Annual Report 2025

SWATCH GROUP

Corporate Governance

CORPORATE GOVERNANCE

1. Group structure and shareholders

1.1 Group structure

Swatch Group is active worldwide and represented in all market and price segments in the watch sector with 16 brands and in the jewelry sector. In addition, it holds an outstanding industrial position with a high degree of verticalization in the production sector as well as the strategically important sector of electronic systems. In the corporate sector, the operational units which provide services for the whole Group are centralized. Swatch Group has lean and efficient management structures at all levels. While the Board of Directors deals with the overall management, strategic and supervisory tasks, the operative executive duties are incumbent on the Executive Group Management Board, which is supported by the Extended Group Management Board. An overview of the operational and of the distribution organizations is given on pages 5 and 6. The fully consolidated companies, of which only The Swatch Group Ltd is listed on the Stock Exchange, are given on pages 72 to 75 with each company's name, domicile, share capital and the percentage of shares held. The shares of The Swatch Group Ltd are listed on the SIX Swiss Exchange AG and BX Swiss AG, the bearer shares are listed under ISIN number CH0012255151; and the registered shares are listed under ISIN number CH0012255144.

ISIN:	CH0012255144	registered shares
	CH0012255151	bearer shares
Reuters:	UHRN.S	registered shares
	UHR.VX	bearer shares

Further information concerning market capitalization and earnings per share is shown on page 94.

The corporation's registered office is located in Neuchâtel, Faubourg de l'Hôpital 3. The administrative headquarters are in Biel/Bienne, Seevorstadt 6.

1.2 Significant shareholders

As at 31 December 2025, the Hayek Pool, related parties, institutions and persons control 63 842 000 registered shares and 1 028 840 bearer shares, totalling 44.5% (previous year 44.1%) of all the votes.

The Hayek Pool comprises the following members per 31 December 2025:

Name / Company	Location	Beneficial owners
Community of heirs of Marianne and Nicolas G. Hayek represented by Nayla Hayek	Meisterschwanden	Community of heirs of Marianne and Nicolas G. Hayek
Wat Holding AG	Meisterschwanden	Community of heirs of Marianne and Nicolas G. Hayek
Ammann Group Holding AG	c/o Walder Wyss AG, Bern	Descendants U. Ammann-Schellenberg sen.
Swatch Group Pension Fund	Neuchâtel	–

The companies, institutions and persons close to the Hayek Pool but which do not formally belong to the Hayek Pool and who hold shares of The Swatch Group Ltd per 31 December 2025 are:

Name / Company	Location	Beneficial owners
Hayek Holding AG	Meisterschwanden	Community of heirs of Marianne and Nicolas G. Hayek
Community of heirs of Marianne and Nicolas G. Hayek and family members		Community of heirs of Marianne and Nicolas G. Hayek
Ammann families (pension funds, foundations and individuals, Madisa AG)	c/o Ammann Group Holding AG, Bern	Represented by Daniela Aeschlimann
Fondation d'Ébauches SA et des maisons affiliées	Neuchâtel	–
Welfare foundations 1)	various	–

1) Wohlfahrtsstiftung der Renata AG and Caisse de pensions des cadres Swatch Group

The community of heirs of Marianne and Nicolas G. Hayek controls directly, through related parties and institutions and in the context of the Pool, 43.8% (previous year 43.4%) of all the votes. Third party Pool members are represented therein; they comprise 3.3% of all the voting rights.

If a person subject to this obligation reaches, falls below or exceeds the threshold of voting rights according to Art. 120 FinMIA, this person is obliged to issue a corresponding notification. Reference is made to the disclosures of the year 2025 as well as any pre-existing significant shareholders on the website of the Disclosure Office "https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/", where the current and updated disclosures of significant shareholders can be found.

1.3 Cross-shareholdings
Swatch Group holds no cross-shareholdings.

2. Capital structure

2.1 Capital
On 31 December 2025, the capital structure of The Swatch Group Ltd was as follows:

Share category	Quantity	Par value per share	Total par value in CHF
Registered shares	116 919 500	CHF 0.45	52 613 775.00
Bearer shares	28 936 000	CHF 2.25	65 106 000.00
Total share capital as at 31.12.2025			**117 719 775.00**

2.2 Capital band and conditional capital
No capital band and no conditional capital exist as at 31 December 2025.

2.3 Changes in capital
Over the past three years, the share capital of The Swatch Group Ltd has not changed:

Balance sheet date	Registered shares at CHF 0.45	Bearer shares at CHF 2.25	Share capital in CHF
31.12.2023	116 919 500	28 936 000	117 719 775.00
31.12.2024	116 919 500	28 936 000	117 719 775.00
31.12.2025	**116 919 500**	**28 936 000**	**117 719 775.00**

The detailed evolution of equity, reviewed by the auditors for the consolidated financial statements for the years 2024 and 2025, is published on page 43. For The Swatch Group Ltd, it is published for the years 2024 and 2025 in note 10 on page 86.

2.4 Shares and participation notes
The shares of the Company listed in point 2.1 are fully paid in. Each share carries one vote. Both categories of shares confer equal entitlement to dividends according to their nominal value. No participation notes have been issued.

2.5 Benefit certificates
No benefit certificates exist.

2.6 Limitations on transferability and nominee registrations
The Statutes of Swatch Group stipulate that the Board of Directors shall refuse the registration of new shares, if the new shareholder fails to give an express written declaration to the effect that he or she acquired the shares in his/her own name and for his/her own account. Furthermore, the Board of Directors refuses a registration if the purchaser, either alone or in conjunction with related persons, already holds 5% or more of the registered share capital (either directly or indirectly) at his/her disposal, or would exceed this threshold with the new acquisition (Art. 9 para. 3 of the Statutes). The Board of Directors may approve exceptions to this rule in special cases. No such exceptions were requested in the period under review.

