



2023

Annual Report

APG|SGA



Grösser als gedacht
Heute können Sie den Schulweg wie ein Kind erleben.
Gleich hier am Zürich HB.



The financial year at a glance

- Positive growth dynamic.
- Increased profitability and strong balance sheet.
- Consistent expansion of the digital service portfolio.
- Dividend of CHF 11 per share.

Key figures

Advertising revenue
in CHF

325.6 million

EBIT
in CHF

31.8 million

APG|SGA share performance 2023

in CHF



APG|SGA Group key figures

in 1 000 CHF

	2023	2022	Change
Advertising revenue	325 632	310 600	4.8%
– Switzerland	311 292	297 175	4.8%
– International	14 340	13 425	6.8%
Operating income	328 758	314 133	4.7%
EBITDA	41 980	40 210	4.4%
– in % of operating income	12.8%	12.8%	
EBIT	31 789	29 372	8.2%
– in % of operating income	9.7%	9.4%	
Consolidated net income	26 815	23 392	14.6%
– in % of operating income	8.2%	7.4%	
Cash flow from operating activities	35 042	18 255	92.0%
Free cash flow¹	31 325	13 978	124.1%
Investments in property, plant, and equipment	5 277	5 380	–1.9%
– advertising panel	2 737	3 762	–27.2%
– other investments	2 540	1 618	57.0%
Earnings per share, in CHF	8.95	7.81	14.6%

¹ Cash flow from operating activities (operating cash flow) CHFt 35 042
(previous year: CHFt 18 255) less net cash used in investing activities CHFt 3 717
(previous year: CHFt 4 277), (see page 49 Consolidated statement of cash flows)

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Dear Shareholder

Business performance with a gratifying growth dynamic

Despite challenging geopolitical and economic conditions, the compelling qualities of Out of Home Media – an efficient, high-reach advertising medium which enjoys broad acceptance and trust – saw it further increase its market share in the media mix.

APG|SGA succeeded in significantly increasing its revenues in 2023 compared with the previous year and recorded positive development in all segments and communication spaces. Revenues are now well above the pre-COVID levels of 2019.



“The growth dynamic continues unabated, as demonstrated by the gratifying increase in advertising revenues and profitability.”

Dr. Daniel Hofer
Chairman of the Board, APG|SGA



“The Digital Out of Home business is enjoying above-average growth, with a constantly expanding portfolio.”

Markus Ehrle
Chief Executive Officer, APG|SGA

The Digital Out of Home business also experienced above-average growth in 2023. In line with increased demand, there was also a consistent focus on expanding the digital and programmatic range in the reporting year. At the same time, measures for further process and cost optimizations were implemented.

The Group also created the organizational conditions for countering a pronounced short-term orientation in the planning and processing of advertising campaigns, and for further consistent exploitation of the opportunities presented by advancing digital transformation and technological developments.

Change in the Board of Directors and Executive Board

At the APG|SGA SA General Meeting on April 27, 2023, all members standing for re-election were confirmed for a further year. David Bourg, Group Chief Financial, IT and Administration Officer and member of the Executive Board of JCDecaux SE, was newly appointed to the Board of Directors. Stéphane Prigent, member of the Board of Directors of APG|SGA since 2015, is retiring and did not stand for re-election. Thus, the Board of Directors now comprises Dr. Daniel Hofer (Chair), Xavier Le Clef (Vice-Chair), David Bourg, Dr. Maya Bundt, Jolanda Grob and Markus Scheidegger. Jolanda Grob (Chair) and Markus Scheidegger were re-elected to the Board of Directors' Remuneration Committee.

As part of its market strategy, APG|SGA is making a long-term investment in its performance capability. Its goal is to safeguard and expand its position as market leader in the analog and digital Out of Home Media market for the long term in a changing environment. The Group decided to create the position of CITO (Chief Information & Technology Officer) at Executive Board level to reflect the increasing importance of IT, data and adtech. This position has been filled by Dr. Dominik Franke since September 1, 2023. On the same day, Beat Hostenstein took over responsibility for the partner market, in addition to marketing, from Christian Gotter, who is once again focusing on the diverse activities in the Logistics & Operations division. As announced in September 2023, Nico Benz-Müller joined APG|SGA on March 1, 2024 as the new CFO, replacing Beat Hermann, who will be leaving the Group at the end of April 2024.

Consistent focus on sustainability

APG|SGA published its Sustainability Report in April 2023, its 20th iteration. The report paints a positive overall picture of APG|SGA, with transparent, comprehensive reporting on annual developments in the area of sustainability and the status of measures and targets implemented under the Corporate Social Responsibility (CSR) strategy. A score of A- in the CDP climate protection ranking proves that APG|SGA is taking a leading role in reporting on climate protection. It is also on track to meet its ambitious medium-term targets of net-zero emissions by 2035.

Continuation of the shareholder-friendly dividend policy

Following the positive development over the reporting year, with a further increase in results and APG|SGA's strong balance sheet, the Board of Directors has decided to confirm for the financial year 2023 the dividend policy that was introduced for the financial years 2021 to 2023. The Board of Directors will therefore propose to the General Meeting that a dividend of CHF 11 per share be paid for the financial year 2023.

The Board of Directors is confident that the prospects for the Out of Home market and for APG|SGA are positive and that this will allow its shareholder-friendly dividend policy to continue into the future.

Strong market position and positive prospects for Out of Home Media and APG|SGA

Out of Home Media facilitates effective messaging in public spaces and enjoys a high degree of trust and broad acceptance – especially important in an era of AI and increasing use of deep-fakes. For advertisers who wish to execute successful branding and sales-boosting campaigns, Out of Home Media will remain a key element in communication planning in the future. The wide reach, high impact, particularly advantageous carbon footprint and optimal cost-benefit ratio among advertising media make Out of Home Media an essential instrument in the media mix for advertisers and their agencies. Mobility and the forecast rise in the population are further positive factors pointing to a long-term gain in significance.

This makes the growth potential of Out of Home Media and of APG|SGA – the leading Out of Home advertising company in Switzerland and Serbia – highly robust and compelling. The increasing flexibility of planning and implementation options thanks to digitalization, data and programmatic contribute greatly to this potential.

APG|SGA is well positioned and is determined to use its innovative, future-oriented range to further build on its strong market position. We will continue to work hard on the intensive expansion and enhanced appeal of our comprehensive premium digital and analog range for our local, regional and national advertising customers and their agencies. Nonetheless, our actions will also be guided by the principles of consistent cost management.

We aim to remain a reliable partner to cities, municipalities, transport authorities and private landlords, committed to quality and sustainability, and continuing to offer them compelling, high-quality services and a steady income.

The Board of Directors and Executive Board would like to take this opportunity to thank all our employees who work every day to advance APG|SGA with outstanding commitment and a high level of professionalism.

We would also like to thank our shareholders, advertising customers, landlords, suppliers and other market partners for their trust in our company and for their positive collaboration.



Dr. Daniel Hofer
Chairman of the Board



Markus Ehrle
Chief Executive Officer

Financial Report

APG|SGA Group

In the financial year 2023, Group revenue increased by 4.8% to reach CHF 325.6 million. There was a decline of 3.2% in real estate revenue. Other operating income, representing the sale of obsolete fixed assets, decreased by 21.0% in the reporting year. This resulted in operating income for the financial year 2023 of CHF 328.8 million, which represented an increase of 4.7% over the previous year.

Fees and commissions increased by 3.4% in the reporting year, driven by higher sales volumes. Personnel expenses grew by 9.2% in the financial year 2023. This is primarily attributable to the end of compensation for short-time work and a slight increase in variable compensation. Operating and administrative costs increased by 5.1% in the reporting year. This cost development was primarily due to one-off effects, such as lawyers' fees in Serbia in connection with the arbitration proceedings.



"Operating cash flow increased enormously, the financial situation is highly robust and the balance sheet remains strong."

Beat Hermann

Chief Financial Officer, APG|SGA

In the financial year 2023, the EBITDA increased by 4.4% to reach CHF 42.0 million. Meanwhile, the EBIT increased by 8.2% in the financial year 2023 to CHF 31.8 million, which corresponds to an EBIT margin for the year of 9.7% (previous year 9.4%). Net income for 2023 amounted to CHF 26.8 million (previous year: CHF 23.4 million), representing an increase of 14.6%.

Cash flow

Operating cash flow for the financial year 2023 amounted to CHF 35.0 million (previous year: CHF 18.3 million). This represents an increase of 92.0%. After deducting the net cash used in investing activities of CHF 3.7 million (previous year: CHF 4.3 million), this resulted in a free cash flow of CHF 31.3 million (previous year: CHF 14.0 million).

Balance sheet

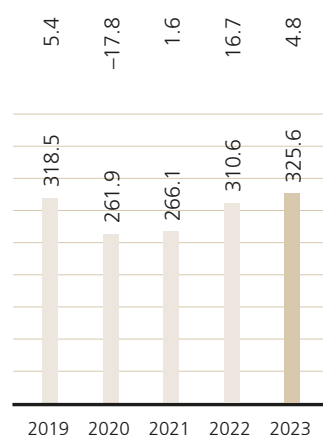
The balance sheet total increased by CHF 1.7 million in the financial year 2023 to CHF 191.1 million. This increase was driven by higher trade accounts receivable as well as deferred expenses and accrued income.

The net cash position at the end of 2023 was CHF 51.6 million, CHF 1.7 million lower than at the close of 2022. Equity totaled CHF 83.9 million, representing an equity ratio of 43.9%.

Advertising revenue

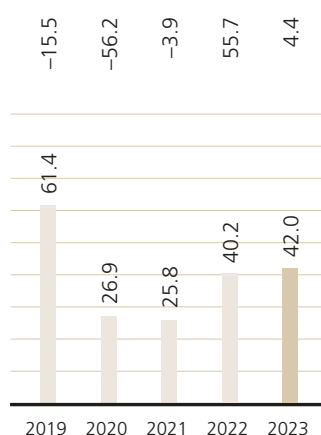
CHF m

Change vs. PY in %



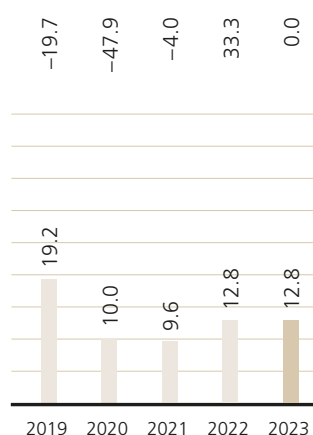
EBITDA

CHF m



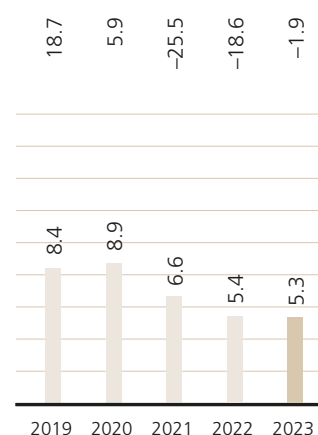
EBITDA margin

in % of operating income



Investments in property, plant, and equipment

CHF m



Key figures

5-year financial highlights of the APG|SGA Group

		2023	2022	2021	2020	2019
Balance sheet						
Buildings and land	CHF m	25.1	25.9	27.4	29.1	32.6
Advertising panel	CHF m	17.1	20.0	22.4	23.5	22.4
Current assets	CHF m	116.9	108.9	128.6	121.2	103.9
Net liquidity	CHF m	51.6	53.3	72.4	66.3	41.8
Equity	CHF m	83.9	91.2	101.7	89.4	77.1
Total assets	CHF m	191.1	189.4	215.5	205.3	192.9
– Change versus PY		0.9%	–12.1%	5.0%	6.4%	–4.4%
Income statement						
Advertising revenue	CHF m	325.6	310.6	266.1	261.9	318.5
– Switzerland	CHF m	311.3	297.2	251.6	250.9	304.0
– International	CHF m	14.3	13.4	14.6	11.0	14.5
Operating income (OI)	CHF m	328.8	314.1	269.5	269.5	320.2
Fees and commissions	CHF m	196.8	190.4	169.7	164.6	165.0
	in % OI	59.9%	60.6%	63.0%	61.1%	51.5%
Personnel expenses	CHF m	58.0	53.1	48.4	51.4	61.6
	in % OI	17.6%	16.9%	18.0%	19.1%	19.3%
Depreciation of tangible assets	CHF m	8.5	9.1	9.0	9.3	8.8
	in % OI	2.6%	2.9%	3.3%	3.4%	2.7%
Amortization of intangible assets	CHF m	1.7	1.7	1.5	1.3	1.3
	in % OI	0.5%	0.5%	0.6%	0.5%	0.4%
EBITDA	CHF m	42.0	40.2	25.8	26.9	61.4
Operating result (EBIT)	CHF m	31.8	29.4	15.3	16.3	51.3
Consolidated net income	CHF m	26.8	23.4	12.7	13.2	41.8
Statement of cash flows						
Cash flow from operating activities	CHF m	35.0	18.3	10.6	32.7	49.8
Free cash flow	CHF m	31.3	14.0	5.5	25.8	41.6
Financial indicators						
EBITDA margin	in % OI	12.8%	12.8%	9.6%	10.0%	19.2%
Operating result (EBIT margin)	in % OI	9.7%	9.4%	5.7%	6.1%	16.0%
Consolidated net income	in % OI	8.2%	7.4%	4.7%	4.9%	13.1%
Cash flow from operating activities	in % OI	10.7%	5.8%	3.9%	12.1%	15.6%
ROE		30.6%	24.2%	13.3%	15.9%	48.3%
Investments						
Advertising panel	CHF m	2.7	3.8	4.4	7.8	6.4
Other investments in property, plant, and equipment	CHF m	2.5	1.6	2.2	1.1	1.9
Intangible and financial assets	CHF m	0.2	0.1	7.2	0.0	0.0
Employees (Full-time 100% equivalent as basis)		490	481	483	491	507

Explanation of financial terms: see page 49

Share development

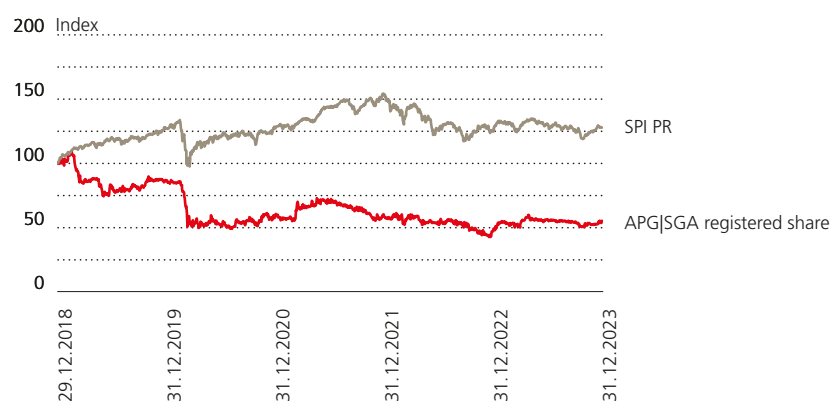
		2023	2022	2021	2020	2019
Data per share						
Operating result (EBIT)	CHF	10.61	9.80	5.13	5.45	17.11
Cash flow from operating activities	CHF	11.70	6.09	3.54	10.90	16.62
Consolidated net income	CHF	8.95	7.81	4.23	4.42	13.95
Equity held by APG SGA SA shareholders	CHF	28.00	30.46	33.98	29.84	25.73
Payout	CHF	11.00 ²	11.00	11.00	0.00	0.00
Payout ratio ¹		122.9%	140.8%	260.0%	0.0%	0.0%
Share price data						
Market price high/low	CHF	200.0/158.0	203.0/141.5	247.5/178.0	288.5/155.2	361.0/243.0
Year-end market price	CHF	183.0	160.5	199.0	197.4	284.0
Payout yield ³		6.0%	6.9%	5.5%	0.0%	0.0%
Market capitalization ³	CHF m	549.0	481.5	597.0	592.2	852.0
– versus shareholders' equity		6.5	5.3	5.9	6.6	11.0
– versus operating income		1.7	1.5	2.2	2.2	2.7
P/E ratio ³		20.4	20.6	47.0	44.7	20.4

¹ Including payout on treasury stock

² Proposal to the General Meeting

³ Based on market price as at December 31

Price trend since December 31, 2018



Source: SIX Swiss Exchange AG

Business development

SWITZERLAND

APG|SGA advertising revenues for Switzerland amounted to CHF 311.3 million in 2023, up 4.8% on the previous year. Overall, there was positive revenue development in both the analog and digital outdoor advertising business.

