

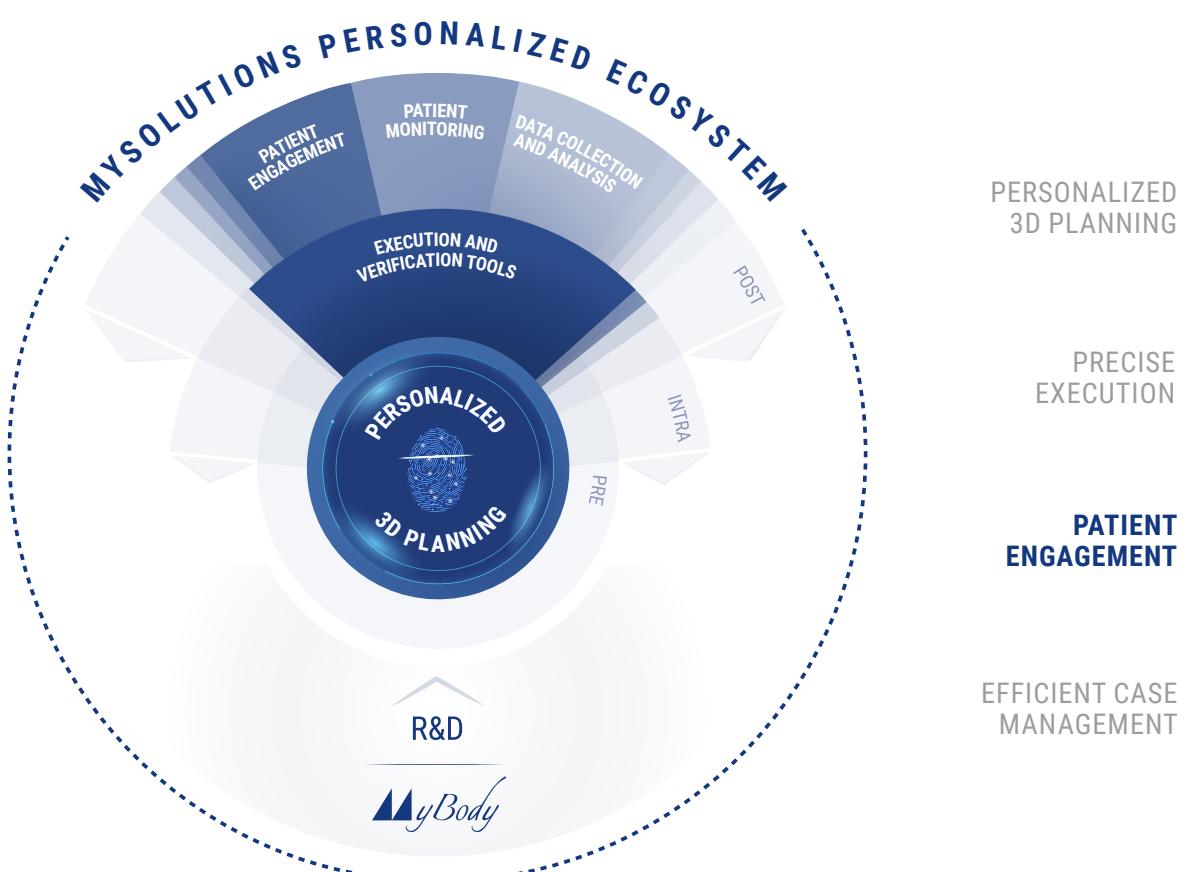


REMUNERATION REPORT

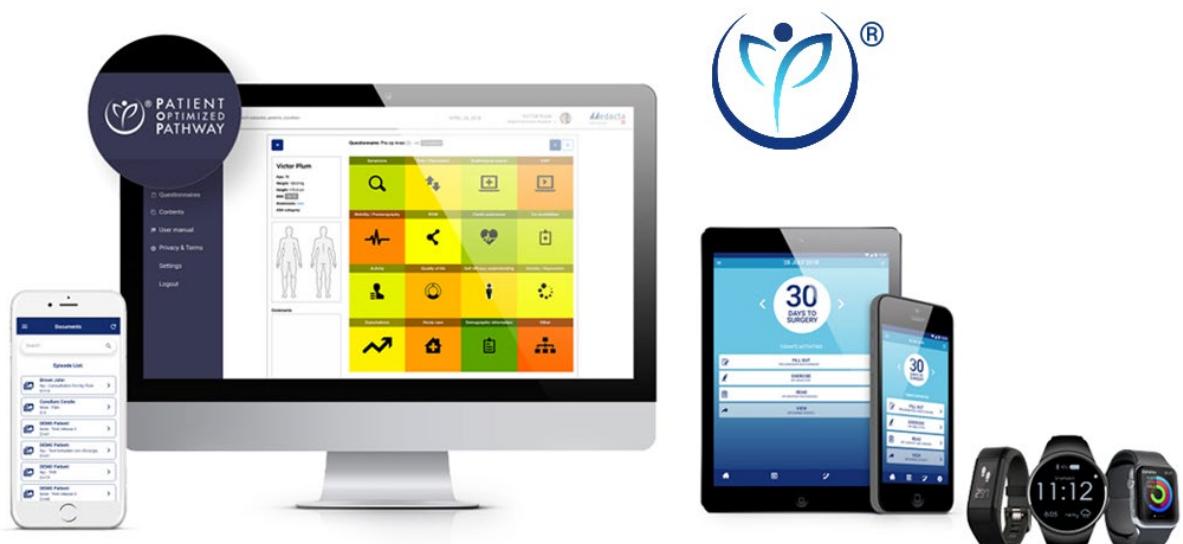
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MY SOLUTIONS PERSONALIZED ECOSYSTEM



Support patient education, preparation, rehabilitation, and monitoring, before and after surgery. MySolutions is designed around patient needs and expectations: POP (Patient Optimized Pathway) provides an easy-to-use interactive tool, enabling healthcare professionals to stay connected with their patients.



LETTER FROM THE CHAIRMAN OF THE HUMAN RESOURCES & REMUNERATION COMMITTEE



“ Our commitment is to align compensation with the company's strategic goals, performance, and shareholder interests, promoting sustainable success for both individuals and the organization as a whole ”

Dear Shareholders,

As Chair of the Human Resources and Remuneration Committee, I am pleased to share with you the Medacta Remuneration Report for the Financial Year ending December 31, 2023. This report explains our remuneration system, its governance and how Medacta's 2023 performance affected the variable incentive remuneration to the Group Executive Management team.

In 2023, Medacta enjoyed a successful year, achieving strong financial results across all its objectives despite challenging geopolitical and economic conditions. The company continued to execute its strategy, achieving an impressive top-line growth rate of 19.5% at constant currency compared to the previous year. This expansion enabled us to not only retain all our employee positions worldwide but also to add 193 jobs in critical areas, thereby ensuring the company's ability to execute our value creation strategy. Our global workforce grew by 13%, and our total expenditure on compensation, benefits, and social costs rose by an average of approximately 18%. This increase reflects the hiring of a higher number of experienced staff to strengthen our organization and support sustained growth.

Over the past years, Medacta has demonstrated remarkable resilience and strength, overcoming macroeconomic challenges and achieving notable milestones. In line with our vision for future expansion, we have dedicated some time and effort to strategically evaluate the expansion of our Group Executive Management. This initiative reflects Medacta's commitment to driving innovation, enhancing operational efficiency, and fostering accelerated growth. After assessing different scenarios, we are excited to propose to the Board of Directors the promotion of three seasoned professionals: Massimiliano Bernardoni as Chief Innovation Officer, Giovanni Niccolò Galli as Chief Commercial Officer and Asif Hussain as Chief People Officer.

In the year 2023, the Human Resources and Remuneration Committee dedicated a substantial amount of time to enhance our commitment to the Employer Value Proposition and revitalize our processes related to Talent Management and Learning & Development. Significantly, pivotal decisions were reached to refine our flexible working guidelines, bolster the employee

referral scheme, amplify the impact of the #BeMedacta awards, optimize people metrics, and advance various other strategic initiatives. Concurrently, in 2023, the Headquarters Talent Management Process executed numerous learning and development training programs, initiating the implementation of Personal Development plans. We firmly believe that these proactive measures will fortify our hiring and retention systems, positioning us for sustained success in the future.

In 2023, we engaged in a comprehensive review and collaborative discussion with management to formulate robust and competitive compensation strategies and recognition schemes. Our objective was to cultivate a culture of continual learning and growth among our people, aligning closely with both employee and organizational needs. We made a strategic decision to recommend to the board of directors, who approved a modification to the short-term incentive scheme for the group executive management team. This involved identifying new metrics and adjusting weights to uphold and further fortify the robust connection between pay and performance, aligning the compensation structure more closely with the interests of our shareholders. Furthermore, the committee diligently evaluated the optimal number of Group Executive members to achieve a balance between effective governance, operational efficiency, and strategic agility, supporting the company's sustained growth into the future. Additionally, in 2023, we enhanced the remuneration structure introducing a new cycle of the Long-Term Incentive Plan which was also approved by the Board of Directors in March 2023. This initiative opened doors for both existing and new eligible Medacta employees to actively participate in the Group's future long-term success and prosperity.