Insofar as an individual or a legal entity was already entered in the share register before the reporting date of 31 May 1997 with 5% or more of the registered share capital, the Board of Directors must approve the registration even though the percentage threshold has been exceeded. The same exception applies for related persons (spouse, descendant, brother, sister), transfers due to inheritance or matrimonial property rights as well as certain transfers between legal entities or individuals subject to the exception (Art. 9 para. 6 and 7 of the Statutes).

Where a share purchaser presents an application for recognition as a shareholder of the Company, he/she shall be regarded as a shareholder without voting rights until the company has recognized him/her as a shareholder with voting rights. If the Company fails to refuse the purchaser's application for recognition within 20 days, he/she shall be acknowledged as a shareholder with voting rights. A shareholder who has no voting right may exercise neither the voting right nor the other associated rights.

2.7 Convertible bonds
Swatch Group currently has no outstanding convertible bonds.

2.8 Options
With regard to the content of the portfolio for the share option plan as at 31 December 2025, reference is made to Note 13 on page 56. In 2025, 171 794 registered shares were sold at a preferential price of CHF 4.– per registered share in accordance with the following details:

Year of issue	Number of registered shares	Number of beneficiaries	Year of subscription/payup
2023	54 625	175	2025
2024	58 116	174	2025
2025	59 053	168	2025
Total	**171 794**		

In addition, the Group gave participating managers the following options to subscribe in the future to further registered shares at preferential prices as follows:

Year of issue	Number of registered shares	Number of beneficiaries	Year of subscription/payup
2024	57 271	167	2026
2025	59 028	167	2026
2025	59 169	167	2027
Total	**175 468**		

The allocation results from personnel reviews and proposals for employees who stood out through special achievements in the past year and have performed with above-average commitment. The allocation is then approved by the Board of Directors / the Compensation Committee. It allows a first purchase of a third of the promised number of registered shares in the current year, which can be paid up and claimed immediately, and another third in one and two years respectively. The beneficiaries may choose to block their shares for a vesting period of 5 or 10 years. With the exception of Mrs Nayla Hayek, Mr Nick Hayek and Mr Marc A. Hayek no members of the Board of Directors received options or shares under this plan.

3. Board of Directors

3.1 Members of the Board of Directors
The Board of Directors on 31 December 2025 was composed as follows:

Nayla Hayek, Swiss citizen, Dr h.c. European University Montreux, has been Chairwoman of the Board of Directors of Swatch Group since June 30, 2010. She has been on the Board of Directors of Swatch Group since 1995. As a member of the World Arabian Horse Organization (WAHO), Mrs Hayek's top-level contacts contribute to many of the business and promotional activities of Swatch Group and she is responsible for the local organizations in Dubai (Swatch Group Middle East) and Saudi Arabia on site. Mrs Hayek is Chairwoman of the Board of Directors of the Rivoli Group, Dubai and represents there the interests of Swatch Group. Following the acquisition of Harry Winston as per March 26, 2013, Mrs Hayek was appointed president and CEO of this new business entity. She is also a member of the Board of Directors of Belenos Clean Power Holding Ltd and Chairwoman of the Board of Directors of Wat Holding Ltd. As Chairwoman of the Board of Directors of Hayek Holding Inc, she is responsible for Hayek Engineering Inc and Hayek Immobilien AG. She holds no official function or political office.

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Ernst Tanner, Swiss citizen, has been on the Board of Directors of the Swatch Group since 1995. He has been Vice-Chairman of the Board of Directors since 29 June 2011. Since 2017, Mr Tanner has been the Executive Chairman of the Lindt & Sprüngli Group. From 1993 to 2016 he was the Group CEO and Chairman. Before his activity with Lindt & Sprüngli, he was for over 25 years, in leading management positions with the Johnson & Johnson Group in Europe and the USA, ending up as Company Group Chairman Europe. In addition, he is a member of the Board of Directors of the German Krombacher Brauerei GmbH & Co. KG. Otherwise, he exercises no other executive or advisory functions and holds no official function or political office.

Nick Hayek, Swiss citizen, pursued two years' study at the University of St. Gallen (HSG), then attended the Film Academy CLCF in Paris. He has been President of the Executive Group Management Board since 2003 and member of the Board of Directors since 2010. Mr Hayek has worked with Swatch Group since 1992, first as Swatch VP Marketing, then as Swatch President and finally as Delegate of the Board of Directors of Swatch. In the mid-eighties, he founded his own production company, Sesame Films in Paris, and worked in Switzerland and abroad. His involvement in a number of film productions (e.g., a series of documentaries for Swiss television), then the production of a number of short films (e.g., 1st prize at the Thessaloniki Film Festival, an official contribution to the Cannes Film Festival, etc.) and his activity as producer and director of two feature films, «Das Land von Wilhelm Tell» and «Family Express» with Peter Fonda (a film that earned him the prize for the best Swiss comedy at the Charlie Chaplin Comedy Film Festival in Vevey) resulted in his being called upon to advise on various Swatch projects in the early '90s and to assume responsibility for several Swatch exhibitions (such as that of Lingotto in Turin). Mr Hayek is a member of the Board of Directors of the CSEM (Swiss Center for Electronics and Microtechnology) and Chairman of the Board of Directors of Belenos Clean Power Holding Ltd.

Marc A. Hayek, Swiss citizen, Dr h.c. European University Montreux, holds a bachelor's degree in economics and has undertaken further training in marketing and economics. He became a member of the Extended Group Management Board in 2002 and of the Executive Group Management Board in 2005, member of the Swatch Group Board of Directors since 2024. Responsible for Blancpain, Breguet, Jaquet Droz and Glashütte Original as well as the markets Central and South America. Since August 2017, Mr Hayek has been a member of the Board of Directors of Belenos Clean Power Holding Ltd and since 2019, Vice President and Delegate. He joined Blancpain as Marketing Manager in 2001. Mr Hayek had previously worked as an independent entrepreneur (Restaurant Colors, Zurich) and had been employed by Swatch in the PR area and by Certina in marketing.

