MANAGE ENERGY BETTER

Annual Report 2021

Landis+Gyr

About Landis+Gyr

Landis+Gyr is a leading global provider of integrated energy management solutions. We measure and analyze energy utilization to generate empowering analytics for smart grid and infrastructure management, enabling utilities and consumers to reduce energy consumption. Our innovative and proven portfolio of software, services and intelligent sensor technology is a key driver to decarbonize the grid.

Having avoided more than 9 million tons of CO_2 in FY 2021 and committed to achieve carbon neutrality by 2030, Landis+Gyr manages energy better – since 1896. With sales of USD 1.5 billion in FY 2021, Landis+Gyr employs around 6,500 talented people across five continents.

Our Mission

At Landis+Gyr, we create a greener tomorrow through leading Smart Metering, Grid Edge Intelligence and Smart Infrastructure technology.

As partners, we help utilities to solve their complex challenges and empower customers and consumers to utilize resources in a more informed and sustainable way.

Together, we manage energy better.

Our Values

Customer Intimacy
We are a trusted partner and deliver on our commitments.

Innovative Technology
We passionately innovate true differentiators for our customers.

Entrepreneurial Spirit
We empower teams to drive results with a can-do attitude.

Uncompromising Performance
We strive to deliver high quality on time, every time.

Sustainable Impact
We manage energy better for a more sustainable world.

MANAGE ENERGY BETTER

Performance Report 2021

Landis+Gyr

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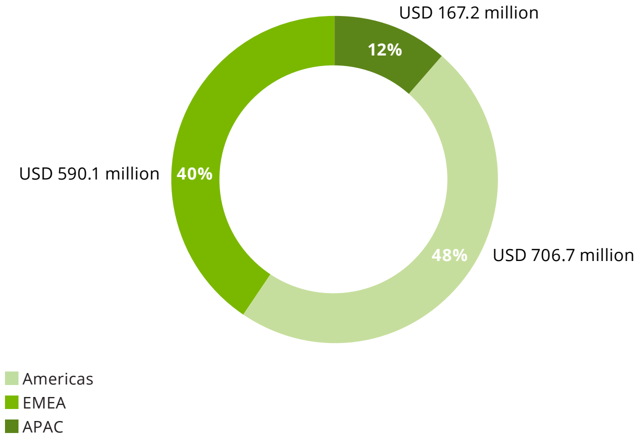
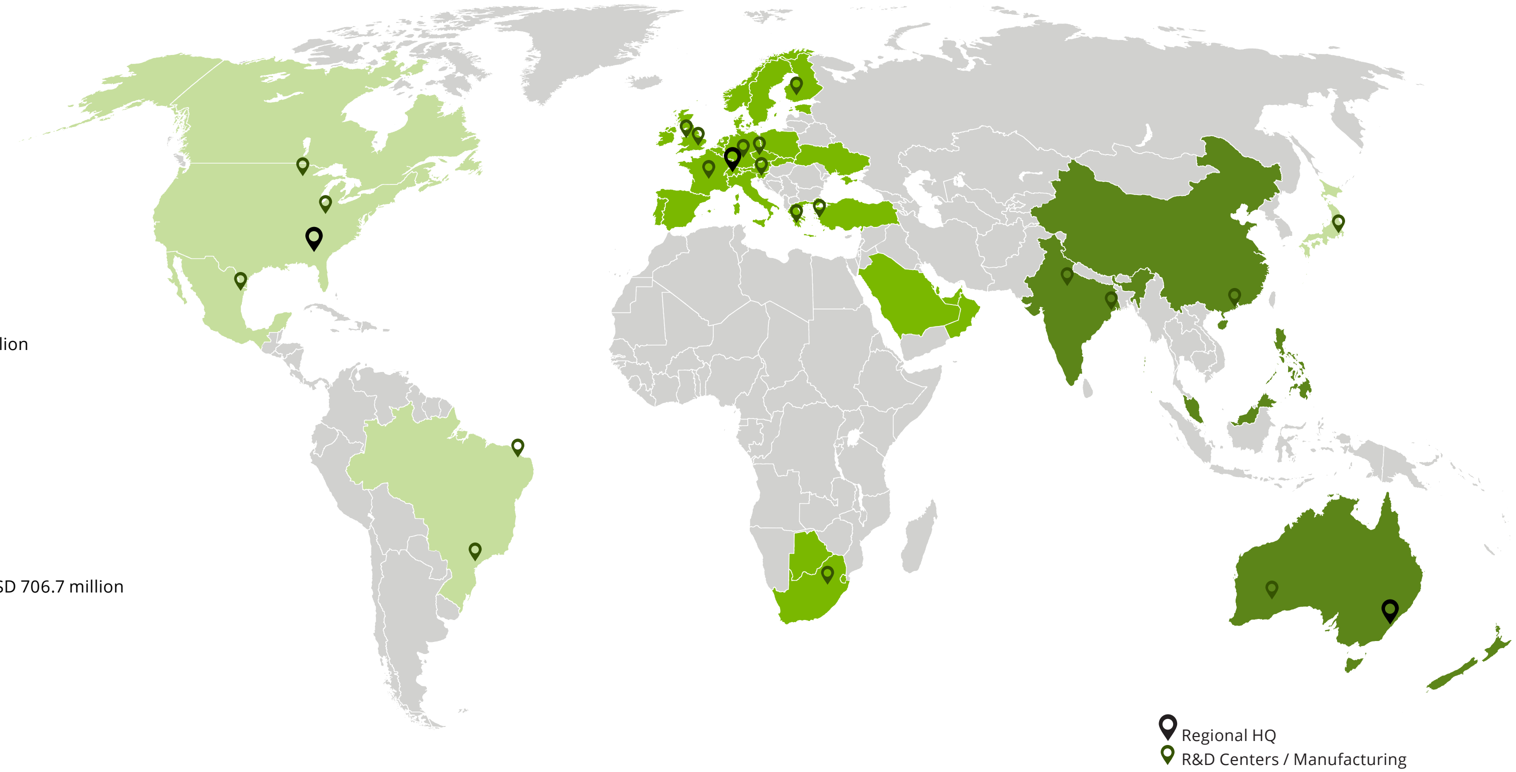
Introduction

FY 2021 at a Glance

Net Revenue Split





3,500+
Utilities Served Since 1896

137+
Million Connected Intelligent Devices

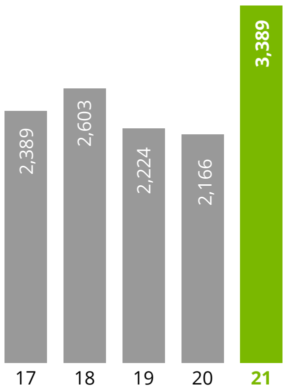
1.3+
Billion Reads per Day

#1
Global AMI Company of the Year 2022 by Frost & Sullivan

2022
Climate Leaders by Financial Times and Statista

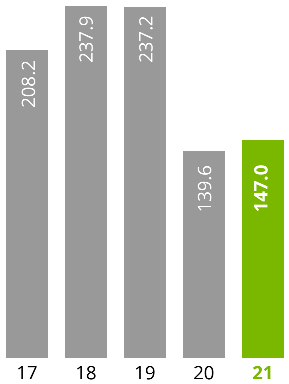
FY 2021 Key Figures

Committed Backlog
3,389
in million USD

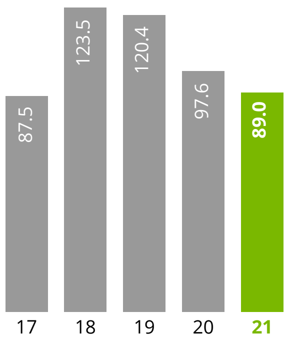


Net Revenue
1,464
in million USD

Adjusted EBITDA
147.0
in million USD

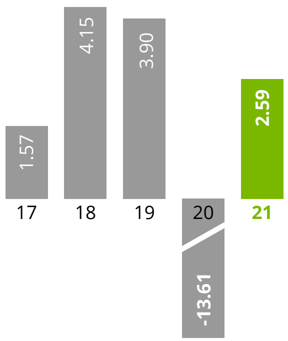


Free Cash Flow
(excluding M&A)*
89.0
in million USD

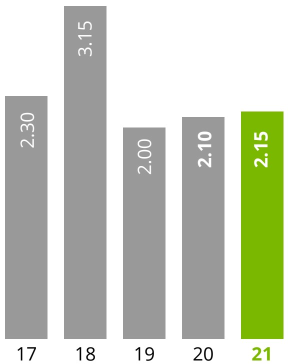


* Net cash provided by operating activities minus net cash used in investing activities, excluding merger&acquisition activities.

Earnings per Share
2.59
in USD

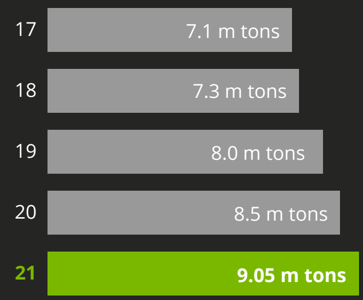


Dividend per Share
2.15
in CHF

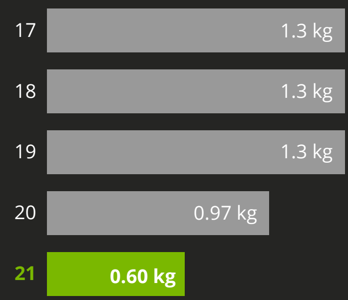


Carbon Neutral
by 2030 (for scope 1 and 2)

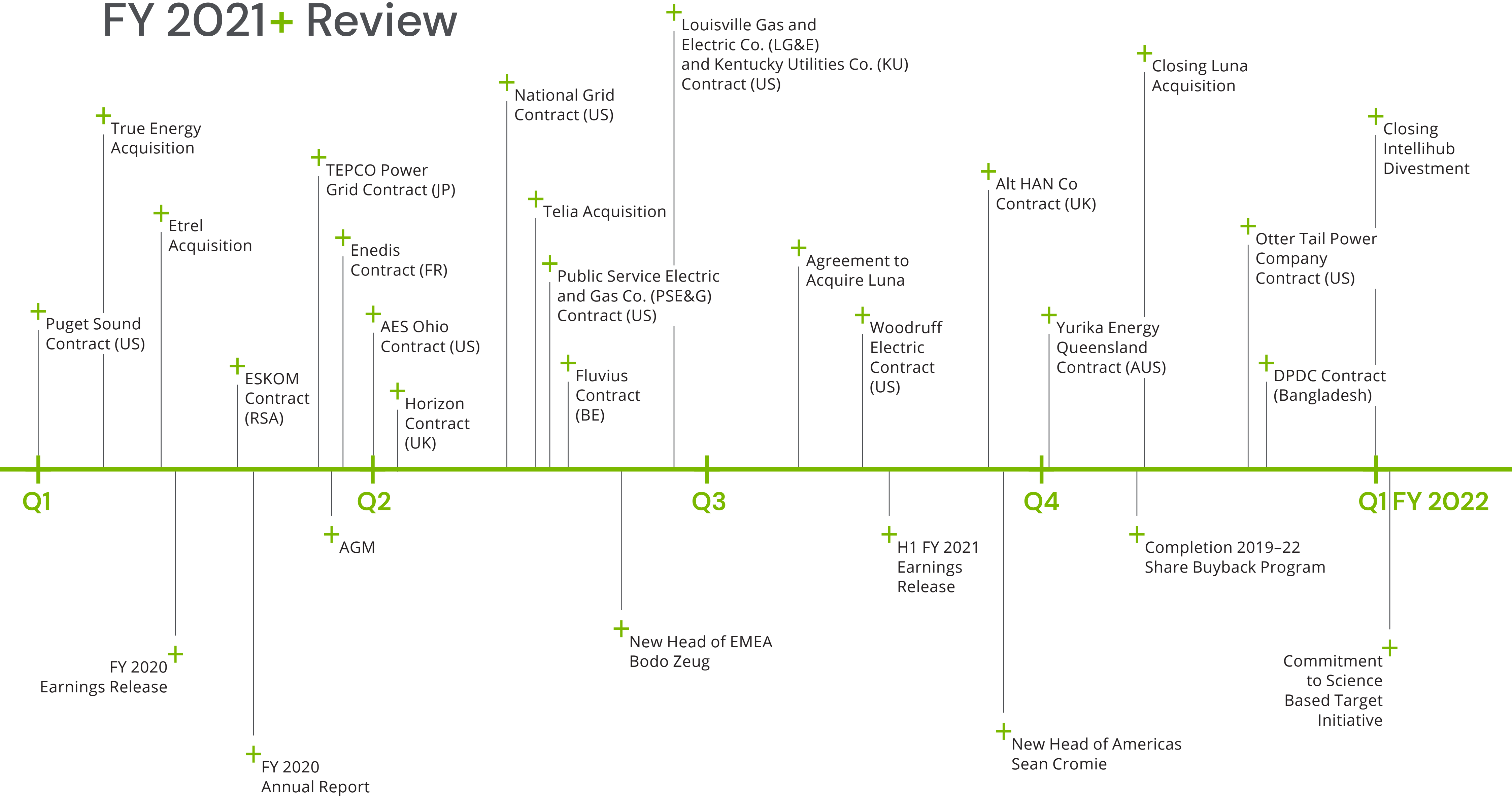
Direct CO_2 emissions avoided
9.05 million tons
CO_2 emissions avoided through Landis+Gyr's installed Smart Metering base in FY 2021



Direct CO_2 emissions from Landis+Gyr operations
0.60
kg CO_2 per USD 100 turnover



FY 2021+ Review



Letter to Shareholders

Dear Landis+Gyr Shareholders,

Financial year 2021 marked a special milestone in our company's history, as we celebrated our 125th anniversary. Reflecting on this legacy, we are proud of our heritage as an early industry pioneer, which shaped the way utilities and people managed energy at a time when the use of electricity was in its beginnings. Today, as a leading global provider of Smart Infrastructure, Grid Edge Intelligence and Smart Metering solutions, we continue to shape and support utilities' and people's journeys to build a greener tomorrow and stronger communities.

Our strategic vision is driven by the desire to provide unrivaled customer value as the leading partner for integrated energy and resource management solutions with sustainability at the heart of everything we do. Our comprehensive portfolio of products and services uniquely positions us to empower utilities, energy consumers and communities by helping them to manage energy in a more informed and sustainable way and, as a result, reduce their CO_2 footprint.

Financial year 2021 was a transformative year for us as we expanded our reach in Smart Infrastructure and Grid Edge Intelligence solutions. We have closed a number of important acquisitions, adding a cost-competitive metering platform and solidifying our position in the EV charging solutions market, while leveraging our co-innovation partnerships to expand our portfolio of data analytics solutions and services.

During the past financial year 2021, our products and services were recognized in the strongest possible way with a record order intake and a record backlog. As a business with mission-critical infrastructure equipment and services, we continue to be committed to our customers' success and we are pleased to say that the momentum resulting from our record backlog in financial year 2021 allows us to look into the future optimistically.

The continued trust our customers honor us with is demonstrated in meaningful orders across all regions to support efforts to empower consumers and drive our shared vision to decarbonize the grid. Our customers' ambitious targets inspire us every day to continue to innovate leading-edge technology, enabling sustainable resource management. We are proud of the strong and long-standing relationships we have built with our customers over the course of our successful history as an industry-leading provider of critical infrastructure and the collaborative journeys with our customers inspire all of us every day to continue to develop and deliver innovative technology solutions with sustainable impact in mind.

We continue to serve our customers with unwavering dedication, leading-edge technology and the passion to manage energy better. Our three strategic pillars Smart Infrastructure, Grid Edge Intelligence and Smart Metering are the cornerstones in our efforts to drive profitable growth.

Financial Year 2021 Results

The results of financial year 2021 reflect the recovery from the impact of COVID-19 in the corresponding prior year period as well as the constraints in supply chain. Order intake for FY 2021 more than doubled compared with the previous year to USD 2,665.5 million driven by major contract wins in the Americas and EMEA regions, resulting in a record-high committed backlog that increased by 56.5% to nearly USD 3.4 billion, and a book-to-bill of 1.82. Net revenue increased by 6.9% in constant currency, to USD 1,464.0 million in financial year 2021 compared to the corresponding prior period. The EMEA region was the main contributor to the growth as net revenues recovered strongly, up 17.4% in constant currency. The Adjusted EBITDA increased by 5.3% to USD 147.0 million translating into a margin of 10.0%. The constrained supply chain situation negatively dampened revenue growth and led to additional component and freight costs of approximately USD 30 million, while USD 100 million in revenue were deferred. Driving our strategic initiatives forward, we continued to invest in Research & Development, which accounted for 10.7% of our net revenues.

Free Cash Flow (excl. M&A) of USD 89.0 million was strong despite headwinds and continued investments. We managed to maintain a solid balance sheet with low net debt.

After a loss in last year's corresponding period, net income attributable to shareholders was positive, reaching USD 79.4 million and an earnings per share amount of USD 2.59.

For financial year 2021, a progressive dividend of CHF 2.15 per share will be proposed to the Annual General Meeting in June 2022, after a dividend of CHF 2.10 had been paid for FY 2020.

Outlook for FY 2022

While delivering a strong performance in financial year 2021, as a result of the ongoing global supply chain challenges, we view FY 2022 to be a transition year with continued high investments and increasing supply chain and inflation headwinds before we see the benefits of our transformative initiatives in FY 2023.

While demand among customers remains high, the ongoing global supply chain constraints and the unstable geopolitical situation result in considerable uncertainties and low visibility for financial year 2022. Barring any unforeseen circumstances, we expect net revenue growth in financial year 2022 of between 6% and 10%, including financial year 2021 acquisitions.

In financial year 2022, we continue to invest up to around 11% of net revenue to drive our strategic transformation forward to ensure mid- and long-term profitable growth. Together with higher expected costs from supply chain and cost inflation, the Adjusted EBITDA margin is expected to be between 5% and 8% of net revenues. Free Cash Flow (excluding M&A) is expected to be between USD 30 million and USD 60 million.

Our mid-term targets through FY 2023 are reconfirmed, assuming the supply chain situation normalizes.

Transformative Investments

Reflecting on more than 125 years of excellence, we look to the future optimistically. With our focus on creating value for our customers and shareholders, we are excited about the transformation of Landis+Gyr. Our strategy is designed to broaden our core offering of Smart Metering and further expand our reach in Grid Edge Intelligence and Smart Infrastructure with the objective to transform the business.

Organic investments in Smart Ultrasonic Gas and Water technologies and the acquisition of Luna, which opens new markets and complements our portfolio with a cost-competitive metering platform, are strengthening our core in Smart Metering.

The acquisitions of Rhebo, a cybersecurity company protecting critical infrastructure technology through anomaly and threat detection down to the grid edge, which is critical for utilities as they modernize the grids, and Telia, further enhancing our managed services business in EMEA, are driving the expansion of our Grid Edge Intelligence offering.

As grid complexity increases, we are actively shaping our Smart Infrastructure offering with the acquisitions of Etrel, offering electric vehicle (EV) management software and corresponding hardware technology, and True Energy, an application provider managing the demand of charging processes for increased cost-efficiencies and sustainable energy usage, as well as the strategic investment in the charge point operator Allego. We invested in EV infrastructure technology and holistic distributed energy resource flexibility management solutions. Building on our strong market position, we leverage our close relationships with the leading utilities in key markets by expanding our offering with EV charging hardware and smart charging software, including demand response and flexibility management to allow utilities to better manage the grid. In addition, our seven-year strategic partnership with Google will enable our customers to manage the grid with real-time information and data analytics insights, leveraging machine learning and artificial intelligence to enhance grid operations and empower consumers.

As a result, we ensure that we are well equipped to remain a leading force in the future of energy while doing so in a sustainable way as we continue to invest in efforts to decarbonize the grid and elevate our ESG efforts.

Decarbonizing the Grid

Actively driving sustainable impact is not just what we do, but who we are. Our strategic vision is driven by the desire to provide unrivaled customer value as the leading partner for integrated energy and resource management solutions with sustainability at the heart of everything we do. Our comprehensive portfolio of products and services uniquely positions us to empower utilities, energy consumers and communities by helping them to reduce their CO_2 footprint.

Expressing our deeply rooted commitment to our ESG (Environmental, Social, Governance) targets, in the past financial year, we increased the ESG component in our short-term incentive (STI) for all bonus-eligible employees to 20%, while increasing the number of ESG-related STI targets from three to eleven, driving sustainable progress in support of the UN Sustainable Development Goals. These targets include environmental topics, such as the reduction of the company's and its product portfolio's carbon footprint, while increasing the benefits generated. In addition, the targets cover initiatives enhancing diversity, ESG-driven supplier management and governance topics, including employee trainings on compliance.

Having made the commitment to become carbon neutral by 2030 for scope 1 and 2, we are proud to be part of the global efforts to decarbonize the grid and convinced that we are driving the right priorities to continue to support sustainable resource management all over the world. In FY 2021, Landis+Gyr's Smart Metering base ensured the avoidance of 9 million tons of CO_2, while the percentage of products shipped as part of our Eco-Portfolio remained stable at 74%. To further drive measurable progress in our Environmental, Social and Governance areas, Landis+Gyr has committed to the Science Based Target initiative.

Promoting Diversity on the Board of Directors

In June 2021, Laureen Tolson was elected to join our Board of Directors as an expert in the energy and software industry, increasing the representation of female directors, while we continue to be committed to further enhance the diversity of our Board going forward to reach at least 30% female directorship in the near future. For the upcoming Annual General Meeting of Shareholders on June 24th, 2022, Dave Geary has decided he will not stand for re-election as member of the Board of Directors. As a result, the Board will be reduced to seven members.

Passion and Commitment

Our teams around the world continue to drive leading-edge innovation, the strategic transformation of our portfolio and the expansion of our offering in integrated energy management solutions.

Especially in light of the challenges presented by COVID-19 and the continued constraint supply chain situation, our employees have demonstrated a high level of resilience and shown an amount of dedication towards customers and each other that deserves recognition. Therefore, we would like to thank our 6,500 employees around the globe for their continued dedication, passion and entrepreneurial spirit to solidify our leading position and ensure continuous leading-edge innovation, customer satisfaction and speed to market.

Our customers' ambitious goals to serve communities around the globe with safe and reliable energy and to decarbonize the grid inspire us every day and we would like to thank our customers and partners for their continued trust and partnership.

As we celebrated 125 years of success this past year, we are excited about our transformational journey and continue to focus on offering leading innovative technology to our customers, expanding our strong partnerships, driving profitable growth and, thus, contributing to sustainable global development.

On behalf of all of us at Landis+Gyr, we thank you, our shareholders, for your continued support of and ownership in Landis+Gyr, and that you have joined us in driving our mission to manage energy better – together.

Yours sincerely,

Andreas Umbach
Chairman

Werner Lieberherr
Chief Executive Officer

Consolidated Statements of Operations

USD in thousands, except per share data	FINANCIAL YEAR ENDED MARCH 31, 2022	2021
Net revenue	**1,463,961**	**1,357,448**
Cost of revenue	981,231	966,780
Gross profit	**482,730**	**390,668**
Operating expenses		
Research and development	160,270	148,717
Sales and marketing	71,852	69,603
General and administrative	126,690	107,230
Amortization of intangible assets	35,147	34,247
Impairment of intangible assets	–	396,000
Operating income (loss)	**88,771**	**(365,129)**
Other income (expense), net	3,261	(3,472)
Income (loss) before income tax expense	**92,032**	**(368,601)**
Income tax benefit (expense)	7,002	(19,422)
Net income (loss) before noncontrolling interests and equity method investments	**99,034**	**(388,023)**
Net loss from equity investments	(19,596)	(4,636)
Net income (loss) before noncontrolling interests	**79,438**	**(392,659)**
Net income (loss) attributable to noncontrolling interests, net of tax	35	(267)
Net income (loss) attributable to Landis+Gyr Group AG Shareholders	**79,403**	**(392,392)**
Earnings per share:		
Basic	2.59	(13.61)
Diluted	2.59	(13.61)
Weighted-average number of shares used in computing earnings per share:		
Basic	28,831,212	28,824,039
Diluted	28,831,212	28,824,039

The accompanying notes are an integral part of these consolidated financial statements.

"Our strong balance sheet provides a solid foundation and a great platform for future growth opportunities."

Elodie Cingari,
CFO

Consolidated Balance Sheets

USD in thousands, except share data	March 31, 2022	March 31, 2021
ASSETS		
Current assets		
Cash and cash equivalents	84,850	140,549
Accounts receivable, net of allowance for doubtful accounts of USD 6.2 million and USD 6.7 million	323,612	282,132
Inventories, net	143,106	110,550
Prepaid expenses and other current assets	59,680	65,642
Total current assets	**611,248**	**598,873**
Property, plant and equipment, net	116,310	118,514
Intangible assets, net	270,593	251,342
Goodwill	1,048,404	966,823
Deferred tax assets	43,557	18,039
Other long-term assets	197,905	205,828
TOTAL ASSETS	**2,288,017**	**2,159,419**
LIABILITIES AND EQUITY		
Current liabilities		
Trade accounts payable	163,323	127,758
Accrued liabilities	34,928	45,123
Warranty provision – current	33,433	37,255
Payroll and benefits payable	62,017	51,626
Loans payable	228,831	147,672
Operating lease liabilities – current	13,068	15,187
Other current liabilities	90,910	93,933
Total current liabilities	**626,510**	**518,554**
Warranty provision – non current	14,892	20,315
Pension and other employee liabilities	29,157	32,286
Deferred tax liabilities	36,546	14,543
Tax provision	26,529	32,109
Operating lease liabilities – non current	90,588	95,289
Other long-term liabilities	66,239	70,573
Total liabilities	**890,461**	**783,669**
Redeemable noncontrolling interests	11,969	–

USD in thousands, except share data	March 31, 2022	March 31, 2021
Shareholders' equity		
Landis+Gyr Group AG shareholders' equity		
Registered ordinary shares (28,908,944 and 28,908,944 issued shares at March 31, 2022 and March 31, 2021, respectively)	302,756	302,756
Additional paid-in capital	1,156,312	1,225,328
Accumulated deficit	(31,829)	(111,232)
Accumulated other comprehensive loss	(36,596)	(35,546)
Treasury shares, at cost (74,344 and 81,777 shares at March 31, 2022 and March 31, 2021, respectively)	(6,413)	(6,854)
Total Landis+Gyr Group AG shareholders' equity	**1,384,230**	**1,374,452**
Noncontrolling interests	1,357	1,298
Total shareholders' equity	**1,385,587**	**1,375,750**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**2,288,017**	**2,159,419**

The accompanying notes are an integral part of these consolidated financial statements.

Our Purpose

Landis+Gyr has led the energy sector through change for over 125 years, from when electricity use was just beginning to today as we are innovating and expanding our solutions to help utilities and consumers improve energy efficiency, reduce energy costs and contribute to sustainable use of resources.

While our world and business have transformed since 1896, the very reason why Landis+Gyr exists has remained the same over the years: to manage energy better – together, in a changing world, for a greener tomorrow.

We manage energy better – together

With significant challenges ahead as society works to build a greener tomorrow, our purpose to manage energy better can only be realized by working together – with our team members, customers and partners.

At Landis+Gyr, our world-class teams of people are the best and brightest in the industry and they are key to driving Landis+Gyr's success. Our employees at every level of our organization design innovative strategies for moving our company and our customers' companies into the future. They build meaningful partnerships with our customers and serve as their trusted advisors for some of their most complex, mission-critical challenges such as maintaining national critical infrastructure and building a safe, reliable and flexible grid.

Our current slate of revolutionary partnerships will further help our customers deliver vital services more quickly, securely and efficiently while meeting the demands of a new generation of empowered consumers. For example, our revolutionary partnership with Google Cloud powerfully combines our energy and utility expertise with Google's unparalleled capabilities in cloud-based data analytics, artificial intelligence and machine learning. Our cloud journey is accelerating utilities' digital transformations, empowering consumers and solidifying our leadership in innovative energy management.

We manage energy better – in a changing world

We are building beyond our integrated energy and resource management expertise through a growing suite of cutting-edge technologies that can reduce emissions, empower consumers and strengthen critical systems as a changing world requires a new approach.

Our Grid Edge Intelligence services help utilities modernize and decarbonize the grid, while ensuring a seamless integration into existing networks. While utilities and retailers require aggregated decision-making at the head-end of their systems – in the cloud or on premise – emerging second wave deployment use cases require distributed decision making and automation capabilities located at the grid edge. By integrating more Grid Edge Intelligence in sensors and connected endpoints, we enable a broader set of use cases requiring flexible communications networks, enhanced system functionality, and value-adding software and services. Our Grid Edge Intelligence solutions create an ecosystem of connected intelligent devices that seamlessly integrate existing networks with the internet of things (IoT) to help utilities modernize and decarbonize.

Our innovations in Smart Infrastructure solutions are paving the way for the Smart Cities of our future, advancing electric vehicle (EV) charging infrastructure, and safely enabling digital transformation. Going forward, Landis+Gyr will shape the way resources are being managed through Smart Infrastructure technology even more effectively and efficiently, creating value for utilities and energy consumers. Landis+Gyr's longstanding heritage developing the most advanced energy management solutions, combined with our extensive portfolio of EV capabilities, strongly positions us to play a vital role in the global EV revolution, further driving sustainability in the industry. To capture digital transformation opportunities EVs can offer, utilities need to gain much better visibility of EVs and their charging patterns as they will play a critical role in the deployment of EV charging infrastructure and managing smart charging.

Managing energy better – for a greener tomorrow

As energy production, storage and consumption continue to change, and grid load and complexity continue to increase, we are an essential part of utilities' and people's journey to building a greener tomorrow – one grid at a time.

Our technologies can drive advanced load management, grid analytics and distribution automation solutions that conserve energy and empower consumers. For end users, new analytics applications provide more control over electricity consumption in a user-friendly and transparent way and allow better integration of renewable resources.

Landis+Gyr's solutions help utilities navigate rising threats like extreme weather and reduce their own impacts on the climate as smarter metering technologies create unprecedented real-time awareness of utility systems – a crucial tool for utilities working to adapt to growing challenges like wildfires, hurricanes, and heat waves. In the financial year 2021, our state-of-the-art technologies and solutions helped to avoid CO_2 emissions of 9.05 million tons.

We continue to demonstrate our enduring commitment to driving progress in support of the UN Sustainable Development Goals (SDGs) and have pledged to become carbon neutral by 2030 for scope 1 and 2.

Interview with the CEO

In FY 2021, Landis+Gyr delivered a strong performance despite ongoing global supply chain challenges. At the same time, it was a transformative year for the Company as it expanded its reach in smart infrastructure and grid edge intelligence solutions. Werner Lieberherr, Chief Executive Officer of Landis+Gyr, reflects on the milestones and elaborates on the crucial factors that will shape the Company going forward.

Werner, although we're looking back on the financial year 2021, the current events in Ukraine are on top of everyone's mind right now. What are your thoughts?
I am deeply concerned about the war in Ukraine and my thoughts are with the people who stand up for peace. We have taken a public stand against the war, supporting the UN resolution and we have taken the decision to cease all exports to Russia and Belarus until further notice. We are speaking up for democratic values and we stand with the Ukrainian people. Therefore, we have started an employee donation fund that we as a company will match up to USD 250,000 and support efforts to alleviate the suffering of those impacted by the war.

A global pandemic followed by ongoing supply chain constraints – the two years since you took on the CEO position haven't been short of challenges. Yet, the Company managed to present solid results for the financial year. How did you manage to overcome these objections at Landis+Gyr?
First of all, we have great teams around the world that are passionate and laser-focused to drive success and minimize disruption for our customers and our Company. Despite the external challenges, we have successfully driven our strategic transformation forward and I am proud of how far we have come. The entrepreneurial spirit driving us allowed us to set the foundation for a shift in our business. While our core Smart Metering remains a crucial part of our success, we have strengthened our strategic pillars Grid Edge Intelligence and Smart Infrastructure through sizable organic investments and acquisitions.

How has the COVID-19 pandemic changed corporate culture and collaboration?
We are a global Company, but at the same time a tight-knit community. During the pandemic, we were forced to move our offices to our homes virtually overnight. The teams have managed the situations impressively and now I am also very excited to see our employees in person again and to start collaborating face-to-face on a regular basis. Even before the pandemic we implemented a hybrid work model, which enables our employees to work from home for up to 40%, while we meet in person in the office for 60% of the working time. As a result, we offer flexibility while also fostering a culture of collaboration and in-person engagement.

With the acquisitions of two companies in electric vehicle technology, Landis+Gyr has entered a different arena. How do you assess your current position and growth potential in the EV charging market?
I believe we are well positioned for two reasons. First, Etrel and True Energy offer truly unique technology that adds value to the operations of several different market players. Second, Landis+Gyr's long-standing relationships with utility partners are a vital foundation for the expansion of these two Companies. We are excited to offer a fully integrated EV Smart Infrastructure suite that empowers utilities and end consumers to manage the interaction and interdependency of EVs and the grid infrastructure seamlessly.

Are you planning any further acquisitions?
We are certainly looking at several options to expand and strengthen our portfolio and create value for our customers, shareholders and employees.

With R&D spending of around 160 million a year, where do you see major developments in terms of technology?
As part of our strategic transformation, we have increased our investments in Grid Edge Intelligence and Smart Infrastructure, and in R&D in general. We will, for example, offer a unified Head End System in the cloud for our customers to utilize real-time data analytics and insights into grid performance. We also have expanded our EV technology offering and manufacturing capabilities and we are scaling up our cybersecurity portfolio, of which Rhebo, detecting threats down to the grid edge, is a critical part. In addition, we are investing in the organic development of smart ultrasonic gas and water meter solutions. All of these efforts combined position us well for the future.

Looking ahead, inflation, supply chain constraints and a global war for talents pose more challenges. What are your expectations for the next two financial years?
In January 2021, we communicated our guidance for FY 2023. That guidance stands unchanged and we are confident that we will be able to deliver on our commitments. That said, due to ongoing supply chain challenges and the latest geopolitical developments, FY 2022 will be a challenging year, but we are closely monitoring the situation and have multiple mitigation actions in place to meet the demands of a changing environment.

Where do you see Landis+Gyr in five years and how will the business model change?
We are right in the sweet spot of the energy transition and proud to play an active role in decarbonizing the grid. This past year, we were able to deliver a record order backlog of USD 3.4 billion which positions us well for future profitable growth. I am convinced that we will still lead the market from the front, empowering customers and end consumers to decarbonize the grid, manage resources sustainably and efficiently, utilizing data to gain invaluable insights to manage the grid infrastructure effectively and enable truly smart cities that will serve all of us with more quality of life.

"Our record book-to-bill of 1.82 and our backlog of USD 3.4 billion position us well for future profitable growth and, despite the external challenges, we have successfully driven our strategic transformation forward."

Werner Lieberherr,
CEO

Foundation

Performance Review – Group

Despite ongoing global supply chain constraints, Landis+Gyr delivered a strong performance in FY 2021 with a robust order intake of USD 2,665.5 million, corresponding to a book-to-bill ratio of 1.82. In addition, the Company saw a record committed backlog of USD 3,388.6 million – an increase of 56.5% year-over-year (YoY). Net revenues increased 6.9% YoY in constant currency, while Adjusted EBITDA increased by 5.3% to USD 147.0 million, which is equivalent to a margin of 10.0%. During a transformative financial year, Landis+Gyr expanded its reach in Grid Edge Intelligence and Smart Infrastructure solutions.

The positive development in the order intake was driven by major contract wins in the Americas and EMEA regions but also Asia Pacific contributed positively. The Americas region recorded an order intake of USD 1,701.9 million (book-to-bill of 2.41) while recent landmark wins in the U.S. led to an increase in the committed backlog of 70.6% to USD 2,435.0 million. The region delivered higher net revenue, up 0.8% in constant currency, of USD 706.7 million caused by the strong performance in Brazil and Japan and despite a challenging component availability situation impacting predominantly North America. In EMEA, orders of USD 724.6 million (book-to-bill of 1.23) were booked leading to a 22.7% higher committed backlog of USD 781.1 million. Business in the EMEA region recovered strongly compared to the prior year with net revenue up 17.4% in constant currency to USD 590.1 million. The growth was driven by the UK market recovery post COVID-19, the Nordics markets and further supported by the acquisitions. In Asia Pacific, order intake increased by 43.5% to USD 239.0 million (book-to-bill of 1.43), resulting in a 68.9% higher committed backlog of USD 172.5 million. Net revenue in the Asia Pacific region was up 1.0% in constant currency to USD 167.2 million with ANZ being the main driver and despite the non-availability of certain components.

Availability, Price Increases and Freight Costs Continue to Impact

Over the last few months, Landis+Gyr has seen an impact on its supply chain amidst this global crisis. The pressure is mainly related to three topics – material non-availability, material price increases and heightened freight costs. Although the Company didn't see any order cancellations, approximately USD 100 million of Landis+Gyr's topline have been deferred due to global supply chain constraints, while the EBITDA results include around USD 30 million supply chain costs in FY 2021.

Landis+Gyr managed cost diligently, formed mitigation actions and worked closely with its customers and suppliers throughout the year. However, the Company expects the situation to become increasingly challenging in the financial year 2022.

Transformation at Full Speed with EV Expansion and Google Partnership

Landis+Gyr is committed to continue to be a leading provider of resource management solutions by building on its core offering of leading Smart Metering technology and expanding into advanced Grid Edge Intelligence and Smart Infrastructure solutions. While smart ultrasonic water and gas technology development propels its organic growth in Smart Metering, the addition of Luna Elektrik Elektronik Sanayi ve Ticaret A.Ş. (Luna), a

Net Revenue

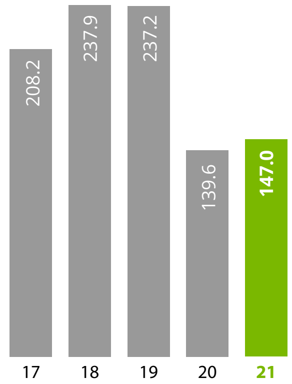
1,464

in million USD

Adjusted EBITDA

147.0

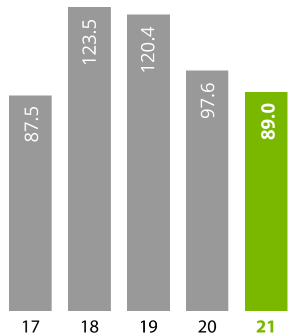
in million USD



Free Cash Flow
(excluding M&A)*

89.0

in million USD



* Net cash provided by operating activities minus net cash used in investing activities, excluding merger&acquisition activities.

Turkey-based metering provider, expands Landis+Gyr's core capabilities and increases its offering of cost-competitive metering solutions.

Leveraging Rhebo GmbH's (Rhebo) technology, which offers cyber threat detection at the grid edge, has proven to be more important than ever, Landis+Gyr continues to strengthen its cybersecurity offering as a provider of critical infrastructure. The Company further invested in Grid Edge Intelligence by acquiring Telia Finland Oyj's meter reading service business (Telia), which expands its managed services position in EMEA significantly and paves the way for the second wave of smart meter rollouts.

The acquisitions of electric vehicle (EV) companies Etrel d.o.o. (Etrel) and True Energy A/S (True Energy), as well as the investment in charge point operator Allego N.V. (Allego), expand Landis+Gyr's portfolio to offer integrated solutions for Distributed Energy Resources (DER) flexibility management, which allows the Company to elevate its contributions to further decarbonize the grid. Having long-standing customer partnerships and a reputation to solve their challenges with leading innovation, this expansion is the next logical step as the grid becomes increasingly more dynamic. Landis+Gyr's EV offering covers activities in more than 40 markets and over 40,000 charge points deployed globally, which delivered around 2 million charging sessions in FY 2021.

The digital transformation partnership with Google allows Landis+Gyr to offer integrated customer solutions with a holistic software and services portfolio and supports the transformation of its business towards a more software and services-driven company. The Company is proud to release its first Head End System (HES) in the cloud in the first quarter of FY 2022 and is excited to onboard and migrate the first 30 to 40 customers in the US over the next few months. The first releases of data analytics use cases are in the pipeline as part of the co-innovation efforts and will allow customers insights into the vast amounts of data that smart meters and Grid Edge Intelligence sensors collect on their behalf.

Outlook for the Group's Financial Year 2022

Landis+Gyr expects FY 2022 to be a transition year with continued high investments as well as supply chain and inflation headwinds before the benefits of the Company's transformative initiatives will materialize in FY 2023. While demand among customers is expected to remain high, the ongoing global supply chain constraints and the unstable geopolitical situation result in considerable uncertainties and low visibility for financial year 2022.

Barring any unforeseen circumstances, Landis+Gyr expects organic net revenue growth in FY 2022 of between 6% and 10%, including FY 2021 acquisitions. As announced at the Capital Markets Day in January 2021, Landis+Gyr will continue to make significant additional strategic transformation investments of approximately 2% of net revenues in FY 2022. Together with higher expected costs from the supply chain and price inflation, the Adjusted EBITDA margin is expected to be between 5% and 8% of net revenues.

Performance Review – Americas

In a challenging FY 2021 shaped by COVID-19-related headwinds and supply chain delays, the Americas region managed to slightly increase revenue and Adjusted EBITDA: Net revenue was USD 706.7 million, compared to USD 700.0 million in FY 2020. Adjusted EBITDA increased by USD 3.7 million, from USD 105.7 to USD 109.4 million. In addition, the region achieved a record backlog of USD 2,435 million.

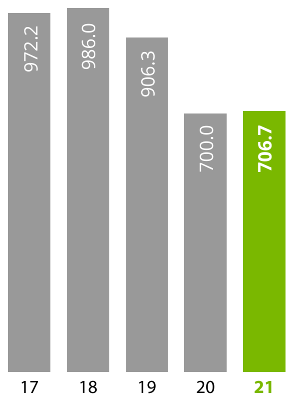
Despite the continuation of COVID-19 and ensuing supply chain challenges that have tempered delivery of product and revenue recognition across FY 2021, a stream of project signings drove significant backlog growth. Many of these wins required multi-year pursuits, focused on market development and intense regulatory approval processes. Landmark project signings with customers, including National Grid, PSE&G, AES Ohio, and Louisville Gas & Electric bolstered a record backlog of more than USD 2.4 billion.

US Administration's Clean Energy Goals Signal Strong Grid Investment
FY 2021 ushered in a new U.S. presidential administration, along with infrastructure objectives focused on enabling clean energy alternatives and preparing the US power grid for more distributed and clean energy alternatives. 100% clean electricity by 2035 and a zero-emissions economy by 2050 are the longer-term goals of this administration, also supported by the U.S. Department of Energy (DOE), which announced a new initiative in 2022 called "Building a Better Grid." This announcement indicates a strong commitment to the nationwide modernization of the power grid to ensure its resilience in the face of climate change, as well as to increase access to affordable and reliable clean energy.

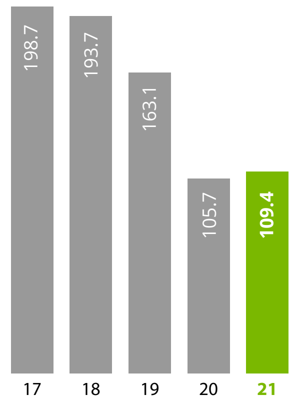
National Grid Contract Confirms Alignment of Utility Priorities and Landis+Gyr's Approach to Grid Edge Intelligence
National Grid will become the first North American utility to comprehensively install next-generation Smart Metering technology capable of enabling sub-second data analysis, machine learning, and grid-edge applications. Landis+Gyr's Grid Edge Intelligence technology will be deployed across approximately 1.7 million electricity sensors and 640,000 smart gas meter modules, as part of a 20-year contract with National Grid for state-of-the-art grid modernization. National Grid will deploy Landis+Gyr's Revelo® meter, the first and only residential electricity meter to offer high-resolution sensing of streaming waveform data. This advanced technology unlocks the potential to have real-time load disaggregation and decision making at the grid edge, a key technology for giving customers more control and enabling a cleaner energy future. The National Grid contract is one of multiple notable customer partnerships, including AES Ohio, LG&E, PSE&G and Otter Tail Power, that have collectively affirmed the technology direction and trusted partnership of Landis+Gyr.

Landis+Gyr continues to serve a diverse set of communities through contracts with cooperative and municipal utilities. For utilities of all sizes, grid modernization is not limited to smart meters; this substantial investment is rationally justified with a multi-purpose platform that provides benefits beyond a traditional business case for AMI. This trend is evident across a variety of recent examples, including Woodruff Electric's selection of Landis+Gyr AMI and Advanced Grid Analytics to provide the utility with meter-transformer mapping validation, transformer loading performance, abnormal meter measurements and event patterns, and detailed load reports as part of a software-as-a-service (SaaS) deployment.

Net Revenue
706.7
in million USD



Adjusted EBITDA
109.4
in million USD



Berkeley Electric Cooperative is another example of the value of multi-purpose platforms; in addition to AMI, they will also leverage the Landis+Gyr infrastructure investment to manage over 30,000 load control devices and over 50,000 street light controllers.

South America Market Gaining Traction on Cabinet Metering and Utility IoT Adoption
Landis+Gyr is leading the South American market in cabinet metering to address revenue theft with the development and upcoming launch of Magno®, which will build on the established uptake of cabinet metering solutions, demonstrated by the 400,000 endpoints shipped in 2021, which is double the historic average volume since this technology was launched. Additionally, the adoption of Gridstream® Connect IP-based networks continues to expand in Brazil, through recent contracts to expand the platform in various utilities in the country. This trend toward AMI technology sophistication is also evident in the industrial and commercial metering arena where quality is a strong driver for premium commercial offerings.

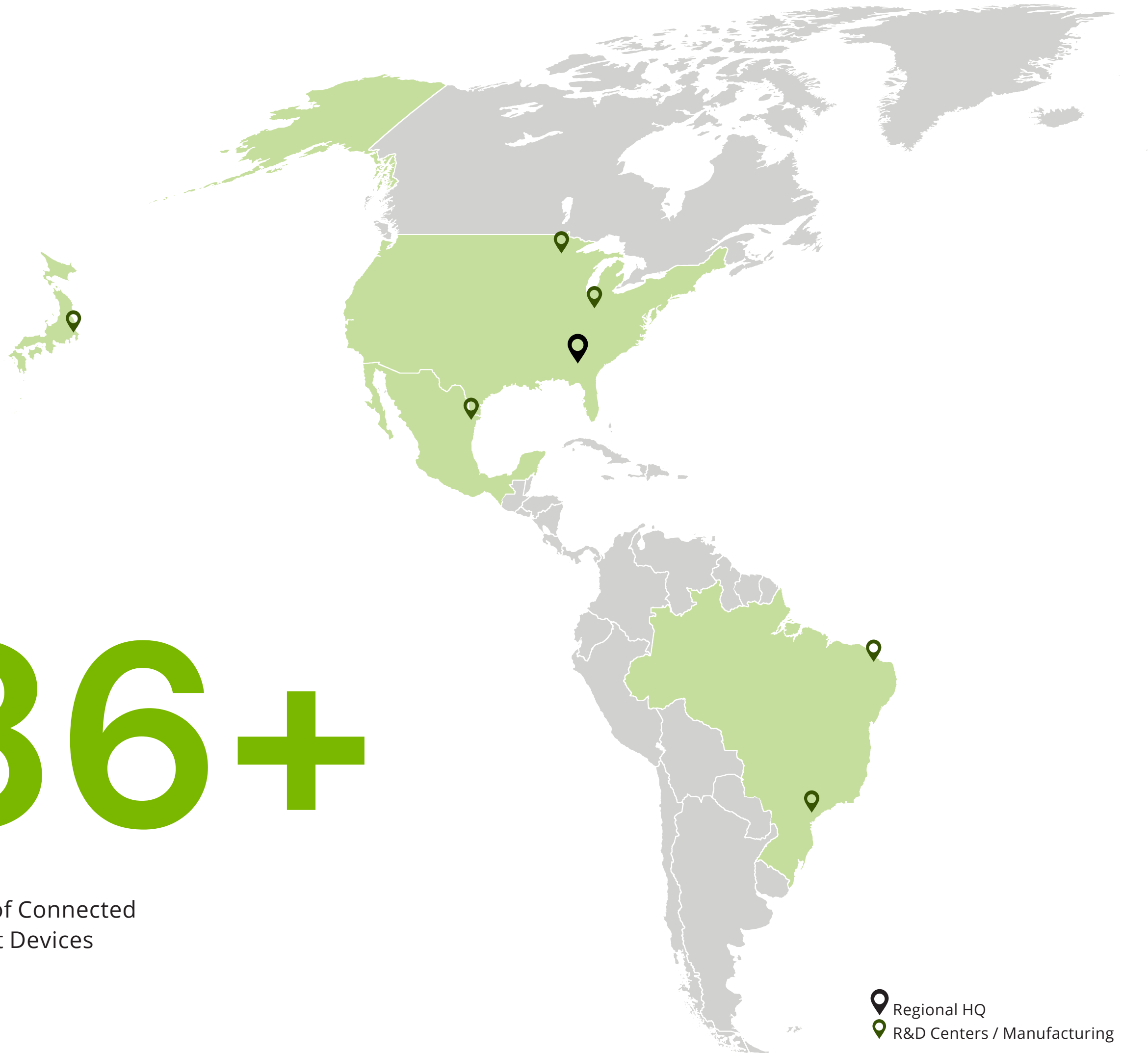
Utility IoT Leadership in Japan Continues with TEPCO Contract Expansion

In June 2021, Landis+Gyr announced the continuation of a business partnership with Tokyo Electric Power Company in Japan, on the world's largest utility IoT platform enabling 28.4 million smart meter endpoints, demonstrating unrivaled scalability and data processing capacity. The project with TEPCO is entering the next stage of development including AMI software maintenance and the planned cycling of endpoints over a contract spanning the next eight years. The next generation of endpoint technology deployment is planned to begin in 2025.

Outlook for FY 2022

Building on the success of FY 2021 while navigating the continued macroeconomic challenges will drive three primary themes for FY 2022 – delivering on market-defining customer projects, managing supply chain challenges and achieving major technology portfolio milestones. Following the series of new customer contracts signed in FY 2021, the Americas business will ensure that operational excellence remains a top priority across the organization, including efficient project management and streamlined product delivery.

Finally, notable products will be deployed in FY 2022 including the Grid Edge Intelligence sensor Revelo. Waveform data capabilities in Revelo deliver powerful clarity and insight, providing both utilities and energy consumers with precise and accurate usage data. Revolutionary technology advancements allow for flexible communication over multiple networks, and the use of pattern recognition to enable remote decision making for real-time management of residential solar, EV charging and other loads.



86+

Million
Number of Connected Intelligent Devices

33%

Market Share
No. 1 for Smart Electricity Meters
(Source: Frost & Sullivan)

Meet Sean Cromie

Our financial year 2021 was demanding due to COVID and supply chain headwinds, but sizeable contract signings demonstrated the strength of our portfolio, vision and trust of the market. This backlog momentum will bolster us well into our midterm business horizon.

Our regional setup is strong because we place top priority on delivering major commitments to ensure successful project deployments.

In our region, we drive sustainability via a purpose-driven approach to developing the technology and services that continue to enable clean and reliable energy – everyday, in everything we do. The technology and services we provide enable the potential of a cleaner energy infrastructure, and for reliable energy delivery to serve the energy and resources that are a critical backbone for communities to thrive and economies to grow.

At the top of my agenda for the next financial year is to build upon the strong foundation of long-term customers, while establishing trust in our newest business relationships through flawless execution.

What I'm most looking forward to is expanding the talent of our green energy workforce. Innovation, passion and dedication are cornerstones of our culture, and the reason I am proud to serve as a leader. I look forward to continuing this journey with a team that thinks boldly and aspires to lead a generational shift in energy management.

"The technology and services we provide enable the potential of a cleaner energy infrastructure."

Sean Cromie,
Executive Vice President and Head of Americas

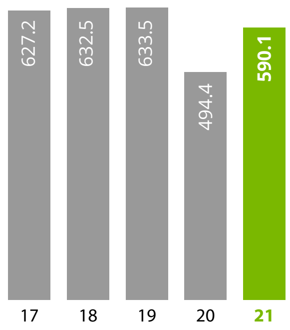
Performance Review – Europe, Middle East and Africa

In FY 2021, the EMEA region delivered a solid performance despite supply chain constraints, COVID-19 and high energy prices affecting UK energy suppliers. Revenue increased to USD 590.1 million, up 17.4% compared to FY 2020 in constant currency. Adjusted EBITDA was USD 25.7 million, compared to USD 2.2 million in the prior financial year.

Net Revenue

590.1

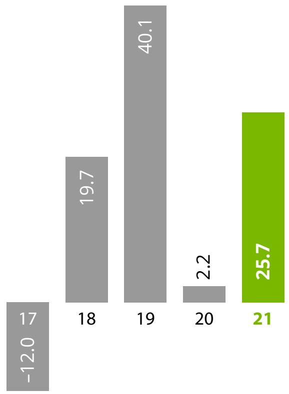
in million USD



Adjusted EBITDA

25.7

in million USD



While deployment programs in several European countries were put on hold in the first half of the financial year due to COVID-19, Landis+Gyr saw some recovery in the second half and managed to increase overall net revenue and Adjusted EBITDA for FY 2021. Several cost savings measures were initiated to counter the lost margin, which helped the region achieve a solid financial performance.

UK Energy Suppliers Impacted by High Energy Prices, SMETS2 Installations Continue as Part of Smart Metering Implementation Programme

COVID-19 still affected installations in UK during the first quarter in FY 2021, but has since improved greatly and is moving closer to pre-COVID levels. Despite the global supply chain and logistic situation, Landis+Gyr has been able to maintain manufacturing, enabling the UK energy suppliers to continue to install meters for the UK Smart Metering Implementation Programme (SMIP). With approximately 23 million smart meters under contract in total and 9 million still to be delivered, Landis+Gyr will continue to play a major role in the program.

The extraordinarily high wholesale energy prices have led to more than 25 UK energy suppliers collapsing. Whilst this will affect every meter supplier in the short term, Landis+Gyr is well protected due to the long-term agreements with the major energy suppliers and Meter Asset Providers (MAPs). In addition to this, Landis+Gyr will support a full deployment of SMETS2 meters, even in hard-to-reach areas, with the delivery of at least one million bridge communication technology devices over a period of four years for the Alternative Home Area Network Company (Alt HAN Co), a regulated not-for-profit company owned and funded by all of Great Britain's energy suppliers. The technology will enhance the communication between properties and smart meters.

Following the closure of Landis+Gyr's Stockport manufacturing facility in October 2021, Landis+Gyr opened a state-of-the-art headquarters and center of excellence in Manchester focused on expanding the energy management services to smart charging and further solutions supporting the Company's carbon neutral goals.

Increased Market Share in France, Tender Awarded by Belgian Utility Fluvius

The massive rollout in France to cover 90% of the population has already achieved a milestone with the deployment of 35 million Linky smart meters and foresees further eight million to be deployed until 2026 to Enedis, overseas territories and medium utilities, in line with the regulator timeline requirements. Landis+Gyr has significantly improved its market share in the last Linky tenders for the coming period (2022–2026) with approximately 40% of the volume. Landis+Gyr is also the number 1 supplier for Enedis industrial electricity meters (PME-PMI), while preparing the ground for designing the next-generation industrial and commercial meter to be rolled out starting from 2026. Enedis has also selected Landis+Gyr as a partner for two strategic key projects, both based on Linky technology: 'Blueky' is a dedicated meter for EV charging use cases and renewable energy management, while 'Pinky' aims at remotely monitoring around 750,000 low-voltage distribution stations.

In Belgium, Landis+Gyr was awarded a tender to supply 2.5 million E360 residential smart electricity meters and 1 million residential smart gas meters by Fluvius System Operator, with installations starting in 2023. Landis+Gyr will also provide 15 years of metering as a service as well as IoT connectivity as a Service. With this project, Landis+Gyr will help Fluvius and the country's main energy distribution companies Resa and Ores in Wallonia, and Sibelga in Brussels to further upgrade their metering infrastructure and provide business relevant managed services.

Acquisition of Meter Reading Business Drives Managed Services Business in the Nordics, Swiss Rollout in Full Swing

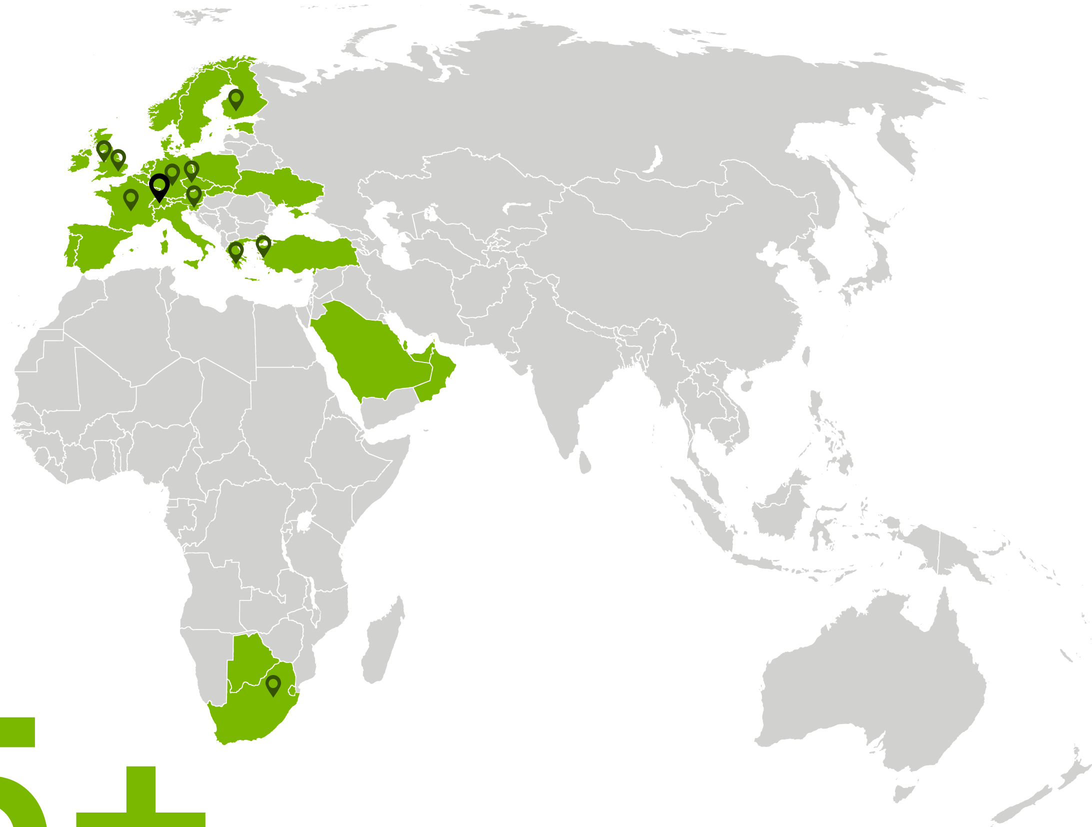
The Nordics remain an important region for Landis+Gyr, with more than one million smart meters contracted in Sweden and Denmark. The region is still expected to provide additional opportunities of approximately 7.5 million meters in 2[nd] wave rollouts. Landis+Gyr is well positioned in the region with a strong competence center located close to its customers. In FY 2021, Landis+Gyr strengthened its leading position in the market through the acquisition of Telia's meter reading services business. As a result of the transaction, Landis+Gyr is now delivering daily tens of millions of meter values to 63 utilities, covering approximately 2.5 million metering points.

The Swiss Smart Metering rollout is in full swing driven by the regulatory obligation for the distribution system operators (DSOs) to deploy 80% smart meters by 2027. This is driving high order intake volumes for residential smart meters. Continued public tender activity throughout FY 2021 and beyond secures a sustainable opportunity pipeline. Technology-wise, the large-scale adoption of the new NB-IoT platform is under way and the paradigm change from on-premise system to software-as-a-service (SaaS) model is gaining momentum.

Outlook for EMEA's Financial Year 2022

Landis+Gyr expects that medium-term growth will be driven by UK, second-wave rollouts in Northern Europe and upcoming first-wave rollouts in Central and Eastern Europe. With increased public tender activity in Switzerland throughout FY 2021, the Company expects ongoing momentum in the next financial year.

As the global demand for electronic components is still at high levels, Landis+Gyr continues to see increasing lead times and costs for some of the key components used in its products. The Company is monitoring the situation closely and working together with suppliers to mitigate the risks in terms of supply chain constraints.



45+

Million
Number of Connected Intelligent Devices

Regional HQ
R&D Centers / Manufacturing

11%

Market Share
No. 3 for Smart Electricity Meters
(Source: Frost & Sullivan)

Meet
Bodo Zeug

Our financial year 2021 was a year of mixed feelings – with major contract wins, new companies joining the Landis+Gyr family and helping us expand our portfolio of energy management solutions but also with the daily supply chain challenges related to electronic components and materials while focusing on fulfilling our commitments towards our customers.

Our regional setup is strong because of our customer intimacy backed by our local presence as well as a broad portfolio helping our customers to face current and future challenges related to digitalization and the energy transition.

In our region we drive sustainability with products and services developed according to special consideration for the environmental impact, supporting the achievement of net zero goals. We contribute to a resilient power grid and cautious use of energy despite higher demand – with flexibility management solutions enabling the integration of renewable energy sources or of a growing number of electric vehicles.

On the top of my agenda for the next financial year are first, to continue serving our customers in the best possible way while managing supply chain issues; second, to drive the profitable growth of the region leveraging cost competitive manufacturing and market access of Luna; and third, to accelerate our transformation with, for example, the introduction of our new water meters and the expansion of our grid edge and cloud applications as well as our smart charging solutions.

What I'm most looking forward is to be able to personally meet our customers and employees across the EMEA region again.

"We contribute to a resilient power grid and cautious use of energy despite higher demand."

Bodo Zeug,
Executive Vice President and Head of EMEA

Performance Review – Asia Pacific

In FY 2021, the APAC region was able to slightly increase net revenue by USD 4.2 million, from USD 163.0 million in the previous year to USD 167.2 million. Temporarily closed factories across the continents led to supply chain interruptions, resulting in a decrease of the Adjusted EBITDA to USD 7.8 million, compared to USD 11.3 million in FY 2020.

In FY 2021, Asia Pacific experienced strong demand from the existing customer base, mainly attributed to AMI projects in Hong Kong and Bangladesh, as well as Australia and New Zealand (ANZ). Across ANZ, Landis+Gyr experienced early success entering the smart water metering market with network leak detection technology. The pandemic created short-term supply chain interruptions due to factories' closures of key suppliers and the Company's manufacturing plants in China and India. Landis+Gyr navigated through the uncertainties by working very closely with its customers to minimize risks.

Strong Momentum across Australia and New Zealand for Smart Water and AMI Technology

In September 2021, Landis+Gyr partnered with Australia's South East Water (SEW) to bring the utility's network leak detection technology to market, integrated into Landis+Gyr's ultrasonic smart water meter with NB-IoT communications. This combined offering is viewed as a game-changing technology for water utilities in their digital transformation.

Landis+Gyr has been working closely with SEW in their trial of 5,000 Landis+Gyr smart water meters to prove the end-to-end technical solution. The preliminary results have been promising in locating leaks unknown to the network operators and customers. Landis+Gyr secured an additional order from SEW to deliver 35,000 units of smart water meters and the Company expects to see this strong momentum in smart water continue into FY 2022.

Landis+Gyr secured a strategic AMI contract in Australia, delivering Landis+Gyr's next-generation smart meter E360, combined with communications and SaaS offering for Yurika, part of Energy Queensland. This is a significant win for the Australian market given the increased focus on new regulation policies that will drive the enablement of grid edge applications and the need for better management of distributed energy resources such as solar, batteries and electric vehicles.

After divesting its stake in the Intellihub Operations Pty Ltd. joint venture, Landis+Gyr continues to partner with the company to supply meters across their Australia and New Zealand footprints. Their continued growth as the leading meter services provider in the Power of Choice market which seeks to provide consumers with more opportunities to make informed choices regarding how they use electricity, has provided Landis+Gyr with the highest demand since the beginning of Victoria's smart meter rollout.

Hong Kong AMI Projects Continue at Full Pace, Significant Opportunities in Bangladesh

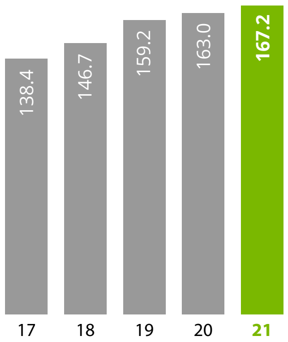
Landis+Gyr is deploying its Gridstream solution with both CLP Power (CLP) and Hong Kong Electric, and these projects continued at full speed throughout FY 2021. CLP's one-millionth meter was installed in November 2021. The Hong Kong Electric project achieved a significant milestone in November when their MDMS system went live and provided significant metering data to several of the utility's business systems.

With strong commitments by the Indian government to modernize the energy distribution sector and tackle

Net Revenue

167.2

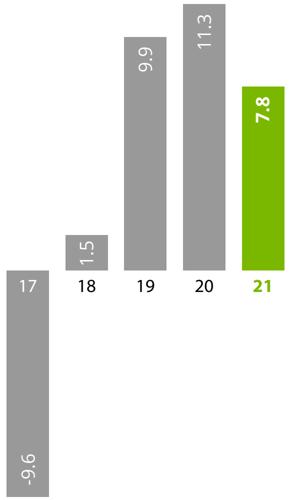
in million USD



Adjusted EBITDA

7.8

in million USD



the continued high level of network losses, Landis+Gyr continues to deploy on its Smart Metering projects in India utilizing RF technology with smart meters now deployed on these systems surpassing a total of 300,000 meters. The Company's partnership with Tata Power in their largest RF Smart Metering rollout is now delivering at new heights.

Bangladesh has emerged as one of the fastest growing electrification countries in South Asia. Landis+Gyr continues to work closely with Dhaka Power Distribution Company (DPDC) and other major consortium partners to deploy phase one of the Smart Metering program for which Landis+Gyr delivered 100,000 units of smart meters and laid out the radio frequency network for 850,000 endpoints. At the end of FY 2021, Landis+Gyr has further secured the notification of award for the second AMI contract to deploy an additional 135,000 single-phase and 45,000 three-phase smart meters.