As we look ahead, our commitment is to proactively assess and refine our remuneration programs, ensuring their continued relevance in the ever-evolving landscape in which we operate. Our focus remains on maintaining competitiveness to attract and retain top-tier talent, while also recognizing and rewarding individual performance, competence, and desired behaviors in alignment with #BeMedacta values and leadership principles. Recognizing the growing significance of ESG topics to all stakeholders, we acknowledge the integral role they

play. As Medacta advances its sustainability targets, the Human Resources and Remuneration Committee will endeavor to further fortify the correlation between sustainability objectives and the remuneration of Medacta's management.

As always, we encourage and pursue open and regular dialog with our shareholders and their representatives to drive valuable improvements in our compensation system and practices. In accordance with the **Articles of Association**¹, at the annual shareholders' meeting in May 2024, we will ask for approval of the maximum aggregate remuneration amount to be awarded to the Board of Directors for the period until the next annual shareholders' meeting in 2025. In addition, the shareholders will be asked to approve (i) the maximum overall fixed compensation of the Group Executive Management in 2025, (ii) the maximum overall variable short-term compensation for the Group Executive Management for the work performed in 2023, and (iii) the maximum overall variable long-term compensation of the Group Executive Management that may be allocated in 2025. Finally, the annual shareholders' meeting will approve the amount of remuneration to Board Members for consulting services in a function other than Board Members until the next annual shareholders' meeting as well as cast a consultative vote on this Remuneration Report.

On behalf of the Board of Directors, I express sincere gratitude for your continued support. This report aims to provide valuable insights, and we are confident that our compensation system consistently rewards performance in a manner that is both balanced and sustainable, closely aligned with the best interests of our shareholders. We eagerly anticipate the ongoing dialogue and collaboration ahead.



Philippe Weber

Chairman of the Human Resources & Remuneration Committee

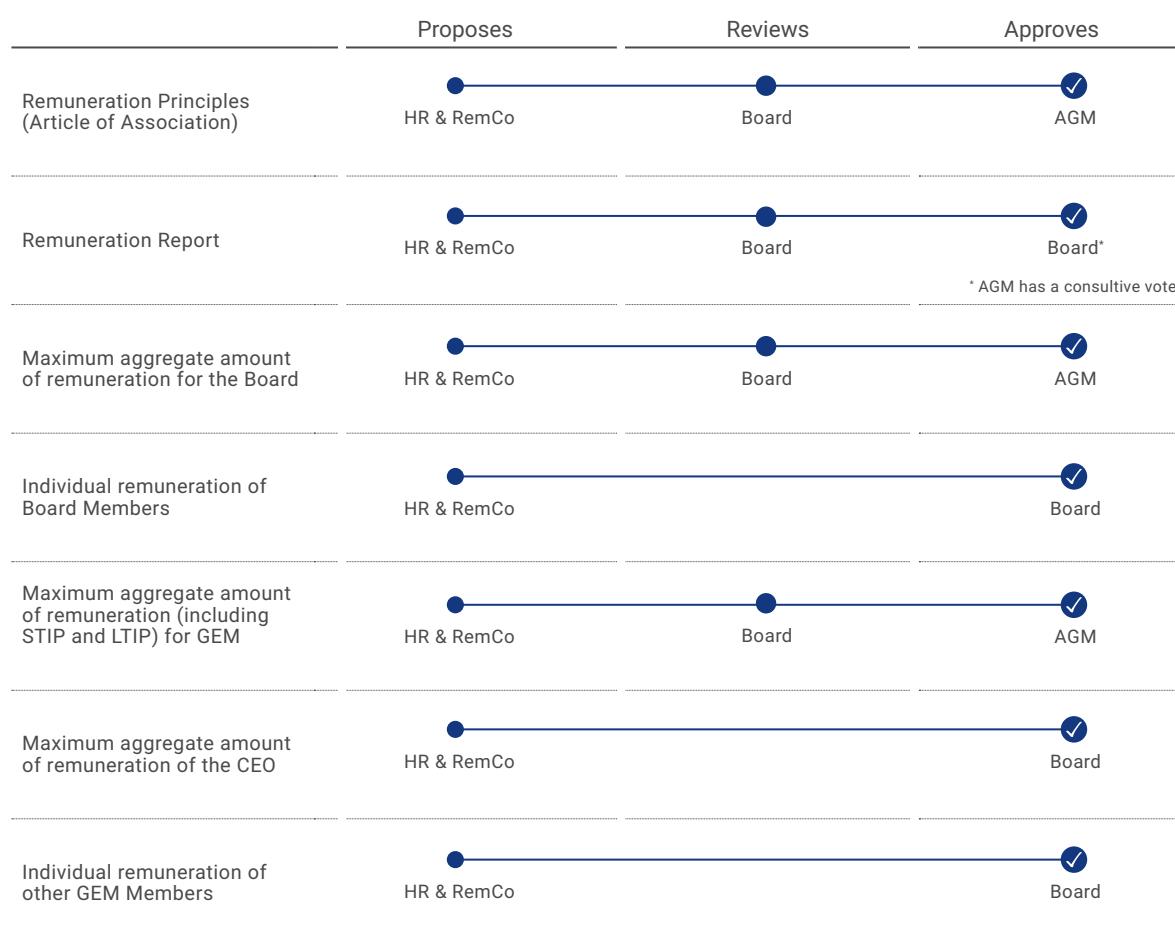
¹ Medacta's Articles of Association are available on Medacta's website at <https://www.medacta.com/EN/corporate-governance?goto=organizational-regulations>.

1. INTRODUCTION

This Remuneration Report is in compliance with the Swiss Code of Obligations (CO) art. 732 et seqq (that entered into force on January 1, 2023), Medacta's **Articles of Association** and, with respect to compensation disclosure, to the SIX Exchange Regulation Directive on Corporate Governance and to the Swiss Code of Best Practice for Corporate Governance. We structured this report by first describing the Remuneration Governance of the Group followed by the Remuneration philosophy and principles and the Compensation Framework for Board of Directors and Group Executive Management (GEM). We conclude with reporting the Ownership of Shares and Options, the other compensation-related information under the CO (Audited), the related party compensation and the report of the statutory auditor on the Remuneration Report.

2. REMUNERATION GOVERNANCE

The remuneration landscape at Medacta is mainly structured by the Human Resources & Remuneration Committee (hereinafter referred as either "Human Resources & Remuneration Committee" or "HR & RemCo") as well as the Board of Directors and is approved by the shareholders of Medacta. The overall responsibility for the implementation of the statutory remuneration principles and the remuneration principles set out in the Company's **Articles of Association** lies with the Board of Directors. However, as illustrated in the table below, the Human Resources & Remuneration Committee serves in an advisory capacity for remuneration matters while the Board of Directors retains the ultimate decision authority, all within the limits set by the Annual General Meeting (AGM), which approves the maximum aggregate amounts of remuneration for the Board of Directors and the Group Executive Management at each shareholders' meeting.



Shareholders of Swiss listed companies have significant influence on the remuneration of governing bodies and the principles governing remuneration must be defined in a company's articles of association.

The compensation principles outlined below are derived and summarized from Medacta's **Articles of Association**:

- **Approval of remuneration by the AGM (article 12):** the annual shareholders' meeting votes separately and bindingly on the proposals by the Board of Directors regarding the aggregate amounts of (a) the compensation of the Board of Directors for the term of office until the next shareholders' meeting and (b) (i) the maximum overall fixed compensation of the Group Executive Management in the subsequent business year, (ii) the maximum overall variable short-term compensation for the Group Executive Management for the work performed in the previous business year, and (iii) the maximum overall variable long-term compensation of the Group Executive Management that may be allocated in the subsequent business year.
- **Principles of remuneration of the Board of Directors (article 25):** the compensation may consist of a fixed base fee (including a lump sum compensation for expenses) paid in cash and/or awarded in shares (depending on the function in the Board of Directors, the number of committee activities and the functions in the committees). In exceptional cases, the Members of the Board of Directors may be awarded performance-related compensation.
- **Principles of remuneration of the Group Executive Management (article 26):** the compensation of the Members of the Group Executive Management may consist of a fixed compensation paid in cash (which consists of a base salary and can also contain other compensation elements and benefits); a variable short-term compensation paid in cash and/or shares; and variable long-term compensation paid in shares or equity-linked rights.
- **Short-term variable compensation and long-term compensation plans (article 26):** the short-term variable compensation is paid in cash and/or shares and depends on the level of achievement of specific pre-defined targets for a one year performance period; the long-term compensation approved by the Board of Directors is intended to incentivize Members of the Group Executive Management, selected key managers and employees to support the long-term performance of the Company and creation of shareholder value.
- **Loans and credits (article 28):** Medacta shall not grant loans, credits, pension benefits other than from occupational pension funds or securities to current or former Members of the Board of Directors or the Group Executive Management² or to persons closely associated with them.
- **Agreements related to compensation and maximum contract terms of Group Executive Management (article 24):** the employment agreements of the Members of the Group Executive Management shall in principle be concluded for an indefinite period. If the Board of Directors considers a fixed term appropriate, such fixed term shall not exceed one year. With respect to employment agreements entered into for an indefinite period, the maximum notice period shall not exceed 12 months. Non-competition agreements for the time following termination of an employment contract and the associated compensation are permitted to the extent that this is justified from a business perspective. The compensation for such a non-competition obligation shall not exceed in total the average of the compensation paid to the respective Member of the Group Executive Management during the last three financial years prior to termination.
- **Additional compensation for new Members of the Group Executive Management (article 29):** if newly appointed Members of the Group Executive Management take office after the annual shareholders' meeting has approved the aggregate maximum amount of compensation of the Members of the Group Executive Management for the next business year, such newly appointed Members may receive an aggregate compensation in each case of up to 30% of the last aggregate amount of compensation for the Group Executive Management approved by the annual shareholders' meeting.
- **Additional services by Members of the Board of Directors (article 25):** the Members of the Board of Directors providing consulting services to the Company or other group companies in a function other than as Members of the Board of Directors may be compensated in cash according to standard market rates subject to approval by the annual shareholders' meeting.