APG|SGA saw particularly gratifying revenue development in the banking, insurance, automotive and travel sectors, as well as online retail. And with the parliamentary elections in 2023, there was also significant growth in political advertising.

This positive revenue growth in APG|SGA's Swiss operations came amid an overall market environment that proved highly challenging for advertising. This can be seen in the gross advertising statistics for Switzerland issued by Media Focus, which point to a 1.1% decline in advertising spend compared to the previous year. APG|SGA's positive development in comparison to the overall market indicates the strength of (digital) Out of Home as a medium, and in particular our company's compelling service portfolio.

Broad customer base with local and regional orientation

The total number of active customers increased to over 8,800 in the reporting year. Over 85% of these customers have a local/regional orientation. Across the entire customer base, more than 30,200 campaigns were executed, with the classic analog poster in the standard "F4", "F200", "F12" and "F24" formats continuing to play an important role. In 2023, our logistics organization processed and installed over 788,800 high-quality posters.

Along with these classic product formats, special formats and implementations also proved highly popular with advertisers: APG|SGA saw revenue growth in MegaPosters as well as advertising on public transport, in the mountains and at airports.



"Over the course of two weeks, a great deal of work went into transforming APG|SGA poster sites into bookshelves for Ex Libris. To great effect – over 12,000 books were distributed and the campaign generated a lot of excitement."

Michaela Schwendimann
Employee Operations, APG|SGA



Above: Large formats in top locations – such as Zurich city center, as seen here – are a popular, high-impact form of advertising for branding campaigns.

Below: At Zurich Airport, advertisers can choose from a total of 16 impressive “MegaPosters”, with sizes ranging from 208 m² to 472 m².



Personal service plus self-service options

When it comes to planning and processing successful outdoor campaigns, advertisers as well as numerous media and creative agencies can call on the personal advice and service of over 115 advertising market specialists at 14 locations.

Our customers can also take advantage of a high-performance e-commerce platform. This proved increasingly popular in the reporting year, with APG|SGA introducing continual improvements, including the integration of additional product formats from the field of public transport advertising. More than 3,000 customers booked their analog and digital poster campaigns online in this way using APG|SGA easy. The entire environment benefits from ongoing optimization in order to make our self-service options even more attractive.

Revenue growth and even greater flexibility in the Digital Out of Home (DOOH) segment

There was above-average development in the revenues generated by our digital advertising media. This is due, on the one hand, to the fact that we are providing advertisers with a constantly growing digital portfolio and, on the other hand, to the fact that clients and their agencies appreciate the flexibility, short-term options and new programmatic booking and broadcast opportunities for Digital Out of Home (DOOH).

Programmatic Digital Out of Home (PDOOH) offers the option of targeting particular groups by airing advertising at precise locations and times, something which is increasingly in demand among advertisers. In the reporting year, around 300 campaigns were executed via the SSP (supply-side platform) VIOOH – more than twice as many as the previous year. Overall, over 447 million impressions were delivered via our screens.

And even beyond its programmatic options, APG|SGA offers the most flexible Digital Out of Home range in Switzerland. Along with the proven, popular, classic Digital Out of Home range (10-second spots in 60- or 120-second loops), our customers now have the option of precisely configuring their campaigns (flexible broadcast at the locations of their choice, with individual budget deployment).



“With programmatic, Loterie Romande motifs were updated minute-by-minute during the UEFA Euro 2024 qualifying rounds – depending on match results and changes in odds.”

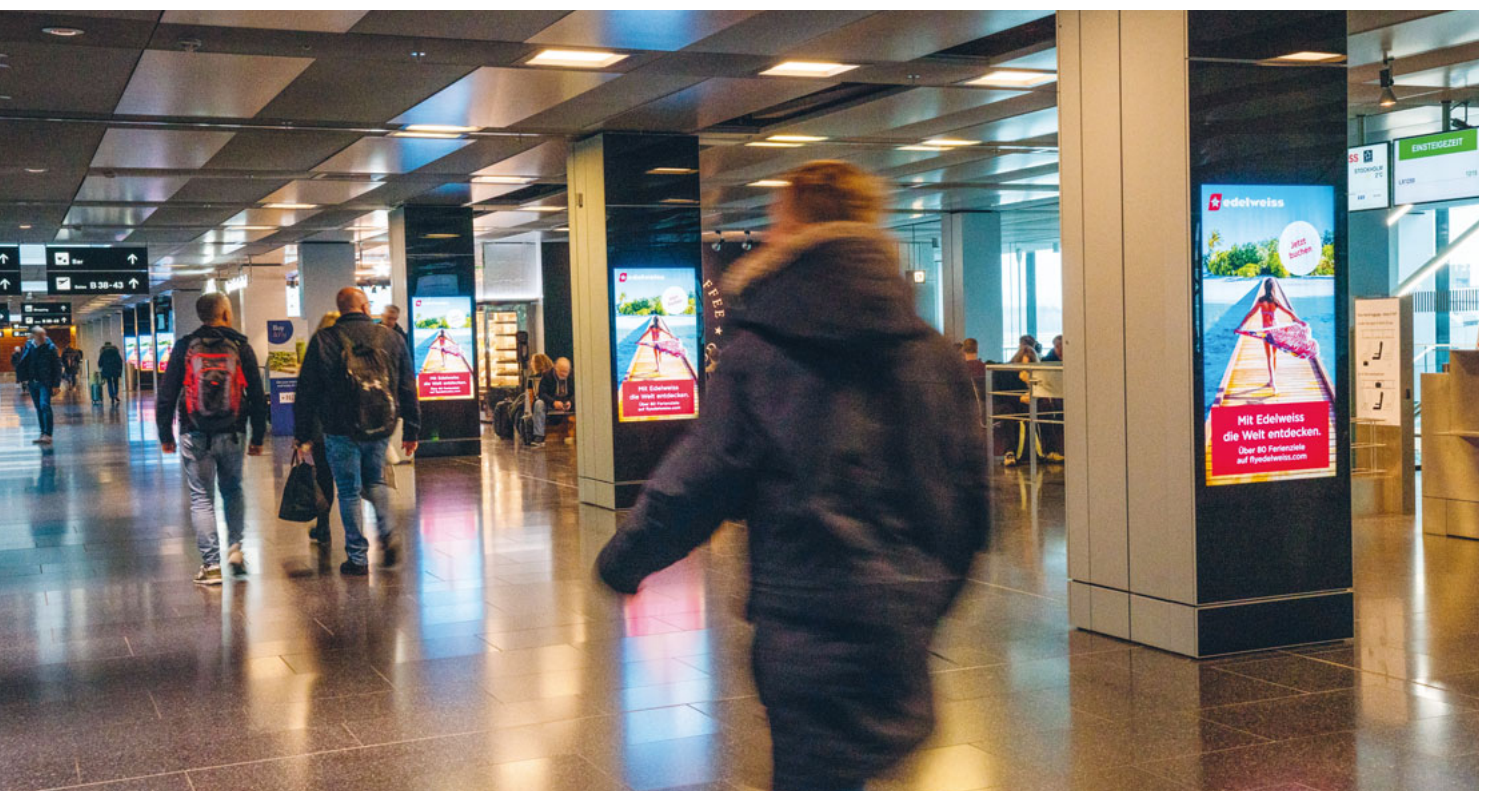
Sükrü Gökdemir

Programmatic Specialist, APG|SGA



Above: Zurich's main railway station is not just Switzerland's largest transport hub, it also has the country's most impressive Digital Out of Home range, with a total of 153 advertising screens.

Below: In 2023, 44 additional screens went into operation airside at Zurich Airport. This brought the number of digital advertising spaces to a total of 234.



Above: Advertising in the mountains and in tourist regions – such as here in the Engadin – reaches carefree, high-spending consumers in a relaxed atmosphere.

Below: For retailers and brands – in this example, Marrionaud and Gisada at Zurich's main station – (digital) Out of Home is an ideal channel for building brand awareness and boosting sales.



High standards for quality, transparency and security

And our customers can have full confidence in the processes and guarantees of agreed broadcasts. PwC conducted a detailed audit and verified all processes, with approval in all categories (broadcast, content evaluation, hardware, etc.). APG|SGA is setting particularly high standards regarding transparency and security of service provision – values that advertisers prize.

Smart mobile media solution: the perfect match for Out of Home Media

aymo, APG|SGA's exclusive mobile targeting solution, uses real-time data from leading Swiss apps to precisely deliver mobile ads – localized down to the meter. This makes the perfect match for our analog and digital Out of Home Media options, which offer comparable geographic precision. In the reporting year, aymo saw revenue growth of 15%.

Broad-based contract portfolio

Overall, APG|SGA has a stable portfolio of over 7,000 contracts secured for the long term with both public authorities and private property owners throughout Switzerland.

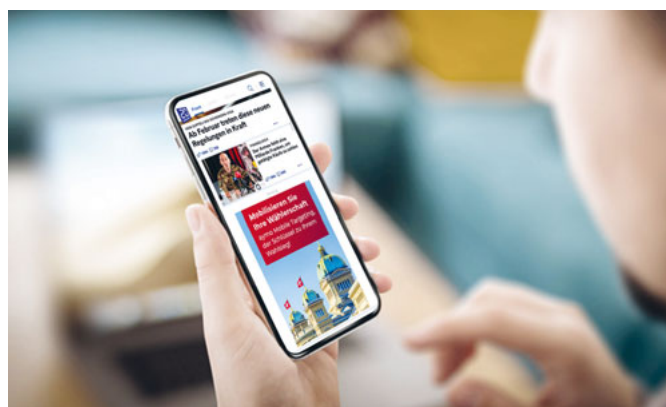
The Partner Market division, with 37 employees at 10 locations, acquired a wealth of new, high-quality analog and digital spaces once again in 2023, in addition to extending numerous contracts.

The Group secured an agreement with the passenger transport arm of SBB on a multi-year extension to contracts in the marketing of interior and exterior spaces of trains. However, APG|SGA chose not to continue with the marketing and management of around 190 SBB promotional spaces in 2024.



"aymo 'AudienceTarget Election' allowed candidates to cover their electorates down to the meter and precisely target potential voters through in-app advertising. A perfect match for posters."

Deborah Gabuzzini
Account Manager Mobile,
aymo mobile targeting, APG|SGA



Success in tenders and expansion of the digital range

The city of Thun awarded APG|SGA a contract to maintain and manage around 280 analog and digital advertising panels on city property. The award was issued following a public tender process.

In Ascona, APG|SGA secured the exclusive rights for three new double-sided 75-inch screens in prime locations which combine interactive city communications and advertising. The new advertising panels boast optimal energy efficiency and – like the entire APG|SGA infrastructure – run on eco-electricity. They make a perfect combination with other digital networks as well as the 47 APG|SGA analog spaces in Ascona.

APG|SGA was awarded the contract for the marketing of 80 advertising panels in Shoppi Tivoli, one of Switzerland's most important shopping centers, in a tender process. This, along with APG|SGA's outdoor advertising range in the Glatt, Seedamm and Sihlcity shopping centers, represents a high-impact point-of-sale range in the greater Zurich area.

In the reporting year, APG|SGA worked with Zurich Airport to expand its digital and programmatic range, with 44 additional screens presenting attractive opportunities in the airside area. This brings the number of digital panels available to advertisers throughout the entire airport area to 234, arranged in 14 flexible networks. These make a perfect match for the diverse analog range, which consists of 18 "MegaPosters", 177 "BigPosters", 183 poster spaces, three "JetBridges" and luggage trolley branding.

Swissplakat: clear focus brings success

Our subsidiary Swissplakat AG, which focuses on a high-quality purely analog portfolio in selected regions of German-speaking Switzerland, also saw significant revenue growth in 2023. This successful focus on a range with frontal spaces in the classic "F12" and "F200" formats shows that – together with a local presence, services such as poster printing and an updated online booking tool – the analog poster business continues to offer growth potential.



"In cooperation with APG|SGA, Nendaz is the first destination in Switzerland to use an SBB locomotive for branding. Deployed on major transport routes, the locomotive will draw attention, flying the flag for more environmentally friendly transport and sustainability."