Prof. Dr h. c. Claude Nicollier, Swiss citizen, graduated in physics and astrophysics from the Universities of Lausanne and Geneva. Mr Nicollier has been a member of the Board of Directors since 2005. In 1978, he was selected as an astronaut for the European Space Agency (ESA) and was active in four space missions aboard Space Shuttles. The aim of two missions was the execution of repair work on the Hubble Space Telescope in orbit; both were a complete success. Mr Nicollier left the ESA in 2007. The Universities of Geneva and Basel and the École Polytechnique Fédérale de Lausanne, where Mr Nicollier teaches part-time as an honorary professor at the School of Engineering, have conferred honorary doctorates on him. Since 2020, Mr Nicollier has been a member of the Federal Commission for Space Affairs (CFAS). He was involved in the «Solar Impulse» project, where he was responsible for the test flights. Mr Nicollier does not exercise any operational functions at Swatch Group, has no business relationship with Swatch Group and holds no political office.

Dr Jean-Pierre Roth, Swiss citizen, Dr oec. Graduate Institute (HEI) Geneva, has been a member of the Board of Directors since 2010. Following postgraduate studies at the Massachussetts Institute of Technology in the USA, Mr Roth taught at the University of Geneva and at the Graduate Institute (HEI). In 2009, the University of Neuchâtel conferred on him an honorary doctorate in economics. Jean-Pierre Roth joined the Swiss National Bank in 1979 where he was active in various areas in Zürich and Bern. On May 1, 1996 he was appointed Vice President of the Board and on January 1, 2001 he was elected President of the Board. Jean-Pierre Roth was Swiss governor of the International Monetary Fund (IMF) in Washington. From March 1, 2006 until end of February 2009 he was Chairman of the Board of Directors of the Bank of International Settlements (BIZ) in Basel. At the end of 2009, Mr Roth resigned as President of the Swiss National Bank. He was elected as President of the «Banque cantonale de Genève» and member of the Board of Swiss Re Ltd and of Nestlé Ltd in 2010. Over the past years, Mr Roth has retired from the aforementioned positions, due to advanced age. In 2014, he was elected as member of the Board of MKS (Switzerland) Ltd, followed by his election as Chairman of the Board in 2020. In December 2021, Mr Roth retired from that position to assume the chairmanship of MKS PAMP GROUP (UK). Since July 1, 2017, Mr Roth has acted as Vice President of the Arab Bank (Switzerland) Ltd.

Daniela Aeschlimann, Swiss citizen, has been a member of the Swatch Group Board of Directors since 2016. Ms Aeschlimann studied business economics and graduated with a Bachelor of Science in Business Administration from Lucerne University of Applied Sciences. In 2016, she successfully completed an Executive MBA at the University of St. Gallen. Since 2010, she has been a member of the Board of Directors of the Avesco Group and since 2013, has also served as the Board's Vice President. Ms Aeschlimann serves on several other Boards of Directors and trustees.

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Except where mentioned otherwise, none of the members of the Board of Directors exercises an executive function in Swatch Group, or was part of the management of a company of Swatch Group during the three years preceding the reporting period. Further, aside from their mandate as a member of the Board of Directors, the non-executive members of the Board of Directors do not entertain any material business relationship with Swatch Group.

Insofar as mandates with organizations outside the Swatch Group are concerned, the above statements contain the relevant information on mandates with significant organizations. A comprehensive overview of third-party mandates at other companies can be found in the Compensation Report ("Activities at other companies")

3.2 Elections and terms of office

The members of the Board of Directors are elected at the Ordinary General Meeting of the shareholders for a term of one year. The period between two Ordinary General Meetings is regarded as one year. The members of the Board shall be eligible for re-election at any time. There is no limit on the age and/or term of office. According to Article 19 of the Swatch Group Statutes, the votes and elections take place openly, except where the Chairperson orders a written or electronic election or vote. One or more shareholders, who together dispose of not less than 10% of the represented votes, may require written votes or elections.

First-time election and remaining term of office of the members of the Board of Directors:

Name	First-time election	Term of office
Nayla Hayek	1995	up to 2026
Georges Nicolas Hayek	2010	up to 2026
Marc A. Hayek	2024	up to 2026
Prof. Dr h.c. Claude Nicollier	2005	up to 2026
Dr Jean-Pierre Roth	2010	up to 2026
Ernst Tanner	1995	up to 2026
Daniela Aeschlimann	2016	up to 2026

On the occasion of the General Meeting 2025, the members of the board of directors were re-elected for another term of one year. Mr Jean-Pierre Roth was designated as the representative of the bearer shareholders and Mrs Nayla Hayek as representative of the registered shareholders.

3.3 Changes in the Board of Directors

There were no changes in the Board of Directors in the year under review.

3.4 Number of permissible mandates

According to art. 40 of the Swatch Group Statutes, no member of the Board of Directors shall hold more than four additional directorships in listed companies and ten additional directorships in unlisted companies. The following are not covered by these restrictions (i) directorships in companies which are directly or indirectly controlled by the Company or which control the Company, (ii) directorships held by a member of the Board of Directors on behalf of or at the request of the Company or a company controlled by it, provided that no member of the Board of Directors shall hold more than 20 such directorships, and (iii) mandates in associations, charitable organizations, non-profit foundations and employee welfare foundations, as long as no member of the Board of Directors shall hold more than 30 such mandates. Directorships shall mean mandates in the supreme governing body of a legal entity which is required to be registered in the commercial register or a comparable foreign register. Directorships in different legal entities that are under joint control or same beneficial ownership are deemed one directorship.