At the AGM 2023, we amended the Medacta Group Articles of Association to reflect the new provisions of the Swiss Corporate law and to further strengthen shareholders' rights. In addition, Medacta's **Organizational Regulations**³ including the Charter of the Human Resources & Remuneration Committee (in combination with the **Articles of Association**) describe and define the roles and responsibilities of the Human Resources & Remuneration Committee and the Board of Directors.

² Advance payments of fees for lawyers, court fees and similar costs relating to the defense against corporate liability claims up to a maximum amount of CHF 1'000'000 are not subject to this provision.

³ Medacta's Organizational Regulations (including the charters of the Board Committees) are available on Medacta's website at: <https://www.medacta.com/EN/corporate-governance?goto=organizational-regulations>.

2.1 ROLE AND ACTIVITIES OF THE HUMAN RESOURCES & REMUNERATION COMMITTEE

Medacta's Human Resources & Remuneration Committee is comprised of a minimum of two Members of the Board of Directors who are elected annually and individually by the AGM for a one-year period until the next AGM. The Chairman of the HR & RemCo is appointed by the Board of Directors and is independent.

The 2023 Annual General Meeting (AGM) confirmed Philippe Weber and Riccardo Braglia as respectively Chairman and Member of the HR & RemCo. The Chairman of the Board from time to time attends the HR & RemCo meetings as a non-voting guest; however, he is not present during meetings or parts thereof during which his own performance or remuneration is discussed.

In general, the purpose of the Human Resources & Remuneration Committee is to advise and assist the Board of Directors with regards to compensation-related matters of Medacta with a focus on setting guidelines on remuneration for both Members of the Board of Directors and the Group Executive Management. As a core responsibility, the HR & RemCo makes proposals annually (or more often as required) to the Board of Directors related to the compensation package of the Members of the Group Executive Management and Board of Directors. For a more detailed overview of the Members, working methods and main duties and responsibilities of the HR & RemCo, as well as details regarding their meetings held in 2023, please refer to the sub-heading entitled "Human Resources & Remuneration Committee" in the Corporate Governance Report (section 3.5 "Internal Organizational Structure"), included in this Annual Report.

The HR & RemCo meets at such frequency as it deems necessary to fulfill its duties, normally ahead of ordinary Board meetings and at least four times per year. The HR & RemCo met four times in 2023 for an average duration of one hour and a half. In all the four HR & RemCo meetings all Members were present, and all were organized in person at Medacta's Swiss corporate offices either in Castel San Pietro or Rancate.

The Chairman of the Human Resources & Remuneration Committee reports to the Board of Directors at the Board meetings following each Human Resources & Remuneration Committee meeting, ensuring that the Board of Directors is kept informed in a timely and appropriate manner of all material matters within the Human Resources & Remuneration Committee's area of responsibility. Additional meetings may be held and may be convened at the request of either the Board of Directors or any Human Resources & Remuneration Committee Member. The Human Resources & Remuneration Committee may invite to meetings and shall communicate periodically with the CEO, the CFO and the Group HR Director, as well as such other persons as the Human Resources & Remuneration Committee deems appropriate, also including external advisors. During Financial Years 2022 and 2023, the Human Resources & Remuneration Committee and selected Medacta's managers appointed by the Human Resources & Remuneration Committee (Group HR Director and Senior Strategic Financial Advisor) worked with HCM International Ltd. as external independent advisor on remuneration matters and on assisting the development of the Long-Term Incentive Plan scheme. HCM International Ltd. does not have any additional mandates at Medacta. Furthermore, the Human Resources & Remuneration Committee regularly holds private sessions with Members of the Group Executive Management, except on those meetings or the part of meetings in which their own performance or remuneration is discussed.

In accordance with the article 19 of the **Articles of Association** and the **Human Resources & Remuneration Committee Charter**, the following topics were discussed during 2023:

Topic	March	May	September	December
Review and Approval of the 2022 Remuneration Report	✓			
Proposals to the Board of Directors regarding the approval of the individual compensation of the Chairman and the other members of the Board of Directors	✓			
Proposals to the Board of Directors regarding the individual compensation (fixed and variable compensation) of the Members of the Group Executive Management	✓			
Long-Term Incentive Plan (LTIP): - LTIP scheme review; - Change of the LTIP regulation; - Performance update; - Execution timing.	✓	✓	✓	✓
Remuneration Report: - set-up of the Report structure - Remuneration Report review	✓			✓
Review of benchmarking peer group and external benchmark for Group Executive Management remuneration				✓
Regulatory updates on cross-border commuters	✓	✓		
Updates on Medacta Employer Value Proposition	✓	✓		
Updates on the implementation of Talent Management and Learning & Development processes	✓	✓		
Review of remuneration principles, strategy and systems	✓	✓		✓
Individual targets and weighting of 2023 variable short-term incentive for the members of the Group Executive Management *	✓			

* To be proposed at the AGM 2024 meeting for approval.

2.2 ROLE AND ACTIVITIES OF THE SHAREHOLDERS REGARDING THE AGM

The Board of Directors will submit five separate remuneration-related resolutions for shareholders' approval at the AGM 2024 (as illustrated in Exhibit below):

- the maximum aggregate amount of remuneration of the Board of Directors for the term of office until the next annual shareholders' meeting (i.e. until the next annual shareholders' meeting in 2025);
- the maximum overall fixed remuneration of the Group Executive Management to be paid for the Financial Year ending December 31, 2025;
- the maximum overall variable short-term remuneration for the Group Executive Management that may be paid or allocated for the business year ended December 31, 2023;
- the maximum overall variable long-term remuneration of the Group Executive Management that may be allocated in for the business year ending December 31, 2025;
- the amount of remuneration to Members of the Board of Directors for consulting services to the Company or other group companies in a function other than as Members of the Board of Directors, until the next annual shareholders' meeting (i.e. until the next annual shareholders' meeting in 2025).



In addition, the Board of Directors will submit this Remuneration Report to a separate consultative vote for the shareholders at the AGM 2024.

	2023	2024	2025	2026			
Board Remuneration							
GEM Remuneration							
Fixed							
Short - Term	✓ Binding vote on maximum overall compensation →		✓ Binding vote on maximum aggregate board compensation	✓ Binding vote on maximum overall compensation →			
Long - Term		✓ Binding vote on maximum overall compensation →		✓ Binding vote on maximum overall compensation →			
	January 2023	April 2023 AGM	December 2023	May 2024 AGM	December 2024	April 2025 AGM	December 2025

The Board of Directors may present to the annual shareholders' meeting deviating or additional proposals for approval in relation to the same or different time periods.

If the shareholders' meeting does not approve the amount of the proposed fixed and variable compensation, as the case may be, the Board of Directors may either submit new proposals at the same shareholders' meeting, convene a new extraordinary shareholders' meeting and make new proposals for approval or may submit the proposals regarding compensation for retrospective approval at the next annual shareholders' meeting.

At the Annual General Meeting (AGM) 2023, the Board of Directors submitted five separate remuneration-related proposals, which were all approved by the shareholders:

- the maximum aggregate amount of remuneration for the Members of the Board of Directors for the term from the AGM 2023 until the AGM 2024: CHF 1'100 thousand;
- the maximum overall fixed remuneration of the Group Executive Management to be paid for the Financial Year ending December 31, 2024: CHF 1'200 thousand;
- the maximum overall short-term remuneration of the Group Executive Management to be paid for the Financial Year ending December 31, 2022: CHF 1'350 thousand;
- the maximum overall variable long-term remuneration of the Group Executive Management to be allocated in the Financial Year ending December 31, 2024: CHF 800 thousand;
- the maximum aggregate amount for services covered by article 25(3) of the **Articles of Association** (Consulting Services) for the period until the AGM 2024: CHF 150 thousand.

In addition, shareholders approved the FY 2022 Remuneration Report in a consultative vote.

3. REMUNERATION PHILOSOPHY AND PRINCIPLES

Medacta's Human Resources & Remuneration Committee gives careful consideration to the remuneration framework for the Members of the Board of Directors and the Group Executive Management. In order to reflect their different roles, the remuneration of the Board of Directors and the Group Executive Management are designed according to different standards and considerations.