Strong Demand for Landis+Gyr's High Precision Meters in China and Well-Progressing Trials in Southeast Asia

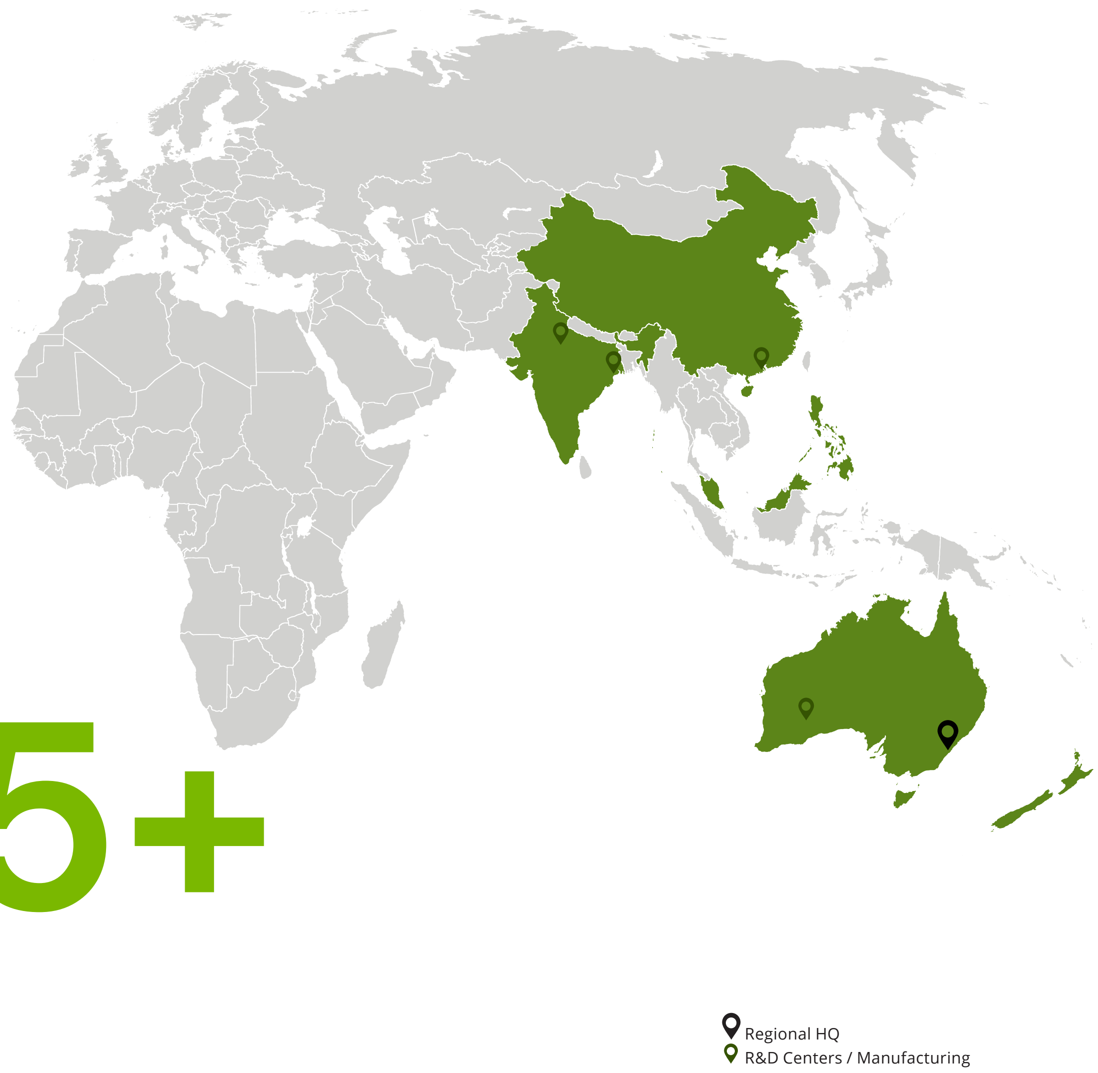
In China, Landis+Gyr continues to see investments in ultra-high voltage transmission and hydro power plants which contributed to increasing demand for the Company's high-precision grid meters. Landis+Gyr continues to hold a strong position in this segment and will seek to strengthen this position with the introduction of its next-generation grid meters in FY 2022.

In Southeast Asia, Landis+Gyr continues to see demands on smart meter rollouts and appetite for new technology trials. Despite COVID-19 restrictions, Landis+Gyr has managed to progress trials in Thailand and Singapore and continues to engage with its key customers in Malaysia and Indonesia on their innovation roadmaps to support their sustainable energy transformation.

Outlook for APAC's Financial Year 2022

Strong demand will continue in FY 2022 for Landis+Gyr's products and services across the Asia Pacific region. In Australia, Landis+Gyr expects the smart electricity meter demand to pick up pace on the back of existing and new project wins in the contestable Power of Choice market. The continuing high rate of rooftop solar continues to accelerate the switch to Smart Metering. In addition, Landis+Gyr expects the transition to smart water metering to grow in Australia and New Zealand.

The ongoing smart city transition in Hong Kong will continue to be an important contributor to Landis+Gyr's outlook. Furthermore, the Company expects to see early trials commenced in countries such as Indonesia and Thailand to move forward to more significant Smart Metering deployments. On the sub-continent, the Bangladeshi and Indian projects will continue to grow with a sizable number of projects in execution phase and Landis+Gyr is well placed to capture new opportunities.



5.5+

Million
Number of Connected Intelligent Devices

19%

Market Share
No. 1 for Smart Electricity Meters
(excl. China & Japan, Source: Frost & Sullivan)

Meet
Steve Jeston

Our financial year 2021 was challenging due to the impact of electronic component shortages while managing customer demand and employees' health and well-being.

Our regional setup is strong because we have a stable and experienced leadership team that has stood the test of time. Asia Pacific has also built a stronger customer-oriented team to support our diverse customer needs.

In our region, we drive sustainability by growing the adoption rate of Landis+Gyr's smart meters in tandem with the evolution of our eco-portfolio. We continue to place strong emphasis on employees' learning and development and foster diversity, equity and inclusion – imperative to our diverse region.

At the top of my agenda for the next financial year is delivering sustainable business results as we navigate through the slow recovery of electronic components shortages. As tender activity continues to gather momentum, we will stay focused on delivering high-quality products and services to new and existing customers.

What I'm most looking forward to is continuing to improve our customers experience with Landis+Gyr in Asia Pacific, particularly as we are serving several customers for the first time. We are well positioned to deliver improved customer outcomes with our new smart meter portfolio and continue to build on our entry into the water metering business.

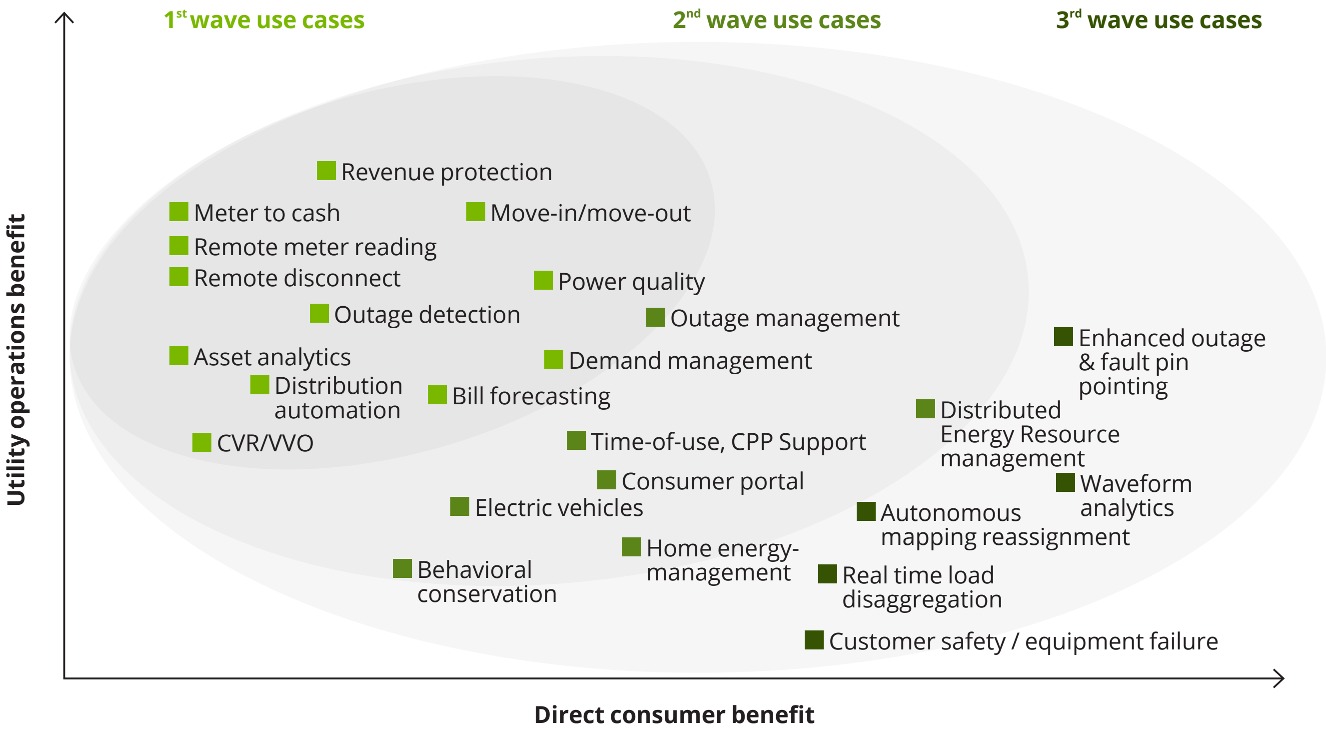
"We continue to place strong emphasis on employees' learning and development and foster diversity, equity and inclusion."

Steve Jeston,
Executive Vice President and Head of Asia Pacific

Value Drivers

Market Environment

As a critical infrastructure provider with more than 320 million installed devices across the globe, Landis+Gyr has established itself as a trustworthy partner for utilities for the past 125 years. With rising challenges to enable a smarter and more flexible grid, Landis+Gyr is transforming to a software and services-oriented partner by advancing the data-driven digital evolution of utilities and industry players such as the automotive or transportation sector.



Landis+Gyr serves utilities around the globe, from large investor and government-owned to smaller, community-focused municipal and cooperatives. Their adoption of smart grid technologies and the breadth of products, software and services they have deployed, vary widely, but they are unified by a set of shared challenges amplified by four disruptors: decarbonization, decentralization, digitalization and democratization.

As policymakers, corporations and utilities set more stringent goals to combat climate change, decarbonization is a key consideration. An increasing number of utilities have communicated their commitments to meeting environmental sustainability and set clean-energy objectives by 2050 or sooner. The International Energy Agency estimates that the share of renewables in the global electricity generation mix today represents 30%. Further pressuring the distribution grid, space heating and the electrification of automotive transportation will continue to drive an unprecedented growth in load. According to UN's sustainable development scenario, 13% of the global car fleet is expected to be electric by 2030, which drives the need for flexible and sustainable charging to balance the load on the grid. Regarding decentralization, the annual distributed energy resources capacity brought online exceeded new centralized capacity for the first time in 2021. Utilities need to manage this change in electricity generation while continuing to meet high customers' expectations, especially around grid reliability and resiliency.

Environmental factors like extreme weather events and the COVID-19 pandemic also bring new challenges to the utilities. They are more dependent on remote monitoring and control to manage their assets; requiring real-time insights on grid activities and the ability to react quickly. Digitalization of the tools that enable energy distribution and manage customer relationships are leading utilities to a heightened focus on cybersecurity and data privacy. Lastly, regulators are also weighing in to ensure that Advanced Metering Infrastructure (AMI) deployments provide maximized benefits for consumers such as actionable data on their energy usage and cost. As these consumers become prosumers, the democratization of the energy systems enables every stakeholder to play an active role in managing their energy consumption and production.

Landis+Gyr's core offering, Smart Metering, is the foundation for future energy distribution systems and plays a significant role in managing the grid edge, where many new energy resources are disrupting load dynamics. Grid management use cases are increasingly tied to direct consumer benefits, especially in the second wave of AMI adoption, in addition to operational benefits from the first wave. Intelligence at the grid edge is fundamental to the enablement of these second wave use cases. Third wave use cases improve benefits a step further, with more real-time actionability, enhanced usage of machine learning and artificial intelligence technologies.

Strategy & Business Model

As energy production, storage and consumption continue to change, and grid load and complexity continue to increase, Landis+Gyr's approach to energy management helps utilities navigate the changing landscape and reach their ambitious sustainability targets. In FY 2021, building on its leadership in Advanced Metering Infrastructure (AMI), the Company has made a major step in its transformation and further expanded its reach in Grid Edge Intelligence and Smart Infrastructure through organic and inorganic growth. At the same time, Landis+Gyr remains committed to ESG principles and ambitions.

As a trusted partner to its utility customers, Landis+Gyr is committed to providing high-quality products and services that contribute to solving the challenges faced by the utility industry and shaping the future of energy distribution and energy consumption in a sustainable way.

Landis+Gyr takes responsibility for and manages its impact on society, the environment and its business ecosystem. This is demonstrated by the Company's commitment to uphold the UN Global Compact's 10 principles and contribute to the Sustainable Development Goals. It is also reflected in the Company's business strategy, policies, corporate values and Code of Conduct which guides its operations and supports the design and manufacturing of solutions that enable environmental and societal benefits.

Building on a sustainable foundation, Landis+Gyr's vision encompasses three strategic pillars: Smart Metering, Grid Edge Intelligence and Smart Infrastructure. These build the foundation for Landis+Gyr to grow organically, to partner with industry leaders such as Google and Vodafone and to acquire companies with extended knowledge to solve utilities' complex challenges.

Smart Metering

Smart meters provide baseline sensing technology for AMI to deliver real-time data and advanced metrics and thus the enablement of an ecosystem of connected intelligent devices. Next-generation Smart Metering solutions offer new capabilities in analytics and connectivity, with faster response times for fault location and predictive measures for grid-hardening. The Company sees this as a logical evolution of features and functionality, providing the key foundation for Grid Edge Intelligence and supporting a more efficient use of energy resources.

Landis+Gyr's priority is to strengthen its position as a true global partner for integrated energy management solutions. Therefore, it continuously invests in enhancing its Smart Metering offerings for electricity, gas, heat and water and expands its portfolio in-house or through acquisitions of synergistic businesses, such as Luna in FY 2021. This allows the Company to successfully partner in new rollouts and expand the penetration of Smart Metering globally, as a steppingstone for further grid innovations.

Grid Edge Intelligence

Landis+Gyr helps utilities modernize and decarbonize the grid, while ensuring a seamless integration into existing infrastructures. While utilities and retailers require aggregated decision-making via Head End System (HES), on premise or in the cloud, current use cases require additional distributed decision making and automation capabilities at the grid edge.

By integrating more Grid Edge Intelligence in its Smart Metering and connected sensors, Landis+Gyr enables a broader set of use cases to enhance system functionality and grow the value of software and services while strengthening its cybersecurity offering, as demonstrated by its acquisition of Rhebo.

Smart Infrastructure

Landis+Gyr's Smart Infrastructure solutions are designed to deliver benefits for utilities from the proliferation of intelligence beyond energy management, to also include other urban infrastructure segments. A unique suite of open, scalable and robust solutions built on Gridstream Connect, a utility IoT platform, enables many related benefits. These include real-time data access and the integration of complementary services, such as street light management or charging of electric vehicles, which lay the foundation for Smart Infrastructure management.

Landis+Gyr's move into e-mobility with the acquisitions of two companies in the Electric Vehice (EV) technology space, Etrel and True Energy, and the investment in the charge point operator Allego, is a logical next step for its business in order to address client demand. The Company is leveraging the latest in smart technology and harnessing its expertise from smart meter rollouts around the world to provide the infrastructure solutions for mass EV charging deployment and reinforce its commitment to building a more sustainable grid.

One of the biggest challenges for utilities is to access the data they need, when they need it. The Company sees tremendous opportunities to further support utilities around the globe to harness this vast collection of data and is well positioned as a transformation partner by leveraging digital platforms and technologies to meet their sustainability, resiliency and security goals. Landis+Gyr entered into a strategic partnership with Google Cloud in December 2020 to collectively enable a digital ecosystem for utilities and developing innovation and technology solutions that will significantly help transform utilities by improving the end consumer experience and engagement, grid resiliency and cybersecurity with state-of-the-art energy distribution management. The global approach enables Landis+Gyr to bring new capabilities to the market quicker, drive internal efficiencies and synergies across the regional businesses and maximize the outcomes from its R&D investments.

R&D, Innovation & Portfolio

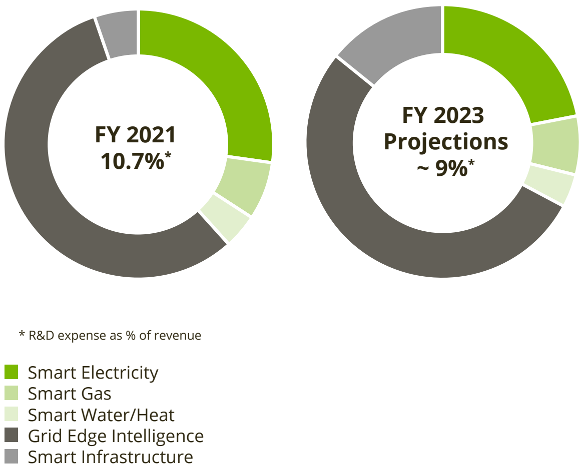
On Landis+Gyr's journey to becoming an integrated software and services-oriented provider, the Company continues to make significant investments to foster future growth while building on its core offering around Smart Metering. By integrating more Grid Edge Intelligence in connected endpoints, the Company enables a broader set of use cases requiring flexible communication networks, enhanced system functionality and value-adding software and services.

In FY 2021, Adjusted R&D investments were USD 156.5 million, representing 10.7% of net revenues compared to 10.4% in FY 2020, to drive the Company's transformation. While smart electricity will remain the core of Landis+Gyr's business, it will branch out into adjacent and complementary fields. These temporarily higher expenses support strategic initiatives, including the partnership with Google, smart water and smart gas initiatives and the digital transformation of the Company as a software and services provider.

Smart Metering

In FY 2021, Landis+Gyr enhanced the motorized service disconnect in the FOCUS AXe meter to meet the latest American National Standards Institute (ANSI) heat rise testing requirements, refreshed its water and gas retro-fit communication modules and made strides in the development

Technology Investment Shift towards Grid Edge Intelligence and Smart Infrastructure



of an ultrasonic gas meter, available for volume shipments in 2023. The Company also introduced Magno®, a cabinet grid-sensing solution, to the South American market. This technology combines 20 years of anti-tampering innovation with enhanced energy measurement and leading-edge communication technology.

In the important UK market, Landis+Gyr developed and introduced the latest SMETS2-compliant gas and electricity meters, and the unique AltHAN communication solution to support UK customers to enable communication to all customer devices. For industrial applications, Landis+Gyr launched the second generation of the grid edge sensor E660 to deliver precision insights on consumption, grid status and power quality. The E660 offers powerful capabilities for network monitoring and grid edge control, all in one device. Landis+Gyr has also introduced a new-generation heat and cooling meter, the T450, with state-of-the-art communication while the strategic project for smart water metering is ongoing and evolves as planned. The entire heat, cooling and water portfolio includes internet of things (IoT) communication technology.

Landis+Gyr has developed the next generation Gridstream RF mesh IP radio, leveraging its own discrete Multi-Chip Module named MCM0, enabling cost-competitive RF communications for the Indian and Bangladesh markets. Additional benefits of this development were the reduction of the use of plastic material given the significantly smaller physical size and the reduction in the number of components. At the same time, the Company is seeing increasing demand for smarter and more precise data delivery in the power quality and grid metering segment, particularly in efforts to modernize substations. Landis+Gyr is well-positioned to capture this growing market with the newly launched E660 meter, enabling its Asia Pacific network customers to better manage a balanced grid.

In the emerging smart water segment in ANZ, Landis+Gyr has taken a leading role by partnering with industry leaders and introducing an advanced IoT smart water solution that includes a smart water meter, using NB-IoT communications technology and leak identification capability, with the option for cellular connectivity and device management in the form of SaaS. This business activity paves the way for the upcoming developments of a comprehensive Landis+Gyr smart water solution offering for the region.

Grid Edge Intelligence

Landis+Gyr introduced Revelo®, a grid-sensing meter, featuring high-powered edge computing, waveform sensing and edge applications for the North American market. The advanced technology unlocks the potential to have real-time load disaggregation and decision making at the grid edge and led to Landis+Gyr's recognition as a Top 10 AI Vendor for DER Integration in the fourth quarter 2021 Guidehouse Leaderboard Report.

Furthermore, Landis+Gyr introduced the second generation of the residential E360 IoT grid edge meter covering the latest communication and security technology, multi-energy support and increased grid sensing capabilities. The introduction of these new intelligent endpoints and their expanded communication features expands the capabilities of Landis+Gyr's Gridstream® Connect platform and the Company's IoT portfolio in the EMEA region. At the same time, Landis+Gyr also released the E360 IoT grid edge meters for the Asia Pacific region, with modular communications capability and real-time electricity waveform streaming. It provides richer data content to deliver on new consumer applications that better assist the management and integration of renewable energy mix, particularly the rising penetration of rooftop solar.

On top of Landis+Gyr's existing offering in cybersecurity, its subsidiary, Rhebo, further added operational technology (OT) security solutions for threat intelligence and anomaly detection to the portfolio, enhancing security in an increasingly converging OT/IT AMI infrastructure.

Smart Infrastructure

Highlights of Landis+Gyr's Smart Infrastructure portfolio include the release of the enhanced mesh router and technology upgrades to the smart street light solution. The router now features 15-year battery technology and onboard GPS. The updated street light management solution provides utilities and communities with safe, energy efficient illumination and flexible integration options with Landis+Gyr's street light management application, Smart Community Center.

By upgrading the EMEA Gridstream® Connect solution, Landis+Gyr has optimized smart push communications, enhanced security and key management, expanded interoperability of the Head End and meter data management systems and added an enhanced application for AMI network monitoring.

With the acquisition of Etrel and True Energy at the beginning of FY 2021, Landis+Gyr has established an extensive portfolio of electric vehicle software and charging capabilities. The Company offers solutions for home charging (INCH Home, INCH Lite), fleet or business charging (INCH Pro) and public charging (INCH Duo), as well as flexible charging management with its OCEAN charge point management software. Landis+Gyr's EV technology also covers a smart charging app, offering full visibility and control on the go, as well as automated charging when electricity is most cost efficient and environmentally friendly.

Revelo® – a grid-sensing meter, featuring high-powered edge computing, waveform sensing and edga applications for the North American market

The E360 – a new generation of grid edge meters for the IoT world

INCH Home EV Charging Station

Connecting Data and Building a Digital Ecosystem with Google

As part of the global technology strategy, Landis+Gyr has made the investment to build a digital ecosystem for utilities together with Google by unifying the global AMI IoT Head End System capabilities and establishing a high-performance analytics platform. These investments enable utilities to efficiently manage devices and networks while unlocking the value of their IT/OT data and enabling state-of-the-art solutions for strategic planning and operations.

Emerge, the new IoT AMI HES, provides "edge to cloud connectivity" using various communication technologies beyond smart meters to build future smart infrastructure and cities. In addition, Emerge offers choices for utilities, providing flexibility across public, private or hybrid deployment models, to align with their cloud strategy and investment while meeting industry-leading security standards and availability capabilities. The first release of Emerge will be delivered in Q1, FY 2022, followed by the migration and onboarding of customers in the Americas region, as part of the pilot and migration phase.

At the same time, Landis+Gyr and Google have collaborated to build an advanced analytics solution that utilities can access flexibly, serving a broad range of use cases whose launch is planned in multiple phases. The first phase of use cases, which is currently piloted with a few existing customers and is scheduled to be released in FY 2022, will include power quality, pattern detection, as well as EV identification, smart insights and edge intelligence integration. Subsequent use cases are expected to be released on a quarterly basis over the course of the next two years, prioritized based on market needs and customer opportunities.

Together with Google, Landis+Gyr will establish an offering that provides a high degree of sophisticated automation and analytics needed to manage a system powered by an increasing variety of energy sources, and which creates a combination of power domain expertise with artificial intelligence (AI) and machine learning (ML) to deliver predictive and prescriptive insights, as well as distributed analytics at the edge, which are critical to analyze the energy demand and control the grid in an efficient way.

Maintaining a Strong Brand

The Landis+Gyr brand is managed strategically as an intangible asset and represents a major part of its corporate identity. At the core of the corporate brand are Landis+Gyr's values that capture the essence and elements of how the Company is doing business: customer intimacy, innovative technology, entrepreneurial spirit, uncompromising performance and sustainable impact.

In addition to the corporate brand, Landis+Gyr maintains solution (i.e., Gridstream Connect) and product (i.e., Revelo, E360) brands for its integrated energy management portfolio. With the recent acquisitions, the Company is currently in the process of onboarding and integrating other brands as part of the Landis+Gyr family.

Landis+Gyr's global portfolio includes granted patents and pending patent applications, filed in over 50 countries. These filings reflect innovation in a broad array of energy management technologies in Smart Metering, Grid Edge Intelligence and Smart Infrastructure, including additional inventions supporting growth in solar and other distributed energy resources. Landis+Gyr continues its long tradition of protecting a pipeline of new ideas that will further strengthen its position as a global innovator in future energy management. At the end of FY 2021, the overview of active, pending and granted patents was as follows:

	FY 2021	FY 2020	FY 2019
Active	998	914	803
Pending	805	509	389
Grants	193	76	114

People

In FY 2021, people at Landis+Gyr demonstrated a high level of commitment and flexibility during the after-effects of the pandemic and outstanding dedication during a transformative year. Landis+Gyr is dedicated to an organizational culture where employees feel motivated and engaged. A global engagement survey has provided an excellent platform upon which Landis+Gyr can further enhance and drive a culture of transparency, continuous improvement and high performance across the Company.

FY 2021 was a transformational year for Landis+Gyr. Looking back at the past twelve months, which were characterized by changes driven internally, but also through the pandemic, employees have demonstrated a high level of resilience and shown a great amount of dedication towards customers and each other, driving leading-edge technology, customer intimacy and speed to market. At the end of the financial year, Landis+Gyr employed 6,445 people across the globe.

Well-connected and Energized Workforce during the Pandemic

The COVID-19 pandemic with its repercussions has been felt across the world and no economy has been left untouched. With the safety, health and well-being of its workforce always a top priority, Landis+Gyr monitored the situation very closely and was able to react to the changing local and regional restrictions and directives across its various locations in a timely and agile way.

Landis+Gyr employees were able to demonstrate their high engagement, flexibility and commitment in adapting to the constantly changing circumstances. Due to the measures taken in FY 2020 and to state-of-the-art IT equipment and collaboration tools, teams around the globe were able to manage the crisis extremely well, and the workforce stayed connected and energized.

Leadership Changes in EMEA and Americas

During FY 2021, the Executive Management Team underwent some changes. Effective September 1st, 2021, the Board of Directors appointed Bodo Zeug as Executive Vice President and Head of EMEA and a member of the Group Executive Management. He joined Landis+Gyr in October 2017 as Executive Vice President Supply Chain Management and Operations, streamlining and significantly improving the Company's global operational footprint. Before that, he held the position of Executive Vice President Strategy at Landis+Gyr. Bodo Zeug is an experienced global leader with solid industry knowledge, strategic thinking and organizational acumen; skills that are essential in driving success for EMEA.

Effective January 1st, 2022, Sean Cromie was appointed as Executive Vice President and Head of Americas and a member of the Group Executive Management. Sean Cromie joined Landis+Gyr in June 2020 as Executive Vice President Operations and Supply Chain Management and has been instrumental in streamlining Landis+Gyr's operations and stabilizing the Company's supply chain during the time of global component shortages. Prior to joining Landis+Gyr, Cromie, an Irish and US citizen, held various positions in Europe and the US as President, General Manager, Managing Director and Business Unit Manager in the automotive supply and aircraft interiors equipment and services industries. He is an experienced global leader with strong customer focus, operational experience and organizational acumen, skills that will be driving success in his new position as Head of Americas.

As per the same date, Sean Cromie's predecessor as Executive Vice President and Head of Americas, Prasanna Venkatesan, was appointed Executive Vice President Strategy. With his unique knowledge of the industry and Landis+Gyr's customer base, Venkatesan will continue his excellent collaboration with the Chief Executive Officer and the Board of Directors to define and drive the Company's business strategy and position the Company for profitable growth, organically and inorganically.

Employee Engagement Survey 2021

With an outstanding 84% response rate, gathering opinions and feedback on fourteen different categories of the Company's work environment from around the world, the 2021 engagement survey provided an excellent platform upon which Landis+Gyr can further enhance and drive a culture of transparency, continuous improvement and high performance across the Company. The highest rated category was sustainable engagement with an 85% outcome. This is an excellent result, given that there is wide evidence that companies with highly engaged employees typically outperform their competitors and achieve higher employee satisfaction rates. In a direct comparison, the favorability scores for all eight assessed categories that were repeated from the 2019 survey were stronger. Comparing Landis+Gyr's results with different global high-technology companies from around the world, eight out of thirteen categories show favorability results that score higher. The category of strategy & leadership made the most significant progress since 2019 and represents Landis+Gyr's biggest strength compared to its industry peers. As a follow-up, leaders at all levels of the Company have developed action plans to address the findings of the survey.

Transformational Leadership Program
For today's senior managers, mastery of traditional leadership skills is no longer sufficient to guarantee success; they also require the advanced complex and adaptive thinking abilities that will enable them to become agile leaders. To further equip Landis+Gyr's leadership team to manage their teams' success in the Company's ongoing strategic transformation, Landis+Gyr launched a transformational leadership program. The program consists of three modules which are designed to explore how people-centered leadership is a pivotal component to energize teams, to lead and manage change, to achieve and sustain competitive advantages and to inspire change through transformational coaching. CEO Werner Lieberherr engaged with participants during a part of the training, which underlined the importance of this initiative to Landis+Gyr.

Making Continuous Learning a Habit
Landis+Gyr provides services to a sector that is undergoing major change, which in turn requires its employees to be more agile. Learning is key to meeting this need, whether it's about being more efficient, or developing the skills to work with new products or services. It is a strategic goal of Landis+Gyr that employees continuously invest their time in personal and professional development, update their knowledge and acquire new skills.

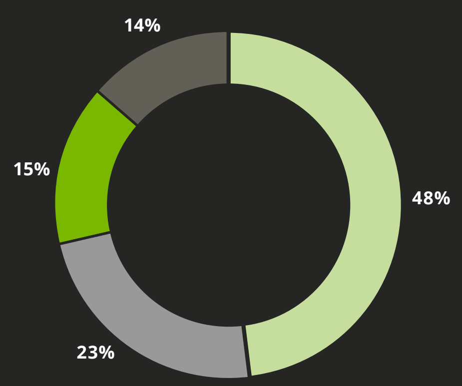
To further strengthen the sustainable learning environment, regional learning weeks were held. The goal of these learning weeks was to highlight the synergy between working and learning and to demonstrate that the different models of learning are mutually reinforcing.

Despite the global COVID-19 pandemic and the shift to remote work, employees dedicated more than 34,000 hours for personal development, out of which 76% represent hours spent on the LinkedIn Learning platform. In FY 2021, the LinkedIn Learning initiative, which supports the Company's ESG targets, focused on professional development, leadership skills and technology upskilling.

Cloud Transformation Learning Initiative
Landis+Gyr and Google are developing the next generation of cloud-based energy management solutions. To maximize the return on this investment in the cloud, Landis+Gyr has developed a comprehensive cloud learning strategy to upskill and reskill the workforce. A new cloud transformation training program was launched with the aim of providing Landis+Gyr employees not only with technical knowledge but also with skills that will help them deal with continuous change such as adaptability and collaboration. Various learning paths with specific learning content from different platforms were defined to support the preparation and readiness of employees for their future roles.

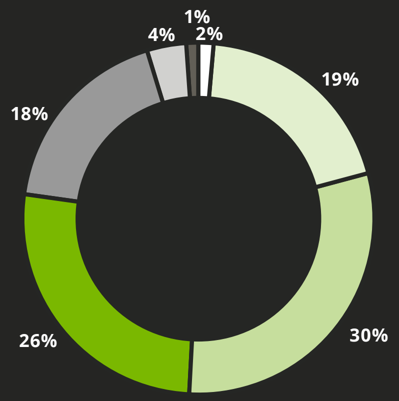
Values Translated into Behaviors
In FY 2020, Landis+Gyr introduced new corporate values. To demonstrate and explain the desired behaviors and how they correlate back to the core values, a competency toolkit containing a set of twenty foundational competencies was elaborated. The competency toolkit helps to align training needs with business needs, linking these to the career aspirations of employees. Individual development plans were subsequently developed following employee career conversations and leadership feedback in accordance with the expected behaviors.

Employees by Function



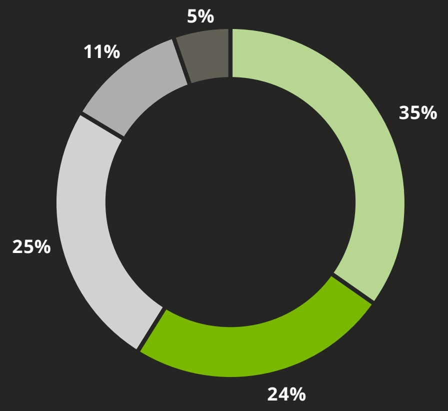
- SCM & Operations
- R&D
- Sales & Customer Operations
- Other

Employees by Age



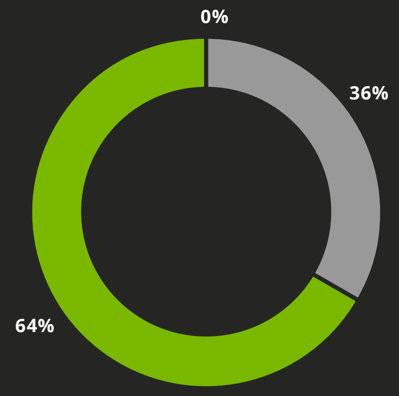
- Under 20
- 20–29
- 30–39
- 40–49
- 50–59
- 60–64
- 65+

Employees by Length of Service (in years)



- 0-1
- 2-5
- 6-15
- 16-25
- 26+

Employees by Gender



- Identify as Female
- Identify as Male
- Other / Not declared

Learning Hours 2021

16.5

Hours per Employee
Average Hours of Training

Workforce 2021

6,445

Employees
Total Number of Employees

Open Positions

300+

Available Jobs
Open Positions as of May 2022

Apply Today!

careers.landisgyr.com

Risk Management

Landis+Gyr is exposed to various risks, which could potentially affect the Company's business. To identify and mitigate these risks, the Group operates a systematic risk management process. This process includes risk identification, analysis and assessment and the determination of appropriate risk control measurements.

Landis+Gyr tracks its risk exposure across a comprehensive set of operational, strategic, financial and compliance categories. Other considerations include the potential impact on its business from environmental, social and governance, as well as political, reputational and regulatory risks. Management is responsible for the implementation, tracking and reporting of risk mitigation measures. A risk owner at the senior management level is assigned to each material risk identified and is responsible for the implementation of appropriate mitigation measures.

Oversight by the Board of Directors
Landis+Gyr's Board of Directors has a total of three committees, of which the Audit, Finance and Risk Committee (AFC), which is comprised of three Board members, focuses on the assessment of the adequacy of the Group's systems, policies and controls regarding both financial and non-financial risks, including legal matters that could have a material impact on the Group. The AFC regularly consults with the Group's CEO as well as the Executive Management. At least once a year, the Board of Directors, via the AFC, is briefed by the Group Executive Management of any significant changes in risk management. In financial year 2021, the Group Risk Report was reviewed with the Board of Directors at the March 2022 board meeting.

Risk Radar and Mitigation Actions at the End of Financial Year 2021
Amongst the top material risks on the Company's risk radar are Supply Chain, Inflation, Quality Management, IT Security & Computer Crime and Portfolio & Technology Competitiveness. In addition to the risks described below, the Company is closely monitoring global geo-political risks. The following overview describes these risks in more detail and shows mitigation actions implemented by Landis+Gyr.

Exposure to component market shortages, limited capabilities of suppliers, extended lead times and increased freight rates
- Identify and qualify alternative sources and purchase certain (critical) components from multiple suppliers
- Maintain an inventory of important components
- Maintain close collaboration with contract manufacturers

Financial risk caused by inflation
- Review and adapt pricing strategy
- Negotiation on materials and components procurement
- Operational excellence measures to improve cost base

Potential failure of suppliers and contract manufacturers or inadequate processes to meet quality requirements
- Global standardized supplier management process
- Global Zero-Defect Quality Initiative
- Adopted quality management system standard from the automotive industry

Cyberattack or product hacking
- Execute and enhance control frameworks to identify, track and remediate security vulnerabilities

Portfolio gaps, offerings alignment to customer needs and ensuring competitiveness
- Significant investments in new product development in all three growth platforms
- Systematic build / buy / partner evaluation to optimize resources and align time to market
- Continually develop and introduce new products, e.g., next-generation electricity metering
- Extend the gas and water portfolio and strengthen the partner program to develop new offerings

For further information on risk management is provided in the Corporate Governance Report, page 17/18 or the Financial Report on page 48.

Sustainability

Landis+Gyr creates a greener tomorrow through leading technology in Smart Metering, Grid Edge Intelligence and Smart Infrastructure. For more than 125 years, the Company has empowered customers and consumers to utilize resources in a more informed and sustainable way and reduce their carbon footprint.

Sustainability is part of Landis+Gyr's DNA, expressed in Sustainable Impact being one of its company-wide shared values and representing 20% of the Company's short-term incentive targets. Landis+Gyr is proud to be a part of the global effort to decarbonize the grid. Following last year's announcement to become carbon neutral by 2030 for scope 1 and 2, Landis+Gyr has joined the Science Based Targets initiative.

The Company is proud of its achievements and convinced that it is driving the right priorities to continue to support sustainable resource management all over the world. Landis+Gyr continues to be fully committed to the principles defined in the UN Global Compact as the foundation of its efforts to establish a culture of integrity and to act responsibly – today and tomorrow.

With this Annual Report, Landis+Gyr provides an outlook on the material topics, ambitions and actions for the next ESG Cycle, starting in the financial year 2022. At the same time, the Company publishes the achievements in its last financial year, as well as the overall ESG cycle from FY 2019–2021 which has now been concluded. While this chapter provides an overview of Landis+Gyr's ESG strategy and activities, the Sustainability Report offers a more detailed perspective.

Reporting according to GRI core since 2020

WE SUPPORT

Joined in January 2020

In 2021, top 5% of Sustainable Companies

ESG corporate rating "C" (top 30%) since 2018

AA-rated since 2018 (top 11% in peer universe)

Company grade of "B" since 2020

In 2022, ESG Risk Rating of 10.7 (Low Risk)

Recognized as one of 300 European Climate Leaders by FT-Statista

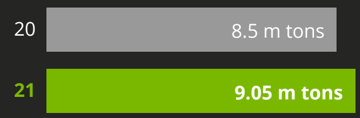
Carbon Neutral

by 2030 (for scope 1 and 2)

Direct CO_2 emissions avoided

9.05 million tons

CO_2 emissions avoided through Landis+Gyr's installed Smart Metering base in FY 2021*

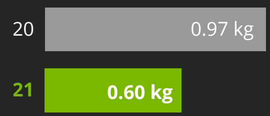


* The savings are calculated using a proprietary model based on publicly available country-specific sources.

Direct CO_2 emissions from Landis+Gyr operations

0.60 kg

CO_2 per USD 100 turnover*



*turnover as reported in the Financial Report, covering recent acquisitions

Reduction of Landis+Gyr resources in FY 2021 compared to FY 2020

Water
–20%

Chemicals
–9%

Waste
–8%

CO_2
–27%

Material Topics and Outlook ESG Cycle FY 2022–24
The materiality assessment is fundamental to Landis+Gyr's ESG strategy. As a global energy management solutions leader, Landis+Gyr focuses on its resources and efforts related to the most strategic ESG areas and topics. The materiality assessment conducted in FY 2021 confirmed Landis+Gyr's strategic positioning and ESG approach.

The topics 'Security and Data Privacy', 'Business Integrity', 'Energy Efficiency', 'Climate Protection' and 'Employee Engagement' continue to be the most crucial topics for the Company's most relevant stakeholders. In addition, the relevance of the material topics 'Strategic Responsible Sourcing' and 'Resource Efficiency' has increased over the last three years.

Landis+Gyr wants to focus its resources and efforts on the topics that are considered most strategic to its business and offer the greatest potential in terms of impact. This updated materiality assessment resulted in a final list of 10 material topics for the next ESG cycle from FY 2022 to 2024.

Environmental
Social
Governance

Material Topic	SDGs	Long-term ambition
Energy Efficiency and Climate Protection	6, 7, 13	Attain carbon neutrality in Landis+Gyr's operations (Scope 1 & 2) by 2030 and enable grid decarbonization through its product offerings.
Resource Efficiency	7, 12, 13	Aim for zero-waste, increased product recycling and higher utilization of sustainable materials through the application of circular economy principles.
Strategic Responsible Sourcing	12, 13, 17	Be recognized as an industry leader in responsible sourcing.
Occupational Health and Safety	3	Establish a global no-blame culture focused on improvement and involving everyone in the proactive identification, reporting and mitigation of OHS-related work hazards.
Employee Engagement	4, 5	Be recognized as employer of choice, with a positive working environment in which employees are engaged and empowered in line with Landis+Gyr's shared values.
Fair Labor Practices	5, 8	Create, nurture, and sustain a culture of diversity, equity and inclusion within Landis+Gyr's workplace to maximize its potential as business and as individual members of society.
Community Engagement	7, 8, 16	Act as a responsible corporate citizen, who leverages company resources to bring prosperity and enhance quality of life in the communities where it operates and beyond.
Product Social Impact	1, 7	Deliver solutions which create value to society while supporting customers' carbon reduction and consumer engagement goals.
Security and Data Privacy	9	Ensure security and privacy are central to Landis+Gyr's current and future products, services and culture.
Business Integrity and Fair Taxes	9, 16	Maintain an undisputed reputation as a trusted and reliable partner by customers and other priority stakeholders.

Material Topics and Achievements ESG Cycle FY 2019–21

The last materiality assessment was performed in the financial year 2018, where a total of 9 material topics have been identified as most relevant for Landis+Gyr's ESG cycle from FY 2019 to 2021, the Company's business and its stakeholders. The topics were ranked by level of stakeholder concern and potential impact on the Company. More than 70 activity items were defined and have been implemented along with a central global roadmap.

In FY 2021, Landis+Gyr's global Smart Metering base ensured the avoidance of 9.05 million tons of CO_2 emissions. At the same time, the percentage of products shipped as part of the Company's Eco-Portfolio remained stable at 74%.

In the past financial year, Landis+Gyr was able to increase its portion of renewable electricity by 30 percentage points and further reduce the amount of its CO_2 emissions (–0.37 kg) per 100 USD turnover, water usage (–3.8 m^3) per employee and proportion of waste to landfill (–0.11%).

In addition, the Company reduced its lost time incidents frequency rate, increased the average hours of training for employees and the percentage of suppliers who signed Landis+Gyr's Supplier Code of Conduct and green procurement policy. In the area of governance, Landis+Gyr updated its Anti-Bribery & Corruption Policy and ensured that 100% of the relevant employees have completed the anti-corruption training.

Environmental
Social
Governance

Material Topic	SDGs	Achievements Cycle
Energy Efficiency & Climate Protection	6, 7, 13	89%
Resource Efficiency	7, 12, 13	78%
Strategic Responsible Sourcing	12, 13, 17	100%
Occupational Health and Safety	3	100%
Employee Motivation	4, 5	100%
Fair Labor Practices	5, 8	100%
Community Engagement	7, 8, 16	75%
Security & Data Privacy	9	87%
Business Integrity	9, 16	90%

Further Information

Share Information

Key Stock Exchange Figures

	FY 2021 (1.4.21 – 31.3.22)	FY 2020 (1.4.20 – 31.3.21)
Share price period end (CHF)	58.70	63.60
Share price high (CHF)	74.50	79.70
Share price low (CHF)	55.60	48.44
Market capitalization period end (excl. Treasury shares, CHF million)	1,693	1,833
Average daily trading volume on SIX Exchange (number of shares)[1]	82,226	152,056
Number of issued shares	28,908,944	28,908,944
Number of treasury shares (period end)	74,344	81,777
Nominal value per share (CHF)	10.00	10.00

1) Data source: SIX Swiss Exchange

Key Per Share Figures

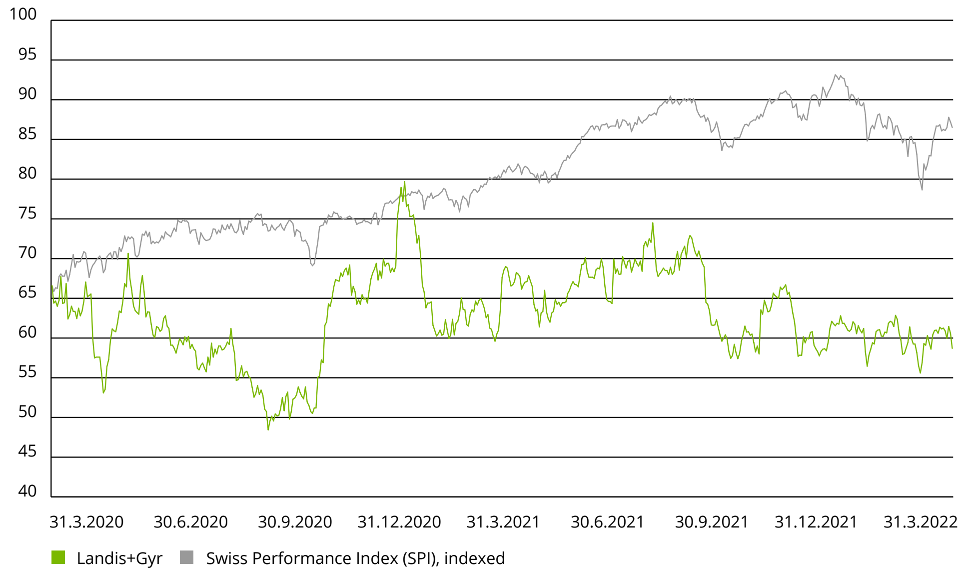
	FY 2021 (1.4.21 – 31.3.22)	FY 2020 (1.4.20 – 31.3.21)
Earnings per share – basic and diluted (USD)	2.59	(13.61)
Dividend per share (CHF)	2.15	2.10

Shareholder Structure

As of March 31, 2022, 9,561 shareholders were entered in the share register. The following shareholders held 3% or more of the outstanding share capital of Landis+Gyr Group AG.

	Number of Shares	% of share capital
KIRKBI Invest A/S, Denmark	4,445,265	15.38%
Rudolf Maag, Switzerland	3,000,000	10.38%
PGGM Vermogensbeheer B.V., The Netherlands	890,700	3.08%

Share Price Performance Landis+Gyr Group AG



Landis+Gyr Group AG Registered Shares

Listing	SIX Swiss Stock Exchange (International Reporting Standard)
Ticker	LAND
Bloomberg Symbol	LAND SW
Reuters Symbol	LANDI.S
ISIN	CH0371153492
Valor Number	37115349
Indices	SPI, SPI ESG, SPI ESG Select, SPI EXTRA, SPI ex SLI, Swiss All Share Index, UBS 100 Index, Ethos Swiss Corporate Governance Index
Accounting Standard	US GAAP

Corporate Calendar

Annual General Meeting 2022	June 24, 2022
Dividend Payment Date	June 30, 2022
Publication of Half Year Results 2021	October 27, 2022
Release of Results for Financial Year 2022	May 1, 2023

Contacts

Information Policy
The Landis+Gyr Group maintains an open dialog with all internal and external stakeholders. The information policy is based on consistent, effective, open, honest and timely communication. Matters affecting the share price are published immediately in accordance with the ad-hoc publicity rules of the SIX Swiss Exchange.

Contact Investor Relations and Corporate Communications

Eva Borowski
Senior Vice President
Investor Relations & Corporate Communications
Phone: +41 41 935 63 96
Email: eva.borowski@landisgyr.com

Christian Waelti
Head of Investor Relations
Phone: +41 41 935 63 31
Email: christian.waelti@landisgyr.com
Team: ir@landisgyr.com

Melissa van Anraad
Head of PR
Phone: +41 41 935 63 98
Email: melissa.vananraad@landisgyr.com
Team: pr@landisgyr.com

Contact Share Register
Devigus Shareholder Services
Birkenstrasse 47
6343 Rotkreuz, Switzerland
Phone: +41 41 798 48 33
Email: Landisgyr@devigus.com

Global Contacts
Group Headquarters
Landis+Gyr Group AG
Alte Steinhauserstrasse 18
CH-6330 Cham
Switzerland

AMERICAS
Regional Headquarters
Landis+Gyr Technology Inc.
30000 Mill Creek Ave., Suite 100
Alpharetta, GA 30022, USA

USA
Landis+Gyr Technology Inc.
30000 Mill Creek Ave., Suite 100
Alpharetta, GA 30022, USA

Brazil
Landis+Gyr Equip. de Medição Ltda.
Rua Hasdrubal Bellegard,
400 81460-120 Curitiba Paraná

Japan
Landis & Gyr Japan KK
KK Level 3
Ginza Mitsui Building 8-13-1
Ginza Chuo-ku
Tokyo 104-0061

Mexico
Landis+Gyr S.A. de C.V.
Avenida Mike Allen 1221 Edif 1
Parque Industrial Reynosa Seccion Norte
Reynosa, Tamaulipas
México C.P. 88788

EMEA
Regional Headquarters
Landis+Gyr AG
Alte Steinhauserstrasse 18
CH-6330 Cham
Switzerland

Austria
Landis+Gyr GmbH
Altmannsdorfer Strasse 76
A-1120 Wien

Belgium
Landis+Gyr N.V.
Guido Gezellestraat 121
B-1654 Beersel/Huizingen

Czech Republic
Landis+Gyr s.r.o.
Plzenská 5a, c.p. 3185
CZ-150 00, Praha 5

Denmark
Landis+Gyr
(Subsidiary of Landis+Gyr Oy)
Skovlytoften 33
Øverød
DK-2840 Holte

True Energy A/S
A Landis+Gyr Company
Agern Alle 5A
2970 Hørsholm

Finland
Landis+Gyr Oy
Paperitehtaankatu 9
FI-40100 Jyväskylä

France
Landis+Gyr S.A.S.
77–81 Bd. de la République
F-92250 La Garenne Colombes

Germany
Landis+Gyr GmbH
Humboldtstrasse 64
D-90459 Nürnberg

Rhebo GmbH
A Landis+Gyr Company
Halle 6, 2. OG
Spinnereistr. 7
D-04179 Leipzig

Greece
Landis+Gyr A.E.
78 km National Road
Athens-Corinth
P.O. Box 207 GR-20100 Corinth

Italy
Landis+Gyr S.p.A
Via Mazzini 3/A
20063 Cernusco Sul Naviglio
Milano

Netherlands
Landis+Gyr B.V.
Tielweg 10
2803 PK Gouda

Poland
Landis+Gyr Sp.zo.o.
Al.Jerozolimskie 212
02-486 Warszawa

Slovakia
Landis+Gyr s.r.o.
Mlynske Nivy 43
821 09 Bratislava

Slovenia
Landis+Gyr d.o.o.
Poslovna cona A 2
SI-4208 ŠENČUR

ETREL d.o.o.
A Landis+Gyr Company
Pod jelšami 6
SI-1290 Grosuplje

South Africa
Landis+Gyr (Pty) Ltd.
2 Slate Avenue, N1
Business Park
Kosmosdal Ext. 7
Gauteng

Spain
Landis+Gyr S.A.U.
Carretera de la Esclusa, 11
Edificio Galia Puerto
E-41011 Sevilla

Sweden
Landis+Gyr
(Subsidiary of Landis+Gyr Oy)
Frösundaleden 2B
169 70 Solna

Switzerland
Landis+Gyr AG
Alte Steinhauserstrasse 18
6330 Cham

Turkey
Luna Elektrik Elektronik
Sanayi ve Ticaret A.S.
A Landis+Gyr Company
10001. Sk. No:9, 35620
Aosb/Çiğli/İzmir

United Kingdom
Landis+Gyr Ltd.
The Landing
Trident Business Park
Styal Road
Manchester,M22 5XB UK

Landis+Gyr Ltd.
Lake House
Flaxley Road
Kingston Park
Peterborough, PE2 9FT UK

ASIA PACIFIC
Regional Headquarters
Landis & Gyr Pty Ltd.
Level 10, 241 O'Riordan Street
Mascot NSW 2020
PO Box 6274
South Sydney Business Hub NSW 2015
Sydney, Australia

Australia
Landis & Gyr Pty Ltd.
Level 10, 241 O'Riordan Street
Mascot NSW 2020
PO Box 6274
South Sydney Business Hub NSW 2015
Sydney, Australia

China
Landis+Gyr Meters & System
(Zhuhai) Co. Ltd.
No.12 Pingdong 3RD
Nanping Industry Community
Zhuhai City, Guangdong,
519060 P.R. China

Hong Kong
Landis & Gyr Ltd.
1501-2 Laford Centre
838 Lai Chi Kok Road
Kowloon

India
Landis+Gyr Ltd.,
Diamond Harbour Road,
District: South 24 Parganas
Joka, West Bengal – 700104

New Zealand
Landis & Gyr Ltd.
4F Piermark Drive
Albany 0632
PO Box 302205
North Harbour
Auckland 0751, New Zealand

Singapore
Landis+Gyr Pte. Ltd.
229 Mountbatten Road #02-05
Mountbatten Square
Singapore 398007

This Annual Report includes forward-looking information and statements, including statements concerning the outlook for Landis+Gyr Group AG's businesses. These statements are based on current expectations, estimates and projections about the factors that may affect the Company's future performance, including global economic conditions, and the economic conditions of the regions and industries that are major markets for Landis+Gyr.

These expectations, estimates and projections are generally identifiable by statements containing words such as "expects", "believes", "estimates", "targets", "plans", "outlook", "guidance" or similar expressions.

All forward-looking statements are based only on data available to Landis+Gyr at the time of preparation of this Annual Report. Landis+Gyr does not undertake any obligation to update any forward-looking statements contained in this Annual Report as a result of new information, future events or otherwise.

There are numerous risks, uncertainties and other factors, many of which are beyond Landis+Gyr's control, that could cause Landis+Gyr's actual results to differ materially from the forward-looking information and statements made in this report and which could affect the Company's ability to achieve its stated targets.

The important factors that could cause such differences include, among others: the duration, severity and geographic spread and potential after-effects of the COVID-19 pandemic, government actions to address or mitigate the impact of the COVID-19 pandemic, and the potential negative impacts of COVID-19 on the global economy, any of the Company's operations and those of its customers and suppliers; global shortage of supplied components as well as increased freight rates, business risks associated with the volatile global economic environment and political conditions, unrests and/or wars; costs associated with compliance activities; market acceptance of new products and services; changes in governmental regulations and currency exchange rates; estimates of future warranty claims and expenses and sufficiency of accruals; and such other such factors as may be discussed from time to time in Landis+Gyr Group AG filings with the SIX Swiss Exchange.

Although Landis+Gyr Group AG believes that its expectations reflected in any such forward-looking statement are based upon reasonable assumptions, it can give no assurance that those expectations will be achieved.

MANAGE ENERGY BETTER

Corporate Governance Report 2021

Landis+Gyr

Contents

Corporate Governance Report 2021

Purpose of this Report

This Corporate Governance Report contains the information required by the Directive on Information relating to Corporate Governance issued by the SIX Swiss Exchange, as in force on March 31, 2022 (the "DCG") and is structured in accordance with the DCG. In addition, Landis+Gyr follows the recommendations of the Swiss Code of Best Practice for Corporate Governance.[1] The Company continues to develop its corporate governance by reference to leading international standards. Good corporate governance is an essential and core element of the vision and values of the Landis+Gyr Group.

1 Group Structure and Shareholders

1.1 Group Structure

1.1.1 The Group's Operational Structure

Landis+Gyr is a global provider of integrated energy management solutions for the utility sector. Its solutions help utilities solve their challenges in Smart Metering, Grid Edge Intelligence and Smart Infrastructure by improving their operations, protect their assets, lower their operating costs, and provide better customer service with a focus on quality, reliability and innovation. Landis+Gyr employs around 6,500 people in over 30 countries across five continents.

Landis+Gyr is organized as a group of companies. The ultimate parent company of the group is Landis+Gyr Group AG (the "Company"), a holding company governed by the laws of Switzerland.[2] The Company is headquartered in Cham in the Canton of Zug, Switzerland, with its registered address at Alte Steinhauserstrasse 18, 6330 Cham. As of March 31, 2022, the Company's share capital amounted to CHF 289,089,440.00, divided into 28,908,944 registered shares at a par value of CHF 10.00 each.

The general meeting of shareholders of the Company (the "General Meeting") is the supreme corporate body and, amongst other competences, elects the Company's board of directors (the "Board of Directors" or the "Board", each member of the Board a "Director"). The Board of Directors, while entrusted with the ultimate direction of the Company as well as the supervision and control of management in accordance with art. 716b of the Swiss Code of Obligations (the "CO") and art. 16 of the Company's articles of association (the "Articles")[3], has, via the Company's organizational regulations (the "Organization Regulations")[4], delegated certain aspects of the day to-day management of the Group to the Chief Executive Officer (the "CEO"), who is in turn supported by the group executive management (the "Group Executive Management") and the extended executive management.[5]

The Group is organized in three regional reporting segments: the Americas, Europe, Middle East and Africa ("EMEA"), and Asia Pacific.

Americas
Landis+Gyr's operations in the Americas are headquartered in Alpharetta, Georgia, USA and serve customers in North America, South America, Japan, and certain other countries that have adopted the United States' ANSI metering standard. The Americas segment primarily focuses on smart metering communications networks and solutions, connected intelligent devices, software, and services.

EMEA
Landis+Gyr's operations in EMEA are headquartered in Cham, Canton of Zug, Switzerland. The EMEA segment comprises its operations in Europe, the Middle East and Africa. In this region, the product offerings primarily focus on connected intelligent as well as standalone metering devices, electric vehicle charging solutions, software, and services.

Asia Pacific
Landis+Gyr's operations in the Asia Pacific region are headquartered in Sydney, Australia and serve customers in Australia, New Zealand, China, India, Southeast Asia and elsewhere in Asia (but excluding Japan and certain other counties that have adopted the United States' ANSI metering standard). This segment primarily focuses on connected intelligent and standalone metering devices, software, and services.

1.1.2 Listing and Capitalization

The only listed company of the Group is the Company itself.[6] The shares of the Company are listed on SIX Swiss Exchange (ISIN: CH0371153492, ticker symbol: LAND, valor number: 37115349). On March 31, 2022, the market capitalization (excluding treasury shares) of the Company's shares amounted to CHF 1,692,591,020. There are no other listed companies belonging to the Group.

Except for the Company's treasury shares (see below, Section 1.2), which are held by Landis+Gyr AG, the Company's only subsidiary (see below, Section 1.1.3), no shares of the Company are owned by any of the Group companies.

1 As in force on March 31, 2022.
2 As used in this report, references to the "Company" or to "L+G" are to Landis+Gyr Group AG, and references to "we", "us", "our" or the "Group" are to Landis+Gyr Group AG and its consolidated subsidiaries, unless context requires otherwise.
3 The Company's Articles are available on www.landisgyr.com/about/executive-management-and-board/.
4 The Company's Organization Regulations are available on www.landisgyr.com/about/executive-management-and-board/.
5 See Section 3.6.1 below for further descriptions regarding the duties of the Board.
6 See Section 1.1.1 above for information regarding the Company's full company name, seat, and registered address.

1.1.3 Non-listed Companies Belonging to the Landis+Gyr Group

The Company's only shareholding is in Landis+Gyr AG, which in turn directly or indirectly owns the other companies in the Group. The table below sets forth, as of March 31, 2022, the name, place of incorporation, ownership interest and share capital of all direct and indirect subsidiaries which belong to the Company's consolidation scope.

Non-listed Direct and Indirect Subsidiaries of Landis+Gyr Group AG

Company name	Registered office	Country	Interest %	Share capital in thousands	Currency
Landis & Gyr Pty Ltd	Mascot, NSW	Australia	100	50,587	AUD
Landis & Gyr Holdings Pty Ltd	Mascot, NSW	Australia	100	45,587	AUD
Bayard Metering Pty Ltd	Mascot, NSW	Australia	100	45,587	AUD
Landis+Gyr GmbH	Vienna	Austria	100	300	EUR
Landis+Gyr N.V.	Huizingen	Belgium	100	116.6	EUR
Landis+Gyr E.d.M. Ltd.	Curitiba	Brazil	100	31,543	BRL
Landis+Gyr Canada, Inc.	Quebec	Canada	100	n/a	CAD
Landis+Gyr Meters & Systems Co. Ltd.	Zhuhai	China	100	65,000	HKD
Landis & Gyr Ltd.	Hong Kong	China	100	32,000	HKD
Landis+Gyr s.r.o.	Prague	Czech Republic	100	5,000	CZK
True Energy A/S	Hørsholm	Denmark	100	493	DKK
Landis+Gyr OY	Jyväskylä	Finland	100	16,819	EUR
Landis+Gyr S.A.S.	Montluçon	France	100	2,460	EUR
Landis+Gyr GmbH	Nuremberg	Germany	100	1,023	EUR
Rhebo GmbH	Leipzig	Germany	100	279	EUR
Landis+Gyr S.A.	Corinth	Greece	100	7,950	EUR
Landis Gyr Ltd.	Kolkata	India	100	457,400	INR
Landis+Gyr S.p.A.	Milan	Italy	100	1,500	EUR
Landis&Gyr Japan KK	Tokyo	Japan	100	20,000	YEN
Kosovo Luna Elektrik DHE Elektronik SH.P.K.	Prishtina	Kosovo	100	25	EUR
Landis+Gyr S.A. de C.V.	Reynosa	Mexico	100	50	MXN
Landis+Gyr Mexico S.A. de C.V.	Reynosa	Mexico	100	10	MXN
Landis+Gyr B.V.	Gouda	Netherlands	100	90	EUR
Landis & Gyr Ltd.	Auckland	New Zealand	100	300	NZD
Landis+Gyr Sp. z o.o.	Warsaw	Poland	100	5,000	PLZ
Landis+Gyr Pte. Ltd.	Singapore	Singapore	100	4,800	SGD
Etrel d.o.o.	Grosuplje	Slovenia	75	8	EUR
Landis+Gyr d.o.o.	Sencur	Slovenia	100	200	EUR
Landis and Gyr (Pty) Ltd	Kosmosdal	South Africa	70	2,000	ZAR
Landis & Gyr SA	Seville	Spain	100	3,000	EUR
Landis+Gyr AG	Cham	Switzerland	100	29,700	CHF
Caligyr AG	Cham	Switzerland	100	100	CHF
Ampy Holdings Ltd, UK	Manchester	United Kingdom	100	42,306	USD
Bayard Metering (UK) Ltd	Manchester	United Kingdom	100	6,986	GBP
Generis Technology Ltd.	Manchester	United Kingdom	100	0.747	GBP
Landis+Gyr Ltd.	Manchester	United Kingdom	100	2,800	GBP
Landis+Gyr (Stockport) Ltd.	Manchester	United Kingdom	100	n/a	GBP
Luna Elektrik Elektronik Sanayi ve Ticaret A.Ş.	Çiğli/Izmir	Turkey	100	250	TRY
Landis+Gyr Innovations, Inc.	Alpharetta	USA	100	0.01	USD
Landis+Gyr Investments, LLC	Lafayette	USA	100	0.1	USD
Landis+Gyr Technologies Canada, Inc.	Pequot Lakes	USA	100	0.03	USD
Landis+Gyr Technology, Inc.	Alpharetta	USA	100	0.01	USD
Landis+Gyr Midwest, Inc.	Alpharetta	USA	100	0.01	USD

1.2 Significant Shareholders

The number of registered shareholders registered in the Company's share ledger as of March 31, 2022, amounted to 9,561, holding a total of 19.2 million shares, which equals approximately 66.3% of the Company's total shares. A total of 9.7 million shares, equaling approximately 33.7% of the Company's total shares, were held by unregistered shareholders. As of March 31, 2022, the Company held 74,344 treasury shares (which are registered), which represents 0.26% of the Company's share capital. The sources of the Company's treasury shares are explained in more detail in Section 2.3.2 below.

To the best of Landis+Gyr's knowledge, the following shareholders had holdings reaching or exceeding 3% or more of the voting rights in the Company as of March 31, 2022, as notified in accordance with art. 120 of the Swiss Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (the "FMIA"):[7]

Shareholder (beneficial owner / legal shareholder)	Number of shares	% of voting rights
Kjeld Kirk Kristiansen, Thomas Kirk Kristiansen, Sofie Kirk Kristiansen, Agnete Kirk Thinggaard / KIRKBI Invest A/S	4,445,265	15.38%
Rudolf Maag	3,000,000	10.38%
PGGM Vermögensbeheer B.V.	890,700	3.08%

7 The number of shares shown in this Corporate Governance Report and the holding percentages are based on the last disclosure of shareholding communicated by the respective shareholder to the Company and the Disclosure Office of SIX Swiss Exchange. The number of shares held by the relevant shareholder may have changed since the date of such shareholder's notification. Also, due to changes in the share capital of the Company in the last three financial years (see below, Section 2.3), it may be that the percentage of voting rights listed herein differs from the percentage of voting rights listed on the website of the SIX Exchange Regulation (SER), which also includes the individual reports of the significant shareholders: www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html/.

Notifications made in accordance with art. 120 FMIA during the 12 months preceding March 31, 2022, can be viewed at: www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html/.

1.3 Cross-shareholdings
The Company does not have any cross-shareholdings exceeding 5% of the capital or voting rights with any other company.

2 Capital Structure

2.1 Capital
On March 31, 2022, the Company's ordinary share capital as registered with the Commercial Register of the Canton of Zug amounted to CHF 289,089,440.00, divided into 28,908,944 fully paid-in registered shares with a nominal value of CHF 10.00 per share. The shares are limited in transferability and non-assessable.

On March 31, 2022, the Articles provided for two types of conditional capital (arts. 3a and 3b of the Articles) as well as an authorized capital (art. 3c of the Articles). According to art. 3a of the Articles, the Company's share capital may be increased by up to CHF 4,500,000 through the issuance of up to 450,000 fully paid-in registered shares with a nominal value of CHF 10.00 each (the "Conditional Capital for Employees"). According to art. 3b of the Articles, the Company's share capital may be increased by up to CHF 28,908,940 through the issuance of up to 2,890,894 fully paid-in registered shares with a nominal value of CHF 10.00 each (the "Conditional Capital for Financing and Acquisitions"). According to art. 3c of the Articles, the Board may increase the Company's share capital by up to CHF 28,908,940 by issuing a maximum of 2,890,894 fully paid-in registered shares with a nominal value of CHF 10.00 each (the "Authorized Capital").

2.2 Conditional Capital and Authorized Capital of the Company

2.2.1 Conditional Capital

2.2.1.1 Conditional Capital for Employees

According to art. 3a of the Articles, the Company may increase its share capital by up to CHF 4,500,000 by issuing up to 450,000 fully paid-in registered shares with a nominal value of CHF 10.00 each, upon the exercise of option rights or in connection with similar rights regarding shares (including performance stock units (the "PSUs") and/or restricted stock units (the "RSUs")) granted to officers and employees at all levels of the Group. Pre-emptive rights and advance subscription rights of shareholders do not apply, and the shares may be issued at a price below the market price. If fully utilized, the maximum amount of this conditional capital (CHF 4,500,000) would equal approximately 1.6% of the existing share capital. The time period for an increase of the Company's share capital pursuant to art. 3a of the Articles is unlimited.[8]

2.2.1.2 Conditional Capital for Financing and Acquisitions
According to art. 3b of the Articles, the Company may increase its share capital by up to CHF 28,908,940 by issuing up to 2,890,894 fully paid-in registered shares with a nominal value of CHF 10.00 each, through the exercise or mandatory exercise of conversion, exchange, option, warrant or similar rights for the subscription of shares granted to shareholders or third parties alone or in connection with bonds, notes, loans, options, warrants or other securities or contractual obligations of the Company or any of its group companies (the "Financial Instruments"). The pre-emptive rights of shareholders are excluded in connection with the issuance of registered shares upon the exercise of any Financial Instruments. The then current owners of such Financial Instruments are entitled to acquire the new registered shares issued upon conversion, exchange or exercise of any Financial Instruments. The Board of Directors is authorized to restrict or withdraw advance subscription rights of shareholders in connection with the issuance of Financial Instruments by the Company or one of its group companies under certain terms and conditions. Certain further terms and conditions apply in case advance subscription rights are neither granted directly nor indirectly by the Board of Directors. If fully utilized, the maximum amount of this conditional capital (CHF 28,908,940) would equal approximately 10.0% of the existing share capital. The time period for an increase of the Company's share capital pursuant to art. 3a of the Articles is unlimited, provided that certain terms and conditions as described in art. 3b of the Articles may impose time limitations on the conversion, exchange or exercise of the Financial Instruments.[9]

8 For a more comprehensive description of the terms and conditions of the issuance of such conditional capital, refer to art. 3a of the Articles.
9 For a more comprehensive description of the terms and conditions of the issuance of such conditional capital, refer to art. 3b of the Articles.