3.5 Internal organizational structure of the Board of Directors

At the General Meeting 2025, the Chairwoman of the Board of Directors (Mrs Nayla Hayek) was elected by the shareholders (until the next General Meeting). Moreover, the Board of Directors is self-constituting. It appointed a Vice-Chairman (Mr Ernst Tanner) from its midst. The office of Secretary to the Board of Directors is held by Mrs Jennifer Meyer-Kluge. The Secretary to the Board of Directors is not a member of the Board. The term of office of the Chairman, the Vice-Chairman and the Secretary respectively is one year. They are all re-eligible for a further term of office. If an officer is replaced, the successor completes the remainder of the term of the predecessor. The Board of Directors has an Audit Committee and a Compensation Committee at its disposal. These committees, which sit separately (normally immediately following an ordinary meeting), because of the relatively small number of company directors, comprise all the members of the Board of Directors. The Audit Committee is chaired by Mrs Nayla Hayek. The office of Chair of the Compensation Committee is held by Mr Ernst Tanner, Vice-Chairman of the Board of Directors. The Chairwoman of the Audit Committee and the Chairman of the Compensation Committee were elected by the Board of Directors at their first meeting after the General Meeting 2025.

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The Audit Committee is mainly responsible for the supervision of the financial reporting and for the evaluation of the internal and external audit. The Audit Committee has particularly fulfilled the following functions:

- Review of the audit reports,
- Reinforcement of points which the auditing firm raised,
- Determination of the audit focal points,
- Discussions of the efficiency of the internal control system including risk management,
- Appraisal of the performance, remuneration and independence of the external auditors,
- Dealing with special questions of the financial statements (for further details see also point 8.3).

The Compensation Committee concerns itself with the compensation policy of the company. It supports the Board of Directors in determining the compensation systems and the principles of compensation as well as the preparation of proposals to the General Meeting with regard to the approval of compensation. The Compensation Committee can submit proposals and recommendations to the Board of Directors in all compensation matters.

The Compensation Committee deals with all questions in the field of compensation and proposes solutions for the attention of the Board of Directors. The Board of Directors is the decision-making body. It submits the required resolutions to the General Meeting for approval. Further details can be found in the separate Compensation Report for the business year 2025.

The Board of Directors does not have a Nomination Committee at its disposal. The tasks of the Nomination Committee (determination of the criteria for the selection of candidates for election as members of the Board of Directors, selection procedure, etc.) are carried out directly by the Board of Directors, in view of the small number of members.

In the year under review, the Board of Directors met six times. The meetings lasted approximately three to four hours. The Compensation Committee met twice and the Audit Committee met four times.

The members of the Executive Group Management Board regularly attend the ordinary meetings of the Board of Directors (second part). The President (CEO) of the Executive Group Management Board, the Chief Financial Officer (CFO) and, if necessary, any other members of the Executive Group Management Board, attend the meetings of the Audit Committee. The Chief Financial Officer (CFO) participates in the meetings of the Compensation Committee as he attends to the personnel issues of the members of the Executive Group Management Board and Extended Group Management Board. Where there are discussion points concerning a person present, that person withdraws from the meeting.

3.6 Definition of areas of responsibility

The Board of Directors is the highest executive body responsible for the overall administration of the Group. It adopts strategic decisions and defines the means necessary for attaining the long-term goals. It determines, inter alia, the participation and appointment of the members of the Executive Group Management Board, the Extended Group Management Board and the heads of the main Group companies. Moreover, the Board of Directors approves the annual budgets of the Group and its affiliated companies. The Board of Directors prepares the General Meeting and drafts the Annual Report as well as the Half-Year Report.

The Board of Directors has delegated the current operative business to the Executive Group Management Board, the Extended Group Management Board and to the management of The Swatch Group Ltd.

The Executive Group Management Board is responsible for implementing Group strategies. It sets strategies and objectives for the Group companies and supervises their management.

The Extended Group Management Board supports and advises the Executive Group Management Board in its operative tasks. It makes suggestions for the development of the Group strategy.

The individual members of the Executive and Extended Group Management Boards manage their allocated areas within the framework of Group policy and in accordance with guidelines set by the Executive Group Management Board. The management of The Swatch Group Ltd. is responsible for the current operative business of The Swatch Group Ltd.

3.7 Information and control instruments

Each member of the Board of Directors can request to receive information on all issues concerning the Company and on important issues concerning the Group companies.

The members of the Executive Group Management Board report at the Board of Directors meetings on current business and important business issues. In particular, the members of the Board of Directors regularly receive detailed information regarding turnover and results and trends for the Group and Group Divisions. Furthermore, important business issues, new products and the Group's financial status are reported in detail. Moreover, extraordinary occurrences are immediately brought to the attention of the Board.

Outside of these meetings, each member of the Board of Directors may seek information on the general progress of business from authorized management (after informing the Chairwoman). With due authorization of the Chairwoman, they may also demand direct information on individual business transactions. Should the Chairwoman reject an application for information, a hearing or an inspection (which has never occurred so far), the entire Board of Directors shall decide at the request of the applicant.

The Chairwoman of the Board of Directors has an audit team available, which she may deploy in specific cases.

4. Group Management (Executive Group Management Board/Extended Group Management Board)

As of 31 December 2025

4.1 Members of the Executive Group Management Board

Nick Hayek, Swiss citizen, pursued two years' study at the University of St. Gallen (HSG), then attended the Film Academy CLCF in Paris. He has been President of the Executive Group Management Board since 2003 and a member of the Board of Directors since 2010, Mr Hayek has worked with Swatch Group since 1992, first as Swatch VP Marketing, then as Swatch President and finally as Delegate of the Board of Directors of Swatch. In the mid-eighties, he founded his own production company, Sesame Films in Paris, and worked in Switzerland and abroad. His involvement in a number of film productions (e.g., a series of documentaries for Swiss television), then the production of a number of short films (e.g., 1st prize at the Thessaloniki Film Festival, an official contribution to the Cannes Film Festival, etc.) and his activity as producer and director of two feature films, «Das Land von Wilhelm Tell» and «Family Express» with Peter Fonda (a film that earned him the prize for the best Swiss comedy at the Charlie Chaplin Comedy Film Festival in Vevey) resulted in his being called upon to advise on various Swatch projects in the early '90s and to assume responsibility for several Swatch exhibitions (such as that of Lingotto in Turin). Mr Hayek is a member of the Board of Directors of the CSEM (Swiss Center for Electronics and Microtechnology) and of Belenos Clean Power Holding Ltd.