Medacta's remuneration landscape is designed to support the Company's strategic plans and to provide a balance between motivating the Members of the Board of Directors and the Group Executive Management to deliver on the near-

and medium-term objectives of the Group and to strive for future long-term success and prosperity of Medacta at the same time. Medacta's remuneration framework aims to attract, engage and retain the best talent within the MedTech industry as well as to reward loyalty of the employees and, thus, to enhance the value of the Group for the benefit of shareholders as extensively described in our **Code of Business Conduct and Ethics**. Medacta actively promotes diversity and inclusion and a culture of fair and equal treatment of our employees, as described in our **Code of Business Conduct and Ethics**. We are committed to the principle of equal pay for equal work and are taking all necessary steps in our job evaluation to ensure a fair compensation system. In 2022, for the Swiss based legal entities, we conducted the legally required equal pay analysis, confirming Medacta's compliance with the requirements set out in Art. 13d of the Gender Equality Act (GEA) and Art. 7 of the Ordinance on the Examination of the Equal Pay Analysis. The analysis complied with the GEA guidelines as it was validated by Deloitte SA on the analysis methodology and results. The results of the analysis showed no material effect of gender on pay in our Switzerland-based entities.

As a core responsibility, the Human Resources & Remuneration Committee reviews the compensation packages of the Members of the Group Executive Management and Board of Directors annually (or more often as required) and proposes to the Board of Directors any adjustments to the prior year compensations for proposal to the annual shareholders' meeting.

In addition, and with regards to the Group's listing in Switzerland and global scale of business, the Human Resources & Remuneration Committee follows the Swiss governance and compensation landscape while also considering trends across the globe. Conclusively, the aim is to design the remuneration framework taking into account best market practices, alignment with shareholders, and pay-for-performance considerations in order to promote the long-term success of Medacta.

As a base for this work the Human Resources & Remuneration Committee, each year, assesses the compensation packages of similar companies. In 2023, we reflected same peers utilized in 2022 which we believe are more balanced between focus in the orthopedic industry and small to mid-capitalization. To carry out the compensation benchmark the following two groups of companies were analysed in 2023:

- listed companies in the worldwide MedTech Industry⁴;
- companies in the Swiss MedTech industry or Healthcare industry with up to 20'000 employees, with an international scope⁵.

The exercise revealed that the compensation of the Group Executive Management and Board of Directors are below the average compensation of both Swiss and worldwide MedTech industry benchmark.

3.1 AGREEMENTS RELATED TO COMPENSATION FOR MEMBERS OF THE BOARD OF DIRECTORS AND THE GROUP EXECUTIVE MANAGEMENT

According to article 24 of the **Articles of Association**, mandate agreements of the Members of the Board of Directors have a fixed term until the conclusion of the next annual shareholders' meeting. Early termination or removal remains reserved.

The employment agreements of the Members of the Group Executive Management are in principle concluded for an indefinite period. If the Board of Directors considers a fixed term appropriate, such fixed term shall not exceed one year. With respect to employment agreements entered into for an indefinite period, the maximum notice period does not exceed 12 months.

Non-competition agreements for the time following termination of an employment contract and the associated compensation are permitted to the extent that this is justified from a business perspective. The compensation for such a non-competition obligation may not exceed in total the average of the fixed compensation paid to the respective Member of the Group Executive Management during the last three years. The Group Executive Management agreements contain non-competition clauses. In accordance with article 24 of the **Articles of Association**, the compensation for such non-competition obligation shall not exceed in total the average of the compensation paid to the respective Group Executive Management Member during the last three financial years prior to termination.

⁴ Zimmer Biomet, Nuvasive, Alphatec Holdings, Stryker, Globus Medical, based on information disclosed on the publicly available Annual Reports for 2022.
⁵ Straumann, Sonova, Medartis, Tecan, Ypsomed, based on information disclosed on the publicly available Annual Reports for 2022.



4. REMUNERATION FRAMEWORK FOR BOARD OF DIRECTORS

4.1 REMUNERATION APPROACH

According to article 25 of the **Articles of Association**, the compensation of the Members of the Board of Directors is determined by the full Board of Directors based on the proposal of the Human Resources & Remuneration Committee and subject to and within the limits of the aggregate amounts approved by the annual shareholders' meeting.

In order to highlight the independent role of the Members of the Board of Directors in performing their supervisory duties, the entire remuneration of the Board in Financial Year 2023 is fixed and does not include any performance-related component.

The remuneration for the Members of the Board of Directors relates to their term of office, which starts with their election at the AGM and ends at the subsequent AGM. The remuneration consists of a fixed annual base fee and fixed fees for membership in Board Committees, reflecting the time commitment as well as the obligations and responsibilities of the roles, paid monthly in twelve equal instalments. The individual sum of the annual base fee and, where applicable, fixed fees for membership in Board Committees are paid in cash. For the term until the AGM 2024, consistent with the shareholders' approval, Board Members were paid a fixed annual base fee of CHF 90 thousand, with the Chairman receiving CHF 290 thousand. For membership in a Board Committee, Members were paid a fixed fee of CHF 20 thousand, with the respective chairpersons receiving CHF 40 thousand. In addition, in recognition of the extra time commitment associated with the role, the Lead Independent Director received an additional allowance of CHF 70 thousand (for a total amount CHF 160 thousand).

The fees paid to the Board of Directors for the Financial Year 2023 (as indicated on the table in section 4.2 "Remuneration Awarded 2023") are in line with the compensation reflected in the Financial Year 2022.



Members of the Board of Directors are entitled to a reimbursement for the expenses incurred in connection with their Board duties. Furthermore, remuneration of the Members of the Board is subject to social security contributions and is not pensionable. No additional remuneration components such as attendance fees are awarded to the Members of the Board of Directors.

In addition, in accordance with article 25 para. 3 of the **Articles of Association**, the Members of the Board of Directors providing consulting services to the Company or other Group Companies in a function other than as Members of the Board of Directors may be compensated in cash according to standard market rates, subject to approval by the annual shareholders' meeting.

4.2 REMUNERATION AWARDED 2023 (AUDITED)

For the term from the AGM 2023 until the AGM 2024, Medacta's shareholders approved a maximum aggregate amount of remuneration for the Board of Directors of CHF 1'100 thousand. Total remuneration awarded to the Board of Directors during Financial Year 2023 amounted to CHF 931 thousand and represents remuneration for services rendered from January 1, 2023 until December 31, 2023. As compared to FY 2023, the compensation is substantially in line with prior period. The amounts actually paid in 2023 remain within the limits of the amount approved by the shareholders for the same period.

The following tables show remuneration paid to the Members of the Board of Directors from January 1 until December 31, 2023 and 2022:

2023 BoD Compensation

CHF	Role within the Board	Fixed Board fee	Committee fees	Expenses ¹	Social security contribution	Sub-total	Shares	Total
Alberto Siccardi	Chairman	290'000	-	16'000	21'048	327'048	-	327'048
Maria Luisa Siccardi Tonolli	Member	90'000	20'000	8'100	9'684	127'784	-	127'784
Victor Balli	Member	160'000	40'000	553	14'114	214'667	-	214'667
Philippe Weber ²	Member	90'000	40'000	-	11'445	141'445	-	141'445
Riccardo Braglia	Member	90'000	20'000	-	9'684	119'684	-	119'684
TOTAL ALL MEMBERS		720'000	120'000	24'653	65'975	930'628	-	930'628

[1] Out-of-pocket expenses incurred by the Board of Directors are duly reimbursed by the Company with the exception of Dr. Alberto Siccardi and Ms. Maria Luisa Siccardi Tonolli, who are reimbursed with an annual lump-sum of CHF 16 thousand and CHF 8 thousand, respectively. For Mr. Balli the company paid his accommodation to the hotel for the Board meetings.

[2] Philippe Weber is a Partner at Niederer Kraft Frey AG (NKF), which acted as legal adviser to Medacta in 2023.

2022 BoD Compensation

CHF	Role within the Board	Fixed Board fee	Committee fees	Expenses ¹	Social security contribution	Sub-total	Shares	Total
Alberto Siccardi	Chairman	290'000	-	16'000	21'358	327'358	-	327'358
Maria Luisa Siccardi Tonolli	Member	90'000	20'000	8'100	9'811	127'911	-	127'911
Victor Balli	Member	160'000	40'000	-	17'268	217'268	-	217'268
Philippe Weber ²	Member	90'000	40'000	-	11'595	141'595	-	141'595
Riccardo Braglia	Member	90'000	20'000	-	9'811	119'811	-	119'811
TOTAL ALL MEMBERS		720'000	120'000	24'100	69'843	933'943	-	933'943

[1] Out-of-pocket expenses incurred by the Board of Directors are duly reimbursed by the Company with the exception of Dr. Alberto Siccardi and Ms. Maria Luisa Siccardi Tonolli, who are reimbursed with an annual lump-sum of CHF 16 thousand and CHF 8 thousand, respectively.

[2] Philippe Weber is a Partner at Niederer Kraft Frey AG (NKF), which acted as legal adviser to Medacta in 2022.