2.2.2 Authorized Capital

According to art. 3c of the Articles, the Board of Directors may increase the Company's share capital by up to CHF 28,908,940 by issuing up to 2,890,894 fully paid-in registered shares with a nominal value of CHF 10.00 each, whereas increases in partial amounts are permissible. The Board of Directors determines the issue price, the type of contribution, the date of issuance, the conditions for the exercise of pre-emptive rights and the beginning date for dividend entitlement. If fully utilized, the maximum amount of the authorized capital (CHF 28,908,940) would equal 10.0% of the existing share capital. The authority of the Board of Directors to increase the Company's share capital by issuing shares out of the Company's authorized capital according to art. 3c of the Articles lasts until June 30, 2022.[10]

2.2.3 Common Limitations to Conditional and Authorized Capital Pursuant to the Articles

Pursuant to art. 3b of the Articles, the aggregate number of registered shares issued until June 30, 2022 (1) out of the Authorized Capital with the limitation or exclusion of pre-emptive rights of existing shareholders, and/or (2) out of the Conditional Capital for Employees, and the Conditional Capital for Financial Instruments with the limitation or exclusion of advance subscription rights of existing shareholders, may not exceed 2,890,894 registered shares of the Company.

2.3 Changes in Share Capital

In the last three financial years, the Company has undergone the following changes in its share capital:

Date (Change of Articles / entry in Commercial Register)	Change in Company's share capital (if any)	Further description
June 25, 2019 / September 17, 2019	Share capital decrease from CHF 295,100,000.00 to CHF 292,515,490.00	Capital decrease through cancellation of a total of 258,751 treasury shares at a nominal value of CHF 10.00 each (see Section 2.3.2 for further information)
June 30, 2020 / October 1, 2020	Share capital decrease from CHF 292,515,490.00 to CHF 289,089,440.00	Capital decrease through cancellation of a total of 342,305 treasury shares at a nominal value of CHF 10.00 each (see 2.3.2 for further information)

10 For a more comprehensive description of the terms and conditions of the issuance of such conditional capital, refer to art. 3c of the Articles.

2.3.1 Adjustment of Number and Nominal Value of Shares in Connection with the Company's Initial Public Offering

From 2012 through the date of the initial public offering (the "IPO"), the Company had a nominal share capital of CHF 295,100,000, divided into 295,100,000 fully paid-in registered shares with a nominal value of CHF 1.00 each. In connection with the IPO of the Company, the General Meeting on July 11, 2017, resolved to change the number and nominal value of the Company's shares divided into 29,510,000 fully paid-in registered shares with a nominal value of CHF 10.00 each. The Company's share capital itself was neither increased nor decreased.

2.3.2 The Company's Share Buy-Back Programs and Capital Decreases

On January 29, 2019, the Company announced that its Board of Directors had approved a share buyback program in the total amount of up to CHF 100 million or a maximum of 8% of the Company's outstanding shares (the "Share Buy-Back Program"). The Share Buy-Back Program opened on January 30, 2019, was suspended on March 27, 2020, and expired on January 28, 2022 (while still suspended). A total of 601,056 shares (2.04% of shares outstanding when the Share Buy-Back Program was announced) had been repurchased under the program. The shares were repurchased for the purposes of cancellation subject to approval of the corresponding capital decrease by the Company's shareholders in accordance with Swiss corporate law.[11]

As a consequence of the Share Buy-Back Program, the Company's shareholders, at the ordinary General Meeting ("AGM") in 2019, resolved to reduce the Company's share capital by CHF 2,587,510 through the cancellation of 258,751 of the Company's treasury shares, and at the AGM in 2020, resolved to reduce the Company's share capital by CHF 3,423,050 through the cancellation of 342,305 of the Company's treasury shares.

2.3.3 Treasury Shares

Besides treasury shares stemming from the Share Buy-Back Program (see Section 2.3.2 above), which, as of March 31, 2022, have all been canceled, the Company regularly purchases additional shares for the purposes of compensation of the Board of Directors, and to serve the Company's Long-Term Incentive Plan. As of March 31, 2022, the Company held 74,344 treasury shares, which represents 0.26% of the Company's share capital.

11 Please refer to www.landisgyr.com/investors/share-buyback-program for further information.

2.4 Shares and Participation Certificates

As of March 31, 2022, the Company's share capital amounted to CHF 289,908,944.00, divided into 28,908,944 registered shares with a nominal value of CHF 10.00 each, all fully paid in. Pursuant to art. 11 of the Articles, each share carries one vote at a shareholders' meeting. The shares rank pari passu in all respects with each other, including, in respect of entitlements to dividends, to a share in the liquidation proceeds in the case of a liquidation of the Company. The Company issues its registered shares as uncertified securities (Wertrechte) and registers them as book-entry securities within the meaning of the Swiss Federal Act on Intermediated Securities (the "FISA"). In accordance with art. 973c of the CO, the Company maintains a register of uncertificated securities (Wertrechtebuch).

The Company has not issued any participation certificates.

2.5 Dividend-right Certificates

The Company has not issued any dividend-right certificates (Genussscheine).

2.6 Limitations on Transferability and Nominee Registrations[12]

Art. 5 of the Articles contains restrictions on a shareholders' possibility to be entered in the Company's share register as a shareholder with voting rights and on the registration of nominees (the "Nominee").[13]

2.6.1 Limitations on Transferability

Pursuant to art. 5 of the Articles, persons acquiring registered shares are, on application, entered in the share register without limitation as shareholders with voting power, provided they comply with the disclosure requirements stipulated by the FMIA and expressly declare that they have acquired the shares in their own name and for their own account. The entry as shareholder with voting rights in the share register of the Company is subject to approval by the Company.

The Company may refuse the entry as a shareholder with voting rights in case the applicant is non-compliant with any of the requirements set forth above or is non-compliant with the rules (and the requirements) set forth in the Articles for Nominee registrations. The limits for registration set forth for Nominees also apply, subject to art. 652b para. 3 CO, to the subscription for or acquisition of registered shares by exercising pre-emptive, option or convertible rights arising from shares, or any other securities issued by the Company or third parties. For purposes of the limitations on transferability of shares, legal entities or partnerships or other associations or joint ownership arrangements, which are linked through capital ownership or voting rights, through common management or in like manner, as well as individuals, legal entities or partnerships (especially syndicates), which act in concert with the intent to circumvent the entry restriction, are considered as one shareholder or Nominee. The Company may in special cases approve exceptions to the restrictions described in this paragraph (i.e., in art. 5 paras. 3, 4 and 5 of the Articles).

If the Company does not refuse to register the acquirer as shareholder with voting rights within 20 calendar days upon receipt of the application, the acquirer is deemed to be a shareholder with voting rights. Non-recognized acquirers shall be entered in the share register as shareholders without voting rights. The corresponding shares shall be considered as not represented in the General Meeting of Shareholders.

2.6.2 Exceptions Granted in the Period Under Review

As of March 31, 2022, no exceptions under art. 5 of the Articles had been granted during the period under review.

2.6.3 Admissibility of Nominee Registrations

Persons not expressly declaring themselves to be holding shares for their own account in their application for entry in the share register or upon request by the Company, the Nominees, are entered in the share register with voting rights without further inquiry up to a maximum of 3.0% of the share capital outstanding at the time. Above this limit, shares held by Nominees are entered in the share register with voting rights only after the Nominee discloses the names, addresses and shareholdings of the persons for whose account the Nominee is holding 0.5% or more of the share capital at that time, and provided that the disclosure requirements stipulated by the FMIA are complied with.

The Company may refuse the entry as a Nominee in case the applicant is non-compliant with the rules (and the requirements) set forth in the Articles for Nominee registrations; the limits for registration set forth for Nominees also apply, subject to art. 652b para. 3 CO, to the subscription for or acquisition of registered shares by exercising pre-emptive, option or convertible rights arising from shares, or any other securities issued by the Company or third parties. For purposes of the limitations set forth with regard to Nominee registrations, legal entities or partnerships or other associations or joint ownership arrangements, which are linked through capital ownership or voting rights, through common management or in like manner, as well as individuals, legal entities or partnerships (especially syndicates), which act in concert with the intent to circumvent the entry restriction, are considered as one shareholder or Nominee. The Company may in special cases approve exceptions to the restrictions described in this paragraph.

The Board of Directors has the right to conclude agreements with Nominees concerning their disclosure requirements.

12 This Section 2.6 works as a summary of the limitations on transferability of the Company's shares and nominee registrations. See art. 5 of the Articles for more information.
13 Legal entities or partnerships or other associations which are linked through capital ownership or voting rights, through common management or in a similar manner, as well as individuals, legal entities or partnerships which act in concert with the intent to circumvent the entry restriction, are considered as one shareholder or Nominee.

2.6.4 Procedure and Conditions for Canceling Transferability Privileges

After due consultation with the persons concerned, the Company is further authorized to delete entries in the share register as shareholder with voting rights with retroactive effect if they were affected on the basis of false information or if the respective person does not provide the information required by and for the registration of Nominees. The concerned person must be immediately informed about the deletion.

2.7 Convertible Bonds and Options

The Company has not issued any bonds or options regarding its shares outstanding as of March 31, 2022.

3 Board of Directors

3.1 Members of the Board of Directors

3.1.1 Overview and Selection

The Board of Directors is entrusted with the ultimate strategic direction of the Company as well as the supervision of the management. Accordingly, candidates for the Board of Directors are carefully selected to ensure qualified, committed members who are skilled and will devote the effort and time necessary to effectively carry out their governance responsibilities. In selecting members, the Board of Directors looks for male and female members and a diversity in backgrounds (current members represent six nationalities) as well as experience and expertise relevant for the specific role they will play on the Board of Directors, including their memberships on the three committees, as applicable, i.e., the Audit, Finance and Risk Committee (the "AFC", formerly known as the Audit & Finance Committee, but renamed accordingly by resolution of the Board of Directors taken on May 4, 2021), the Remuneration Committee (the "RemCo") and the Nomination, Governance and Sustainability Committee (the "NGSC", formerly known as the Nomination & Governance Committee but renamed accordingly by resolution of the Board of Directors taken on December 21, 2021; together the "Committees"). The NGSC currently works with the Board on identifying individuals who are qualified to become members of the Board and of the Committees with the target to reach at least 30% female directorship in the near future.

Pursuant to Swiss corporate law and the Articles, all Directors are elected annually. The Board of Directors consists of eight non-executive members (six of which are independent) and no executive members. As the current chairman of the Board (the "Chairman") formerly served as the Company's CEO, the Board of Directors has a Lead Independent Director whose role is further described in Section below 3.5.2.1. As of March 31, 2022, the Directors of the Company were:

Name	Role	First Election	Expires	Committees
Andreas Umbach	Chairman, not independent[14]	2017	2022 AGM	Nomination, Governance and Sustainability (Chair)
Eric Elzvik	Lead Independent Director	2017	2022 AGM	Remuneration (Chair); Audit, Finance and Risk; Nomination, Governance and Sustainability
Dave Geary	Independent Member	2017	2022 AGM	Remuneration
Peter Mainz	Independent Member	2018	2022 AGM	Remuneration; Nomination, Governance and Sustainability
Søren Thorup Sørensen	Not independent; representative of largest shareholder	2019	2022 AGM	None
Andreas Spreiter	Independent Member	2017	2022 AGM	Audit, Finance and Risk (Chair)
Christina Stercken	Independent Member	2017	2022 AGM	Audit, Finance and Risk
Laureen Tolson	Independent Member	2021	2022 AGM	None

Further information on each of the Directors is available in Section 3.1.4 below.

3.1.2 Selection and Skills

Landis+Gyr aims to have a well-balanced Board of Directors with individuals who bring a variety of perspectives, backgrounds and skills and who apply them to permit the Board of Directors to offer informed stewardship. When identifying members for the new Board of Directors at the time of the Company's initial public offering, a collective set of important skills/traits was defined with the support of an external consultant. This set of skills/traits was reviewed and expanded over the past years, and most recently in 2021, where M&A expertise was added during the annual review to reflect the Company's recent acquisitions and current strategy. The Board Skill Matrix below summarizes the current set of skills/traits grouped into six categories. The actual skillset/traits of the current Board of Directors were then reviewed and mapped against the matrix, and it was confirmed that the existing Board of Directors collectively possesses all the identified skills/traits.

14 Andreas Umbach qualifies as Independent Member according to the DCG and the Swiss Code of Best Practice for Corporate Governance. For purposes of consistency of this Corporate Governance Report with previous versions, he continues to be assessed as not independent.

Board Skills Matrix

		General				Governance					Technical / Functional						Industry Experience			
Board Member	Independence	Financial Proficiency	Global / International / Emerging Markets Experience	ESG Leadership Mindset and Track Record	Leadership, General Management and P&L Experience	Understanding Fiduciary, Legal and Ethical Duties	Board Experience	Governance Experience	Risk Management and Oversight	Environmental / Anti-Corruption / Health and Safety	Strategy Development and Execution	Growth and Innovation	Operational Excellence	Financial Expertise	Digitalization incl. Cybersecurity	Transformation and Restructuring	Utility Markets and Regulation	Utility Operations	Solutions, Software & Services in Energy Management	M&A Expertise
Andreas Umbach		□	■	■	■	□	■	■	□	□	■	■	■		□	■	■	□	■	■
Eric Elzvik	◆	■	■	□	□	■	■	■	■	■	■	□	■	■	■	■	□	□	□	■
Dave Geary	◆	□	■	■	■	□	■	■	□	□	■	■	■		□	□	□	□	■	■
Laureen Tolson	◆	□	■	■	■	□	□	■	□	□	■	■	■		■	■	□	□	■	□
Peter Mainz	◆	■	■	□	■	■	■	■	□	□	■	■	■	■	□	■	■	□	□	■
Søren Thorup Sørensen		■	■	■	□	■	■	■	■	■	■	□	□	■	□	□				■
Andreas Spreiter	◆	■	■	□	□	■	■	■	■	□	■	□	□	■	□	□	□		□	■
Christina Stercken	◆	■	■	■	□	■	■	■	■	□	■	□	■	■	□	■	□		□	■

■ Very experienced / expert
□ Relevant experience / proficient
◆ Independent

The Board of Directors conducts an annual self-assessment based on a comprehensive and anonymous questionnaire which is reviewed and adjusted on an annual basis, dependent on the current focus area, i.e., in financial year 2021 (April 1, 2021, to March 31, 2022), among others, regarding the committee memberships and options for the Company to further improve its ESG focus in the last quarter of the financial year. The Chairman conducts individual feedback and performance reviews with each director. The Lead Independent Director conducts the Chairman's performance review with the Board of Directors and in absence of the Chairman. Finally, the full Board of Directors jointly reviews the results of the self-assessment and defines any relevant changes or improvement actions.

3.1.3 Independence

The Board of Directors has applied its own independence criteria which go beyond the requirements of the DCG, the FINMA Circular on Corporate Governance and the Swiss Code of Best Practice for Corporate Governance. The Company's non-executive members of the Board of Directors are deemed independent if they:

- are not currently, and have not in the previous three years, been employed in some other function within the Company;
- have not been employed in the previous three years by the Company's audit firm as a lead auditor for the statutory audit;
- have no commercial links with the Company which, in view of their nature and scope, would lead to a conflict of interests (including directorships on the board of a commercial partner); and
- are not significant shareholders of the Company (shareholdings of 10% or more) and are not representatives of individual shareholders (private or institutional) or a specific group of shareholders.

3.1.4 Information regarding Directors

Andreas Umbach

Chairman, not independent [15]
Since July 19, 2017
Born: 1963

Nationality: Swiss/German

Prior positions at Landis+Gyr:
Executive Chairman of the Board of Directors of Landis+Gyr AG (April 2017 to July 2017); Group CEO/COO (2002 to 2017)

Current positions at publicly traded companies other than Landis+Gyr:
Chairman of the Board of Directors of SIG Group AG (formerly known as SIG Combibloc Group AG) (SIX: SIGN) (2018 to present)

Current positions at not publicly traded companies other than Landis+Gyr:
Chairman of the Board of Directors of Rovensa SA (2020 to present); Chairman of the Supervisory Board of Techem Energy Services GmbH (2018 to present)

Current outside mandates at non-profit-oriented organizations:
Zug Chamber of Commerce and Industry (President)

Prior other positions:
CEO of the Group until March 31, 2017, thereafter, elected as executive Chairman of Landis+Gyr AG and served in that role until the IPO. Board member of Ascom Holding AG (2010 to 2020; Chairman 2017 to 2019); Board member of WWZ AG (2013 to 2020); Board member at LichtBlick SE (2012 to 2016); President of the Siemens Metering Division within the Power Transmission and Distribution Group and other positions within Siemens (2002 and prior)

Education:
Master of Business Administration, University of Texas at Austin, USA; Diplom-Ingenieur in Mechanical Engineering, Technical University of Berlin, Germany

Eric Elzvik

Lead Independent Director
Since July 19, 2017
Born: 1960

Nationality: Swiss/Swedish

Prior positions at Landis+Gyr:
None

Current positions at publicly traded companies other than Landis+Gyr:
Board member at AB Volvo (STO: VOLV) (2018 to present); Board member and Chairman of the audit and compliance committee of LM Ericsson Telephone Company (STO: ERIC) (2017 to present)

Current positions at not publicly traded companies other than Landis+Gyr:
Chairman of GlobalConnect/IP-Only group (2019 to present); Board member of VFS Global (2018 to present); Senior Industrial Advisor to EQT Group (2017 to present)

Current outside mandates at non-profit-oriented organizations:
None

Prior other positions:
Chief Financial Officer and Group Executive Committee Member, ABB Ltd (2013 to 2017); various other positions at ABB including Division CFO ABB Discrete Automation & Motion (2010 to 2013); Division CFO Automation Products Division (2006 to 2010) and prior to that various senior positions within finance, mergers & acquisitions and new ventures; Board member of the Swiss Swedish Chamber of Commerce (2016 to 2017); Board member of Fenix Marine Services (2017 to 2020).

Education:
Master of Business Administration (Civilekonom), Stockholm School of Economics, Sweden

Dave Geary

Independent Member
Since July 19, 2017
Born: 1955

Nationality: USA

Prior positions at Landis+Gyr:
None

Current positions at publicly traded companies other than Landis+Gyr:
None

Current positions at not publicly traded companies other than Landis+Gyr:
Founder of DJGeary Consulting, LLC (2016 to present)

Current outside mandates at non-profit-oriented organizations:
None

Prior other positions:
Executive Vice President Business Integration at Nokia Networks (2016); President of the Wireless Networks business at Alcatel-Lucent (2012 to 2015); President of Wireline Networks (2009 to 2012); and before that other senior positions within Lucent Technologies and AT&T Network Systems

Education:
Master of Business Administration in Finance, Kellogg School of Management, Northwestern University, USA; Bachelor of Science in Electrical Engineering, Bradley University, USA

[15] Andreas Umbach, as of March 31, 2022, qualifies as Independent Member according to the DCG and the Swiss Code of Best Practice for Corporate Governance. For purposes of consistency of this Corporate Governance Report with previous versions, he continues to be assessed as not independent.

Peter Mainz

Independent Member
Since June 28, 2018
Born: 1964

Nationality: Austrian, USA permanent resident

Prior Positions at Landis+Gyr:
None

Current positions at publicly traded companies other than Landis+Gyr:
None

Current positions at not publicly traded companies other than Landis+Gyr:
Chairman of the Board at Metasphere Ltd. (2019 to present); Member of the Board at Metron Farnier (2019 to present)

Current outside mandates at non-profit-oriented organizations:
None

Prior other positions:
Board Member of Itron, Inc. (2016 to 2018); Non-Executive Director of Cyan Connode Holdings (2014 to 2015); President and Chief Executive Officer of Sensus (2008 to 2014); other positions at Sensus including Executive Vice President of Operations and Chief Financial Officer (2003 to 2008); various Positions at Invensys including VP Finance Metering Systems Division (1999 to 2003); and previously Controller at Schlumberger

Education:
Master of Business Administration, Texas A&M University, USA; Bachelor of Business Administration and Computer Science, Johannes Kepler University, Linz, Austria

Søren Thorup Sørensen

Not independent; representative of largest shareholder
Since June 25, 2019
Born: 1965

Nationality: Danish

Prior Positions at Landis+Gyr:
None

Current positions at publicly traded companies other than Landis+Gyr:
Board member at ISS A/S (CO: ISS) (2020 to present)

Current positions at not publicly traded companies other than Landis+Gyr:
Chief Executive Officer of KIRKBI A/S (2010 to present); Board member at KIRKBI Invest A/S, including Board membership for subsidiary companies (2010 to present); Board member and Chairman of audit committee at LEGO A/S (2010 to present); Board member at Koldingvej 2, Billund A/S (2010 to present); Board member and Chairman of Audit Committee at Merlin Entertainments Ltd. (2013 to present); Chairman of the Board of Directors of Boston Holding A/S (2012 to present)

Current outside mandates at non-profit-oriented organizations:
Ole Kirk's Foundation, Board member; ATTA Fonden, Board member

Prior other positions:
Group Chief Financial Officer at A. P. Møller-Mærsk Group (2006 to 2009); Partner at KPMG (1987 to 2006)

Education:
State Authorized Public Accountant; M. Sc. (Aud.) from the Copenhagen Business School, Denmark; Advanced Management Program at Harvard Business School, USA

Andreas Spreiter

Independent Member
Since July 19, 2017
Born: 1968

Nationality: Swiss/British

Prior Positions at Landis+Gyr:
Group CFO (2002 to 2012); prior positions at Landis+Gyr and its predecessors including Business Unit Head Digital Meters/Head of Center of Competence Electronic Meters and Business Unit Controller/Head of Finance & Controlling

Current positions at publicly traded companies other than Landis+Gyr:
None

Current positions at not publicly traded companies other than Landis+Gyr:
Board member and Chairman of audit committee of Reichle & De-Massari Holding AG (2010 to present); Member of the supervisory board and Chairman of the audit and risk committee at Alpha ABMD Holdco B.V. (Ammega Group) (2019 to present); co-owner and managing director at Spreiter Consulting GmbH (2019 to present)

Current outside mandates at non-profit-oriented organizations:
None

Prior other positions:
Group CFO of Forbo International AG (2013 to 2017)

Education:
Master in Industrial Engineering, Swiss Federal Institute of Technology (ETH), Switzerland

Christina Stercken

Independent Member
Since July 19, 2017
Born: 1958

Nationality: German

Prior Positions at Landis+Gyr:
None

Current positions at publicly traded companies other than Landis+Gyr:
Board member of Ansell Ltd. (ASX: ANN) (2017 to present)

Current positions at not publicly traded companies other than Landis+Gyr:
China Strategy Advisory Board Member of Hoerbiger Holding AG (2019 to present)

Current outside mandates at non-profit-oriented organizations:
Vice Chairman of Myanmar Foundation, Munich (2001 to present)

Prior other positions:
Board member of Ascom Holding AG (2014 to 2020); Partner at Euro Asia Consulting PartG (EAC) (2006 to 2017); earlier positions include Siemens AG, Managing Director Corporate Finance M&A, Head of the Siemens Task Force China and Head of Public Sector Business Unit, Siemens Business Services; and BMW Pvt. Ltd., South Africa

Education:
Executive Master of Business Administration, Duke University, N.C., USA; Diploma, Economics and Business Administration, University of Bonn and Technical University of Berlin, Germany

Laureen Tolson

Independent Member
Since June 24, 2021
Born: 1960

Nationality: USA

Prior Positions at Landis+Gyr:
None

Current positions at publicly traded companies other than Landis+Gyr:
Board member of Delek US Holdings (NYSE: DK) (2021 to present)

Current positions at not publicly traded companies other than Landis+Gyr:
CEO of Tolson Consulting Company

Current outside mandates at non-profit-oriented organizations:
None

Prior other positions:
Board member of Fenix Marine Services (2020 to 2021); chief digital officer of Wabtec / GE Transportation (2017–2020); CEO/ Global Product Head, Enterprise Software (2016–2017) and EVP Product Strategy, ABB Enterprise Software of ABB Inc (2012–16); Vice President Systems Management Software of Dell, Inc. (2008–2012); Vice President, Java Software Group (2005–2008)

Education:
Graduate of the International Institute for Management Development (IMD) (Lausanne, Switzerland); Master of Business Administration at National University (San Diego, USA) and B.A. in Business Administration and Economics, Minor Computer Science from Pt. Loma Nazarene University (San Diego, USA)

3.2 Other Activities and Vested Interests

Please see the above descriptions in Section 3.1 for information on other activities and vested interests of the current Directors.

3.3 Mandates Permitted Outside of Landis+Gyr

Pursuant to art. 12 of the Ordinance Against Excessive Compensation with respect to Listed Stock Corporations (the "Ordinance"), the articles of association of listed companies are required to contain regulations stating the number of permissible activities of the members of the board of directors, the executive board and the advisory board in the supreme management or administrative bodies of legal entities which are obliged to be registered in the Commercial Register or in a corresponding foreign register and which are not controlled by the Company or do not control the Company.

Art. 23 of the Articles limits the number of outside mandates by the members of the Board as follows:

a) up to 4 (in the case of the chair of the Board of Directors up to 3) mandates as member of the board of directors or any other superior management or administrative body of publicly traded companies pursuant to art. 727 para. 1 number 1 CO; and, in addition,
b) up to 10 mandates as member of the board of directors or any other superior management or administrative body of legal entities that do not meet the above-mentioned criteria; and, in addition,
c) up to 10 mandates in associations, charity foundations and employee assistance foundations.

With respect to the additional activities of both the members of the Board of Directors and the executive management, mandates in companies that are under uniform control or the same beneficial ownership are deemed one mandate.

Please see the above descriptions in Section 3.1 for information on mandates of the current members of the Board of Directors.

3.4 Elections and Terms of Office

Please refer to Section 3.1 above for information relating to the time of first election to office of the Company's current Directors.

As prescribed by Swiss law and the Ordinance in particular, members of the Board of Directors, including the chair, are elected individually by the General Meeting for a one-year term. In accordance with art. 15 of the Articles, re-election is possible for all Directors provided that at the time of election or re-election, the relevant Director has not reached the age of 70.[16] The members of the Remuneration Committee as well as the independent proxy (the "Independent Proxy") are also elected by the General Meeting for a one-year term.

16 For more information on the terms of office of Board members, see art. 4 of the Organization Regulations, available at https://www.landisgyr.de/webfoo/wp-content/uploads//2022/01/Organization-Regulations-LandisGyr-Group-AG_21Dec2021.pdf

3.5 Internal Organizational Structure

3.5.1 Allocation of Tasks Within the Board of Directors

3.5.1.1 General

The Organization Regulations define the essential roles and responsibilities of the Board of Directors, the chair, the Lead Independent Director and the Committees as well as the CEO, the Group Executive Management and the extended executive management.

In general, the chair of the Board of Directors or, in his/her absence, conflict of interest, unavailability, or failure to act, the Lead Independent Director (or, in his absence, conflict of interest, unavailability, or failure to act, any other designated member of the Board of Directors), convenes the meetings of the Board of Directors, sets the agenda, prepares the meetings, and chairs them. He supervises the drafting and signing of the respective minutes, the implementation of resolutions taken by the Board of Directors, conducts strategic relations with shareholders, investors, media and the general public in coordination with the CEO, and assumes any other duty as further set out in the Company's Organization Regulations.

The tasks and areas of responsibility of the Lead Independent Director are further described in Section 3.5.1.2 below.

The Board of Directors has established an Audit, Finance and Risk Committee, a Remuneration Committee and a Nomination, Governance and Sustainability Committee. The members of the Committees are shown in the table under Section 3.1.1 above. The Board of Directors may, in accordance with art. 7.1 of the Organization Regulations, define other temporary committees or define temporary delegation of certain matters to a group of members of the Board of Directors. Please see Sections 3.5.2.1 et seqq. for the specific tasks and areas of responsibility of the Committees.

3.5.1.2 Tasks and Area of Responsibility of the Lead Independent Director

Appointed by the Board of Directors, the role of the Lead Independent Director is to provide leadership to the independent directors. Besides creating a governance means to address any potential issue where the Chairman – due to his previous role as CEO of the Group – may be conflicted, the Lead Independent Director function enhances the opportunity for each Board member's point of view to be heard. Further, if the Chairman is indisposed or conflicted, the Lead Independent Director chairs the Board meetings. This includes any deliberations or decision-taking involving the assessment of the Chairman's work.

3.5.2 Tasks and Areas of Responsibility of the Committees

The committees and their members are shown in the table under Section 3.1.1 above.

3.5.2.1 Tasks and Area of Responsibility of the Audit, Finance and Risk Committee (AFC)
The AFC supports the Board in fulfilling its responsibilities with respect to matters involving the financial and risk management aspects of governance of the Company and the Group. In particular, the AFC supports the Board in fulfilling its oversight responsibility to the shareholders, potential shareholders, the investment community and other relating to the integrity of the Company's financial statements, the effectiveness of the Company's internal control over financial reporting, the Company's compliance with legal and regulatory requirements, the independent auditor's qualification and independence, the performance of the Company's internal audit function and external auditors, and the effectiveness of the Company's risk management processes. The AFC's responsibilities also include the financial and risk management aspects of sustainability and environmental, social and governance ("ESG") matters.

Comprising three independent board members (whereas the minimum number of members amounts to two per the Organization Regulations), the AFC in particular evaluates the work of the internal control functions (e.g., Internal Audit and Compliance) and of the external auditor, making proposals to the Board on the choice of the external auditor and, on request of the Chief Financial Officer (the "CFO"), approving the budget for auditing and other fees from the external auditors.[17] The AFC also assesses the yearly business expenses of the members of the Group Executive Management. The organization, detailed responsibilities and reporting duties of the AFC are stipulated in art. 7.2 of the Organization Regulations.

3.5.2.2 Tasks and Area of Responsibility of the Remuneration Committee (RemCo)
The RemCo supports the Board of Directors in ensuring that executives and employees are paid in accordance with Landis+Gyr's remuneration principles, which incentivize and reward performance in alignment with shareholder interests, and which help the Company to attract and retain the talent it needs to achieve its business goals.

Comprising three independent Board members[18] which is the minimum number of members as set forth by the Articles, the RemCo establishes and reviews the remuneration strategy and prepares the annual proposals to the shareholders' meeting regarding the maximum aggregate remuneration of the Board of Directors and the Group Executive Management, as well as the Remuneration Report. Further, the RemCo regularly reviews the remuneration system, the remuneration-related targets for the Group Executive Management and other members of senior management, and proposes the individual remuneration of the CEO, as well as reviews the individual remuneration of other members of the Group Executive Management. The RemCo also reviews and proposes the individual remuneration of the chair of the Board and other members of the Board. The organization, detailed responsibilities and reporting duties of the RemCo are stipulated in art. 7.3 of the Organization Regulations.

17 The external auditor is PwC (auditor of Landis+Gyr Group AG and of the Consolidated Financial Statements of the Landis+Gyr Group). It conducts its audit in compliance with Swiss law and in accordance with Swiss auditing standards and auditing standards generally accepted in the United States of America (US GAAS).
18 In accordance with Swiss law, these members are elected each year by the shareholders' meeting. They serve for one year and may be re-elected for further terms.

3.5.2.3 Tasks and Area of Responsibility of the Nomination, Governance and Sustainability Committee (NGSC)
Comprising three members of the Board of Directors, which is the minimum number of members as set forth in the Organization Regulations, of which the majority is independent, the NGSC supports the Board of Directors with respect to matters involving (i) the nomination of the members of the Board and the Group Executive Management, (ii) the corporate governance of the Company and the Group and (iii) sustainability matters (incl. ESG matters) of the Company and the Group. More particularly, the NGSC supports the Board in assessing the members of the Board, the CEO and the other members of the Group Executive Management with regard to (i) the nomination process, (ii) the succession planning, (iii) the performance review as well as (iv) the self-assessment of the Board and the Board Committees. The NGSC is further responsible for corporate governance matters, including, but not limited to the review of the effectiveness of the Board, its Committees and individual members, the review of the size and composition of the Board and the review of the Corporate Governance report. In addition, the NGSC is responsible for sustainability matters practices and procedures including review of the Sustainability Report, setting of and monitoring compliance with the Company's ESG targets and sustainability goals. The organization, detailed responsibilities and reporting duties of the NGSC are stipulated in art. 7.4 of the Organization Regulations.

3.5.3 Working Methods of the Board of Directors and the Committees

3.5.3.1 Meetings of the Board of Directors and the Committees
The Board of Directors meets as often as necessary to fulfill its duties and responsibilities, usually monthly or bi-monthly in person or via conference call. The Organization Regulations foresee that meetings take place at the request of the Chairman or Lead Independent Director, or of any other member if done in writing and justifying the reason for such request.

The AFC typically meets once every two to three months. Comprising independent Directors, the AFC regularly reports to the Board on its findings and recommendations and the minutes of the meetings are made available to the members of the Board. The overall responsibility, including for approving recommendations, remains with the Board of Directors. The Head of Global Internal Audit reports to the AFC. The Chief Compliance Officer and the Data Privacy Officer provide regular, independent reports to the CEO and to the AFC and ad hoc reports whenever appropriate or requested by the AFC. The reports cover the compliance and data privacy programs and relevant issues and risks. In addition, the Chief Compliance Officer and the Data Privacy Officer provide independent, ad hoc reports to the Board/AFC regarding any significant Group compliance or data privacy issues or risks.

The RemCo typically meets once every two to three months. The Chairman of the RemCo reports to the Board on the RemCo's findings and recommendations after each meeting, and the minutes of the meetings are made available to the members of the Board. The overall responsibility, including for approval of recommendations, remains with the Board of Directors.

The NGSC typically meets once every two to three months. The Chairman of the NGSC regularly reports to the Board on its activities, resolutions and contemplations and the minutes of the meetings are made available to the members of the Board. The overall responsibility, including for approval of recommendations, remains with the Board of Directors.

The Board of Directors adapted to the consequences of the COVID-19 pandemic with respect to travel limitations. In the 12 months preceding this Corporate Governance Report, the Board of Directors held nine meetings. Three out of those nine meetings were in-person meetings, whereas the remaining six meetings were either hybrid meetings with some Directors attending in person and others via video conference, or full video conferences. The in-person meetings lasted for approximately five hours on average, whereas the strategy session was conducted over one-and-a-half days in September and which involved all Directors and some management members attending in person and other management members attending certain sessions via video-conference. The meetings of the Board held via conference calls had an average duration of approximately four hours.

As of April 1, 2021 through March 31, 2022	Number of meetings (attendance)	Average duration (hours)
Board of Directors	9 (100%)	4.5
AFC	7 (100%)	3.5[19]
RemCo	4 (100%)	3[19]
NGSC	5 (100%)	2

3.5.3.2 Meeting Attendance

All meetings by the Board of Directors, the AFC, the RemCo and the NGSC enjoyed a 100% attendance of all members of the Board of Directors or the Committees, respectively (see table below). The Board meetings were, except for certain Directors-only sessions, attended by the CEO and members of the Group Executive Management, the Company Secretary/Group General Counsel and other senior managers. In general, the Chairman, the CEO, the CFO, the Group General Counsel and other senior managers attended the AFC meetings, except for certain Directors-only discussions. Meetings of the RemCo were all attended by an external advisor to the RemCo (in person or via conference call) and the Head of Human Resources; the CEO, the CFO and Group General Counsel attended parts of meetings of the RemCo in an advisory function but were excluded from certain discussions. No member of the management attended the part of the meetings in which their own performance or remuneration were discussed. Except for some Director-only sessions, the meetings of the NGSC were attended by the Group General Counsel and some meetings were also attended by the CEO, who was however excluded from certain discussions.

Meetings of the Board of Directors as of April 1, 2021 through March 31, 2022:

Dates	04.05.	27.05.	23.06.	29.07.	30.08.	30.09.	27.10.	21.12.	23./24.03.
Andreas Umbach	√	√	√	√	√	√	√	√	√
Eric Elzvik	√	√	√	√	√	√	√	√	√
Dave Geary	√	√	√	√	√	√	√	√	√
Pierre-Alain Graf	√	√	√						
Peter Mainz	√	√	√	√	√	√	√	√	√
Søren Thorup Sørensen	√	√	√	√	√	√	√	√	√
Andreas Spreiter	√	√	√	√	√	√	√	√	√
Christina Stercken	√	√	√	√	√	√	√	√	√
Laureen Tolson				√	√	√	√	√	√

3.6 Definition of Areas of Responsibility between the Board and the Group Executive Management

According to Swiss law, the Board of Directors is responsible for the ultimate direction and supervision of the Group. Art. 716a of the CO lists certain non-transferable and inalienable duties of the Board of Directors. In addition, the Board of Directors may pass resolutions on all matters that are not defined by Swiss law or the Articles as lying in the responsibility of the General Meeting.

In accordance with Swiss Law, the Articles and the Organization Regulations, the Company's two main governing bodies allocate their tasks and responsibilities as set forth below.

3.6.1 Board of Directors

The Board of Directors is entrusted with the ultimate strategic direction of the Company as well as with the oversight of the management. This includes determining the strategy of the Group upon recommendation of the CEO and appointing the CEO and the other members of the Group Executive Management, as well as the Head of Global Internal Audit.

19 In addition, there were various ad hoc conference calls each of approximately one hour's duration to deal with matters as they arose.

Although pursuant to the Articles and the Organization Regulations, the Board may, to the extent permitted by law, delegate various responsibilities to the CEO and the Group Executive Management, in line with arts. 16 and 17 of the Articles and the Organization Regulations, it retains certain duties, such as the determination of the risk profile of the Group, monitoring risks and ensuring that fundamental policies and controls are in place for compliance with applicable law and regulations.[20] Resolutions of the Board of Directors require the affirmative simple majority of the votes cast. Resolutions may also be taken by circular resolutions provided no Director requests an actual Board meeting. In the case of a tie on any issue, the Chairman has the casting vote.

3.6.2 Group Executive Management *(Konzernleitung)*

The Group Executive Management consists of the CEO, the CFO, the executive vice president America, and the executive vice president EMEA as well as any other member (if any) appointed to the Group Executive Management by the Board of Directors.[21] The CEO, in his duties,[22] is assisted by the Group Executive Management and the Extended Executive Management. He is appointed and removed by the Board of Directors. The other Group Executive Management members are appointed and removed by the Board of Directors upon recommendation of the CEO. The Extended Executive Management is a larger group comprising key functional leaders and direct reports to the CEO. The Group Executive Management and the Extended Executive Management generally meet on a weekly basis.

3.7 Information and Control Instruments vis-à-vis the Group Executive Management

At the invitation of the Board of the Directors, members of Group Executive Management and Extended Executive Management may attend Board meetings and report on significant projects and events. However, the Board may limit their participation to relevant meetings or parts of meetings. In addition, the Board may meet in private sessions, i.e., without management presence.

To ensure the Board of Directors receives timely information on material matters involving the Group's business, the members of the Group Executive Management and Extended Executive Management report to the Board and its committees before or at every meeting, including information regarding strategic, financial, risk and compliance matters. The Head of Global Internal Audit and the Chief Compliance Officer and the Data Privacy Officer also make regular reports to the Board or its committees. In addition, the Chairman acts as liaison between the Board and management and in this capacity has regular interactions with the CEO, other members of the Group Executive Management and the Group General Counsel. The Lead Independent Director has regular interactions with the CEO and the Senior Vice President of Global Human Resources, and the Chairman of the AFC has regular interactions with the CFO and the Head of Global Internal Audit.

20 The detailed description of these retained responsibilities and duties are stipulated in arts. 16 and 17 of the Articles.
21 See art. 10.1 of the Organization Regulations.
22 The CEO exercises those duties which the Board of Directors has delegated to management in accordance with the Company's Organization Regulations and Swiss law.

In addition to reviewing and approving the Group's comprehensive annual risk assessment process, the Board and its committees are updated regularly by members of the Group Executive Management and Extended Executive Management on all key risks facing the Group, such as quality issues, the progress of major customer projects, the progress of research and development projects and other risk areas as they are identified, i.e., cyber security risks.

Other reports to the Board include, among others, but not limited to information and updates about regional market performances and portfolios, technology, strategic projects and options, i.e., M&A projects and market developments, investor relations, legal and compliance, HR, ESG activities of the Group and financial information, such as the balance sheet, the income and cash flow statements, and key figures for the Company and its segments. The reports incorporate comments on the respective business results and a forecast of the key figures. The CEO and CFO report at every Board meeting on business developments and all matters relevant to the Company, including competitor activities and emerging opportunities and threats. Furthermore, the Board reviews and approves major customer contracts that exceed a certain value or have particular risk characteristics. During the Board Meetings, the Chairmen of the AFC, the RemCo and of the NGSC also report on all matters discussed by their committees and on the key findings and assessments, and they submit proposals accordingly. Each year, the Board of Directors discusses and approves the budget for the following year and the five-year midterm plan.

The Board's responsibility includes defining the fundamentals of and monitoring the effectiveness of an Internal Control System (the "ICS") relevant to the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The ICS ensures the implementation of appropriate procedures and measures to identify and monitor the main financial risks to which the Company is exposed. In particular, the aim of the ICS is to ensure the integrity and completeness of accounting, to provide timely and reliable financial reporting, and to prevent, minimize and identify errors and irregularities in the financial statements.

In order to achieve these objectives, Group companies in scope for external audit are determined annually. Hence, it is ensured that approximately 80% of the revenue and of total assets of the Group are covered. The external audit confirms the existence of the ICS in connection with the year-end audit. Additionally, the external auditor submits improvement suggestions on a yearly basis, which are implemented in the following year.

The internal audits are conducted by the internal audit function in accordance with an annual plan approved by the AFC. A distinction is made between regular and special engagement audits. The latter consist of limited reviews, compliance audits and other special engagements that are incident-specific and upon request of senior management, the AFC or the Board. In all cases, internal audit engagements are approved by the AFC. Regular audits, defined as part of the risk-based annual internal audit plan, focus on the larger entities and higher risk areas. Detailed reports of identified deficiencies are prepared (with deficiencies classified as either high, medium or low risk) and remedial action plans are agreed with management. The risks and deficiencies identified in these audits are minimized or mitigated by measures adopted by management and are regularly monitored. In the financial year 2021, fourteen internal audits were conducted. The internal audits were restricted to selected business processes. In its review of audited Group companies and organizations, risks and control deficiencies in connection with the above-mentioned business processes were analyzed. Internal audit reports are submitted to the AFC and reviewed by the AFC with the Head of Global Internal Audit, at least four times per year. The implementation and reliability of the controls introduced with the ICS were examined by the Group and regional management to ensure that deviations were identified and that appropriate corrective measures were implemented.

The NGSC supports the Board in all matters that relate to nominations, governance and sustainability. In this capacity, the NGSC reviews current corporate governance matters but also the CEO and GEM performance review and succession plan. Within the context of the annual Board Self-Assessment process run by the NGSC, the Board also reviews its own performance and the performance of the Committees, as well as the cooperation with the CEO and the Group Executive Management and identifies improvement opportunities. The NGSC also identifies training and education options for the Board and also for the Group Executive Management and ensures adequate training sessions.

4 Group Executive Management

4.1 Members of the Group Executive Management
As of March 31, 2022, the members of the Group Executive Management were:

Name	Position	Year of Appointment
Werner Lieberherr	Chief Executive Officer (CEO)	2020
Elodie Cingari	Chief Financial Officer (CFO)	2020
Sean Cromie	Executive Vice President and Head of Americas	2022
Bodo Zeug	Executive Vice President and Head of EMEA	2021

Bodo Zeug assumed the role of Executive President and Head of EMEA from Susanne Seitz on September 1, 2021. Sean Cromie took over the Executive Vice President and Head of Americas position from Prasanna Venkatesan on January 1, 2022.

Werner Lieberherr
CEO
Since April 1, 2020
Born: 1960

Nationality: Swiss/USA

Prior positions at Landis+Gyr:
None

Current positions outside of Landis+Gyr:
None

Prior other positions:
President & Chief Executive Officer of MANN+HUMMEL Group (2018 to 2019); Executive Vice President & Chief Operating Officer of Rockwell Collins (NASDAQ: COL) (2017 to 2018); President & Chief Executive Officer of B/E Aerospace (NASDAQ: BEAV) (2010 to 2017) and Senior Vice President & General Manager Commercial Aircraft Segment (2006 to 2010); various executive roles at the utility businesses of ABB (1991 to 2003) and Alstom (2004 to 2006)

Outside mandates at non-profit-oriented organizations:
None

Education:
Master of Business Administration from the Kellogg School of Management, Northwestern University, USA; Master of Science in Operations Research & Industrial Engineering, ETH Zürich

Elodie Cingari

EVP and CFO
Since November 16, 2020
Born: 1974

Nationality: French

Prior positions at Landis+Gyr:
None

Current positions outside of Landis+Gyr:
None

Prior other positions:
CFO and Member of the Executive Board of Hoerbiger Group (2019 to 2020); CFO Power Services Europe and later CFO Steam Power at General Electric (2015 to 2018); CFO Alstom Grid, and prior to that Vice-President Controlling and Accounting in Alstom Power (2008 to 2015); Various financial leadership roles in Hewlett-Packard, including Finance Director Consumer Business EMEA (1998 to 2008)

Outside mandates at non-profit-oriented organizations:
None

Education:
Master of Business Administration from Bocconi University in Milan, Italy

Sean Cromie

EVP and Head of Americas
Since January 1, 2022
Born: 1966

Nationality: Irish / USA

Prior positions at Landis+Gyr:
Executive Vice President Operations and Supply Chain Management (2020 to 2021)

Current positions outside of Landis+Gyr:
None

Prior other positions:
President and General Manager Life Sciences & Environment with MANN+HUMMEL (2018 to 2019); various senior management positions at B/E Aerospace (2003 to 2018) including General Manager Commercial Aircraft Segment (2011 to 2018); Managing Director (2007 to 2010) and Business Director (2003 to 2007); Business Unit Manager with San Mina SCI (2000 to 2003)

Outside mandates at non-profit-oriented organizations:
None

Education:
Bachelor of Combined Sciences from Ulster University, Northern Ireland

Bodo Zeug

EVP and Head of EMEA
Since September 1, 2021
Born: 1969

Nationality: German

Prior positions at Landis+Gyr:
Executive Vice President Strategy (2020–2021); Executive Vice President Supply Chain Management and Operations (2017 to 2020)

Current positions outside of Landis+Gyr:
Supervisory Board of ROI Management Consulting AG (2017 to present)

Prior other positions:
Partner at ROI-EFESO (2015 to 2017); Principal with Barkawi Management Consultants (2011 to 2015); Head of Operations for CommScope (2010 to 2011); General Manager & Vice President at Flextronics (2005 to 2009); Product Manager at Siemens China (1999 to 2005); Engineer at Ericsson (1996 to 1999)

Outside mandates at non-profit-oriented organizations:
None

Education:
Master of Electronic Engineering from the FAU Erlangen-Nuremberg, Germany; MBA from the University of Hagen, Germany

4.2 Other Activities and Vested Interests

Please see the above descriptions in Section 4.1 for information on other activities and vested interests of the current members of the Group Executive Management.

4.3 Mandates Permitted Outside of Landis+Gyr

Art. 23 of the Articles states that, with the approval of the RemCo, the members of the executive management may have the following other functions in the superior management or administrative bodies of legal entities obliged to register themselves in a Swiss commercial register or a foreign equivalent thereof and which are not controlled by the Company, do not control the Company or do not constitute pension funds insuring employees of the Group:

a) up to 1 mandate as member of a board of directors or any other superior management or administrative body of a publicly traded company pursuant to art. 727 para. 1 number 1 CO; and, in addition
b) up to 5 mandates as member of the board of directors or any other superior management or administrative body of other legal entities that do not meet the above-mentioned criteria.

All members of the Group Executive Management combined currently have only one outside mandate at public companies and one outside mandate at other companies (see Section 4.1 above for further information). To ensure compliance, the Group Executive Management must secure approval from the Board of Directors/RemCo before accepting any new mandate. With respect to the additional activities of both the members of the Board of Directors and the executive management, mandates in companies that are under uniform control or the same beneficial ownership are deemed one mandate.

4.4 Management Contracts

There are no management contracts in place between the Company and any third parties.

5 Compensation, Shareholdings and Loans

The remuneration programs within Landis+Gyr are periodically reviewed to ensure continued alignment with the Group's strategy and market practice.

Rules regarding the principles of compensation, participation plans, loans, credits and pension benefits are set in arts. 24, 25, 26, 28 and 29 of the Articles. The rules regarding the approval of the remuneration by the AGM are set forth in art. 12 of the Articles. Further details with respect to all matters regarding compensation, the shareholdings and loans can be found in the Company's Remuneration Report.

6 Shareholders' Participation Rights

6.1 Restrictions on Voting Rights and Representation

6.1.1 General Rules on Restrictions to Voting Rights

Shareholders' rights of participation in the General Meeting are defined by law and the Articles. Each share, provided it is recorded in the share register as a share with voting rights, entitles the holder to one vote. Subject to the registration of shares, the Articles do not impose any restrictions on the voting rights of shareholders. Votes may be exercised only after a shareholder has been registered in the Company's share register as a shareholder with voting rights up to a specific qualifying day (the "Record Date") designated by the Board of Directors before the General Meeting. The potential restrictions on the voting rights carried by the shares of the Company are described in detail in Section 2.6 above. In accordance with art. 5 of the Articles (as described in Section 2.6), the Company may in special cases approve exceptions to the restrictions described in Section 2.6 above. No such exceptions were granted in the period under review herein.

6.1.2 Reasons for Granting Exceptions in the Year Under Review

No exceptions from the voting rights restrictions set forth in the Articles were granted in the period under review herein.

6.1.3 Procedure and Conditions for Abolishing Voting Rights Restrictions

The abolishing of voting rights restrictions as set forth in the Articles requires a resolution of the General Meeting passed by at least two thirds of the represented share votes and absolute majority of the par value of represented shares (see art. 13 of the Articles).

6.1.4 Rules on Participation in the General Meeting

Pursuant to the Articles, shareholders may be represented at shareholders' meetings by an independent proxy or any other person who need not be a shareholder. The Board of Directors determines the requirements regarding proxies and voting instructions. The AGM 2021 was held without physical presence of the shareholders in accordance with the Swiss COVID-19 Ordinance. Shareholders were given the opportunity to listen to the live webcast of the AGM 2021 and to submit questions in advance.

6.1.5 Rules on Instructions to the Independent Proxy and Electronic Participation in the General Meeting

Shareholders may also be represented by the independent proxy at the General Meeting. The requirements that apply to powers of attorney and instructions are determined by the Board of Directors (art. 11 of the Articles). The independent proxy has a duty to exercise the voting rights assigned to him by shareholders in accordance with their instructions. The independent proxy is elected annually by the General Meeting. The term of office begins on the day of election and ends at the close of the next Ordinary General Meeting. Re-election is permitted. Swiss law allows for proxy instructions both in written as well as electronic form. Since the Company's IPO in 2017, instructions by shareholders to the independent proxy for participation in the General Meeting have been permissible both in written and electronic form.

The Articles do not contain any rules on the electronic participation of shareholders in the General Meeting.

6.2 Quorums Required by the Articles of Association

Art. 13 of the Articles requires a resolution of the General Meeting passed by at least two thirds of the represented shares and an absolute majority of the par value of represented shares for the following items:

a) All agenda items which require such qualified majority by law (art. 704 of the CO and certain resolutions in connection with the Swiss Federal Merger Act);
b) the facilitation or abolishment of the limitations on the transferability of shares as set forth in the Articles; or
c) an amendment of art. 13 of the Articles.

6.3 Convocation of the General Meeting

The Company's Articles do not differ from applicable Swiss statutory provisions under Swiss law, other than that the Board of Directors is required to convene an extraordinary General Meeting within two months if requested by one or more shareholder(s) representing in aggregate at least 5% of the Company's nominal share capital registered in the commercial register. Shareholders' meetings may also be convened by the Board of Directors or, if necessary, by the Company's statutory auditors or liquidators under Swiss law.

The General Meeting is convened by publication of a notice of such meeting in the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt) at least 20 days before the date of the meeting. To the extent the post or e-mail addresses of the shareholders are known, a notice is sent simultaneously by mail or e-mail. The notice states the day, time and place of the meeting, the agenda, the proposals of the Board of Directors and the proposals of the shareholders who have requested the shareholders' meeting or that an item be included on the agenda.

6.4 Inclusion of Items on the Agenda

Registered shareholders with voting rights individually or jointly representing at least CHF 1 million of the nominal share capital of the Company may demand that items be put on the agenda. Such demands must be submitted to the Chairman at least 45 days before the date of the shareholders' meeting and must be in writing specifying the items and the proposals.

6.5 Entries in the Share Register

The Record Date (see above, Section 6.1.1) is set by the Board of Directors and included in the invitation to the General Meeting.

7 Change of Control and Defense Measures

7.1 Duty to Make an Offer

The Articles do not contain any provisions on opting-out or opting-in in the sense of art. 125 para. 3 and 4 of the FMIA or art. 135 para. 1 of the FMIA, respectively.

7.2 Clauses on Change of Control

There are no agreements in place containing change of control clauses benefiting members of the Board of Directors and/or the Group Executive Management as well as other members of the Company's management.

8 Auditor

8.1 Duration of the Mandate and Term of Office of the Lead Auditor

The independent group auditor of the Company is PricewaterhouseCoopers AG (PwC), Dammstrasse 21, 6302 Zug, Switzerland, who has been the auditor of the Company since financial year 2016 (April 1, 2016 to March 31, 2017). The lead audit partner is rotated every seven years in accordance with Swiss law. The responsible lead audit partner within PwC is Rolf Johner, who has been in charge of the Landis+Gyr mandate since PwC became the Company's statutory auditors.

8.2 Auditing Fees

PwC was paid compensation of CHF 1.6 million for services in connection with auditing the annual financial statements of the Company and the consolidated statements of the Group for financial year 2021.

8.3 Additional Fees

PwC charged CHF 0.2 million for non-audit services performed during the year-ended March 31, 2022. The non-audit services primarily included tax advisory services.

8.4 Information Instruments Pertaining to the External Audit

PwC presents to the AFC, on an annual basis, a detailed report on the results of the audit of the consolidated and stand-alone financial statements, the findings on significant accounting and reporting matters, and findings on the internal control system. The results and findings of this report are discussed in detail with the CFO.

The AFC reviews annually the appropriateness of retaining PwC as the auditor of the Landis+Gyr Group AG and its subsidiaries, before proposing to the Board and to the AGM of Landis+Gyr Group AG the election of PwC as auditors. The AFC assesses the effectiveness of the work of the auditor in accordance with Swiss law, based on its understanding of the Group's business, control, accounting and reporting issues, and the manner in which significant matters are identified and resolved at the Group level or in the statutory accounts. It also makes a recommendation to the Board of Directors concerning the choice of the external auditor.

The AFC is also informed on the work of PwC through briefings from its Chairman, who is in turn briefed as required by PwC. Audit fees are ultimately approved by the AFC.

In the period under review, PwC attended three meetings of the AFC at which PwC presented its report on the audit of the Group's accounts for the financial year 2020 and the audit plan for the audit of the Group's accounts for the financial year 2021.

The Group and PwC have agreed on clear guidelines and firewalls for non-audit services that are appropriate for PwC to provide. These services include due diligence on mergers, acquisitions and disposals and certain tax and business risk assurance and IS/IT advisory support. These guidelines are aimed at ensuring PwC's independence in their capacity as auditors to the Group. PwC monitors its independence throughout the year and confirms its independence to the AFC annually.[23]

9 Information Policy

Landis+Gyr is committed to communicating in a timely and transparent way to shareholders, potential investors, financial analysts and customers. Toward this end, the Board of Directors takes an active interest in fostering good relations and engagement with shareholders and other stakeholders. In addition, the Company complies with the requirements of SIX Swiss Exchange on the dissemination of material and price-sensitive information. Matters affecting the share price are published immediately in accordance with the ad hoc publicity rules of the SIX Swiss Exchange. Ad hoc announcements can be accessed at the same time as they are communicated to the SIX Swiss Exchange at the links indicated at the end of this Section 9.

It is also possible to receive potentially price-relevant information directly, promptly and free of charge from Landis+Gyr by e-mail. This service is offered under the links indicated at the end of this Section 9.

The Company releases its financial results in an annual report that is published within four months after the March 31 balance sheet date. In addition, the Company releases results for the first half of each fiscal year within three months of the September 30 balance sheet date. The Company's annual report and half year results are announced via press releases and media and investor conferences in person and via telephone. The Company also publishes press releases at the time of any potentially price-sensitive event. The annual report can also be accessed in electronic form under the links below at the end of this Section 9.

Notices to shareholders are made by publication in the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt). The Board of Directors may designate further means for official publications. The following web links provide further information:

The Company's website:
www.landisgyr.com

Ad hoc messages (pull system):
www.landisgyr.com/investors

Subscription for ad hoc messages (push system):
www.landisgyr.com/investors/ad-hoc-announcements/

Financial reports and annual reports:
www.landisgyr.com/investors/results-center

Corporate calendar:
www.landisgyr.com/investors/corporate-calendar

The Landis+Gyr Group Investor Relations Department can be contacted, either through the website, or by telephone, e-mail or letter.

Contact addresses

Corporate Communications & Investor Relations
Eva Borowski
Eva Borowski@landisgyr.com
+41 41 935 6396

Investor Relations
Christian Waelti
Christian.Waelti@landisgyr.com
+41 41 935 6331

23 For more information on the AFC in respect of the external auditor, see Section 3.5.2.1 above.

10 Quiet Periods

The Company's "Insider Dealing and Market Manipulation Policy" (the "Trading Policy") generally allows Landis+Gyr personnel to deal in Landis+Gyr securities at all times (i.e., without any sort of limitation to deal in Landis+Gyr securities). There are four groups excepted from such general rule: "Insiders"; "Persons Confined to Trading Windows"; "Restricted Persons"; "LTIP Participants" (all as defined in the Insider Policy).

Insiders are restricted from dealing in Landis+Gyr securities at all times as long as they qualify as Insiders. Persons Confined to Trading Windows, Restricted Persons and LTIP Participants are (besides further specific restrictions to their liberty to deal in Landis+Gyr securities and provided they are not an Insider) only allowed to deal in Landis+Gyr securities provided there is an open "Trading Window".

A "Trading Window" is defined as the period of time during which a Person Confined to Trading Windows, a Restricted Person or an LTIP Participant, subject to other potential restrictions as set out in Landis+Gyr policies, may deal in Landis+Gyr securities or "Restricted Securities" (specific non-Landis+Gyr securities determined by the Landis+Gyr ad hoc committee). While subject to potential changes which are communicated "ad hoc", the two Trading Windows commence upon (1) the second trading day following the public release of Landis+Gyr's annual results and end on the start of September 1 (at 00:00.00 local time), and (2) upon the second trading day following the public release of Landis+Gyr's semi-annual results and end on the start of March 1 (at 00:00.00 local time). For financial year 2021, Landis+Gyr's Trading Windows, therefore, were the following:

- May 6, 2021, 22:00.00 local time to August 31, 2021, 24:00.00 local time; and
- November 1, 2021, 08:00.00 local time to February 28, 2022, 24:00.00 local time.

The Board of Directors thanks the Company's shareholders, customers and other stakeholders for their interest in and support of the Company.

Landis+Gyr Group AG
Alte Steinhauserstrasse 18
CH-6330 Cham
+41 41 935 6000
ir@landisgyr.com
www.landisgyr.com/investors

Landis+Gyr Group AG
Alte Steinhauserstrasse 18
CH-6330 Cham
Switzerland
www.landisgyr.com

MANAGE ENERGY BETTER

Remuneration Report 2021

Landis+Gyr

Contents

Letter from the Chairman of the Remuneration Committee

Dear Shareholders, On behalf of the Board of Directors and the Remuneration Committee, I am pleased to introduce Landis+Gyr's Remuneration Report for the financial year ended March 31, 2022.

The Remuneration Report explains our remuneration system and its governance, as well as how the performance results impacted the variable incentive payments to the Group Executive Management in their remuneration plans.

At the last Annual General Meeting ("AGM") in 2021, binding votes were conducted on the maximum aggregate remuneration amounts for the Board of Directors and the Group Executive Management, with approval rates of 94% and 98%, respectively. Further, the consultative vote on the Remuneration Report achieved an approval rate of 98%. The Board and I wish to thank you for your support, which reinforced our ongoing reviews and enhancements of our remuneration framework to attract, motivate and retain the right talent to drive Landis+Gyr's sustainable strategic and performance development in the interest of our shareholders.

During the financial year, the Remuneration Committee continued to evaluate our remuneration systems and programs with the aim of further aligning our incentive plans with Landis+Gyr's business strategy and shareholders' interests. In this context, and as already announced in the Remuneration Report 2020, we implemented the following changes in financial year 2021:

In the Short-Term Incentive Plan the weight of the non-financial performance targets related to our Environmental, Social and Governance ("ESG") strategy was increased from 10% to 20%, and measured against a set of eleven defined targets related to material ESG topics, thereby ensuring a direct link between our ESG strategy and our incentive system.

For our Long-Term Icentive Plan we amended our approach to measuring performance under the relative Total Shareholder Return component. As of 2021 grant this is measured against a custom peer group of companies, instead of the broader SPI Industrials Index applied to prior year grants, thereby allowing for more specific industry performance comparability. The three-year Total Shareholder Return performance relative to the peers will be expressed as a percentile rank.

In 2021 we conducted a benchmarking analysis for Board of Directors remuneration levels and structure to ensure continued alignment with the market. No amendments were deemed necessary to the current set up.

Further, the Remuneration Committee conducted its regular activities during the past year, including the preparation of the Remuneration Report and the say-on-pay votes for the AGM. At the upcoming AGM in June 2022, we will ask for your approval of the maximum aggregate remuneration amount to be awarded to the Board of Directors for the period to the next AGM in 2023 and to the Group Executive Management for the financial year ending March 31, 2024. In addition, you will again have the opportunity to express your opinion on our remuneration principles and systems through a consultative vote on this Remuneration Report 2021.

We encourage and pursue open and regular dialogue with our shareholders and their representatives, as we continue to evolve our remuneration system, with the goal of ensuring continued alignment with the strategy and performance of Landis+Gyr and the interests of our shareholders. On behalf of the Board of Directors and the Remuneration Committee, I would like to thank you again for your feedback and ongoing support.

Eric Elzvik
Chairman of the Remuneration Committee
and Lead Independent Director
Cham, May 2022

Remuneration Report 2021

The Remuneration Report provides a comprehensive overview of Landis+Gyr's (Landis+Gyr Group AG defined as the "Company", and its subsidiaries, together the "Group") remuneration governance and principles, structure and elements. The Remuneration Report also includes information on the remuneration awarded to members of the Board of Directors ("Board") and Group Executive Management ("GEM") for the financial year ("FY") ended March 31, 2022 ("FY 2021").

The Remuneration Report is written in accordance with the Ordinance Against Excessive Compensation with respect to Listed Stock Corporations ("Ordinance"), the standard relating to information on Corporate Governance of the SIX Swiss Exchange, and the principles of the Swiss Code of Best Practice for Corporate Governance of economiesuisse.

Remuneration Governance and Principles

Shareholder engagement

Under the Ordinance, shareholders of Swiss listed companies have significant influence on the remuneration of governing bodies and annually approve the maximum aggregate remuneration for the members of such governing bodies. In addition, the principles governing remuneration must be defined in a company's articles of association, which are also subject to shareholder approval.

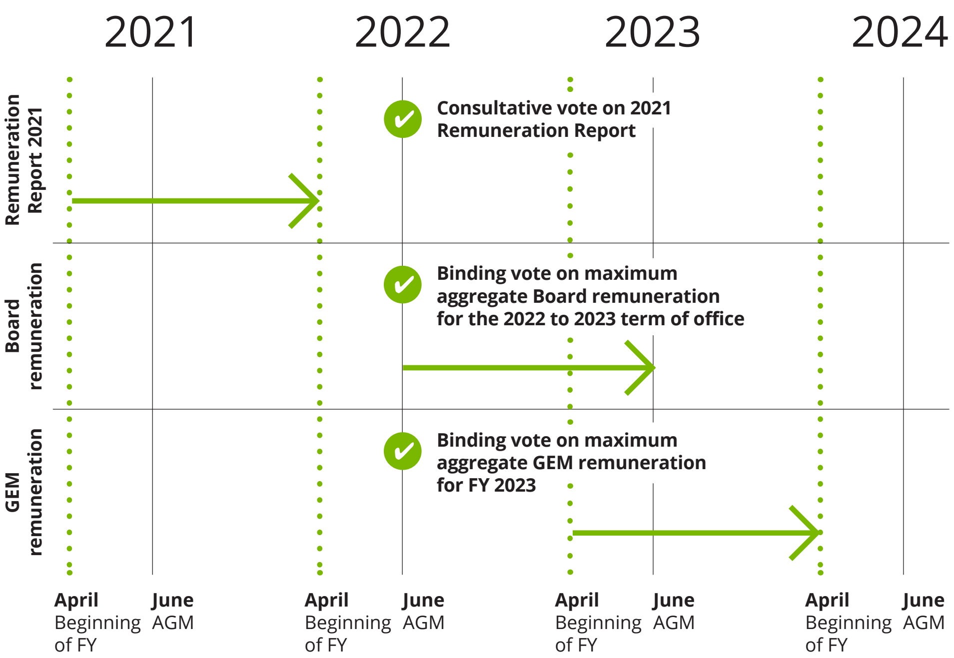
Landis+Gyr's Articles of Association include the principles governing remuneration (specifically Articles 12, 25, 26, 28 and 29) and can be viewed online at: www.landisgyr.com/about/executive-management-and-board/ → Corporate Governance Documents → Articles of Association. The key provisions are summarized below:

- **Votes on remuneration (Article 12):** Every year, the AGM votes separately and bindingly on the maximum aggregate remuneration of the Board for the term of office until the next AGM and on the maximum aggregate remuneration of the GEM (fixed and variable components) for the subsequent financial year.
- **Principles relating to the remuneration of the Board (Article 25) and the members of the GEM (Article 26):** The remuneration of the Board consists of a fixed base fee, fixed committee fees and a lump sum for expenses. The fees are awarded in cash and shares. The remuneration of the GEM consists of a fixed annual base salary and variable remuneration, which includes an annual short-term incentive paid in cash as well as a long-term incentive settled in shares, and other benefits.
- **Loans and credits (Article 28):** The Company may not grant any loans or credits to members of the Board or the GEM.
- **Additional amount for new members of the GEM (Article 29):** If the maximum aggregate remuneration already approved by the AGM is not sufficient to cover the remuneration for newly appointed or promoted members of the GEM in the respective financial year, the Company may pay an additional amount in each case up to 30% of the last maximum aggregate remuneration amount approved.

In line with the Company's Articles of Association, the Board will submit three separate remuneration-related resolutions for shareholder approval at the 2022 AGM as illustrated in Exhibit 1:

- This Remuneration Report (consultative vote)
- The maximum aggregate remuneration amount for the Board for the term of office from 2022 AGM to 2023 AGM (binding vote)
- The maximum aggregate remuneration amount for the GEM for the financial year starting April 1, 2023 and ending March 31, 2024 (binding vote).