Florence Ollivier-Lamarque, French citizen, lawyer, has been a member of the Extended Group Management Board since 1992 and of the Executive Group Management Board since 2005. Ms Ollivier-Lamarque has been with the Group since 1988 when it took over the Société Inthor, Paris, which distributed some of the Group's watches in France. At that time, she worked as Swatch and Tissot Brand Manager. In 1990, she took over the management of Swatch Group France and in 2002 the management of Swatch Group France Les Boutiques. She was responsible for Swatch Group France and Swatch Group France Les Boutiques until end of 2018 as well as for Italy, Spain, Belgium and the Netherlands. Ms Ollivier-Lamarque is responsible for the watch brand Flik Flak, member of the Board of the Colbert Committee and Vice President of the Fédération de l'Horlogerie, Paris.

Raynald Aeschlimann, Swiss citizen, graduated with a degree in economics and an M.A. from the University of St. Gallen (HSG). He was appointed to the Swatch Group's Extended Group Management Board in 2013. Since 2020, Mr Aeschlimann has been a member of the Group Management Board. Since 2016, he has been President and CEO of Omega. Prior to that, he had been Vice President and International Director of Sales, Retail and Distribution at Omega. since 2001. He joined Omega in 1996 as Sales and Marketing Project Manager. He was also Brand Manager of Omega and Blancpain Spain in 2000 and has been the Group Coordinator for the Swatch Group's subsidiaries in India since 2010, and responsible for Swatch Group USA, Swatch Group Canada and Swatch Group Mexico since 2024. Mr Aeschlimann is on the Executive Board of the Federation of the Swiss Watch Industry FH. He had previously worked at Longines and Complementa AG in St. Gallen from 1992 to 1996.

Pierre-André Bühler, Swiss citizen, technical education, has been a member of the Extended Group Management Board since 2008 and of the Executive Group Management Board since 2013. Mr Bühler started his career within the Group in 1977 as manager of the industrialisation division at Michel Precision Technic Ltd in Grenchen. Later he held executive functions at ETA (Technical Manager of the division Michel) and at Nivarox (Production Manager). Before taking over the general management of ETA, Mr Bühler worked as managing director of Nivarox-FAR (Le Locle). Since September 2019, he has been CEO of DYB, responsible for new industrial technologies for the Group and responsible for Comadur and Meco in the Executive Group Management Board. He represents Swatch Group on the Executive Board of the Federation of the Swiss Watch Industry FH and is a member of the Board of Directors of CSEM (Swiss Center for Electronics and Microtechnology), as well as a member of the Foundation Board of FLRH (Fondation en faveur d'un Laboratoire de Recherches Horlogères).

Damiano Casafina, Italian citizen, holds a Business Specialist Diploma and has undergone vocational technical training. He was appointed to the Executive Group Management Board in 2024 and is responsible for ETA, Lascor, Renata, Micro Crystal, Swatch Group Assembly, and CDNP. Mr Casafina has been CEO of ETA since 2021. He joined Swatch Group in 2018 as Plant Manager with ETA. Prior to his appointment to the ETA Management Board, he was responsible for Lascor in Italy. Before joining Swatch Group, he worked for various international groups in Switzerland and abroad as Managing Director and member of the Board of Directors in the industrial sector (tooling and machine tool construction for the automotive, aerospace, watchmaking and medical industries).

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Sylvain Dolla, French and Swiss citizen, holds a master's degree from Toulouse Business School. He has been a member of the Executive Group Management Board since 2024, with responsibility for Tissot, Mido, Certina, Hamilton, Union Glashütte, Swatch Group UK, and Swatch Group France.. Sylvain Dolla has been CEO of Tissot since July 2020. He joined Swatch Group in 2004, where he first held the position of Head of High-Tech & Access at Swatch. He then became Head of Sales International at Hamilton before serving as the brand's president for nine years. Before joining Swatch Group, Sylvain Dolla worked in various technology companies in Paris, London, Atlanta, and Dubai.

Marc A. Hayek, Swiss citizen, Dr h.c. European University Montreux, holds a bachelor's degree in economics and has undertaken further training in marketing and economics. He became a member of the Extended Group Management Board in 2002 and of the Executive Group Management Board in 2005, member of the Swatch Group Board of Directors since 2024. Responsible for Blancpain, Breguet, Jaquet Droz and Glashütte Original as well as the markets Central and South America. Since August 2017, Mr Hayek has been a member of the Board of Directors of Belenos Clean Power Holding Ltd and since 2019, Vice President and Delegate. He joined Blancpain as Marketing Manager in 2001. Mr Hayek had previously worked as an independent entrepreneur (Restaurant Colors, Zurich) and had been employed by Swatch in the PR area and by Certina in marketing.

Thierry Kenel, Swiss citizen, holds a doctorate in economics, a degree in mechanical engineering and a postgraduate degree in the management of technology. As a Member of the Extended Group Management Board since 2009 and of the Executive Group Management Board since 2012, he is responsible for Corporate Finance, Reporting, Investor Relations,Swatch Group Luxembourg and Swatch Group Gems. Mr Kenel has been with Swatch Group since 2003, first as Group Controller in the business segment Electronic Systems and subsequently as Head of Finance, IT and Administration at Breguet. Prior to joining Swatch Group, Mr Kenel was a lecturer and researcher in the field of economics at the University of Lausanne; before that, he was a member of the Board of Directors and the management of the Flumroc-Spoerry group of companies. Mr Kenel represents Swatch Group in the Board of economiesuisse, the Swiss Watch Industry Employers' Association (Convention Patronale) and the Federation of the Swiss Watch Industry FH, where he presides over the Economic Commission. Mr Kenel continues to be a private lecturer on finance and financial reporting at the University of Lausanne (HEC). He is also a member of the Liaison Committee University-Industry at the University of Lausanne (HEC).