The reconciliation of approved and dispensed compensation for the AGM 2022-2023 and 2023-2024 period is shown in the table below:

REMUNERATION APPROVED AND PAID/GRANTED FOR THE MEMBERS OF THE BOARD

	Total remuneration granted	Maximum aggregate amount available	Status
2022 AGM to 2023 AGM	CHF 0.9 million*	CHF 1.1 million	Approved 2022 AGM
2023 AGM to 2024 AGM	CHF 0.9 million**	CHF 1.1 million	Approved 2023 AGM

* Calculated for the 5 members of the Board elected in the 2022 AGM to 2023 AGM.

** The amount represents an estimate for the term of office from 2023 AGM to 2024 AGM. The final amount will be disclosed in the 2024 Remuneration Report.



In addition, with reference to article 25 para. 3 of the **Articles of Association**, for the period from the AGM 2022 until AGM 2023, Niederer Kraft Frey AG, where Philippe Weber is a Partner and that, amongst others, acted as legal adviser to Medacta and received fees in the amount of CHF 32 thousand (within the limits of CHF 150 thousand, approved by the AGM 2022). For the period from the AGM 2023 until December 31, 2023, Niederer Kraft Frey AG, acted as legal adviser and received fees in the amount of CHF 10 thousand (so far within the limits of CHF 150 thousand, approved by the AGM 2023).

4.3 LOANS AND CREDITS

In accordance with article 28 of **Articles of Association**, no loans or credits were granted to current or former Members of the Board of Directors or to persons closely associated with current or former Members of the Board of Directors. No such loans or credits were outstanding at December 31, 2023.

In addition, no compensation, which was not at market terms or standards, was paid or granted to persons closely associated with current or former Members of the Board of Directors.

For the related party transactions, refer to Note 6.26 "Related party transactions" of the Financial Report included in this Annual Report.

5. REMUNERATION FRAMEWORK FOR GROUP EXECUTIVE MANAGEMENT

5.1 REMUNERATION APPROACH

Pursuant to article 26 of the **Articles of Association**, the compensation of the Members of the Group Executive Management is determined by the Board of Directors based on the proposal of the Human Resources & Remuneration Committee and subject to and within the limits of the aggregate amounts approved by the annual shareholders' meeting.

The remuneration of the Group Executive Management is comprised of three main elements:

Element	Type of compensation	Form of compensation	Description
Fixed Compensation	Base salary	Cash	<ul style="list-style-type: none">- Fixed compensation is determined based on scope and responsibility of the role; qualifications and experience; skill and expertise;- To attract talents, we offer the market value of the role.
Variable Compensation	Short-term incentive	Cash	<ul style="list-style-type: none">- Maximum payout potential is dependent on hierarchy level;- Performance are measured against business results and financial targets.
	Long-term incentive	Performance Share Units (PSUs)	<ul style="list-style-type: none">- Performance criteria are 50% driven by Relative TSR and 50% by absolute EBIT over three years period;- the combined vesting multiple cannot exceed 200%;- three years vesting period.
Benefits	Pension Plan, insurance and Health Care		<ul style="list-style-type: none">- Pension benefits meet the legal requirements of the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG);- in line with what industry offers.
	Other benefits		<ul style="list-style-type: none">- May include car, phone allowance and other fringe benefits in line with market practices.

FIXED COMPENSATION

ANNUAL BASE SALARY

The annual base salary is the main fixed remuneration component paid to Members of the Group Executive Management. It is paid in cash in thirteen equal monthly instalments. The level of base salary is determined considering the following factors:

- scope and responsibilities of the role;
- qualifications and experience required to perform the role;
- market value of the role; and
- skills and expertise of the individual in the role.

The annual base salaries of the Members of the Group Executive Management are reviewed on a yearly basis considering the above-mentioned factors and adjustments are made according to alterations in the factors under assessment as well as to market developments. Refer to section 3 "Remuneration philosophy and principles" of this report for the benchmarking analysis performed.

VARIABLE COMPENSATION

SHORT-TERM INCENTIVE

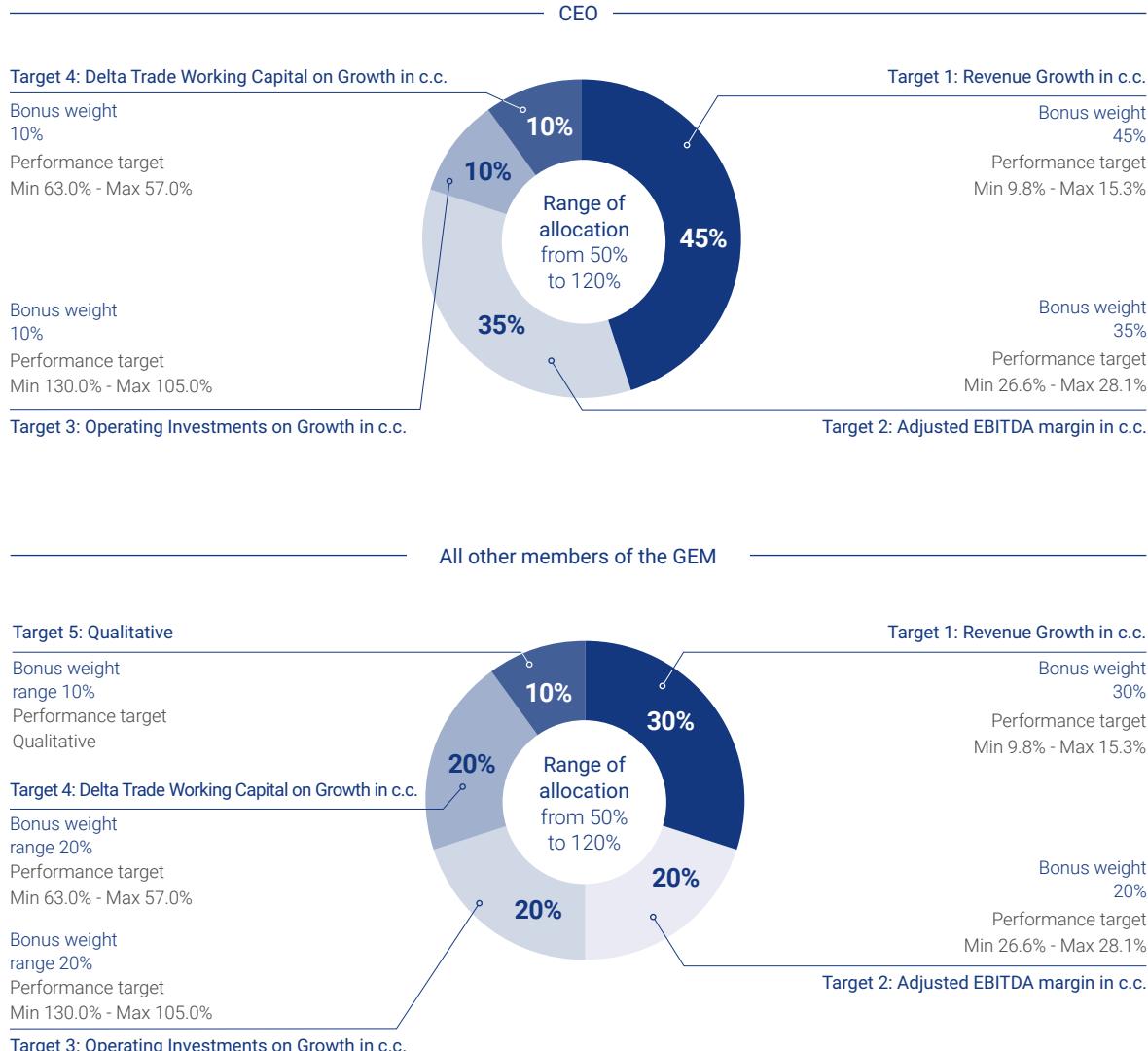
The short-term variable compensation is an annual incentive plan intended to compensate the Group Executive Management for achieving the short-term business strategy, based on company performance achievements and financial targets. In accordance with article 26 of the **Articles of Association**, the short-term variable compensation is paid in cash and depends on the level of achievement of specific pre-defined targets for a one-year performance period.

In March 2023, the Human Resources & Remuneration Committee decided to propose to the Board of Directors the amendment of two out of the four targets of the 2022 short incentive scheme. This modification aims to better reflect the performance metrics by incorporating the amount of Capex and working capital required to stimulate growth. Both targets will now be assessed based on revenue growth in constant currency. The Capex target has been renamed "Operating Investments on Growth" and will solely consider investments in instruments, plant & machineries, and tools & equipment. Notably, land & building and development investments will be excluded from this metric. Similarly, the Trade Working Capital target has been renamed as "Delta Trade Working Capital on Growth" and will be measured on trade working capital investments against revenue growth in constant currency. Also, in 2023 the Human Resources & Remuneration Committee engaged in extensive discussions for a recalibration of the weight assigned to financial targets. The aim was to ensure a closer alignment with shareholders' interests, specifically for the CFO and CSCO positions. On March 16, 2023, the Board of Directors deliberated on the proposed changes.