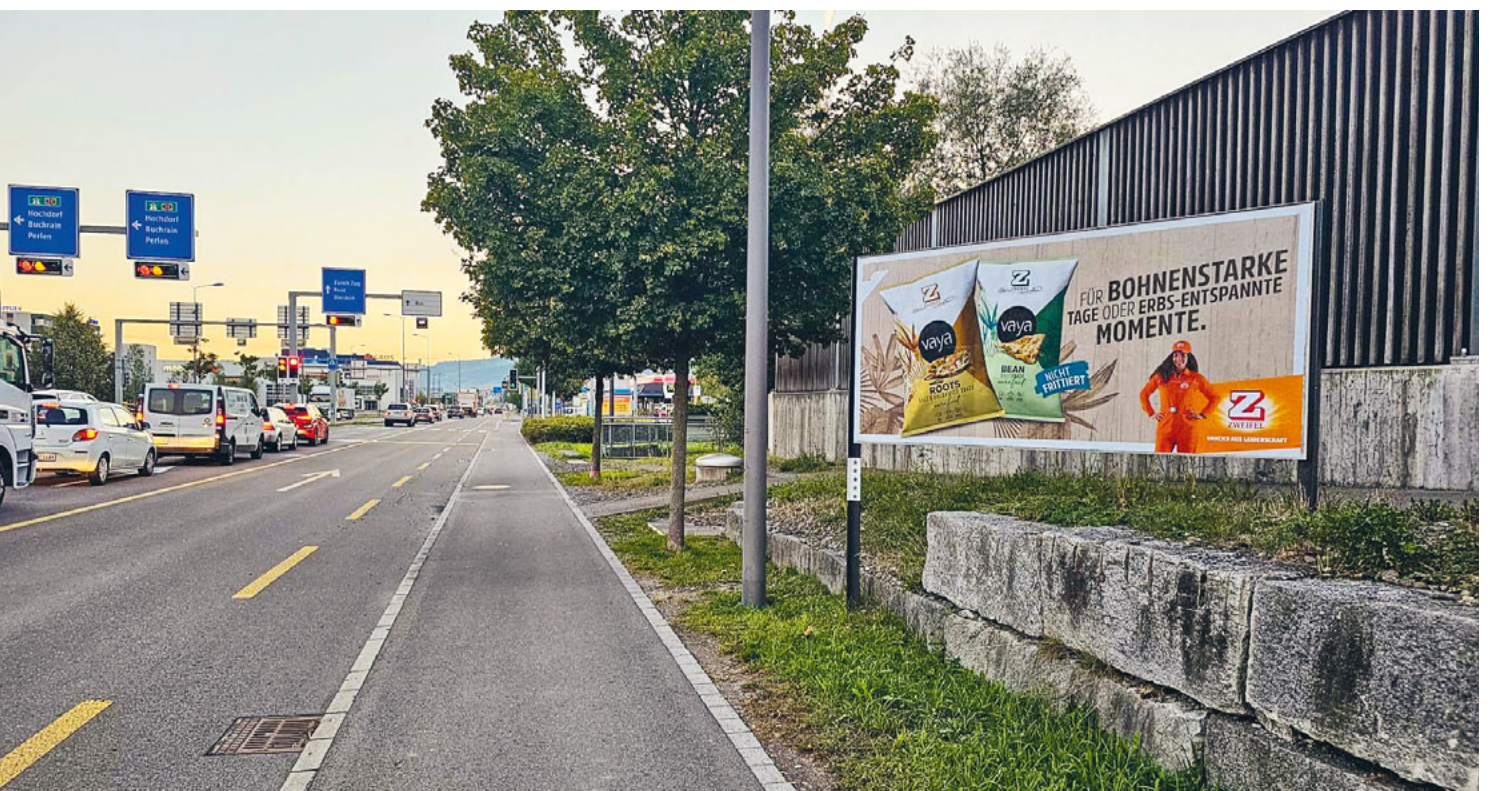
Gaëlle Pierroz

Sales consulting Romandie, APG|SGA



Above: Ascona now offers double-sided, large-format screens in prime locations, combining city communications and advertising.

Below: Analog posters in the most widespread format, "F12" – shown here at a Swissplakat site in Ebikon – offer advertisers attractive value for money



SERBIA

APG|SGA is operationally active in Serbia, which accounts for 4.4% of Group sales.

Our Serbian subsidiary Alma Quattro boasts an advertising inventory of over 4,300 analog sites in highly attractive locations, primarily in cities such as Belgrade, Novi Sad, Niš, Valjevo, Čačak, Užice and Kragujevac. The digital portfolio encompasses 324 large-format surfaces, all of them 75-inch or larger.

Advertising revenues in the reporting period increased by 10.3% in local currency terms compared with the previous year. The growth in Digital Out of Home – as well as advertising associated with the elections in the fourth quarter – contributed to this positive revenue development.

However, with the weaker dinar, this translated into an increase in Swiss francs of only 6.8%, to CHF 14.3 million.

There is a broad customer base with a total of 552 advertisers in the reporting period, who booked around 2,500 campaigns either directly or through some 70 advertising and media agencies.

The proceedings we brought against the Serbian state for infringement of the investment protection agreement between Switzerland and Serbia at the International Center for the Settlement of Investment Disputes (ICSID) in Washington, D.C. continued as planned. A decision is expected towards the end of 2024.



"In 2023, Alma Quattro won a prestigious prize for social responsibility and humanitarian projects issued by the UEPS for its campaign highlighting up-and-coming young personalities in the city."

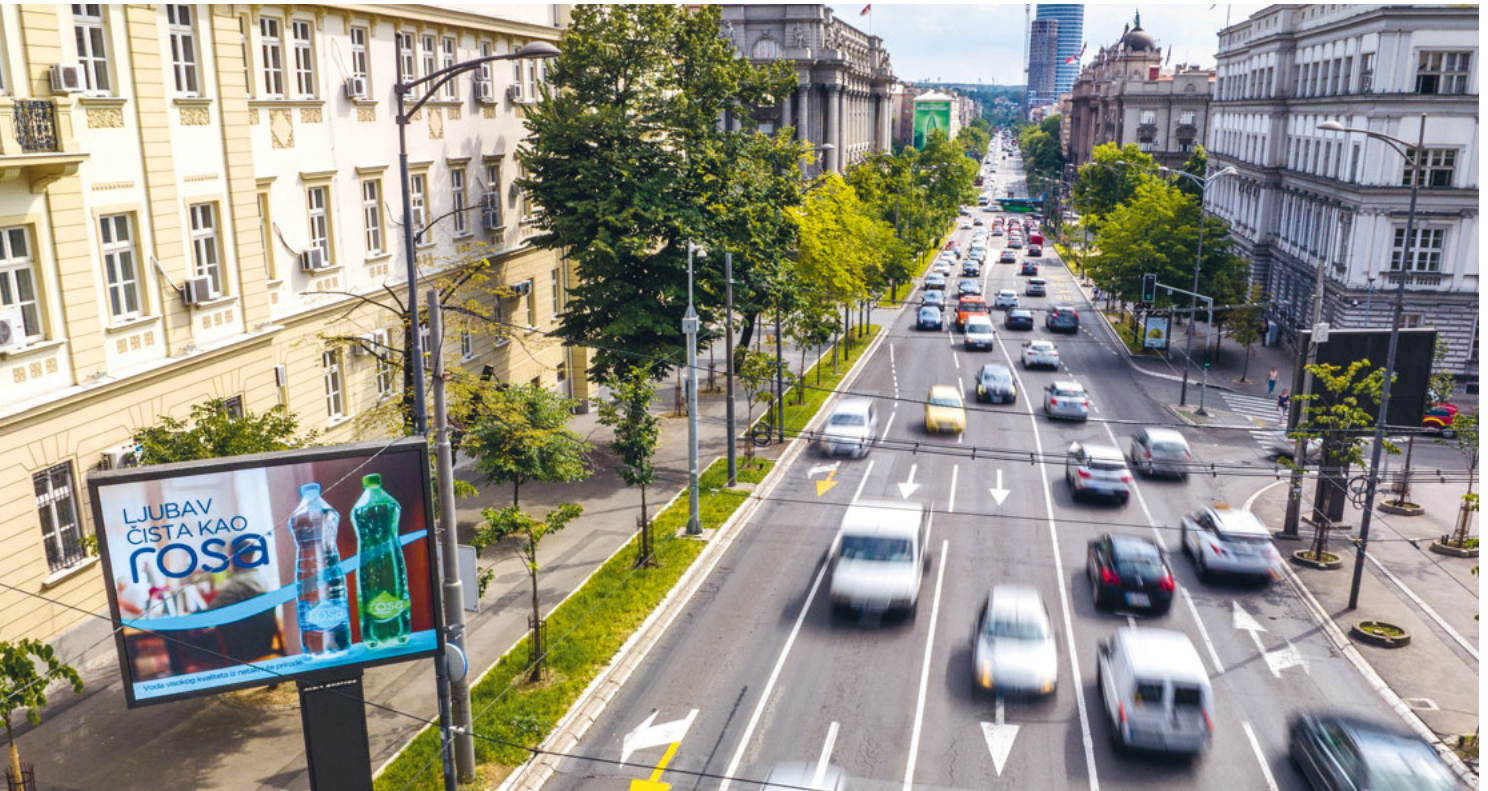
Sanja Pešić

Chief Executive Officer, Alma Quattro



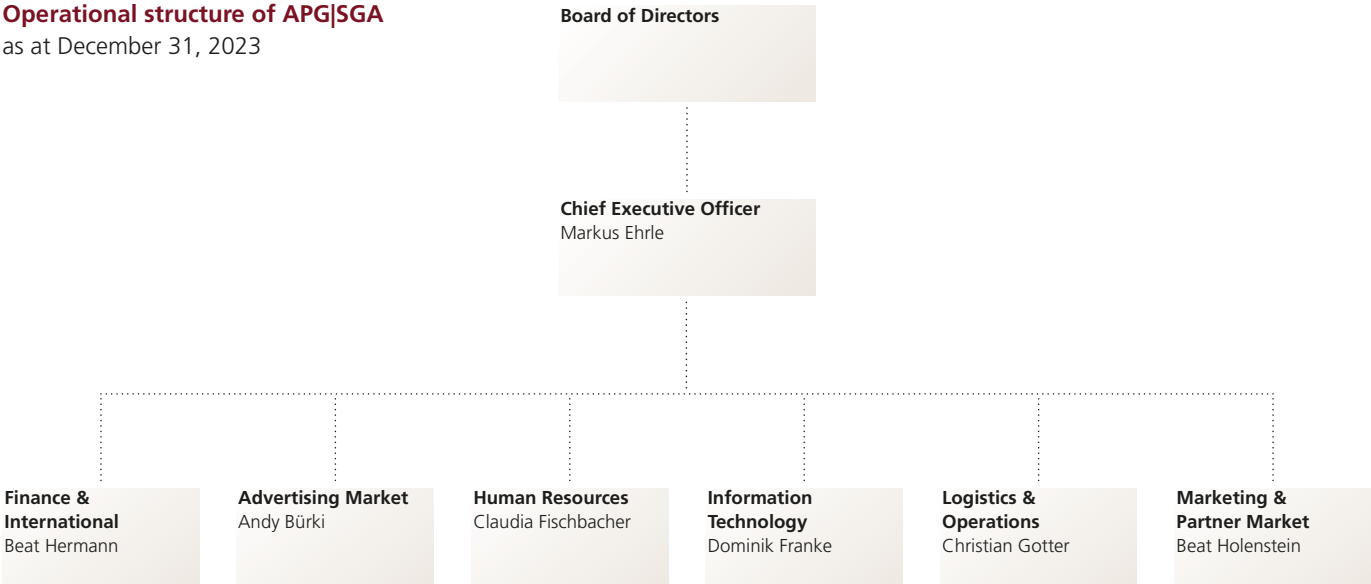
Above – In the vibrant city of Belgrade, the latest LED billboards from Alma Quattro display large-format moving-image advertising, as seen here on Kneza Miloša Street.

Below – On Knez Mihailova Street in the heart of Belgrade's pedestrian area, the LCD CityLights display fully animated advertising messages as well as useful information for residents and tourists.



Corporate Governance

Operational structure of APG|SGA as at December 31, 2023



Group structure and shareholders

Introduction

The principles and rules that govern the management and supervision of the APG|SGA Group are set forth in the articles of incorporation, the organizational regulations of the Board of Directors, and the regulations of the Executive Committees. The Board of Directors regularly reviews these documents and updates them in the event of new developments. The articles of incorporation of APG|SGA SA can be viewed at www.apgsga.ch/articlesofincorporation. The organizational regulations of the Board of Directors and the regulations of the Executive Committees can be seen at www.apgsga.ch/corporate-governance. The information published here corresponds to the requirements of the Directive on Information Relating to Corporate Governance by SIX Swiss Exchange.

Listed company

Company name, headquarters: APG SGA SA, Geneva
Market capitalization as at December 31, 2023: CHF 549.0 million
Place listed: SIX Swiss Exchange
Security no.: 1 910 702
ISIN: CH0019107025
Ticker: APGN

Participating interests

The list of participating interests is provided in the Financial Report (cf. page 50) on page 26.

Cross-shareholdings

No capital or voting cross-shareholdings exist between the APG|SGA Group and other companies.

Significant shareholders¹

	Shares as reported as of December 31, 2023	in %	Shares as reported as of December 31, 2022	in %
JCDecaux SE, Neuilly-sur-Seine (FR) ²	900 000	30.00 ⁴	900 000	30.00 ⁴
Pargesa Asset Management SA, Luxembourg (LU) / Stichting Administratiekantoor Bierlaire, Breda (NL) ³	758 888	25.30 ⁴	758 888	25.30 ⁴
Pictet Asset Management SA, Geneva (CH)	160 620	5.35 ⁴	149 650	4.99 ⁴
Polymedia Holding AG, Markus and Andreas Scheidegger, Berne (CH)	98 751	3.29 ⁴	98 644	3.29 ⁴

¹ 3% or more of shares, in the form of stocks or rights to purchase and/or sell stocks. The information is derived from announcements made by shareholders pursuant to Art. 120 et seq. Financial Market Infrastructure Act (FMIA) as at December 31, 2023 subject to the availability of other information. All published notifications can be found at <https://www.six-exchange-regulation.com/en/home/publications/significant-shareholders.html>.

