f) Annual review of the compensation report;
- g) Assurance of adequate reporting to the Board;
- h) Any other matter the Board refers to the Committee for follow-up.

All confidential documents must be returned no later than per end of term of office.