The 2023 short-term variable compensation of the Group Executive Management is determined based on the reaching of the following four financial targets: Revenue Growth in constant currency (c.c.), Adjusted EBITDA Margin in constant currency, Operating Investments and Delta Trade Working Capital on Growth in constant currency. The financial targets are weighted differently for each Member of the Group Executive Management, taking into account position and level of responsibility. Revenue Growth in c.c. target is between 9.8% and 15.3% and weights respectively 45% and 30% of the bonus for the CEO and for the other Members of the Group Executive Management, respectively; Adjusted EBITDA Margin in c.c. target is between 26.6% and 28.1% and weights respectively 35% and 20% of the bonus for the CEO and for the other Members of the Group Executive Management, respectively; Operating Investment on Growth in c.c. target is between 130% and 105% and weights 10% and 20% of the bonus for the CEO and for the other Members of the Group Executive Management, respectively; Delta Trade Working Capital on Growth in c.c. target is between 63% and 57% and weights respectively 10% and 20% of the bonus for the CEO and for the other Members of the Group Executive Management, respectively. In addition, 10% of the short-term variable compensation of the CFO and Chief Supply Chain Officer (CSCO) are determined at the discretion of the Board of Directors, upon recommendation of the CEO and the Human Resources & Remuneration Committee, based on the quality of the performance of their duties (as described in greater detail below). Upon proposal by the Human Resources & Remuneration Committee, the Board of Directors is responsible for the selection and weighting of performance targets during the first quarter of the one-year performance period as well as determining what the maximum short-term compensation can comprise. For FY 2023, the short-term variable remuneration for the Group Executive Management represents 135% of the base salary. The CEO's short-term variable remuneration represents a maximum of 280% of the base salary and for other Members of the Group Executive Management on average 37% of the base salary. This puts a material portion of the Group Executive Management's remuneration at risk, in alignment with shareholders' interests.



The variable short-term compensation for the Members of the Group Executive Management for the Financial Year 2023 was determined by the Board of Directors upon recommendation from the Human Resources & Remuneration Committee on the basis of the below described base and maximum amounts, criteria, weightings and other principles. In order to calibrate the target achievement curve for one plan cycle, a target achievement level is identified in accordance with the overall business plan and the budget for the respective year. Minimum and maximum performance achievement levels are defined considering, amongst other metrics, the previous year's performance level.



The reaching of the above financial targets is determined by the Board of Directors based on the audited Consolidated Financial Statements of Medacta Group SA for the Financial Year on December 31, 2023.

Regarding targets "Revenue Growth in constant currency" and "Adjusted EBITDA Margin in constant currency": in the event the actual result is (a) below the minimum target, then the respective bonus portion is CHF 0; (b) within the target range linear progression from 0 to maximum bonus; (c) above maximum target maximum bonus. In relation to targets "Operating Investments on Growth" and "Delta Trade Working Capital on Growth": in the event the actual result is (a) above the minimum target the respective bonus portion is CHF 0; (b) within the target range linear progression from 0 to maximum bonus; (c) below maximum target maximum bonus.

As mentioned above, at the discretion of the Board of Directors upon recommendation of the CEO and the Human Resources & Remuneration Committee, it would be possible to raise or to lower the CFO's and CSCO's variable components based on the quality of their performance duties as set in the **Organizational Regulations**.

The qualitative performance represents a maximum of 10% of the CFO's short-term compensation and is primarily based on the performance of:

- defining and implementing the finance strategy of the Group;
- monitoring financial performance against targets, reports the results to the Audit and Risk Committee and the Board of Directors and endorsing these reports in all material respects as to their completeness, reliability and accuracy; and
- having responsibility for ensuring good financial governance.

The qualitative performance represents 10% of the CSCO's short-term compensation and is primarily based on the performance of:

- direct and coordinate all activities involved in purchasing components, raw materials, production supplies, other products, services and aftermarket service parts. Establish and maintain relationships with vendors while continually searching for improved costs, materials, suppliers and processes;
- set strategic direction and support staff in the development, implementation, and execution of supply chain processes in support of business objectives; and
- oversee and maintain relationships with cross-functional teams in all areas related to product to market timeline.

For Financial Year 2023, all of the four approved minimum performance thresholds were exceeded, and the targets were achieved at different levels within their respective target achievement curve. This resulted in an overall short-term compensation proposed payout to the AGM 2024 for the CEO of CHF 1'029 thousand and an overall proposed payout of CHF 202 thousand for the other Members of the Group Executive Management, upon approval by the AGM 2024. This represents 280% for the CEO and on average 37% for the other Members of the Group Executive Management base salary.

Since STI reflects the previous year's performance (i.e. FY 2023), payments will be made in a lump sum cash payment following AGM approval. There are no forfeiture or clawback provisions in relation thereto.

LONG-TERM INCENTIVE

In order to reflect Medacta's positioning as a listed company, reshaping the role and responsibilities of the Members of the Group Executive Management, in accordance with article 26 of the **Articles of Association**, a share and business performance based Long-Term Incentive Plan (LTIP) was implemented. On March 16, 2023, the Board of Directors approved the implementation of the LTIP proposed by the Human Resources & Remuneration Committee, under the Performance Share Plan ("the Plan"), that was open to eligible participants starting in April, 2023. The Board is responsible for administering and executing the Plan and has full power to construe and interpret the Plan, establish and amend rules and regulations for its administration, and perform all other actions relating to the Plan.

Under the LTIP Members of the Group Executive Management, other selected key managers and employees are eligible to participate in the LTIP. A prerequisite for participating in the Plan is an active and ongoing employment (i.e. which is not under notice of termination). The LTIP is designed to provide Members of the Group Executive Management, other selected key managers and employees an opportunity to become shareholders of the Company, to participate in the future long-term success and prosperity of the Group, and to enhance and reward loyalty of the employees. Furthermore, the LTIP is intended to attract, motivate, and retain participants of the plan, and thus, to enhance the value of the Group for the benefit of shareholders.

The incentive plan is measured over a rolling three-year performance period with the purpose of fostering long-term value creation for the Group. Eligible plan participants grant a certain number of Performance Share Units (PSUs), which represent a contingent entitlement to receive Medacta shares in the future. The number of granted PSUs is dependent on the individual LTIP grant level, individually determined by the Board of Directors each year based on the individual's performance, the position, complexity of the function, and level of responsibility. For Members of the Group Executive Management, the number of PSUs is subject to the amounts approved at the applicable AGM. In 2023, 27'948 PSUs were granted.

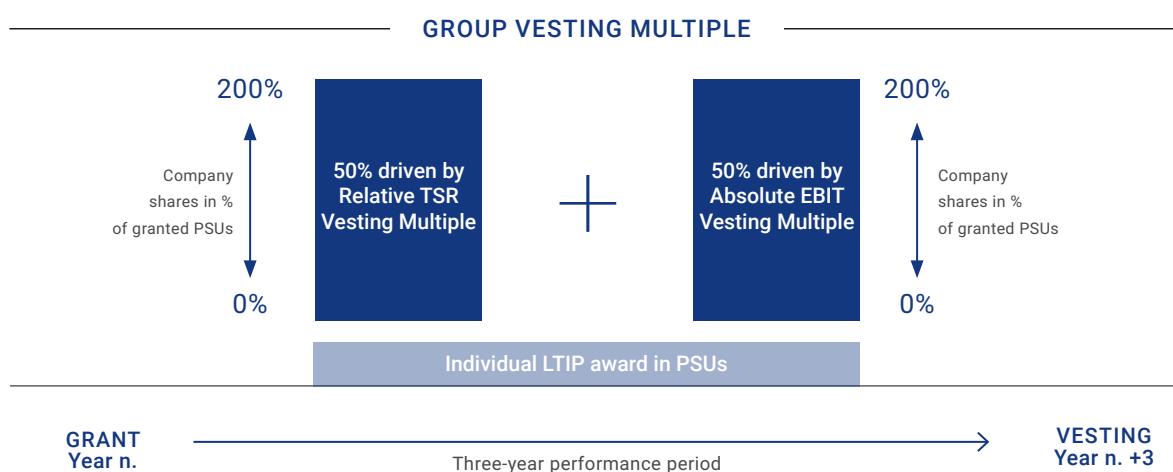


The value of the PSUs granted is determined based on the notion that it should accurately reflect the inherent risk of the underlying instrument. For the 2023 grant fair value, the Group estimates the PSU reference value by using the fair value calculation under the Monte Carlo method that for the 2023 award cycle amounted to CHF 107.83.

The 2023 PSUs grant will vest at the end of the performance period in 2026 and will be converted into shares. The number of PSUs that vest is calculated at the Vesting Date by multiplying the number of granted PSUs by the Final Vesting Multiple, rounded up to the next whole Share. Ultimately, the number of PSUs which vest shall be determined by the Board or a body designated by the Board in a final, conclusive and binding manner. The Final Vesting Multiple equals either Group Vesting Multiple (see description below) or Country Vesting Multiple (see description below), whereas the latter applies if all of the following three conditions are met:

- Group Vesting Multiple is below 0.30;
- the respective Participant is eligible for country performance consideration;
- the country performance threshold has been met for the entire duration of the Plan.

If any of the above conditions is not met, the Final Vesting Multiple equals the Group Vesting Multiple.