² JCDecaux SE, rue Soyer 17, 92200 Neuilly-sur-Seine (FR), is controlled by JCDecaux Holding, rue Soyer 17, 92200 Neuilly-sur-Seine (FR), whose shareholders are:

- Members of the Decaux family: Jean-François Decaux, London (GB), Jean-Charles Decaux, Neuilly-sur-Seine (FR), Jean-Sébastien Decaux, Milan (IT), Jean-Pierre Decaux, Paris (FR), and Danielle Decaux, Neuilly-sur-Seine (FR)
- JFD Investissements, Luxembourg (LU), and JFD Participations, Luxembourg (LU), companies under the direct control of Jean-François Decaux
- Open 3 Investimenti, Uccle (BE), a company under the direct control of Jean-Sébastien Decaux

³ The beneficial owner is Stichting Administratiekantoor Bierlaire, Breda (NL). For detailed information on the relationship between Stichting Administratiekantoor Bierlaire and Pargesa Asset Management, see: <https://apgsa.ch/controlling.structure>

⁴ Number of shares according to stock register as at December 31, 2023 and December 31, 2022

Capital structure

Ordinary, authorized, and conditional capital

As at December 31, 2023, the share capital of APG|SGA SA amounted to CHF 7,800,000, fully paid in and subdivided into 3,000,000 registered shares with a par value of CHF 2.60 per share. As at December 31, 2023, APG|SGA SA had neither authorized nor conditional capital.

As at December 31, 2023, consolidated shareholders' equity amounted to CHF 83.9 million (2022: CHF 91.2 million; 2021: CHF 101.7 million). Details on the changes in shareholders' equity are provided in the respective annual reports: for the years 2023/2022 on page 48 of the present report, for the years 2022/2021 on page 45 of the 2022 report. The Annual Report 2022 is available at www.apgsa.ch/report

Shares, participation, and bonus certificates

APG|SGA SA shares are registered shares with a par value of CHF 2.60 per share. Each individual share is equivalent to one vote. There are no differential dividend entitlements, except that no dividend is paid on treasury shares. There are no preferential rights for individual shareholders.

APG|SGA SA has not issued any participation or bonus certificates.

Share register

Each share recorded in the share register entitles its owner to one vote.

Registration with voting rights may be denied for the following reasons:

- If the purchaser, in spite of a request by the company, fails to explicitly confirm that he/she has purchased or is holding such registered shares in his/her own name and for his/her own account.
- If registration of the purchaser might prevent the company from being able to provide the evidence required by Swiss legal provisions regarding the acquisition of real estate by persons residing abroad.

Convertible bonds and options

No convertible bonds have been issued. There are no option plans for employees or members of the Board of Directors.

**Daniel Hofer****Xavier Le Clef**

Board of Directors

Members	Citizenship	Member since	End of term
Dr. Daniel Hofer (1963), Chairman	CH	2014	2024
Xavier Le Clef (1976), Vice-Chairman	BE	2015	2024
David Bourg ¹ (1969)	FR	2023	2024
Dr. Maya Bundt (1971)	CH, DE	2020	2024
Jolanda Grob (1973)	CH	2020	2024
Markus Scheidegger (1965)	CH	2000	2024

Departures

Stéphane Prigent²

General Secretariat

Julia Gerdes

¹ Entry as at April 27, 2023

² Left as at April 27, 2023

Dr. Daniel Hofer

Chairman, non-executive member.

Since 2014: Member of the Group Executive Board of JCDecaux SE (FR) and CEO of the Germany, Austria, Central and Eastern Europe region and Central Asia with subsidiaries in 14 countries. 2010–2014: CEO of APG|SGA SA. 2006–2010: Member of the Management Board of the NZZ Media Group and Publishing Director of NZZ AG. 2002–2005: CEO of the International Division and member of the Executive Committee at PubliGroupe SA. Prior to this, many years of management experience in media marketing in Switzerland. Chairman, vice-chairman and member of boards of directors of various companies and holdings of JCDecaux SE. 2011–2014 and since 2017: Vice-President of WOO (World Out of Home Organization, CH), a worldwide industry association. Former member of the Board of KS/CS Communication Switzerland. 2010–2017: President of AWS Outdoor Advertising Switzerland. 2008–2012: President of the International Advertising Association (IAA), Swiss Chapter. Master of Business Administration (University of Rochester, US) and Doctorate of Business Administration (University of South Australia, AU).

Xavier Le Clef

Vice-Chairman, non-executive member.

Since 2015: CEO of Compagnie Nationale à Portefeuille CNP (BE). Since 2011: Member of the Board of Directors of CNP. 2006: Joined CNP with responsibility for monitoring various portfolio companies. 2000–2006: Manager in Belgium, France, and Germany at Arthur D. Little. Chairman or member of the boards of directors of various listed and non-listed shareholdings of Frère-Bourgeois Holding (BE). Master of Business Economics (Solvay Brussels School of Economics and Management, BE) and

Master of Business Administration (Vlerick Business School, BE). Advanced studies in finance (Institut Européen d'Administration des Affaires, INSEAD, FR).

David Bourg

Non-executive member.

Since 2015: Group Chief Financial, IT and Administration Officer and member of the Executive Board of JCDecaux SE (FR). 2011–2014: CEO for Middle East at JCDecaux SE. 2005–2011: CFO for Asia at JCDecaux SE. 2001: Joined JCDecaux SE as M&A and Business Development Manager. 1995–2001: Auditor at Deloitte in Paris (FR) and Buenos Aires (AR). Major in Finance and Economics (Sciences Po Paris, FR) and Master and Postgraduate Certificate in Applied Economics and Management & Politics of Organizations (Université Paris Dauphine-PSL, FR).

Dr. Maya Bundt

Non-executive member.

Since 2022: Full-time board member. 2003–2022: Various roles at Swiss Re, including Cyber Practice Leader since 2021, Head Cyber and Digital Solutions since 2016, and prior to that Chief of Staff Group Strategy and Head IT Functional Management. 2000–2003: Strategy Consultant, Boston Consulting Group. Member of the boards of directors of Baloise since 2022, APG|SGA since 2020 and Valiant since 2017. Since 2022: Member of the Executive Board of the Cyber Peace Institute and Head of the Cyber Resilience Chapter of the Swiss Risk Association. Member of the digitalswitzerland Cybersecurity Committee. Doctorate in Environmental Sciences/Soil Physics (ETH Zürich, CH) and Diploma in Geoecology (University of Bayreuth, DE).



David Bourg



Maya Bundt



Jolanda Grob



Markus Scheidegger

Jolanda Grob

Non-executive member.

Since 2010: Various management positions at Zurich Insurance Group – Group Chief People Officer since July 2023, Chief Human Resources Officer Switzerland 2018–2023, Global HRBP 2015–2018, Global Head of Employee Research & Engagement 2010–2015. 2005–2009: Head of International Learning, Development & Talent Management at Amgen International. 1999 to 2005: Various HR management positions at Coca-Cola, Unilever and Deloitte & Touche. MAS in Coaching (FHNW, CH), Master's in Psychology and Pedagogy (University of Fribourg, CH). Advanced Management Program at the IESE Business School (Barcelona, ES), director training at the Swiss Board School HSG (St. Gallen, CH), leadership at the IMD (Lausanne, CH) and various other post-graduate courses.

Markus Scheidegger

Non-executive member.

Member of the boards of directors of various Swiss SMEs. Since 2002: Chairman of the Board of Directors of Uldry AG. Since 1996: Member of the Board of Directors of Polymedia Holding AG. Since 1995: Independent lawyer. 1993–1995: Legal assistant at ATAG Ernst & Young AG in the Tax and Legal division. Law studies (University of Bern, CH) and qualification as attorney-at-law for the canton of Bern.

Members, activities, and interests

The Board of Directors of APG|SGA SA comprises six members, with women making up 33% of the Board.

The Board members execute additional functions beyond their responsibility for APG|SGA SA and/or other companies of the Group and have informed APG|SGA SA about such functions. These functions comprise activities within the framework of important associations, foundations, or institutions in Switzerland and abroad, as well as official positions and political mandates.

Elections and terms of office

According to the articles of incorporation, the Board of Directors comprises three to seven members. They are individually elected by the General Meeting of Shareholders for a term of one year and may be re-elected without restrictions. Members who have reached the age of 71 are, as a general rule, required to resign on the date of the subsequent General Meeting. However, they may remain in office if this would benefit the continuity and proper functioning of the Board of Directors.

The Board of Directors regularly reviews whether the qualifications, expertise and experience of its members correspond with the requirements of the Board and the demands of its activities. It is prompt and proactive in searching for new members in order to ensure that this governing body boasts the required skills and diversity. Using a skills matrix, the Board of Directors defines a specific requirements profile with the desired qualifications, expertise, experience and qualities. Recommendations for the election of new Board members are submitted to the General Meeting based on this profile.

Internal organizational structure

According to the law and the articles of incorporation, the Board of Directors is the supreme management body of the Group. It has the authority to decide on all matters that, according to the law and the articles of incorporation, are not in the competence of the General Meeting, or which it has not delegated to other bodies through regulations and decisions. By majority vote, it determines the strategic, organizational, financial, and accounting guidelines to be followed by the APG|SGA Group. In the event of a tied vote, the Chairman does not have a casting vote.

The Board of Directors meets as often as business requires, but at least four times per year or once a quarter. Each member of the Board of Directors may ask the Chairman to call a meeting. In financial year 2023, the Board of Directors held five ordinary meetings (February, April, June, September, and December) with the regular participation of Executive Board members. Members of the Executive Board have no automatic right of participation

or contribution. The average duration of individual meetings is a half or full day. Most meetings were attended by all members of the Board of Directors.

Two permanent committees are appointed to assist the Board of Directors in its activities: the Audit Committee and the Remuneration Committee. Their tasks and competences are defined in the regulations of the Board committees and primarily encompass functions of assessment, consulting, and supervision. In some individual cases, delegated by the Board of Directors, they also have decision-making powers. The committees prepare the activities of the Board of Directors in the domains assigned to them and directly inform the Board on all important matters.

The Audit Committee comprises Board members David Bourg (Chairman) and Maya Bundt. The Committee has the following tasks:

- to supervise the independence and efficiency of external audits
- to review risk management in the areas of finance and operations
- to review the organization and efficiency of the internal control system
- to determine the investment strategy and the real estate policy
- to analyze the consolidated interim and annual statements and forward them to the Board of Directors.

In the year under review, the Audit Committee held three ordinary meetings (in February, July, and November), with participation of the CEO and the CFO. They have no automatic right of participation or contribution. At one meeting, the external auditor was present. Each meeting lasted half a day.

The members of the Remuneration Committee are elected individually by the General Meeting of Shareholders pursuant to Art. 28 of the articles of incorporation. The committee currently comprises the following Board members: Jolanda Grob (Chair) and Markus Scheidegger. This committee reviews:

- the remuneration policy
- the selection criteria for the members of the Executive Board
- their basic conditions of employment
- the proposals regarding their remuneration and participation
- management development and succession planning.

In the year under review, the Remuneration Committee held two meetings (in January and November). Each meeting lasted half a day. The CEO and CFO also took part in both meetings of the Remuneration Committee, while the Head of Human Resources took part in one. They have no automatic right of participation or contribution.

In order to ensure continuous improvement in its work, the Board of Directors conducts an annual self-evaluation procedure. Using qualitative surveys, it evaluates the areas of structure, responsibilities, strategy and processes. The findings from the surveys are also analyzed in cooperation with the Executive Board where necessary, and corresponding measures formulated. This ensures that the functioning and structure of the Board of Directors fulfils the requirements of the different interest groups as effectively as possible.

Delimitation of the areas of responsibility between the Board of Directors and the Executive Board

The Board of Directors decides on all matters entrusted to it by law, the articles of incorporation, and the company regulations. Implementing and complementing Article 716a of the Swiss Code of Obligations and Article 27 of the articles of incorporation, the following decisions in particular are the exclusive responsibility of the Board of Directors:

- determination of business policies and financial strategies
- approval of sales, cost, and investment budgets of the APG|SGA Group
- establishment, acquisition, sale, liquidation, and merger of subsidiaries
- exercise of voting rights in the general meetings of the subsidiaries and drafting of the recommendations to private individuals who represent the company on the boards of directors or in other bodies of subsidiaries
- conclusion of loan contracts (whether as lender or borrower), contracts of surety, or any other form of guarantee contracts – excluding concession contracts – that involve obligations by the company toward third parties in excess of CHF 2 million
- conclusion of contracts for non-budgeted items where the amount exceeds CHF 1 million.

The Board of Directors has entrusted the Executive Board, under the direction of the CEO, with the management of current operations. The Executive Board is responsible for all matters that another body of the company is not responsible for under the law, the articles of incorporation, or the organizational regulations of the Board of Directors.

Information and control instruments vis-à-vis the Executive Board

In addition to the tasks assigned to the Audit and the Remuneration Committees, the Board of Directors is provided at every meeting with the relevant information pertaining to management, revenue, and profit. The Board of Directors is informed verbally and in writing about the following financial data:

- quarterly, semi-annual, and annual statements (balance sheet, statement of income)
- annual budget figures, regular comparisons of actual with budgeted figures, and projections
- annual multi-year plan
- extraordinary occurrences.

The Executive Board assesses the Group's risk exposure annually using a structured process; the results are then approved by the Board of Directors. This process identifies strategic, operational and financial risk, and evaluates it according to scope and probability. If an overall risk is defined as critical, effective measures are defined to prevent the risk from occurring, to reduce the probability of it occurring or to limit its financial impact. Effective monitoring processes are defined for relevant business operations as part of an internal monitoring system. The following risks have been identified as key for APG|SGA:

- Business environment in view of contractual concession and minimum fees: Increased intensity of competition and contracts with higher concession fees and increased minimum fees. Negative business development and declining advertising budgets, along with advertising bans, may reduce sales revenues and impact profitability. Climate change is causing heat-waves and other extreme weather events with increasing frequency, which can result in a temporary reduction in general mobility and in turn negatively impact the profitability of our advertising panels.
- Security, stability and reliability of the IT infrastructure: the advance of automation and digitalization along the entire value creation chain increases the importance of the stability, reliability and security of our IT infrastructure. In particular, protecting the IT infrastructure against cyberattacks is a top priority.

This assessment was approved by the Board of Directors on December 6, 2023.

In addition, the Chairman of the Board of Directors is in constant contact with the CEO. Extraordinary occurrences must be reported immediately by the members of the Executive Board to the CEO, who must immediately inform the Chairman of the Board of Directors. If required, the Chairman of the Board of Directors participates in the meetings of the Executive Board. With the consent of the Chairman, each member of the Board of Directors

may request that management provide information on the Group's business performance, as well as access to records and documents. The Board of Directors assigns signatory powers to staff members. As a rule, signatory powers are collective (two signatures required).

