

BELIMO Holding AG  
ANNUAL MEETING OF SHAREHOLDERS  
**27<sup>TH</sup> MARCH 2023**  
QUESTIONS FROM DWS INVESTMENT GMBH

Dear Mr Burkhalter,  
Dear Dr Zwyszig,  
Dear Members of the Board,

DWS Investment GmbH (DWS) is one of the largest asset managers in Europe. As a responsible investor in BELIMO Holding AG, it is part of our fiduciary duty to express our expectations in the best interest of our clients. Our commitment to environmental, social and governance practices (ESG) is a crucial element of our responsibilities and forms an integral part of our investment process.

Ahead of your 2023 annual general meeting of shareholders (AGM), we would like to share our questions with you. We would greatly appreciate your answers in written form. Please note that we will also share our questions on our website ([www.dws.com](http://www.dws.com)) on the day of your AGM. Thank you for your consideration.

## **Independence**

Qualified, experienced and independent directors are essential for competent and efficient decision making processes at the board level. DWS values independent chairs as an independent representation of shareholder interests to ensure objective-driven decision making and challenging discussions.

We appreciate the work of the audit committee's chair, Dr Zwyszig. However, due to his tenure, we do not consider him independent any longer due to serving on the board for more than ten years. This contradicts our Corporate Governance and Proxy Voting Policy, which states that we expect independent committee chairpersons. Furthermore, due to the non-independence of Mr Burkhalter, Mr Linsi, Dr Zwyszig as well as of Ms Poeschel, the board is currently not majority independent, which also contradicts our Corporate Governance and Proxy Voting Policy.

**QUESTION 1: Are you considering appointing a new chairperson to the audit committee? If not, could you please provide us with your rationale?**

**QUESTION 2: Are you consider appointing new independent directors to the board of directors? If not, could you please provide us with your rationale?**

Our expectations on independence also extends to the board's committees. Having a majority of independent members serving on the board's committees is important for us to ensure challenging decision making and discussions. We note that your audit committee as well as the remuneration and nomination committees are currently not majority independent.

**QUESTION 3: Do you have any plans to increase the independence of the audit committee in the near future?**

**QUESTION 4: Do you have any plans to increase the independence of the remuneration and nomination committees in near future?**

### **Transparency: CVs**

In order to assess directors' qualifications and potential overboarding, DWS expects the CV of each executive and non-executive director to be permanently published on the investee company's website. The CV shall state the year the individual was first appointed, information about the qualification, date of birth and any mandates (including external listed companies, internal mandates and mandates also related to other than commercially oriented organisations).

The CVs on the company's website do not differentiate between listed and not-listed/private mandates. This lack of information makes it difficult for investors to assess the mandates and potential overboardings of the board members.

**QUESTION 5: When can we expect you to update the CVs of the board members on your website so that investors can fully assess their outside mandates?**

### **Remuneration**

Executive pay is one of the most important aspects of good corporate governance as it is one of the signals for a well-operated and supervised business. Our expectation is that the board ensures full transparency, clear and plausible key performance indicators for investors, the structure of the incentives encourages the achievement of corporate financial, social and environmental objectives and the amount ultimately granted is in line with performance. With regard to sustainability, DWS expects investee companies to integrate material ESG factors into their daily business and strategy as well as to establish and disclose a clear link between their stated ESG targets/non-financial KPIs and their remuneration systems.

We value the improved ex-post disclosures in the company's remuneration report. However, we still see room for improvement in the disclosures. The report does not provide much details regarding the clawback clauses. We regard relevant and adequate bonus-malus mechanisms (including clawbacks) and reasonable deferral periods for executives as key elements of a sustainable, long-term oriented compensation structure. A robust clawback mechanism sets out the scope of and defines the conditions under which parts of the remuneration are to be reclaimed by the board. This should include cash and equity-based elements and should cover not only restatements, compliance breaches or misconduct but also performance-related restatements that may also extend to sustainability aspects.

**QUESTION 6: Under which circumstances are clawback clauses are applicable, for which elements of the remuneration (STIP and/or LTIP ) do they apply?**

We also see room for improvement in the disclosures on the ESG/non-financial KPIs. There are only limited disclosures on the ESG/non-financial KPIs as well as on their thresholds, targets and their payout as % of the targets.

**QUESTION 7: When can be expect enhanced disclosures on the ESG/non-financial KPIs, explaining the KPIs' thresholds, targets and their payout as % of the targets?**

**QUESTION 8: How do the current ESG/non-financial KPIs, which are included in the executive remuneration, contribute to your ESG goals/strategy?**

To conclude, we would like to thank all members of the Board and all the employees of BELIMO Holding AG on their commitment and dedication over the past year. Thank you in advance for your answers.