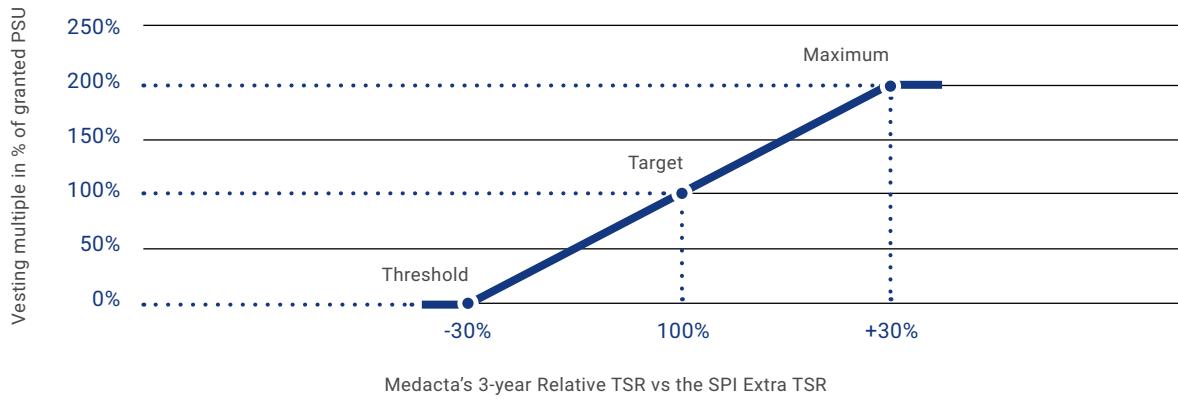
The Group Vesting Multiple is based upon a 50% weighting of the Relative TSR Vesting Multiple and a 50% weighting of the Absolute EBIT Vesting Multiple, rounded off to two decimal places, whereby:

- the Relative TSR Vesting Multiple is calculated as the (positive or negative) difference between Medacta's TSR and the SPI Extra Total Return TSR⁶, measured in percentage points (p.p.). Medacta's TSR is measured considering the compound annual growth rate of the Reference Price Ending compared to the Reference Price Beginning over the three (3)-year TSR Performance Period and the accumulative, nominal dividends distributed in the same period. To be consistent with the index, it is assumed that dividends are reinvested. The Relative TSR Vesting Multiple cannot be lower than 0.00 or higher than 2.00, and
- the Absolute EBIT Vesting Multiple is calculated based on the EBIT of the Group measured as the sum of the absolute EBIT over the three (3)-year Absolute EBIT Performance Period and calculated by the Board or a body designated by it, according to the Absolute EBIT Vesting Multiple table. The Absolute EBIT Multiple cannot be lower than 0.00 or higher than 2.00.

The Country Vesting Multiple (if relevant) is calculated based upon a 100% weighting of the respective country's revenues and will be either 0.00 or 0.30. For each country, details with regards to performance measure, performance targets, performance period and performance calculation are set out in the Allotment Certificate.

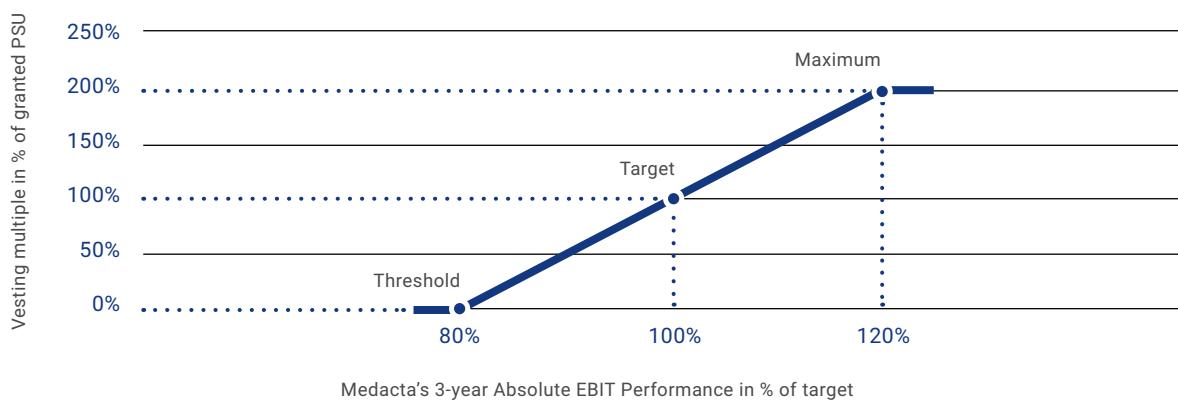
⁶ This is the Swiss All Share Index and is excluding the 20 biggest market capitalization companies in the SPI and all companies with a free float of less than 20% or shares of investment companies (192 companies).

For the FY 2023 grant, 100% of the PSUs linked to the Relative TSR Vesting Multiple will vest, if the Medacta's TSR is equivalent to the SPI Extra Total Return TSR10. The maximum vesting multiple of 200% applies if the Medacta's TSR is 30 or more percentage points above the SPI Extra Total Return TSR. Further, the vesting multiple of 0% applies if Medacta's TSR be 30 or more percentage points below the SPI Extra Total Return TSR. Linear interpolation applies between the threshold, target and maximum performance levels:



The 2023 Absolute EBIT Vesting Multiple is considered a price-sensitive information and communicating such target may create a competitive disadvantage for Medacta. Therefore, we decide not to disclose any specifics of this target at the time of their setting, but to explain at the end of the performance period the target achievement. In the 2026 Remuneration Report we will explain the target achievement for the 2023 PSUs granted.

If the Absolute EBIT Vesting Multiple target is reached, 100% of the respective PSUs granted will vest. If the Absolute EBIT Vesting Multiple is at or above the maximum performance level, 200% of respective granted PSUs will vest. If the Absolute EBIT Vesting Multiple is at or below the threshold performance level, 0% of PSUs granted under the Absolute EBIT performance will vest. Below an illustration of the Absolute EBIT vesting curve for the 2023 PSUs granted.



The absolute EBIT targets for each grant are set by the Board of Directors following an assessment conducted by the Human Resources & Remuneration Committee, considering the investor's return expectations on market value, investment projections, current profitability levels. Using statistical analysis we tried to establish an appropriate link between LTIP payouts and the value created for investors.

Overall, the combined vesting multiple is expected to never exceed 200%. If the performance of both Group and Country (if relevant) Vesting Multiple lies below the respective minimum performance threshold, the resulting combined vesting multiple will be 0% and consequently no PSUs vest. In certain circumstances, the termination of employment (e.g. as a result of retirement) or a corporate event (e.g. change of control due to a merger), the number of PSUs that continue to be eligible for vesting shall be adjusted pro rata on a completed monthly basis to reflect the length of service within each award cycle at the relevant termination date. Upon termination of the employment for any other reasons, all unvested PSUs of the participant shall lapse without any compensation.

The Board is entitled, at its sole discretion, to cancel or forfeit all or part of any unvested PSUs or, following vesting of any PSUs, seek repayment from the participant for all or part of any vested PSUs, shares or cash settlements. Those provisions apply in the event of malfeasance, fraud, misconduct, any serious breach of legal or regulatory obligation and/or internal policy of the Group, takes part of conduct which leads or contributes to the Company having restate its financial statements or inaccurate assessment of any performance.

BENEFITS AND PENSION

Members of the Group Executive Management participate in the Company's benefits plans, which mainly consist of retirement, insurance and health care plans designed to provide a reasonable level of protection for the employees and their dependents in the event of retirement, illness/accident, disability or death. Medacta's pension benefits under Swiss contracts meet the legal requirements of the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG) and are in line with what industry offers.

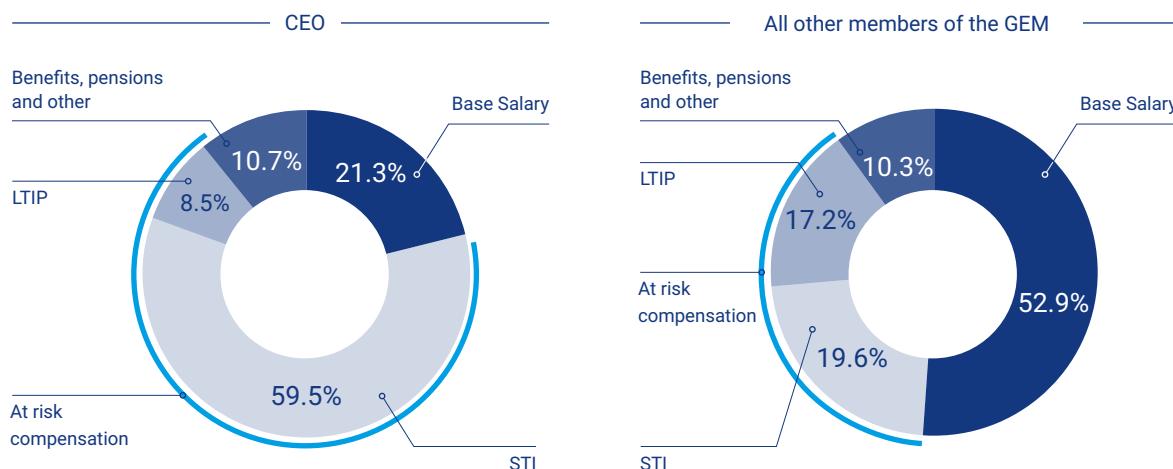
Other benefits may include a car and phone allowance and other fringe benefits that, if any, are disclosed in the remuneration table included in section 5.2 "Remuneration Awarded 2023 (Audited)" of this report. Out-of-pocket expenses incurred by Members of the Group Executive Management in connection with their employment services for Medacta are duly reimbursed by the Company in accordance with the applicable regulations and are not considered to be remuneration subject to approval and, hence, are not further considered in the remuneration tables.