Notes on general trading blackouts

During trading blackouts, employees who hold key roles and possess insider knowledge are prohibited from purchasing or selling shares in APG|SGA SA. The Board of Directors therefore issued a regulation on insider trading on December 10, 2021. The following blackout periods apply:

- December 1 until two trading days after publication of annual figures
- June 1 until two trading days after publication of semi-annual figures



Markus Ehrle



Beat Hermann



Andy Bürki

Executive Board

Members	Citizenship	Role/responsibilities	since
Markus Ehrle (1965)	CH	Chief Executive Officer	2011
Beat Hermann (1969)	CH	Chief Financial Officer & International Markets	2012
Andy Bürki (1974)	CH	Advertising Market	2019
Claudia Fischbacher ¹ (1986)	CH	Human Resources	2023
Dominik Franke ² (1984)	CH	Information Technology	2023
Christian Gotter (1970)	CH	Logistics & Operations	2012
Beat Hostenstein (1968)	CH	Marketing & Partner Market	2007

¹ Member of the Executive Board from: 01.01.2023

² Member of the Executive Board from: 01.09.2023

Markus Ehrle took over the leadership of APG|SGA as Chief Executive Officer on June 1, 2014. From 2011 to 2014, he was responsible for the Marketing & Business Development divisions at APG|SGA. He enjoyed a long career at PubliGroupe SA, where he held the positions of Account Director, Marketing Director and Deputy CEO of Publimedia AG and sat on the boards of various subsidiaries (including web-based companies). From 2006 to 2011, he worked for the NZZ Media Group, where he was in charge of the Advertising Market & Business Development department. He is Chair of AWS Outdoor Advertising Switzerland, a member of the Board of the IAA International Advertising Association, Swiss Chapter, and a member of the Communications Council of KS/CS Communication Switzerland. Markus Ehrle holds advanced Swiss federal diplomas in marketing management (University of Bern, 1997) and communications management (SAWI Biel, 1993).

Beat Hermann has served as CFO and been a member of the Executive Board since April 1, 2012, with responsibility for the Finance & International Markets division. From 2006 to 2011, he served as the CFO of the Lindt & Sprüngli Group's Ghirardelli Chocolate Company in San Francisco (US), having joined the Group as a Senior Corporate Controller in 2005. From 2000, he was Director of Finance & Administration at Sony Music Entertainment Switzerland. He began his career as an Internal Auditor and later Controller with the Volcafe/ED&F Man Group in Switzerland and Latin America. He holds a degree in business administration (lic. oec. publ.) from the University of Zurich (CH). His further studies include completion of the Advanced Management program at INSEAD, Singapore (2017), and executive courses at Wharton Business School (US, 2014), and Harvard University (US, 2012).

Andy Bürki has been a member of the Executive Board since April 1, 2019, with responsibility for the Advertising Market division within APG|SGA. From 2015 to 2018, he was a member of the Board of NZZ Media Solutions AG, with responsibility for

the advertising market of NZZ products. From 1999 to 2015, he held various positions within Tamedia AG, including Sales Promotion Project Manager (1999–2001) and Head of Advertising Market for Tages-Anzeiger (2006–2015). In between these roles, he gained experience of the Out of Home Media market as a Key Account Manager at Clear Channel Plakanda GmbH from 2002 to 2006. In 2013, he completed an Executive Master of Business Administration in General Management at the University of Applied Sciences in Business Administration Zurich. He also holds an advanced federal diploma in communications management (2005) and a federal diploma in marketing planning (1998). In 2023, he completed the CAS in Digital Leadership & Transformation at the University of St. Gallen.

Claudia Fischbacher has been a member of the Executive Board since January 1, 2023, with responsibility for the Human Resources division, having joined APG|SGA in 2020 as HR Business Partner and Deputy Head of HR. From 2013 to 2020, she worked at Globus as an HR Business Partner. Prior to this, she held various roles at Tamedia AG from 2008 to 2013, including the position of HR Manager for the Tages-Anzeiger and 20 Minuten publishing houses. In 2023, she completed a Master of Advanced Studies in HR Leadership at the University of Applied Sciences in Business Administration Zurich (CH). She holds Certificates of Advanced Studies in Innovation in HR (2022), Strategic Human Resources Management (2021) and Digitalization in HR (2021), as well as a federal diploma in HR management (2009).

Dr. Dominik Franke has been a member of the Executive Board since September 1, 2023, with responsibility for the Information Technology division within APG|SGA. From 2019 to 2023, he was responsible for the Digital Products & Services division of V-ZUG AG, and from 2015 to 2019, he held a number of positions at Tchibo (DE) and its subsidiaries and affiliates in Switzerland, including Head of IT. He previously worked as a management consultant at ComConsult Beratung und Planung GmbH (DE). He holds advanced degrees in IT (RWTH Aachen, DE, and the



Claudia Fischbacher



Dominik Franke



Christian Gotter



Beat Holenstein

University of Limerick, IE) with majors in economics (2011) and psychology (2009). Among his extensive advanced studies are certifications in the fields of scaled agile frameworks (SAFe) (2022) and ITSM/ITIL (2014).

Christian Gotter has been a member of the Executive Board since September 1, 2023, with responsibility for the Logistics & Operations division of APG|SGA. Between 2019 and 2023, he represented the Partners & Operations division on the Executive Board, and from 2012 to 2019, the Logistics division. His previous roles enabled him to acquire broad specialist knowledge of logistics, supply chain management and distribution. His previous employers include Tobler Haustechnik AG, where he was Head of Logistics and Transport from 2005 to 2011, managing a staff of over 200, as well as Planzer Transport AG (2001–2005), Central Station AG (2000–2001), ABX Logistics AG (1996–2000), ABB Kraftwerke AG (1994–1996) and ABB Turbo Systems AG (1989–1994). He has commercial training, holds a federal diploma in freight forwarding (1994), has completed a CAS in Change and Innovation Management at the University of St.Gallen (2021), holds a Diploma in Advanced Management awarded jointly by Swiss Programs in Management (SKU) and the Executive School of the University of St.Gallen (2016), and has completed a CAS in SME Management at the University of St.Gallen (2010).

Beat Holenstein has been a member of the Executive Board since September 1, 2023, with responsibility for the Marketing & Partner Market division within APG|SGA. Prior to this, he was a member of the Executive Board with responsibility for the Marketing & Innovation division from 2019 to 2023, and from 2011 to 2019 with responsibility for Partner & Product Management. Within the company, he previously held the positions of Head of Marketing/Acquisition (2009–2011), Manager of the Zurich branch with national key account management responsibility (2001–2008), Implementation Manager (1998–2000) and Agency Manager (1996–1997). Before joining APG|SGA in 1996, he worked for Zürcher Kantonalbank. He is a member of the Board of AWS Outdoor Advertising Switzerland and holds an EMBA in Smart and Digital Marketing from the University of Applied Sciences of the Grisons (2020), as well as Swiss federal diplomas in organization and marketing planning, and an advanced federal diploma in sales management.

Management contracts

APG|SGA SA and its associated companies have concluded no management contracts with third parties.

Compensation, participations, and loans

Scope and stipulation procedure of compensation

The Remuneration Committee submits proposals to the Board of Directors for approval of the remuneration policy and compensation for the members of the Board of Directors on an annual basis. The members of the APG|SGA Board of Directors receive a fixed compensation.

All employees except for APG|SGA Group management and executives receive a fixed salary along with a voluntary incentive bonus based on results.

At the request of the Remuneration Committee, management compensation is reviewed and determined by the Board of Directors on an annual basis. The remuneration model consists of a basic salary together with a variable component (short-term incentive), both of which are dependent on the operating profit and net income. Both the basic salary and the short-term incentive are paid in cash. In addition, there is a long-term incentive program on the basis of a “bonus/malus system”. Based on the target values for operating profit and net income and qualitative targets, a third of the target bonus is disbursed annually with a third of this amount paid in cash and two thirds in blocked shares. Two thirds of the target bonus is set aside in a “bonus/malus account” and paid out, a third each in the following years. If the specified targets are not achieved, then these values are deducted accordingly from the “bonus/malus account”. Shares are allocated on the basis of their weighted average price on the first 10 trading days of the month following the General Meeting.

The General Meeting of Shareholders votes annually on the following proposals from the Board of Directors about the compensation to be paid to the Board of Directors and the Executive Board:

1. Approval of a maximum total amount for the compensation to be paid to the Board of Directors for the period from the end of the current General Meeting of Shareholders until the next ordinary General Meeting;
2. Approval of a maximum total amount for the fixed compensation to be paid to the Executive Board for the coming financial year;
3. Approval of a maximum total amount for the variable compensation to be paid to the Executive Board for the past financial year.

The Board of Directors may also divide the corresponding proposals into individual compensation elements and/or present them to the General Meeting of Shareholders for approval for different time periods.

If the General Meeting of Shareholders refuses to approve a maximum total amount for the Executive Board and/or the Board of Directors, the Board of Directors may present a new proposal to the same General Meeting of Shareholders or convene a new General Meeting of Shareholders.

The remuneration system and the remuneration of the members of the Board of Directors and the members of the Executive Board are disclosed in the Remuneration Report on pages 30–34.

Statutory rules in relation to the number of permitted activities pursuant to Art. 12 para. 1 (1) of the Ordinance Against Excessive Remuneration in Listed Companies Limited by Shares (ERCO)

A member of the Board of Directors may exercise up to 15 additional mandates beyond their responsibility for the APG|SGA Group, although no more than five of these may be with listed companies. A member of the Executive Board may exercise up to six additional mandates beyond their responsibility for the APG|SGA Group, although no more than one of these may be with a listed company. A member of the Board of Directors or the Executive Board may exercise up to 12 additional mandates with non-profit and/or charitable legal entities (such as associations and other charitable, social and cultural or sporting organizations, as well as foundations, trusts, and employee benefit schemes) beyond their responsibility for the APG|SGA Group.

Mandates held by a member of the Board of Directors or the Executive Board with legal entities that are controlled by the company or that control the company are not deemed to be mandates outside the APG|SGA Group.

Mandates held by a member of the Board of Directors or the Executive Board in associated legal entities outside the APG|SGA Group are always deemed to collectively constitute a mandate outside the APG|SGA Group.

The stated limits may be exceeded temporarily by up to one third of the permitted number of mandates in the relevant categories.

Before accepting mandates in legal entities outside the APG|SGA Group, members of the Executive Board must obtain the consent of the Board of Directors, or of the Remuneration Committee if such powers have been delegated to it.

The term “mandate” refers to membership of the highest governing or executive bodies of legal entities that are required to be entered into the commercial register or in a corresponding register abroad.

Shareholders’ participation rights

Voting rights

At the General Meeting of APG|SGA SA, each individual share entitles its owner to one vote. Voting rights can be exercised only if the shareholder is registered in the share register and thus entitled to participate at the General Meeting. Shareholders may be represented at the General Meeting of Shareholders by the independent proxy or by a third party only if they have issued these representatives with a written power of attorney. In such cases, the power of attorney that has been issued with instructions is valid only for a specific General Meeting of Shareholders and cannot be made the object of a contract. In addition, the shareholder may issue the independent proxy with powers of attorney and instructions electronically. The shares are indivisible and the company recognizes only one single representative per share.

Statutory quorums

The following decisions require the votes of at least two thirds of the represented shares and the absolute majority of the par value of the represented shares:

- change of company purpose
- introduction of shares carrying voting rights
- authorized or conditional capital increase
- capital increase from shareholders’ equity, with non-cash contributions or acquisitions in kind, and granting of special privileges
- limitation or elimination of subscription rights
- relocation of the company domicile
- dissolution of the company

Convocation of the General Meeting of Shareholders

The ordinary General Meeting of Shareholders takes place every year within six months after the close of the financial year. Extraordinary General Meetings are convened as often as necessary, particularly in cases where a meeting is required by law. Shareholders representing a par value of at least 10% may demand the convocation of an extraordinary General Meeting. Any such demand must be made no less than 50 days before the proposed meeting date. The convocation of the General Meeting of Shareholders by the Board of Directors must be dispatched no less than 20 days in advance of the day of the meeting, and must list the agenda and the motions of the Board of Directors and the shareholders.

Agenda

Shareholders representing a par value of CHF 225,000 may demand inclusion of an item in the agenda. Any such demand must be made no less than 50 days before the proposed meeting date.

Registrations in the share register

No registration is performed between the time of dispatch of the invitation to and the closure of a General Meeting.

Changes of control and defensive measures

Duty to make an offer

There are no statutory opting-out or opting-up clauses.

Auditor

Term of mandate and term of office of the auditor in charge

PricewaterhouseCoopers AG has been the statutory auditor of APG|SGA SA and the Group auditor since 2013. The auditor in charge, Stefan Räbsamen, has held this position since 2018. The Audit Committee ensures that the auditor in charge is rotated after no more than seven years.

Auditing fee and additional fees

For financial year 2023, the auditing fee of PricewaterhouseCoopers AG for services in conjunction with the auditing of the financial statements totaled CHF 147,000. Fees for consultancy services were also paid in the amount of CHF 72,000.

Information instruments of the auditor

On behalf of the Board of Directors, the Audit Committee annually reviews the independence, qualification, performance, and fees of the auditor. It prepares a proposal for the Board of Directors for selection of the auditor, which is then submitted by the Board to the General Meeting. The Board of Directors annually reviews the scope of the external audit, the audit plans, and the respective procedures, and discusses the audit results with the external auditor. In a joint meeting at least once a year, the auditor reports to the Audit Committee of the Board of Directors on the auditing work and its essential results. A regular exchange of information takes place between the auditor and the CFO.

Compliance management

Guidelines and compliance

The rules on corporate governance enshrined in the articles of incorporation and the organization regulations guide the leadership and oversight of the APG|SGA Group. They are complemented by the mission statement, the Code of Conduct and the Anti-Bribery and Corruption Guidelines, which provide principles, values and rules of conduct for employees, shareholders, suppliers, partners and customers.

APG|SGA SA has a zero-tolerance policy on breaches of legal provisions, its Code of Conduct or other rules. There is a confidential reporting service for reporting actual and suspected compliance infringements. Employees have the option of using this service anonymously. A Compliance Committee analyses compliance risks, organizes training, and provides monitoring and handling of cases in partnership with the reporting service.

Due diligence

Wherever possible, APG|SGA exercises due diligence to ensure adherence with labor and human rights laws within its own business and in the supply chain. This includes compliance with the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour. Reporting on these issues appears in the context of annual sustainability reporting.