EXHIBIT 1: SAY ON PAY – REMUNERATION-RELATED SHAREHOLDER APPROVALS



At the 2021 AGM held on June 24, 2021, shareholders approved a maximum aggregate remuneration amount for the Board for the term of office until the 2022 AGM of CHF 1.8 million, as well as the maximum aggregate amount of fixed and variable remuneration for members of the GEM for FY 2022 in the amount of CHF 8.5 million. In addition, shareholders approved the Remuneration Report 2020 in a consultative vote.

The estimated remuneration granted to the Board for the term of office from the 2021 AGM to the 2022 AGM is CHF 1.5 million compared to the approved amount of CHF 1.8 million. An amount of CHF 6.3 million was granted to the GEM in FY 2021 compared to the approved amount of CHF 8.5 million. For a reconciliation of approved versus awarded amounts please refer to page 17.

Governance on remuneration matters

As outlined in Exhibit 2, the Remuneration Committee acts in an advisory capacity while the Board retains the decision authority on remuneration matters relating to the Board and the GEM, except for the remuneration-related shareholder approvals for the Board and the GEM. Members of the Remuneration Committee are elected annually and individually by the shareholders at the respective Annual General Meeting. The Chairman of the Remuneration Committee reports to the full Board after each meeting. The minutes of the meetings are made available to the members of the Board. The Remuneration Committee may invite the Chairman of the Board to attend the meetings as a non-voting guest; however, he is not present during meetings or parts thereof during which his own remuneration is discussed. The CEO and the Head of HR may attend the Remuneration Committee meetings in an advisory function, but are excluded from certain discussions. The Chairman of the Remuneration Committee may decide to invite other executives to attend the meetings as appropriate. No member of management attends the meetings or the part of the meetings in which their own performance or remuneration is discussed.

The Remuneration Committee may decide to consult an external advisor on specific remuneration matters. In FY 2021, HCM International AG ("HCM") was mandated as an independent advisor on Board and GEM remuneration matters. HCM does not have any other mandates with Landis+Gyr.

EXHIBIT 2: GOVERNANCE ON REMUNERATION MATTERS

	CEO	Remuneration Committee	Board	AGM
Remuneration principles (Articles of Association)		Proposes	Reviews	Approves (binding vote)
Remuneration principles and system for the Board and GEM		Proposes	Approves	
Remuneration report		Proposes	Approves	Consultative vote
Maximum aggregate amount of remuneration for the Board		Proposes	Reviews	Approves (binding vote)
Individual remuneration of Board members		Proposes	Approves	
Maximum aggregate amount of remuneration for GEM		Proposes	Reviews	Approves (binding vote)
Remuneration of the Chief Executive Officer ("CEO")		Proposes	Approves	
Individual remuneration of other GEM members	Proposes	Reviews	Approves	

Activities of the Remuneration Committee

The Remuneration Committee meets as often as business requires but at least four times a year. In the 2021/2022 compensation cycle, the Remuneration Committee held five[1] meetings and covered the topics described in Exhibit 3. Details on Remuneration Committee members and their meeting attendance are provided in the Corporate Governance Report on page 8 et seq.

EXHIBIT 3: OVERVIEW OF THE MAIN TOPICS DISCUSSED BY THE REMUNERATION COMMITTEE DURING 2021/2022 COMPENSATION CYCLE

	3 May	27 May	27 Oct	20 Dec	11 April
Remuneration governance and policy					
Preparation of AGM related reward items including maximum aggregate remuneration amounts for the Board and GEM to be submitted to AGM vote	X				X
Remuneration Report	X	X			X
Review of remuneration principles, strategy and systems			X	X	
Review of stakeholder feedback on remuneration disclosure			X		
Remuneration Committee governance, meeting schedule and agenda setting			X		
Review of incentive plan design and structure				X	
Board remuneration					
Review of Board Remuneration Policy	X				
Review of benchmarking peer group and external benchmark for Board remuneration			X	X	
GEM remuneration					
Review of GEM individual objectives setting	X				X
Review and recommendation of individual GEM remuneration levels	X				X
Review of short-term incentive performance target setting for new financial year and performance and payouts for previous financial year	X	X			X
Review of long-term incentive performance target setting and eligibility for new performance period and performance for previous performance period	X	X			X

1 In addition, there were various ad hoc conference calls each of approximately one hour's duration to deal with matters as they arose

Remuneration principles

Landis+Gyr's remuneration programs are designed to recognize and reward performance, enabling the organization to attract, motivate and retain talented employees who drive performance and the achievement of business strategy and objectives as well as the creation of shareholder value.

The remuneration programs within Landis+Gyr are periodically reviewed to ensure continued alignment with the Group's strategy and market practice. They are built around the following principles:

Principle	Description
Performance	Anchor Landis+Gyr's business strategy, drive results and sharpen the focus on long-term performance and incentivize and reward performance in a sustainable manner, also in alignment with the Company's ESG strategy.
Shareholder value	Align with shareholders' interests, drive creation of shareholder value and foster entrepreneurial thinking.
Talent management	Attract, motivate and retain talented employees who can drive world class performance, and who are incentivized based on such performance.
Market orientation	Ensure a best practice remuneration system with competitive levels and structures, reflecting a sustainable balance between short-term and long-term performance focus.

Determination of Board and GEM remuneration

The remuneration for the Board and the target remuneration for the GEM take into account the roles and responsibilities, the respective experience required as well as current market pay practices. In addition, for the GEM, internal compensation structures as well as affordability are considered. To support remuneration recommendations to the Board, the Remuneration Committee periodically (every two to three years) benchmarks remuneration of the members of the Board and GEM against remuneration of comparable companies. For these purposes, the Remuneration Committee regards Swiss listed industrial companies as the most relevant reference group. For the purpose of Board benchmarking, in order to allow for a sufficiently broad and representative comparison for non-executive Board members in Switzerland, this core reference group is expanded with a selection of cross-industry Swiss listed companies. The companies included in the reference group are of comparable size to Landis+Gyr in terms of revenue[1] and mirror the companies selected for the last benchmarking exercise. Basis for the selection are the top 100 Swiss Performance Index companies in terms of market capitalization, excluding companies in the financial services industry, out of which the reference group is determined based on the applied revenue criteria. The benchmarking undertaken for the Board in FY 2021 focused not only on remuneration levels, but also considered fee structure and pay instruments. The analysis of the benchmark showed that Landis+Gyr's Board remuneration system is aligned with the

1 The companies included in the reference group in FY 2021 for the purpose of Board benchmarking are: Arbonia, Aryzta, Belimo, BKW, Bossard, Bucher, Burckhardt, Bystronic, Daetwyler, Dormakaba, Dufry, EMS-Chemie, Flughafen Zürich, Forbo, Galenica, Geberit, Georg Fischer, Huber+Suhner, OC Oerlikon, Schweiter, SFS, Siegfried, SIG, Sonova, Stadler Rail, Straumann, Sulzer, Swiss Prime Site, Tecan, Temenos, Valora, VAT, Vifor Pharma, Zur Rose.

market and consequently, the Board currently does not foresee any changes with regard to remuneration structure and fee levels.

The remuneration of the GEM was last benchmarked in FY 2020, based on a reference group of 15 companies[1]. This analysis showed that the GEM's remuneration levels and structures are comparable to the defined reference market. The Remuneration Committee and the Board therefore decided not to undertake a benchmarking for the GEM in FY 2021.

EXHIBIT 4: REFERENCE GROUPS USED FOR GEM AND BOARD BENCHMARKING

GEM	Board
Geography: Switzerland + International (periodically)	**Geography:** Switzerland
Industry: Industrials + technology	**Industry:** Industrials + diverse (excl. financials)
Size: Comparable (Revenue)	**Size:** Comparable (Revenue)

Remuneration System

Remuneration system of the Board

To ensure its independence in fulfilling its supervisory duties, the remuneration of the Board is fixed and does not contain any variable component.

The Chairman of the Board receives a fixed annual base fee of CHF 400,000 and a lump sum for expenses. The Chairman is not entitled to being compensated for assuming additional committee responsibilities. Due to his previous long-standing employment relationship with Landis+Gyr, during which he was continuously covered under the collective pension scheme offered by Landis+Gyr in Switzerland, and in accordance with the requirements of Swiss pension regulations, the pension cover was subsequently continued under the terms of his directorship with the Company, under the provision that all contributions, including the employer portion, are to be funded by the Chairman himself. This ensures that the Company does not incur costs for pension fund contributions in addition to the Chairman's fixed base fee of CHF 400,000. The actual base fee payment to the Chairman is therefore reduced by the amount remitted by the Company into the pension scheme representing the employer pension contributions. If the level of these contributions changes, based on the regulations of the pension scheme, the actual base fee payment is adjusted accordingly. In FY 2021 the Company paid CHF 37,858 (FY 2020: CHF 37,621) in employer pension contributions for the Chairman, which were deducted accordingly from the Chairman's base fee payment.

1 The Swiss listed industrial companies included in the reference group in FY 2020 for the purpose of GEM benchmarking were: Arbonia, Bobst Group, Bucher, Conzzeta, Daetwyler, Dormakaba, Flughafen Zürich, Geberit, Georg Fischer, OC Oerlikon, Schweiter Technologies, SFS Group, SIG, Stadler Rail, Sulzer.

Other members of the Board receive a fixed annual base fee and fixed fees for membership in Board committees, as well as a lump sum for expenses. Participation in the Swiss pension scheme may apply, to the extent legally required, with the corresponding employer contributions included in the base and committee fees paid as per Exhibit 5 below. In FY 2021 no other members of the Board participated in the Swiss pension scheme.

The amounts of the base fee and committee membership fees, as illustrated in Exhibit 5, reflect the responsibility and time requirement inherent to the respective function and remained the same in FY 2021 compared to FY 2020. The base fee and committee membership fee are paid 65% in cash and 35% in Company shares, which are blocked for sale for a period of three years from the date of grant. The cash portion of the base fee and committee membership fee is paid monthly; the share portion is granted in four quarterly instalments, with each instalment blocked for three years from the date of its grant. Should a Board member resign before completion of the respective term of office, such member is entitled to the respective pro-rata remuneration and any shares already received that are in excess of the pro-rata entitlement are to be re-transferred to the Company. All granted shares remain blocked until the end of the respective blocking period. Should a Board member not stand for re-election, or not be re-elected following completion of the previous term of office, already granted shares also remain blocked until the end of the respective blocking period. In the event of a change of control, the blocking period on the shares is lifted.

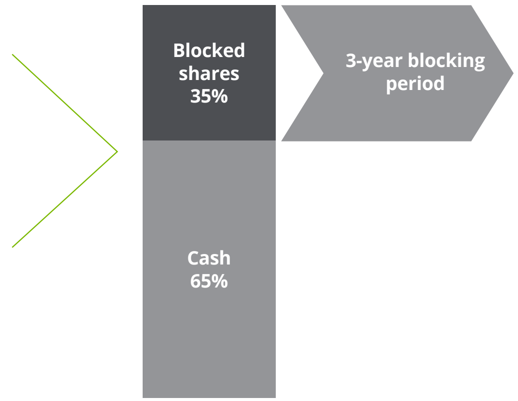
EXHIBIT 5: REMUNERATION SYSTEM OF THE BOARD, IN CHF

Fixed remuneration

Base fee	
Chairman[1]	400,000
Lead Independent Director	230,000
Member	120,000

Committee fee	Chair	Member
Audit, Finance and Risk Committee	30,000	15,000
Remuneration Committee	30,000	15,000
Nomination, Governance and Sustainability Committee	30,000[2]	15,000

Pay Mix



1 The base fee for the Chairman is CHF 400,000 (no change compared to FY 2020); CHF 37,858 of the base fee were deducted in FY 2021 (FY 2020: CHF 37,621) as the Chairman is financing the entire cost of the pension cover himself, including the Company contribution, by way of a reduction to the base fee. The split of the base fee into 65% cash and 35% shares is applied to the base fee after the deduction of the Company pension contributions.
2 As the Chairman is chairing the Nomination, Governance and Sustainability Committee, no Chair fee was paid in FY 2021 for this committee.

Remuneration system of the Group Executive Management

The remuneration elements of the GEM are summarized in Exhibit 6.

EXHIBIT 6: REMUNERATION SYSTEM OF THE GEM

	FIXED REMUNERATION		VARIABLE REMUNERATION	
	Base salary	**Pension and Other Benefits**	**Short-Term Incentive Plan**	**Long-Term Incentive Plan**
Purpose	Attraction and retention of talent	Risk protection, market competitiveness	Promotion of Landis+Gyr's operational, financial and ESG performance	Sharing in the long-term success of Landis+Gyr and alignment with shareholders' interests
Performance period	–	–	1 year	3 years
Key drivers	Role, experience and individual performance	Market practice, legal requirements	Group and (if relevant) regional financial as well as non-financial performance considerations	Group long-term stock market and operational performance measures
Instrument/ settlement	Cash	Pension and insurance plans, other benefits	Cash	Performance Stock Units settled in shares
Performance KPIs	–	–	Financial: Net Sales, adjusted EBITDA[1], operating Cash Flow less taxes paid Non-financial: ESG-related	Equally weighted relative Total Shareholder Return and Earnings Per Share
Target incentive amount	–	–	Individually defined, based on respective role and in alignment with market; cannot exceed the equivalent of 80% of base salary	Individually defined, based on respective role and in alignment with market; cannot exceed the equivalent of 80% of base salary; converted into number of Performance Stock Units at grant
Payout range	–	–	0% to 200% of target incentive amount; in addition, payout respective to each KPI is capped at 200%	0% to 200% of number of granted Performance Stock Units; in addition, the vesting multiple respective to each KPI is capped at 200%
Impact of share-price on payout value	–	–	NO	YES
Forfeiture provisions	–	–	YES	YES
Clawback provisions	–	–	YES	YES

1 Consolidated global Landis+Gyr Group EBITDA derived from its US GAAP financial statements as adjusted for restructuring expenses, warranty normalization, and timing difference on FX derivatives, all as shown in the full year financial reporting as Adjusted EBITDA with the exception of the warranty normalization items.

Base Salary

Base salary is the fixed remuneration paid to employees for carrying out their role and is established considering the following factors:

- scope and responsibilities of the role, as well as qualifications and experience required to perform the role,
- market value of the role in the location in which Landis+Gyr competes for talent,
- skills and expertise of the individual in the role, and
- individual performance.

The base salary is paid out to GEM members in twelve equal monthly cash instalments.

Pension benefits

The purpose of pension benefits is to provide security for employees and their dependents in the event of retirement, sickness, inability to work and death. The GEM members participate in the social insurance and pension plans in the countries where their employment contracts were entered into. The plans vary according to local market practice and legislation; at a minimum they reflect the statutory requirements of the respective countries. In line with local employment practice for Swiss employees, GEM members under Swiss employment contracts are covered by a supplementary non-compulsory occupational welfare plan in addition to the Company's compulsory occupational pension scheme.

Other benefits

In addition, Landis+Gyr aims to provide competitive employee benefits. Benefits are considered from a global perspective, while appropriately reflecting differing local market practice and employment conditions.

For the GEM members, benefits include local market benefits such as company car or car allowance, health cover, etc. and, where relevant, international benefits such as tax advisory services. Further, to the extent applicable, replacement awards to incoming GEM members awarded to compensate, generally on a "like-for-like" basis, for remuneration forfeited at the previous employer as a result of joining Landis+Gyr are reported as "other benefits". The monetary value of these remuneration elements is evaluated at fair value and are disclosed in the remuneration table.

Short-Term Incentive Plan ("STIP")
The STIP is an annual cash incentive plan, containing both financial as well as non-financial performance considerations. The purpose of the STIP is to motivate eligible participants to deliver outstanding performance and increased contribution towards Landis+Gyr's success.

Plan participants are incentivized based on the achievement of global and (if relevant) regional financial performance targets, as well as non-financial targets related to Landis+Gyr's ESG strategy. The financial performance targets correlate with the mid-term plan and long-term strategy and are aligned with business priorities, with the aim of achieving sustainable profitability and growth in alignment with shareholders' interests. As already announced in the Remuneration Report 2020, the weight of the financial performance targets was changed from 90% to 80% of the individual target incentive amount as of FY 2021, as the weight of the non-financial KPIs related to the ESG performance targets was increased from 10% to 20%. This change was made to further emphasize the commitment of Landis+Gyr towards driving ESG related topics and creating sustainable impact. ESG performance for FY 2021 was measured against eleven targets covering material topics resulting directly from Landis+Gyr's ESG strategy and roadmap, such as energy efficiency and climate protection, resource efficiency, strategic responsible sourcing, employee engagement and diversity as well as business integrity.

Both the financial as well as the ESG performance targets are determined by the Board at the beginning of each financial year. These targets represent commercially sensitive information and are therefore not disclosed. Information on realized payout for FY 2021 is provided on page 14.

Payouts under the STIP are calculated based on the achievement level of the respective performance targets, with 100% achievement resulting in 100% payout. For each financial performance target, minimum threshold performance levels, below which there is no payout, as well as maximum performance levels, at which payout is capped at 200%, apply. Linear interpolation is used to calculate the payout between threshold and target, and target and maximum. Similarly, for each ESG performance target respective threshold, target and stretch performance levels were defined, with final payout for the ESG component determined based on the overall achievement of the eleven equally weighted targets. Total payout under the STIP can range from 0% to 200% of the target incentive amount. For FY 2021, the individual target incentive amount for the CEO corresponds to 75% (FY 2020: 75%) of base salary and for the other members of the GEM on average to 66% (FY 2020: 65%) of base salary. The maximum payout amount for the CEO is hence equivalent to 150% of base salary (FY 2020: 150%) and for other members of the GEM on average to 132% of base salary (FY 2020: 130%).

In case of termination of employment during the performance period, the STIP payout may be reduced or forfeited depending on the conditions of such termination and subject to applicable law.

For FY 2021, the STIP scorecard for the GEM comprised both financial and non-financial performance targets, measured using the Key Performance Indicators ("KPIs") as detailed in Exhibit 7.

EXHIBIT 7: STIP PERFORMANCE SCORECARD FOR THE GEM FOR FY 2021

% of target incentive amount	Topic	KPI	Weight FY 2021	KPI Measurement
80%	Sales	Net Sales	30%	CEO, CFO: 100% Group results Regional EVPs: 30% Group results, 70% Regional results
	Profit	Adjusted EBITDA	40%	
	Cash Flow	Operating Cash Flow less taxes paid	30%	
20%	ESG	Targets reflecting material ESG topics related to energy efficiency & climate protection, resource efficiency, strategic responsible sourcing, employee engagement & diversity, business integrity[1]		100% Group results

1 For FY 2021 ESG performance was measured against eleven defined targets, representing these material ESG topics, such as the reduction of the company's and its product portfolio's carbon footprint, ESG-driven supplier management, promoting strong governance through employee training on compliance, driving employee learning initiatives and promoting gender diversity.

With respect to the financial KPIs, for the CEO and CFO 100% Group results are considered when determining the level of performance. For the GEM members with regional responsibility, 30% Group and 70% regional results of the respective region are evaluated, with the financial KPIs correspondingly assessed at both global and regional level. The ESG KPIs are assessed at the global level for all participants.

Outlook for FY 2022:
As of the beginning of FY 2022, to further align the accountabilities of all GEM members with the Group's overall performance, the financial KPIs of GEM members with regional responsibility will be evaluated based on 50% Group results, instead of 30%, and 50% respective regional results, instead of 70%.

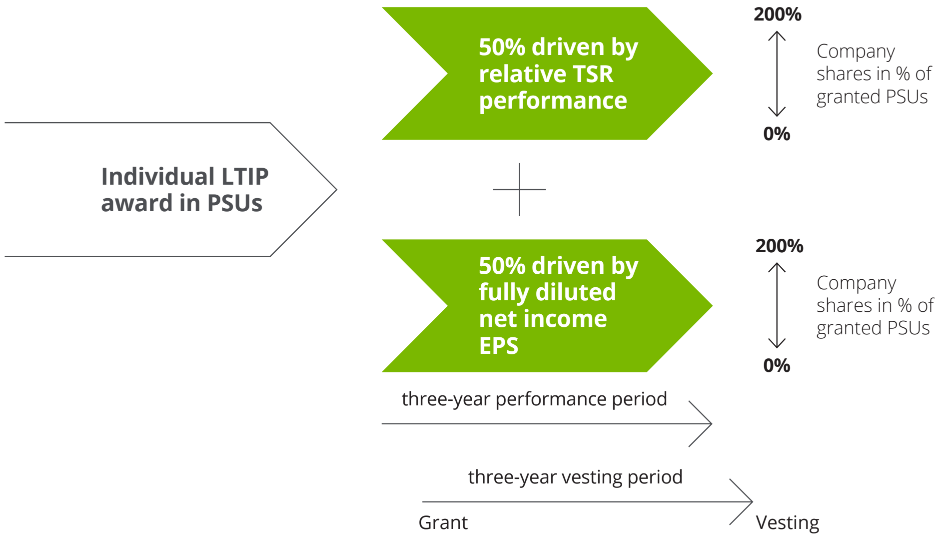
Long-Term Incentive Plan ("LTIP")
The current LTIP, under which the first grant was made in FY 2018, is a share-based incentive plan measured over a three-year performance period, representing three financial years. Its purpose is to foster long-term value creation for the Group by providing the members of the GEM and other eligible key managers with the possibility:
– to become shareholders or to increase their shareholding in the Company,
– to participate in the future long-term success of Landis+Gyr, and
– to further align the long-term interests of the plan participants with those of the shareholders.

The individual target incentive amounts under the LTIP are determined based on the role and responsibilities, taking into account external market levels, and do not exceed the equivalent of 80% of base salary. For the grants made in FY 2021, the individual target incentive amount for the CEO corresponds to 75% (FY 2020: 75%) of base salary and for other members of the GEM represents on average 45% (FY 2020: 43%) of base salary. Awards under the LTIP are a contingent entitlement, granted in the form of Performance Stock Units ("PSUs"), to receive Landis+Gyr shares, provided certain performance targets are achieved during the three-year performance period (see Exhibit 8) and subject to continuous employment. In case the performance does not reach certain pre-determined thresholds after three years, no PSUs will vest under the LTIP.

For the purpose of the LTIP, the measurement of Landis+Gyr's long-term performance comprises two equally weighted KPIs:

- 50% of the award is linked to the Total Shareholder Return ("TSR") measured over three years relative to a peer group of Swiss and international companies[1] and
- 50% of the award is linked to the fully diluted net income Earnings per Share ("EPS").

EXHIBIT 8: VESTING UNDER THE LTIP



1 The peer companies used to measure the 3-year relative TSR performance for the FY 2021 grant are: ABB, Aichi Tokei Denki, Apator, Arbonia, Badger Meter, Burckhardt Compression, Daetwyler, Genus Power Infrastructures, Hexing Electrical, Hubbell, Inficon, Itron, Legrand, LEM, Mueller Water Products, OC Oerlikon, Osaki Electric, Rexel, SIT, Smart Metering Systems, SPIE, Sulzer, Takaoka Toko, Xylem.

The vesting curves for each KPI under the LTIP are defined to support the symmetrical performance and payout situations below and above the target and allow for a realistic performance-related chance to realize vesting.

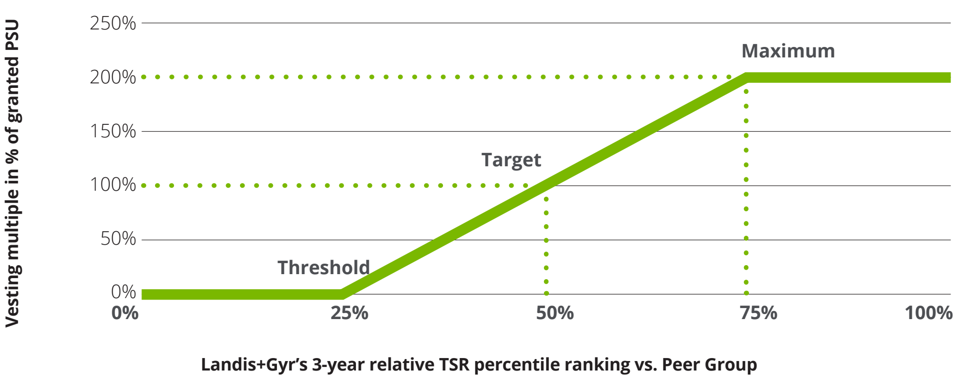
As already announced in the Remuneration Report 2020, the peer group used for the measurement of relative TSR performance was reviewed by the Board and as of the FY 2021 grant changed from the SPI Industrials index to a custom peer group of 24 Swiss and international organizations[1] operating in comparable industries to Landis+Gyr and representing the markets that are relevant for Landis+Gyr.

Landis+Gyr's TSR performance will be assessed as a three-year average percentile rank compared to the peer group. For each company in the peer group, the relative TSR is calculated considering not only the variation of the closing prices over the three-year performance period, but also the dividends distributed in the same period, assuming that at the time of distribution those dividends are reinvested in the shares of the respective company. All calculations related to TSR performance are done by an independent third-party company.

For the FY 2021 grant, 100% of the PSUs linked to the relative TSR performance will vest after the three-year performance period if Landis+Gyr is ranked at the median of the peer group. The maximum vesting multiple of 200% applies if the Landis+Gyr TSR is at or above the 75th percentile of the peer group. The vesting multiple of 0% applies should Landis+Gyr's TSR performance relative to the peers be at or below the 25th percentile of the peer group. Linear interpolation applies between the threshold, target and maximum performance levels. In addition, to allow for further performance alignment, if Landis+Gyr's absolute TSR attributable to the relevant three-year performance period is negative, the relative TSR vesting multiple will be capped at 100% regardless if Landis+Gyr outperforms the median of the peer group.

Exhibit 9 represents an illustration of the relative TSR vesting curve for the FY 2021 grant.

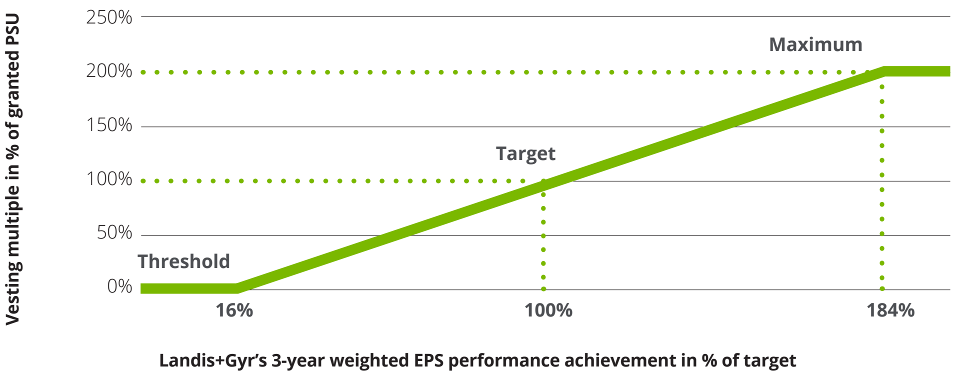
EXHIBIT 9: VESTING CURVE 3-YEAR RELATIVE TSR FOR FY 2021 GRANT



The three-year fully diluted net income EPS is calculated as the cumulative weighted sum of the reported net income fully diluted EPS attributable to shareholders for the financial years covered by the respective 3-year performance period. In order to give more weight to the EPS achieved in the later years of the performance period, the EPS of each year is weighted as follows: The first financial year is weighted at 1/6, the second financial year at 2/6 and the third financial year at 3/6.

If the weighted EPS target is reached, 100% of the respective PSUs granted under the EPS KPI will vest. If the weighted EPS performance is at or above the maximum performance level, 200% of respective granted PSUs will vest. If the weighted EPS performance is at or below the threshold performance level, 0% of PSUs granted under the EPS KPI will vest. Linear interpolation applies between the threshold, target and maximum performance levels. Exhibit 10 represents an illustration of the weighted EPS vesting curve for the FY 2021 grant.

EXHIBIT 10: VESTING CURVE 3-YEAR WEIGHTED EPS FOR FY 2021 GRANT



Actual EPS targets are considered commercially sensitive information and communicating such targets would allow insight into the strategy of Landis+Gyr and may create a competitive disadvantage for the Company. Consequently, the decision was made not to disclose the specifics of those targets at the time of their setting, but to explain in more detail the process applied in setting EPS targets, and to subsequently disclose the target achievement at the end of the respective performance period, i.e., for the 2021 grant with the reporting for FY 2023.

EPS targets for each grant are set by the Board following a thorough outside-in approach conducted by the Remuneration Committee's independent external advisor. Investors' return expectations on market value, stock risk profile, investment projections and current profitability levels were taken as a starting point and translated into EPS targets, using multifactor valuation models and statistical analyses in order to establish an appropriate link between LTIP payouts and the value created for investors.

No changes with regard to the methodology were made when determining EPS targets for the 2021 grant. Due to the unusal high market uncertainty and volatility, the 2021 EPS vesting curve has a relatively wide interval compared to prior years. The consistent application of this robust target setting approach helps achieve Landis+Gyr's goal of designing compensation elements with a realistic performance-based chance to realize vesting and to balance perceived riskiness and value of the plan for participants. The results of the outside-in approach were assessed against historical company performance, as well as equity analysts' expectations and strategic plan as suggested by management, to reinforce the Remuneration Committee's and Board's confidence in the overall quality and robustness of the EPS targets.

At the end of the vesting period, based on actual performance achieved, the resulting multiple of PSUs will be settled in ordinary shares of Landis+Gyr, however, subject to forfeiture rules in case of termination of employment before the end of the respective vesting period as summarized in Exhibit 11.

EXHIBIT 11: SUMMARY OF LTIP FORFEITURE PROVISIONS

Termination reason	Vesting Provisions	Early vesting	Vesting level
Death and disability	Pro-rata vesting	Yes	At target
Retirement	Pro-rata vesting	No	Based on actual performance
Termination without cause	Pro-rata vesting	No	Based on actual performance
Other termination reasons	Full forfeiture	n/a	n/a

In addition, in the event of a change of control, early vesting on a pro-rata basis at target, i.e., without consideration of performance, applies.

Clawback of variable remuneration

Landis+Gyr's clawback provisions allow for partial or full recovery of performance-based cash or equity paid or vested to members of the GEM during the previous three financial years. These provisions apply in cases where the Company is required to make a material restatement to its accounts (due to fraud or error) as well as in the event of fraud, gross negligence or willful misconduct, any serious breach of Landis+Gyr's code of business ethics and conduct or in the event of actions that caused serious reputational harm to the Company.

Employment conditions

The members of the GEM are employed under contracts of unlimited duration with a notice period up to a maximum of twelve months. GEM members are not contractually entitled to termination payments or any change of control provisions other than the early vesting of LTIP awards as mentioned above, which are applicable to all plan participants. Correspondingly, members of the GEM are not disproportionately advantaged by change of control provisions in comparison to any other employees.

Employment contracts for GEM members may include non-competition agreements not exceeding a period of twelve months following end of employment.

Remuneration awarded to Members of Governing Bodies

The section below is in line with Swiss law and specifically with Arts. 14 to 16 of the Ordinance which requires disclosure of remuneration granted to members of the Board and GEM. Remuneration paid to members of the Board and to the highest paid member of the GEM is shown separately.

Remuneration awarded to the Board for FY 2021

Explanatory comments
Exhibit 12 summarizes remuneration paid to the Board for the full FY 2021. Pierre-Alain Graf did not stand for re-election at the 2021 AGM; Exhibit 12 therefore includes the remuneration paid to him for the period from April 1, 2021 to June 30, 2021. The other seven Board members were re-elected at the 2021 AGM; in addition, Laureen Tolson was newly elected at the 2021 AGM, keeping the overall number of members unchanged. As in the previous year, Søren Thorup Sørensen, as the representative of Kirkbi Invest A/S, Landis+Gyr's largest shareholder, waived all remuneration for his Board duties for the term of office from 2021 AGM to 2022 AGM.

Exhibit 13 summarizes remuneration paid for the full FY 2020, which reflects the 10% reduction to the base and committee fees paid to the members of the Board for a period of 6 months due to the COVID-19 pandemic. Further, the committee fees for the Nomination, Governance and Sustainability Committee, which was established in FY 2020, were only paid to the respective Board members as of the last quarter of the financial year, i.e., as of January 2021. Søren Thorup Sørensen waived all remuneration for his Board duties for the term of office from 2020 AGM to 2021 AGM.

In FY 2021 the Board received total remuneration of CHF 1,521,960 (FY 2020: CHF 1,437,476). There was no change to individual fee levels in FY 2021 as compared to FY 2020. The difference in total remuneration in FY 2021 as compared to FY 2020 is due to the reasons as explained above.

Remuneration of the Board

EXHIBIT 12: REMUNERATION OF MEMBERS OF THE BOARD FOR FY 2021[1] (AUDITED), IN CHF

Non-executive Board members	Role in the Board	Base fees paid in cash	Committee fees paid in cash	Base and committee fees delivered in shares[2]	Total fees (cash and shares)	Expense lump sum	Employer Social Security Contributions	Total remuneration
Andreas Umbach	Chairman	272,950[3]		127,050	400,000	20,000	26,506	446,506
Eric Elzvik	Lead Independent Director	149,500	39,000	101,500	290,000	10,000	21,406	321,406
David Geary	Independent Member	78,000	9,750	47,250	135,000	10,000		145,000
Pierre-Alain Graf[4]	Independent Member	19,500	2,437	11,813	33,750	2,500	2,587	38,837
Andreas Spreiter	Independent Member	78,000	19,500	52,500	150,000	10,000	11,461	171,461
Christina Stercken	Independent Member	78,000	9,750	47,250	135,000	10,000		145,000
Peter Mainz	Independent Member	78,000	17,062	51,188	146,250	10,000		156,250
Søren Thorup Sørensen[5]	Not independent; representative of largest shareholder							
Laureen Tolson[6]	Independent Member	58,500		31,500	90,000	7,500		97,500
Total Board of Directors		**812,450**	**97,499**	**470,051**	**1,380,000**	**80,000**	**61,960**	**1,521,960**

1 Represents gross amounts, prior to deductions for social security, withholding tax, etc. for services rendered from April 1, 2021 until March 31,2022 (with exception of one Board member who did not stand for re-election at the 2021 AGM as per footnote 4 below and one Board member newly elected at the 2021 AGM as per footnote 6 below). In the prior financial year (as reflected in Exhbit 13 below), base and committee fees had been reduced by 10% for a period of 6 months due to the COVID-19 pandemic.
2 Granted in quarterly instalments; fair value is defined using the volume weighted average share price for the last 20 trading days of the month preceding the month of the respective quarterly grant.
3 Includes employer pension contribution in the amount of CHF 37,858 funded by the Chairman through a reduction to base fees paid.
4 Amounts reflect the period in office from April 1, 2021 until June 30, 2021. Pierre-Alain Graf did not stand for re-election at the 2021 AGM.
5 Waived all remuneration for the term of office 2021/2022.
6 Newly elected at the 2021 AGM. Amounts reflect the period in office from July 1, 2021 until March 31, 2022.

EXHIBIT 13: REMUNERATION OF MEMBERS OF THE BOARD FOR FY 2020[1] (AUDITED), IN CHF

Non-executive Board members	Role in the Board	Base fees paid in cash	Committee fees paid in cash	Base and committee fees delivered in shares[2]	Total fees (cash and shares)	Expense lump sum	Employer Social Security Contributions	Total remuneration
Andreas Umbach	Chairman	261,153[3]		120,698	381,851	20,000	25,263	427,114
Eric Elzvik	Lead Independent Director	142,025	30,225	92,750	265,000	10,000	19,654	294,654
David Geary	Independent Member	74,100	9,263	44,888	128,251	10,000		138,251
Pierre-Alain Graf	Independent Member	74,100	9,263	44,888	128,251	10,000	9,807	148,058
Andreas Spreiter	Independent Member	74,100	18,525	49,875	142,500	10,000	10,897	163,397
Christina Stercken	Independent Member	74,100	9,263	44,888	128,251	10,000		138,251
Peter Mainz	Independent Member	74,100	2,438	41,213	117,751	10,000		127,751
Søren Thorup Sørensen[4]	Not independent; representative of largest shareholder							
Total Board of Directors		**773,678**	**78,977**	**439,200**	**1,291,855**	**80,000**	**65,621**	**1,437,476**

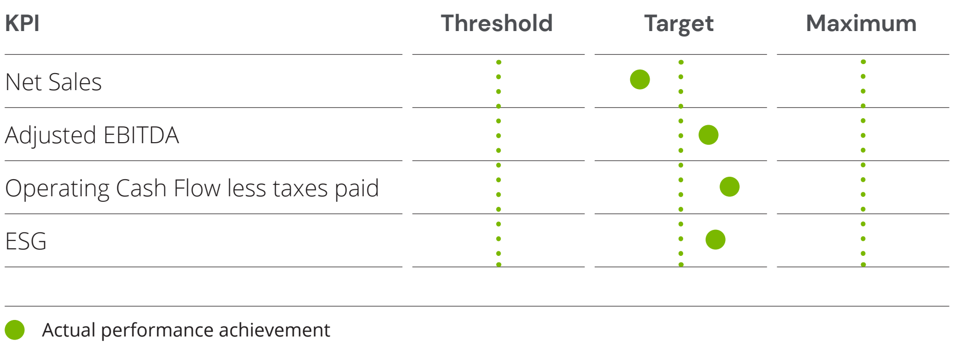
1 Represents gross amounts, prior to deductions for social security, withholding tax, etc. for services rendered from April 1, 2020 until March 31, 2021.
2 Granted in quarterly instalments; fair value is defined using the volume weighted average share price for the last 20 trading days of the month preceding the month of the respective quarterly grant.
3 Includes employer pension contribution in the amount of CHF 37,621 funded by the Chairman through a reduction to base fees paid.
4 Waived all remuneration for the term of office 2020/2021.

Remuneration awarded to the GEM for FY 2021

Performance assessment and explanatory comments
For FY 2021, the members of the GEM received base salary, variable remuneration and pension and other benefits, in line with the remuneration system, as detailed in Exhibit 6.

For the Group as a whole, as illustrated in Exhibit 14 below, FY 2021 results related to the financial KPIs were above threshold, but below target for Net Sales and above target for Adjusted EBITDA and Operating Cash Flow less taxes paid. The ESG component reached above-target performance achievement.

EXHIBIT 14: PERFORMANCE AT GROUP LEVEL FY 2021



At a regional level, overall achievement of the financial KPIs for the Americas and Asia Pacific was above target, and for EMEA above threshold but below target.

At Group level, the resulting weighted payout factor related to the financial performance targets, which account for 80% of the target incentive amount, amounts to 87.9%. The resulting weighted payout factor related to the non-financial performance targets, accounting for 20% of the target incentive amount, amounts to 24.2%.

The financial and non-financial performance targets for FY 2021 were not adjusted, nor did the Board apply any discretion to the outcome of the STIP for FY 2021.

The overall payout for both financial and non-financial performance targets is 112.1% of the STIP target incentive amount for the CEO (FY 2020: 78.1%) and between 89.9% and 114.2% of the STIP target incentive amounts for the other members of the GEM (FY 2020: 59.2%–86.7%).

In FY 2021, GEM members received total remuneration of CHF 6,346,478 (FY 2020: CHF 6,978,059). This is an overall decrease of 9.1% compared to previous year, with the main changes explained in the following sections below.

Remuneration of the GEM

EXHIBIT 15: REMUNERATION OF GROUP EXECUTIVE MANAGEMENT MEMBERS FOR FY 2021[1] (AUDITED), IN CHF

Remuneration elements	Members of the GEM[2]	Highest remuneration Werner Lieberherr, CEO
Base salary	2,394,550	800,000
Short-term incentive in cash[3]	1,773,046	672,720
Fair value at grant under the LTIP[4]	1,198,156	555,338
Other benefits[5]	283,792	90,657
Pension costs[6]	330,205	144,816
Employer Social Security Contributions[7]	366,729	168,538
Total remuneration	**6,346,478**	**2,432,069**

1 Represents gross amounts paid, prior to deductions for social security, withholding tax, etc. for services rendered from April 1, 2021 until March 31, 2022. In the prior financial year (as reflected in Exhbit 16 below), base salaries had been reduced by 10% for a period of 6 months due to the COVID-19 pandemic.
2 Reflects remuneration of six members of the GEM for FY 2021, including the pro-rated remuneration paid to two GEM members who stepped down during FY 2021, for the periods from April 1, 2021 to February 28, 2022 and from April 1, 2021 to December 31, 2021, respectively. Also includes the pro-rated remuneration for the two newly appointed GEM members for the periods from September 1, 2021 to March 31, 2022 and from January 1, 2022 to March 31, 2022, respectively.
3 Payable in FY 2022 for FY 2021.
4 Disclosure reflects awards for the reporting year, that is, fair value at grant for FY 2021. The LTIP value at vesting may vary based on performance outcomes and respective share price at the time of vesting.
5 Includes car benefits, allowances, tax advisory services, etc. as well as the replacement award for compensation forfeited from previous employer as mentioned below in the explanatory comments.
6 Representing employer contributions for retirement savings, death and disability towards the statutory Swiss pension scheme as well as the supplementary welfare plan for the three GEM members under Swiss employment contracts; and representing employer 401k contributions for the two GEM members on US employment contracts, as well as statutory employer pension contributions for one GEM member on a German employment contract. The provider for the Swiss supplementary welfare plan for employees in Switzerland, including the three GEM members under Swiss employment contracts, was changed as of January 1, 2022; however, the retirement savings contributions and the level of cover for death and disability were maintained at the same level as with the previous provider.
7 Includes estimates of social security contributions related to the LTIP grant made in FY 2021. There was no vesting of the 2018 LTIP in FY 2021 due to the performance outcome, therefore no actual social security contributions were paid in FY 2021 related to the LTIP.

EXHIBIT 16: REMUNERATION OF GROUP EXECUTIVE MANAGEMENT MEMBERS FOR FY 2020[1] (AUDITED), IN CHF

Remuneration elements	Members of the GEM[2]	Highest remuneration Werner Lieberherr, CEO
Base salary	3,072,583	760,000
Short-term incentive in cash[3]	1,880,541	468,840
Fair value at grant under the LTIP[4]	749,538	454,655
Other benefits[5]	480,171	42,000
Pension costs[6]	431,632	157,124
Employer Social Security Contributions[7]	363,594	137,571
Total remuneration	**6,978,059**	**2,020,190**

1 Represents gross amounts paid, prior to deductions for social security, withholding tax, etc. for services rendered from April 1, 2020 until March 31, 2021.
2 Reflects remuneration of six members of the GEM for FY 2020, including the full-year remuneration paid to the previous CEO for the contractual 12-month notice period, as well as the full-year remuneration for the retiring CFO who stepped down as a member of the GEM as of November 16, 2020, and the pro-rated remuneration for the newly appointed CFO for the period November 16, 2020 to March 31, 2021. The total remuneration included for the previous CEO and CFO amounts to CHF 2.6m.
3 Payable in FY 2021 for FY 2020.
4 Disclosure reflects awards for the reporting year, that is, fair value at grant for FY 2020. The LTIP value at vesting may vary based on performance outcomes and respective share price at the time of vesting.
5 Includes car benefits, allowances, tax advisory services, tax equalization for expatriates, employer contribution to 409a, etc. as well as the replacement awards for compensation forfeited from previous employers as mentioned below in the explanatory comments.
6 Representing employer contributions for retirement savings, death and disability towards the statutory Swiss pension scheme as well as the supplementary welfare plan for the four GEM members under Swiss employment contracts; and representing employer 401k contributions for the two GEM members on US employment contracts.
7 As of FY 2020 includes estimates of social security contributions related to the LTIP grant made in FY 2020 to align the timing of social security reporting to the timing of reporting the respective LTIP grant. Not included are the actual social security contributions paid in FY 2020 for the amounts settled under the 2017 LTIP amounting to CHF 20,681. In FY 2019 this included actual social security contributions paid in the reporting year for the amounts settled under the 2016 LTIP.

The following explanatory comments can be given with regard to the changes compared to prior year:

Composition of the GEM: Exhibit 15 includes remuneration paid in FY 2021 to six members of the GEM. It reflects the full-year remuneration paid to the CEO and CFO, and the pro-rata remuneration paid to the new Heads of EMEA and Americas, appointed as members of the GEM on September 1, 2021 and January 1, 2022, respectively. Both were in other roles within Landis+Gyr prior to their appointment to the GEM. Also included is the pro-rata remuneration of the previous Head of EMEA, who stepped down as a member of the GEM on August 31, 2021 and whose notice period ended on February 28, 2022, as well as the pro-rata remuneration of the previous Head of Americas, who stepped down as a member of the GEM on December 31, 2021 and who assumed a new role within the organization as of January 1, 2022. Overall, the remuneration levels for the GEM members appointed in FY 2021 are at a comparable level to that of their predecessors.

Remuneration for FY 2020 as shown in Exhibit 16 also reflects six members of the GEM. This included full-year remuneration for five members of the GEM, including that of the previous CEO for his contractual 12-month notice period which ended on March 31, 2021, as well as that of the previous CFO who retired on March 31, 2021. Exhibit 16 further included the pro-rata remuneration of the CFO who joined Landis+Gyr and was appointed as a member of the GEM on November 16, 2020.

Base salary: The variance in base salary is due to the changes to the GEM composition during the year, as mentioned above. Base salaries were not increased for any members of the GEM in FY 2021. Further, base salaries paid to the members of the GEM in FY 2020 had been reduced by 10% for a period of 6 months due to the COVID-19 pandemic, which is reflected in Exhibit 16.

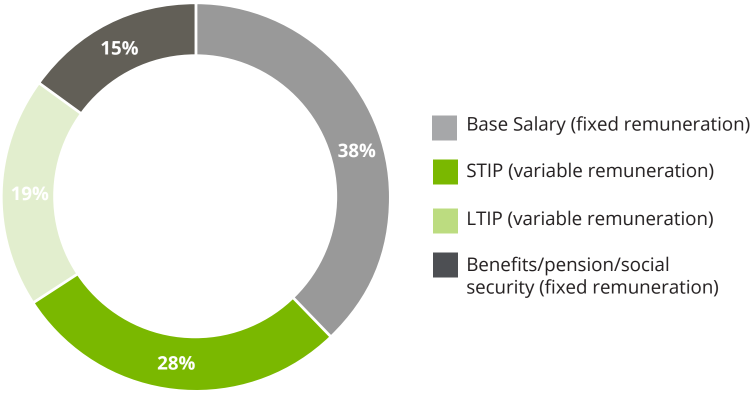
STIP: The payouts under the STIP in FY 2021 are higher than in FY 2020, reflecting the achieved performance levels as described above. The comparison of the total payouts in FY 2021 as compared to FY 2020 is impacted by the changes to the composition of the GEM. No members of the GEM received an increase to their STIP target incentive amount in FY 2021.

LTIP: The differences in the LTI grant values as compared to prior year are mainly due to the different composition of the GEM. In FY 2021, grants were made to the four GEM members who were active at the time of grant, as opposed to three in FY 2020, as there was no grant made in that year to the CFO, who joined after the FY 2020 grant date. The target incentive amounts did not increase in FY 2021 as compared to FY 2020 grants for the respective GEM members. Further, the new methodology applied to the TSR portion of the LTIP, as explained on page 10, changed some of the parameters in the fair value calculation for the FY 2021 grant, which also impacts the grant fair values shown for FY 2021 as compared to FY 2020. The 20-day volume-weighted average share price prior to grant date used to convert the target incentive amount into PSUs was CHF 68.00 for the grant made in FY 2021, compared to a price of CHF 64.58 used for the grant in FY 2020.

Other benefits: As already disclosed in the Remuneration Report 2020, one member of the GEM, who joined Landis+Gyr during FY 2020, is entitled to a replacement award compensating for a deferred cash award at the previous employer which was fully forfeited as a result of joining Landis+Gyr. As per contract, this replacement award is payable in two instalments at the start of employment and after 12 months of employment. Both instalments are subject to continuous employment at the payment date and for 12 months following the payment of each respective instalment. The second installment was payable during FY 2021 and is correspondingly included in the remuneration for FY 2021 as shown in Exhibit 15. The first instalment was paid in FY 2020 and disclosed in the remuneration for FY 2020 (Exhibit 16).

As illustrated in Exhibit 17, for FY 2021 the total variable remuneration, i.e., STIP and LTIP, for the GEM represents 47% of total remuneration received. For the CEO, the total variable remuneration represents 51% of his total remuneration and 102% of his total fixed remuneration, i.e., base salary, benefits, pension and social security. For the other members of the GEM, the total variable remuneration represents on average 45% of total remuneration and ranges from 68% to 112% of total fixed remuneration, reflecting the variation in achieved performance levels. The target mix between variable STIP and LTIP in relation to fixed remuneration for the GEM balances short- and long-term performance in alignment with Landis+Gyr's remuneration strategy and shareholders' interests.

EXHIBIT 17: GEM PAY COMPOSITION FY 2021



Performance of LTIP Grant FY 2019

For the LTIP grant made in FY 2019, with the performance period covering the three financial years 2019 to 2021, the respective threshold performance levels for both relative TSR and EPS were not met. The vesting multiple for the 2019 LTIP grant is therefore zero and correspondingly no shares will be allocated at the vesting date in FY 2022. Further, as already mentioned in the FY 2020 Remuneration Report, there was no vesting for the 2018 LTIP in FY 2021, as the threshold performance levels were not met.

Holding of Shares by Members of the Board and the GEM (Audited)

The members of the Board and GEM, including related parties, hold a total participation of 0.36% of the outstanding registered shares as of March 31, 2022 (0.45% as of March 31, 2021). This participation includes registered shares purchased as well as fully vested shares allocated in connection with the remuneration schemes and, for members of the Board, shares allocated in payment of part of their fees. However, unvested PSUs are not included.

EXHIBIT 18: SHARES HELD BY MEMBERS OF THE BOARD (AUDITED)

	Role	Shares held as at March 31, 2022	Shares held as at March 31, 2021
Andreas Umbach	Chairman	73,553	71,545
Eric Elzvik	Lead Independent Director	7,886	6,282
David Geary	Independent Member	2,626	1,879
Pierre-Alain Graf[1]	Independent Member	n/a	2,663
Andreas Spreiter	Independent Member	9,330	8,499
Christina Stercken	Independent Member	3,276	2,529
Peter Mainz	Independent Member	2,499	1,689
Søren Thorup Sørensen[2]	Not independent; representative of largest shareholder	0	0
Laureen Tolson[3]	Independent Member	496	n/a

1 Did not stand for re-election at the 2021 AGM.
2 Representative of Landis+Gyr's largest shareholder KIRKBI Invest A/S, holding 4,445,265 shares which amounts to 15.38% of outstanding share capital.
3 Newly appointed at the 2021 AGM.

EXHIBIT 19: SHARES HELD BY MEMBERS OF THE GEM (AUDITED)

	Role	Shares held as at March 31, 2022	Shares held as at March 31, 2021
Werner Lieberherr	Chief Executive Officer	3,300	3,300
Elodie Cingari	Chief Financial Officer	1,000	500
Bodo Zeug[1]	Head of EMEA	0	n/a
Sean Cromie[2]	Head of Americas	0	n/a

1 Member of the GEM as of September 1, 2021.
2 Member of the GEM as of January 1, 2022.

In addition, as at March 31, 2022 members of the GEM held a total of 33,433 PSUs with respect to grants made under the LTIP. As at March 31, 2021 members of the GEM held a total of 37,105 PSUs.

Shareholding Guidelines for the GEM Members

Shareholding guidelines were introduced for GEM members in FY 2018, which are designed to increase the alignment of the interests of GEM members and shareholders. The target ownership levels are defined based on the role and correspond to:
– 300% of base salary for the position of CEO
– 200% of base salary for other GEM members

GEM members are expected to build up their shareholding to the targeted ownership levels within five years, from the introduction of the guidelines or appointment to the GEM, respectively. Based on appointment dates, the first validation of compliance with the shareholding guidelines is required at the end of FY 2024.

Equity Overhang and Dilution as of March 31, 2022

In total as of March 31, 2022, the equity overhang, defined as the total number of outstanding unvested PSUs divided by the total number of shares issued, amounts to 0.52% (as at March 31, 2021: 0.5%).

The company's gross burn rate defined as the total number of equities (shares and PSUs) granted in FY2021 divided by the total number of shares issued amounts to 0.24% (FY 2020: 0.25%).

Loans granted to Members of the Board or the GEM

As referenced on page 4, in accordance with Article 28 of the Articles of Association, Landis+Gyr Group AG may not grant loans to members of the Board or the GEM and hence did not do so during FY 2021. Correspondingly, no loans to members of the Board, the GEM or to closely related parties were outstanding at the end of FY 2021.

Related-Party Transactions

Disclosure on remuneration for FY 2021 covers members of the Board and the GEM as indicated, and for both includes related parties to the extent applicable. Such related parties cover spouses, partners, children and other dependents or closely linked persons. In FY 2021 no remuneration was paid to any related party.

Remuneration to Former Members of Governing Bodies

During FY 2021 no payments were made to former members of the Board or the GEM for their time as a member of such governing bodies, nor to any related parties. For the avoidance of doubt, remuneration paid to the two departing GEM members in FY 2021 is included in the remuneration table on page 14.

Reconciliation of AGM Remuneration Resolutions

For the term to the 2022 AGM, the 2021 AGM approved a maximum aggregate remuneration amount for the Board of CHF 1.8 million (including social security costs). Exhibit 20 below shows the reconciliation between the remuneration that has been/will be paid/granted for the respective term of office and the maximum aggregate amount approved by the shareholders.

The maximum aggregate amount, comprising fixed and variable remuneration, of the existing members of the GEM for FY 2021 approved by the 2020 AGM, is CHF 8.5 million (including social security costs, benefits, etc.). Exhibit 21 below shows the reconciliation between the remuneration paid to the GEM for FY 2021 and the maximum aggregate amount approved by the shareholders.

EXHIBIT 20: REMUNERATION APPROVED AND PAID/GRANTED FOR THE MEMBERS OF THE BOARD

	Total remuneration granted (paid/payable)	Maximum aggregate amount available	Status
2020 AGM to 2021 AGM	CHF 1.4 million[1]	CHF 1.8 million	Approved (2020 AGM)
2021 AGM to 2022 AGM	CHF 1.5 million[2]	CHF 1.8 million	Approved (2021 AGM)
2022 AGM to 2023 AGM		CHF 1.7 million[3]	Proposed (2022 AGM)

1 For 8 members of the Board, of which one member waived his remuneration for the term of office.
2 For 8 members of the Board of which one member waived his remuneration for the term of office; represents an estimate for the term of office from 2021 AGM to 2022 AGM; the final amount will be disclosed in the Remuneration Report 2022.
3 For 7 members of the Board.

EXHIBIT 21: REMUNERATION APPROVED AND PAID/GRANTED FOR THE MEMBERS OF THE GEM

	Total remuneration granted	Maximum aggregate amount available	Status
FY 2020	CHF 7.0 million[1]	CHF 8.5 million	Approved (2019 AGM)
FY 2021	CHF 6.3 million[2]	CHF 8.5 million	Approved (2020 AGM)
FY 2022		CHF 8.5 million	Approved (2021 AGM)
FY 2023		CHF 8.5 million[3]	Proposed (2022 AGM)

1 For 6 members of the GEM as per the explanations given on pages 14 to 15.
2 For 6 members of the GEM as per the explanations given on pages 14 to 15.
3 The amount requested for FY 2023 is for 4 members of the GEM, consistent with the amount requested for FY 2022.

Report of the statutory auditor

to the General Meeting of Landis+Gyr Group AG

Cham

We have audited the remuneration report of Landis+Gyr Group AG for the year ended March 31, 2022. The audit was limited to the information according to articles 14–16 of the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance) contained in the tables labeled 'audited' on pages 13 to 16 of the remuneration report.

Board of Directors' responsibility

The Board of Directors is responsible for the preparation and overall fair presentation of the remuneration report in accordance with Swiss law and the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance). The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's responsibility

Our responsibility is to express an opinion on the remuneration report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report complies with Swiss law and articles 14–16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the remuneration report with regard to compensation, loans and credits in accordance with articles 14–16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the remuneration report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of remuneration, as well as assessing the overall presentation of the remuneration report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the remuneration report of Landis+Gyr Group AG for the year ended March 31, 2022 complies with Swiss law and articles 14–16 of the Ordinance.

PricewaterhouseCoopers AG

Rolf Johner	Rahel Sopi
Audit expert Auditor in charge	Audit expert

Zug, 27 May 2022

PricewaterhouseCoopers AG, Dammstrasse 21, Postfach, CH-6302 Zug, Switzerland
Telefon: +41 58 792 68 00, Telefax: +41 58 792 68 10, www.pwc.ch

Landis+Gyr Group AG
Alte Steinhauserstrasse 18
CH-6330 Cham
Switzerland
www.landisgyr.com

MANAGE ENERGY BETTER

Financial Report 2021

Landis+Gyr

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Financial Review of Landis+Gyr Group

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Overview

The following discussion of the financial condition and results of the operations of Landis+Gyr Group AG ("Landis+Gyr") and its subsidiaries (together, the "Company") should be read in conjunction with the Consolidated Financial Statements, which have been prepared in accordance with US GAAP, and the related notes thereto included in this Financial Review.

This Financial Report contains non-GAAP measures of performance. Definitions of these measures and reconciliations between these measures and their US GAAP counterparts can be found in the "Supplemental Reconciliations and Definitions" section of this Financial Review.

Landis+Gyr is a leading global provider of integrated energy management solutions for the utility sector. The Company measures and analyzes energy utilization to generate empowering analytics for smart grid and infrastructure management, enabling utilities and consumers to reduce energy consumption. Its innovative and proven portfolio of software, services and intelligent sensor technology is a key driver to decarbonize the grid. Building on over 125 years of industry experience, Landis+Gyr employs about 6,500 people in over 30 countries across five continents with the mission to manage energy better.

Traditional standalone metering products represent the historical core of the Company's offerings. However, the utility business model is expected to change rapidly over the next five to ten years, driven by current and future challenges, as well as megatrends impacting the global energy industry. The Company believes that smart meters play a key role for future energy distribution systems, which are rolled out across the globe. Already today, the Landis+Gyr's Smart Metering and Grid Edge Intelligence technology allow utilities and consumers to control the way energy is used in a safe, secure and reliable way, driving efficiencies and allowing for increased cost control and data utilization. Going forward, Landis+Gyr will shape the way resources are being managed through Smart Infrastructure technology even more effectively and efficiently, creating value for utilities and energy consumers.

To best serve its customers, Landis+Gyr has organized its business into three regional reportable segments: the Americas, EMEA and Asia Pacific.

- Americas comprises the United States, Canada, Central America, South America, Japan and certain other markets which adopt US standards. This segment reported 48% of Landis+Gyr's total net revenue for the financial year 2021 (FY 2021; April 1, 2021 to March 31, 2022), compared to 52% in the financial year 2020 (FY 2020; April 1, 2020 to March 31, 2021). Landis+Gyr is a leading supplier of Advanced Metering Infrastructure ("AMI") communications networks and the leading supplier of smart electricity meters in North America. In addition, The Company is one of the leading suppliers of modern standalone and smart electric meters in South America.
- EMEA, which comprises Europe, the Middle East, South Africa and certain other markets adopting European standards, reported 40% and 36% of Landis+Gyr's total net revenue for the financial years 2021 and 2020, respectively. In EMEA, the Company is one of the leading providers of smart electricity meters and the leading supplier of smart ultrasonic gas meters.
- Asia Pacific comprises Australia, New Zealand, China, Hong Kong and India, while the balance is generated in Singapore and other markets in Asia. It reported 12% and 12% of Landis+Gyr's total revenue for the financial years 2021 and 2020, respectively. In Asia Pacific (excluding China), the Company is one of the leading smart electricity meter providers.

Summary of Financial Information

RESULTS OF OPERATIONS

USD in millions, except per share data	FINANCIAL YEAR ENDED MARCH 31, 2022	2021	2020	2019	2018
Order Intake	2,665.5	1,298.7	1,371.4	2,079.0	1,574.4
Committed Backlog as of March 31,	3,388.6	2,165.9	2,223.9	2,603.1	2,389.0
Net revenue	**1,464.0**	**1,357.4**	**1,699.0**	**1,765.2**	**1,737.8**
Cost of revenue	981.2	966.8	1,166.2	1,188.8	1,227.7
Gross profit	**482.7**	**390.7**	**532.8**	**576.3**	**510.1**
Operating expenses (*)					
Research and development	160.3	148.7	157.7	156.8	163.8
Sales and marketing	71.9	69.6	88.2	95.4	104.9
General and administrative	126.7	107.2	113.5	130.9	161.6
Amortization of intangible assets	35.1	34.2	34.5	34.9	35.7
Impairment of intangible assets	–	396.0	–	–	–
Operating income (loss)	**88.8**	**(365.1)**	**139.0**	**158.3**	**44.0**
Other income (expense), net	3.3	(3.5)	(0.6)	10.7	5.0
Income (loss) before income tax benefit (expense)	**92.0**	**(368.6)**	**138.4**	**169.0**	**49.0**
Income tax benefit (expense)	7.0	(19.4)	(19.5)	(42.1)	(2.2)
Net income (loss) before noncontrolling interests and equity method investments	**99.0**	**(388.0)**	**119.0**	**126.9**	**46.8**
Net loss from equity investments	(19.6)	(4.6)	(5.8)	(4.3)	–
Net income (loss) before noncontrolling interests	**79.4**	**(392.7)**	**113.2**	**122.6**	**46.8**
Net income (loss) attributable to noncontrolling interests, net of tax	0.0	(0.3)	(0.6)	0.4	0.4
Net income (loss) attributable to Landis+Gyr Group AG Shareholders	**79.4**	**(392.4)**	**113.7**	**122.2**	**46.4**
Earnings per share (basic)	2.59	(13.61)	3.90	4.15	'1.57
Earnings per share (diluted)	2.59	(13.61)	3.90	4.15	'1.57
Adjusted gross profit	494.9	449.3	584.3	609.3	597.3
Adjusted operating expenses	347.9	309.5	347.2	371.4	389.1
Adjusted EBITDA	**147.0**	**139.6**	**237.2**	**237.9**	**208.2**
Free Cash Flow (excluding M&A)	**89.0**	**97.6**	**120.4**	**123.5**	**87.5**

* Following the adoption by the Company of ASU 2017-07 relating to defined benefit pension scheme costs, all pension income and expenses other than service costs are now reported under "Non-operational pension (cost) credit". Net income is unchanged. For comparison purposes, the Company applied the new standard retrospectively in the Consolidated Statements of Operations for the year ended March 31, 2018 presented above.

SUMMARY CONSOLIDATED BALANCE SHEETS

USD in millions (*)	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018
ASSETS					
Current assets					
Cash and cash equivalents	84.9	140.5	319.4	73.4	101.8
Accounts receivable, net	323.6	282.1	335.8	367.9	315.8
Inventories, net	143.1	110.6	147.5	133.7	121.4
Prepaid expenses and other current assets	59.7	65.6	59.7	54.8	50.4
Total current assets	**611.2**	**598.9**	**862.3**	**629.8**	**589.3**
Property, plant and equipment, net	116.3	118.5	117.5	142.1	164.4
Goodwill and other Intangible assets, net	1,319.0	1,218.2	1,642.4	1,686.1	1,743.3
Deferred tax assets	43.6	18.0	17.0	15.8	16.0
Other long-term assets	197.9	205.8	145.1	78.2	37.7
TOTAL ASSETS	**2,288.0**	**2,159.4**	**2,784.3**	**2,551.9**	**2,550.7**
LIABILITIES AND EQUITY					
Current liabilities					
Trade accounts payable	163.3	127.8	175.9	220.3	150.2
Accrued liabilities	34.9	45.1	28.4	31.2	40.0
Warranty provision – current	33.4	37.3	31.6	34.3	47.9
Payroll and benefits payable	62.0	51.6	55.5	66.8	65.2
Loans and current portion of shareholder loans	228.8	147.7	352.2	90.7	142.3
Operating lease liabilities – current	13.1	15.2	13.2	–	–
Other current liabilities	90.9	93.9	84.6	81.4	69.7
Total current liabilities	**626.5**	**518.6**	**741.3**	**524.7**	**515.2**
Warranty provision – non current	14.9	20.3	30.4	10.9	25.6
Pension and other employee liabilities	29.2	32.3	46.1	48.4	55.7
Deferred tax liabilities	36.5	14.5	25.0	37.3	32.5
Tax provision	26.5	32.1	20.6	29.2	25.5
Operating lease liabilities – non current	90.6	95.3	59.5	–	–
Other long-term liabilities	66.2	70.6	63.8	68.0	88.1
Total liabilities	**890.5**	**783.7**	**986.6**	**718.6**	**742.7**
Redeemable noncontrolling interests	**12.0**	**–**	**–**	**–**	**–**
Total shareholders' equity	**1,385.6**	**1,375.8**	**1,797.6**	**1,833.4**	**1,808.0**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**2,288.0**	**2,159.4**	**2,784.3**	**2,551.9**	**2,550.7**

* Certain amounts reported for prior years in the Consolidated Balance Sheets have been reclassified to conform to the current year's presentation. These changes primarily relate to the reclassification of certain contract liabilities, from Trade accounts payable to Other current liabilities, following the adoption of the ASU 2014-09 Revenue from Contracts with Customers on April 1, 2018.

Order Intake

Order intake increased by USD 1,366.8 million, or 105.2%, from USD 1,298.7 million in the year ended March 31, 2021 (FY 2020) to USD 2,665.5 million in the year ended March 31, 2022 (FY 2021), on a reported currency basis (103.9% on a constant currency basis). The increase in order intake was predominantly driven by major wins in Americas (National Grid, PSE&G, LG&E, KU) and EMEA (Fluvius, Enedis, AltHAN).

Committed Backlog

Committed Backlog increased by USD 1,222.7 million, or 56.5%, from USD 2,165.9 million in the year ended March 31, 2021 to USD 3,388.6 million in the year ended March 31, 2022, on a reported currency basis (increase of 57.7% on a constant currency basis).

As of March 31, 2022, in the Americas, committed backlog related to products, services and solutions was USD 2,435.0 million compared to USD 1,427.0 million as of March 31, 2021. In EMEA, as of March 31, 2022, committed backlog was USD 781.1 million compared to USD 636.7 million as of March 31, 2021. Almost one third of the committed backlog in EMEA relates to contracts in the UK and approximately 20% to Belgium. In Asia Pacific, as of March 31, 2022, committed backlog was USD 172.5 million compared to USD 102.2 million as of March 31, 2021.

Net Revenue

Net revenue increased by USD 106.5 million, or 7.8%, from USD 1,357.4 million in the year ended March 31, 2021 to USD 1,464.0 million in the year ended March 31, 2022, on a reported currency basis (increase of 6.9% on a constant currency basis). The increase in net revenue was predominantly driven by EMEA. In the Americas segment, the increase in net revenue of 0.8%, on a constant currency basis, was driven by Brazil and Japan partially offset by supply chain constraints in North America. In the EMEA segment, the increase in net revenue of 17.4%, on a constant currency basis, was driven by higher sales in the UK and in the Nordics and the sales recorded in the acquired companies (USD 24.8 million). The Asia Pacific segment net revenue increased by 1.0% on a constant currency basis driven by higher sales in ANZ and China.

Cost of Revenue and Gross Profit

Cost of revenue increased by USD 14.5 million, or 1.5%, from USD 966.8 million in the year ended March 31, 2021 to USD 981.2 million in the year ended March 31, 2022. This increase results directly from the increase in sales. As a result, gross profit increased by USD 92.1 million, or 23.6%, from USD 390.7 million (or 28.8% in percentage of revenue) in the financial year 2020 to USD 482.7 million (or 33.0% as a percentage of revenue) in the financial year 2021.