5.2 REMUNERATION AWARDED 2023 (AUDITED)

COMPENSATION MIX

The Human Resources & Remuneration Committee ensures that the Group Executive Management remuneration focuses on pay-for-performance and anchors the strategy of the Group by delivering a substantial portion of remuneration in the form of variable and performance-related incentives. Overall, total variable remuneration of the CEO for the Financial Year 2023 amounted to 68% of his total remuneration, while other Members of the Group Executive Management's total variable remuneration for the Financial Year 2023 ranged from 35% to 38% of the total remuneration, in each case subject to approval of the AGM 2023.

GEM pay mix



The total aggregate amount approved by the annual shareholders' meeting 2022 for the fixed compensation of the Group Executive Management for the Financial Year 2023 amounts to CHF 1'200 thousand. The sum of the total fixed compensation paid to the Group Executive Management (including the CEO) for the relevant period from January 1, 2023 to December 31, 2023 amounts to CHF 1'039 thousand, including CHF 126 thousand of pension and social security contribution. It is thus within the limits of the amount approved by the annual shareholders' meeting for the same period.

Variable compensation for the Members of the Group Executive Management includes the annual short-term incentive (STI) and the Long-Term Incentive Plan (LTIP).

The total aggregate amount of short-term remuneration for 2023 proposed by the Board of Directors to the AGM 2024 for the entire Group Executive Management will be CHF 1'342 thousand, including CHF 111 thousand of pension and social security contribution. The limit of the STI for 2023 for the Group Executive Management will be decided at the 2024 annual shareholders' meeting.

The total aggregate amount approved by the annual shareholders' meeting 2022 for the variable long-term compensation of the Group Executive Management for the Financial Year 2023 amounts to CHF 800 thousand. The LTIP Fair Value at Grant for Financial Year 2023 recognized for the Group Executive Management (including CEO) is equal to CHF 355 thousand, including CHF 32 thousand of pension and social security contribution. It is thus within the limits of the amount approved by the annual shareholders' meeting for the same period. The LTIP at vesting may vary based on performance outcomes and respective share price at the time of vesting.

During Financial Year 2023, the Group Executive Management consisted of three Members, all of them being Members of the Group Executive Management during the entire period. The 2023 Group Executive Management compensation is overall in line with prior period.

The following tables show the total aggregate remuneration, including the proposed short-term compensation and the fair value at grant under the LTIP, for the Members of the Group Executive Management and the highest amount for an individual member (i.e. the CEO), for the period from January 1 to December 31, 2022 and 2023 respectively.

2023 GEM Compensation

CHF	Fixed Compensation	Proposed variable short-term compensation ¹	Fair value at grant under the LTIP ²	Expenses ³	Pension & social security contribution ⁴	Total
Francesco Siccaldi (CEO)	367'950	1'029'372	146'216	22'200	163'107	1'728'845
Other Members of the GEM (aggregated)	545'722	202'234	177'694	600	104'943	1'031'193
Total all Members of the GEM	913'672	1'231'606	323'910	22'800	268'050	2'760'038

[1] Proposal by the Board of Directors to the AGM 2024.

[2] Disclosure reflects the awards for the reporting year, that represents the pro-rata temporis fair value at grant for FY 2023. The LTIP at vesting may vary based on performance outcomes and share price value at the time of vesting.

[3] Out-of-pocket expenses, including car lease, incurred by Mr. Francesco Siccaldi are duly reimbursed with an annual lump-sum of CHF 22 thousand.

[4] In 2023 to align the timing of social security reporting to the LTIP grant, we included the pro-rata temporis estimates of social security contributions related to the 2023 LTIP grant made.

2022 GEM Compensation

CHF	Fixed Compensation	Proposed variable short-term compensation ¹	Fair value at grant under the LTIP ²	Expenses ³	Pension & social security contribution ⁴	Total
Francesco Siccaldi (CEO)	367'900	1'050'309	77'896	22'200	149'524	1'667'829
Other Members of the GEM (aggregated)	501'097	140'028	94'665	279	90'198	826'267
Total all Members of the GEM	868'997	1'190'337	172'561	22'479	239'722	2'494'096

[1] Proposal by the Board of Directors to the AGM 2023.

[2] Disclosure reflects the awards for the reporting year, that represents the pro-rata temporis fair value at grant for FY 2022. The LTIP at vesting may vary based on performance outcomes and share price value at the time of vesting.

[3] Out-of-pocket expenses, including car lease, incurred by Mr. Francesco Siccaldi are duly reimbursed with an annual lump-sum of CHF 22 thousand.

[4] In 2022 to align the timing of social security reporting to the LTIP grant, we included the pro-rata temporis estimates of social security contributions related to the 2022 LTIP grant made.



5.3 LOANS AND CREDITS

In accordance with article 28 of the **Articles of Association**, no loans or credits were granted to current or former Members of the Group Executive Management or to persons closely associated with current or former Members of the Group Executive Management. No such loans or credits were outstanding at December 31, 2023.

In addition, no compensation, which was not at market terms or standards, was paid or granted to persons closely associated with current or former Members of the Group Executive Management.

For the related party transactions, refer to Note 6.26 "Related party transactions" of the Financial Report included in this Annual Report.

6. OWNERSHIP OF SHARES AND OPTIONS

As of December 31, 2023, there were no outstanding options to acquire shares in the Company. The following tables show the number of shares held by Board of Directors and Group Executive Management as of December 31, 2023:

SHARES HELD BY MEMBERS OF THE BOARD (AUDITED)

Board Members	Role	Shares held as at December 31, 2023	Shares held as at December 31, 2022
Alberto Siccardi	Chairman	2'031'710	2'031'710
Maria Luisa Siccardi Tonolli	Member	3'946'273	3'946'273
Victor Balli	Lead Independent Director	2'500	1'500
Philippe Weber	Independent Director	-	-
Riccardo Braglia	Independent Director	32'640	43'500

SHARES HELD BY MEMBERS OF THE GEM (AUDITED)

GEM Members	Role	Shares held as at December 31, 2023	Shares held as at December 31, 2022
Francesco Siccardi	Chief Executive Officer	3'965'672	3'965'672
Corrado Farsetta	Chief Financial Officer	-	-
Alessandro Siccardi	Chief Supply Chain Director	3'946'273	3'946'273

7. OTHER REMUNERATION-RELATED INFORMATION UNDER CO (AUDITED)

For the reporting period, no compensation other than described herein was paid or granted to Members of the Board of Directors and the Group Executive Management.

With respect to external mandates and other activities reference is made to the comprehensive disclosure in the Corporate Governance section of this Annual Report (see section 3.1 Board of Directors and 4.1 Group Executive Management).

8. RELATED PARTY COMPENSATION

Members of the Board of Directors and of the Group Executive Management who have received consultancy fees for services rendered are reported in the 2023 Financial Report (Note 6.26 "Related party transactions"), enclosed in this Annual Report. For the Remuneration paid to the Board of Directors, refer to section 4.2 "Remuneration Awarded 2023 (audited)" of this Remuneration Report.

9. REPORT OF THE STATUTORY AUDITOR ON THE REMUNERATION REPORT



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Report on the Audit of the Remuneration Report according to Art. 734a-734f CO

REPORT OF THE STATUTORY AUDITOR

To the General Meeting of Medacta Group SA, Castel San Pietro

Report on the Audit of the Remuneration Report

Opinion

We have audited the Remuneration Report of Medacta Group SA (the Company) for the year ended 31 December 2023. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the sections 4.2, 5.2, 6, and 7 labelled "audited" on pages 101, 102, 108, 109 and 110 of the Remuneration Report.

In our opinion, the information pursuant to Art. 734a-734f CO in the remuneration report 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 Responsibility for the Audit of the Remuneration 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 but does not include the tables marked "audited" in the Remuneration Report, the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

Our opinion on the Remuneration 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 Remuneration 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 Remuneration Report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.



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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 Remuneration Report

The Board of Directors is responsible for the preparation of a remuneration 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 remuneration report that is free from material misstatement, whether due to fraud or error. It is also charged with structuring the remuneration principles and specifying the individual remuneration components.

Auditor's Responsibilities for the Audit of the Remuneration 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 remuneration report.

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

- Identify and assess the risks of material misstatement in the remuneration 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 and/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.

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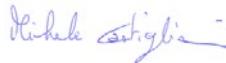
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We also provide the Board of Directors and/or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably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

Deloitte SA



Fabien Lussu
Licensed audit expert
Auditor in Charge



Michele Castiglioni
Licensed audit expert

Lugano, 12 March 2024
FL/MC/cb

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**THE SURGEON IS NEVER ALONE
WHEN DISCOVERING NEW TECHNOLOGIES**