Information policy

The APG|SGA Group practices an open information policy toward the financial market and the general public. The shareholders receive semi-annual correspondence informing them about the Group's business performance.

The Annual Report, the detailed Financial Report, the letters to shareholders, the stock price, and press releases are available at www.apgsga.ch. Financial media and analysts conferences are held at least once per year. The publication of share price-relevant facts is governed by the provisions relating to the ad-hoc disclosure requirements of SIX Swiss Exchange.

Interested parties may subscribe to media releases at www.apgsga.ch/en/newsletter/register

Key dates:

- closing date: December 31
- Announcement of annual results 2023: February 27, 2024
- Announcement of publication of the Annual Report: March 14, 2024
- General Meeting: April 25, 2024
- closing date for the semi-annual results: June 30
- announcement of the semi-annual results 2024: July 26, 2024

Remuneration Report

1 Introduction

This Remuneration Report complies with Articles 734 et seq. of the Swiss Code of Obligations (CO) (which replaced the provisions of the Ordinance Against Excessive Remuneration in Listed Companies Limited by Shares as part of the revision of the law on companies limited by shares). This report also respects the Directive on Information Relating to Corporate Governance (DCG) issued by SIX Exchange Regulation, and the Swiss Code of Best Practice issued by *economiesuisse*.

The report describes the basic remuneration policy, the procedure by which remuneration is determined, and the elements and structure of the system of remuneration for the Board of Directors and Executive Board of APG|SGA. It also contains the information required under Articles 734a–734f CO, specifically details of fixed and variable performance-related remuneration to the Board of Directors and Executive Board.

This Remuneration Report replaces the information previously presented in the Notes to the Balance Sheet in accordance with Article 663b^{bis} of the Swiss Code of Obligations.

2 Basic remuneration policy

The long-term objective of APG|SGA is to achieve an attractive and sustainable return, or increase in value, for its shareholders. Our Group pursues this aim in a demanding and highly competitive environment. To operate successfully in this market, we must attract and retain talented, performance-driven and motivated management staff.

APG|SGA's present system of remuneration was introduced in the interests of good corporate governance. It is structured in such a way that the interests of the members of the Board of Directors and the Executive Board are aligned with the long-term objectives of the company and the interests of the shareholders.

The remuneration system supports the sustainable, long-term success of the Group, and corresponds to both modern practice and market custom. Great importance is attached to transparency of the individual elements of remuneration.

3 Procedure for determining compensation

3.1 Remuneration Committee

Each year, the General Meeting of Shareholders elects the members of the Remuneration Committee on an individual basis. The term of office of these members ends at the close of the next Annual General Meeting.

The Remuneration Committee has the following tasks and responsibilities:

- preparing and periodically reviewing the remuneration policy and principles of the APG|SGA Group, as well as remuneration-related performance criteria; periodically reviewing how these are applied in practice, and submitting the corresponding proposals and recommendations to the Board of Directors
- preparing all relevant decisions by the Board of Directors concerning remuneration for the members of the Board of Directors and Executive Board, and submitting the corresponding proposals and recommendations to the Board of Directors
- briefing the Board of Directors twice a year on the process used to determine remuneration
- ensuring appropriate remuneration

3.2 Board of Directors

Subject to the powers of the General Meeting of Shareholders, the Board of Directors bears ultimate responsibility for the remuneration system. It proposes the members of the Remuneration Committee to the General Meeting of Shareholders. As at the end of 2023, the Committee was composed of Jolanda Grob (Chair) and Markus Scheidegger, all members of the Board of Directors. If the Committee does not have its full number of members at any point between two General Meetings, the Board of Directors appoints additional members to serve out the remaining term of office.

The Board of Directors determines, on the basis of the proposal from the Remuneration Committee, the amount of remuneration its members should receive. The Board of Directors submits to the General Meeting of Shareholders the proposal requesting approval of its remuneration.

The Board of Directors determines, on the basis of the proposal from the Remuneration Committee, the amount of remuneration the members of the Executive Board should receive.

3.3 General Meeting of Shareholders

In compliance with the provisions of the CO, the General Meeting votes on the approval of remuneration for the Board of Directors and Executive Board.

4 Elements and structure

4.1 Elements of remuneration for the Board of Directors

The total remuneration paid to the Board of Directors comprises the following components:

- annual fixed directors' fees, paid in cash
- fee for committee work (CHF 20,000 for the Chairman and CHF 10,000 per member), paid in cash
- fixed long-term remuneration in the form of APG|SGA SA shares, which vest for a minimum of three years

This remuneration system is stable and cannot be manipulated. It does not encourage excessive risk-taking, nor does it create short-term incentives, and thus does not result in any activity that may harm the reputation of APG|SGA SA.

For these reasons, a conscious decision was made not to include any variable component in the fees paid to the Board of Directors.

4.2 Elements of remuneration for the Executive Board

The total remuneration paid to the Executive Board comprises the following elements:

- basic salary (fixed component), paid in cash
- short-term incentive (variable component), paid in cash
- long-term incentive (variable component), one third of which is paid in cash, and two thirds in the form of APG|SGA SA shares, which vest for a minimum of three years

The fixed element of remuneration constitutes the basic annual salary, which reflects the market value and the individual skills and experience of the members of management.

The variable element is capped at twice the fixed remuneration.

The short-term incentive is based on quantitative targets, and is paid out in cash. This is measured based on whether the budgets for EBITDA (earnings before interest, taxes, depreciation and amortization) and net income were met. These factors each have a 50% weighting. The bonus is calculated on a linear basis using the target bonus and the target attainment. Where targets are attained in full, 100% of the target bonus will be paid out. No bonus is paid if target attainment is 70% or less. The maximum bonus is paid if target attainment is 130% or more.

Furthermore, in the financial year 2023, extraordinary variable compensation in connection with a strategic project was agreed and recorded under STI.

The long-term incentive is based on quantitative and qualitative corporate targets. The quantitative targets carry an 80% weighting, the qualitative targets 20%. The quantitative targets comprise, in equal parts, the degree of attainment of the EBIT margin (earnings before interest and taxes in relation to operating income) and the net income. If the targets are achieved, the bonus will be credited to a "bonus/malus account", which operates on a rolling three-year basis. Two thirds of the balance in the bonus/malus account is carried forward to the next year, and its payment thus deferred. One third of the balance is paid out each year if the balance is positive. One third of this bonus is paid in cash, and two thirds in the form of APG|SGA SA shares, which vest for a minimum of three years.

Shares are allocated on the basis of their weighted average price on the first 10 trading days of the month that follows the General Meeting.

If the targets are not achieved, a debit is charged to the bonus/malus account, and the account balance declines accordingly. It may even fall to below zero, the result of which is that no further payments are made until the balance is positive once again.

5 Remuneration in 2023

Sections 5 to 9 are subject to review by the auditor.
The payments listed below are accruals and undisbursed amounts for financial year 2023.

5.1 2023 remuneration for members of the Board of Directors¹

Name	Function	Fixed Compensation			Total 2023	Total 2022
		Cash portion	Value in shares	Social benefits		
Dr. Daniel Hofer	Chairman	200 000	100 000	22 000	322 000	322 000
Xavier Le Clef	Vice-Chairman	58 000	20 000	7 000	85 000	85 000
David Bourg ²	Member	52 000	13 000	6 000	71 000	
Dr. Maya Bundt	Member	68 000	20 000	7 000	95 000	95 000
Jolanda Grob	Member	78 000	20 000	8 000	106 000	106 000
Stéphane Prigent ³	Member	26 000	7 000	3 000	36 000	107 000
Markus Scheidegger	Member	68 000	20 000	7 000	95 000	95 000
Total		550 000	200 000	60 000	810 000	810 000

5.2 2023 remuneration for members of the Executive Board¹

	Fixed Compensation				Variable Compensation		Total Compensation		
	Cash portion	Social benefits	Total	Short-term cash	Long-term allocation	Social benefits	Total	2023	2022
Total	1 676 000	544 000	2 220 000	1 020 000	561 000	130 000	1 711 000	3 931 000	3 279 000
Highest individual remunerations:									
Markus Ehrle, CEO	437 000	153 000	590 000	215 000	199 000	35 000	449 000	1 039 000	1 037 000
Beat Hermann, CFO	367 000	114 000	481 000	572 000 ⁴	131 000	52 000	755 000	1 236 000	769 000

Bonus/malus account ³	Balance previous year	New allocation current year	Pay-out	Change	Balance to be carried forward
Total	896 000	561 000	486 000	76 000	972 000
Highest individual remuneration LTI:					
Markus Ehrle, CEO	347 000	199 000	182 000	17 000	364 000

For members of the Executive Board, variable compensation amounted to between 20% and 195% of the fixed wage component.

The Executive Board expanded by two members in the reporting period.

¹ Amounts allocated, accrued, rounded

² Joined as member of the Board of Directors on April 27, 2023

³ Left role as member of the Board of Directors on April 27, 2023

⁴ This amount also includes additional variable compensation in connection with a strategic project

⁵ Based on a long-term incentive plan: one third of the balance of the bonus/malus account is paid out yearly (whereof 1/3 in cash and 2/3 in shares)

6 Roles of the members of the Board of Directors in other companies

as at December 31, 2023

Name	Role APG SGA	Role in other companies	Company
Dr. Daniel Hofer	Chairman of the Board of Directors	CEO of the Germany, Austria, Central and Eastern Europe, and Central Asia regions, and member of the Group Executive Board	JCDecaux SE
		Chairman, vice-chairman and member of boards of directors of various companies and holdings of JCDecaux SE	JCDecaux SE
Xavier Le Clef	Vice-Chairman of the Board of Directors	CEO and member of the Board of Directors	CNP
		Chairman and member of boards of directors of various companies and holdings of Frère-Bourgeois Holding	Frère-Bourgeois Holding
David Bourg	Member of the Board of Directors	Chief Financial, IT and Administrative Officer, and member of the Group Executive Board	JCDecaux SE
		Chairman and member of boards of directors of various companies and holdings of JCDecaux SE	JCDecaux SE
Dr. Maya Bundt	Member of the Board of Directors	Member of the Board of Directors	Baloise
		Member of the Board of Directors	Valiant
Jolanda Grob	Member of the Board of Directors	Group Chief People Officer	Zurich Insurance
Markus Scheidegger	Member of the Board of Directors	Independent lawyer	
		Chairman of the Board of Directors	Uldry AG
		Member of the Board of Directors	Polymedia Holding AG
		Chairman and member of boards of directors of various Swiss SMEs	

7 Roles of the members of the Executive Board in other companies

as at December 31, 2023

Name	Role APG SGA	Role in other companies	Company
Markus Ehrle	Chief Executive Officer	Chairman and member of boards of directors of various APG SGA subsidiaries	APG SGA SA
Beat Hermann	Chief Financial Officer & International Markets	Chairman and member of boards of directors of various APG SGA subsidiaries	APG SGA SA
Andy Bürki	Advertising Market	none	
Claudia Fischbacher	Human Resources	none	
Dominik Franke	Information Technology	none	
Christian Gotter	Logistics & Operations	Member of the Board of Directors	KW Premium Produkte AG
Beat Holenstein	Marketing & Partner Market	Chairman and member of boards of directors of various APG SGA subsidiaries	APG SGA SA

A member of the Board of Directors may exercise up to 15 additional mandates beyond their responsibility for the APG|SGA Group, although no more than five of these may be with listed companies. A member of the Executive Board may exercise up to six additional mandates beyond their responsibility for the APG|SGA Group, although no more than one of these may be with a listed company. A member of the Board of Directors or

the Executive Board may exercise up to 12 additional mandates with non-profit and/or charitable legal entities outside the APG|SGA Group.

8 Loans and credit granted to members of the Board of Directors and Executive Board

As in the previous year, no loans were made or credit granted to members of the Board of Directors or Executive Board during the reporting year. There are also no loans or credit outstanding.

Furthermore, as in the previous year, no guarantees or sureties were provided to third parties, neither was any other form of security provided for members of the Board of Directors or Executive Board.

9 Payments, loans, and credit granted to former members of the Board of Directors and Executive Board, and related parties

In the reporting year, as in the previous year, no loans were made or credit granted to former members of the Board of Directors or Executive Board during the reporting year. There are also no such loans or credit outstanding.

As in the previous year, no fees were paid to related parties on anything other than market terms during the reporting year.

As in the previous year, no loans were made or credit granted to related parties on anything other than market terms during the reporting year. There are also no loans or credit outstanding.

Transactions with related parties are disclosed in the Financial Report (cf. page 50), in Note 22 to the consolidated annual financial statements.

10 Participations

The participations (number of shares) held by members of the Board of Directors and the Executive Board are disclosed in the Financial Report (cf. page 50), in Note 6 to the annual financial statements of APG|SGA SA.

APG SGA SA

Geneva

Report of the statutory auditor
to the General Meeting
on the remuneration report 2023



Report of the statutory auditor

to the General Meeting of APG SGA SA

Geneva

Report on the audit of the remuneration report

Opinion

We have audited the remuneration report of APG SGA SA (the Company) for the year ended 31 December 2023. The audit was limited to the information pursuant to article 734a-734f CO in the tables on pages 30 to 34 (paragraph 5 to 9) of the remuneration report.

In our opinion, the information pursuant to article 734a-734f CO in the remuneration report (tables on pages 30 to 34) 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 responsibilities 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 in the remuneration report, the consolidated financial statements, the 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.

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 responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's responsibilities for the audit of the remuneration report

Our objectives are to obtain reasonable assurance about whether the information pursuant to article 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

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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 judgment 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 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.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and 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.

PricewaterhouseCoopers AG



Stefan Räbsamen
Licensed audit expert
Auditor in charge



Kerstin Baumgartner
Licensed audit expert

Zürich, 23 February 2024

Corporate Social Responsibility

APG|SGA aims to foster comprehensive and sustainable values for its partners, customers, shareholders and employees, while making a contribution to the environment and society. Balanced consideration of environmental (planet), social (people) and economic (profit) factors in decision-making and implementation processes is regarded as vital for the long-term success of the company.