OPERATING EXPENSES

	FINANCIAL YEAR ENDED MARCH 31,	
USD in millions	**2022**	2021
Research and development	160.3	148.7
Sales and marketing	71.9	69.6
General and administrative	126.7	107.2
Amortization of intangible assets	35.1	34.2
Impairment of intangible assets	–	396.0
Total operating expenses	**394.0**	**755.8**

Research and Development

Research and development expenses increased by USD 11.6 million, or 7.8%, from USD 148.7 million in the year ended March 31, 2021 to USD 160.3 million in the year ended March 31, 2022. The increase reflects the continued investments in strategic transformation and R&D to support future order conversion.

Sales and Marketing

Sales and marketing expenses were fairly stable with a slight increase of USD 2.3 million, or 3.2%, from USD 69.6 million in the year ended March 31, 2021 to USD 71.9 million in the year ended March 31, 2022.

General and Administrative

General and administrative expenses increased by USD 19.5 million, or 18.1%, from USD 107.2 million in the year ended March 31, 2021, to USD 126.7 million in the year ended March 31, 2022. The increase in general and administrative expenses was mainly driven by investment in strategic transformation, operating expenditures associated with the acquired businesses throughout FY 2021 and reversal of benefits related to fading out COVID-19 support schemes.

Amortization of Intangible Assets

Certain amortization charges were included in Cost of revenue in the amount of USD 15.7 million and USD 13.6 million for the years ended March 31, 2022 and 2021, respectively; amortization of intangible assets included under operating expenses increased by USD 0.9 million, or 2.6%, from USD 34.2 million in the year ended March 31, 2021 to USD 35.1 million in the year ended March 31, 2022.

Impairment of Intangible Assets
There was no impairment of intangible assets in the year ended March 31, 2022.

In the year ended March 31, 2021, the goodwill related to the acquisition of the Company by Toshiba Corporation in 2011 was impaired by USD 396.0 million in the Americas reporting unit. The contraction of the global economy in 2020 and considerable uncertainty around the macroeconomic recovery, coupled with a weaker outlook of the specific market, primarily due to regulatory delays, as well as the significant increase of the weighted average cost of capital, led to a reduction in the fair value of the reporting unit.

Operating Income
Operating income increased by USD 453.9 million to USD 88.8 million for the year ended March 31, 2022 from USD (365.1) million for the year ended March 31, 2021 largely as a result of higher revenue and the non-recurrence of the goodwill impairment of USD 396.0 million in prior year. Operating income included depreciation, amortization and impairment of USD 81.5 million for the year ended March 31, 2022 and USD 478.9 million for the year ended March 31, 2021, which are included in various line items in the Consolidated Statement of Operations.

Operating income before depreciation, amortization and impairment, which corresponds to EBITDA, increased by USD 56.5 million, or 49.7%, to USD 170.3 million for the year ended March 31, 2022 from USD 113.7 million for the year ended March 31, 2021. EBITDA included non-recurring and other items in the financial year ended March 31, 2022, which amounted to USD 23.3 million. These non-recurring and other items included (i) restructuring expenses in the amount of USD (2.9) million relating to costs associated with restructuring programs in all segments, (ii) warranty normalization adjustments of USD 13.8 million, included to adjust warranty expenses to the three-year average of actual warranty costs incurred (in cash or the value of other compensation paid out to customers) in respect of warranty claims and (iii) change in unrealized gains and losses on derivatives where the underlying hedged transactions have not yet been realized amounting to USD 12.4 million. EBITDA included non-recurring and other items in the financial year ended March 31, 2021, which amounted to USD (25.9) million. These non-recurring and other items included (i) restructuring expenses in the amount of USD (15.3) million relating to costs associated with restructuring programs in all segments, (ii) warranty normalization adjustments of USD 13.2 million, included to adjust warranty expenses to the three-year average of actual warranty costs incurred (in cash or the value of other compensation paid out to customers) in respect of warranty claims and (iii) change in unrealized gains and losses on derivatives where the underlying hedged transactions have not yet been realized amounting to USD (23.8) million.

In the year ended March 31, 2022, Adjusted EBITDA, which corresponds to EBITDA adjusted for certain non-recurring or other items that Management assessed to be non-indicative of operational performance (as outlined above), was USD 147.0 million, compared to USD 139.6 million in the year ended March 31, 2021. The increase in Adjusted EBITDA was driven by a higher Gross Profit, partly offset by higher Operating Expenses. For further details, refer to the next chapter Segment Information.

OTHER INCOME (EXPENSE) AND INCOME TAXES

	FINANCIAL YEAR ENDED MARCH 31,	
USD in millions	**2022**	2021
Other income (expense)		
Interest income	0.6	0.5
Interest expense	(4.3)	(7.5)
Loss on foreign exchange, net	(2.6)	(1.5)
Non-operational pension credit	4.5	2.8
Gain on sale of investments	2.5	2.3
Gains on equity investments, net	2.6	–
Other income (expense), net	**3.3**	**(3.5)**
Income (loss) before income tax expense	**92.0**	**(368.6)**
Income tax benefit (expense)	7.0	(19.4)

Interest Income
Interest income was stable year-over-year with USD 0.6 million in the year ended March 31, 2022 and USD 0.5 million in the year ended March 31, 2021.

Interest Expense
Interest expense decreased by USD 3.2 million from USD 7.5 million in the year ended March 31, 2021 to USD 4.3 million in the year ended March 31, 2022, attributable to reduced use of the credit facilities within FY21.

Loss on Foreign Exchange, Net
Net loss on foreign exchange increased by USD 1.1 million, from USD (1.5) million in the year ended March 31, 2021 to USD (2.6) million in the year ended March 31, 2022. The deviation is primarily attributable to exchange rates between GBP and EUR vs. USD.

Non-operational pension credit
Non-operational pension credit increased by USD 1.7 million, from USD 2.8 million in the year ended March 31, 2021 to USD 4.5 million in the year ended March 31, 2022.

Gain on sale of investments
On May 31, 2018, the Company entered into an agreement with Pacific Equity Partners ("PEP"), an Australian private equity firm, to establish Spark Investment Holdco Pty Ltd (the "Joint Venture"). Under the agreement, the Company contributed its wholly owned subsidiary IntelliHUB Operations Pty Ltd ("IntelliHUB").

As part of the IntelliHUB contribution, the Company was entitled to receive additional contingent consideration from the Joint Venture if specified future events occur or conditions are met, such as the achievement of certain commercial milestones until June 30, 2023. During the financial years ended March 31, 2022 and 2021, the Company received additional cash considerations from the Joint Venture in the amount of USD 2.5 million and USD 2.3 million, respectively.

Gains on equity investments, net
Since March 16, 2022, the Company has an equity interest in Allego N.V. ("Allego"), whose shares are listed on the New York Stock Exchange. For the financial year ended March 31, 2022, the Company recorded a gain from the change in value of its equity interest in Allego of USD 2.6 million.

Income tax benefit (expense)
Income tax benefit (expense) provisions varied by USD 26.4 million, from an expense of USD 19.4 million in the year ended March 31, 2021 to a benefit of USD 7.0 million in the year ended March 31, 2022. The variance in the current income tax expenses is impacted by recurring items such as tax rates in the different jurisdictions where the company operates, and the income mix within jurisdictions. The tax benefit was driven by the release of some of the existing valuation allowance, mainly due to the recently announced divestment of Spark in Australia and the improved business activity in the United Kingdom. Additionally, the expiry of the statute of limitations in certain countries resulted in positive adjustments to the provision for uncertain tax positions contributing towards the tax benefit.

Segment Information

The following tables set forth net revenues and Adjusted EBITDA for Landis+Gyr's segments: Americas, EMEA and Asia Pacific for the years ended March 31, 2022 and 2021.

KEY FIGURES

	FINANCIAL YEAR ENDED MARCH 31,		CHANGE	
USD in millions, unless otherwise indicated	2022	2021	USD	Constant Currency
Committed Backlog				
Americas	2,435.0	1,427.0	70.6%	68.9%
EMEA	781.1	636.7	22.7%	28.8%
Asia Pacific	172.5	102.2	68.9%	71.8%
Total	**3,388.6**	**2,165.9**	**56.5%**	**57.7%**
Net revenue to external customers				
Americas	706.7	700.0	0.9%	0.8%
EMEA	590.1	494.4	19.4%	17.4%
Asia Pacific	167.2	163.0	2.6%	1.0%
Total	**1,464.0**	**1,357.4**	**7.8%**	**6.9%**
Adjusted Gross Profit				
Americas	274.3	257.6	6.5%	
EMEA	183.7	149.0	23.3%	
Asia Pacific	43.8	42.4	3.3%	
Inter-segment eliminations	(6.9)	0.3		
Total	**494.9**	**449.3**	**10.1%**	
Adjusted EBITDA				
Americas	109.4	105.7	3.5%	
EMEA	25.7	2.2	1,068.2%	
Asia Pacific	7.8	11.3	(31.0%)	
Corporate unallocated	4.1	20.3		
Total	**147.0**	**139.6**	**5.3%**	
Adjusted EBITDA % of net revenue to external customers				
Americas	15.5%	15.1%		
EMEA	4.4%	0.4%		
Asia Pacific	4.7%	6.9%		
Group	**10.0%**	**10.3%**		

Americas

Segment Revenue
Net revenue to external customers in the Americas segment increased by USD 6.6 million, or 0.9%, from USD 700.0 million in the year ended March 31, 2021 to USD 706.7 million in the year ended March 31, 2022, on a reported currency basis (0.8% on a constant currency basis). The increase in revenue in the Americas segment was primarily driven by sales in Brazil and Japan that partially offset supply chain constraints in North America.

Segment Adjusted EBITDA
Adjusted EBITDA in the Americas segment increased by USD 3.7 million, or 3.5%, from USD 105.7 million in the year ended March 31, 2021 to USD 109.4 million in the year ended March 31, 2022. The increase in Adjusted EBITDA is the result of a higher gross margin due to favorable product mix and strong software services contributions. For a reconciliation of Adjusted EBITDA on a segment basis to Adjusted EBITDA on a Group basis, see the section Supplemental Reconciliations and Definitions.

EMEA

Segment Revenue
Net revenue to external customers in the EMEA segment increased by USD 95.7 million, or 19.4%, from USD 494.4 million in the year ended March 31, 2021 to USD 590.1 million in the year ended March 31, 2022, on a reported currency basis (17.4% on a constant currency basis). The increase in revenue to external customers in the EMEA segment was mainly driven by the UK recovery, the Nordics and the newly acquired companies.

Segment Adjusted EBITDA
Adjusted EBITDA in the EMEA segment increased by USD 23.5 million, from USD 2.2 million in the year ended March 31, 2021 to USD 25.7 million in the year ended March 31, 2022. The increase in Adjusted EBITDA is largely the result of operating leverage. For a reconciliation of Adjusted EBITDA on a segment basis to Adjusted EBITDA on a Group basis, see the section Supplemental Reconciliations and Definitions.

Asia Pacific

Segment Revenue
Net revenue to external customers in the Asia Pacific segment increased by USD 4.2 million, or 2.6%, from USD 163.0 million in the year ended March 31, 2021 to USD 167.2 million in the year ended March 31, 2022, on a reported currency basis (1.0% on a constant currency basis). The increase in revenue in the Asia Pacific segment was primarily driven by Australia & New Zealand and China.

Segment Adjusted EBITDA
Adjusted EBITDA in the Asia Pacific segment decreased by USD 3.5 million, from USD 11.3 million in the year ended March 31, 2021 to USD 7.8 million in the year ended March 31, 2022. The decrease in profitability in the Asia Pacific segment was driven by the combination of a flat gross profit margin and an increase in R&D expenses to support future roll-outs. For a reconciliation of Adjusted EBITDA on a segment basis to Adjusted EBITDA on a Group basis, see the section Supplemental Reconciliations and Definitions.

Restructuring and other Saving Initiatives

The Company continually reviews its business, manages costs and aligns resources with market demand. As a result, the Company has taken several actions to reduce fixed costs, eliminate redundancies, strengthen operational focus and better position itself to respond to market pressures or unfavorable economic conditions.

The following table outlines the cumulative three-year and current costs incurred to date under these programs per segment:

RESTRUCTURING CHARGES

USD in millions	Cumulative Costs incurred up to March 31, 2022	Total Costs incurred in the Financial year ended March 31, 2022
Americas	10.7	0.2
EMEA	10.0	2.3
Asia Pacific	2.4	0.4
Corporate	1.8	–
Restructuring Charges	**24.9**	**2.9**

There were no major restructuring activities during FY 2021. The cumulative costs incurred up to March 31, 2022 represent the Company's ongoing restructuring efforts under various programs over the last three financial years.

Liquidity and Capital Resources

The Company funds its operations and growth with cash flow from operations and borrowings. Cash flows may fluctuate and are sensitive to many factors including changes in working capital, the timing and magnitude of capital expenditures and repayment of debt.

The Company believes that cash flow from operating activities, available cash and cash equivalents and access to borrowing facilities will be sufficient to fund currently anticipated working capital, planned capital spending, debt service requirements, dividend payments to shareholders, if any, and the share-based compensation schemes for at least the next twelve months. Over the longer term, the Company believes that its cash flows from operating activities, available cash and cash equivalents and access to borrowing facilities, will be sufficient to fund Landis+Gyr's capital expenditures, debt service requirements and dividend payments. The Company also regularly reviews acquisition and other strategic opportunities, which may require additional debt or equity financing.

CASH FLOW

	FINANCIAL YEAR ENDED MARCH 31,	
USD in millions	**2022**	2021
Cash flow provided by operating activities	115.8	123.9
Cash flow used in investing activities	(184.2)	(38.1)
Business acquisitions / divestments	157.4	11.7
Free Cash Flow (excluding M&A)	**89.0**	**97.6**
Cash flow provided by (used in) financing activities	14.2	(271.4)

Operating Activities

Cash flow provided by operating activities decreased by USD (8.2) million, or (6.6)%, from USD 123.9 million in financial year 2020 to USD 115.8 million in the financial year 2021, with the unfavorable development of working capital and other assets (liabilities) partly compensated by the improved Net income.

Investing Activities

Cash flow used in investing activities increased by USD 146.1 million, or 383.5%, from USD (38.1) million in the financial year 2020 to USD (184.2) million in the financial year 2021, primarily related to the acquisitions of True Energy A/S ("True Energy"), Etrel d.o.o. ("Etrel"), the Automated Meter Reading ("AMR") business of Telia Finland Oyj ("Telia"), Luna Elektrik Elektronik Sanayi ve Ticaret A.Ş. ("Luna") and the investment in Allego.

Financing Activities

Cash flow provided by (used in) financing activities increased by USD 285.6 million, from USD (271.4) million in the financial year 2020 to USD 14.2 million in the financial year 2021. In the year ended March 31, 2022, the inflow for financing activities was driven mainly by the increase of the borrowings under the corporate credit facility agreements of USD 78.2 million, reduced by the dividend payment of USD (65.9) million. In the year ended March 31, 2021, the outflow for financing activities was driven mainly by the dividend payment of USD (63.3) million, as well as the USD (207.4) million reduction of the borrowings, primarily under the corporate credit facility agreements.

Net Operating Working Capital

A key factor affecting cash flow from operating activities is, amongst others, changes in working capital. Operating working capital ("OWC") reflects trade account receivables from third and related parties (net of allowance for doubtful accounts) including notes receivables and unbilled receivables, plus net inventories less trade accounts payable from third and related parties including prepayments. The table below outlines Landis+Gyr's operating working capital for the Group as of March 31, 2022 and 2021.

NET OPERATING WORKING CAPITAL

USD in millions, except percentages	March 31, 2022	March 31, 2021
Accounts receivable, net	323.6	282.1
Inventories, net	143.1	110.6
Trade accounts payable	(163.3)	(127.8)
Operating Working Capital	**303.4**	**264.9**
Operating Working Capital as a percentage of Net Revenue	20.7%	19.5%

During the period under review, the main changes to the Group's OWC arose from the acquired businesses, as well as the higher turnover compared to last year.

Capital Expenditures

A key component of cash flow used in investing activities is capital expenditures ("Capex"). The Company calculates Capex as the amounts invested in property, plant and equipment and intangible assets. Landis+Gyr's Capex is composed of three elements: (i) Replacement Capex; (ii) Expansion Capex (i.e., directly linked to expected volume growth); and (iii) Service Contract Capex (i.e., for the Company's Managed Services business unit in the Americas to fund on-balance sheet metering devices)

CAPITAL EXPENDITURES

	FINANCIAL YEAR ENDED MARCH 31,	
USD in millions, except percentages	2022	2021
Service contracts	2.0	0.6
Expansion	12.2	10.8
Replacement	12.9	15.2
Capex	**27.1**	**26.6**
Capex as a percentage of Net Revenue	1.9%	2.0%

Capital expenditures marginally increased by USD 0.5 million, or 1.8%, from USD 26.6 million in the financial year 2020 to USD 27.1 million in the financial year 2021, primarily driven by replacements and investments linked to expected volume growth. Relative to sales, Capex, represented 1.9%, and 2.0% of net revenue for the financial years 2021 and 2020, respectively. Capex has been fully funded by cash flow from operating activities

Net Debt

The table below presents the components of net debt as of March 31, 2021 and 2020.

NET DEBT USD in millions	March 31, 2022	March 31, 2021
Cash and cash equivalents	(84.9)	(140.5)
Credit facilities	220.0	141.8
Other borrowings from banks	8.8	5.8
Other financial liabilities (assets), net	(0.4)	(0.2)
Net Debt	**143.6**	**6.9**

The Company's policy is to ensure the Group will have adequate financial flexibility at all times without incurring unnecessary cost. Financial flexibility can be either provided through direct access to debt capital markets (private placement markets), or money markets (commercial paper) or through the establishment of bank facilities, either on a bilateral basis or on a syndicated basis.

Indebtedness

Total outstanding debt was as follows:

INDEBTEDNESS USD in millions	March 31, 2022	March 31, 2021
Credit Facilities	220.0	141.8
Other borrowings from banks	8.8	5.8

For the description of the Company's indebtedness, refer to the Note 17: Loans payable in its Consolidated Financial Statements.

Critical Accounting Policies and Estimates

The Consolidated Financial Statements of the Company have been prepared in accordance with US GAAP. The preparation of the financial statements requires management to make estimates and assumptions, which have an effect on the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the balance sheet date and on the reported amounts of revenues and expenses during the reporting period.

Management evaluates the estimates on an ongoing basis, including, but not limited to, those related to costs of product guarantees and warranties, provisions for bad debts, recoverability of inventories, fixed assets, goodwill and other intangible assets, income tax expenses and provisions related to uncertain tax positions, pensions and other post-retirement benefit assumptions and legal and other contingencies.

Where appropriate, the estimates are based on historical experience and on various other assumptions that Management believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from the Company's estimates and assumptions.

The Company deems an accounting policy to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made and if different estimates that reasonably could have been used, or if changes in the accounting estimates that are reasonably likely to occur periodically, could materially impact the Company's Consolidated Financial Statements.

Management also deems an accounting policy to be critical when the application of such policy is essential to the Company's ongoing operations. Management believes the following critical accounting policies require difficult and subjective judgments to be made, often as a result of the need to make estimates regarding matters that are inherently uncertain.

The following policies should be considered when reading the Consolidated Financial Statements:

- Revenue Recognition
- Business and Assets Acquisitions
- Contingencies
- Pension and Other Post-retirement Benefits
- Income Taxes
- Goodwill and Other Intangible Assets
- Leases

For a summary of the Company's accounting policies and a description of accounting changes and recent accounting pronouncements, including the expected dates of adoption and estimated effects, if any, on Landis+Gyr's Consolidated Financial Statements, see "Note 2: Summary of Significant Accounting Principles" in its Consolidated Financial Statements.

Supplemental Reconciliations and Definitions

Adjusted EBITDA

The reconciliation of Operating income (loss) to Adjusted EBITDA is as follows for the financial years ended March 31, 2022 and 2021:

ADJUSTED EBITDA

	L+G GROUP AG		AMERICAS		EMEA		ASIA PACIFIC		CORPORATE AND ELIMINATIONS	
	FINANCIAL YEAR ENDED MARCH 31,		FINANCIAL YEAR ENDED MARCH 31,		FINANCIAL YEAR ENDED MARCH 31,		FINANCIAL YEAR ENDED MARCH 31,		FINANCIAL YEAR ENDED MARCH 31,	
USD in millions, unless otherwise indicated	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Operating income (loss)	**88.8**	**(365.1)**	**78.5**	**(330.1)**	**12.1**	**(51.1)**	**2.3**	**4.3**	**(4.1)**	**11.7**
Amortization of intangible assets	50.9	47.8	30.7	32.0	11.9	7.5	1.5	1.5	6.8	6.8
Depreciation	30.6	35.1	12.6	15.7	13.3	15.9	3.3	2.7	1.4	0.7
Impairment of intangible assets	–	396.0	–	396.0	–	–	–	–	–	–
EBITDA	**170.3**	**113.7**	**121.8**	**113.6**	**37.3**	**(27.7)**	**7.1**	**8.5**	**4.1**	**19.3**
Restructuring charges	2.9	15.3	0.2	6.2	2.3	6.4	0.4	1.6	–	1.1
Warranty normalization adjustments[1]	(13.8)	(13.2)	(12.6)	(14.0)	(1.5)	(0.3)	0.3	1.1	–	–
Timing difference on FX derivatives[2]	(12.4)	23.8	–	–	(12.4)	23.7	–	0.1	–	–
Adjusted EBITDA	**147.0**	**139.6**	**109.4**	**105.7**	**25.7**	**2.2**	**7.8**	**11.3**	**4.1**	**20.3**
Adjusted EBITDA margin (%)	10.0%	10.3%	15.5%	15.1%	4.4%	0.4%	4.7%	6.9%		

1) Warranty normalization adjustments represents warranty expenses that diverge from a three-year average of actual warranty costs incurred (in cash or the value of other compensation paid out to customers) in respect of warranty claims. For the calculation of the average of actual warranty costs incurred (in cash or the value of other compensation paid out to customers) in respect of warranty claims for the periods under review and going forward, see section "Warranty Provisions".
2) Timing difference on FX derivatives represents unrealized gains and losses on derivatives where the underlying hedged transactions have not yet been realized.

Adjusted Gross Profit

The reconciliation of Gross Profit to Adjusted Gross Profit is as follows for the financial years ended March 31, 2022 and 2021:

ADJUSTED GROSS PROFIT

	L+G GROUP AG		AMERICAS		EMEA		ASIA PACIFIC		CORPORATE AND ELIMINATIONS	
	FINANCIAL YEAR ENDED MARCH 31,		FINANCIAL YEAR ENDED MARCH 31,		FINANCIAL YEAR ENDED MARCH 31,		FINANCIAL YEAR ENDED MARCH 31,		FINANCIAL YEAR ENDED MARCH 31,	
USD in millions, unless otherwise indicated	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Gross profit	**482.7**	**390.7**	**270.8**	**249.6**	**178.1**	**102.5**	**40.7**	**38.2**	**(6.9)**	**0.3**
Amortization of intangible assets	15.7	13.6	5.4	5.5	8.9	6.7	1.4	1.4	–	–
Depreciation	21.4	26.8	10.6	13.3	9.4	12.2	1.4	1.3	–	–
Restructuring charges	1.3	7.7	0.2	3.2	1.1	4.2	–	0.3	–	–
Warranty normalization adjustments	(13.8)	(13.2)	(12.6)	(14.0)	(1.5)	(0.3)	0.3	1.1	–	–
Timing difference on FX derivatives	(12.4)	23.8	–	–	(12.4)	23.7	–	0.1	–	–
Adjusted gross profit	**494.9**	**449.3**	**274.3**	**257.6**	**183.7**	**149.0**	**43.8**	**42.4**	**(6.9)**	**0.3**
Adjusted gross profit margin (%)	33.8%	33.1%	38.8%	36.8%	31.1%	30.1%	26.2%	26.0%		

Adjusted operating expenses

The reconciliation of Operating expenses to Adjusted Operating Expenses is as follows for the financial years ended March 31, 2022 and 2021:

ADJUSTED OPERATING EXPENSES

	FINANCIAL YEAR ENDED MARCH 31,	
USD in millions	**2022**	2021
Research and development	**160.3**	**148.7**
Depreciation	(3.7)	(3.9)
Restructuring charges	(0.1)	(3.0)
Adjusted research and development	**156.5**	**141.8**
Sales and marketing	71.9	69.6
General and administrative	126.7	107.2
Depreciation	(5.6)	(4.4)
Restructuring charges	(1.6)	(4.7)
Adjusted sales, general and administrative	**191.4**	**167.7**
Adjusted operating expenses	**347.9**	**309.5**

Warranty Provisions

The Company offers standard warranties on its metering products and solutions for periods ranging from one to five years. In some instances, warranty periods can be further extended based on customer specific negotiations.

Warranty accruals represent the Company's estimate of the cost of projected warranty and are based on historical and projected warranty trends, specific quality issues identified (if any), supplier information and other business and economic projections as well as other commercial considerations. The Company's results in any given period are affected by additions to as well as releases of, or other adjustments to these accruals, offset by insurance proceeds, received or receivable, if any.

New product warranties recorded during the financial year ended March 31, 2022, primarily consist of additions in line with the ordinary course of business.

New product warranties recorded during the financial year ended March 31, 2021, primarily consist of additions in line with the ordinary course of business, including an amount of USD 3.8 million, net of related insurance proceeds, related to a legacy component issue in Americas, aligning the provision to the latest projected failures and cost assumptions at year-end.

In assessing the underlying operational performance of the business over time, Management believes that it is useful to consider average actual warranty costs incurred (in cash or the value of other compensation paid out to customers) in respect of warranty claims as an alternative to warranty accruals, which are estimates and subject to change and significant period-to-period volatility. The main part of the outflow (in cash or the value of other compensation paid out to customers) in respect of warranty in the years ended March 31, 2022 and March 31, 2021 was related to the legacy component issue in the Americas.

Management presents Adjusted EBITDA in this Financial Report 2021 as an alternative performance measure (both at the Group and at the segment level). With regards to warranty, Adjusted EBITDA includes only the average actual warranty costs incurred over the last 3 years (in cash or the value of other compensation paid out to customers) in respect of such claims, which amounted to USD 19.4 million and USD 24.4 million for the years ended March 31, 2022 and 2021. For the years ended March 31, 2022 and 2021, the warranty normalization adjustments made in calculating Adjusted EBITDA amounted to USD (13.8) million and USD (13.2) million, respectively.

The following table provides information on Landis+Gyr's accruals in respect of warranty claims as well as the associated outflow (in cash and cash equivalents) for the periods under review.

WARRANTY PROVISION

USD in millions, unless otherwise indicated	FINANCIAL YEAR ENDED MARCH 31, 2022	2021	2020	Average
Beginning of the year	**57.6**	**62.0**	**45.2**	
Business combinations	1.4	–	–	
Additions[1]	6.7	17.0	46.7	
Other changes / adjustments to warranties[2]	(1.1)	(6.8)	(3.5)	
Outflow	(16.0)	(17.3)	(25.0)	(19.4)
Effect of changes in exchange rates	(0.2)	2.7	(1.4)	
Ending balance	**48.3**	**57.6**	**62.0**	

1 "Additions" reflects new product warranty amounts included in warranty provisions.
2 Other changes/adjustments to warranties reflects amounts included in warranty provisions as a result of releases or other adjustments resulting from settlement of claims for which accruals had previously been recorded.

The following table provides further information on Landis+Gyr's warranty claims and the derivation of the warranty normalization adjustments used in calculating Adjusted EBITDA.

WARRANTY NORMALIZATION ADJUSTMENTS

USD in millions, unless otherwise indicated	FINANCIAL YEAR ENDED MARCH 31, 2022	2021
Additions[1]	6.7	17.0
Releases	(1.1)	(4.1)
Expected proceeds from insurance receivable[2]	–	(1.8)
Net changes to warranty accruals	**5.6**	**11.1**
Three-year average actual warranty costs incurred (in cash or the value of other compensation paid out to customers) in respect of warranty claims	(19.4)	(24.4)
Warranty normalization adjustments	**(13.8)**	**(13.2)**

1 "Additions" reflects new product warranty amounts included in warranty provisions (USD 6.7 million and USD 17.0 million for the years ended March 31, 2022 and 2021, respectively).
2 Expected proceeds from insurance receivable represents the expected cash inflow over several years from an insurance receivable.

Main Exchange Rates applied

The following exchange rates against the USD have been applied for the most important currencies concerned:

EXCHANGE RATES

Exchange rates	INCOME STATEMENT AVERAGE EXCHANGE RATE, 12 MONTHS 2022	2021	EXCHANGE RATE ON BALANCE-SHEET DATE 31.03.2022	31.03.2021
Euro countries – EUR	1.1624	1.1670	1.1082	1.1750
United Kingdom – GBP	1.3666	1.3079	1.3138	1.3800
Switzerland – CHF	1.0886	1.0843	1.0842	1.0615
Brazil – BRL	0.1875	0.1850	0.2114	0.1760
Australia – AUD	0.7394	0.7180	0.7496	0.7617

Glossary

The following table provides definitions for key terms and abbreviations used within this annual report.

Term	Definition
Adjusted EBITDA	Operating income (loss) excluding depreciation and amortization, impairment of intangible assets, restructuring charges, warranty normalization adjustments and timing difference on FX derivatives
Adjusted Gross Profit	Total revenue minus the cost of revenue, adjusted for depreciation, amortization, restructuring charges, warranty normalization adjustments and timing difference on FX derivatives
Adjusted Operating Expense	Research and development expense (net of research and development related income), plus sales and marketing expense, plus general and administrative expense, adjusted for depreciation and restructuring charges
Committed Backlog	Cumulative sum of the awarded contracts, with firm volume and price commitments, that are not fulfilled as of the end of the reporting period
Cost of Revenue	Cost of manufacturing and delivering the products or services sold during the period
EBITDA	Earnings before Interest, Taxes, Depreciation & Amortization and Impairment of intangible assets
Effective cash tax rate	Total projected cash tax payments as a percentage of income (loss) before income tax expenses
Effective P&L tax rate	Total projected tax expense including current and deferred taxes, as well as discrete events as a percentage of income (loss) before income tax expenses
EPS	Earnings Per Share (the Company’s total earnings divided by the weighted-average number of shares outstanding during the period)
Free Cash Flow (excluding M&A)	Cash flow from operating activities (including changes in net operating working capital) minus cash flow from investing activities (capital expenditures in fixed and intangible assets) excluding mergers, acquisition and divestments activities
Net Debt	Current and non-current loans and borrowings less cash and cash equivalents
Net Revenue	Income realized from executing and fulfilling customer orders, before any costs or expenses are deducted
Order Intake	Sum of awarded contracts during the reporting period with firm volume and price commitments

Consolidated Financial Statements of Landis+Gyr Group

Report of the statutory auditor

to the General Meeting of Landis+Gyr Group AG

Cham

Report of the statutory auditor on the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Landis+Gyr Group AG and its subsidiaries (the "Company"), which comprise the consolidated balance sheets as of March 31, 2022 and 2021, and the related consolidated statements of operations, consolidated statements of comprehensive income, consolidated statements of changes in shareholders' equity and consolidated statements of cash flows for the years then ended, and the related notes, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, the consolidated financial statements (pages 23 to 67) present fairly, in all material respects, the financial position of the Company as of March 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (US GAAP) and comply with Swiss law.

Basis for opinion

We conducted our audits in accordance with Swiss law, Swiss Auditing Standards and auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those provisions and standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Company and have fulfilled our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters are those matters that were communicated with those charged with governance and, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of goodwill – Americas and Europe, Middle East and Africa ("EMEA")

Key audit matter	How our audit addressed the key audit matter
As of March 31, 2022, the carrying value of goodwill assigned to the Americas and EMEA reporting units ("the reporting units"), was USD 737 million and USD 288 million, respectively. The Company tests goodwill for impairment annually, or more frequently if events or changes in circumstances indicate a potential impairment. When evaluating goodwill for impairment, the Company uses either a qualitative or quantitative assessment method for each reporting unit. If, based on the qualitative assessment, it is determined to be more likely than not that a reporting unit's fair value is less than its carrying value or if the Company elects not to perform the qualitative assessment for a reporting unit, the Company proceeds to perform a quantitative impairment assessment. The quantitative impairment test involves comparing the fair value of the reporting unit to its carrying value. If the carrying value exceeds its fair value, the Company records an impairment charge equal to the difference. The determination of the fair value of the reporting units involves significant estimation and judgment, including determining key assumptions used in estimating the future cash flows to support the fair value of the reporting units, such as the projections of future business performance and profitability, terminal growth rates and discount rates. Due to the estimation uncertainty and judgement pertaining to the estimate, we view the matter as a key audit matter. Refer to Note 2.14 'Goodwill', Note 13 'Goodwill', and Note 14 'Impairment of intangible assets' in the notes to the consolidated financial statements.	We assessed management's identification of the Company's reporting units and the related assets, liabilities and goodwill assigned to them. We obtained management's fair value calculation for each reporting unit and assessed the appropriateness of the model and the consistency of the methodology applied compared with prior years. We tested the mathematical accuracy of the model and agreed inputs to the supporting documentation. We reconciled the FY 2022-FY 2026 projections with the Board of Directors approved mid-term plan and discussed with management the key drivers, as well as their intentions and the planned actions to achieve the expected results. We also compared the current year actual results with prior year projections to assess any inaccuracies or bias in assumptions. With the support of PwC internal valuation specialists, we assessed the reasonableness of management's discount and terminal growth rates. We obtained the Company's sensitivity analyses regarding key assumptions to ascertain the effect of changes to those assumptions on the fair value estimates and recalculated these sensitivities. In addition, we performed our own independent sensitivity analyses by changing various key assumptions to assess whether these would alter management's conclusions. Based on the procedures performed, we determined that the approach taken and the conclusions reached by management with regard to the recoverability of the reporting units' goodwill were reasonable.

PricewaterhouseCoopers AG, Dammstrasse 21, Postfach, CH-6302 Zug, Switzerland
Telefon: +41 58 792 68 00, Telefax: +41 58 792 68 10, www.pwc.ch

Valuation of developed technology and customer relationships intangible assets related to the Luna acquisition

Key audit matter	How our audit addressed the key audit matter
On January 31, 2022, the Company acquired all of the outstanding stock of Luna Elektrik Elektronik Sanayi ve Ticaret A.Ş. ("Luna") in Turkey. The acquisition date fair value of the consideration transferred to Luna was approximately USD 107 million. The total purchase price was allocated to the tangible and intangible assets acquired and liabilities assumed based on their relative fair values, which resulted in intangible assets relating to developed technology of USD 16 million and customer relationships of USD 15 million. Management estimated the fair values of the developed technology and the customer relationships intangible assets using the income approach. The determination of the fair values of the developed technology and the customer relationships intangible assets involves significant estimation and judgement and is highly subjective. For the developed technology intangible asset, key estimates and assumptions relate to the projected revenues, discount rate, and royalty rate, and for the customer relationship intangible asset, key estimates and assumptions relate to the projected revenues, EBIT margin, discount rate and contributory asset charges. We consider the valuation of the developed technology and customer relationships intangible assets related to the Luna acquisition to be a key audit matter due to the estimation uncertainty and judgement involved and the audit effort required. Refer to Note 2.5 'Accounting for business and assets acquisitions' and Note 11 'Acquisitions and divestments' in the notes to the consolidated financial statements.	We read the purchase agreement and corroborated management's process for determining the fair value of the developed technology and customer relationships intangible assets. We tested the mathematical accuracy of the model and assessed the completeness and accuracy of the underlying data used by management. With the assistance of PwC internal valuation specialists, we assessed the reasonableness of management's income approach and significant assumptions such as the discount rate and the royalty rate related to the developed technology intangible asset and the discount rate and the contributory asset charges related to the customer relationships intangible asset. We assessed management's assumptions related to the projected revenues and EBIT margin by performing sensitivity analyses, evaluating the consistency of underlying data with external market and industry data, benchmarking underlying data against peer companies and assessing whether these assumptions were consistent with evidence obtained in other areas of the audit. Based on the procedures performed, we determined that the approach taken and the conclusions reached by management with regard to the valuation of the developed technology and customer relationships intangible assets related to the Luna acquisition were reasonable.

Responsibilities of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America (US GAAP) and the requirements of Swiss law, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the financial statements are available to be issued; to disclose, as applicable, matters related to going concern; and to use the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are 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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with Swiss law, Swiss Auditing Standards and US GAAS will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with Swiss law, Swiss Auditing Standards and US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- 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. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

We are required to communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the 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.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other information

The Board of Directors is responsible for the other information included in the annual report. The other information comprises all information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of Landis+Gyr Group AG, the remuneration report of Landis+Gyr Group AG and our auditor's reports thereon. Our opinion on the consolidated financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the consolidated financial statements or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on other legal and regulatory requirements

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Rolf Johner	Rahel Sopi
Audit expert Auditor in charge	Audit expert

Zug, May 27, 2022

Consolidated Statements of Operations

USD in thousands, except per share data	FINANCIAL YEAR ENDED MARCH 31, 2022	2021
Net revenue	**1,463,961**	**1,357,448**
Cost of revenue	981,231	966,780
Gross profit	**482,730**	**390,668**
Operating expenses		
Research and development	160,270	148,717
Sales and marketing	71,852	69,603
General and administrative	126,690	107,230
Amortization of intangible assets	35,147	34,247
Impairment of intangible assets	–	396,000
Operating income (loss)	**88,771**	**(365,129)**
Other income (expense), net	3,261	(3,472)
Income (loss) before income tax expense	**92,032**	**(368,601)**
Income tax benefit (expense)	7,002	(19,422)
Net income (loss) before noncontrolling interests and equity method investments	**99,034**	**(388,023)**
Net loss from equity investments	(19,596)	(4,636)
Net income (loss) before noncontrolling interests	**79,438**	**(392,659)**
Net income (loss) attributable to noncontrolling interests, net of tax	35	(267)
Net income (loss) attributable to Landis+Gyr Group AG Shareholders	**79,403**	**(392,392)**
Earnings per share:		
Basic	2.59	(13.61)
Diluted	2.59	(13.61)
Weighted-average number of shares used in computing earnings per share:		
Basic	28,831,212	28,824,039
Diluted	28,831,212	28,824,039

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Comprehensive Income

USD in thousands	FINANCIAL YEAR ENDED MARCH 31, 2022	2021
Net income (loss) before noncontrolling interests	**79,438**	**(392,659)**
Other comprehensive income (loss):		
Foreign currency translation adjustments, net of income tax expense	(10,366)	17,019
Pension plan benefits liability adjustments, net of income tax expense	9,328	16,604
Comprehensive income (loss)	**78,400**	**(359,036)**
Net (income) loss attributable to noncontrolling interests, net of tax	(35)	267
Foreign currency translation adjustments attributable to the noncontrolling interests	(12)	(244)
Comprehensive income (loss) attributable to Landis+Gyr Group AG Shareholders	**78,353**	**(359,013)**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Balance Sheets

USD in thousands, except share data	March 31, 2022	March 31, 2021
ASSETS		
Current assets		
Cash and cash equivalents	84,850	140,549
Accounts receivable, net of allowance for doubtful accounts of USD 6.2 million and USD 6.7 million	323,612	282,132
Inventories, net	143,106	110,550
Prepaid expenses and other current assets	59,680	65,642
Total current assets	**611,248**	**598,873**
Property, plant and equipment, net	116,310	118,514
Intangible assets, net	270,593	251,342
Goodwill	1,048,404	966,823
Deferred tax assets	43,557	18,039
Other long-term assets	197,905	205,828
TOTAL ASSETS	**2,288,017**	**2,159,419**
LIABILITIES AND EQUITY		
Current liabilities		
Trade accounts payable	163,323	127,758
Accrued liabilities	34,928	45,123
Warranty provision – current	33,433	37,255
Payroll and benefits payable	62,017	51,626
Loans payable	228,831	147,672
Operating lease liabilities – current	13,068	15,187
Other current liabilities	90,910	93,933
Total current liabilities	**626,510**	**518,554**
Warranty provision – non current	14,892	20,315
Pension and other employee liabilities	29,157	32,286
Deferred tax liabilities	36,546	14,543
Tax provision	26,529	32,109
Operating lease liabilities – non current	90,588	95,289
Other long-term liabilities	66,239	70,573
Total liabilities	**890,461**	**783,669**
Redeemable noncontrolling interests	11,969	–
Commitments and contingencies – Note 26		

USD in thousands, except share data	March 31, 2022	March 31, 2021
Shareholders' equity		
Landis+Gyr Group AG shareholders' equity		
Registered ordinary shares (28,908,944 and 28,908,944 issued shares at March 31, 2022 and March 31, 2021, respectively)	302,756	302,756
Additional paid-in capital	1,156,312	1,225,328
Accumulated deficit	(31,829)	(111,232)
Accumulated other comprehensive loss	(36,596)	(35,546)
Treasury shares, at cost (74,344 and 81,777 shares at March 31, 2022 and March 31, 2021, respectively)	(6,413)	(6,854)
Total Landis+Gyr Group AG shareholders' equity	**1,384,230**	**1,374,452**
Noncontrolling interests	1,357	1,298
Total shareholders' equity	**1,385,587**	**1,375,750**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**2,288,017**	**2,159,419**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Changes in Shareholders' Equity

USD in thousands except for shares	Registered ordinary shares		Additional paid-in capital	Retained earnings (Accumulated deficit)	Accumulated other comprehensive loss	Treasury shares	Total Landis+Gyr Group AG equity	Noncontrolling interests	Total shareholders' equity
Balance at March 31, 2020	**29,251,249**	**306,341**	**1,303,799**	**289,393**	**(68,925)**	**(34,338)**	**1,796,270**	**1,375**	**1,797,645**
Net loss	–	–	–	(392,392)	–	–	(392,392)	(267)	(392,659)
Foreign currency translation adjustments, net of income tax expense	–	–	–	–	16,775	–	16,775	244	17,019
Pension plan benefits liability adjustment, net of income tax expense	–	–	–	–	16,604	–	16,604	–	16,604
Dividends paid (CHF 2.00 per share)	–	–	(63,288)	–	–	–	(63,288)	–	(63,288)
Purchase of noncontrolling interests	–	–	(46)	–	–	–	(46)	(54)	(100)
Share-based compensation	–	–	529	–	–	–	529	–	529
Delivery of shares	–	–	(435)	–	–	435	–	–	–
Retirement of shares	(342,305)	(3,585)	(15,231)	(8,233)	–	27,049	–	–	–
Balance at March 31, 2021	**28,908,944**	**302,756**	**1,225,328**	**(111,232)**	**(35,546)**	**(6,854)**	**1,374,452**	**1,298**	**1,375,750**
Net income	–	–	–	79,403	–	–	79,403	35	79,438
Foreign currency translation adjustments, net of income tax expense	–	–	–	–	(10,378)	–	(10,378)	12	(10,366)
Pension plan benefits liability adjustment, net of income tax expense	–	–	–	–	9,328	–	9,328	–	9,328
Dividends paid (CHF 2.10 per share)	–	–	(65,908)	–	–	–	(65,908)	–	(65,908)
Net loss allocated to redeemable noncontrolling interests	–	–	–	–	–	–	–	12	12
Current period mark to redemption value of redeemable noncontrolling interests	–	–	(4,653)	–	–	–	(4,653)	–	(4,653)
Share-based compensation	–	–	1,986	–	–	–	1,986	–	1,986
Delivery of shares	–	–	(441)	–	–	441	–	–	–
Balance at March 31, 2022	**28,908,944**	**302,756**	**1,156,312**	**(31,829)**	**(36,596)**	**(6,413)**	**1,384,230**	**1,357**	**1,385,587**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flows

USD in thousands	FINANCIAL YEAR ENDED MARCH 31, 2022	2021
Cash flow from operating activities		
Net income (loss)	79,438	(392,659)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	81,500	82,861
Impairment of intangible assets	–	396,000
Net loss from equity investments	19,596	4,636
Share-based compensation	1,986	529
Gain on sale of investments	(2,488)	(2,260)
Loss on disposal of property, plant and equipment	44	209
Effect of foreign currencies translation on non-operating items, net	(1,979)	(152)
Change in allowance for doubtful accounts	(485)	(3,044)
Deferred income tax	(18,743)	(15,276)
Change in operating assets and liabilities, net of effect of businesses acquired and effect of changes in exchange rates:		
Accounts receivable	(32,585)	77,308
Inventories	(15,899)	38,794
Trade accounts payable	34,341	(64,370)
Other assets and liabilities	(28,948)	1,365
Net cash provided by operating activities	**115,778**	**123,941**
Cash flow from investing activities		
Payments for property, plant and equipment	(27,087)	(26,596)
Payments for intangible assets	(25)	(20)
Proceeds from the sale of property, plant and equipment	349	244
Business acquisitions, net of cash received	(150,699)	(13,982)
Purchase of investments	(5,000)	–
Net cash from settlement of foreign currency derivatives to hedge investing activities	(4,200)	–
Proceeds from the sale of investments	2,488	2,260
Net cash used in investing activities	**(184,174)**	**(38,094)**

USD in thousands	FINANCIAL YEAR ENDED MARCH 31, 2022	2021
Cash flow from financing activities		
Proceeds from third party facility	154,023	1,909
Repayment of borrowings to third party facility	(73,891)	(207,411)
Purchase of noncontrolling interests	–	(100)
Debt issuance cost	–	(2,523)
Dividends paid	(65,908)	(63,288)
Net cash provided by (used in) financing activities	**14,224**	**(271,413)**
Net increase (decrease) in cash and cash equivalents	**(54,172)**	**(185,566)**
Cash and cash equivalents at beginning of period, including restricted cash	140,549	319,379
Effects of foreign exchange rate changes on cash and cash equivalents	(838)	6,736
Cash and cash equivalents at end of period, including restricted cash	**85,539**	**140,549**
Reconciliation of cash, cash equivalents, and restricted cash reported in the Consolidated Balance Sheet		
Cash and cash equivalents	84,850	140,549
Restricted cash included in other long-term assets	689	–
Total cash, cash equivalents, and restricted cash shown in the Consolidated Statement of Cash Flows	**85,539**	**140,549**
Supplemental cash flow information		
Cash paid for income tax	19,912	26,087
Cash paid for interest	3,120	6,003

The accompanying notes are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

Note 1: Description of Business and Organization

Description of Business
Landis+Gyr Group AG ("Landis+Gyr") and subsidiaries (together, the "Company") form a leading global provider of integrated energy management solutions to utilities. The Company is organized in a geographical structure which corresponds to the regional segments of the Americas, EMEA, and Asia Pacific. Landis+Gyr offers a comprehensive portfolio of products, solutions and services, including meters, related devices, communications technologies and software applications that are essential to the measurement and management of energy distribution and consumption.

The Company's registered ordinary shares are listed on the SIX Swiss Exchange (Securities number: 37115349; ISIN: CH0371153492; Ticker symbol: LAND).

Note 2: Summary of Significant Accounting Principles

2.1 Basis of Presentation
The consolidated financial statements are prepared in accordance with generally accepted accounting principles in the Unites States of America ("US GAAP"). All amounts are presented in United States dollars ("USD"), unless otherwise stated.

2.2 Principles of Consolidation
The consolidated financial statements include the accounts of Landis+Gyr Group AG and its wholly-owned and majority owned subsidiaries. The Company consolidates companies in which it owns or controls more than fifty percent of the voting shares or has the ability to execute direct or indirect control.

The Company presents noncontrolling interests in less-than-wholly-owned subsidiaries within the equity section of its consolidated financial statements. At March 31, 2022, and at March 31, 2021, the Company had one less-than-wholly-owned subsidiary in South Africa with an ownership interest of 76.7% in both periods. Furthermore, at March 31, 2022, the Company had another less-than-wholly-owned subsidiary in Slovenia with an ownership interest of 75%. The noncontrolling interest holders have the option, which is embedded in the noncontrolling interest, to require the Company to acquire their ownership interests between October 1, 2024 and March 31, 2025 (see Note 25: Redeemable noncontrolling interests).

All intercompany balances and transactions have been eliminated.

Affiliates are companies where the Company has the power to exercise a significant influence but does not exercise control. Significant influence may be obtained when the Company has 20% or more of the voting rights in the investee or has obtained a seat on the Board of Directors or otherwise participates in the policy-making process of the investee. Affiliated companies are accounted for using the equity method.

2.3 Use of Estimates
The preparation of financial statements in accordance with US GAAP requires management to make estimates and assumptions that affect the amounts reported in the Consolidated Financial Statements and accompanying notes. Significant items subject to such estimates include warranty provisions, allowances for doubtful accounts, valuation allowances for deferred tax assets, valuation of goodwill and other intangible assets, valuation of defined benefit pension obligations, income tax uncertainties and other contingencies and items recorded at fair value, including assets and liabilities obtained in a business combination. Actual results may differ materially from these estimates. The important factors that could cause such differences include, among others: the duration, severity, geographic spread and potential after effects of the COVID-19 pandemic, government actions to address or mitigate the impact of the COVID-19 pandemic, and the potential negative impacts of COVID-19 on the global economy, any of the Company's operations and those of its customers and suppliers; global shortage of supplied components as well as increased freight rates; business risks associated with the volatile global economic environment and political conditions, unrests and/or wars; costs associated with compliance activities; market acceptance of new products and services; changes in governmental regulations and currency exchange rates; estimates of future warranty claims and expenses and sufficiency of accruals.

2.4 Revenue Recognition
The majority of the Company's revenues consist primarily of hardware sales, but may also include the license of software, software implementation services, cloud services and Software-as-a-Service (SaaS), project management services, installation services, post-sale maintenance support, and extended or noncustomary warranties. The Company accounts for a contract when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance, and the collectability of consideration is probable. In determining whether the definition of a contract has been met, the Company considers whether the arrangement creates enforceable rights and obligations, which involves evaluation of agreement terms that would allow for the customer to terminate the agreement. If the customer is able to terminate the agreement without providing further consideration to the Company, the agreement would not be considered to meet the definition of a contract.

Many of the Company's revenue arrangements involve multiple performance obligations consisting of hardware, meter reading system software, installation, and/or project management services.

Separate contracts entered into with the same customer (or related parties of the customer) at or near the same time are accounted for as a single contract where one or more of the following criteria are met:

- The contracts are negotiated as a package with a single commercial objective;
- The amount of consideration to be paid in one contract depends on the price or performance of the other contract; or
- The goods or services promised in the contracts (or some goods or services promised in each of the contracts) are a single performance obligation.

Once the contract has been defined, the Company evaluates whether the promises in the contract should be accounted for as more than one performance obligation. This evaluation requires significant judgment, and the decision to separate the combined or single contract into multiple performance obligations could change the amount of revenue and profit recognized in a given period. For some projects, the customer requires the Company to provide a significant service of integrating, customizing or modifying goods or services in the contract in which case the goods or services would be combined into a single performance obligation. It is common that the Company may promise to provide multiple distinct goods or services within a contract in which case the Company separates the contract into more than one performance obligation. If a contract is separated into more than one performance obligation, the Company allocates the total transaction price to each performance obligation in an amount based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation. If applicable, for goods or services where observable standalone sales are available, the observable standalone sales are used to determine the standalone selling price. In the absence of observable standalone sales, the Company estimates the standalone selling price using either the adjusted market assessment approach or the expected cost plus a margin approach. Approaches used to estimate the standalone selling price for a given good or service will maximize the use of observable inputs and consider several factors, including the Company's pricing practices, costs to provide a good or service, the type of good or service, and availability of other transactional data, among others. The Company determines the estimated standalone selling prices of goods or services used in the allocation of arrangement consideration on an annual basis or more frequently if there is a significant change in the business or if the Company experiences significant variances in its transaction prices.

Many of the Company's contracts with customers include variable consideration, which can include liquidated damage provisions, rebates and volume and early payment discounts. Some of the contracts with customers contain clauses for liquidated damages related to the timing of delivery or milestone accomplishments, which could become material in an event of failure to meet the contractual deadlines. At the inception of the arrangement and on an ongoing basis, the Company evaluates the probability and magnitude of having to pay liquidated damages. The Company estimates variable consideration using the expected value method, taking into consideration contract terms, historical customer behavior and historical sales. In the case of liquidated damages, the Company also takes into consideration progress towards meeting contractual milestones, including whether milestones have not been achieved, specified rates, if applicable, stated in the contract, and the history of paying liquidated damages to the customer or similar customers. Variable consideration is included in the transaction price if, in management's judgment, it is probable that a significant future reversal of cumulative revenue under the contract will not occur.

In the normal course of business, the Company does not accept product returns unless the item is defective as manufactured. The Company establishes provisions for estimated returns and warranties. In addition, the Company does not typically provide customers with the right to a refund.

Hardware revenues are recognized at a point in time. Transfer of control is typically at the time of shipment, receipt by the customer, or, if applicable, upon receipt of customer acceptance provisions. The Company recognizes revenue prior to receipt of customer acceptance for hardware in cases where the customer acceptance provision is determined to be a formality. Transfer of control would not occur until receipt of customer acceptance in hardware arrangements where such provisions are subjective or where the Company does not have a history of meeting the acceptance criteria.

Perpetual software licenses are considered to be a right to use intellectual property and are recognized at a point in time. Transfer of control is considered to be at the point at which it is available to the customer to download and use or upon receipt of customer acceptance. In certain contracts, software licenses may be sold with professional services including implementation services that involve a significant service of integrating, customizing or modifying the software. In these instances, the software license is combined into a single performance obligation with the implementation services and recognized over time as the implementation services are performed or, if applicable, upon receipt of customer acceptance provisions.

Hardware and software licenses (when not combined with professional services) are typically billed when shipped and revenue recognized at a point-in-time. As a result, the timing of revenue recognition and invoicing does not have a significant impact on contract assets and liabilities.

Professional services, which include implementation, project management, installation, and consulting services are recognized over time. The Company measures progress towards satisfying these performance obligations using input methods, most commonly based on the costs incurred in relation to the total expected costs to provide the service. The Company expects this method to best depict its performance in transferring control of services promised to the customer or represents a reasonable proxy for measuring progress. The estimate of expected costs to provide services requires judgment. Cost estimates take into consideration past history and the specific scope requested by the customer and are updated quarterly. The Company may also offer professional services on a stand-ready basis over a specified period of time, in which case revenue would be recognized ratably over the term. Invoicing of these services is commensurate with performance and occurs on a monthly basis. As such, these services do not have a significant impact on contract assets and contract liabilities. Services, including professional services, are commonly billed on a monthly basis in arrears and typically result in an unbilled receivable, which is not considered a contract asset as the Company's right to consideration is unconditional.

Certain revenue arrangements include extended or noncustomary warranty provisions that cover all or a portion of a customer's replacement or repair costs beyond the standard or customary warranty period. Whether or not the extended warranty is separately priced in the arrangement, such warranties are considered to be a separate good or service, and a portion of the transaction price is allocated to this extended warranty performance obligation. This revenue is recognized, ratably over the extended warranty coverage period.

Hardware and software post-sale maintenance support fees are recognized over time, ratably over the life of the related service contract. Shipping and handling costs and incidental expenses billed to customers are recognized as revenue, with the associated cost charged to cost of revenues. The Company recognizes sales, use, and value added taxes billed to customers on a net basis.

Payment terms with customers can vary by customer; however, amounts billed are typically payable within 30 to 90 days, depending on the destination country.

The Company incurs certain incremental costs to obtain contracts with customers, primarily in the form of sales commissions. Where the amortization period is one year or less, the Company has elected to apply the practical expedient and recognize the related commissions as an expense when incurred.

2.5 Accounting for Business and Assets Acquisitions

The Company evaluates each transaction in order to determine if the assets acquired constitute a business. The evaluation consists of consideration of the inputs, processes, and outputs acquired. For assets acquired in transactions that do not meet the definition of a business, the full fair value of the consideration given is allocated to the assets acquired based on their relative fair values, and no goodwill is recognized.

The Company uses the acquisition method of accounting to account for business combinations. The Company allocates the purchase price to the assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition, including intangible assets that can be identified. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Goodwill represents the excess of the aggregate purchase price over the fair value of the net assets acquired. Among other sources of relevant information, the Company uses independent appraisals and actuarial or other valuations to assist in determining the estimated fair values of the assets and liabilities acquired.

2.6 Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with an original maturity or remaining maturity at the date of purchase of three months or less to be cash equivalents.

2.7 Restricted Cash

From time to time, the Company is required to maintain cash balances that are restricted in order to secure certain bank guarantees.

Restricted cash is generally deposited in bank accounts earning market rates; therefore, the carrying value approximates fair value. Such cash is excluded from Cash and cash equivalents in the Consolidated Balance Sheets.

2.8 Derivative Instruments

The Company's activities expose it to the financial risks of changes in foreign exchange rates. The Company uses derivative financial instruments, primarily foreign currency forward contracts, to economically hedge specific substantial foreign currency payments and receipts. Derivatives are not used for trading or speculative purposes.

The Company enters into foreign exchange derivative contracts to economically hedge the risks associated with foreign currency transactions and minimize the impact of changes in foreign currency exchange rates on earnings. Derivative instruments that the Company uses to economically hedge these foreign denominated contracts include foreign exchange forward contracts. Revaluation gains and losses on these foreign currency derivative contracts are recorded within Cost of revenue in the Consolidated Statements of Operations.

All derivative instruments are recorded on the Consolidated Balance Sheet at fair value on the date the derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date. The Company does not apply hedge accounting and, therefore, changes in the fair value of all derivatives are recognized in Cost of revenue during the period. The fair value of derivative instruments is presented on a gross basis, even when the derivative instruments are subject to master netting arrangements. Cash collateral payables and receivables associated with derivative instruments are not added to or netted against the fair value amounts. The Company classifies cash flows from its derivative programs as cash flows from operating activities in the Consolidated Statement of Cash Flows.

The fair values of the Company's derivative instruments are determined using the fair value measurements of significant other observable inputs, as defined by Accounting Standards Codification ("ASC") 820, "Fair Value Measurements and Disclosures". The Company uses observable market inputs based on the type of derivative and the nature of the underlying instrument. When appropriate, the Company adjusts the fair values of derivative instruments for credit risk, which is a risk of loss due to the failure by either the Company or counterparty to meet its contractual obligations, considering the credit risk of all parties, as well as any collateral pledged.

2.9 Concentrations of Credit Risk
Financial instruments which potentially subject the Company to concentrations of credit risk are primarily accounts receivable, cash and cash equivalents and derivative instruments.

The Company performs ongoing credit evaluations of its customers and, in general, does not require collateral from its customers.

The Company maintains cash and cash equivalents with various financial institutions that management believes to be of high credit quality. These financial institutions are located in many different locations throughout the world. The Company's cash equivalents are primarily comprised of cash deposited in checking and money market accounts. Deposits held with banks may exceed the amount of insurance provided on such deposits. Generally, these deposits may be redeemed upon demand and are maintained with financial institutions with reputable credit and therefore bear minimal credit risk.

The amount subject to credit risk related to derivative instruments is generally limited to the amount, if any, by which a counterparty's obligations exceed the obligations of the Company with that counterparty.

2.10 Fair Value Measurement
The Company accounts for certain assets and liabilities at fair value. Fair value is defined as the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, emphasizing that fair value is a market-based measurement and not an entity-specific measurement. These valuation techniques include the market approach, income approach and cost approach. The income approach involves converting future cash flows to a single present amount. The measurement is valued based on current market expectations about those future amounts. The market approach uses observable market data for identical or similar assets and liabilities while the cost approach would value the cost that a market participant would incur to develop a comparable asset.

The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the instrument's fair value measurement. The three levels within the fair value hierarchy are described as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

The fair value measurement involves various valuation techniques and models, which involve inputs that are observable, when available, and include derivative financial instruments and long-term debt.

2.11 Accounts Receivable and Allowance for Doubtful Accounts
Trade accounts receivable are initially recorded at the invoiced amount and do not bear interest. The Company maintains an allowance for doubtful accounts for probable losses inherent in its trade accounts receivable portfolio at the balance sheet date. The allowance is maintained at a level which the Company considers to be adequate and is based on ongoing assessments and evaluations of the collectability and historical loss experience of accounts receivable. The allowance is established through the provision for doubtful accounts, which is charged to income. Credit losses are charged, and recoveries are credited to the allowance. Account balances are written off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote.

The allowance is based on the Company's review of the historical credit loss experience and such factors that, in management's judgment, deserve consideration under existing economic conditions in estimating probable credit losses. Management considers, among other factors, historical losses, current receivables aging, periodic credit evaluation of its customers' financial condition, and existing industry and national economic data.

From time to time, the Company may sell certain accounts receivable to third-party financial institutions under the factoring arrangements with these financial institutions. Under the terms of these agreements, the Company transfers the receivables in an outright sale, with no recourse, and no continued involvement with the assets transferred. The Company records such transfers as sales of accounts receivable when it is considered to have surrendered control of such receivables.

2.12 Inventories

Inventories are stated at the lower of cost (which approximates cost determined on a weighted average basis) or net realizable value. The costs include direct materials, labor, and an appropriate portion of fixed and variable overhead expenses and are assigned to inventories using the weighted average method. The Company writes down the value of inventories for estimated excess and obsolete inventories based upon historical trends, technological obsolescence, assumptions about future demand and market conditions.

2.13 Property, Plant & Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and amortization. Depreciation and amortization are recognized on a straight-line basis over the estimated useful life of the related asset, with the exception of leasehold improvements which are amortized over the shorter of the asset's useful life or the term of the lease, and network equipment which is depreciated over the shorter of the useful life of the asset or the life of the customer contract under which the equipment is deployed. The estimated useful lives are as follows:

Item	Years
Land	no depreciation
Buildings	20–40
Network equipment	5–10
Machinery and equipment	5–10
Vehicles and other equipment	3–10
Construction in progress	no depreciation

Repairs and maintenance are expensed as incurred, while major renovations and improvements are capitalized as property, plant and equipment and depreciated over their estimated useful lives. Gains or losses on disposals are included in the Consolidated Statements of Operations at amounts equal to the difference between the net book value of the disposed assets and the proceeds received upon disposal.

2.14 Goodwill

Goodwill is tested for impairment annually in the fourth quarter of each financial year or more often, if an event or circumstance indicates that an impairment may have occurred.

When evaluating goodwill for impairment, the Company uses either a qualitative or quantitative assessment method for each reporting unit. The qualitative assessment involves determining, based on an evaluation of qualitative factors, if it is more likely than not that the fair value of a reporting unit is less than its carrying value. If, based on this qualitative assessment, it is determined to be more likely than not that the reporting unit's fair value is less than its carrying value or the Company elects not to perform the qualitative assessment for a reporting unit, the Company proceeds to perform a quantitative impairment assessment.

The Company applies the simplified quantitative impairment test, which compares the fair value of a reporting unit (based on the income approach whereby the fair value is calculated based on the present value of future cash flows) with its carrying value. If the carrying value of the reporting unit exceeds its fair value, the Company records an impairment charge equal to the difference.

2.15 Intangible Assets with Finite Lives

Intangible assets with finite lives, principally customer contracts and relationships, are amortized on a straight-line basis over their estimated useful lives, ranging from three to twenty years, which management has determined is the methodology best reflective of the expected benefits arising from the intangibles. The Company believes that the straight-line method is appropriate as these relationships are generally distributed over a long period of time and historical experience from each acquired entity has indicated a consistent experience with each customer.

Intangible assets with finite lives and property, plant, and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Where such indicators exist, the Company first compares the undiscounted cash flows expected to be generated by the asset (or asset group) to the carrying value of the asset (or asset group). If the carrying value of the long-lived asset exceeds the future undiscounted cash flows to be generated by the asset (or asset group), an impairment is recognized to the extent that the carrying value exceeds its fair value. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values and assistance by third-party independent appraisals, as considered necessary.

2.16 Investments

Investments in Affiliated Companies

Each reporting period, the Company reviews all equity method investments to determine whether a significant event or change in circumstance has occurred that may have an adverse effect on the fair value of each investment. When such events or changes occur, the Company evaluates the fair value compared to the carrying amount of the investment. Management's assessment of fair value is based on valuation methodologies using discounted cash flows, EBITDA and revenue multiples, as appropriate.

In the event the fair value of an investment declines below the carrying amount, the Company determines if the decline in fair value is other than temporary. If the Company determines the decline is other than temporary, an impairment charge is recorded. The Company's assessment as to the nature of a decline in fair value is based on, among other things, the length of time and the extent to which the market value has been less than its cost basis, the financial condition and near-term prospects of the entity, and the Company's intent and ability to retain the investment for a period of time sufficient to allow for any anticipated recovery in market value.

Other investments

Other investments include participation in other entities where the Company does not have the power to exercise a significant influence nor to exercise control. Equity investments with readily determinable fair values are measured at fair value. Other investments without readily determinable fair values are accounted at cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for an identical or similar investment of the same issuer. Changes in value are recorded in Other income (expense), net.

2.17 Warranty

The Company offers standard warranties on its metering products and its solution products for periods ranging from one to five years. In some instances, warranty periods can be further extended based on customer specific negotiations. Standard warranty provision represents the Company's estimate of the cost of projected warranty claims and are based on historical and projected warranty trends, specific quality issues identified (if any), supplier information and other business and economic projections. If the Company's quality control processes fail to detect a fault in a product, the Company could experience an increase in warranty claims.

The Company tracks warranty claims to identify potential product specific design or quality issues. If an unusual trend is noted, an additional warranty provision may be recorded when a product failure is probable, and the cost can be reasonably estimated. Management continually evaluates the sufficiency of the warranty provisions and makes adjustments when necessary. The calculation of the warranty provision requires management to make estimates with respect to projected failure rates, as well as material, labor and other costs to be incurred in order to satisfy the Company's warranty commitments. As a result, actual warranty costs incurred in the future could differ significantly from the provision. The long-term warranty balance includes estimated warranty claims beyond one year. Warranty expense is included within Cost of revenue in the Consolidated Statements of Operations.

2.18 Commitments and Contingencies

Liabilities for loss contingencies, including environmental remediation costs, arising from claims, assessments, litigation, fines, penalties and other sources, are recorded when it is probable that a liability has been incurred and the amount of the assessment and/or remediation can be reasonably estimated. Any such provision is generally recognized on an undiscounted basis using the Company's best estimate of the amount of loss incurred or at the lower end of an estimated range when a single best estimate is not determinable. Changes in these factors and related estimates could materially affect the Company's financial position, results of operations, and cash flows.

The Company has asset retirement obligations ("ARO") arising from contractual requirements to remove certain leasehold improvements at the time that the Company vacates leased property. The liability is initially measured on the date of executing the lease agreement at fair value, and subsequently is adjusted for accretion expense and changes in the amount or timing of the estimated cash flows. In determining the fair value of the ARO, the Company has considered, among other factors, the estimated cost to remove the assets based on consultations with, and written estimates from, third-party contractors, the expected settlement dates, ranging from financial year ending March 31, 2023 to 2031, and an effective interest rate, which for the Company is based on the credit-adjusted risk-free rate. The corresponding AROs are capitalized as part of the carrying amount of the related long-lived asset and depreciated over the shorter of the asset's remaining useful life or the lease term. The Company classifies such liabilities in Other long-term liabilities in the Consolidated Balance Sheets.

Legal costs incurred in connection with loss contingencies are expensed as incurred.

Accruals for estimated losses from environmental remediation obligations, excluding AROs, generally are recognized no later than completion of the remediation feasibility study. Such accruals are adjusted as further information develops or circumstances change. Recoveries of environmental remediation costs from third parties, which are probable of realization, are separately recorded as assets, and are not offset against the related environmental liability.

2.19 Employee Benefit Plans

The Company accounts for employee and retirement benefits in accordance with ASC 71X, "Compensation".

Employee benefits
A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave, and long service leave when it is probable that settlement will be required, and the liability can be estimated reliably. Liabilities recognized in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Liabilities recognized in respect of employee benefits which are not expected to be settled within 12 months are measured at the present value of the estimated future cash outflows to be made by the Company in respect of services provided by employees up to the reporting date.