4.2 Members of the Extended Group Management Board

Matthias Breschan, Austrian and Swiss citizen, graduated from the Vienna School of Economics and has been a member of the Extended Group Management Board since 2005. He is responsible for Longines, Swatch Group Taiwan, and Swatch Group Austria. Mr Breschan was the CEO of Longines from July 2020 to May 2025. Previously, he was the CEO of Rado for nine years, managed Hamilton as CEO for seven years and worked as Area Sales Manager for three years at Swatch Telecom. Between his activities at Hamilton and Swatch Telecom he was Managing Director of Aldi in France (Aldi Marché Est). Before joining Swatch Group, Mr Breschan worked for Texas Instruments and Alcatel Mobile Phones in the product marketing, international marketing and sales areas.

Stephen DeLucchi, British citizen, has pursued Management and Leadership studies at Ivey School of Business in Asia. He has been a member of the Extended Group Management Board since 2024, where he is responsible for Swatch Group Hong Kong SAR, Swatch Group Macau SAR, Swatch Group South Korea and Swatch Group Australia. Mr DeLucchi joined Swatch Group in 2009 as Brand Manager Omega in Australia. In 2013 he took the responsibility as Brand Manager Omega in Taiwan region. In 2015 he was appointed Country Manager as well as Brand Manager Omega at Swatch Group Macau SAR before taking over the additional responsibilities of Country Manager and Brand Manager Omega at Swatch Group Hong Kong SAR from 2019. Prior to joining Swatch Group, he worked for several years within the UK luxury goods industry in various sales, retail and marketing management positions.

Daniel Everts, Swiss citizen, lic. Iur., attorney-at-law, MBA from INSEAD in Fontainebleau, France, has been a member of the Extended Group Management Board since 2019 and is responsible for Swiss Timing. He joined Swatch Group in 2010. Since 2016, he has held the position of Chief Legal Officer Corporate & Industry and is responsible for the legal support of the Group companies in the areas of production, electronic systems and corporate. Before joining Swatch Group, Daniel Everts worked as a lawyer in international commercial law firms. He represents Swatch Group as a delegate to the Swiss Watch Industry Employers' Association (Convention Patronale) and is a board member of the Swiss Employers' Association (SAV).

Fadi Ghalayini, Lebanese citizen, holds a Bachelor of Science (major in business computing) as well as an MBA from the Lebanese-American University, and has been a member of the Extended Management Board since 2022. Mr Ghalayini joined Swatch Group in 2003 and successively took responsibility for Rado, Longines and then Blancpain for the Middle East, North Africa and Turkey. In 2009, he was appointed Vice President Sales of Tiffany Watch Co. Ltd. and later supported the management of Swatch Group India. Since 2013, Fadi Ghalayini has held the position of Global Vice President Sales Harry Winston. Prior to joining Swatch Group, he worked in various large companies active in the luxury goods and selective retail sectors.

CORPORATE GOVERNANCE

Mireille Koenig, Swiss citizen, lic. iur., attorney-at-law, LL.M. (Chinese Law) from Hong Kong University has been member of the Extended Group Management Board since 2019 and is responsible for Swatch Group Russia and ICB Ingénieurs Conseils en Brevets. Mireille Koenig joined the Swatch Group Legal Department in 2009. Since 2016 she has been Chief Legal Officer Brands & Countries and has been responsible for all legal interests of the brand companies and international subsidiaries. She represents Swatch Group as a delegate on the Legal Committee of the Federation of the Swiss Watch Industry FH. Prior to joining Swatch Group, Mireille Koenig worked for several years as a lawyer in an international business law firm and in a senior position at a Chinese management consultancy in Shanghai.

Lionel a Marca, Swiss citizen, joined the Swatch Group in 1992, and has been a member of the Extended Group Management Board of the Swatch Group since 2019. Since October 2024 Vice President Operations Blancpain and Head of Manufacturing, Swatch Group Watch Prestige Brands, responsible for CHH Microtechnique and MOM Le Prélet. He completed a technical education as a qualified rhabilleur watchmaker at the EHMP (Ecole Horlogerie Mircrotechnique) in Porrentruy. Mr a Marca held various positions within the Swatch Group, notably at Blancpain as Vice-President Head of Technical and Development Management, at Harry Winston as Vice-President of Production & Operations and as CEO of Breguet. He also served as consultant and project manager for Swatch Group Quality Management and as watchmaker for complications at ETA, as well as at Fréderic Piguet. Before joining Swatch Group, Lionel a Marca was a rhabilleur watchmaker in various watch companies in the Jura region.

Calogero Polizzi, Italian and Swiss citizen, holds a diploma in information technology from the Industrial Technical Institute L. Cobianchi in Verbania, Italy. He joined Swatch Group in 1999 and has been Head of Information Technology at the Swatch Group level since 2005. Mr Polizzi is a member of the management of Swatch Group Services and has been President and CEO of Swatch Group Italy since 2019. He became a member of the Extended Group Management Board in 2013. At this level, he also has the responsibility for Information Technology and for Swatch Group Italy. He worked as IT Manager at Swatch Group Italy and later as Head of IT at Swatch Group Distribution. Between these two assignments, he was Chief Information Officer at Tod's S.p.A. Before joining Swatch Group, Mr Polizzi worked at Whirlpool where he was engaged in various information technology positions at the international level.

Roland von Keith, German citizen, trained Master Watchmaker, has been a member of the Extended Management Board since 2024 with responsibility for Swatch Group Germany, Swatch Group Poland, and global Customer Service. Mr von Keith has been CEO of Glashütte Original since 2018. He joined the Group in 1997 and held various positions with Blancpain in Germany, acted as Country Manager of Swatch Group Germany as well as Brand Manager of Blancpain and Jaquet Droz in Germany. Before joining Glashütte Original, he held the position of Vice President Sales at Breguet.