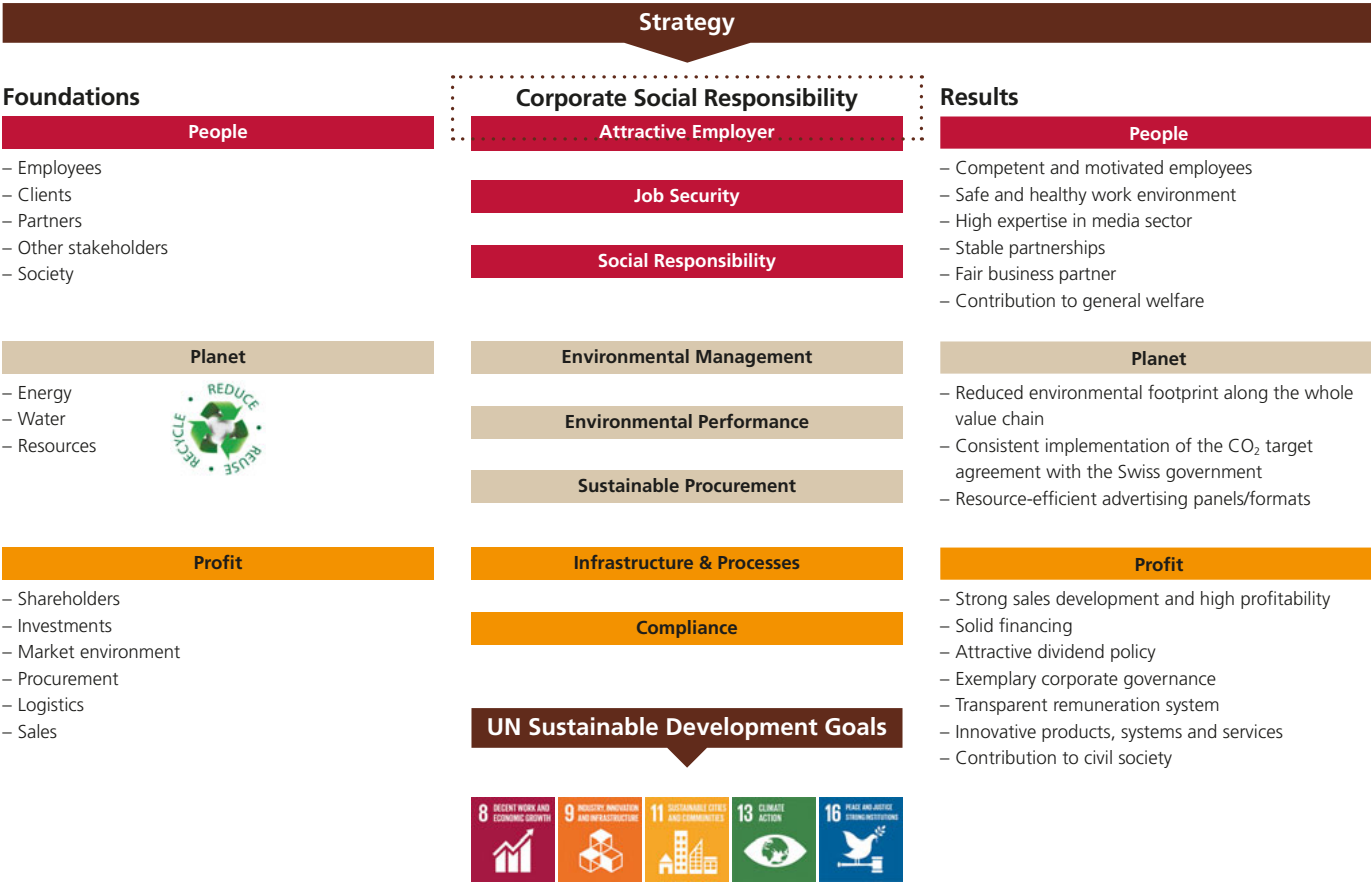
Corporate social responsibility and sustainability is enshrined as one of the six values of the APG|SGA Code of Conduct alongside enthusiasm, partnership, entrepreneurship, integrity and transparency – values that are anchored in our daily work.

Both our sustainability strategy and our company strategy follow the APG|SGA corporate Mission Statement, which consists of a vision & purpose as well as promises & principles. This contributes to the company's attainment of the UN's Sustainable Development Goals. APG|SGA has been reporting on its active commitment to environmental protection for more than 20 years, with an increasing focus on the overall topic of corporate social responsibility in recent times. This reporting draws from the guidelines of the Global Reporting Initiative (GRI) and the CDP. A separate Sustainability Report provides details on approaches, implementation and target achievement in CSR management. The Sustainability Report also contains a GRI index.

Corporate Mission Statement

Vision: “We want to use the very best communication solutions in public spaces to inspire people.”

Purpose	Promises	Principles
<ul style="list-style-type: none">– Focus on Out of Home Media– Sustainability and quality orientation– Development of best locations– Use of technological opportunities	<ul style="list-style-type: none">– Compliance with service promises to customers, partners, employees, shareholders, society and the environment– Creativity, technology and innovation at the heart of marketing positioning, as well as the product and service portfolio	<ul style="list-style-type: none">– Cooperation, management and leadership based on the values of enthusiasm, partnership, entrepreneurship, integrity, transparency and sustainability– Creation of a positive experience with each contact– Compliance with the Code of Conduct



People

Attractive employer

APG|SGA is committed to the creation of future-oriented, attractive jobs in a challenging work environment and the promotion of its employees.

Values

To ensure our day-to-day activities are more consistently aligned with the values defined in the Code of Conduct, a guideline for gender-inclusive language was introduced in early 2023, and it has applied since then.

An information sheet on the subject of discrimination was developed and communicated to all employees.

Great Place to Work

In 2023, APG|SGA was certified as a "Great Place to Work" based on a standardized employee survey to which 84% of employees responded. The results for APG|SGA were well above the representative Swiss benchmark, although still below the best organizations from across Switzerland with over 250 employees.

Working groups were tasked with developing measures aimed at achieving even higher levels of employee satisfaction.

The rules for working hours were amended at the start of 2024 to allow employees greater flexibility regarding time and location in meeting their work obligations.

Vocational and further training

Employees benefit from specific vocational and further training, as well as promotion. As at the end of 2023, APG had 8 apprentices and offered one integration pre-vocational training role in the Logistics division. APG|SGA contributes to external training in the form of time and/or funding.

The range of internal further training on offer will expand in the future.

Leadership culture

The annual employee review meetings were replaced by a more open form of dialog, which is conducted on a collaborative basis with greater focus on individuality. Relevant company values are also included as focal points in these reviews.

Employees

The number of employees increased slightly from the figures for 2022. At the same time, the overall proportion of women increased to 30% in Switzerland.

Feedback culture

The Sounding Board, which has a diverse range of members, meets regularly to ensure the concerns and ideas of the workforce are communicated promptly and systematically to the Executive Board.

Remuneration policy

APG|SGA offers a fair market- and performance-based remuneration. Equality of pay between the genders was confirmed by the Fair-ON-Pay+ label, which was issued in 2021. Follow-up analysis 2023 revealed that performance had improved even further, and APG|SGA now boasts a Fair-ON-Pay Advanced label.

In 2024, all employees will benefit from an overall rise in wages which reflects market developments.

Fringe Benefits

Employees profit from staff discounts and offers, and up-to-date fringe benefits. In 2023, 31 employees took advantage of the new option of buying up to two weeks' additional holiday per year at favorable conditions.

People

APG|SGA employees

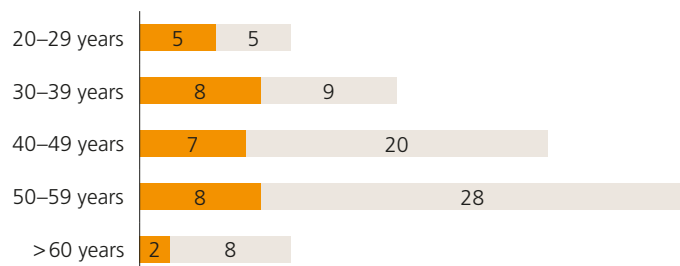
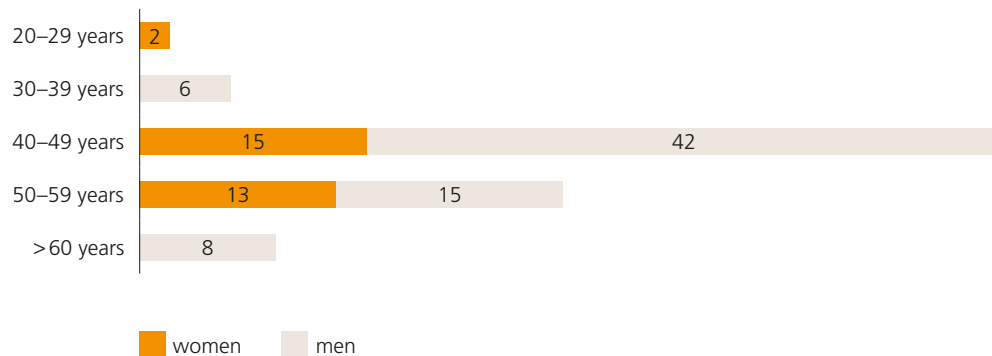
as at December 31, 2023

Total ¹	Switzerland	Serbia
Number of employees ²	442	48
Apprentices and interns ³	8	0

By demographics	Switzerland	Serbia
Share of men, in %	72	71
Share of women, in %	28	29
Share of full-time positions (=100%), in %	76	100
Share of part-time positions (<100%), in %	24	0
Share of permanent employees, in %	99	98
Share of fixed-term employees, in %	1	2

¹ Full-time 100% equivalent as basis, percentages rounded,² Excluding apprentices and interns³ Switzerland, APG|SGA: commercial 7, logistics 1, IT 0**Age structure**

as at December 31, 2023 in %, excluding apprentices and interns

Switzerland**Serbia**

People

Workplace safety and health protection

APG|SGA promotes a culture of safety at a high level. Preventative measures are used to protect the health of employees.

Workplace safety and health protection

APG|SGA applies the system and approaches established by Switzerland's Federal Coordination Commission for Occupational Safety (FCOS). An external consultancy conducts regular sessions with the employees responsible for operational safety, during which measures and recommendations are developed.

All billposters undergo training in the area of workplace safety and health protection upon joining APG|SGA and at regular intervals thereafter.

APG|SGA employees can receive an annual flu vaccine at the company's expense.

In 2023, voluntary employee seminars were held on the subjects of resilience and the early detection and management of stress. There were also workshops on healthy (self-)management, which were mandatory for employees with staff management roles.

Under an overall occupational health management program, an external, independent advice service on a broad range of subjects will be introduced in 2024. This will be available to all employees on a confidential basis and free of charge.

Accident/illness

99% employees had no absences due to accident in 2023. The level of absenteeism across the whole company fell by 35% compared to 2022.

Indoor air quality and fittings

To improve noise protection in open-plan offices, sound insulation panels were introduced in various locations, and new windows offering greater noise and thermal insulation were installed at parts of the Aarau site.

Ergonomic workstations greatly improve workplace health, which is why all workstations are being successively upgraded to include height-adjustable desks and high-quality desk chairs. The rate of implementation is over 80%.

At the Zurich site, the windows will be upgraded over the next few years to dampen the traffic noise of the inner-city location.

Building safety and fire protection

The Bern, St. Gallen and Zurich sites were audited using ASA (occupational health) checklists. In 2024, building/work safety/fire safety audits will be carried out at the Grand-Saconnex, Lausanne and Sion offices.

Social responsibility

APG|SGA takes its social responsibilities seriously.

Sponsorship/donations

Through poster sponsorship, we offer non-profit organizations as well as cultural and sporting events support with a media value in the low eight-figure range. The company supports a charitable organization with an annual donation.

Collaboration with social institutions

APG|SGA regularly collaborates with social institutions. Household items are procured from the Swiss Workshop for the Blind and Visually Impaired. Decommissioned IT devices are either prepared for reuse or given to the organization Soziale Dienste Bezirk Uster (sdbu) to be professionally recycled along with other electronic waste. The sdbu engages the long-term employed for this work, which is designed to aid their reintegration into working life.

Blood donation

Since 2023, APG|SGA employees have been permitted paid absence for blood donation during working hours.

Planet

Environmental management

APG|SGA sees environmental management as a continuous process in which identification of environmental impact, action planning, management/monitoring and, if necessary, adjustments are integral components.

Strategy

The area of “environment” is regularly included as an agenda item for the Board of Directors/Executive Board. The objectives are approved by these bodies and implementation thoroughly discussed. The individual targets of the Executive Board also incorporate corporate social responsibility targets. This management approach safeguards the principle of continuous improvement.

In 2023, an in-depth analysis of climate risks was carried out on the basis of scientific climate scenarios. The findings from this analysis will aid optimization of the company's climate strategy and business processes.

Decision-making in the operational business is influenced by concrete emissions reduction targets and the associated reduction path.

Target development

The original 2023 interim climate target was achieved in 2023. This target was aligned with the vision of a 1.5°C future and related to Scope 1 and 2 emissions. At the same time, a new science-based climate target was defined which, taking 2023 as a basis, includes Scope 1, 2 and 3 emissions. The underlying emissions inventory now records and reports a greater range of categories. This step is a response to the increase in APG|SGA's own standards.

Reporting and communication

Transparency in reporting remains a high priority. APG|SGA adheres to the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour, and the separate Sustainability Report draws from the GRI standards and includes a GRI index. In addition, APG|SGA has reported via CDP since 2017, and in 2024 it will report under the United Nations Global Compact for the first time.

All internal and external channels are used to raise awareness among employees and external stakeholders and to keep them informed.

Environmental performance

APG|SGA makes an active contribution to environmental protection, consistently reducing its CO₂ emissions to levels below legal regulations.

The environmental achievements detailed in this annual report relate to the system parameters applied since 2001, i.e. Allgemeine Plakatgesellschaft AG in Switzerland. Selected aspects of the modelling have already been expanded. As of the Sustainability Report 2023, the system parameters and the granularity will also be expanded, and all APG|SGA Group companies will be taken into account. Due to the new locations, this leads to increases in Scope 2 and 3 emissions in particular.

Core total

In comparison with 2022, the environmental impact of the core total fell by 1%, and greenhouse gas emissions by 1%. This was primarily driven by savings in heating energy. With the growth in digital business, there were fewer posters affixed than in the previous year.

Energy consumption

In comparison with 2022, total energy consumption in kWh fell by 2%. In light of the increase in advertising revenues and the slight increase in fuel and electricity consumption, this can be viewed as a positive development. The energy savings and construction measures have had an impact on heating energy.

Vehicles

Fuel consumption across the entire vehicle fleet increased by 3%.

Commuter traffic across Switzerland remained stable, while the proportion of journeys made with gasoline/diesel cars fell by 7%.