Retirement benefits
The Company contributes, in accordance with legal and statutory requirements, to various statutory defined benefit and defined contribution pension plans. In addition, the Company sponsors various post-retirement benefit plans that provide medical benefits to retired participants.

The Company records annual amounts relating to its defined benefit plans and post-retirement plans based on calculations that incorporate various actuarial and other assumptions including discount rates, mortality table assumptions, assumed rates of return, compensation increases, turnover rates and healthcare cost trend rates. The Company reviews its assumptions on an annual basis and makes modifications to the assumptions based on current rates and trends when it is appropriate to do so. The effect of modifications to those assumptions is recorded in other comprehensive income/(loss). The unrecognized amounts recorded in Accumulated Other Comprehensive Income ("AOCI") are subsequently recognized as expense on a straight-line basis only to the extent that they exceed 10% of the higher of the market-related value or the projected benefit obligation, over the average remaining service period of active participants.

In addition to the defined benefit pension plans and post-retirement benefits plans, the Company also sponsors various employee retirement savings plans in which employees of certain subsidiaries are eligible to participate. Each plan provides for employee contributions as well as matching contributions by the Company. The Company recognizes an expense for matching contributions to defined contribution plans as they are incurred.

2.20 Income Taxes
Income taxes are based on the laws and rates in effect in the countries in which operations are conducted or in which the Company or its subsidiaries are considered resident for income tax purposes.

The Company accounts for income taxes using the asset and liability method. Under this method, deferred income taxes are recorded for temporary differences between the financial reporting basis and tax basis of assets and liabilities in each of the taxing jurisdictions in which the Company operates. These deferred taxes are measured using the tax rates expected to be in effect when the temporary differences reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

Deferred tax assets are evaluated each period to determine whether or not it is more likely than not that they will be realized. In making such determination, the Company considers all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax planning strategies and recent financial operations. Valuation allowances are established where it is considered more likely than not that the Company will not realize the benefit of such assets.

Valuation allowances are reviewed each period on a tax jurisdiction by tax jurisdiction basis to analyze whether there is sufficient positive or negative evidence to support a change in judgment about the realizability of the related deferred tax assets.

The Company has elected not to reclassify prior periods stranded tax. In accordance with its accounting policy, the Company releases income tax effects from AOCI once the reason the tax effects were established cease to exist (e.g. when prior service cost and pension gains (losses) are reclassified out of AOCI and recognized within Net periodic benefit cost).

The Company accounts for uncertain tax positions in accordance with ASC 740, "Income Taxes", which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. The Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained upon examination by the taxing authorities based solely on the technical merits of the position.

The Company recognizes interest expense and penalties accrued related to unrecognized tax benefits in the provision for income taxes. Accrued interest and penalties are included within the related tax liability caption in the Consolidated Balance Sheets.

2.21 Foreign Currencies
The reporting currency of Landis+Gyr is the U.S. Dollar. The functional currency of most of the Company's subsidiaries is the applicable local currency. The translation from the applicable functional currencies into the Company's reporting currency is performed for Balance Sheet accounts using exchange rates in effect at the balance sheet date, and for Statement of Operations and Statement of Cash Flows using average exchange rates prevailing during the year. The resulting translation adjustments are excluded from earnings and are recognized in accumulated other comprehensive income/(loss) until the entity is sold, substantially liquidated or evaluated for impairment in anticipation of disposal.

Foreign currency exchange gains and losses, such as those resulting from foreign currency denominated receivables or payables, are included in the determination of earnings with the exception of intercompany loans that are long-term investment in nature with no reasonable expectation of repayment, which are recognized in other comprehensive income.

2.22 Leases
The Company determines if an arrangement is a lease at inception. A lease exists when a contract conveys to the customer the right to control the use of identified property, plant, or equipment for a period of time in exchange for consideration. The definition of a lease embodies two conditions: (1) there is an identified asset in the contract that is land or a depreciable asset (i.e., property, plant, and equipment), and (2) the customer has the right to control the use of the identified asset.

Right-of-use ("ROU") assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The Company uses the implicit rate when readily determinable. As most of its leases do not provide an implicit rate, in determining the present value of lease payments, the Company uses its incremental borrowing rate based on the remaining lease term, currency of the lease, and the Company's credit rating. The ROU assets also include any lease payments made and exclude lease incentives received and initial direct costs incurred. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option.

The Company has lease agreements, which include lease and nonlease components. For each of the existing asset classes, the Company has elected the practical expedient to account for the lease and nonlease components as a single lease component when the nonlease components are fixed.

The Company has elected to utilize the short-term lease exemption for all lease asset classes. All leases with a lease term that is not greater than twelve months are not subject to recognition and measurement of lease ROU assets and liabilities in the Consolidated Balance Sheet.

Operating leases are included in Other long-term assets, Operating lease liabilities – current, and Operating lease liabilities – non-current in the Consolidated Balance Sheet. Operating lease costs are recognized on a straight-line basis over the lease term.

Finance leases are included in Property, plant, and equipment, Other current liabilities, and Other long-term liabilities in the Consolidated Balance Sheet. Finance lease ROU assets are generally amortized on a straight-line basis over the lease term with the interest expenses on the lease liability recorded using the interest method.

Lease expenses for variable lease payments, where the timing or amount of the payment is not fixed, are recognized when the obligation is incurred. Variable lease payments generally arise in lease arrangements where executory and other lease-related costs are billed to the Company when incurred by the lessor.

2.23 Research and Development Costs
Research and development costs primarily consists of salaries and payroll taxes, third-party contracting fees, depreciation and amortization of assets used in R&D activities, and other overhead infrastructure costs. Research and development activities primarily consist of the development and design of new meters, network equipment and related software and are expensed as incurred.

2.24 Advertising
Advertising costs are expensed as incurred. Advertising expenses included in Sales and marketing expenses were USD 1.9 million and USD 1.5 million, respectively, for the financial years ended March 31, 2022 and March 31, 2021.

2.25 Earnings per Share
ASC 260, "Earnings per Share", requires entities to present both basic and diluted earnings per share. Basic earnings per share is calculated by dividing net income (loss) by the weighted-average number of common shares outstanding during the year.

Diluted earnings per share is calculated by dividing net income (loss) by the weighted-average number of common shares outstanding during the year plus all dilutive potential common shares outstanding. Potentially dilutive shares that are anti-dilutive are excluded from the diluted earnings per share calculation.

As of March 31, 2022 and 2021, the Company had no dilutive shares outstanding.

2.26 Share-based Compensation

The Company sponsors a share-based long-term incentive plan (“LTIP”) providing the members of the Group Executive Management and other eligible key managers with a possibility to receive shares in the Company, subject to certain conditions. The LTIP consists of two components that are weighted equally: (i) a component with a market condition that is based on the total shareholders’ return (“TSR”) measured over three years relative to a peer group of comparable public companies as determined by the Company’s Board of Directors, or the SPI Industrials Index (“SPI Industrials”), summarized under the heading Performance Share Plan PSP-TSR, and (ii) a component with a performance condition that is based on the Company’s fully diluted earnings per share (“EPS”) performance, summarized under the heading Performance Share Plan PSP-EPS.

Share-based compensation expense is recognized and measured based on the guidance codified in ASC 718 “Compensation – Stock Compensation”.

The fair value of performance stock units (“PSUs”) granted under the PSP-TSR is estimated using the Monte Carlo simulation methodology. The Monte Carlo simulation input assumptions are determined based on available internal and external data sources. The risk-free rate is interpolated from country-specific government sovereign debt yields derived from Standard & Poor’s as of the valuation date matching the measurement period. The expected volatility of the share price returns is based on the historic volatility of daily share price returns of the Company, derived from Standard & Poor’s and measured over a historical period matching the performance period of the awards. The dividend yield is based on the expected dividend yield over the expected term of the awards granted.

The fair value of performance stock units granted under the PSP-EPS is determined based on the closing share price of the Company’s share at the day preceding the grant date less the present value of expected dividends.

The Company recognizes stock-based compensation costs considering estimated future forfeiture rates. The latter are reviewed annually or whenever indicators are present that actual forfeitures may differ materially from previously established estimates.

Total compensation cost for the PSP-EPS, and for the PSP-TSR, is recognized on a straight-line basis over the requisite service period for the entire award (see Note 22: Share-based compensation).

2.27 Recent Accounting Pronouncements

Applicable for future periods

In June 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2016-13 – Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, amending the accounting for the impairment of financial instruments, including trade receivables. The new guidance requires the use of a “current expected credit loss” model for most financial assets. Under the new model, an entity recognizes as an allowance its estimate of expected credit losses, rather than the current methodology requiring delay of recognition of credit losses until it is probable a loss has been incurred. In November 2018, the FASB issued ASU 2018-19 – Codification Improvements to Topic 326, Financial Instruments – Credit Losses to clarify, improve, and correct various aspects of ASU 2016-13. In May 2019, the FASB issued ASU 2019-05 – Financial Instruments – Credit Losses (Topic 326): Targeted Transition Relief, to simplify transition requirements. In November 2019, the FASB issued ASU 2019-11 – Codification Improvements to Topic 326, Financial Instruments – Credit Losses to clarify, improve, and correct various aspects of ASU 2016-13. In March 2020, the FASB issued ASU 2020-03 – Codification Improvements to Financial Instruments, which improves the financial instruments guidance, including the current expected credit losses guidance. The effective date and transition requirements in ASU 2018-19, ASU 2019-05, ASU 2019-11 and ASU 2020-03 are the same as the effective date and transition requirements of ASU 2016-13. In November 2019, the FASB issued ASU 2019-10, – Financial Instruments – Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates, deferring the effective dates for certain major Updates. As a result, 2016-13 is effective for the Company for annual and interim periods beginning on April 1, 2023, with early adoption in any interim period permitted. The requirements of the amended guidance should be applied using a modified retrospective approach except for debt securities, which require a prospective transition approach. The Company currently intends to adopt the new standard as of April 1, 2023 and is currently in the process of evaluating the effect that the amendments will have on its Consolidated Financial Statements and related disclosures.

In July 2021, the FASB issued ASU 2021-05 – Leases (Topic 842) – Lessors – Certain Leases with Variable Lease Payments, which requires lessors to classify leases as operating leases if they have variable lease payments that do not depend on an index or rate and would have selling losses if they were classified as sales-type or direct financing leases. This update is effective prospectively for the Company for annual and interim reporting periods beginning April 1, 2022, with early adoption permitted in any interim period. The Company does not expect this update to have a significant impact on its Consolidated Financial Statements.

In October 2021, the FASB issued ASU 2021-08 – Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers, which provides guidance on the accounting for revenue contracts acquired in a business combination. The update requires contract assets and liabilities acquired in a business combination to be recognized and measured at the date of acquisition in accordance with the principles for recognizing revenues from contracts with customers. This update is effective prospectively for the Company for annual and interim reporting periods beginning April 1, 2023, with early adoption permitted in any interim period. The Company does not expect this update to have a significant impact on its Consolidated Financial Statements.

In November 2021, the FASB issued ASU 2021-10 – Government Assistance (Topic 832) – Disclosures by Business Entities about Government Assistance, which requires entities to disclose certain types of government assistance. Under the update, the Company is required to annually disclose (i) the type of assistance received, including any significant terms and conditions, (ii) its related accounting policy, and (iii) the effect such transactions have on its financial statements. The update is effective either prospectively for all in-scope transactions at the date of adoption or retrospectively, for annual periods beginning April 1, 2022, with early adoption permitted. The Company will adopt this update prospectively as of April 1, 2022. The Company does not expect this update to have a significant impact on its Consolidated Financial Statements.

Recently Adopted Accounting Pronouncements

In December 2019, the FASB issued ASU 2019-12 – Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes, which simplifies the accounting for income taxes by removing certain exceptions to the general principles in this topic. The amendments also improve consistent application of existing guidance by clarifying certain aspects. This update was effective for the Company for annual and interim periods beginning April 1, 2021, but did not have a material effect on the Consolidated Financial Statements.

In January 2020, the FASB issued ASU 2020-01 – Investments – Equity Securities (Topic 321), Investments – Equity Method and Joint Ventures (Topic 323), and Derivatives and Hedging (Topic 815) – Clarifying the Interactions between Topic 321, Topic 323, and Topic 815, which improves the accounting for certain equity securities when the equity method of accounting is applied or discontinued and clarifies that, for the purpose of applying paragraph 815-10-15-141(a), an entity should not consider whether, upon the settlement of the forward contract or exercise of the purchased option, individually or with existing investments, the underlying securities would be accounted for under the equity method in Topic 323 or the fair value option in accordance with the financial instruments guidance in Topic 825. This update was effective for the Company on April 1, 2021, but did not have a material effect on the Consolidated Financial Statements.

Note 3: Shareholder's equity

At March 31, 2022 and 2021, the capital structure reflected 28,908,944 authorized, registered and issued ordinary shares with restricted transferability. The restricted transferability is related to the fact that the Board of Directors can reject a shareholder not disclosing the beneficial owner; see art. 5 of Landis+Gyr's articles of association for further information.

Registered ordinary shares carry one vote per share, as well as the right to dividends.

Conditional share capital

The share capital of the Company may be increased by up to CHF 4,500,000 by issuing up to 450,000 fully paid-up registered shares with a nominal value of CHF 10 each, upon the exercise of option rights or in connection with similar rights regarding shares granted to officers and employees at all levels of the Company and its group companies according to respective regulations and resolutions of the Board of Directors. This conditional share capital has been approved and is available for use. As of March 31, 2022 no shares were issued from this conditional share capital.

Furthermore, the share capital of the Company may be increased by up to CHF 28,908,940 by the issuance of up to 2,890,894 fully paid up registered shares with a nominal value of CHF 10 each, upon the exercise or mandatory exercise of conversion, exchange, option, warrant or similar rights for the subscription of shares granted to shareholders or third parties alone or in connection with bonds, notes, loans, options, warrants or other securities or contractual obligations of the Company or any of its subsidiaries. As of March 31, 2022, no shares were issued from this conditional share capital.

Authorized share capital

The Board of Directors is authorized to increase the share capital at any time until June 30, 2022 by a maximum amount of CHF 28,908,940 by issuing a maximum of 2,890,894 fully paid-in registered shares with a nominal value of CHF 10 each. Increases in partial amounts are permissible. As of March 31, 2022, no shares were issued from this authorized share capital.

Treasury shares

From time to time, the Company may repurchase shares of its common stock under programs authorized by the Board of Directors. Share repurchases are made in the open market and in accordance with applicable securities laws. Shares repurchased are displayed separately as Treasury shares in the Consolidated Financial Statements.

The changes in Treasury shares during the financial years ended March 31, 2022 and 2021 were as follows:

MOVEMENT IN TREASURY SHARES	FINANCIAL YEAR ENDED MARCH 31,			
	2022	2022	2021	2021
	Number of shares	Average acquisition price per share (in CHF)	Number of shares	Average acquisition price per share (in CHF)
Treasury shares – opening balance as of April 1,	81,777	82.46	431,205	78.35
Delivery of shares	(7,433)	57.65	(7,123)	60.53
Retirement of shares	–	–	(342,305)	77.74
Treasury shares – closing balance as of March 31,	**74,344**	**84.94**	**81,777**	**82.46**

Share capital reduction

At the Annual General Meeting of Shareholders on June 30, 2020, shareholders approved the proposal of the Board of Directors to reduce the share capital of the Company by canceling 342,305 treasury shares which were acquired under a buyback program. This cancellation was completed in October 2020, resulting in a decrease in Treasury shares of USD 27.0 million and a corresponding combined decrease in Registered ordinary shares, Additional paid-in capital and Retained earnings.

Dividend

At the Annual General Meeting of Shareholders on June 24, 2021, shareholders approved the proposal of the Board of Directors to distribute 2.10 Swiss francs per share to shareholders. The declared dividend amounted to CHF 65.5 million (USD 65.9 million at the exchange rate prevailing at June 24, 2021) and was paid in June 2021.

At the Extraordinary General Meeting of Shareholders on November 24, 2020, shareholders approved the proposal of the Board of Directors to distribute CHF 2.00 per share to shareholders. The declared dividend amounted to CHF 57.7 million (USD 63.3 million at the exchange rate prevailing at November 24, 2020) and was paid in November 2020.

Accumulated Other Comprehensive Income (Loss)

The components of accumulated other comprehensive loss (AOCL) of Landis+Gyr Group AG consist of:

	MARCH 31,	
USD in thousands	2022	2021
Foreign currency translation adjustments, net of tax	(41,138)	(30,760)
Pension plan benefits liability adjustments, net of taxes of USD (184) and USD 1,630 as of March 31, 2022 and March 31, 2021, respectively	4,542	(4,786)
Accumulated other comprehensive income (loss)	**(36,596)**	**(35,546)**

The following tables present the reclassification adjustments in AOCL by component:

USD in thousands	Defined benefit pension items	Foreign currency items	Total
Beginning balance, April 1, 2021	**(4,786)**	**(30,760)**	**(35,546)**
Other comprehensive income before reclassifications	9,059	(10,378)	(1,319)
Amounts reclassified from accumulated other comprehensive income	269	–	269
Net current-period other comprehensive income	9,328	(10,378)	(1,050)
Ending balance, March 31, 2022	**4,542**	**(41,138)**	**(36,596)**

USD in thousands	Defined benefit pension items	Foreign currency items	Total
Beginning balance, April 1, 2020	**(21,390)**	**(47,535)**	**(68,925)**
Other comprehensive loss before reclassifications	16,599	16,775	33,374
Amounts reclassified from accumulated other comprehensive loss	5	–	5
Net current-period other comprehensive loss	16,604	16,775	33,379
Ending balance, March 31, 2021	**(4,786)**	**(30,760)**	**(35,546)**

The pension plan benefits liability adjustment, net of taxes, in the AOCL changed by USD 9.3 million and USD 16.6 million in the financial years ended March 31, 2022 and March 31, 2021, respectively. These changes represent the movement of the current year activity including the reclassified amounts from accumulated other comprehensive income to net income:

	FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands	**2022**	2021
Amortization of actuarial loss	1,353	1,086
Amortization of prior service cost	(1,084)	(1,081)
Amounts reclassified from other comprehensive income to net income[1]	269	5
Net actuarial gain (loss)	10,854	18,787
Prior service cost	–	(34)
Total before tax	**11,123**	**18,758**
Tax benefit	(1,795)	(2,154)
Total other comprehensive income (loss) from defined benefit pension plans (net of tax) for the fiscal year ended March 31,	**9,328**	**16,604**

1) These accumulated other comprehensive income components are included in the computation of net periodic pension costs (see Note 21: Pension and Post-retirement benefit plans for additional details).

Note 4: Earnings per share

Basic earnings per share is calculated by dividing net income by the weighted-average number of shares outstanding during the period.

Diluted earnings per share is calculated by dividing net income by the weighted-average number of shares outstanding during the period, assuming that all potentially dilutive securities were exercised, if dilutive. Potentially dilutive securities comprise shares granted subject to certain conditions under the Company's share-based payment arrangements (see Note 22: Share-based compensation).

Treasury shares are not considered outstanding for share count purposes and they were excluded from the average number of ordinary shares outstanding for the purpose of calculating the basic and diluted earnings per share.

The following table sets forth the computation of basic and diluted earnings per share (EPS):

	FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands, except per share data	**2022**	2021
Basic earnings per share		
Net income (loss) attributable to Landis+Gyr Group AG Shareholders	79,403	(392,392)
Accretion of redeemable noncontrolling interest, net of tax	(4,653)	–
Net income (loss) attributable to Landis+Gyr Group AG Shareholders after accretion of redeemable noncontrolling interest	**74,750**	**(392,392)**
Weighted-average number of shares used in computing earnings per share	**28,831,212**	**28,824,039**
Basic earnings per share attributable to Landis+Gyr Group AG shareholders	**2.59**	**(13.61)**
Diluted earnings per share		
Net income (loss) attributable to Landis+Gyr Group AG Shareholders	79,403	(392,392)
Accretion of redeemable noncontrolling interest, net of tax	(4,653)	–
Net income (loss) attributable to Landis+Gyr Group AG Shareholders after accretion of redeemable noncontrolling interest	**74,750**	**(392,392)**
Weighted-average number of shares used in computing earnings per share	**28,831,212**	**28,824,039**
Effect of dilutive securities	–	–
Adjusted weighted-average number of shares outstanding	**28,831,212**	**28,824,039**
Diluted earnings per share attributable to Landis+Gyr Group AG shareholders	**2.59**	**(13.61)**

There were 299,476 potentially dilutive securities from the Company's share-based long-term incentive plans for the financial year ended March 31, 2022, of which none were included in the computation of the adjusted weighted-average number of shares outstanding as their effect is nil. These stock-based awards could be dilutive in future periods.

There were 290,752 potentially dilutive securities from the Company's share-based long-term incentive plans for the financial year ended March 31, 2021, of which none were included in the computation of the adjusted weighted-average number of shares outstanding as the effect would be anti-dilutive due to the net loss per share.

Note 5: Other income (expense), net

The components of Other income (expense), net were as follows:

OTHER INCOME (EXPENSE), NET

	MARCH 31,	
USD in thousands	**2022**	2021
Interest income	575	504
Interest expense	(4,298)	(7,515)
Loss on foreign exchange, net	(2,567)	(1,502)
Non-operational pension credit	4,458	2,781
Gain on sale of investments	2,533	2,260
Gains on equity investments, net	2,560	–
Other income (expense), net	**3,261**	**(3,472)**

Gain on sale of investments

On May 31, 2018, the Company had entered into an agreement with Pacific Equity Partners ("PEP"), an Australian private equity firm, to establish Spark Investment Holdco Pty Ltd (the "Joint Venture"). Under the agreement, the Company had contributed all the 100 outstanding shares of its wholly owned subsidiary IntelliHUB Operations Pty Ltd ("IntelliHUB") and a cash consideration, in exchange for a minority equity interest in the Joint Venture.

As part of the IntelliHUB contribution, the Company was entitled to receive additional contingent consideration from the Joint Venture if specified future events occur or conditions are met, such as the achievement of certain commercial milestones until June 30, 2023. During the financial years ended March 31, 2022 and 2021, the Company received additional cash consideration from the Joint Venture in the amount of USD 2.5 million and USD 2.3 million, respectively, which is included within Other income (expense), net in the Consolidated Statement of Operations.

Gains on equity investments, net

Since March 16, 2022, the Company has an equity interest in Allego N.V. ("Allego"), whose shares are listed on the New York Stock Exchange. For the financial year ended March 31, 2022, the Company recorded a gain from the change in value of its equity interest in Allego of USD 2.6 million, which is included within Other income (expense), net in the Consolidated Statement of Operations.

Note 6: Revenue

The following table provides information about contract assets and liabilities with customers:

USD in thousands	**March 31, 2022**	March 31, 2021
Advances from customers	8,479	5,419
Deferred revenue	61,985	59,520
Contract liabilities	**70,464**	**64,939**

Contract liabilities primarily relate to advances received on orders from customers as well as amounts invoiced to customers in excess of revenues recognized predominantly on long-term projects. Contract liabilities are reduced as work is performed and as revenues are recognized.

Of the contract liabilities as of March 31, 2021, the Company recognized revenue of USD 33.0 million during the financial year ended March 31, 2022.

Contract liabilities are included within Other current liabilities and Other non-current liabilities in the Consolidated Balance Sheets.

Transaction price allocated to the remaining performance obligations

Total transaction price allocated to remaining performance obligations represent committed but undelivered products and services for contracts and purchase orders at period end. Twelve-month remaining performance obligations represent the portion of total transaction price allocated to remaining performance obligations that Landis+Gyr estimates will be recognized as revenue over the next 12 months. Total transaction price allocated to remaining performance obligations is not a complete measure of future revenues as the Company also receives orders where the customer may have legal termination rights but is not likely to exercise such rights.

Total transaction price allocated to remaining performance obligations related to contracts is approximately USD 922.6 million for the next twelve months and approximately USD 2,466.0 million for periods longer than 12 months. The total remaining performance obligations are comprised of product and services components. The services component relates primarily to maintenance agreements for which customers pay a full year's maintenance in advance, and services revenue is generally recognized over the service period. Total transaction price allocated to remaining performance obligations also includes the Company's extended warranty contracts, for which revenue is recognized over the warranty period, and hardware, which is recognized as units are delivered. The estimate of when remaining performance obligations will be recognized requires significant judgment.

Cost to obtain a contract and cost to fulfill a contract with a customer
Cost to obtain a contract and cost to fulfill a contract are capitalized and amortized using a systematic rational approach to align with the transfer of control of underlying contracts with customers.

As of March 31, 2022, and 2021, the carrying balances of assets recognized from the cost incurred to obtain a contract were USD 3.0 million and USD 1.5 million, respectively. These amounts are included in Other long-term assets in the Consolidated Balance Sheets.

For the financial years ended March 31, 2022 and 2021, the Company recognized USD 1.2 million and USD 0.6 million, respectively, amortization of capitalized cost incurred to obtain a contract. These amounts are included within Sales and marketing expenses in the Consolidated Statements of Operations.

Disaggregation of revenue
The disaggregation of revenue into categories, which depict how revenue is affected by economic factors, is disclosed in Note 31: Segment Information.

Note 7: Accounts Receivable, net

A summary of accounts receivable, net is as follows:

	MARCH 31,	
USD in thousands	**2022**	2021
Trade accounts receivable	283,046	247,364
Contract receivable	47,990	43,311
Allowance for doubtful accounts	(6,166)	(6,652)
Total trade accounts receivable, net	**324,870**	**284,023**
Less: current portion of accounts receivable, net	323,612	282,132
Long-term accounts receivable, net	**1,258**	**1,891**

The long-term portion of accounts receivable, net, is included in Other long-term assets in the Consolidated Balance Sheets.

The carrying amount of accounts receivable approximates their fair value. Normal credit terms are 30 to 90 days, averaging slightly more than 60 days.

Contract receivable amounts are recorded when revenues are recognized and rights to receive payment become unconditional, upon product shipment/installation or service delivery, and invoicing occurs at a later date. Generally, contract receivable amounts are invoiced within one week after month-end.

A summary of the provision for doubtful accounts activity is as follows:

	FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands	**2022**	2021
Beginning balance	(6,652)	(9,696)
Provisions for doubtful accounts	(1,213)	(2,920)
Deductions, net of recoveries	1,699	5,964
Balance at March 31,	**(6,166)**	**(6,652)**

Note 8: Inventories, net

Inventories, net consist of the following:

	MARCH 31,	
USD in thousands	**2022**	2021
Raw material and supplies	113,148	82,258
Work in progress	16,214	8,143
Finished goods	44,280	47,357
Total inventories gross	**173,642**	**137,758**
Inventory reserve	(30,536)	(27,208)
Total inventories, net	**143,106**	**110,550**

Note 9: Prepaid expenses and other current assets

A summary of the prepaid expenses and other current assets balance is as follows:

	MARCH 31,	
USD in thousands	**2022**	2021
Prepaid expenses	13,818	18,404
Sales and other non-income tax receivables	23,502	22,853
Income tax receivables/advances	5,305	7,378
Others	17,055	17,007
Total prepaid expenses and other current assets	**59,680**	**65,642**

Note 10: Property, Plant & Equipment

A summary of the property, plant & equipment balance is as follows:

USD in thousands	MARCH 31, 2022	2021
Land	3,156	3,248
Buildings	26,424	26,830
Network equipment[1]	123,073	121,401
Machinery and equipment	127,505	122,309
Vehicles and other equipment	107,648	103,407
Construction in progress	12,581	13,475
Total cost	**400,387**	**390,670**
Less accumulated depreciation	(284,077)	(272,156)
Property, plant and equipment, net	**116,310**	**118,514**

1) Network equipment is comprised of meters, and meter reading equipment that is deployed under various customer contracts of Landis+Gyr Technology Inc., a US based subsidiary of Landis+Gyr Group AG.

Total depreciation expense for the financial years ended March 31, 2022 and March 31, 2021 was USD 30.6 million and USD 35.1 million, respectively. The difference between the total change in accumulated depreciation and the depreciation expense of property, plant & equipment represents the effect from the disposal of assets and the change in exchange rates.

Note 11: Acquisitions and divestments

During the financial year ended March 31, 2022, the Company's cash outflow for business acquisitions was USD 150.7 million, being the total consideration transferred for the acquisitions described below of USD 163.1 million less cash acquired and customary holdback amounts that will be paid at a later date.

Acquisition of True Energy A/S

On April 16, 2021, the Company acquired all the issued and outstanding shares and voting interests of True Energy A/S ("True Energy"), incorporated in Denmark. The consideration transferred, net of cash acquired, was USD 5.9 million. True Energy is a software provider offering intelligent automatic power consumption software and services for electric vehicles charging infrastructure, home appliances and solar solutions. The acquisition of True Energy complements the Company's portfolio by expanding its smart infrastructure. Consequently, the goodwill acquired represents expected operating synergies and cost savings as well as intangible assets that are not separable such as employee know-how and expertise.

The Group allocated the purchase price to the assets acquired and liabilities assumed in accordance with ASC 805, Accounting for Business Combinations and Noncontrolling Interests.

The following table discloses the allocation of the purchase price to the identifiable assets acquired and liabilities assumed as of the date of acquisition:

USD in thousands	Fair Value	Useful life
Total consideration transferred – cash	**6,271**	
Cash	351	
Other current assets	99	
Property, plant and equipment, net	–	
Current liabilities	(278)	
Fair value of tangible assets acquired and liabilities assumed, net	**172**	
Identified intangible assets – definite life:		
Brand	673	3 years
Technology	1,638	10 years
Goodwill	4,273	
Recognition of deferred tax liabilities	(485)	
Total net assets acquired	**6,271**	

The value assigned to the identified brand intangible asset was estimated using the income approach. Under the income approach, the fair value reflects the present value of the projected cash flows that are expected to be generated. The value assigned to the technology intangible asset was estimated using the replacement cost approach. Under the cost approach, the fair value reflects the costs that the Company would incur to develop the same technology. The intangible assets are being amortized on a straight-line basis, which management has determined is the methodology most reflective of the expected benefits arising from the intangibles. The residual balance of the purchase price, after the allocations to all identified assets and liabilities based on their fair value, represents goodwill. Goodwill related to this acquisition is not deductible for tax purposes.

While the Company uses its best estimates and assumptions as part of the purchase price allocation process to value assets acquired and liabilities assumed at the acquisition date, the purchase price allocation for acquisitions is preliminary for up to 12 months after the acquisition date and is subject to refinement as more detailed analyses are completed and additional information about the fair values of the acquired assets and liabilities becomes available.

The results of True Energy are included in the Company's Consolidated Financial Statements from the date of acquisition. The impact to the Consolidated Financial Statements is not material.

Landis+Gyr paid a total amount of USD 108 thousands in transaction related expenses, primarily consisting of professional services. The Company has expensed such transaction related expenses as incurred and included them within General and administrative expenses in the Consolidated Statements of Operations.

Acquisition of Etrel d.o.o.

On July 29, 2021, the Company acquired 75% of the issued and outstanding shares and voting interests of Etrel d.o.o. ("Etrel"). The consideration transferred, net of cash acquired, was USD 42.5 million. Etrel provides interactive smart charging stations for home and public applications, complemented by an advanced software suite that enables utilities to manage load and demand response for optimized grid stability. The acquisition of Etrel strengthens the Company's position in the EV market as the rise of EVs and other smart appliances offer opportunities for demand response and flexibility management to save cost for customers and reach ambitious CO_2 targets. Consequently, the goodwill acquired represents expected operating synergies and cost savings as well as intangible assets that are not separable such as employee know-how and expertise.

Pursuant to the respective agreement, the Company has the option to purchase at any time starting from May 31, 2024 the remaining 25% interest of Etrel, and the noncontrolling equity holders have the option to sell their interest of Etrel within six months after September 30, 2024. Both options are non-transferrable and will terminate if the Company purchases the shares or the noncontrolling equity holders sell the shares. Under both options, the cash consideration for the 25% interest in Etrel is contingent upon the entity achieving certain financial objectives and the noncontrolling shareholders fulfilling certain service requirements. The redemption feature causes the interest to be classified as redeemable equity under the applicable guidance (see Note 25: Redeemable noncontrolling interests).

The Group allocated the purchase price to the assets acquired, liabilities assumed and noncontrolling interests in accordance with ASC 805, Accounting for Business Combinations and Noncontrolling Interests.

The following table discloses the allocation of the purchase price to the identifiable assets acquired and liabilities assumed as of the date of acquisition:

USD in thousands	Fair Value	Useful life
Total consideration transferred – cash	**42,530**	
Cash	39	
Other current assets	5,108	
Property, plant and equipment, net	351	
Other noncurrent assets	383	
Current liabilities	(2,911)	
Noncurrent liabilities	(1,205)	
Fair value of tangible assets acquired and liabilities assumed, net	**1,765**	
Identified intangible assets – definite life:		
Brand	4,024	10 years
Technology	13,294	10 years
Customer relationships	10,930	12.5 years
Goodwill	25,928	
Recognition of deferred tax liabilities	(5,323)	
Redeemable noncontrolling interest	(8,088)	
Total net assets acquired	**42,530**	

The value assigned to the identified intangible assets was estimated using the income approach. Under the income approach, the fair value reflects the present value of the projected cash flows that are expected to be generated. The intangible assets are being amortized on a straight-line basis, which management has determined is the methodology most reflective of the expected benefits arising from the intangibles. The residual balance of the purchase price, after the allocations to all identified assets and liabilities based on their fair value, represents goodwill. Goodwill related to this acquisition is not deductible for tax purposes.

While the Company uses its best estimates and assumptions as part of the purchase price allocation process to value assets acquired and liabilities assumed at the acquisition date, the purchase price allocation for acquisitions is preliminary for up to 12 months after the acquisition date and is subject to refinement as more detailed analyses are completed and additional information about the fair values of the acquired assets and liabilities becomes available.

The results of Etrel are included in the Company's Consolidated Financial Statements from the date of acquisition. The impact to the Consolidated Financial Statements is not material.

Landis+Gyr paid a total amount of USD 0.6 million in transaction related expenses, primarily consisting of professional services. The Company has expensed such transaction related expenses as incurred and included them within General and administrative expenses in the Consolidated Statements of Operations.

Acquisition of Luna Elektrik Elektronik Sanayi ve Ticaret A.Ş.

On January 31, 2022, the Company acquired all of the issued and outstanding shares and voting interests of Luna Elektrik Elektronik Sanayi ve Ticaret A.Ş. ("Luna"). The total consideration transferred, net of cash acquired, was USD 101.8 million. Of the total consideration transferred USD 99.5 million was paid in cash. The remaining USD 2.3 million relates to the fair value of additional contingent consideration to be paid by the Company if specified future events occur or conditions are met, such as the achievement of certain financial targets until December 31, 2024. The fair value of this additional contingent consideration was estimated using the Monte Carlo simulation methodology.

Luna is a provider of smart metering devices for electricity, water and heat and associated software solutions, with headquarters in Izmir, Turkey. The acquisition of Luna strengthens the Company's position in the Smart Electricity and Water Metering markets while increasing the Company's manufacturing capabilities. Consequently, the goodwill acquired represents expected operating synergies and cost savings as well as intangible assets that are not separable such as employee know-how and expertise.

The Group allocated the purchase price to the assets acquired and liabilities assumed in accordance with ASC 805, Accounting for Business Combinations and Noncontrolling Interests.

The following table discloses the allocation of the purchase price to the identifiable assets acquired and liabilities assumed as of the date of acquisition:

USD in thousands	Fair Value	Useful life
Total consideration transferred	**107,300**	
Cash	5,530	
Other current assets	24,605	
Property, plant and equipment, net	3,634	
Other noncurrent assets	100	
Current liabilities	(9,853)	
Noncurrent liabilities	(350)	
Fair value of tangible assets acquired and liabilities assumed, net	**23,666**	
Identified intangible assets – definite life:		
Brand	3,318	8 years
Technology	15,624	8 years
Customer relationships	15,251	10 years
Backlog	3,565	1 year
Non-compete agreement	897	5 years
Goodwill	52,114	
Recognition of deferred tax liabilities	(7,135)	
Total net assets acquired	**107,300**	

The value assigned to the identified intangible assets was estimated using the income approach. Under the income approach, the fair value reflects the present value of the projected cash flows that are expected to be generated. The intangible assets are being amortized on a straight-line basis, which management has determined is the methodology most reflective of the expected benefits arising from the intangibles. The residual balance of the purchase price, after the allocations to all identified assets and liabilities based on their fair value, represents goodwill. Goodwill related to this acquisition is not deductible for tax purposes.

While the Company uses its best estimates and assumptions as part of the purchase price allocation process to value assets acquired and liabilities assumed at the acquisition date, the purchase price allocation for acquisitions is preliminary for up to 12 months after the acquisition date and is subject to refinement as more detailed analyses are completed and additional information about the fair values of the acquired assets and liabilities becomes available.

The results of Luna are included in the Company's Consolidated Financial Statements from the date of acquisition. The Company's Consolidated Statement of Operations for the financial year ended March 31, 2022, includes total revenues of USD 6.0 million and net loss of USD 2.4 million in respect of Luna since the date of acquisition.

The unaudited pro forma financial information in the table below summarizes the combined pro forma results of the Company and Luna for the financial years ended March 31, 2022 and March 31, 2021, as if Luna had been acquired on April 1, 2020.

	FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands	**2022**	2021
Net revenue	1,515,654	1,411,266
Net income attributable to Landis+Gyr Group AG Shareholders	85,273	(386,087)

The pro forma results are for information purposes only and do not include any anticipated cost synergies or other effects of the planned integration of Luna. Accordingly, such pro forma amounts are not necessarily indicative of the results that would have occurred had the acquisition been completed on the date indicated, nor are they indicative of the future operating results of the combined company.

The unaudited pro forma results above include certain adjustments related to the Luna acquisition. The table below summarizes the adjustments necessary to present the pro forma financial information of the combined entity as if Luna had been acquired on April 1, 2020.

	FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands	**2022**	2021
Impact on cost of revenue from additional amortization of intangible assets	(1,628)	(1,953)
Impact on sales and marketing expenses from additional amortization of intangible assets	(4,737)	(5,684)
Taxation adjustments	1,591	1,680
Total pro forma adjustments	**(4,774)**	**(5,957)**

Landis+Gyr paid a total amount of USD 2.0 million in transaction related expenses, primarily consisting of professional services. The Company has expensed such transaction related expenses as incurred and included them within General and administrative expenses in the Consolidated Statements of Operations.

Acquisition of Telia Finland Oyj's Automated Meter Reading business
On October 19, 2021, the Company acquired the Automated Meter Reading ("AMR") business of Telia Finland Oyj ("Telia"). The scope of service currently delivered by Telia consists of meter reading for more than 950,000 residential smart meters, data collection services and transfer of the measurement data to 23 utilities. The consideration transferred was USD 7.0 million, of which USD 1.9 million represents goodwill. The results of Telia's AMR business are included in the Company's Consolidated Financial Statements from the date of acquisition. The impact to the Consolidated Financial Statements is not material.

Acquisition of Rhebo GmbH (Financial year ended March 31, 2021)
On February 26, 2021, the Company acquired all the issued and outstanding shares and voting interests of Rhebo GmbH ("Rhebo"), incorporated in Germany. The consideration transferred, net of cash received, was USD 14.0 million.

Rhebo's technology ensures real-time reporting of cybersecurity threats and other anomalies in network control systems, enabling utilities and other customers to react immediately to cyber threats. The aim of the acquisition is to complement the Landis+Gyr portfolio and to leverage smart meter and smart grid data.

The Group allocated the purchase price to the assets acquired and liabilities assumed in accordance with ASC 805, Accounting for Business Combinations and Noncontrolling Interests.

The following table discloses the allocation of the purchase price to the identifiable assets acquired and liabilities assumed as of the date of acquisition:

USD in thousands	**Fair Value**	**Useful life**
Total consideration transferred – cash	**14,340**	
Cash	358	
Other current assets	291	
Property, plant and equipment, net	38	
Current liabilities	(878)	
Fair value of tangible assets acquired and liabilities assumed, net	**(191)**	
Identified intangible assets – definite life:		
Brand	1,443	2 years
Technology	6,930	10 years
Goodwill	8,670	
Recognition of deferred tax liabilities	(2,512)	
Total net assets acquired	**14,340**	

The value assigned to the brand intangible asset was estimated using the income approach. Under the income approach, the fair value reflects the present value of the projected cash flows that are expected to be generated. The value assigned to the technology intangible asset was estimated using the replacement cost approach. Under the cost approach, the fair value reflects the costs that the Company would incur to develop the same technology. The intangible assets are being amortized on a straight-line basis, which management has determined is the methodology most reflective of the expected benefits arising from the intangibles. The residual balance of the purchase price, after the allocations to all identified assets and liabilities based on their fair value, represents goodwill. Goodwill related to this acquisition is not deductible for tax purposes.

While the Company uses its best estimates and assumptions as part of the purchase price allocation process to value assets acquired and liabilities assumed at the acquisition date, the purchase price allocation for acquisitions is preliminary for up to 12 months after the acquisition date and is subject to refinement as more detailed analyses are completed and additional information about the fair values of the acquired assets and liabilities becomes available.

The results of Rhebo are included in the Company's consolidated financial statements from the date of acquisition. The impact to the Company's Consolidated Financial Statements is not material.

Landis+Gyr paid a total amount of USD 0.7 million in transaction related expenses, primarily consisting of professional services. The company has expensed such transaction related expenses as incurred.

Note 12: Intangible Assets, net

The gross carrying amount, accumulated amortization, and impairments of the Company's intangible assets, other than goodwill, are as follows:

March 31, 2022 (USD in thousands)	Gross asset	Accumulated amortization	Accumulated impairment	Carrying amount	Weighted average useful life (in years)
Finite Lived Intangibles:					
Trade name and trademarks	123,044	(74,325)	–	48,719	8
Order backlog	44,530	(41,559)	–	2,971	1
Customer contracts & relationships	446,607	(279,983)	–	166,624	7
Developed technologies	226,920	(163,475)	(11,166)	52,279	6
Total finite lived intangibles	**841,101**	**(559,342)**	**(11,166)**	**270,593**	

March 31, 2021 (USD in thousands)	Gross asset	Accumulated amortization	Accumulated impairment	Carrying amount	Weighted average useful life (in years)
Finite Lived Intangibles:					
Trade name and trademarks	115,413	(66,309)	–	49,104	7
Order backlog	40,879	(40,879)	–	–	–
Customer contracts & relationships	419,027	(253,231)	–	165,796	7
Developed technologies	193,257	(145,649)	(11,166)	36,442	4
Total finite lived intangibles	**768,576**	**(506,068)**	**(11,166)**	**251,342**	

Refer to Note 11: Acquisitions and divestments for information about the finite live intangibles acquired in business combinations.

The following table presents the line items within the Consolidated Statement of Operations that include amortization of intangible assets:

	FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands	**2022**	2021
Cost of revenue	15,730	13,547
Operating expenses	35,147	34,247
Total	**50,877**	**47,794**

Estimated future annual amortization expense related to identified intangible assets for each of the five years, to March 31, 2027 and thereafter is as follows:

Financial year ending March 31, (USD in thousands)	Estimated annual amortization
2023	57,113
2024	40,064
2025	39,811
2026	39,692
2027	39,573
Thereafter	54,340
Total identifiable intangibles, net	**270,593**

Note 13: Goodwill

Landis+Gyr has three reporting units with goodwill: Americas, EMEA (Europe, Middle East and Africa) and Asia Pacific, which are also the Company's reportable segments.

The changes in the carrying amount of goodwill for the year ended March 31, 2022 and 2021, are as follows:

USD in thousands	Americas	EMEA	Asia Pacific	Total
Balance as of March 31, 2020	**1,133,350**	**197,241**	**23,503**	**1,354,094**
Business acquisitions[1)]	–	8,670	–	8,670
Impairment of goodwill[2)]	(396,000)	–	–	(396,000)
Effect of change in exchange rates	–	59	–	59
Balance as of March 31, 2021	**737,350**	**205,970**	**23,503**	**966,823**
Business acquisitions[1)]	–	83,984	–	83,984
Effect of change in exchange rates	–	(2,403)	–	(2,403)
Balance as of March 31, 2022[3)]	**737,350**	**287,551**	**23,503**	**1,048,404**

1) See Note 11: Acquisitions and Divestments.
2) See Note 14: Impairment of intangible assets for further details.
3) As of March 31, 2022 and March 31, 2021, the gross goodwill amounted to USD 1,504.4 million and USD 1,422.8 million, respectively. The accumulated impairment charges as of March 31, 2022 and March 31, 2021 amounted to USD 456 million, thereof USD 396 million, USD 30 million and USD 30 million related to the Americas, EMEA and Asia Pacific segments, respectively.

In the financial year ended March 31, 2021, the Company recorded a goodwill impairment charge of USD 396.0 million related to the Americas reporting unit (see Note 14: Impairment of intangible assets).

Note 14: Impairment of intangible assets

Finite Lived Intangibles

No impairment charges for finite lived intangibles were recorded in the financial years ended March 31, 2022 and 2021.

Goodwill

In the last quarter of the financial year ended March 31, 2022, the Company performed a quantitative goodwill impairment analysis for all its reporting units that included an assessment of certain qualitative factors, the overall financial performance, macroeconomic and industry conditions, as well as determining the fair value of the reporting units and comparing that fair value to the carrying values. As a result of the assessment performed, no impairment charges were recorded in the financial year ended March 31, 2022.

For the financial year ended March 31, 2021, the quantitative impairment test on the Americas reporting unit indicated that the estimated fair value of this reporting unit was lower than its carrying value. The contraction of the global economy in 2020 and considerable uncertainty around the macroeconomic recovery, coupled with a weaker outlook of the specific market, primarily due to regulatory delays, as well as the significant increase of the weighted average cost of capital, led to a reduction in the fair value of the reporting unit. A goodwill impairment charge of USD 396.0 million was recorded to reduce the carrying value of this reporting unit to its implied fair value. The remaining goodwill for the Americas reporting unit was USD 737.4 million as of March 31, 2021. The outcome of the quantitative test for the EMEA reporting unit was that the goodwill was not impaired as of March 31, 2021. The Company tested the Asia Pacific reporting unit using a qualitative assessment method and determined it was more likely than not that the reporting unit's carrying value was less than its fair value as of March 31, 2021.

The impairment charges are classified in the Impairment of intangible assets line item in the Consolidated Statement of Operations.

Note 15: Other long-term assets

The components of other long-term assets are as follows:

USD in thousands	MARCH 31, 2022	2021
Investments in affiliated companies	7,048	27,448
Other investments	9,560	2,000
Overfunded pension plans[1]	23,022	8,873
Operating lease right-of-use assets[2]	98,032	104,893
Washington State Court Deposit[3]	20,000	20,000
Others	40,243	42,614
Total other long-term assets	**197,905**	**205,828**

1) See Note 21: Pension and Post-retirement Benefit Plans.
2) See Note 24: Leases.
3) See Note 26: Commitments and Contingencies – Legal proceedings.

Investments in affiliated companies

As of March 31, 2022, the Company held a 19.92% equity interest in Spark Investment Holdco Pty Ltd ("Spark"). Spark, together with its subsidiaries, provides energy data management services in Australia. As of March 31, 2022 and 2021, the carrying amount of the Company's share in Spark was USD 7.0 million and USD 27.4 million, respectively. During the financial year ended March 31, 2021, the Company's ownership in Spark had decreased from 20.31% to 19.92%, as a result of the issuance of additional shares by the investee. The Company had not subscribed any of the investee's newly issued shares.

The Company has elected to record its share of earnings from Spark on a three-month lag. For the financial year ended March 31, 2022, the Company's share of loss from Spark was USD 19.6 million, representing the investee's operations through December 31, 2021. For the financial year ended March 31, 2021, the Company's share of loss from Spark was USD 4.6 million, representing the investee's operations through December 31, 2020, as well as a gain from the revaluation of the Company's share of Sparks' equity, following the aforementioned share capital increase by the investee. The Company included these amounts within Net loss from equity investments in the Consolidated Statements of Operations.

Other investments

Since March 16, 2022, the Company has an equity interest in Allego N.V. ("Allego"), whose shares are listed on the New York Stock Exchange. The market price of Allego's stock as of March 31, 2022 was USD 15.12/share. As of March 31, 2022, the carrying amount of the Company's equity interest in Allego was USD 7.6 million, which is included within Other long-term assets in the Consolidated Balance Sheets.

The Company owns a 3% equity interest in Sense Labs, Inc. ("Sense") that was acquired on January 16, 2019. Sense develops and provides electronic devices for analyzing electricity usage in households in the USA, as well as related application software. As of March 31, 2022, and 2021, the carrying amount of the Company's share in Sense was USD 2.0 million. The Company performed an impairment analysis that included an assessment of certain qualitative indicators. As a result of the assessment performed, no impairment charges were recorded in the financial years ended March 31, 2022 and 2021.

Note 16: Other current liabilities

The components of other current liabilities are as follows:

USD in thousands	MARCH 31, 2022	2021
Contract liabilities	45,170	37,691
Tax payable	6,308	9,730
Others	39,432	46,512
Total other current liabilities	**90,910**	**93,933**

Note 17: Loans payable

The components of the loans payable are as follows:

USD in thousands	March 31, 2022		March 31, 2021	
	Balance	Weighted average interest rate	Balance	Weighted average interest rate
Multicurrency Credit Facility	220,000	1.0%	110,000	0.7%
CHF Credit Facility	–	–	31,846	0.6%
Other borrowings from banks	8,831	6.6%	5,826	6.8%
Loans payable	**228,831**		**147,672**	

At March 31, 2022, the Company had in place two credit facility agreements ("Credit Facility"), provided by a bank syndicate led by UBS Switzerland AG, to be used for general corporate purposes: (a) a USD 240 million Credit Facility (the "Multicurrency Credit Facility") maturing in February 2025 and (b) a CHF 300 million Credit Facility (the "CHF Credit Facility"), thereof CHF 200 million maturing in May 2023 with the remaining balance maturing in February 2025.

In general, borrowings under the Credit Facility agreements bear interest at a rate based on the London Interbank Offered Rate (LIBOR) in the case of borrowings in U.S. Dollar, the Euro Interbank Offered Rate (EURIBOR) in the case of borrowings in Euro, or the Swiss Average Rate Overnight (SARON) in the case of borrowings in Swiss Francs, plus a margin ranging from 0.6% to 2.1% depending on the Net Total Debt / EBITDA ratio calculated every half-year at March 31 and September 30.

The Credit Facility agreements contain affirmative and negative covenants customarily found in loan agreements for similar transactions, subject to certain agreed exceptions, for the borrower and the Group, including with respect to, among other actions, maintaining the Group's business operations and assets, carrying out transactions with third parties at market conditions, ranking all obligations at least pari passu with present or future payment obligations, complying with laws and reporting obligations, and preparation of financial statements in accordance with US GAAP. The Credit Facility agreements restrict, among other actions, the following, subject to certain exceptions: entering into certain acquisitions, mergers and joint ventures, carrying out material changes to the Group's activities or structure, changing its accounting standards, incurring further indebtedness, granting security for indebtedness, granting credit to third parties, and carrying out certain disposals of assets. The Credit Facility agreements also contain a financial covenant requiring that the Group's Net Total Debt (as defined therein) divided by EBITDA be not greater than a maximum threshold and its EBITDA be greater than zero, on a semi-annual rolling basis in respect of the most recent two semesters of the Company. From March 31, 2022 until and including March 30, 2023 the Net Total Debt/ EBITDA ratio shall be not greater than 3.00x. From March 31, 2023 and thereafter the Net Total Debt/ EBITDA ratio shall be not greater than 2.50x.

The Credit Facility agreements contain events of default, which include, among others, payment defaults, breach of other obligations under the Agreement, cross-default, insolvency, material adverse change, or a material reservation of the auditors. Indebtedness under the Credit Facility agreement may be voluntarily prepaid in whole or in part, subject to notice, minimum amounts and break costs.

Multicurrency Credit Facility

Under the Multicurrency Credit Facility, the Company may borrow loans in U.S. Dollar or in Euro with consecutive interest periods of one, three, six or twelve months, or other interest periods and currencies subject to the receipt of required approvals.

There may be a maximum of ten simultaneously outstanding loans with a minimum amount of USD 10 million each, or its approximate equivalent in other currencies. As of March 31, 2022, and March 31, 2021, the Company has drawn loans for a total amount of USD 220 million and USD 110 million, respectively.

As of March 31, 2022, and 2021, the Multicurrency Credit Facility's unused portion was USD 20 million and USD 130 million, respectively.

The Company incurs a quarterly commitment fee equal to 35% of the applicable margin of the unused portion of the revolving credit facility, as well as an annual agency fee in the amount of USD 40 thousand.

CHF Credit Facility

Under the CHF Credit Facility, the Company may borrow loans in Swiss Franc, with consecutive interest periods of one, three, six or twelve months, or other interest periods subject to the receipt of required approvals.

During the financial year ended March 31, 2021, the Company requested and obtained an amendment of the CHF Credit Facility, whereas the maximum available amount was increased by CHF 200 million (the "Facility B") from CHF 100 million (the "Facility A") to CHF 300 million.

For drawings under the Facility A, there may be a maximum of ten simultaneously outstanding loans with a minimum amount of CHF 10 million each. For drawings under the Facility B, there may be a maximum of twenty simultaneously outstanding loans with a minimum amount depending on the selected currency. As of March 31, 2022, and March 31, 2021, the Company has drawn loans for a total amount of nil and CHF 30 million, or USD 31.8 million at the exchange rate prevailing at the balance sheet date, respectively.

As of March 31, 2022, and 2021, the CHF Credit Facility's unused portion was CHF 300 million and CHF 270 million, respectively.

The Company incurs a quarterly commitment fee equal to 35% of the applicable margin of the unused portion of the revolving credit facility, as well as an annual agency fee in the amount of CHF 45 thousand. The Company also incurs a quarterly utilization fee up to 0.3% of all outstanding Facility B loans.

During the financial year ended March 31, 2021, in connection with the aforementioned amendment, the Company incurred debt issuance cost in the amount of USD 2.5 million which was capitalized and recognized within Other long-term assets in the Company's Consolidated Balance Sheet. The Company is amortizing the debt issuance cost over the facility's term.

Note 18: Other long-term liabilities

The components of other long-term liabilities are as follows:

USD in thousands	MARCH 31, 2022	2021
Contract liabilities	25,294	27,248
Others	40,945	43,325
Total other long-term liabilities	**66,239**	**70,573**

Note 19: Derivative financial instruments

The Company is exposed to certain currency risks arising from its global operating, financing and investing activities. The Company uses derivative instruments to reduce and manage the economic impact of these exposures. Forward foreign exchange contracts are the main instrument used to protect the Company against the volatility of future cash flows (caused by changes in exchange rates) arising from transactions denominated in foreign currencies.

The gross notional amounts of outstanding foreign exchange contracts as of March 31, 2022 and March 31, 2021 were USD 317.0 million and USD 335.3 million, respectively.

For the financial year ended March 31, 2022 and 2021, the Company recognized gains (losses) from changes in the fair value of forward foreign exchange contracts of USD 13.1 million and USD (29.4) million, respectively. These amounts are included within Cost of revenue in the Consolidated Statements of Operations.

The fair values of the outstanding derivatives, included in the Consolidated Balance Sheet as of March 31, 2022 and March 31, 2021, were as follows:

DERIVATIVE FINANCIAL INSTRUMENTS

		Derivative assets		Derivative liabilities	
March 31, 2022 (USD in thousands)	**Notional amount**	**Prepaid expenses and other – current**	**Other long-term assets**	**Other current liabilities**	**Other long-term liabilities**
Foreign exchange contracts:					
Foreign currency forward contracts in GBP	103,013	662	–	1,721	–
Foreign currency forward contracts in AUD	100,292	114	–	224	–
Foreign currency forward contracts in EUR	53,720	207	–	1,861	–
Foreign currency forward contracts in CHF	26,109	102	–	91	–
Foreign currency forward contracts in SEK	18,655	320	–	163	–
Foreign currency forward contracts in JPY	12,175	700	–	204	–
Foreign currency forward contracts in ZAR	3,034	44	–	81	–
Total derivative financial instruments		**2,149**	**–**	**4,345**	**–**

DERIVATIVE FINANCIAL INSTRUMENTS

		Derivative assets		Derivative liabilities	
March 31, 2021 (USD in thousands)	**Notional amount**	**Prepaid expenses and other – current**	**Other long-term assets**	**Other current liabilities**	**Other long-term liabilities**
Foreign exchange contracts:					
Foreign currency forward contracts in GBP	290,430	1,893	–	11,147	5,052
Foreign currency forward contracts in SEK	18,554	33	–	487	170
Foreign currency forward contracts in AUD	14,716	103	–	257	–
Foreign currency forward contracts in CHF	9,713	–	–	185	–
Foreign currency forward contracts in ZAR	1,897	9	–	17	–
Total derivative financial instruments		**2,038**	**–**	**12,093**	**5,222**

Note 20: Fair Value

The Company measures financial assets and liabilities at fair value. Foreign currency exchange contracts are measured at fair value on a recurring basis by means of various valuation techniques and models and the inputs used are classified based on the hierarchy outlined within the Company's significant accounting policies.

In addition, certain assets are measured at fair value on a nonrecurring basis; that is, the instruments are not measured at fair value on an ongoing basis but are subject to fair value adjustments in certain circumstances (for example, when there is evidence of impairment).

The valuation techniques and models utilized for measuring financial assets and liabilities are reviewed and validated at least annually.

Recurring Fair Value Measurements
At March 31, 2022, for each of the fair value hierarchy levels, the following assets and liabilities were measured at fair value on a recurring basis:

FAIR VALUE MEASUREMENTS

March 31, 2022 (USD in thousands)	Total	Level 1	Level 2	Level 3
Assets				
Other long-term assets – Equity investments	7,560	7,560	–	–
Foreign currency forward contracts	2,149	–	2,149	–
Total	**9,709**	**7,560**	**2,149**	**–**
Liabilities				
Foreign currency forward contracts	4,345	–	4,345	–
Other long-term liabilities – Contingent consideration	2,300	–	–	2,300
Total	**6,645**	**–**	**4,345**	**2,300**

At March 31, 2021 for each of the fair value hierarchy levels, the following assets and liabilities were measured at fair value on a recurring basis:

FAIR VALUE MEASUREMENTS

March 31, 2021 (USD in thousands)	Total	Level 1	Level 2	Level 3
Assets				
Foreign currency forward contracts	2,038	–	2,038	–
Total	**2,038**	**–**	**2,038**	**–**
Liabilities				
Foreign currency forward contracts	17,315	–	17,315	–
Total	**17,315**	**–**	**17,315**	**–**

Equity investments
The Company's equity interest in Allego is traded on a public stock exchange for which quoted prices are readily and regularly available and is therefore categorized as level 1 instruments.

Foreign currency forward contracts
The fair value of the foreign currency forward exchange contracts has been determined by assuming that the unit of account is an individual derivative transaction and that derivative could be sold or transferred on a stand-alone basis. The foreign currency forward exchange contracts are classified as Level 2. The key inputs used in valuing derivatives include foreign exchange spot and forward rates, all of which are available in an observable market. The fair value does not reflect subsequent changes in the economy, interest and tax rates and other variables that may affect the determination of fair value.

Contingent consideration liability
In connection with the acquisition of Luna (see Note 11: Acquisitions and Divestments), the Company recorded a contingent consideration liability, which is payable subject to the achievement of certain financial targets until December 31, 2024. The fair value of this contingent consideration liability was estimated with a Monte Carlo simulation model using Level 3 inputs, including EBITDA volatility and other market variables to assess the probability of achieving the targets, and any subsequent changes in fair value are recorded in the Consolidated Statements of Operations until settlement.

Fair value of other financial instruments
The fair value of the Company's financial instruments approximates carrying value due to their short maturities.

Refer to Note 25: Redeemable noncontrolling interests for a discussion of certain temporary equity instruments issued by the Company.

Note 21: Pension and Post-retirement Benefit Plans

A large portion of the Company's employees are covered by defined benefit plans which are funded by the Company, the employees, and in certain countries, by state authorities. The Company has pension plans in various countries with the majority of the Company's pension liabilities deriving from Germany, the US and Switzerland. Such plans can be set up as state or company-controlled institutions, as contracts with private insurance companies, as independent trusts or pension funds. The benefits provided by such entities vary by country based on the legal and economic environment and primarily are based on employees' years of service and average compensation, covering the risks of old age, death and disability in accordance with legal requirements and the pension legislation in the respective countries.

Net periodic pension cost and the pension obligation of the Company's defined benefit plans are calculated based on actuarial valuations. Such valuations consider, inter alia, the years of service rendered by employees and assumptions about future salary increases. The latest actuarial valuations were performed for the defined benefit plans as of March 31, 2022 and using that as the measurement date.

The underlying actuarial assumptions are based on the actual local economic circumstances of the countries where the defined benefit plans are situated. The Company contributes to the employee benefit plans in accordance with applicable laws and requirements and the pension plan assets are invested in accordance with applicable regulations.

The following tables summarize the movement of the benefit obligation, plan assets, funded status and amounts recognized in the Consolidated Balance Sheets for the defined benefit pension plans for the periods indicated in the tables below:

	FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands	**2022**	2021
Change in benefit obligation:		
Benefit obligation at April 1,	289,302	280,225
Service cost	4,803	4,578
Interest cost	1,883	2,633
Employee contributions	3,134	3,383
Benefits paid	(889)	(920)
Assets distributed on settlements	(12,593)	(10,594)
Actuarial (gains) / losses	(23,552)	3,193
Curtailments	–	(1,226)
Termination benefits[1]	–	840
Liabilities extinguished on settlements	(4,372)	(131)
Business combinations	132	–
Effect of changes in exchange rates	3,614	7,321
Benefit obligation at March 31,	**261,462**	**289,302**

1) Termination benefits include costs in connection with the restructuring initiatives in Switzerland and Greece.

	FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands	**2022**	2021
Change in plan assets:		
Fair value of plan assets at April 1,	270,128	240,665
Actual return on plan assets	(6,466)	26,772
Employer contributions	4,555	5,072
Employee contributions	3,134	3,383
Benefits paid	(12,593)	(10,651)
Assets distributed on settlement	(4,097)	–
Effect of changes in exchange rates	4,923	4,887
Fair value of plan assets at March 31,	**259,584**	**270,128**
Funded status at March 31,	**(1,878)**	**(19,174)**
Accumulated benefit obligation	**257,739**	**285,017**

As of March 31, 2022, the net benefit obligation for the Company's underfunded plans was equal to USD 24.9 million. The net plan assets for the overfunded plans for the same period was equal to USD 23.0 million. As of March 31, 2021, the net benefit obligation for the Company's underfunded plans was equal to USD 28.0 million. The net plan assets for the overfunded plans for the same period was equal to USD 8.9 million.

Net periodic pension benefit costs for the Company's defined benefit plans include the following components:

	FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands	**2022**	2021
Service cost	4,803	4,578
Operational pension cost	**4,803**	**4,578**
Interest cost	1,891	2,642
Termination benefits	–	840
Expected return on plan assets	(6,344)	(6,184)
Amortization of prior service costs	(1,084)	(1,081)
Amortization of actuarial loss (gain)	1,353	1,086
Settlements and curtailments	(274)	(84)
Non-operational credit[1]	**(4,458)**	**(2,781)**
Net periodic benefit cost	**345**	**1,797**

1) Non-operational credit is included within Other income (expense), net in the Consolidated Statements of Operations.

Changes in plan assets and benefit obligations recognized in other comprehensive loss (pre-tax) are as follows:

	FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands	**2022**	2021
Net actuarial loss (gain)	(10,854)	(18,787)
Amortization of actuarial (loss) gain	(1,353)	(1,086)
Prior service cost	–	34
Amortization of prior service cost	1,084	1,081
Total change recognized in AOCL	**(11,123)**	**(18,758)**

The following represents the amounts included in accumulated other comprehensive loss related to the Company's defined benefit pension plans:

	MARCH 31,	
USD in thousands	**2022**	2021
Actuarial (gain) loss	(534)	11,673
Prior service cost	(4,402)	(5,486)
Deferred tax liability (assets)	164	(1,630)
Effect of changes in exchange rates	230	229
Total	**(4,542)**	**4,786**

The weighted average assumptions used in accounting for the defined benefit pension plans are as follows:

	March 31, 2022	March 31, 2021
Weighted average assumptions to determine benefit obligations:		
Discount rate[1]	0.67%	0.67%
Expected rate of increase in future compensation[2]	1.05%	1.05%
Expected rate of increase in future pension benefits[3]	0.12%	0.12%
Weighted average assumptions to determine net periodic pension costs:		
Discount rate[1]	0.67%	0.93%
Expected long-term rate of return on plan assets[4]	2.33%	2.48%

1) The Company determined a discount rate for each individual defined benefit pension plan based on high-quality corporate bonds with currency and duration matching the associated liabilities. Where there is no deep market for such bonds, government bonds with an appropriate spread are used.
2) The Company determined the expected rate of increase in future compensation levels based on expectation of expected inflation rates and merit-based increases.
3) The Company determined the expected rate of increase in future pension benefits based on expected inflation in the plans' national markets, if such increase is included in the plan benefits.
4) The expected rate of return on plan assets was determined on the basis of the weighted average expected return on plan assets. The Company's assessment of the expected returns is based on historical return trends for equities, real estate and other assets and analysts' predictions of the market for debt instruments. The assets do not include any financial instruments issued by the Company.

Holding all other assumptions constant, a 0.5-percentage point decrease in the discount rate would have increased the projected benefit obligation ("PBO") related to the defined benefit pension plans by USD 16.8 million while a 0.5-percentage point increase in the discount rate would have decreased the PBO related to the defined benefit pension plans by USD 15.0 million.

Holding all other assumptions constant, a decrease or increase of 0.5 percentage points in the discount rate would have decreased the interest cost in the financial year ended March 31, 2022 by USD 1.1 million or increased the interest cost by USD 1.0 million, respectively.

The actual asset allocation for the defined benefit pension plan assets is as follows:

	March 31, 2022	March 31, 2021
Equity Instruments	20%	22%
Debt Instruments	47%	49%
Property	23%	20%
Other	10%	9%

The Company's pension plan assets for each individual plan are invested in accordance with statutory regulations, pension plan rules and decisions of the pension fund trustees. The Company's actual invested positions in various securities change over time based on short and longer-term investment opportunities. Strategic pension plan asset allocations are determined by the objective to achieve an investment return, which together with the contributions paid, is sufficient to maintain reasonable control over the various funding risks of the plans. Based upon current market and economic environments, the actual asset allocation may periodically be permitted to deviate from policy targets. The plan's assets are divided according to asset class. The financial year ending March 31, 2023 targeted allocations are equities (21 percent), debt securities (51 percent), real estate (24 percent) and others (4 percent).