Michel Willemin, Swiss citizen, holds a doctorate in natural sciences from the University of Zurich, a degree in physics from the University of Neuchâtel, and is a qualified ETS engineer in electronics and electrical engineering. Since 2022, he is member of the Extended Management Board, where he is responsible for EM Microelectronic-Marin, Asulab and Moebius. Mr Willemin joined Swatch Group in 2001 as a designer of integrated circuits for sensor interfaces at EM Microelectronic-Marin. Since 2010, he has been CEO of Asulab and Moebius, divisions of Swatch Group Research and Development. In addition, he has been CEO of EM Microelectronic-Marin since 2011. Before joining Swatch Group, Mr Willemin worked at the CSEM (Swiss Center for Electronics and Microtechnology) in optics and image sensor design. He is a member of the Swiss Academy of Engineering Sciences (SATW).

Insofar as mandates with organizations outside the Swatch Group are concerned, the above statements contain the relevant information on mandates with significant organizations. A comprehensive overview of third-party mandates at other companies can be found in the Compensation Report ("Activities at other companies")

4.3 Number of permissible mandates

According to art. 40 of the Statutes, no member of the Group Management Board shall hold any directorships in listed companies and more than four additional directorships in unlisted companies. The following are not covered by these restrictions (i) directorships in companies which are directly or indirectly controlled by the company or which control the company, (ii) directorships held by a member of the Group Management Board on behalf of or at the request of the company or a company controlled by it, provided that no member of the Group Management Board shall hold more than 20 such directorships, and (iii) mandates in associations, charitable organizations, non-profit foundations and employee welfare foundations, as long as no member of the Group Management Board shall hold more than 30 such mandates. Directorships shall mean mandates in the supreme governing body of a legal entity which is required to be registered in the commercial register or a comparable foreign register. Directorships in different legal entities that are under joint control or same beneficial ownership are deemed one directorship.

4.4 Employment Contracts
The contracts of employment with the members of the Executive and the Extended Group Management Board are entered into for an indefinite period of time and can be terminated by both parties with a six month notice period. In case of a termination, no termination payment will be due. No entry bonus is paid by Swatch Group when entering new contracts (Golden Hellos).

In case of an exit there are no other entitlements to any compensation.

4.5 Changes in the Executive Group Management Board resp. Extended Group Management Board
On 1 February 2025, Mr François Thiébaud retired from the Executive Group Management Board. Mr Alain Villard retired from the Extended Group Management Board as of 30 September 2025.Otherwise, there were no changes in the Executive Group Management Board or the Extended Group Management Board during the year under review.

4.6 Management Contracts
Within the framework of a global contract, Hayek Engineering AG, Zurich, placed its management personnel in particular at the disposal of operational activities, as well as in the areas of real estate and logistics.

5. Compensation, shareholdings and loans / credits

5.1 Compensation
The material elements of the compensation principles, of the tasks and competences in the field of compensation, of the composition and function of the Compensation Committee and of the various compensation elements, etc. are exposed in a separate compensation report. Additionally, it is pointed out that according to Art. 32 para. 7 of the Statutes, the compensation may be awarded in the form of cash, shares, in kind or in the form of services; with regards to the executive members of the Board of Directors and the members of the Group Management Board, their compensation may in addition be awarded in the form of other participation rights, options, or similar instruments or units. The Board of Directors or, to the extent delegated to it, the compensation committee shall determine the applicable conditions relating to the grant, the exercise as well as the deadlines, possible blocking periods and forfeiture conditions.

The separate Compensation Report also covers the loans, credits, post-employment benefits and share programs and is thus referred to here.

5.2 Participation programs
The aims of the management stock option plan of the Swatch Group are to honor performances of the main Management members, strengthen the motivation and the sense of responsibility in the Group, further the loyalty to the firm as well as the stability of the managing employees and promote a favorable wealth increase. The allocation of shares results from an individual performance report. The voting rights of the shares in possession of the plan will not be exercised.

The share program is described in the Compensation Report.

An overview of the shares and options owned by the members of the Board of Directors, Executive Group Management Board and Extended Group Management Board and persons being closely related to them at 31 December 2025 may be consulted on page 99.

5.3 Loans, credits
Loans and credits to members of corporate bodies are considered in the Compensation Report.

5.4 Approval by the General Meeting
Pursuant to Art. 31 of the Statutes, the General Meeting shall annually approve the motions of the Board of Directors in relation to the aggregate amounts of (i) the maximum fixed compensation of the members of the Board of Directors for the period until the next Ordinary General Meeting, (ii) the maximum fixed compensation of the members of the Group Management Board for the current business year, (iii) the variable compensation of the executive members of the Board of Directors for the completed business year and (iv) the variable compensation of the members of the Group Management Board for the completed business year. The Board of Directors may propose additional motions thereof to the General Meeting or motions which vary from those mentioned above, to the extent permitted by law.

The company or companies controlled by it shall be organized to pay to persons who become members of the Group Management Board or are being promoted within the Group Management Board after the General Meeting has approved the compensation of the Group Management Board for the relevant period a supplementary amount during the compensation period(s) already approved, if the maximum aggregate amount of compensation already reapproved by the General Meeting is not sufficient to cover their compensation. The supplementary amount shall not exceed 40% of the last approved aggregate amount of compensation of the Group Management Board.

In the event that the General Meeting does not approve a motion of the Board of Directors, the Board of Directors shall determine, taking into account all relevant factors, the respective (maximum) aggregate amount or (maximum) partial amounts. The Board of Directors shall submit the amount(s) so determined for approval by the same General Meeting, a subsequent Extraordinary General Meeting or the next Ordinary General Meeting.

The company or companies controlled by it may pay out compensation prior to the approval by the General Meeting subject to the subsequent approval by the General Meeting.

6. Shareholders' participation

6.1 Voting rights and representation restrictions
For the exercise of voting rights, no shareholder may combine, either directly or indirectly, more than 5% of the total shareholders' equity in respect of his/her own shares and those represented by him/her. This limitation does not apply to the shares which are excluded from the registration prohibition (point 2.6 above). Nor does this restriction apply to the exercise of voting rights by the independent voting-rights representative.

Furthermore, pursuant to Art. 16(4) of the Statutes, the Board of Directors is entitled to make exceptions to the limitations in special cases. No exceptions were requested or granted during the business year. A modification of the representation restrictions is only possible through a change of the provisions of the Statutes. For such modification, a decision of the General Meeting with a relative majority is required.