Flexible working models and straightforward digital work options will also serve to reduce commuter traffic in the future. The procurement of energy-efficient vehicles and ongoing optimization of postering route scheduling are set to result in further reductions.

Planet

Electricity consumption

Electricity consumption increased by 3% compared to 2022. Although the conversion of electronic advertising panels and other efficiency measures led to a reduction in some areas, the expanded range of digital advertising panel required a larger volume of electricity (7% more spots compared to 2022, excluding "Elevator ePanels").

A photovoltaic installation went into operation at the Zurich site, with another at the Lausanne site currently under construction and due for completion in 2024. Photovoltaic installations are planned for the Wallisellen and Lugano sites.

Heating energy

Targeted savings measures, optimization of heating systems and renovation measures for individual buildings resulted in a reduction in heating energy consumption of 21% compared to 2022.

At the beginning of the year, further measures were carried out under the energy saving alliance.

Other renovation measures are under review for 2024 with the aim of increasing building efficiency at the Zurich and Lugano sites.

Disposal

Compared with the previous year, total waste increased by 1% in 2023, or 4 metric tons. The recycling quotient for poster disposal is 79%.

All materials are disposed of under high national standards with support from local recycling partners. The target recycling rate for poster waste is 90%. Wherever possible, the lifecycle of obsolete products is extended through processing or reuse.

Materials

In collaboration with our production partners, we are constantly working on ways to use more sustainable materials and optimize processes to require fewer input materials.

Compared to 2022, the volume of materials required for large-scale formats could be reduced and fewer standard posters were affixed. At the same time, more advertising products were produced for the transport advertising sector.

Climate target

The interim climate targets for 2023 were met. Since the base year of 2017, the emissions (Scope 1 and 2) have fallen by more than 430 metric tons to a current rate of 976 metric tons for 2023, 1% below the target path.

The new climate targets with a base year of 2023 include Scopes 1, 2 and 3 with wider system parameters, and remain in line with the vision of a 1.5°C future and the reduction of emissions to net zero. The climate targets have been submitted to the SBTi for scientific validation.

CDP climate protection ranking

In the ranking carried out by the international climate protection organization CDP (formerly the Carbon Disclosure Project) in 2023, APG|SGA again scored an "A-", confirming our leadership status. Despite an annual increase in requirements for this standard, APG|SGA managed to improve on its rating.

APG|SGA is continuing with CDP reporting and in 2024 it will also report in line with the United Nations Global Compact. These measures supplement its own reporting.

Planet

Sustainable procurement

APG|SGA sets standards for environmentally and socially responsible production.

CO₂ reduction path for vehicles

The procurement of new passenger vehicles adhered to the CO₂ reduction path of 118 g CO₂/km under the WLTP (Worldwide harmonized Light Duty Vehicles Test Procedure) standard. Only two all-terrain vehicles, used by the Mountain division, slightly exceeded the target value with 136 g CO₂/km.

Eco-fleet

The number of electric-drive vehicles is continually increasing, and all owned sites have electric charging stations since 2023.

Eco-electricity

100% of the electricity purchased for illuminated advertising, digital advertising, all business properties and electric vehicles is drawn from Swiss hydropower with the naturemade star label.

More energy-efficient technology

Smart lighting systems based on LED technology were installed at some sites.

Energy efficiency and modulation options are among the primary criteria in the procurement of digital advertising media. This allows us to configure panels for optimal energy savings tailored to specific site conditions.

Work clothing

All items of work clothing worn by billposters and technicians are certified with the labels Fair Wear and OEKO-TEX® Standard 100. We have a long-term partnership with both of our suppliers.

Water dispensers and reusable bottles

The free provision of mineral water in PET bottles was discontinued at all sites. As a replacement, water dispensers were installed and all employees issued with environmentally friendly reusable bottles.

Suppliers

The 20 most important suppliers, who together represent around 75% of our purchase volume, are required to complete a declaration survey on their sustainability and compliance efforts. This serves as the basis for individual discussions with suppliers on improvement potential in relation to environmental and social issues, with measures defined where feasible.

The code of conduct for suppliers serves to further define and promote APG|SGA's standards on issues such as health protection, employee rights, environmental and climate protection, and compliance.

In evaluating products and suppliers, we review the supply chain for indications of child labor in line with the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour. There were no suspected cases identified in the reporting period.

Profit

Long-term existence of the company

The optimal generation of earnings forms the foundation for the sustainable existence and competitiveness of the company.

Company success

In the financial year 2023, the APG|SGA Group generated an EBIT of CHF 31.8 million and a consolidated net income of CHF 26.8 million. The cash flow from operating activities amounted to CHF 35.0 million.

The expansion of the digital portfolio led to an increase in advertising broadcast rates of 15.3% compared with the previous year. APG|SGA will continue to focus on consistently following its defined objectives and introducing new products. All decisions are made in the interests of long-term company success.

Attractive shareholder policy

APG|SGA aims for attractive returns for shareholders and pays appropriate dividends in line with its business performance.

Dividend

The Board of Directors will propose to the General Meeting that an ordinary dividend of CHF 11 per share be paid for the financial year 2023.

APG|SGA will continue to focus on consistently following its defined objectives. All decisions are made in the interests of long-term company success.

Infrastructure and processes

APG|SGA obtains and operates long-lasting, high-quality infrastructure, such as buildings, facilities and tools.

Continuous improvement

Revised processes to increase the efficiency of operations and material flow are continuously being implemented. Among the major implementations in 2023 were the expansion of customer relationship management, the introduction of lean project management, and the initiated review of all postering routes with the aim of reducing the number of kilometers driven and facilitating more efficient management of poster spaces.

In 2024, the company is aiming for certification under a prestigious sustainability label based on the ISO 26000 standard.

Compliance

APG|SGA adheres to all legislation, guidelines and standards. APG|SGA evaluates the effectiveness of internal control systems and guidelines. In the event of misconduct, appropriate measures are taken.

Code of Conduct

In the context of the annual review and revision of the APG|SGA Code of Conduct, an additional code of conduct for suppliers was developed. All suppliers with long-term contracts or who supply more than a certain purchase volume are required to sign and comply with the code.

Anti-bribery and corruption

The Compliance Committee reviews adherence with guidelines, updates these guidelines and is available for queries and consultation. It authorizes all APG|SGA invitations to customers, partners and other external stakeholders that exceed the monetary values set out in the guidelines.

The e-learning training on anti-bribery and corruption was revised in 2023. As a result, all employees in clerical and administrative roles were required to brush up on this topic. New employees are required to pass the training within three months of their start date.

Whistleblowing hotline

There were no reports to the whistleblowing hotline set up for reporting compliance infringements and other misconduct in 2023.

Consolidated balance sheet

Assets	in 1000 CHF	31.12.2023	31.12.2022
Buildings and land		25 120	25 878
Advertising panel		17 082	19 998
Other property, plant, and equipment		3 711	3 647
Property, plant, and equipment		45 913	49 523
Deferred tax assets		1 813	1 803
Other financial investments		5 910	6 322
Financial investments		7 723	8 125
Goodwill		9 709	10 366
Contractual advertising rights		10 899	12 451
Intangible fixed assets		20 608	22 817
Non-current assets		74 244	80 465
Inventories		5 116	4 695
Trade accounts receivable		40 197	36 505
Other accounts receivable		9 461	8 537
Deferred expenses and accrued income		10 489	5 893
Cash and cash equivalents		51 603	53 311
Current assets		116 866	108 941
Total		191 110	189 406

Shareholders' equity and liabilities	in 1000 CHF	31.12.2023	31.12.2022
Share capital		7 800	7 800
Capital reserves, premiums		13 028	13 034
Treasury shares		-864	-894
Translation differences		-5 374	-4 109
Retained earnings		69 268	75 393
Shareholders' equity		83 858	91 224
Other non-current financial liabilities		167	266
Provisions		3 804	5 198
Deferred tax liabilities		2 657	2 873
Non-current liabilities		6 628	8 337
Trade accounts payable		15 595	10 659
Taxes payable		4 338	3 347
Other accounts payable		31 636	28 519
Accrued liabilities and deferred income		47 849	46 593
Provisions		1 206	727
Current liabilities		100 624	89 845
Liabilities		107 252	98 182
Total		191 110	189 406

Consolidated income statement

in 1000 CHF	2023	2022	Change
Advertising revenue	325 632	310 600	4.8%
Real estate revenue	1 828	1 889	-3.2%
Other operating income	1 298	1 644	-21.0%
Operating income	328 758	314 133	4.7%
Fees and commissions	-196 826	-190 380	3.4%
Personnel expenses	-57 968	-53 104	9.2%
Operating and administrative costs	-31 984	-30 439	5.1%
Operating result before depreciation and amortization (EBITDA)	41 980	40 210	4.4%
Depreciation of tangible assets	-8 488	-9 136	-7.1%
Amortization of intangible assets	-1 046	-1 044	0.1%
Amortization of goodwill	-657	-658	
Operating result (EBIT)	31 789	29 372	8.2%
Financial result	99	-278	
Ordinary result before income tax	31 888	29 094	9.6%
Income tax	-5 073	-5 702	-11.0%
Consolidated net income	26 815	23 392	14.6%
Basic and diluted earnings per share, in CHF	8.95	7.81	14.6%

Consolidated statement of changes in equity

in 1000 CHF	Share capital	Capital reserves, premiums	Treasury shares	Translation differences	Retained earnings	Shareholders' equity
as at January 1, 2022	7 800	13 060	–918	–3 169	84 954	101 727
Consolidated net income					23 392	23 392
Translation differences				–940		–940
Distributions					–32 953	–32 953
Purchase of treasury shares			–693			–693
Sale of treasury shares		–20	717			697
Equity transaction costs		–6				–6
as at December 31, 2022	7 800	13 034	–894	–4 109	75 393	91 224
Consolidated net income					26 815	26 815
Translation differences				–1 265		–1 265
Distributions					–32 940	–32 940
Purchase of treasury shares			–563			–563
Sale of treasury shares		4	593			597
Equity transaction costs		–10				–10
as at December 31, 2023	7 800	13 028	–864	–5 374	69 268	83 858

Consolidated statement of cash flows

in 1000 CHF	2023	2022
Consolidated net income	26 815	23 392
Depreciation and amortization	10 191	10 838
Changes in provisions	-861	-588
Changes in deferred taxes	-187	69
Financial result with no cash impact	107	114
Gain from sale of non-current assets	-1 254	-1 643
Change in inventories	-452	-239
Change in accounts receivable	-4 110	1 546
Change in deferred expenses and accrued income	-5 694	-1 023
Change in accounts payable and taxes payable	9 130	5 037
Change in accrued liabilities and deferred income	1 357	-19 248
Cash flow from operating activities	35 042	18 255
Capital expenditures in property, plant, and equipment	-5 055	-5 380
Capital expenditures in intangible assets	-27	-169
Purchase of subsidiaries		-635
Sale of property, plant, and equipment	1 365	1 786
Sale of other financial investments		121
Net cash used in investing activities	-3 717	-4 277
Purchase of treasury shares	-563	-693
Sale of treasury shares	587	691
Dividends to APG SGA SA shareholders	-32 948	-32 953
Net cash used in financing activities	-32 924	-32 955
Currency translation effect on cash and cash equivalents	-109	-74
Change in cash and cash equivalents	-1 708	-19 051
Cash and cash equivalents as at January 1	53 311	72 362
Cash and cash equivalents as at December 31	51 603	53 311

Explanation of financial terms

Cash flow margin Cash flow from operating activities in % of operating income

EBITDA Earnings before interest, taxes, depreciation of tangible assets, and amortization of intangible assets

EBIT Earnings before interest and taxes

Equity ratio Shareholders' equity in % of balance sheet total

Free cash flow Cash flow from operations minus cash flow from investments

Payout ratio Payout in % of consolidated net income

P/E ratio Price/earnings ratio: ratio of share price to earnings per share

ROE Return on equity: consolidated net income in % of average shareholders' equity

Sources

Financial Report

The detailed Financial Report is published in English.
It is available free of charge or can be downloaded from
www.apgsga.ch/report

Corporate Mission Statement

The full corporate Mission Statement and Code of Conduct:
www.apgsga.ch/corporatemissionstatement

Sustainability Report

Complete Sustainability Report:
www.apgsga.ch/sustainability

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Cover

Spectacular 3D implementations of Out of Home Media are perfect for attracting attention. Working with AXA Versicherungen AG, APG|SGA successfully executed a spectacular 3D screen campaign – Switzerland's first. The cover shows an implementation on an "eBoard" in Zurich's main station.

Imprint

Publisher: APG|SGA SA
Layout, lithography and printing:
Multicolor Media Luzern

This report is available in French, German, and English. The detailed Financial Report is available in English. Both documents are available free of charge or can be downloaded from www.apgsga.ch/report

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			Gleis	Hinweis
S4	11:58 Langnau-Gattikon	via Hardbrücke	41/42	
S9	11:58 Uster	via Stadelhofen Giesshübel Adliswil	21	
IC 3	11:59 Basel SBB	Stettbach Dübendorf	43/44	
S11	11:59 Aarau	via Hardbrücke Altstetten Schlieren	13	
S6	12:00 Uetikon	via Stadelhofen Tiefenbrunnen	41/42	
S6	12:01 Baden	via Hardbrücke Oerlikon Seebach	43/44	
S11	12:01 Seuzach	via Stadelhofen Winterthur	41/42	
IC 8	12:02 Brig	via Bern Thun Spiez Visp	43/44	
IC 5	12:03 Rorschach	via Zürich ✈ Winterthur	31	
IC 5	12:04 Genève-Aéroport ✈	via Aarau Biel/Bienne	33	
S3	12:04 Wetzikon ZH	via Stadelhofen Stettbach	32	
S10	12:05 Uetliberg	via Selnau Binz Triemli	43/4	
IC 8	12:05 Romanshorn	via Zürich ✈ Winterthur	34	
RE	12:05 Schaffhausen	via Oerlikon Bülach	5	
IR 46	12:05 Locarno	via Zug Schwyz Altdorf	7	
IR 16	12:06 Bern	via Baden Brugg Aarau Olten	14	
IC 3	12:07 Chur	via Sargans Landquart	10	
S8	12:07 Pfäffikon SZ	via Wiedikon Enge	31	
S9	12:07 Schaffhausen	via Hardbrücke Oerlikon	41/4	
IR 37	12:08 Basel SBB	via Lenzburg Aarau Liestal	15	



Printed in Switzerland
March 2024