Annual benefit payments, including amounts to be paid from the Company's assets for unfunded plans, and reflecting expected future service, as appropriate, are expected to be as follows:

Financial year ending March 31, (USD in thousands)	
2023	15,551
2024	16,135
2025	15,595
2026	15,832
2027	15,310
2028–2033	76,644

The following tables present, for each of the fair-value hierarchy levels, the Company's defined benefit pension plan assets that are measured at fair value on a recurring basis as at March 31, 2022 and at March 31, 2021:

Fair Value Measurements March 31, 2022 (USD in thousands)	**Total**	**Level 1**	**Level 2**	**Level 3**
Cash and cash equivalents	–			
Equity instruments	53,076	46,361	6,715	–
Debt instruments	122,514	98,188	24,326	–
Real estate	59,091	–	7,638	51,453
Other	24,903	2,477	22,426	–
Total	**259,584**	**147,026**	**61,105**	**51,453**

Fair Value Measurements March 31, 2021 (USD in thousands)	**Total**	**Level 1**	**Level 2**	**Level 3**
Cash and cash equivalents	–	–	–	–
Equity instruments	58,663	51,125	7,538	–
Debt instruments	133,281	106,214	27,067	–
Real estate	53,827	–	6,770	47,057
Other	24,357	2,715	21,642	–
Total	**270,128**	**160,054**	**63,017**	**47,057**

The classification of fair value measurements within the hierarchy is based upon the lowest level of input that is significant to the measurement. Valuation methodologies used for assets and liabilities measured at fair value are as follows:

Debt and equity instruments

Debt and equity instruments classified as Level 1 are valued at the closing price reported on the active market where the individual securities are traded. Equity instruments classified as Level 2 consist of investments in traded institutional funds, which are not actively traded, valued at the repurchase price as calculated by the fund manager on a daily basis and alternative investments valued at their net asset value which is based on the fair value of the underlying assets that are traded in active markets and have quoted market prices.

Real estate

Real estate investments classified as Level 2 are valued at the repurchase price as calculated by the fund manager on a daily basis. Real estate investments classified as Level 3 are valued using a discounted cash-flow approach, the discount rates are based on the age of the real estate and stand at 4.5%.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth a summary of changes in the fair value of the Level 3 assets:

	FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands	**2022**	2021
Balance at April 1,	47,057	43,796
Actual return on plan assets	3,380	2,196
Effect of changes in exchange rates	1,016	1,065
Balance at March 31,	**51,453**	**47,057**

In addition to its defined benefit plans, the Company also provides post-retirement health care benefit plans to certain of its employees. As of March 31, 2022, and March 31, 2021, the post-retirement benefit plans had an obligation of USD 0.2 million and USD 0.2 million, respectively.

For the post-retirement plan, the expected premium for financial year ending March 31, 2023 is assumed to be USD 3,180 both for retired employees and spouse. The medical trend rate is assumed to increase to 5.2% for the financial year ending March 31, 2023 and gradually decrease to 4.3% thereafter.

Furthermore, the Company sponsors various defined contribution plans in which employees of certain subsidiaries are eligible to participate. Total expenses related to such plans for the financial years ended March 31, 2022 and March 31, 2021 were USD 6.7 million and USD 4.0 million, respectively.

Note 22: Share-based compensation

Long-term incentive plan

The Company sponsors a share-based long-term incentive plan ("LTIP") providing the members of the Group Executive Management and other eligible key managers with a possibility to receive shares in the Company, subject to certain conditions.

Each new award under the LTIP is a contingent entitlement (Performance Stock Unit or "PSU") to receive shares in the Company, provided certain performance targets are achieved during the three-year performance period. In case the performance does not reach certain pre-determined thresholds after three years, no shares of the Company will vest under the LTIP. The LTIP consists of two components that are weighted equally: (i) a component with a market condition that is based on the total shareholders' return ("TSR") measured over three years relative to the SPI Industrials Index ("SPI Industrials"), for the performance cycles started on April 1, 2019 and April 1, 2020, or a peer group of comparable publicly traded companies for the performance cycle started on April 1, 2021, summarized under the heading PSP-TSR, and (ii) a component with a performance condition that is based on the Company's fully diluted earnings per share ("EPS") performance, summarized under the heading PSP-EPS.

The following table summarizes the number of outstanding nonvested share equivalents allocated to each component of the LTIP as of March 31, 2022 and March 31, 2021:

Maximum outstanding nonvested share equivalents under the LTIP	March 31, 2022	March 31, 2021
Maximum share equivalents under the PSP-TSR	149,738	145,376
Maximum share equivalents under the PSP-EPS	149,738	145,376
Total maximum outstanding nonvested share equivalents under the LTIP	**299,476**	**290,752**
Exercisable	–	–

The number of share equivalents represents the maximum number of shares that can potentially vest and be distributed to employees if the Company were to achieve the highest vesting scenario for each component.

Total compensation costs recognized in the Consolidated Statement of Operations with respect to the LTIP for the financial years ended March 31, 2022 and 2021 were USD 1.5 million and less than USD 0.1 million, respectively.

Performance Stock Plan with a Market Condition (PSP-TSR Plan)
The Company allocates annually PSUs of its publicly traded shares to eligible employees who are employed with the Company at the grant date. These awards are subject to a TSR market condition, which compares the Company's TSR measured over three years relative to the performance of the SPI Industrials or a peer group of comparable publicly traded companies. The relative TSR condition is calculated considering not only the variations of the closing price over the three-year period but also the dividends distributed in the same period, assuming that those dividends are reinvested at the time of distribution in the shares of the Company.

PSUs granted under the PSP-TSR component will cliff-vest and be converted into the Company's shares in a range of 0% to 200% following the 3-year performance period. With respect to the performance cycles started on April 1, 2019 and April 1, 2020, none of the PSP-TSR awards will vest if Landis+Gyr's absolute TSR attributable to the relevant three-year performance period is negative, regardless of the Company's performance relative to the SPI Industrials. With respect to the performance cycle started on April 1, 2021, the PSP-TSR awards multiple shall be capped at 100% if Landis+Gyr's absolute TSR attributable to the relevant three-year performance period is negative, regardless of the Company's performance relative to the peer group.

The following tables summarize the activities under the PSP-TSR component for the financial year ended March 31, 2022 and 2021:

TSR COMPONENT	FISCAL YEAR ENDED MARCH 31, 2022		
	Number of awards	Maximum number of shares conditionally granted	Weighted-average grant-date fair value per share (Swiss francs)
Nonvested at April 1, 2021	72,687	145,376	49.70
Granted	30,827	61,654	68.57
Vested	–	–	–
Forfeited	(28,646)	(57,292)	55.87
Nonvested at March 31, 2022	**74,868**	**149,738**	**55.11**
Exercisable at March 31, 2022	–	–	–

TSR COMPONENT	FINANCIAL YEAR ENDED MARCH 31, 2021		
	Number of awards	Maximum number of shares conditionally granted	Weighted-average grant-date fair value per share (Swiss francs)
Nonvested at April 1, 2020	49,753	99,508	53.24
Granted	32,316	64,632	43.90
Vested	–	–	–
Forfeited	(9,382)	(18,764)	48.52
Nonvested at March 31, 2021	**72,687**	**145,376**	**49.70**
Exercisable at March 31, 2021	–	–	–

The Company recorded share-based compensation expense for the PSP-TSR Plan of USD 1.2 million and USD 1.0 million, respectively, for the financial years ended March 31, 2022 and 2021, which is included within General and administrative expense in the Consolidated Statements of Operations. As of March 31, 2022, total unrecognized compensation costs related to nonvested PSP-TSR awards amount to USD 1.3 million. These costs are expected to be recognized over a weighted-average period of 1.9 years.

Equity-settled awards are recorded in the "Additional paid-in capital" component of Shareholders' equity, with compensation cost recorded in General and administrative expenses over the vesting period, which is from the grant date to the end of the vesting period, including adjustments for actual forfeitures. The PSP-TSR awards are subject to a market condition, which based on the guidance in ASC 718 is reflected in the grant-date fair value. The actual number of PSUs that will vest can range from 0% to 200% of the grant, depending upon actual Company performance below or above the target level. Compensation cost is recognized for the PSP-TSR awards, provided that the requisite service is rendered, regardless of when, if ever, the market condition is satisfied. In case of an outperformance of the PSP-TSR award compared to the targets, there will be no adjustment as long as the employee performs the requisite service period.

The weighted-average exercise price of PSP-TSR awards is zero. The following assumptions have been applied in the valuation model:

	FINANCIAL YEAR ENDED MARCH 31,	
	2022	2021
Expected term	3 years	3 years
Risk free rate	(0.240%)	(0.697%)
Expected volatility	33.60%	31.34%
Expected dividend yield	4%	4%

Performance Stock Plan with an Earnings per Share Condition (PSP-EPS Plan)
The Company allocates annually PSUs of its publicly traded shares to eligible employees, who are employed with the Company at the grant date. These awards are subject to a predefined cumulative diluted earnings per share performance condition, which has to be met over a measurement period of three years. The EPS condition is set based on an outside-in view, taking into account growth expectations, risk profile, investment levels and profitability levels.

PSUs granted under the PSP-EPS Plan will cliff-vest and be converted into the Company's shares in a range of 0% to 200% following the 3-year performance period, if the performance conditions are met. None of the PSP-EPS awards will vest if a minimum cumulative target on fully diluted EPS has not been achieved over the performance period.

The following tables summarize the activities under the PSP-EPS Plan for the financial years ended March 31, 2022 and 2021:

EPS COMPONENT	FINANCIAL YEAR ENDED MARCH 31, 2022		
	Number of awards	Maximum number of shares conditionally granted	Weighted-average grant-date fair value per share (Swiss francs)
Nonvested at April 1, 2021	72,687	145,376	58.30
Granted	30,827	61,654	57.30
Vested	–	–	–
Forfeited	(28,646)	(57,292)	63.44
Nonvested at March 31, 2022	**74,868**	**149,738**	**55.92**
Exercisable at March 31, 2022	–	–	–

EPS COMPONENT	FINANCIAL YEAR ENDED MARCH 31, 2021		
	Number of awards	Maximum number of shares conditionally granted	Weighted-average grant-date fair value per share (Swiss francs)
Nonvested at April 1, 2020	49,753	99,508	60.86
Granted	32,316	64,632	53.97
Vested	–	–	–
Forfeited	(9,382)	(18,764)	56.93
Nonvested at March 31, 2021	**72,687**	**145,376**	**58.30**
Exercisable at March 31, 2021	–	–	–

The Company recorded stock-based compensation expense (benefit) for the PSP-EPS Plan of USD 0.3 million and USD (0.9) million, respectively, for the financial years ended March 31, 2022 and 2021, which is included within General and administrative expense in the Consolidated Statements of Operations. As of March 31, 2022, total unrecognized compensation costs related to nonvested PSP-EPS awards are USD 1.0 million. These costs are expected to be recognized over a weighted-average period of 2.3 years.

Equity-settled awards are recorded in the "Additional paid-in capital" component of Shareholders' equity, with compensation cost recorded in General and administrative expenses over the vesting period, which is from the grant date to the end of the vesting period, including adjustments for actual forfeitures. The PSP-EPS awards are subject to a performance condition, which based on the guidance in ASC 718 is not reflected in the grant-date fair value. The actual number of PSUs that will vest can range from 0% to 200% of the grant, depending upon actual Company performance below or above the target level. The Company estimates performance in relation to the established target when determining the projected number of PSUs that will vest and calculating the compensation cost related to these awards. If it is not probable that the performance target for the EPS component will be achieved, then compensation expense recorded to date will be reversed.

The weighted-average exercise price of PSP-EPS awards is zero. The fair value of performance stock units granted under the PSP-EPS Plan is determined based on the closing price of the Company's shares at the day preceding the grant date less the present value of expected dividends.

Other share-based compensation
The remuneration of the members of the Company's Board of Directors is paid 65% in cash and 35% in Company's shares, which are blocked for sale for a period of three years. In the financial years ended March 31, 2022 and 2021, the Company allotted 7,433 and 7,123 shares, respectively, out of the treasury stock, and recorded USD 0.4 million and USD 0.4 million, respectively, of expense which is included within General and administrative expense in the Consolidated Statements of Operations.

Note 23: Income Taxes

The components of profit (loss) before income tax expense, are as follows:

	FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands	**2022**	2021
Domestic[1]	(783)	(24,443)
Foreign	92,815	(344,158)
L+G Group	**92,032**	**(368,601)**

1) Domestic jurisdiction represents Switzerland, the country where the Company is incorporated.

Income tax benefit (expense) by location of the taxing jurisdiction consisted of the following:

	FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands	**2022**	2021
Current income taxes:		
Domestic[1]	(1,242)	(990)
Foreign	(10,499)	(33,708)
Total current taxes	(11,741)	(34,698)
Deferred taxes:		
Domestic[1]	(3,890)	1,059
Foreign	22,633	14,217
Total deferred taxes	18,743	15,276
Total income taxes	**7,002**	**(19,422)**

1) Domestic jurisdiction represents Switzerland, the country where the Company is incorporated.

The reconciliation of the tax expense at the Company's weighted average tax rate to the provision for income taxes is shown in the table below.

The Company is a global corporation, generating income in several jurisdictions. Although the company is headquartered in Switzerland, taxable income generated outside of Switzerland is subject to the locally enacted tax rates and not the Swiss statutory rate.

The weighted average tax rate for the Company is derived by dividing the aggregated subsidiaries' tax charge by the group's income (loss) before income tax expense. The subsidiaries' tax charge is calculated by aggregating the income (loss) before income tax expense in each subsidiary, multiplied by the locally enacted tax rate.

In the prior year the Company reconciled from the statutory federal rate in Switzerland to the provision for income taxes. As explained above, the weighted average tax rate is a better representation of the group's tax rate. The prior year presentation has been changed accordingly.

	FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands	**2022**	2021
Income (loss) before income tax expense	**92,032**	**(368,601)**
Weighted average global tax rate	**24.84%**	**10.47%**
Items taxed at weighted average rate	(22,861)	38,578
Items taxed at rates other than the Company's weighted average rate	(7,716)	(1,495)
Non-deductible goodwill impairment	–	(47,678)
Other permanent adjustments	7,248	4,166
Provision for uncertain tax positions	6,823	(12,696)
Tax credits	1,392	1,758
Withholding taxes	(1,507)	(941)
Change in valuation allowance	23,698	(4,297)
Adjustments to prior year	(82)	3,680
Effects of changes in tax rate, net	7	105
Other, net	–	(602)
Tax expense	**7,002**	**(19,422)**

The mix of income and loss before income tax expense by jurisdiction impacts the weighted average tax rate and the corresponding tax charge disclosed in “items taxed at the weighted average rate”. Losses in certain jurisdictions can have substantial impacts on the weighted average rate. In 2021 the rate was comparatively low as the impacts of COVID-19 across the business and the impairment of legacy Toshiba goodwill created losses which drove a lower rate. In the current year, the rate was driven by activity in the United States, the United Kingdom and Brazil.

“Items taxed at rates other than the Company’s weighted average rate” include state taxes and deferred taxes on undistributed earnings of foreign subsidiaries. In the current year, the charge is mainly driven by such deferred taxes, which are non-cash in nature.

“Non-deductible goodwill impairment” relates to the legacy Toshiba goodwill impairment in the prior year.

“Other permanent adjustments” are to an extent also volume dependent. The increase in business activity compared to the prior year also drove these up.

In the current year expiry of the statute of limitation in certain countries resulted in releases to the “Provision for uncertain tax positions”, compared to the prior year where unfavorable changes resulted in the charge.

“Tax credits” are mainly related to R&D activity and “Withholding taxes” relate to inter-company dividends and intercompany fees.

“Change in valuation allowance” is mainly driven by the release of the valuation allowance in Australia and the United Kingdom. The recently announced divestment of Spark in Australia will result in all losses there being used up, triggering the release of the existing valuation allowance as well as the effect of the revaluation of the deferred tax asset related to the investment. In the United Kingdom improved business activity indicates that it is more likely than not that brought forward trading losses will be utilized and therefore the existing valuation allowance has been released.

“Adjustments to prior year” includes true ups to prior year provisions. In the prior year this mainly related to the Americas reporting unit.

Deferred Taxes

The significant components of the deferred tax assets and liabilities are as follows:

	MARCH 31,	
USD in thousands	**2022**	2021
Deferred tax assets:		
Net operating loss carryforwards	74,386	80,280
Inventories	7,749	6,686
Prepaid expenses and other	534	81
Accrued liabilities	8,749	11,296
Intangible assets	7,485	10,074
Operating leases	18,981	18,966
Pension and other employee related liabilities	16,299	18,031
Other	37,247	32,595
Total gross deferred tax assets	**171,430**	**178,009**
Deferred tax liabilities:		
Accrued liabilities	(5)	(117)
Property, plant, and equipment	(4,932)	(3,522)
Intangible assets	(49,878)	(46,016)
Operating leases	(17,813)	(18,020)
Other	(23,218)	(21,640)
Total gross deferred tax liabilities	**(95,846)**	**(89,315)**
Net deferred tax assets before valuation allowance	**75,584**	**88,694**
Valuation allowance	(68,573)	(85,198)
Net deferred tax assets (liabilities)	**7,011**	**3,496**
Included in:		
Deferred tax assets – non-current	43,557	18,039
Deferred tax liabilities – non-current	(36,546)	(14,543)
Net deferred tax assets (liabilities)	**7,011**	**3,496**

As of March 31, 2022, and March 31, 2021, the Company had total tax losses carried forward in the amount of USD 216.6 million and USD 250.7 million, respectively.

The expiration of the tax losses carried forward as of March 31, 2022 is as follows:

Financial year ending March 31, (USD in thousands)	
2023	21,066
2024	18,496
2025	2,840
2026	7,700
2027	7,943
Thereafter	23,884
Never expire	134,656
Total	**216,585**

Due to “change in ownership” provisions in certain jurisdictions, the use of a portion of the Company’s tax losses may be limited in future periods.

The Company believes that it is more likely than not that the benefit from certain net operating loss carryforwards and other deferred tax assets will not be realized due to insufficient profit projections.

The Company considered all available evidence, both positive and negative, including historical levels of income, expectations and risks associated with estimates of future taxable income and ongoing prudent and feasible tax planning strategies in assessing the need for a valuation allowance.

The valuation allowances are mainly provided against net deferred tax assets in the United States, the United Kingdom, France, Switzerland, India and Brazil. In the event that certain deferred tax assets become realizable, the reversal of the valuation allowance would result in a reduction in income tax expense, as in the current year.

Deferred taxes on undistributed earnings of foreign subsidiaries as of March 31, 2022 and March 31, 2021 are USD 7.8 million and USD 1.8 million, respectively.

The Company does not provide deferred taxes on temporary differences related to its foreign subsidiaries that are considered permanent in duration. Determination of the amount of deferred taxes on these temporary differences is not practical.

Provisions for Uncertain Tax Positions

ASC 740 clarifies the accounting for uncertainty in income taxes recognized in an enterprise’s financial statements. This interpretation prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return.

A reconciliation of the beginning and ending balances of the total amounts of gross unrecognized tax benefits is as follows:

	FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands	2022	2021
Balance as of April 1,	30,492	19,431
Gross increases to positions in prior years	75	7,662
Gross increases to current period tax positions	3,263	5,510
Audit settlements	(369)	–
Expiry of statute of limitations	(6,153)	(1,985)
Gross decreases to prior year positions	(1,188)	(206)
Effect on change in exchange rates	(52)	80
Balance as of March 31,	**26,068**	**30,492**

In the financial years ended March 31, 2022 and 2021, the net interest and penalties expense (benefit) related to unrecognized tax were USD (1.5) million and USD 2.8 million, respectively.

As of March 31, 2022, and March 31, 2021, accrued interest and penalties were USD 6.2 million and USD 7.7 million, respectively.

The Company does not expect any material changes in unrecognized tax benefits within the next 12 months.

The Company is subject to taxation in various states and foreign jurisdictions. As of March 31, 2022, the Company could be subject to income tax examination by the tax authorities in the following major tax jurisdictions:

Tax Jurisdiction	Open tax years
Australia	April 1, 2014–March 31, 2022
Switzerland	April 1, 2020–March 31, 2022
U.S. Federal	April 1, 2018–March 31, 2022
Germany	April 1, 2014–March 31, 2022
Greece	April 1, 2016–March 31, 2022
United Kingdom	April 1, 2019–March 31, 2022
Brazil	January 1, 2017–March 31, 2022

Note 24: Leases

The Company is party to several noncancelable operating leases, primarily for office space and company vehicles, that expire over the next 13 years. These leases might include renewal options and do not contain material residual value guarantees.

The components of lease expense are as follows:

	FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands	**2022**	**2021**
Finance lease cost – Right-of-use assets amortization	1,073	689
Finance lease cost – Interest on lease liabilities	101	160
Operating lease cost	18,941	20,930
Variable lease cost	329	267
Short-term lease cost	7,056	7,846
Total lease cost	**27,500**	**29,892**

Supplemental cash flow information related to leases is as follows:

	FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands	**2022**	**2021**
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	19,015	18,400
Operating cash flows from finance leases	243	268
Right-of-use assets obtained in exchange for lease liabilities:		
Operating leases	7,749	49,626
Finance leases	142	3,647

Supplemental balance sheet information related to leases is as follows:

	MARCH 31,	
USD in thousands, unless otherwise stated	**2022**	**2021**
Operating Leases		
Right-of-use assets, net	98,032	104,893
Lease liabilities	103,656	110,476
Finance Leases		
Property, plant and equipment, net	2,892	3,827
Lease liabilities	2,291	2,937
Weighted-average remaining lease term (years)		
Operating leases	9.2	10.2
Finance leases	4.0	2.0
Weighted-average discount rate (percentage)		
Operating leases	2.2%	2.3%
Finance leases	3.3%	4.2%

Remaining maturities of lease liabilities as of March 31, 2022 are as follows:

Financial year ending March 31, (USD in thousands)	Finance Leases	Operating Leases
March 31, 2023	1,453	15,603
March 31, 2024	344	14,426
March 31, 2025	216	13,996
March 31, 2026	152	11,476
March 31, 2027	104	10,631
Thereafter	120	48,854
Total lease payments	**2,389**	**114,986**
Less: Imputed interest	(98)	(11,330)
Total lease liabilities	**2,291**	**103,656**

Note 25: Redeemable noncontrolling interests

As described in Note 11: Acquisitions and divestments, the Company completed the acquisition of 75 percent of the issued and outstanding shares of Etrel on July 29, 2021. The resulting 25 percent noncontrolling interest was recorded at fair value as of the acquisition date. The noncontrolling interest holders have the option, which is embedded in the noncontrolling interest, to require the Company to acquire their ownership interests between October 1, 2024 and March 31, 2025. The combination of a noncontrolling interest and a redemption feature, outside of the control of the Company, resulted in a redeemable noncontrolling interest, which is presented after liabilities and before stockholders' equity on the balance sheet.

This noncontrolling interest is redeemable at the redemption value that is determined based on a specified, financial results driven formula. The noncontrolling interests become redeemable after passage of time and has to be revalued to redemption amount at each balance sheet date. The Company adjusts the balance of the redeemable noncontrolling interests at the greater of (1) the initial carrying amount, increased or decreased for each noncontrolling interest's share of net income or loss and its share of other comprehensive income or loss and dividends ("carrying amount") or (2) the theoretical redemption value assuming the noncontrolling interest was redeemable at the reporting date. As of March 31, 2022, the redeemable noncontrolling interest of Etrel is recorded at the redemption value.

The redemption value was estimated using the Monte Carlo simulation methodology. The following assumptions have been applied in the valuation model:

	Financial year ended March 31, 2022
Risk free rate	0.85%
Credit spread	1.60%
Expected volatility – Revenue	35.80%
Expected volatility – EBITDA	60.00%

According to the authoritative accounting guidance for redeemable noncontrolling interests, adjustments to the redemption value of the noncontrolling interest, if any, are recorded against the "Additional paid-in capital" component of Shareholders' equity. For the financial year ended March 31, 2022, the adjustment to the Redeemable noncontrolling interests' balance was USD 4.7 million.

Note 26: Commitments & Contingencies

Guarantees

The following table provides quantitative data regarding the Company's third-party guarantees. The maximum potential payments represent a "worst-case scenario", and do not reflect management's expected outcomes.

Maximum potential payments (USD in million)	March 31, 2022
Performance guarantees obtained from third parties	135.5
Financial guarantees issued in connection with financing activities	419.5
Financial guarantees issued in connection with lease agreements	4.5
Total	**559.5**

The Company is often required to obtain bank guarantees, bid bonds, or performance bonds in support of its obligations for customer tenders and contracts. These guarantees or bonds typically provide a guarantee to the customer for future performance, which usually covers the delivery phase of a contract and may, on occasion, cover the warranty phase. As of March 31, 2022, the Company had total outstanding performance bonds and bank and insurance guarantees of USD 135.5 million. In the event any such bank or insurance guarantee or performance bond is called, the Company would be obligated to reimburse the issuer of the guarantee or bond; however, the Company has no reason to expect that any outstanding guarantee or bond will be called.

In addition, the Company has entered into guarantees that provide financial assurances to certain third parties related to the outstanding lines of credit or to leasing arrangements, predominantly for office leases. The total amount was USD 424.0 million as of March 31, 2022.

Furthermore, the Company is party to various guarantees whereby the Company has assured the performance of its wholly owned subsidiaries' products or services according to the terms of specific contracts. Such guarantees may include guarantees that a project will be completed within a specified time. If the subsidiary were to fail to fulfill its obligations under the contract, then the Company could be held responsible for the other party's damages resulting from such failure. Because the Company's liability under the guarantees typically matches the subsidiaries' liability under the primary contracts, such guarantees generally do not limit the guarantor's total potential liability where the liability results, for example, from personal injury or death or from intellectual property infringement. Therefore, it is not possible to specify the maximum potential amount of future payments that could be made under these or similar agreements. However, the Company has no reason to believe that any of the outstanding parent guarantees will ever be exercised, and the Company has not had to make payments against any such parent guarantees in the past.

Legal proceedings

The Company is subject to various legal proceedings and claims of which the outcomes are subject to significant uncertainty. The Company's policy is to assess the likelihood of any adverse judgments or outcomes related to legal matters, as well as ranges of probable losses. A determination of the amount of the liability required, if any, for these contingencies is made after an analysis of each known issue. A liability is recognized and charged to operating expense when the Company determines that a loss is probable, and the amount can be reasonably estimated.

The State of Washington Department of Revenue ("Department") has conducted an audit of business & occupation tax, sales tax and other taxes in one of Landis+Gyr's US subsidiaries for the period between January 1, 2010 through March 31, 2016. The Company received a non-income tax assessment from the Department for approximately USD 20 million, including penalties and interest. The Company strongly disagrees with this assessment and believes it to be contradictory to applicable statutes and court rulings in similar cases. The Company has paid the assessment in November 2020 and filed an appeal in Washington State Court to obtain a refund. The payment was included in Other long-term assets in the Consolidated Balance Sheets as of March 31, 2022 and March 31, 2021. After both Company and Department filed a motion for summary judgement, the Washington State Superior Court judge ruled in favor of the Department in a hearing held on March 18, 2022. The Company and its outside legal counsel believe the lower court's decision is flawed and filed an appeal to the Washington State Appellate Court. Although the Company cannot predict the ultimate outcome of this case, it believes that it is probable that the tax authority's assessment will be overturned on appeal, and therefore, the Company has not established an accrual. An unfavorable ruling will result in a charge of approximately USD 20 million. In addition, the Company has estimated that the exposure for the period from April 1, 2016 to March 31, 2022 would increase the charge by USD 12 million to USD 32 million, should there be an unfavorable ruling.

In August 2015, Energisa SA and a number of related plaintiffs filed two related lawsuits in Brazil, alleging that the Company's electric meters were excessively vulnerable to fraud. The initial petitions requested Landis+Gyr to provide new firmware to the plaintiffs and to reimburse their cost of installation in meters supplied with this firmware. A technical expert report has been completed and the cases have been consolidated. The case is in the pre-trial stage and a first court hearing is scheduled for November 22, 2022.

On October 5, 2015, the Romanian Competition Council ("RCC") launched an ex officio investigation against Landis+Gyr together with several of its competitors on the alleged infringement of certain provisions of Romanian competition law in connection with auctions on the market of electricity meters and connected equipment. In response the Company immediately engaged external experts to conduct an extensive internal forensic investigation that did not reveal any violation of competition law. Additionally, Landis+Gyr provided the Council evidence demonstrating that it had not engaged in any of the alleged anti-competitive conduct. Landis+Gyr is not materially active in the Romanian metering market nor was it materially active during the period under investigation. On January 4, 2018, the Plenum of the Competition Council issued its preliminary decision against Landis+Gyr and five other companies and imposed a fine of RON 27.4 million (or USD 6.1 million, converted at the exchange rate as of March 31, 2022). In May 2018, Landis+Gyr filed an appeal of the decision on the basis that it is significantly flawed and incorrect at fact and law. The referral request to the ECJ was dismissed by the Court on April 26, 2022. The appeal remains under consideration, with a trial date set for May 23, 2022, and a decision to be expected within four weeks after the trial date. Irrespective of the decision, an additional appeal process is highly likely.

In July 2020, Landis+Gyr S.p.A, a Company's subsidiary incorporated in Italy, received a claim from the utility company Areti in respect of damages allegedly sustained as a consequence of a limited product recall. The recall was initiated by Landis+Gyr S.p.A as a consequence of a component failure that could, under very particular circumstances, lead to a potential safety concern. The sum claimed by Areti, comprising third-party product purchase costs, reputational damages etc., amounts to EUR 4.1 million (or USD 4.5 million, converted at the exchange rate as of March 31, 2022). The Company has joined the component manufacturer to the litigation, which is now tripartite.

In addition to the cases listed above, Landis+Gyr and its subsidiaries are parties to various employment-related and administrative proceedings in jurisdictions where the Company operates. None of the proceedings are individually material to Landis+Gyr, and the Company believes that it has made adequate provision such that the ultimate disposition of the proceedings will not materially affect its business or financial condition.

In the normal course of business, the Company and its subsidiaries are parties to various legal claims, actions, and complaints. It is not possible to predict with certainty whether or not the Company and its subsidiaries will ultimately be successful in any of these legal matters, or if not, what the impact might be. However, the Company's management does not expect that the results of any of these legal proceedings will have a material adverse effect on the Company's results of operations, financial position or cash flows.

Due to the nature of the Company's business, it may be subject to claims alleging infringement of intellectual property rights belonging to third parties in connection with various of the Company's products and technologies. In this context, the Company may also be exposed to allegations of patent infringement relating to communication or other technologies from time to time, for example, where the Company purchases components or technology from vendors, which may incorporate technology belonging to third parties. In these instances, the Company relies on the contractual indemnification from such vendors against the infringement of such third-party intellectual property rights. However, where such contractual rights prove unenforceable or non-collectible, the Company may need to bear the full responsibility for damages, fees, and costs resulting from such allegations of infringement. It could also be necessary for the Company to enter into direct licenses from third parties with regard to technologies incorporated into products supplied to the Company from such vendors. As of the date of these financial statements there is no active or ongoing litigation related to such allegations of infringement and associated indemnification from vendors.

Indemnification

The Company generally provides an indemnification related to the infringement of any patent, copyright, trademark, or other intellectual property right on software or equipment within its customer contracts. This indemnification typically covers damages and related costs, including attorney's fees with respect to an indemnified claim, provided that (a) the customer promptly notifies Landis+Gyr in writing of the claim and (b) the Company controls the defense and all related settlement negotiations. The Company may also provide an indemnification to its customers for third-party claims resulting from damages caused by the negligence or willful misconduct of its employees/agents under certain contracts. These indemnification obligations typically do not have liability caps. It is not possible to predict the maximum potential amount of future payments under these or similar agreements.

Warranty

A summary of the warranty provision account activity is as follows:

	FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands	**2022**	**2021**
Beginning balance, April 1	57,570	61,980
Business combinations	1,383	–
New product warranties	6,696	17,034
Other changes/adjustments to warranties	(1,058)	(6,843)
Claims activity	(16,049)	(17,282)
Effect of changes in exchange rates	(217)	2,681
Ending balance, March 31,	**48,325**	**57,570**
Less: current portion of warranty	(33,433)	(37,255)
Long-term warranty	14,892	20,315

The Company calculates its provision for product warranties based on historical claims experience, projected failures and specific review of certain contracts.

New product warranties recorded during the financial year ended March 31, 2022, primarily consist of additions in line with the ordinary course of business.

New product warranties recorded during the financial year ended March 31, 2021, primarily consist of additions in line with the ordinary course of business, including an amount of USD 3.8 million, net of related insurance proceeds, related to a legacy component issue in Americas, aligning the provision to the latest projected failures and cost assumptions at year-end.

Note 27: Restructuring Charges

The Company continually reviews its business, manages costs and aligns resources with market demand. As a result, the Company has taken several actions to reduce fixed costs, eliminate redundancies, strengthen operational focus, and better position itself to respond to market pressures or unfavorable economic conditions.

During the financial year ended March 31, 2022, the Company continued its restructuring effort, aimed at reducing costs and improving operating performance. In connection with these restructuring plans, the Company recognized costs related to termination benefits for employee positions that were eliminated. The total initiatives in the financial year ended March 31, 2022 represent approximately USD 2.9 million in severance related costs. Some of the severance payments were completed during the financial year ended March 31, 2022 and the remaining payments are expected to be completed during the financial year ending March 31, 2023.

A summary of the Company's restructuring activity, including costs incurred during the financial years ended March 31, 2022 and March 31, 2021 is as follows:

	FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands	**2022**	2021
Beginning balance, April 1,	5,567	5,717
Restructuring charges	2,921	15,298
Cash payments	(6,939)	(15,577)
Effect of changes in exchange rates	4	129
Balance as of March 31,	**1,553**	**5,567**

The outstanding balance at March 31, 2022 and at March 31, 2021, respectively, is included under Accrued liabilities in the Consolidated Balance Sheets.

A summary of the Consolidated Statement of Operations line items where restructuring activity charges have been recognized is as follows:

	FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands	**2022**	2021
Cost of revenue	1,305	7,652
Research and development	65	2,977
Sales and marketing	219	858
General and administrative	1,332	3,811
Total	**2,921**	**15,298**

The following table outlines the cumulative and current costs incurred to date per operating segment:

USD in thousands	**Cumulative costs incurred up to March 31, 2022**	**Total costs incurred in the financial year ended March 31, 2022**
Americas	10,718	170
EMEA	10,030	2,301
Asia Pacific	2,389	450
Corporate	1,809	–
Restructuring Charges	**24,946**	**2,921**

The cumulative costs incurred up to March 31, 2022 represent the Company's ongoing restructuring efforts under various programs over the last three financial years. The expected future costs for the restructuring programs are USD 18.3 million spread over the next five years and are primarily related to EMEA and Asia Pacific.

Note 28: Asset Retirement Obligations

AROs exist in Germany, Switzerland, the UK, Australia and New Zealand. The following table presents the activity for the AROs, excluding environmental remediation liabilities:

	FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands	**2022**	2021
Beginning balance, April 1	6,562	3,396
Additional obligations incurred	33	2,075
Obligations settled in current period	(3,098)	(788)
Changes in estimates, including timing	21	1,525
Accretion expense	63	(64)
Effect of changes in exchange rates	(83)	418
Obligation balances, March 31,	**3,498**	**6,562**

Note 29: Related Party Transactions

Transactions with affiliated Companies

As of March 31, 2022, the Company had a 19.92% equity interest in Spark Holdco Pty Ltd ("Spark"). In the financial years ended March 31, 2022 and 2021, revenues from Spark were USD 21.8 million and USD 21.4 million, respectively. Sales of goods were made at the Company's usual prices.

As of March 31, 2022 and 2021, receivables due from Spark were USD 10.6 million and 3.3 million, respectively. The amounts outstanding were unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognized in the current or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

Transactions with other related parties

The Company conducts business with certain companies where members of the Company's Board of Directors or Executive Committee act, or in recent years have acted, as directors or senior executives. Eric A. Elzvik is a board member of LM Ericsson, Sweden. In the financial year ended March 31, 2022 sales to LM Ericsson and its group companies were USD 3.4 million. No products were purchased from LM Ericsson in this period. In the financial year ended March 31, 2021 sales to LM Ericsson and its group companies were USD 3.0 million. No products were purchased from LM Ericsson in this period.

Note 30: Concentrations

The Company generates the majority of its revenue in the United States and Europe, with the balance in Asia Pacific, Middle East, Africa, South America, and Canada. None of the Company's customers exceeded ten percent of the consolidated revenue for the financial years ended March 31, 2022 and 2021. The majority of the revenue is derived from the sale of energy meters.

Approximately 37% of the Company's workforce is subject to collective bargaining agreements expiring between 2022 and 2040. Approximately 9% of the Company's workforce is subject to collective bargaining agreements expiring within one year.

Note 31: Segment Information

As noted in Note 13: Goodwill, the Company is organized into the following operating segments:

Americas
The Americas generates the majority of its revenue in the United States, with the balance produced in Canada, Central America, South America, Japan and certain other markets which adopt US standards. The Americas reportable segment designs, manufactures, markets, and sells products for the Company's three growth platforms Smart Metering, Grid Edge Intelligence and Smart Infrastructure technology. Product examples are Landis+Gyr's Gridstream® Connect platform, advanced metering infrastructure solutions, smart electricity meters, commercial/industrial and grid meters, communication modules for water and gas meters, street light controllers, distribution automation, system deployment services, managed network services, and other advanced metering infrastructure offerings including software (head end system (HES), meter data management (MDM), analytics), installation, implementation, consulting, maintenance support, and related services.

EMEA
The EMEA segment produces the majority of its revenue in Europe with the balance generated in the Middle East, South Africa and certain other markets which adopt European standards. The EMEA reportable segment designs, manufactures, markets, and sells products for the Company's three growth platforms Smart Metering, Grid Edge Intelligence and Smart Infrastructure technology. Product examples are advanced metering infrastructure solutions, smart electricity meters, prepayment electricity meters, commercial/industrial and grid meters, smart gas meters and prepayment solutions, heat meters and solutions, load control devices, system deployment services, managed network services, and advanced metering infrastructure offerings including software (HES, MDM, analytics), installation, implementation, consulting, maintenance support, and related services. With the recent acquisitions, the Company is expanding its offering with EV charging hardware and smart charging software, including demand response and flexibility management as well as cybersecurity solutions.

Asia Pacific
The Asia Pacific segment generates the majority of its revenue in Australia, China, Hong Kong and India, while the balance is generated in Singapore and other markets in Asia. The Asia Pacific reportable segment designs, manufactures, markets, and sells products for the Company's three growth platforms Smart Metering, Grid Edge Intelligence and Smart Infrastructure technology. Product examples are advanced metering infrastructure solutions, non-smart and smart electricity meters, prepayment electricity meters, commercial / industrial and grid meters, gas meters, heat and water meters and solutions, load control devices, system deployment services, and advanced metering infrastructure offerings including software (HES, MDM, analytics), installation, implementation, consulting, maintenance support, and related services.

The Chief Operating Decision Maker ("CODM") is the Company's Chief Executive Officer. The CODM allocates resources to and assesses the performance of each operating segment using the information outlined in the table below. Each operating segment offers products for different applications and markets and provides separate financial information that is evaluated regularly by the CODM. Decisions by the CODM on how to allocate resources and assess performance are based on a reported measure of segment profitability.

The Company has two primary measures for evaluating segment performance: net revenue to third parties (excluding any inter-company sales) and the adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA). Management defines Adjusted EBITDA as operating income (loss) excluding (i) depreciation and amortization, (ii) impairment of intangible assets, (iii) restructuring charges, (iv) warranty normalization adjustments and (v) change in unrealized gains and losses on derivatives where the underlying hedged transactions have not yet been realized.

The CODM primarily reviews the results of each segment on a basis that is before the elimination of profits made on inventory sales between segments. Segment results below are presented before these eliminations, with a total deduction for intersegment profits to arrive at the Company's consolidated Adjusted EBITDA.

USD in thousands	FINANCIAL YEAR ENDED MARCH 31, 2022	2021
Net revenues		
Americas	709,520	704,876
thereof to external customers	706,682	700,040
thereof to other segments	2,838	4,835
EMEA	645,598	543,923
thereof to external customers	590,115	494,415
thereof to other segments	55,483	49,509
Asia Pacific	170,711	167,613
thereof to external customers	167,164	162,993
thereof to other segments	3,547	4,620
Elimination	(61,868)	(58,964)
Total Company	**1,463,961**	**1,357,448**
Adjusted EBITDA		
Americas	109,417	105,745
EMEA	25,659	2,172
Asia Pacific	7,812	11,345
Corporate unallocated	4,129	20,340
Total Company	**147,017**	**139,602**
Restructuring charges[(1)]	(2,921)	(15,298)
Warranty normalization adjustments[(2)]	13,812	13,198
Timing difference on FX derivatives[(3)]	12,363	(23,770)
Depreciation	(30,623)	(35,067)
Amortization of intangible assets	(50,877)	(47,794)
Impairment of intangible assets	–	(396,000)
Other income (expense), net	3,261	(3,472)
Income (loss) before income tax expense	**92,032**	**(368,601)**

1) Restructuring charges are summarized in Note 27 including the line items in the Consolidated Statements of Operations that include the restructuring charges.
2) Warranty normalization adjustments represents warranty expense that diverges from three-year average of actual warranty costs incurred (in cash or the value of other compensation paid out to customers) in respect of warranty claims.
3) Timing difference on FX derivatives represents unrealized gains and losses on derivatives where the underlying hedged transactions have not yet been realized.

The following table presents segment depreciation and amortization and capital expenditures for the financial years ended March 31, 2022 and 2021:

	DEPRECIATION AND AMORTIZATION		CAPITAL EXPENDITURE	
	FINANCIAL YEAR ENDED MARCH 31,		FINANCIAL YEAR ENDED MARCH 31,	
USD in thousands	2022	2021	2022	2021
Americas	43,343	47,680	14,833	8,654
EMEA	25,140	23,443	10,179	11,585
Asia Pacific	4,826	4,196	2,034	1,630
Corporate	8,191	7,542	66	4,747
Total	**81,500**	**82,861**	**27,112**	**26,616**

The Company does not monitor total assets by operating segment and such information is not reviewed by the CODM.

The following tables represent the continuing operations' revenue for the financial years ended March 31, 2022 and 2021:

Financial year ended March 31, 2022 (USD in thousands)	Total	Americas	EMEA	Asia Pacific
Total revenue	**1,463,961**	**706,682**	**590,115**	**167,164**
thereof United States	603,346	602,524	822	–
thereof United Kingdom	211,681	–	211,681	–
thereof Switzerland	45,605	–	45,605	–
thereof Australia	65,869	–	569	65,300

Financial year ended March 31, 2021 (USD in thousands)	Total	Americas	EMEA	Asia Pacific
Total revenue	**1,357,448**	**700,040**	**494,415**	**162,993**
thereof United States	632,483	628,773	3,710	–
thereof United Kingdom	142,268	–	142,268	–
thereof Switzerland	42,532	–	42,532	–
thereof Australia	63,571	–	660	62,911

The following tables represent the property, plant and equipment, net as of March 31, 2022 and 2021:

March 31, 2022 (USD in thousands)	Total	Americas	EMEA	Asia Pacific
Property, plant and equipment	**116,310**	**48,576**	**59,544**	**8,187**
thereof United States	35,709	35,709	–	–
thereof United Kingdom	8,836	–	8,836	–
thereof Switzerland	9,830	–	9,830	–
thereof Australia	1,886	–	–	1,886

March 31, 2021 (USD in thousands)	Total	Americas	EMEA	Asia Pacific
Property, plant and equipment	**118,514**	**45,897**	**62,815**	**9,802**
thereof United States	35,485	35,485	–	–
thereof United Kingdom	13,328	–	13,328	–
thereof Switzerland	11,012	–	11,012	–
thereof Australia	1,941	–	–	1,941

Sales to external customers are based on the location of the customer (destination). Disclosure of long-lived assets is based on the location of the asset.

Note 32: Subsequent Events

The Company evaluated subsequent events and transactions that occurred after the balance sheet date through May 27, 2022, which is the date that the consolidated financial statements were available to be issued.

On April 1, 2022, the Company fully divested its 19.92% equity interest in Spark in exchange for USD 237.8 million cash consideration. As of March 31, 2022, the investment in Spark was recognized within Other long-term assets in the Consolidated Balance Sheet (see Note 15: Other long-term assets). Upon divestment, the Company recognized a net benefit in the Consolidated Statements of Operations of approximately USD 230 million, before income taxes, including the consideration received in excess of the investment's carrying amount, as well as the Company's share of loss from Spark for the three-month lag period ended March 31, 2022.

Besides the aforementioned divestment, no significant events occurred subsequent to the balance sheet date but prior to May 27, 2022 that would have a material impact on the Consolidated Financial Statements.

Statutory Financial Statements of Landis+Gyr Group AG

Report of the statutory auditor

to the General Meeting of Landis+Gyr Group AG

Cham

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Landis+Gyr Group AG, which comprise the balance sheet as at March 31, 2022, income statement and notes for the year then ended, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 71 to 76) as at March 31, 2022 comply with Swiss law and the company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the entity 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.

Our audit approach

Overview

Overall materiality: CHF 12'110'000

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the entity, the accounting processes and controls, and the industry in which the entity operates.

As key audit matter the following area of focus has been identified:

Valuation of investment in and long-term loan receivable from subsidiary

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall materiality	CHF 12'110'000
Benchmark applied	Total assets
Rationale for the materiality benchmark applied	We chose total assets as the benchmark because, in our view, it is the most relevant measure for the activities of Landis+Gyr Group AG as a holding company.

We agreed with the Audit, Finance and Risk Committee that we would report to them misstatements above CHF 660'000 identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Report on key audit matters based on the circular 1/2015 of the Federal Audit Oversight Authority

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

PricewaterhouseCoopers AG, Dammstrasse 21, Postfach, CH-6302 Zug, Switzerland
Telefon: +41 58 792 68 00, Telefax: +41 58 792 68 10, www.pwc.ch

Valuation of investment in and long-term loan receivable from subsidiary

Key audit matter	How our audit addressed the key audit matter
At March 31, 2022, the carrying value, of the Company's investment in and long-term loan receivable from subsidiary amounts to CHF 0.9 Billion and CHF 0.3 Billion, respectively. We consider the valuation of investment in and the long-term loan receivable from subsidiary a key audit matter due to the estimation uncertainty and judgement involved in determining the recoverable amount used to support the recoverability of these assets. Refer to Note 3.2 Investment, Note 3.3 Long-term loan receivable, and Note 5 Investments of the financial statements.	We assessed whether the combined carrying value of the investment in and long-term loan receivable from subsidiary is recoverable as of March 31, 2022 by performing the following procedures: • We compared the recoverable amount of the Company to the combined carrying value of the investment in and long-term loan receivable from subsidiary company. • We considered the reasonableness of the recoverable amount of the Company by assessing management's impairment analyses. • We compared the market capitalization of the Company at March 31, 2022 to the combined carrying value of the investment in and long-term loan receivable from subsidiary. On the basis of work performed, we determined the principles used by management to assess the carrying value of the investment in and long-term loan receivable from subsidiary to be reasonable.

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and Swiss Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

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.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings and reserves complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Rolf Johner	Rahel Sopi
Audit expert Auditor in charge	Audit expert

Zug, May 27, 2022

Balance Sheet

CHF	Notes	March 31, 2022	March 31, 2021
ASSETS			
Current assets			
Cash and cash equivalents		186	99,981
Total current assets		**186**	**99,981**
NON-CURRENT ASSETS			
Long-term loan receivable from subsidiary		284,165,045	286,064,388
Investment	5	897,205,088	897,205,088
Total non-current assets		**1,181,370,133**	**1,183,269,476**
TOTAL ASSETS		**1,181,370,319**	**1,183,369,457**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Trade accounts payable to subsidiary		9,572,307	9,300,216
Accrued liabilities		72,813	76,169
Total current liabilities		**9,645,120**	**9,376,385**
Non-current liabilities			
Long-term loan payable to subsidiary		278,313,574	207,927,845
Provision for unrealized FX gain		40,648,229	42,650,565
Total non current liabilities		**318,961,803**	**250,578,410**
Total liabilities		**328,606,923**	**259,954,795**

CHF	Notes	March 31, 2022	March 31, 2021
SHAREHOLDERS' EQUITY			
Share capital	6	289,089,440	289,089,440
Statutory capital reserves	7	743,210,042	803,322,563
Reserve for treasury shares held by subsidiary			
– against statutory capital reserves	8	6,315,057	6,743,556
Statutory retained earnings		2,952,483	2,952,483
Accumulated deficit		(188,803,626)	(178,693,380)
Accumulated deficit brought forward		(178,693,380)	(303,462)
Loss for the year		(10,110,246)	(178,389,918)
Treasury shares			
– against statutory capital reserves	8	–	–
Total shareholders' equity		**852,763,396**	**923,414,662**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**1,181,370,319**	**1,183,369,457**

See notes to the statutory financial statements.

Income Statement

		FINANCIAL YEAR ENDED MARCH 31,	
CHF	Notes	2022	2021
Operating expenses		(9,478,122)	(9,078,743)
Impairment of investment	5	–	(170,000,000)
OPERATING LOSS		**(9,478,122)**	**(179,078,743)**
Financial income		4,100,243	6,335,917
Financial expense		(4,698,910)	(5,610,230)
LOSS BEFORE TAXES		**(10,076,789)**	**(178,353,056)**
Direct taxes		(33,457)	(36,862)
LOSS FOR THE YEAR		**(10,110,246)**	**(178,389,918)**

See notes to the statutory financial statements.

Notes to the Statutory Financial Statements

Note 1: General

Landis+Gyr Group AG, Cham Switzerland (the Company) is the parent company of the Landis+Gyr Group which is a leading global provider of energy metering products and solutions to utilities.

The Company's registered ordinary shares are listed on the SIX Swiss Exchange.

Note 2: Applicable accounting law

These standalone financial statements have been prepared in accordance with the articles 957–963b of the Swiss Code of Obligations (CO).

Note 3: Summary of significant accounting principles

3.1 Conversion of foreign currencies

The functional currency is the US Dollar, translated into Swiss Francs for statutory financial reporting purposes. Transactions during the year denominated in foreign currencies are translated and recorded in US Dollars at actual exchange rates prevailing at the dates of the transactions. Profits and losses on exchange are recognized in the income statement, with the exception of unrealized gains, which are deferred until they are realized.

With the exception of investments and equity which are translated at historical rates, all other assets and liabilities are translated into Swiss Francs using the year-end closing rate, whereas income and expenses are translated using the average exchange rate. Foreign currency exchange losses arising from translation are shown as currency translation differences under financial expense. Foreign currency exchange gains arising from translation are deferred on the balance sheet. A foreign exchange translation gain of CHF 40.6 million (prior year: CHF 42.7 million) has been deferred on the balance sheet.

The current year foreign exchange rate realized gain is CHF 0.4 million. In the prior year a foreign exchange rate loss of CHF 1.1 million was realized, mainly on the reduction in the USD loan to a subsidiary company. These realized exchange rate gains are not taxable as the taxable currency is equivalent to the functional currency which is US Dollar.

3.2 Investment
The investment in subsidiary is carried at cost less adjustments for impairment, if any. The investment is reviewed annually for impairment and adjusted to the recoverable amount in instances where the carrying value is determined to be in excess of the recoverable amount.

3.3 Long-term loan receivable
Financial assets are valued at acquisition cost less adjustments for foreign currency losses and any other impairment of value.

Note 4: Number of employees

The Company did not have any employees in the financial years ended March 31, 2022 and 2021.

Note 5: Investments

As at the balance sheet date, the Company holds the following direct investment:

COMPANY	NOMINAL CAPITAL	OWNERSHIP & VOTING RIGHTS MARCH 31,	
		2022	2021
Landis+Gyr AG, Alte Steinhauserstrasse 18, Cham	CHF 29,700,000	100%	100%

At March 31, 2022 and 2021, the Company performed an impairment analysis. The contraction of the global economy in 2020 and considerable uncertainty around the macroeconomic recovery, coupled with a weaker market outlook, primarily due to regulatory delays, as well as significant increases in the weighted average cost of capital, led to a reduction of the investment's recoverable amount. As a result, an impairment charge of CHF 170.0 million was recorded at March 31, 2021 to reduce the carrying value of the investment to its recoverable amount. No impairment charge was recorded in the financial year ended March 31, 2022.

As at the balance sheet date, the Company holds the following substantial indirect investments:

COMPANY	NOMINAL CAPITAL	OWNERSHIP & VOTING RIGHTS MARCH 31,	
		2022	2021
Landis+Gyr Investments LLC, Lafayette USA	USD 20	100%	100%
Bayard Metering (UK) Unlimited, Peterborough, United Kingdom	GBP 6,986,361	100%	100%

Note 6: Share capital

At March 31, 2022 the share capital represents 28,908,944 (prior year: 28,908,944) authorized, registered and issued ordinary shares with restricted transferability with a nominal value of CHF 10 each. The restricted transferability is related to the fact that the Board of Directors can reject a shareholder not disclosing the beneficial owner. Registered ordinary shares carry one vote per share, as well as the right to dividend.

Conditional share capital
The share capital of the Company may be increased by up to CHF 4,500,000 by issuing up to 450,000 fully paid up registered shares with a nominal value of CHF 10 each, upon the exercise of option rights or in connection with similar rights regarding shares granted to officers and employees at all levels of the Company and its group companies according to respective regulations and resolutions of the Board of Directors. This conditional share capital has been approved and is available for use. As of March 31, 2022, no shares were issued from this conditional share capital.

Furthermore, the share capital of the Company may be increased by up to CHF 28,908,940 by the issuance of up to 2,890,894 fully paid up registered shares with a nominal value of CHF 10 each, upon the exercise or mandatory exercise of conversion, exchange, option, warrant or similar rights for the subscription of shares granted to shareholders or third parties alone or in connection with bonds, notes, loans, options, warrants or other securities or contractual obligations of the Company or any of its subsidiaries. This conditional share capital has been approved by the Annual General Meeting of Shareholders on June 30, 2020 and is available for use. As of March 31, 2022, no shares were issued from this conditional share capital.

Authorized share capital

The Board of Directors is authorized to increase the share capital at any time until June 30, 2022 by a maximum amount of CHF 28,908,940 by issuing a maximum of 2,890,894 fully paid-in registered shares with a nominal value of CHF 10 each. Increases in partial amounts are permissible. As of March 31, 2022, no shares were issued from this authorized share capital.

Share capital reduction

At the Annual General Meeting of Shareholders on June 30, 2020, shareholders approved the proposal of the Board of Directors to reduce the share capital of the Company by canceling 342,305 treasury shares which were acquired in prior years. This cancellation was completed in October 2020, resulting in a decrease in Treasury shares of CHF 23.2 million and a corresponding combined decrease in Registered ordinary shares and Additional paid-in capital.

Note 7: Statutory capital reserves

MOVEMENT IN STATUTORY CAPITAL RESERVES

	FINANCIAL YEAR ENDED MARCH 31,	
CHF	**2022**	2021
Statutory capital reserves as at April 1,	803,322,563	883,728,858
Dividend payment of CHF 2.10 (prior year: CHF 2.00) per share	(60,541,020)	(57,650,814)
Retirement of shares	–	(23,186,655)
Transfer to reserve for treasury shares held by subsidiary – against statutory capital reserves	428,499	431,174
Statutory capital reserves carried forward	**743,210,042**	**803,322,563**

The statutory capital reserves from additional paid-in capital resulted from a contribution in kind of shares in Landis+Gyr AG, Cham and a loan from Landis+Gyr AG, Cham. The balance per March 31, 2021 has been approved by the tax authorities.

The transfer to the reserve for treasury shares held by subsidiary is outlined in Note 8.

Note 8: Treasury Shares and reserve for Treasury shares held by subsidiary

During the financial years ended March 31, 2022 and 2021, 7,433 and 7,123 treasury shares, respectively, were purchased and delivered as compensation-in-kind to the members of the Board of Directors.

The movement in the number of Treasury shares during the year was as follows:

	FINANCIAL YEAR ENDED MARCH 31,			
	2022	**2022**	2021	2021
	Number of shares	**Average acquisition price per share (in CHF)**	Number of shares	Average acquisition price per share (in CHF)
Treasury shares – opening balance as of April 1,	–	–	342,305	77.74
Purchase of shares	7,433	57.65	7,123	60.53
Delivery of shares	(7,433)	(57.65)	(7,123)	(60.53)
Retirement of shares	–	–	(342,305)	77.74
Treasury shares – closing balance as of March 31,	**–**	**–**	**–**	**–**

In addition, a subsidiary company, Landis+Gyr AG, also purchased shares in the Company, and as at March 31, 2022 held 74,344 shares (prior year: 81,777 shares) at an average acquisition price of CHF 84.94 per share (prior year: CHF 82.46) which are reserved for the employee and board compensation plans.

During the year the subsidiary did not buy any additional shares and the number of shares transferred to the Company for distribution to Board members was 7,433 (average purchase price of CHF 57.65).

The value of the movement during the year of shares held by Landis+Gyr AG, amounting to CHF 0.43 million (prior year: CHF 0.43 million) has been credited to the Statutory capital reserves and debited to the Reserve for treasury shares held by subsidiary.

Note 9: Contingent liabilities

Landis+Gyr Group AG forms part of the Swiss VAT group of Landis+Gyr and is therefore a liable party for any tax liabilities. The VAT group consists of Landis+Gyr AG, Landis+Gyr Group AG and Caligyr AG.

Note 10: Third party guarantees

The Company has entered into guarantees that provide financial assurances to certain third parties related to the outstanding lines of credit. The total amount was CHF 335 million and CHF 258 million as of March 31, 2022 and 2021, respectively. The exchange rates used to convert the maximum liability amounts into CHF are USD 0.92 (prior year: 0.94) and EUR 1.0 (prior year: 1.11).

The Company is party to various guarantees whereby the Company has assured the performance of its wholly owned subsidiaries' products or services according to the terms of specific contracts. Such guarantees may include guarantees that a project will be completed within a specified time. If the subsidiary were to fail to fulfill its obligations under the contract, then the Company could be held responsible for the other party's damages resulting from such failure. Because the Company's liability under the guarantees typically matches the subsidiaries' liability under the primary contracts, such guarantees generally do not limit the guarantor's total potential liability where the liability results, for example, from personal injury or death or from intellectual property infringement. Therefore, it is not possible to specify the maximum potential amount of future payments that could be made under these or similar agreements. However, the Company has no reason to believe that any of the outstanding parent guarantees will ever be exercised, and the Company has not had to make payments against any such parent guarantees in the past.

Note 11: Shareholdings of Board and Group Executive Management

At March 31, 2022 and 2021, the members of the Board held the following number of shares in the Company:

NAME	FUNCTION	NUMBER OF SHARES HELD AT MARCH 31,	
		2022	2021
Andreas Umbach	Chairman	73,553	71,545
Eric Elzvik	Lead Independent Director	7,886	6,282
Dave Geary	Independent Member	2,626	1,879
Pierre-Alain Graf[(a)]	Independent Member	n/a	2,663
Peter Mainz	Independent Member	2,499	1,689
Andreas Spreiter	Independent Member	9,330	8,499
Christina Stercken	Independent Member	3,276	2,529
Laureen Tolson[(b)]	Independent Member	496	n/a
Søren Thorup Sørensen[(c)]	Not independent; representative of largest shareholder	–	–

(a) Did not stand for re-election at 2021 AGM held on June 24, 2021.
(b) Newly appointed at 2021 AGM held on June 24, 2021.
(c) Representative of the Company's largest shareholder KIRKBI Invest A/S, holding 4,445,265 shares, which amounts to 15.38% of outstanding share capital.

At March 31, 2022 and 2021, respectively, the members of the Group Executive Management held the following number of shares in the Company and the conditional rights to receive Landis+Gyr Group AG shares under the long-term incentive plan ("LTIP"):

		FINANCIAL YEAR ENDED MARCH 31, 2022	
NAME	FUNCTION	NUMBER OF SHARES HELD	NONVESTED SHARE EQUIVALENTS UNDER THE LTIP
Werner Lieberherr	Chief Executive Officer	3,300	18,115
Elodie Cingari	Chief Financial Officer	1,000	3,677
Sean Cromie[(a)]	Head of Americas	–	4,945
Bodo Zeug[(b)]	Head of EMEA	–	6,696

(a) Member of the GEM as of January 1, 2022.
(b) Member of the GEM as of September 1, 2021.

		FINANCIAL YEAR ENDED MARCH 31, 2021	
NAME	FUNCTION	NUMBER OF SHARES HELD	NONVESTED SHARE EQUIVALENTS UNDER THE LTIP
Werner Lieberherr	Chief Executive Officer	3,300	9,291
Prasanna Venkatesan[(a)]	Head of Americas	22,072	8,072
Susanne Seitz[(b)]	Head of EMEA	–	6,313
Elodie Cingari[(c)]	Chief Financial Officer	500	–
Richard Mora[(d)]	Chief Executive Officer	–	5,573
Jonathan Elmer[(e)]	Chief Financial Officer	9,030	7,856

(a) Active member of the GEM until December 31, 2021.
(b) Active member of the GEM until August 31, 2021; employment ended on February 28, 2022.
(c) Member of the GEM as of November 16, 2020.
(d) Active member of the GEM until March 31, 2020; employment ended on March 31, 2021.
(e) Active member of the GEM until November 16, 2020; employment ended on March 31, 2021.

Note 12: Significant Shareholders

At March 31, 2022 and 2021, respectively, the significant shareholders in the Company, holding more than 3% of the total shares, were:

	MARCH 31, 2022	
Name	**Number of Shares**	**Holding %**
K.K. Kristiansen, T. K. Kristiansen, S. K. Kristiansen, A. K. Thinggaard / KIRKBI Invest A/S	4,445,265	15.38%
Rudolf Maag	3,000,000	10.38%
PGGM Vermögensbeheer B.V.	890,700	3.08%

	MARCH 31, 2021	
Name (Beneficial owner / legal shareholder)	**Number of Shares**	**Holding %**
K.K. Kristiansen, T. K. Kristiansen, S. K. Kristiansen, A. K. Thinggaard / KIRKBI Invest A/S	4,445,265	15.38%
Rudolf Maag	3,000,000	10.38%
Franklin Resources, Inc. / Franklin Templeton Investments Corp., Franklin Templeton Investment Management Limited, Templeton Investment Counsel, LLC	931,580	3.22%
BlackRock, Inc., New York, NY, U.S.A.	920,642	3.18%
PGGM Vermögensbeheer B.V.	890,700	3.08%

To the best of the Company's knowledge no other shareholders held 3% or more of Landis+Gyr Group AG's total share capital and voting rights on March 31, 2022 and March 31, 2021.

Proposed Appropriation of the Accumulated Deficit and Statutory Capital Reserves

PROPOSED APPROPRIATION OF THE ACCUMULATED DEFICIT

CHF	FINANCIAL YEAR ENDED MARCH 31, 2022	2021
Balance carried forward from previous year	(178,693,380)	(303,462)
Loss for the year	(10,110,246)	(178,389,918)
Accumulated deficit	**(188,803,626)**	**(178,693,380)**

The Board of Directors proposes to the Annual General Meeting to carry forward the accumulated deficit.

PROPOSED APPROPRIATION OF STATUTORY CAPITAL RESERVES

CHF	FINANCIAL YEAR ENDED MARCH 31, 2022	2021
Statutory capital reserves as at March 31[(a)]	743,210,042	803,322,563
Proposed dividend payment of CHF 2.15 per share on 28,908,944 shares out of statutory capital reserves[(b)]	(62,154,229)	(60,708,782)
Statutory capital reserves carried forward[(c)]	**681,055,813**	**742,613,781**

(a) Refer to Note 7 for the movements in statutory capital reserves during the year.
(b) Treasury shares held by Landis+Gyr AG at the record date will not receive dividends. Accordingly, the total amount distributed will be lower.
(c) Amount depends on the total distribution.

Landis+Gyr Group AG
Alte Steinhauserstrasse 18
CH-6330 Cham
Switzerland
www.landisgyr.com

MANAGE ENERGY BETTER

Sustainability Report 2021

Contents

Introduction

Message from the CEO

Dear Stakeholders,

As a leading global provider of integrated energy management solutions with more than 125 years of experience, we are in a unique position to drive positive sustainable impact. Taking this responsibility very seriously, we continue to drive forward leading-edge innovation to identify and capture opportunities to work towards a greener tomorrow.

We are proud of the fact that our innovative and proven portfolio of software, services and intelligent sensor technology is a key driver to decarbonize the grid. In FY 2021, our installed Smart Metering base ensured the avoidance of over 9 million tons of CO_2 while the percentage of products shipped as part of our Eco-Portfolio remained stable at 74%.

At Landis+Gyr, our non-financial performance receives the same attention as our financial performance and thus, as a reflection of the strategic importance of our ESG initiatives, we have taken the decision to publish this Sustainability Report as part of our Annual Report.

To further drive measurable progress in Environmental, Social and Governance (ESG) areas, we have committed to the Science Based Target initiative and set ourselves the target to achieve carbon neutrality for scope 1 and 2 by 2030.

In addition, I am proud to share that we have established a COVID-19 fund for our employees and their dependants in India to alleviate the hardship they have experienced during the pandemic by providing financial assistance, vaccines and medical care. This fund consists of the 10% salary reductions the Executive Management Team and Board of Directors volunteered for six months during FY 2020. Further, we have created an employee donation fund in support of the Red Cross to alleviate the suffering of the Ukrainian people, while taking a clear stance in support of democratic values. Employee donations to this fund will be matched up to 250,000 USD by Landis+Gyr, utilizing some of the funds remaining unused by our campaign in India.

Our Commitment

Expressing our deeply rooted commitment to our ESG targets, for financial year 2021, we have increased the weight of the ESG component in our short-term incentive to 20%, driving sustainable progress in support of the UN Sustainable Development Goals. These targets include environmental topics, such as the reduction of the company's and its product portfolio's carbon footprint, while increasing the benefits generated. In addition, the targets cover initiatives enhancing diversity, ESG-driven supplier management and governance topics, including employee training on compliance.

Sustainable Impact

Sustainability is part of our DNA, expressed in Sustainable Impact being one of our shared values. Holding ourselves to the highest standards, we continue to be fully committed to the principles defined in the UN Global Compact as the foundation of our efforts to establish a culture of integrity and to act responsibly – today and tomorrow. Our strategic vision is driven by the desire to provide unrivaled customer value as the leading partner for integrated energy and resource management solutions with sustainability at the heart of everything we do. Our comprehensive portfolio of products and services uniquely positions us to empower utilities, energy consumers and communities around the globe by helping them to reduce their CO_2 footprint and manage energy in a more informed and sustainable way. Through actionable insights, derived from data collected by our installed Smart Metering base and analyzed by powerful analytics software at the grid edge and in smart infrastructure ecosystems, Landis+Gyr continues to be a trusted partner for customers around the globe in driving sustainable impact together by reducing resource consumption.

Every day, our customers' ambitions to serve communities around the world with safe, reliable and clean energy, inspire us and we are proud to be a part of the global effort to decarbonize the grid.

With a holistic approach to ESG initiatives, I am proud of our achievements and convinced that we are driving the right priorities to continue to support sustainable resource management all over the world to build stronger communities and increase the quality of life for people around the globe.

Going forward, we will continue to shape and support utilities' and people's journeys to build a better tomorrow, where resources are used in an informed and sustainable way,

Lastly, I would like to take this opportunity to thank our customers and shareholders for their continued support and our employees for their unwavering dedication and passion to allow us to continue to manage energy better – together.

Yours sincerely,

Werner Lieberherr
Chief Executive Officer

At a Glance

Landis+Gyr creates a greener tomorrow through leading technology in Smart Metering, Grid Edge Intelligence and Smart Infrastructure. For more than 125 years, the Company has empowered customers and consumers to utilize resources in a more informed and sustainable way and reduce their carbon footprint.

Sustainability is part of Landis+Gyr's DNA, expressed in Sustainable Impact being one of its company-wide shared values and representing 20% of the Company's short-term incentive targets. Landis+Gyr is proud to be a part of the global effort to decarbonize the grid. Following last year's announcement to become carbon neutral by 2030 for scope 1 and 2, Landis+Gyr has joined the Science Based Targets initiative.

The Company is proud of its achievements and convinced that it is driving the right priorities to continue to support sustainable resource management all over the world. Landis+Gyr continues to be fully committed to the principles defined in the UN Global Compact as the foundation of its efforts to establish a culture of integrity and to act responsibly – today and tomorrow.