Shareholders who cannot attend the General Meeting in person may arrange to be represented by their legal representative, by another shareholder entitled to vote or by the independent voting-rights representative.

6.2 Statutory quorums
In addition to the special quorum regulations provided in Art. 704 CO, the Statutes also apply the same quorum regulation (two-thirds of the votes represented and an absolute majority of the par values of shares) for dismissing members of the Board of Directors.

6.3 Convocation of the General Meeting of Shareholders
The General Meeting is convened pursuant to Articles 13 and 14 of the Statutes. Shareholders who together own at least 5% of the share capital or the votes can, at any time, request in writing the convening of an extraordinary general meeting stating the subject matter of the meeting and the motions. Such an extraordinary general meeting shall be held within 60 days of the date of receipt of such a request.

6.4 Agenda
Shareholders representing 0.5 % of the share capital or votes may submit a written request for a meeting to be held to discuss a particular subject; the motions tabled shall likewise be indicated (see Article 14 (3) of the Statutes).

6.5 Entries in the share register
As a general rule, the share register is closed for entries 20 days before each General Meeting.

7. Changes of control and defence measures

7.1 Duty to make an offer
Art. 10 of the Statutes provides that a shareholder who acquires shares either directly or indirectly or in agreement with third parties and by so doing exceeds the limit of 49 % of voting rights, including the shares that he/she already possesses, regardless of whether those rights can or cannot be exercised, shall be required to make an offer to purchase all the listed shareholding papers of the Company (Art. 10 of the Statutes in conjunction with Art. 135 FinMIA).

7.2 Clauses on changes of control
There are no agreements with members of the Board of Directors, the Executive Group Management Board or other managerial staff for the case of a change in the shareholder structure.

8. Auditors

8.1 Duration of the mandate and term of office of the lead auditor
PricewaterhouseCoopers Ltd has, since 1992, performed the function of external auditor of the Group. Before that, the predecessor organizations had already served as auditors for the Group and many of its companies.

Mr Gerhard Siegrist, as head auditor (Engagement Partner), has been responsible for the audit and Group audit since the 2025 accounting year.

8.2 Auditing fees and additional fees
The following fees from audit companies were charged to the 2025 financial statements:

(CHF million)	Audit fees	Consultancy for taxes and duties	Other services	Total
PricewaterhouseCoopers	4.6	1.6	0.1	**6.3**
Other Auditing Companies	0.6	0.6	0.3	**1.5**
Total 2025	**5.2**	**2.2**	**0.4**	**7.8**
Total 2024	5.3	1.7	1	8.0

Audit fees relate to audit of the statutory financial statements of Group companies according to local standards, as well as internal financial statements according to Swiss GAAP FER. The position *Taxes and duties* includes consultancy fees in the areas of direct and indirect taxes, transfer prices, customs duties, control technology and reporting. Under *Other services*, all other fees from audit companies are disclosed, such as for IT support, risk management, bookkeeping services and others.

8.3 Supervisory and control instruments pertaining to the audit
The supervision and final verification of the external audit is exercised by the Audit Committee, and by the full Board of Directors, respectively (see also the duties and functions as described under 3.5). The Audit Committee evaluates together with the Group Management the performance of the auditors and recommends the independent external auditor to the Board of Directors for election by the General Assembly. As a general rule, the Audit Committee meets twice a year with the auditors. The auditors prepare a report for the Audit Committee regarding the findings of the audit, the financial statement and the internal control. Together with the auditors, the audit focus points for the following review period are determined and the audit related key risks established by the auditors are discussed. In collaboration with Group Management the independence of the auditors is evaluated annually. In particular and for this purpose, the worldwide fees of the audit are presented, discrepancies with the estimated costs analysed and explained and the budget for the following audit period determined. The appointment of the auditor is subject to an approval procedure.

9. Information policy

Swatch Group plans to report on the business of the Group at the following times:

- 30 January 2026 Publication of key figures 2025
- 18 March 2026 Publication of the Annual Report 2025 and the Sustainability Report 2025 / Press conference
- 12 May 2026 General Meeting
- End of July 2026 Publication of 2026 half-year results

The list may change during the year, if dates are adjusted or added.

This information can also be obtained from the Swatch Group website at www.swatchgroup.com, and in particular in the "Investor Relations" section. The Annual Report can also be viewed and downloaded using the link "https://www.swatchgroup. com/en/investors-space/annual-report". In addition, the swatchgroup.com homepage allows for the possibility of subscribing to the Push-and-Pull information service in order to receive ad-hoc financial announcements.

For queries, there is a contact form at www.swatchgroup.com/contactus. Queries may also be sent by post (The Swatch Group Ltd., Seevorstadt 6, CH-2501 Biel) or by fax to +41 32 343 69 11 or by telephone on +41 32 343 68 11.

10. Quiet periods

From the compilation of the first forecasts of Swatch Group's annual results and half-year results and until their publication, the members of the Board of Directors, the Group Management Board, and the Extended Group Management Board, as well as the persons who are involved in the closing or who have knowledge of the key figures are not permitted to make transactions with Swatch Group shares or their derivatives. Transactions by related parties of the above-mentioned persons are also covered by the quiet periods. The concerned individuals are informed personally and/or by written notification about the beginning, the scope, and the end of the quiet periods.

Trading was blocked a total of three times during the reporting period. This was for the 2024 annual results (from Friday, December 13, 2024 after the close of trading until and including the publication of the results; publication was on January 30, 2025), for the 2025 half-year results (from Friday, June 13, 2025 after the close of trading until and including the publication of the results; publication was on July 17, 2025) and for the 2025 annual results (from Friday, December 12, 2025 after the close of trading until and including the publication of the results; publication was on January 30, 2026). No exceptions to these quiet periods were granted in the reporting period.

Mir+Ihr=Zäme

Nous+Vous=Nous Tous

Noi+Voi=Noi Tutti

Nus+Vus=Ensemen

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