With this Annual Report, Landis+Gyr provides an outlook on the material topics, ambitions and actions for the next ESG cycle, starting in the financial year 2022. At the same time, the Company publishes the achievements in its last financial year, as well as the overall ESG cycle from FY 2019–2021 which has now been concluded.

Reporting according to GRI core since 2020

Joined in January 2020

In 2021, top 5% of Sustainable Companies

ESG corporate rating "C" (top 30%) since 2018

AA-rated since 2018 (top 11% in peer universe)

Company grade of "B" since 2020

In 2022, ESG Risk Rating of 10.7 (Low Risk)

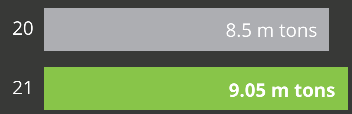
Recognized as one of 300 European Climate Leaders by FT-Statista

Carbon Neutral
by 2030 (for scope 1 and 2)

Direct CO_2 emissions avoided

9.05 million tons

CO_2 emissions avoided through Landis+Gyr's installed Smart Metering base in FY 2021*

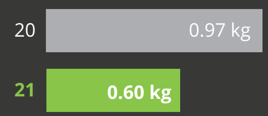


* The savings are calculated using a proprietary model based on publicly available country-specific sources.

Direct CO_2 emissions from Landis+Gyr operations

0.60 kg

CO_2 per USD 100 turnover*



* Turnover as reported in the Financial Report, covering recent acquisitions.

Reduction of Landis+Gyr resources in FY 2021 compared to FY 2020

Water
–20%

Chemicals
–9%

Waste
–8%

CO_2
–27%

Key Metrics ESG Cycle FY 2019–21

In FY 2021, Landis+Gyr's global Smart Metering base enabled the avoidance of 9 million tons of CO_2 emissions. At the same time, the percentage of products shipped as part of the Company's Eco-Portfolio remained stable at 74%. Furthermore, Landis+Gyr was able to increase its portion of renewable electricity by 30 percentage points and further reduce the amount of its CO_2 emissions (–0.37 kg) per 100 USD TO, water usage (–3.8 m^3) per employee and proportion of waste to landfill (–0.11%). In addition, the Company reduced its lost time incidents frequency rate, increased the average hours of training for employees and the percentage of suppliers who signed Landis+Gyr's Supplier Code of Conduct and green procurement policy.

In the area of governance, Landis+Gyr updated its Anti-Bribery & Corruption Policy and ensured that 100% of the relevant employees have completed the anti-corruption training.

Explanation of the metrics:

- **Renewable electricity:** Percentage of electricity derived from renewable sources
- **CO_2e per 100 USD TO:** L+G CO_2e emission (scope 1+2) measured against 100 USD turnover
- **Waste to landfill:** Portion of waste that went to landfill
- **LTIFR:** Lost Time Incidents Frequency Rate – (LTIs x 1,000,000)/Exposure Hrs)
- **Average hours of training:** These hours are built up of training performed on LinkedIn Learning and Coursera (for the eligible workforce respectively)
- **Supplier engagement:** Portion of suppliers who signed Landis+Gyr's Supplier Code of Conduct and Green Procurement Policy
- **Fundamental governance documents:** Establish or develop fundamental governance documents such as Code of Conduct (CoC)
- **Anti-corruption training:** Portion of relevant employees who completed the anti-corruption training
- **CO_2 avoided through products:** Tons of CO_2 avoided through Landis+Gyr's global smart electricity meter base
- **EcoPortfolio shipments:** Percentage of products shipped as part of Landis+Gyr's EcoPortfolio (see more detail under Resource Efficiency)

*The arrow indicates whether the activity is moving into the desired direction.

DIMENSION	METRIC	BASIS FY 2019	STATUS FY 2020	ACHIEVEMENT FY 2021	DIRECTION*
Environmental	– Renewable electricity	14%	34%	**64%**	↑
	– CO_2e per 100 USD TO	1.28 kg	0.97 kg	**0.60 kg**	↑
	– Water per employee	17.8 m^3	17.2 m^3	**13.4 m^3**	↑
	– Waste to landfill	9.51%	7.14%	**7.03%**	↑
Social	– LTIFR	0.88	0.70	**0.74**	→
	– Average hours of training	17 h	12.7 h	**16.5 h**	→
	– Supplier engagement	0%	73%	**85%**	↑
Governance	– Fundamental governance documents	New Supplier CoC / GP	New CoC / ESG directive update	**Anti-Bribery & Corruption Policy update**	↑
	– Anti-corruption training completion	20.1%	41.6%	**100%**	↑
Portfolio Impact	– CO_2 avoided through products	8.0 m tons	8.5 m tons	**9.05 m tons**	↑
	– EcoPortfolio shipments	n/a	74%	**74%**	→

Outlook 2022–24

Overview Outlook

Material Topic	SDGs	Long-term Ambition
Energy Efficiency and Climate Protection	6, 7, 13	Attain carbon neutrality in Landis+Gyr's operations (Scope 1 & 2) by 2030 and enable grid decarbonization through its product offerings.
Resource Efficiency	7, 12, 13	Aim for zero-waste, increased product recycling and higher utilization of sustainable materials through the application of circular economy principles.
Strategic Responsible Sourcing	12, 13, 17	Be recognized as an industry leader in responsible sourcing.
Occupational Health and Safety	3	Nourish a global safety culture focused on improvement and involving everyone in the proactive identification, reporting and mitigation of OHS-related work hazards.
Employee Engagement	4, 5	Be recognized as employer of choice, with a positive working environment in which employees are engaged and empowered in line with Landis+Gyr's shared values.
Fair Labor Practices	5, 8	Nurture, and sustain a culture of diversity, equity and inclusion within Landis+Gyr's workplace to maximize its potential as business.
Community Engagement	7, 8, 16	Act as a responsible corporate citizen, who leverages company resources to bring prosperity and enhance quality of life in the communities where it operates and beyond.
Product Social Impact	1, 7	Deliver solutions which create which empower Landis+Gyr's customers and consumers to achieve their finacial and environmental targets.
Security and Data Privacy	9	Ensure security and privacy are central to Landis+Gyr's current and future products, services and culture.
Business Integrity and Fair Taxes	9, 16	Maintain an undisputed reputation as a trusted and reliable partner, with the highest integrity standards, by customers and other stakeholders.

Materiality Assessment

The materiality assessment is fundamental to Landis+Gyr's ESG strategy. As a global energy management solutions leader, Landis+Gyr focuses on its resources and efforts related to the most strategic ESG areas and topics.

One of the pillars of Landis+Gyr's ESG approach is stakeholder engagement. The Company maintains an ongoing dialog with its stakeholders to capture their views on the quickly evolving ESG landscape. This helps Landis+Gyr understand the issues that matter the most to its business and its stakeholders and manage them accordingly.

The materiality assessment contributes to identify key topics, but it also sheds light on stakeholder perceptions and expectations regarding how these issues should be managed, including where potential risks and opportunities lie. Hence, the materiality assessment is the departure point from which the Company sets ESG ambitions, targets and roadmaps.

Landis+Gyr completed its first formal materiality assessment in FY 2018. Since then, the Company has continuously monitored its material topics and prioritized its actions accordingly. In FY 2021, the Company refreshed its FY 2018 materiality assessment. This process was conducted in line with the GRI Reporting Principles. To ensure the independence and objectivity of the process, the Company engaged an external consulting firm to carry out the assessment.

As a starting point for this analysis, Landis+Gyr relied on the materiality assessment conducted in FY 2018 which resulted in a list of 9 material topics. Additionally, in setting up the materiality assessment, the Company incorporated input from peer benchmarking, globally-recognized sustainability standards and initiatives and a stock-taking exercise to ascertain the level of progress reached with regards to the various material ESG topics.

Identification of Relevant Stakeholders

Landis+Gyr identified its most critical stakeholders in a workshop with management. The resulting list included representatives from amongst the Company's Board of Directors, investors, suppliers, customers, NGOs, government authorities, business partners, employees (in their capacity as stakeholders) as well as local communities and a diverse group of internal subject matter experts. Special attention was given to ensure the participants represented a balanced view of all stakeholder groups and geographic regions where Landis+Gyr is present.

Stakeholders were invited to participate in interviews and surveys. These focused on assessing their views on a list of pre-identified topics along 3 dimensions: 'Relevance' (how important the topic is), 'Impact' (how significant the topic's consequences are) and 'Trend' (how the topic is evolving). Lastly, all stakeholder inputs were captured, analyzed and mapped onto a materiality matrix, which depicts all material topics according to relevance to Landis+Gyr and its stakeholders.

Customers

Landis+Gyr has served approximately 3,500 energy utilities around the world. They range from public to investor-owned and include multinational players as well as mid-sized and small municipalities. With the Company's recent move into EV charging technology, it also serves industry players beyond utilities such as the automotive or transportation industry. In the areas of communication technology, submetering, water, heat/cold and gas metering, Landis+Gyr serves real estate companies and their service providers. (Note: As Landis+Gyr's business is B2B-focused, it hasn't captured the views of end-consumers.)

Approach

Landis+Gyr maintains regular exchange with customers through its own sales organization by attending trade fairs and conferences and via its own customer events and meetings. Ideas are discussed, concepts presented and jointly developed.

NGOs

NGOs represent interest groups and are an integral part of civil society. They exercise significant influence over governments and businesses as they shape policy-making and inform society's understanding on a range of issues. As such, they are important interlocutors for Landis+Gyr.

Approach

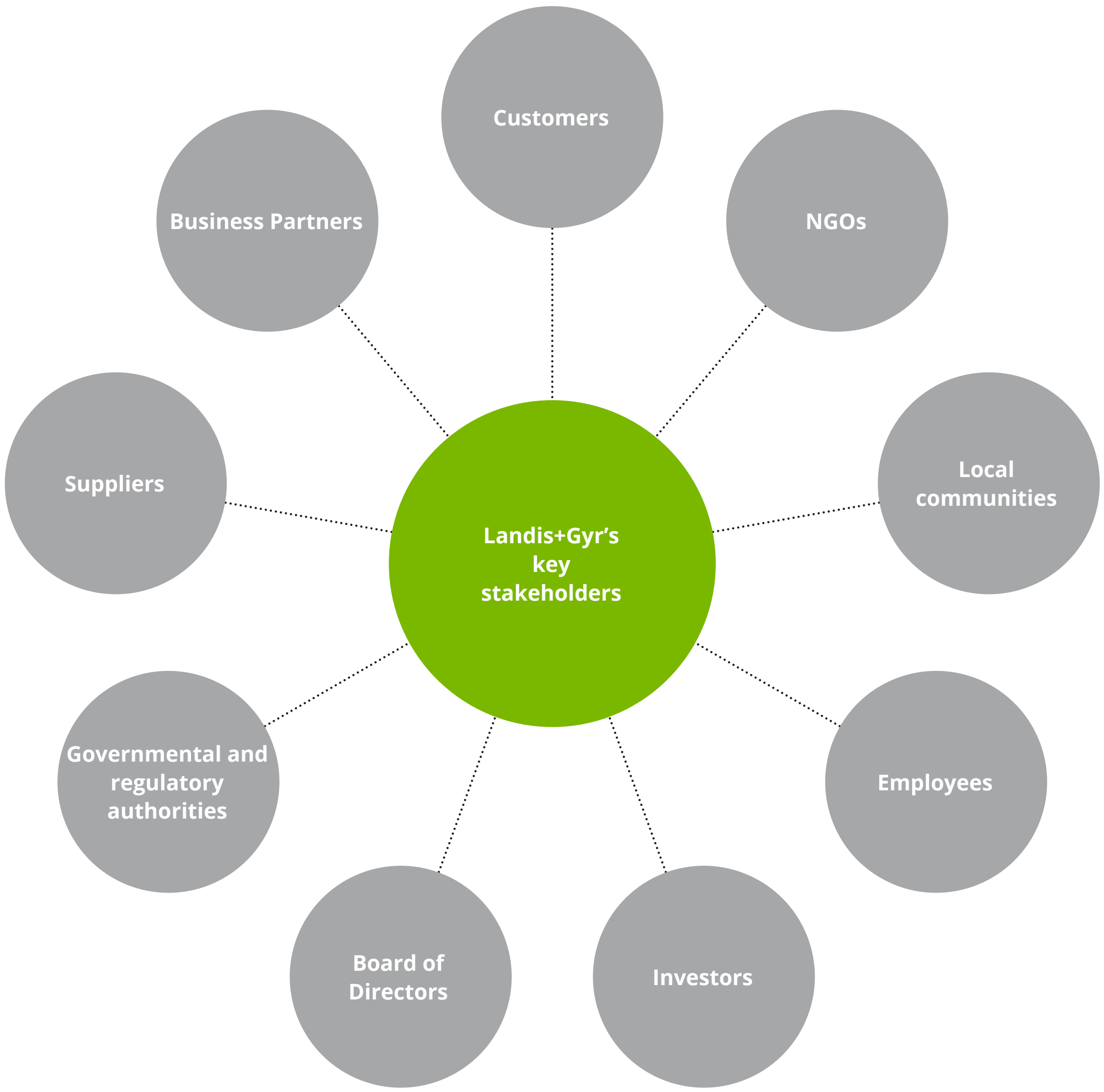
The Company primarily addresses NGOs via events, presentations and a transparent information policy that covers the information needs of consumers and their representatives.

Local Communities

With a presence in more than 30 countries, Landis+Gyr has a significant impact on local communities around the world. The Company strives to create a positive environment for its employees, neighbors and the communities it is part of.

Approach

Regular exchange with local stakeholders creates a solid relationship and forms a basis for inflow of potential stakeholder interests and concerns. This approach, together with an open information policy, helps to prevent and better manage any possible issues. In addition, the Company and its employees actively engage in community projects.



Employees

Employees are an integral part of the Company and are core to the Company's success. Landis+Gyr employs around 6,500 employees spread across the world. They are entrusted with a variety of tasks aimed at creating benefits to the Company's other stakeholders.

Approach
Landis+Gyr liaises on different levels and with different approaches with its employees. The CEO connects with all employees once a month via the so-called "Energized" calls. Employees have regular formal and informal exchanges with their superiors. Company information is circulated via regular newsletters and the intranet. Every two years, the Company conducts a 'Global Employee Engagement Survey' to capture employee views and define related actions based on the feedback received.

Investors

Investors not only provide financial resources to firms, but they also exercise some degree of control over firms. As awareness on ESG issues rises, investors want to see their capital being deployed in a way that generates returns while acting responsibly towards society and the environment. Furthermore, today's investors increasingly demand transparent ESG disclosures.

Approach
Landis+Gyr maintains a regular dialog with analysts, proxy advisers, institutional investors and shareholders. This happens via the Annual General Meeting, through the announcement of its half-year and full-year results, a Capital Markets Day, roadshows and the Company's participation in investor events. Geographically, the focus is on Switzerland, neighboring countries such as Germany and France, the UK and the USA.

Board of Directors

The representatives on Landis+Gyr's Board of Directors are selected by the investors and represent their interests. The Board is ultimately responsible for the Company's impact to other stakeholders.

Approach
The relation and exchange with the Board and its committees is by nature close and regular. The communication is bi-directional and cover topics such as ESG strategy, ESG disclosures made in the Company's Annual Report, ESG target-setting, etc.

Regulators

As public bodies, regulators ensure the proper functioning of the market which, in the Company's case, is linked to distribution network monopolies. Furthermore, regulators protect the interest of end-consumers by approving tariffs, business cases and technology investments which may impact tariffs and customer rights.

Approach
Since regulators have an arbitrator-like role, the Company's contact primarily focuses on better understanding their concerns and goals in order to be able to integrate them into the solution design (via e.g. standardization and industry associations).

Suppliers

The Company deals with a broad number of local and global suppliers. Furthermore, it maintains partnerships in the areas of technology, development and services.

Approach
Supplier selection is based on a strict catalog of criteria. As part of active discussions during qualification and periodic evaluation, Landis+Gyr captures suppliers' interests and concerns regarding ESG-related matters.

Business Partners

In today's complex and interwoven business environment, targets cannot be achieved in isolation. The close interaction with business partners of all kinds is pivotal not only for business success but also for broader goals in the sustainability context.

Approach
Exchange with partners depends on the relationship and the target the partnership is set out to achieve.

For the updated materiality assessment, the Company pre-identified 14 topics to be analyzed. A side-by-side comparison of the topics considered in the FY 2018 materiality assessment and this year's assessment is shown below:

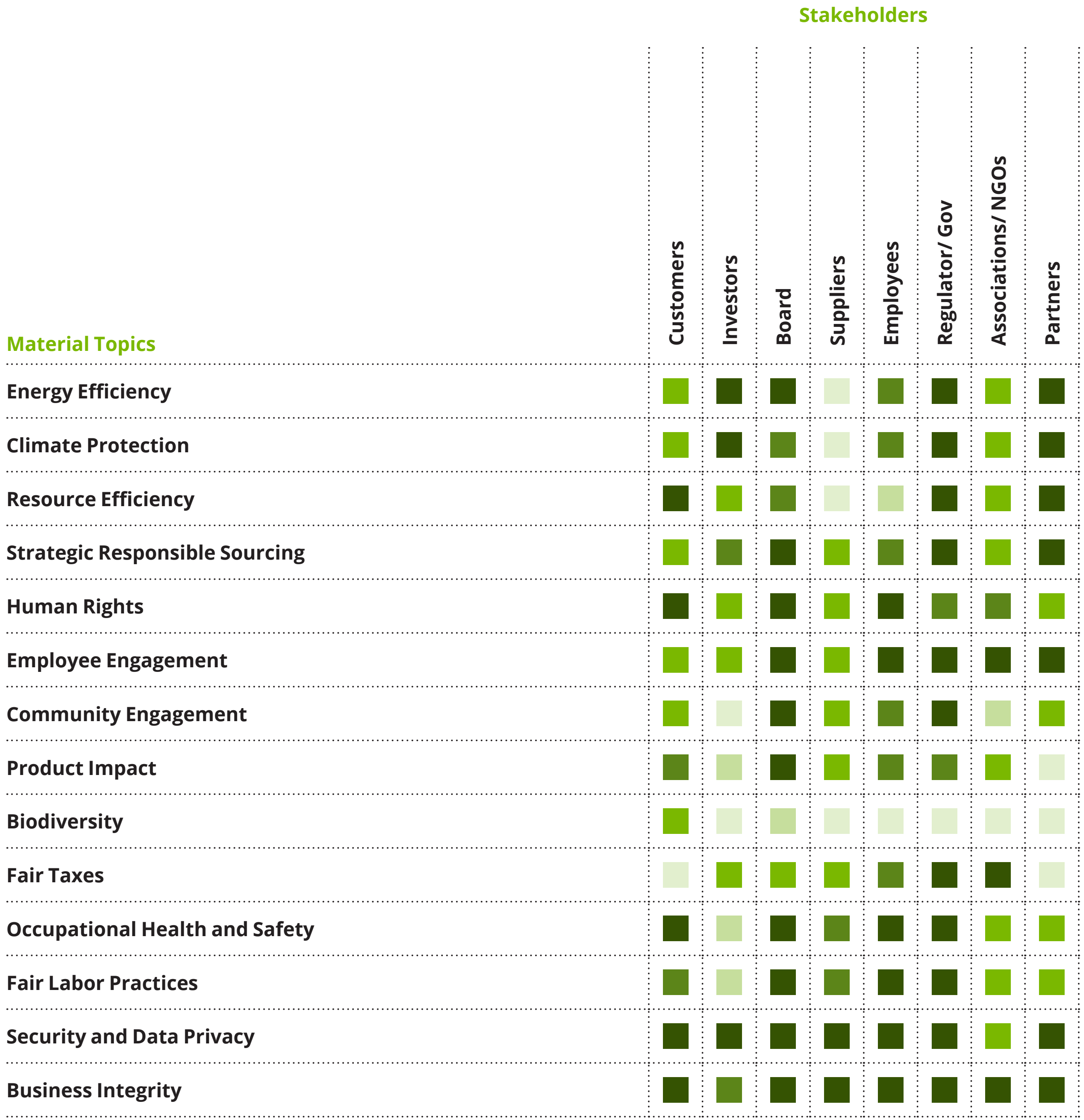
For the stakeholder assessment on the defined material topics, certain terms were renamed for enhanced clarity, for example, the term 'Data Security & Privacy' was changed to 'Security & Data Privacy'. Furthermore, topics were assessed on a finer granularity level to capture stakeholder perceptions in more detail. For example, the topic "Energy Efficiency & Climate Protection' was disaggregated into two separate topics ('Energy Efficiency' and 'Climate Protection'). Similarly, 'Human Rights' and 'Fair Taxes' were explicitly listed as individual topics, even though they are generally perceived to be captured under the umbrella of 'Business Integrity'. New topics added for the FY 2021 materiality assessment included: 'Biodiversity' and 'Product Social Impact'.

Topics in Materiality Assessment FY 2018	Topics in Materiality Assessment FY 2021
Data Security and Privacy	Security & Data Privacy
Resource Efficiency	Resource Efficiency
Business Integrity	Business Integrity
Employee Motivation	Employee Engagement
Fair Labor practices	Fair Labor Practices
Occupational Health & Safety (OH&S)	Occupational Health & Safety (OH&S)
Strategic Responsible Sourcing	Strategic Responsible Sourcing
Community Engagement	Community Impact and Engagement
Energy Efficiency and Climate Protection	Energy Efficiency
	Climate Protection
	Human Rights
	Product Social Impact
	Fair Taxes
	Biodiversity

Findings of the Materiality Assessment

The findings of this year's materiality assessment validated Landis+Gyr's approach to sustainability as one that is firmly rooted in the Company's contribution to decarbonizing the energy grid, with significant positive impacts on society and the environment. The following conclusions were drawn from this analysis:

- 'Security & Data Privacy', 'Business Integrity', 'Energy Efficiency', 'Climate Protection' and 'Employee Engagement' continue to be the most relevant topics.
- The relevance of 'Strategic Responsible Sourcing' and 'Resource Efficiency' has increased over the last three years.
- 'Business Integrity', 'Human Rights' and 'Occupational Health & Safety' were perceived as critical to any successful ESG program. Nevertheless, stakeholders suggested the focus of these three topics was on mitigating downside risk rather than driving differentiated sustainability performance.
- While 'Community Impact and Engagement' was rated relatively low, interviewed customers highlighted the importance of strong relations with local communities since they depend on communities' positive attitude towards them. Also, interviewees emphasized the strong link between 'Community Impact & Engagement' and 'Employee Motivation'.
- 'Biodiversity' or 'Fair Taxes' were not perceived to be as important as other topics. Some interviewees viewed 'Fair Taxes' as part of 'Business Integrity'.



low importance

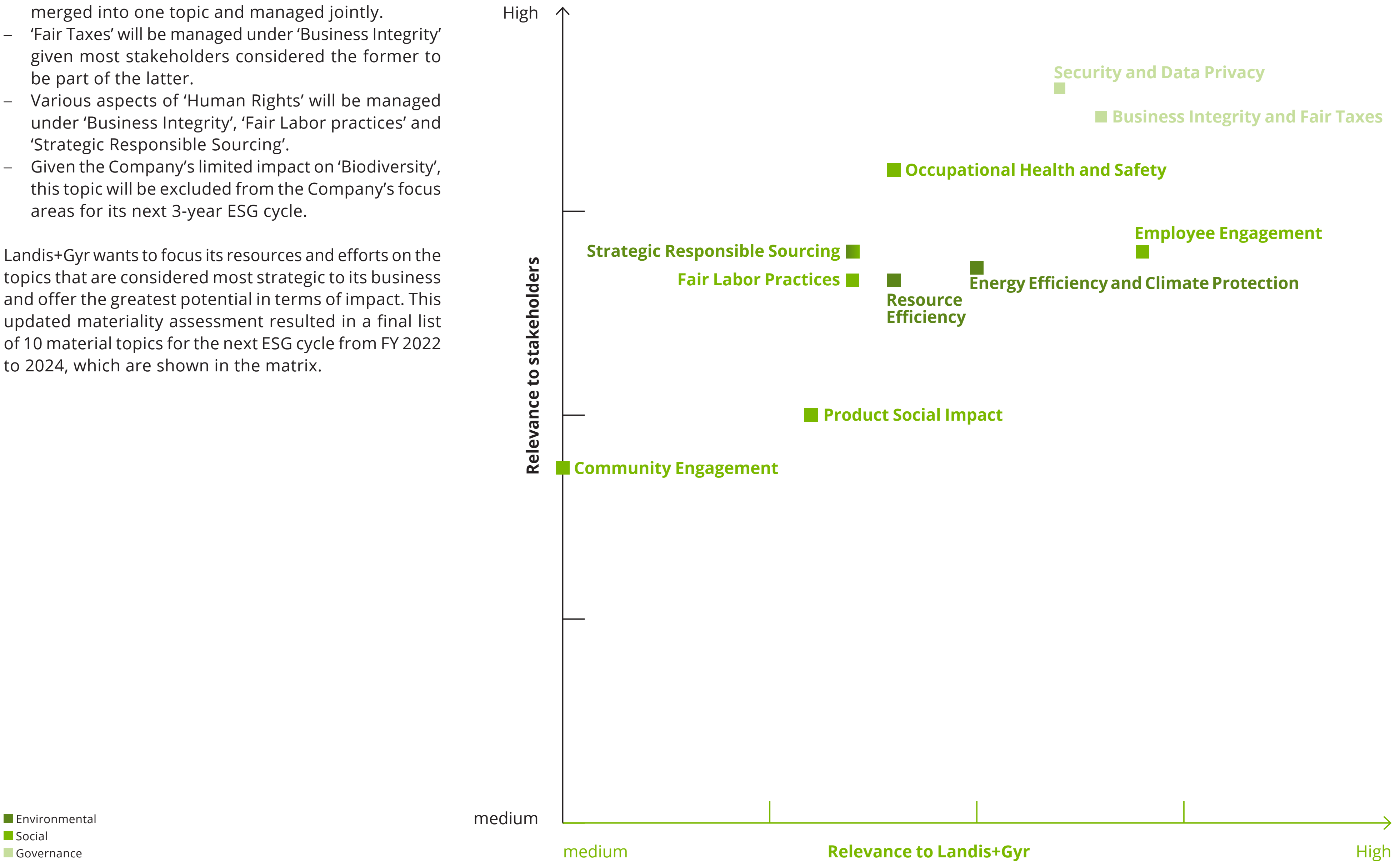
very high importance

In light of the above findings and to ensure efficient management of material issues, the Company decided the following alignments:

- 'Energy Efficiency' and 'Climate Protection' will be merged into one topic and managed jointly.
- 'Fair Taxes' will be managed under 'Business Integrity' given most stakeholders considered the former to be part of the latter.
- Various aspects of 'Human Rights' will be managed under 'Business Integrity', 'Fair Labor practices' and 'Strategic Responsible Sourcing'.
- Given the Company's limited impact on 'Biodiversity', this topic will be excluded from the Company's focus areas for its next 3-year ESG cycle.

Landis+Gyr wants to focus its resources and efforts on the topics that are considered most strategic to its business and offer the greatest potential in terms of impact. This updated materiality assessment resulted in a final list of 10 material topics for the next ESG cycle from FY 2022 to 2024, which are shown in the matrix.

Materiality matrix (Relevance: internal and external stakeholders)



Ambitions, Targets and Roadmap

While the world and business have transformed since Landis+Gyr's founding in 1896, the very reason why the Company exists has remained the same over the years: to manage energy better – together, in a changing world, for a greener tomorrow. The Company continues to demonstrate its enduring commitment to driving progress in support of the UN Sustainable Development Goals and has pledged to become carbon neutral by 2030 (for scope 1 and 2).

As a global leader and critical infrastructure provider, the Company applies a precautionary approach to environmental challenges and promotes greater environmental responsibility through dedicated initiatives as well as through its products and services. Landis+Gyr cares for its employees' health and well-being and promote equal opportunity and diversity in the workplace. Furthermore, Landis+Gyr applies the highest ethical standards of honesty, fairness and respect against corruption in all its forms, especially extortion and bribery.

Material Topic	Long-term ambition	Key KPI	Selected Actions
Energy Efficiency and Climate Protection	Attain carbon neutrality in company operations (Scope 1 & 2) by 2030 and enable grid decarbonization through Landis+Gyr's product offerings.	FY 22: % of renewable electricity used; FY 22 onwards: Carbon emission reduction targets in line with defined science-based targets	– Set science-based targets and execute decarbonization roadmap
Resource Efficiency	Aim for zero-waste, increased product recycling and higher utilization of sustainable materials through the application of circular economy principles.	% of units shipped, which are categorized as part of the Eco-Portfolio	– Implement product recycling/refurbishment scheme – Reduce packaging – Continue to reduce waste and water consumption
Strategic Responsible Sourcing	Be recognized as an industry leader in responsible sourcing.	% of spend of suppliers audited on ESG standards	– Collaborate with suppliers towards enhanced ESG performance – Conduct ESG supplier audits
Security and Data Privacy	Ensure security and privacy is core within Landis+Gyr's current and future products, services and culture.	Cybersecurity maturity level (based on NIST and BSIMM)	– Implement Secure Development Practices (SDLC) for all new released software and firmware products – Achieve ISO 27001 Information Security certification and SSAE18 SOC 2 across sites – Secure ISO 27701 Data Protection certification
Employee Engagement	Be recognized as employer of choice, with a positive working environment in which employees are engaged and empowered in line with Landis+Gyr's shared values.	# of hours of developmental learning	– Implement action plans resulting from global employee engagement survey – Develop employees and support a learning culture and a spirit of diversity & inclusion among the workforce
Business Integrity and Fair Taxes	Maintain an undisputed reputation as a trusted and reliable partner, with the highest integrity standards, by customers and other stakeholders.	Completion rate of compliance training sessions	– Continue to raise awareness about business integrity via mandatory compliance training sessions covering business ethics and conduct; bribery and corruption; anti-competitive practices and sexual harassment – Secure ISO 37001 Anti-bribery Management certification
Fair Labor Practices	Nurture and sustain a culture of diversity, equity and inclusion within Landis+Gyr's workplace to maximize its potential as business.	% of female employees in the global workforce	– Increase diversity representation at all levels through hiring, promoting, transferring and minimizing turnover – Prioritize diversity awareness through training and education
Product Social Impact	Deliver solutions which empower Landis+Gyr's customers and consumers to achieve their financial and environmental targets.	Product and features availability	– Deploy pre-payment platforms enabling consumer financial control over their budget and energy consumption – Deploy industry's first grid sensor to revolutionize consumer engagement from passive energy users to active managers of their energy consumption
Occupational Health and Safety	Nourish a global safety culture focused on improvement and involving everyone in the proactive identification, reporting and mitigation of OHS-related work hazards.	Reduce Loss Time Incident / LTI / LTR	– Raise awareness and promote OHS culture through training – Identify, prioritize, and develop L+G Corporate OHS standards – Improve suppliers' OHS management through best practice sharing
Community Engagement	Act as a responsible corporate citizen, who leverages company resources to bring prosperity and enhance quality of life in the communities where it operates and beyond.	# of hours volunteered by employees	– Implement global corporate volunteering platform – Develop framework for flagship community engagement programs

Reporting 2019–21

Overview Reporting

Material Topic	SDGs	Achievements Cycle FY 2019–21
Energy Efficiency & Climate Protection	6, 7, 13	89%
Resource Efficiency	7, 12, 13	78%
Strategic Responsible Sourcing	12, 13, 17	100%
Occupational Health and Safety	3	100%
Employee Motivation	4, 5	100%
Fair Labor Practices	5, 8	100%
Community Engagement	7, 8, 16	75%
Security & Data Privacy	9	87%
Business Integrity	9, 16	90%

Environmental
Social
Governance

Material Topic
Energy Efficiency and Climate Protection

89%

of activities completed

Over-reliance on fossil fuels has taken a toll on the environment, leading to the rapid increase of greenhouse gas emissions, and exposing Landis+Gyr to the damaging consequences of climate change. The Company, its stakeholders, its value chain as well as its products and services are affected by climate change and depend on a more sustainable energy use in the future. For this reason, Landis+Gyr is committed to reducing its carbon footprint, both for operational direct emissions (GHG scopes 1 and 2) as well as upstream and downstream indirect emissions (GHG scope 3). Moreover, through its products and services, the Company supports customers and end-consumers in reducing their own carbon footprint.

As a sign of its strong commitment to climate action, the Company has announced it will become carbon neutral in its operations by 2030 for scope 1 and 2. To guide Landis+Gyr in this journey, the Company recently joined the 'Science-Based Targets initiative' and committed to set net-zero targets, both for the near- and long-term.

Ambition

Reduce Landis+Gyr's GHG emissions and quantify the Company's contribution to lower the carbon footprints of customers and end-consumers.

Activities

1) Energy audits
- Performed energy audits at Landis+Gyr's main production sites.
- Developed list with improvement measures per site and monitored implementation.

2) Renewable electricity
- Conducted an analysis of electricity supply by type by site.
- Assessed the potential for green electricity supply (incl. cost) for each site.
- Established targets per site.
- Signed green electricity supply contracts.
- Switched to green electricity at 10 additional sites, compared to beginning of FY 2019.
- Reached 64% of green electricity purchased in 15 sites by the end of FY 2021.

3) CO_2 savings enablement KPI
- Assessed potential metrics and selected the KPI describing best the CO_2 savings impact of Landis+Gyr's product portfolio.
- Calculated the impact of Landis+Gyr's smart portfolio on CO_2 savings based on public data and the quantity of Landis+Gyr's smart meter endpoints installed.
- Submitted metric and methodology for review by internal audit and external ESG consultant.

For efficiency, the following actions were centrally managed and reported under the topic 'Energy Efficiency & Climate Protection' for ESG cycle FY 2019-21. Nevertheless, these actions relate to the ESG program as a whole, not just to this specific topic.

4) ESG guidelines and policies
- Updated Landis+Gyr's strategy to embed ESG aspects.
- Developed and rolled out overarching ESG reporting guidelines and data capturing handbook.

5) Third-party assurance / data audits
- Created dedicated reporting handbooks in preparation for internal and external audits.
- Underwent internal audits for the sustainability reports of FY 2019 and FY 2020 in preparation for external audit of FY 2021 sustainability report.
- Sustainability Report FY 2021 audited by an external third party.

6) Communication with internal stakeholders
- Published an ESG update for internal stakeholders after each ESG Steering Committee meeting.
- Addressed and discussed ESG topics in the monthly CEO update to employees ("Energized" calls).

Material Topic Resource Efficiency

78%

of activities completed

Landis+Gyr recognizes that accessible natural resources are finite and depleted at an unsustainable rate. As resources keep getting scarcer and more expensive, companies are forced to shift from the traditional linear model of 'take-make-use-waste' to a restorative and regenerative model that allows for a more sustainable use of natural resources. Landis+Gyr supports a transition into a circular economy model, where value once created from raw materials, components and resources is preserved at the highest level possible throughout the life of a product. This implies working to reconceive the full lifecycle of a product, from design and manufacturing through to use and maintenance, with the aim of optimizing resources, reducing the use of raw materials and recovering waste by recycling or reusing.

Ambition

Manage resources efficiently to enhance the environmental impact of Landis+Gyr's products.

Activities

1. **Design of Eco-Portfolio metric**
- Performed Life Cycle Assessments (LCAs) to better assess the environmental impacts of Landis+Gyr's products and developed an impact catalogue.
- Created a methodology and evaluation tool to assess the eco-friendliness degree of products, on the basis of 24 criteria across 3 dimensions (product impact, product lifetime and green design criteria).
- Defined targets based on the assessed baseline, with the aim of enhancing the impact of the products.
- Developed target is included in the set of ESG targets that are linked to the Company's Short-Term Incentive (STI) Plan.

2. **Energy self-consumption**
- Analyzed products to understand which building block/feature is responsible for which consumption.
- Categorized products according to their impact.
- Developed metrics to reduce the self-consumption.

3. **Compliance with RoHS and REACH Directive**
- Created 'Restriction of Hazardous Substances' (RoHS) and 'Registration, Evaluation, Authorization and Restriction of Chemicals' (REACH) tracking.
- Reached over 90% coverage (for electronic and electro mechanic components) globally. On an EMEA-level, the coverage is 100% for all types of components.
- Mandated RoHS and REACH compliance for company products globally (exceptions possible with senior management approval).

4. **Recycled meters (focus on heat and gas meters).**
- Heat meters are now compliant with the 'Waste from Electrical and Electronic Equipment' (WEEE) Directive.
- Ongoing negotiations with recycling companies to have all gas meters covered by a take-back scheme.
- Specified how recyclability (among other environmentally relevant prescriptions) shall be designed when developing new Landis+Gyr products as part of the Green Design Manual.

5. **Green Design Manual**
- Created a 'Green Design Manual' (GDM), rolled-out and completed trainings (included in the development process). GDM focuses on reducing the material used, utilizing more sustainable materials, designing for disassembly and recycling, managing self-consumption, among other areas.

6. **Tracking of material usage**
- Updated 'Product Lifestyle Management' (PLM) and 'Product Data Management' (PDM) systems to capture and track applied materials.

7. **Inclusion of recycled materials in products**
- Completed assessment of the current status of % of recycled content for main metal, plastic and packaging (cardboard, wood) materials.
- Included requirement to use recycled material in the Green Design Manual and the Green Procurement Requirements, which is an appendix of the Supplier Code of Conduct.

Material Topic Strategic Responsible Sourcing

100%

of activities completed

Landis+Gyr's collaboration with its supply chain partners is critical to the success of the business. The Company strives to expand relationships with its suppliers in terms of sustainability targets and on the basis of shared values. Landis+Gyr considers its supply chain partners as an integral part of its ESG efforts, and therefore engages closely with them to share and align on its sustainability direction and principles. Hence it is crucial for Landis+Gyr to ensure suppliers' compliance with the Company's quality, environment, health and safety policies, as well as its Supplier Code of Conduct.

Ambition

Set foundations for strong ESG performance in the Company's supply chain.

Activities

1. Supplier Code of Conduct
- Reviewed and updated 'Supplier Code of Conduct'.

2. Green Procurement Requirements
- Issued 'Green Procurement Requirements' policy as an appendix of Supplier Code of Conduct.
- Distributed document and required suppliers to confirm adherence by signature.

3. Supplier Declaration of Conformity Certificate
- Set up process to collect a 'Supplier Declaration of Conformity Certificate', which requires suppliers to confirm that the supplied goods comply with environmental legislations.
- Established collaboration with a specialized third party to capture conformity certificates.
- Collected confirmation of adherence to Supplier Code of Conduct (including 'Green Procurement Requirements') from 85% of the relevant suppliers.

4. Cobalt reporting
- Set up process to capture cobalt used purchased and its origin and rolled it out with suppliers. Reporting is based on the 'Conflict Minerals Reporting Template' (CMRT) document issued by the 'Responsible Minerals Initiative'.
- In FY 2020, 29.1% of the suppliers have reported their cobalt use and sourcing. In FY 2021, cobalt reporting was included with other minerals such as mica in an 'Extended Minerals Reporting Template' (EMRT).

5. Conflict minerals
- Set up a process to capture the use and origin of conflict minerals and rolled it out with suppliers. Reporting is based on the 'Conflict Minerals Reporting Template' (CMRT) document issued by the 'Responsible Minerals Initiative'.
- In FY 2021, 43.3% of the suppliers have reported their conflict mineral use and sourcing.

Material Topic Occupational Health and Safety (OH&S)

100%

of activities completed

This topic covers the impact of business activities on the physical and mental well-being of all employees. The right to a healthy and safe workplace is recognized as a human right. As such, Landis+Gyr has a duty of care towards its employees. Proper management of 'Occupational Health and Safety' (OH&S) contributes to improve employee well-being and build a positive safety culture, where everybody is aware of OH&S risks and feels responsible for their own health and safety and that of others. This has a positive impact on productivity, employee morale and reduces the risk of work-related injuries or illnesses. The latter can result in employee stress, reputational damage, loss of working days and additional expenditures for Landis+Gyr. Consequently, the occupational health and safety of employees a key factor for the success of Landis+Gyr.

Ambition

Strengthen the focus on OH&S to provide a safe and healthy work environment for everyone.

Activities

1) OH&S management system
- Achieved umbrella ISO 45001.
- Further harmonized regional processes and KPIs.
- Enhanced reporting knowledge sharing thanks to a strengthened network and information practice dashboard.

2) 'Near-miss' reporting
- Introduced 'near-miss' reporting process.
- Implemented reporting tool and process and provided related training.
- Monitored that 'near-misses' are being reported regularly (along with incidents) and adequate measures taken.

3) Travel safety
- Updated and implemented process and tool for travel approval and safety framework.

4) Employee and visitor safety
- Conducted 250 person-hours of meetings on implementing 6s (otherwise known as 5S + Safety).
- Performed audits at focus sites.

5) OH&S supplier awareness
- Placed additional OH&S requirements on suppliers through revised 'Supplier Code of Conduct'.
- Introduced new requirements into supplier audits.

6) Physical and mental stress assessment in office and shopfloor
- Introduced job observations process and created checklists to identify and reduce physical and mental stress in the work environment.
- Conducted ongoing training sessions to assure employees remain continually qualified to carry out the QEHS-related aspects of their jobs.
- Re-evaluated existing processes, checklists and global rules defined to monitor multiple QEHS aspects during sequential observation periods.

Material Topic Employee Motivation

100%

of activities completed

Landis+Gyr believes that employee engagement sits at the very heart of its ability to deliver great customer service and achieve outstanding business results. Therefore, Landis+Gyr is firmly committed to an organizational culture where employees feel motivated and engaged.

Ambition

Drive higher employee engagement and strengthen people's alignment to the Company's values and purpose.

Activities

1) Global employee engagement survey and related actions
- Completed survey in 2019, with a participation rate of 88%. Repeated survey in 2021 with a participation rate of 84%.
- Implemented measures based on the findings of the 2019 survey. The findings of the 2021 survey are currently being analyzed and measures under discussion.

2) Global Performance Management Policy
- Introduced a new 'Global Performance Management Policy' which outlines clear responsibilities for managers and employees to ensure a fair and consistent conduct of the employee performance review process.

3) Global Learning & Development Policy
- Introduced a new 'Global Learning & Development Policy' to promote sustainable learning environment.

4) Global Talent Acquisition Policy
- Launched a new 'Global Talent Policy' in line with the new global recruitment tool.

5) Accreditation process for hiring managers
- Placed Global Accreditation for Hiring Managers process on hold due to other priorities. However, regions are sharing best practices with hiring managers to improve the interview process.

6) Unconscious bias training
- Training rolled out to white-collar employees (incl. management).

7) Global HR intranet page
- Launched an HR intranet page where global people policies can be accessed by all employees at the end of 2019.

8) Corporate onboarding program
- Developed set of corporate onboarding modules to complement existing onboarding programs. This includes an overview of the strategy and available key tools. Modules are automatically allocated to all new hires.

9) Employee motivation strategy
- Run several initiatives to support the Company's employee motivation strategy and internal talent development, such as learning campaigns for LinkedIn Learning and Coursera, definition of succession planning principles, format for career conversations, design of a first element of a leadership development curriculum (Transformational Leadership Program).

10) Global reward and career framework
- Developed and implemented a global job architecture framework with job families and job levels for individual contributors, experts and management roles. Starting with top and senior management, positions have been mapped to the job architecture. The job architecture is used to guide rewards policies and processes and provides a basis for strategic workforce planning and analytics.
- Launched competence model (in line with Company shared values) which describes development areas from beginner to expert level and serves as a guideline for external talent recruitment.

11) Global succession planning
- Cascaded down global succession planning into the management structure of the organization.
- Established a talent review process to identify 'high potentials' in the organization.

Material Topic Fair Labor Practices

100%

of activities completed

Landis+Gyr's success is the result of the hard work and innovation of its employees around the globe. Landis+Gyr is committed to treating its employees with the respect they deserve, as well as in accordance with local legal requirements and global standards and guidelines (such as the United Nations Universal Declaration of Human Rights, as well as the Declaration on the Fundamental Principles and Rights at Work of the International Labor Organization), also reflected in the Company's Code of Business Ethics and Conduct. Landis+Gyr's commitment to fair labor practices is also a fundamental pillar of its supply chain operations. In Switzerland, Landis+Gyr performed the equal pay analysis in accordance with the requirements of the Swiss Federal Act on Gender Equality. The results of the analysis show that Landis+Gyr is fully compliant with Swiss equal pay standards.

Ambition

Promote and sustain fair labor practices within the Company and its supply chain.

Activities

1) Global policy on protection of minors and young people

- Added provisions regarding protection of minors and young people to 'Supplier Code of Conduct'.
- Added provisions regarding protection of minors and young people to new internal Code of Business Ethics and Conduct and rolled it out to the organization after securing Board approval. Employees were asked to acknowledge receipt and understanding of the Code.

2) Training on Code of Business Ethics and Conduct

- Launched new e-learning on this topic at a global level every year.

3) Human rights policy and due diligence process

- Completed, published and rolled out a revision of the internal 'Code of Business Ethics and Conduct', which is aligned with the principles stemming from the 'United Nations Guiding Principles on Business and Human Rights'.
- Completed, published and rolled out the 'Supplier Code of Conduct', which includes a direct reference to the Company's commitment to the United Nations Global Compact principles.
- Due diligence and audit process for suppliers has been adapted to reflect updates to 'Supplier Code of Conduct'.

4) Support and adherence to international and industry standards

- Modeled Landis+Gyr's new 'Code of Business Ethics and Conduct' and 'Supplier Code of Conduct' after the Code of Conduct template from the Responsible Business Alliance.
- Modeled Landis+Gyr's new 'Code of Business Ethics and Conduct' and 'Supplier Code of Conduct' after the Code of Conduct template from the Responsible Business Alliance.

Material Topic Community Engagement

75%

of activities completed

With a local presence in around 30 countries and approximately 6,500 people employed, the Company has a significant impact on several local communities and depends on positive local relationships to support its business. As with all companies, Landis+Gyr depends on local resources such as infrastructure, workers, customers and suppliers. In the same way, communities benefit from the employment, taxes revenues and boost to the local economy enabled by firms. This mutual dependency means that businesses can only thrive if the communities around them also prosper, and vice versa. For this reason, Landis+Gyr views community engagement as essential to support the long-term success of its business.

Ambition

Establish a framework to deliver initiatives that support local communities.

Activities

1) Global concept, strategy and guidelines for community engagement

- Drafted and released community engagement directive describing focus areas for initiatives, roles and responsibilities, KPIs and reporting requirements.
- Rolled-out policy to the organization in 2020.

2) Collection and consolidation of community engagement activities at global scale

- Collected examples of various community engagement initiatives across sites. Currently assessing the best way to consolidate all initiatives under a global umbrella. Approach to be finalized in the next ESG cycle.
- Implemented regular community engagement reporting as part of the sustainability reporting.

3) Implementation of community engagement activities

- Faced reduced ability to implement community engagement initiatives during the pandemic due to imposed social distancing rules. Nevertheless, the Company continued to provide financial support to several local initiatives, including the set-up of a COVID-19 Employee Relief Fund in India at the beginning of FY 2021 and several donations made to local NGOs serving vulnerable populations in South Africa and Greece.
- The community engagement concept is under review. Initiatives have taken place on several sites, but the Company has fallen short of implementing one initiative in each site per year, as originally intended. The new ESG roadmap FY 2022–24 will present a revised approach to address community engagement.

Material Topic Security & Data Privacy

87%

of activities completed

Landis+Gyr's products and services deliver intelligence to the power grid by collecting and analyzing data and enabling energy utilities and energy consumers to make fact-based decisions regarding energy management. While the use of digital technologies offers great opportunities for enhanced efficiency and reliability in the energy grid, it also poses increased data privacy and security risks. These can expose sensitive data to unauthorized users and result in reputational damage and significant financial losses for the Company. Therefore, Landis+Gyr is committed to taking the necessary measures to protect gathered data and to implement controls aimed at minimizing security risks. Landis+Gyr complies with data protection regulations in jurisdictions in which it and/or its customers operate and regularly monitors new legislation to ensure compliance.

Ambition

Enhance visibility concerning vulnerabilities and increase internal knowledge around cyberthreats.

Activities

1) Compliance with data privacy process and policies
- Collaborative action with the Business Integrity workstream related to activities "Certified Compliance and Ethics platform" and "Audit plan for Compliance related topics".

2) Security awareness and training
- Enhanced internal security training and delivered training to all employees.
- Continued to utilize security testing (phishing exercises) with "just-in-time" training.
- Distribute security awareness material (newsletters, posters, etc.) to raise awareness for the topic on an ongoing basis.

3) Vulnerability enhancement
- Centralized product vulnerability management and monitoring.

4) Enhance network and workstation protection
- Implemented new solution to better protect company workstations and servers.

5) Reinforce identity management
- Implemented a new identity management solution to enhance employee access tracking.

6) Cloud security modeling
- Developed an enhanced cloud security model to align with the Company's cloud direction.

7) Software Development Lifecycle (SDLC)
- Established and staffed a Global Product Security program.
- Completed a 'Building Security in Maturity Model' (BSIMM) assessment on the current software and firmware development practices.

Material Topic
Business Integrity

Landis+Gyr is committed to conducting its business in accordance with all applicable laws and regulations and in accordance with the highest standards of business conduct and ethics – and thus, with utmost integrity. Overall, Landis+Gyr's compliance management system is well established and constantly improving. Integrity is the compass that guides all of Landis+Gyr's operations and the fundamental principle in the Company's internal compliance policies and procedures. Landis+Gyr upholds the letter and spirit of the laws in all locations in which it operates and conducts transactions in full compliance with applicable laws and regulations. As outlined in all its revised Compliance Policies, Landis+Gyr takes a zero-tolerance approach against all forms of corruption and bribery and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships. Employees, as well as others representing or acting on behalf of the company (i.e., intermediaries, resellers, agents, etc.), are expected and required to comply with all such principles and policies and to also conduct themselves with the highest level of ethics and integrity. These are the conditions under which Landis+Gyr competes as a company, delivers value to customers and acts as a responsible member of society. This behavior is also essential to protect the Company and its employees from reputational damage and exposure to other risks, while promoting a work environment founded on integrity and respect. It also enables its customers, many of whom are public institutions, to rest assured that Landis+Gyr is a reliable business partner conducting its business in compliance with the highest integrity standards.

90%

of activities completed

Ambition

Strengthen already existing policies and controls and raise awareness to preserve a solid reputation in the industry.

Activities

1) Update of Code of Business Ethics and Conduct and other policies aimed at business integrity

– Revised, published, rolled out and trained employees on internal 'Code of Business Ethics and Conduct' and among others, the Anti-Corruption Policy, Group Approval Policy and Insider Dealing and Market Manipulation Policy committing Landis+Gyr and its employees as well as others representing or acting on behalf of the Company (i.e., intermediaries, resellers, agents, etc.) to conduct its business fairly, with the utmost integrity and in compliance with all applicable laws and regulations, based on a zero-tolerance approach to violations.

2) Establishment of ethics committee

– Established and started operations of the ethics committee, consisting of the CEO and CFO of the Group, the Group General Counsel, Group Chief Compliance Officer and Group Head of HR.
– Expanded committee membership to include Executive Vice Presidents for EMEA, Americas and Asia/Pacific.

3) Certified compliance and ethics platform

– Assessed approach and costs, and narrowed scope of this initiative with plan to be implemented and completed in the next ESG cycle (FY 2022–24).

4) Define new learning topics for the 'Code of Business Ethics and Conduct' training

– Developed and launched e-learning training in November 2019. The e-learning is updated annually to address new business integrity topics and business risks, and is reassigned to relevant employees within the organization. Completion is tracked and reported to top management.

5) Relaunched and extended Whistleblower Program

– Introduced dedicated Ombudsman System to ensure alternative channel for reporting violations of Landis+Gyr's Code of Conduct.
– Relaunched and promoted the internal and external Whistleblower System "Speak-Up" and introduced new investigations capabilities internally and together with globally leading law firms.

6) Launch monitoring program and audit plan for compliance-related topics

– Improved and rolled out process related to compliance monitoring of third parties, with a focus on agents, distributors and resellers. The process regarding due diligence of suppliers is currently under review and will also be improved and updated.
– Compliance program accessible for internal and third-party audits; with regards to internal audits, scope of compliance audits will broaden following the acquisition of a new audit management tool, which is currently underway.

Statistics

Water

Total Water Consumption FY 2021 (in m³)	
Americas	27,699
EMEA	20,191
APAC	24,571
Total	**72,461**

Water Consumption by Source FY 2021 (in m³)	
Total water consumption	**72,461**
Water consumption from public water supply system (municipal water)	45,557
Industrial water	0
Water from wells (groundwater)	23,482
Water other (e.g., rainwater)	3,422
Total waste water	**62,275**
Direct drain to public waters or ground	16,513
Water, to public sewage system (drain discharge)	45,762
Water Reuse/ Recycling	**5,683**
Amount of water reused	0
Amount of water recycled	5,683

Historic Water Consumption by Source (in m³)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Reduction
Total water consumption	**104,962**	**115,325**	**102,876**	**90,528**	**72,461**	**20%**
Water consumption from public water supply system (municipal water)	65,291	64,059	61,389	54,369	45,557	16%
Industrial water	45	38	56	121	0	100%
Water from own wells	34,384	44,298	37,249	33,966	23,482	31%
Rainwater	5,242	6,931	4,182	2,072	3,422	(65%)
Total waste water	**90,152**	**97,535**	**85,210**	**78,428**	**62,275**	**21%**
Water reused/ recycled	**1,432**	**2,627**	**7,291**	**4,211**	**5,683**	**(35%)**

Waste

Total Waste Generation FY 2021 (in t)	
Total paper (recycled) generated [kg]	1,002
Total metal scrap generated [kg]	561
Total plastic waste generated [kg]	338
Total general waste generated [kg]	240
Total electrical and electronic waste generated [kg]	189
Total wood scrap generated [kg]	161
Total food leftover generated [kg]	108
Total other waste generated [kg]	74
Total sludge generated [kg]	51
Total hazardous waste generated [kg]	22
Total debris generated [kg]	4
Total oil waste generated [kg]	3
Total glass and ceramic waste generated [kg]	3
Total medical waste generated [kg]	0
Total mining waste generated [kg]	0
Total cinder generated [kg]	0
Total alkali waste generated [kg]	0
Total rubber waste generated [kg]	0
Total soot & dust generated [kg]	0
Total textile waste generated [kg]	0
Total acid waste generated [kg]	0
Total Waste	**2,757**

Historical Waste Generation per Region (in tons)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Reduction
Americas	1,189	1,192	1,549	1,208	1,177	3%
EMEA	2,542	2,669	2,139	1,493	1,326	11%
APAC	352	485	403	299	254	15%
Total	**4,083**	**4,346**	**4,091**	**3,000**	**2,757**	**8%**

Historical Treatment of Waste (in tons)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Reduction
Sold	1,464	1,471	1,351	1,301	1,442	(11%)
Incinerated	101	102	90	132	30	77%
Landfill*	403	510	389	216	194	10%
Recycled	2,128	2,268	2,265	1,357	1,108	18%

* Includes 5% of incinerated as landfill ash (on top of directly sent to landfill portion, hence total higher than total waste).

Chemicals

Use of Chemicals FY 2021 (in kg)	
Acrylic acid 2-hydroxyethyl	0
3-Isocyanatomethyl-3,5,5-trimethylcyclohexyl isocyanate	0
Ethylbenzene	0
Xylene	0
Silver and its water-soluble compounds	0
1,2-Dichloroethane	0
Dichloromethane (methylene chloride)	260
Tetrachloroethylene	0
Tetrahydromethylphthalic anhydride	0
Toluene	0
Lead	0
Bis(2-ethylhexyl) phthalate	0
n-Hexane	256
Manganese and its compounds	0
Acetone	0
Isobutane	0
Isobutyl alcohol	0
Isopropanol	4,321
Ethyl alcohol	144
Ethylene glycol	0
N-methyl -2-pyrrolidone	0
Hydrogen chloride	0
Chlorine	604
N-butyl-acetate	0
Paraffinic hydrocarbon	0
Cyclohexane	0
Tetrahydrofuran	680
n-Butane	0
Propylene glycol monomethyl ether	0
Propylene glycol monomethyl ether acetate	0
Methyl Alcohol	0
Methyl isobutyl ketone	0
Methyl ethyl ketone	12
Methylcyclohexane	0
Sulfuric acid	0
Total in kg	**6,277**

Historical Use of Chemicals per Region (in tons)	FY 2017	FY 2018	FY 2019	FY 2020	**FY 2021**	Reduction
Americas	7.1	7.6	6.8	6	5.3	12%
EMEA	3.5	1.4	0.8	0.1	0.7	(613%)
APAC	1.3	1.7	1.7	0.8	0.3	67%
Total	**11.9**	**10.7**	**9.3**	**6.9**	**6.3**	**9%**

Carbon Footprint

CO_2e Emission FY 2021 (in tons)	Scope 1	Scope 2	Scope 3*	Total
Americas	1,286	1,509	491	3,285
EMEA	861	1,546	277	2,684
APAC	99	3,500	118	3,718
Total	**2,245**	**6,555**	**887**	**9,687**

Historic CO_2e Emission Group (in tons)	FY 2007	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Reduction	Reduction since FY 2007
Scope 1	7,143	3,215	3,224	2,879	2,174	2,245	(3%)	69%
Scope 2	27,762	19,333	19,445	18,600	10,933	6,555	40%	76%
Scope 3*	5,521	5,541	4,665	3,410	191	887	(365%)	84%
Total	**40,426**	**28,089**	**27,334**	**24,889**	**13,297**	**9,687**	**27%**	**76%**

Historic Intensity Ratios (Scope 1 and 2)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Reduction
kg CO_2e per product	1	1.2	1.1	0.9	0.6	33%
t CO_2e per employee	3.8	4	3.7	2.6	1.8	32%
t CO_2e per 10 m² floor area	1.3	1.3	1.2	0.7	0.6	10%
kg CO_2e per USD 100 turnover*	1.3	1.3	1.3	1.0	0.7	31%

* Turnover as reported in the financial report, covering recent acquisitions.

Historic CO_2e Emission per Region (in tons)

Americas	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Reduction
Scope 1	1,628	1,712	1,497	1,238	1,286	(4%)
Scope 2	8,999	9,116	8,838	4,754	1,509	68%
Scope 3*	2,989	2,633	1,837	11	491	(4,183%)
Total	**13,616**	**13,461**	**12,172**	**6,003**	**3,285**	**45%**

EMEA	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Reduction
Scope 1	1,345	1,256	1,117	839	861	(3%)
Scope 2	6,119	6,054	5,899	2,902	1,546	47%
Scope 3*	1,290	903	753	92	277	(201%)
Total	**8,754**	**8,213**	**7,769**	**3,833**	**2,684**	**30%**

APAC	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Reduction
Scope 1	243	257	265	97	99	(2%)
Scope 2	4,214	4,275	3,863	3,277	3,500	(7%)
Scope 3*	1,261	1,129	819	87	118	(36%)
Total	5,718	5,661	4,947	3,461	3,718	(7%)

* Scope 3 reported by Landis+Gyr consists of business air travel.

GRI Index

General Disclosures

GRI Standard	GRI Indicator
102-1	Name of the organization Landis+Gyr Group AG (referred to as Landis+Gyr)
102-2	a. Activities, brands, products, and services: A description of the organization's activities. Landis+Gyr is a leading global provider of integrated energy management solutions. We measure and analyze energy utilization to generate empowering analytics for smart grid and infrastructure management, enabling utilities and consumers to reduce energy consumption. Our innovative and proven portfolio of software, services and intelligent sensor technology is a key driver to decarbonize the grid. Having avoided more than 9 million tons of CO_2 in FY 2021 and committed to achieve carbon neutrality by 2030 for scope 1 and 2, Landis+Gyr manages energy better – since 1896. With sales of USD 1.5 billion in FY 2021, Landis+Gyr employs around 6,500 talented people across five continents. **b.** Activities, brands, products, and services: Primary brands, products, and services, including an explanation of any products or services that are banned in certain markets. **Brands:** Landis+Gyr; Gridstream; Gridstream Connect; INCH; OCEAN; TRUE **Products:** Intelligent endpoints (Electricity, Gas, and Heat and Cooling Meters (Pre- and Post-Pay); Communication Modules (wired and wireless), Data Loggers and Data Concentrators (including Volume Correctors), Handheld Terminals; Load Management Receivers (one way and two ways), Street Light Controllers, Sensors and Thermostats; Gas Quality Analyzer Controller; Distributed Automation Devices and Systems; Meter Test Equipment; EV-Vehicle charging stations and Load Guard sensors Software (Smart Metering Management, Analytics, Field Operation Manager, Network Monitor, Substation Platform, SCADA Center Enterprise Information System, SAP Utility Adapter, Grid Management and Consumer Engagement App Platform), Applications (Field Operation Manager, Operational Data Panel, Grid Flex Control); Cybersecurity solution (OT/IoT Monitoring Software), EV solutions (EV charge point and energy management software, Smart Charging app and Flexibility management platform); Services: IoT Connectivity as a Service (cooperation with Vodafone), SaaS, Metering as a Service, Infrastructure as a Service (Solution Consulting, Cloud Service, Deployment and Project Delivery Services, Managed Services, Operational Support Services, Smart Grid Services, Support Service, Managed Detection and Response services); Training. Landis+Gyr does not have banned products or services. Landis+Gyr maintains an embargo control list which requires additional due diligence and approvals for group entities prior to engaging in business activities with counterparts based in the countries included in the list – such approvals are only granted when applicable laws and sanctions permit. A large portion of our products need approval for being installed in the marketplace.
102-3	Location of headquarters Landis+Gyr AG, Alte Steinhauserstrasse 18, 6330 Cham, Switzerland
102-4	Location of operations A detailed overview of Landis+Gyr's location of operations can be found in the chapter "Locations" at the end of this Sustainability Report. As per January 31st 2022 Landis+Gyr has closed the acquisition of the Turkish Smart Metering provider Luna Elektrik Elektronik Sanayi ve Ticaret A.Ş. ("Luna"), however, no data related to Luna has been integrated into this GRI report.
102-5	Ownership and legal form Landis+Gyr Group AG is a joint-stock Company listed on the SIX Swiss Exchange in Switzerland SIX (ISIN: CH0371153492, ticker symbol: LAND, valor number: 37115349)
102-6	Markets served **i. Geographic locations where products and services are offered;** Landis+Gyr Americas serves the following regions: North America, Central America, South America, Japan and certain other markets that adopt US standards. Main countries: USA, Canada, Brazil, Japan. L+G APAC serves all countries across the Asia Pacific region, the main ones being; Australia, New Zealand, China, Hong Kong, India, Bangladesh, Malaysia, Philippines, Indonesia, Vietnam and Thailand. Landis+Gyr serves its customers in the EMEA region through sales offices in Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Italy, The Netherlands, Poland, Slovakia, Slovenia, Spain, Sweden, Switzerland, South Africa and United Kingdom. Further EMEA markets (e.g., Middle East) are served via distributors and agents. **ii. Sectors served;** Landis+Gyr serves electric, gas and water utilities. Customers range from public to private entities, from for profit to non-profit, from investor-owned utilities to municipalities and cooperatives, serving from a few thousand endpoints to several millions. Additionally, the e-mobility sector is served by the portfolio added with the recent acquisitions of TrueEnergy and Etrel. **iii. Types of customers and beneficiaries.** Landis+Gyr is active in over 100 countries, with own presence in approximately 30 countries. The Company has served over 3.500 customers with its products, solutions, software and service offerings across Smart Metering, Grid Edge Intelligence and Smart Infrastructure. Main customers include electricity, water and gas utilities, as well as other companies related to energy generation and distribution, e-mobility, Oil & Gas and automotive sectors. Landis+Gyr supports its customers in their journey to a smarter, cleaner and more reliable infrastructure, as well as a more efficient use of natural resources.

GRI Standard	GRI Indicator
102-7	Scale of the organization.
	Total number of employees: 5,500 (including Etrel but not Luna) or 6,445 (including both, Etrel and Luna) – Total number of operations sites: Operations with more than 50 employees: 22 (Melbourne, Sydney, Zhuhai, Noida, Prague, Jyvaskyla, Montlucon, Nuremberg, Corinth, Johannesburg, Cham, Peterborough, Manchester, Reynosa, Alpharetta, Kirkland, Lafayette, Lenexa, Overland, Pequot Lakes, Curitiba) – Net sales (for private sector organizations) or net revenues (for public sector organizations): USD 1,464 million (includes Etrel and Luna as per consolidation in the financial report) – for more detailed information, see the financial section of the report. – On March 31, 2022, the market capitalization (excluding treasury shares) of the Company's shares amounted to CHF 1,692,591,020 – Quantity of products or services provided: Around 20 million devices – More information to be found in the other parts of the Annual Report.
102-8	**a.** Total number of employees by employment contract (permanent and temporary), by gender.
	Permanent Employees: Female 1,539; Male 3,478; Other/ Not declared 1 Temporary Employees: Female 359; Male 123; Other/ Not declared 0 Data includes Etrel (but not Luna) employees who joined the group during the business year
	b. Total number of employees by employment contract (permanent and temporary), by region.
	Permanent Employees: Americas 1,952; APAC 1,325; EMEA 1,741 Temporary Employees: Americas 2; APAC 100; EMEA 380 Data includes Etrel (but not Luna) employees who joined the group during the business year
	c. Total number of employees by employment type (full-time and part-time), by gender.
	Full Time Employees (>80%): Female 1,867; Male 3,579; Other/Not Declared 1 Part Time Employees (<=80%): Female 31; Male 22; Other/Not Declared 0 Data includes Etrel (but not Luna) employees who joined the group during the business year
	d. Whether a significant portion of the organization's activities are performed by workers who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees.
	While Landis+Gyr uses supplementary human resources in its activities where necessary on a temporary basis, it does not do so to the extent that a significant portion of the organization's activities are performed by workers who are not employees. In Greece and India there are time periods where temporary resources represent a significant amount of total human resources mainly in production and Research & Development (R&D).
	e. Any significant variations in the numbers reported in Disclosures 102-8-a, 102-8-b, and 102-8-c (such as seasonal variations in the tourism or agricultural industries).
	The total number of employees has increased during FY21 due to hiring as well as the integration of the acquired companies True Energy and Rhebo.
	f. An explanation of how the data have been compiled, including any assumptions made.
	The data have been compiled from a global people platform (based on SAP SuccessFactors) where all employee data are stored. Exception: % of employees covered by collective bargaining agreement was reported by the HR responsible of a country/region.
102-9	**Supply chain** A description of the organization's supply chain, including its main elements as they relate to the organization's activities, primary brands, products, and services.
	The supply chain at Landis+Gyr includes manufacturing sites, procurement, logistic and quality functions. Landis+Gyr operates 9 major manufacturing sites across the globe and has outsourcing partnerships with strategic suppliers in Eastern Europe and Southeast Asia. The four key pillars of Landis+Gyr's supply chain are (i) mechanical parts, (ii) PCBAs with all electronics, (iii) meter assembly, and (iv) final integration with calibration, customization, sealing and packaging. Landis+Gyr produces high-precision measuring devices and has a modular and flexible supply chain which enables outsourcing at any stage of the production flow. For software and service products, Landis+Gyr relies mainly on internal resources (R&D team).

GRI Standard	GRI Indicator
102-10	Significant changes to the organization and its supply chain. There have been no substantial changes in the structure and ownership of the Company. On February 26, 2021, the Company acquired all the issued and outstanding shares and voting interests of Rhebo GmbH ('Rhebo'), incorporated in Germany. On April 21, 2021, Landis+Gyr announced the acquisition of 100% of the shares of True Energy A/S ('True Energy'). True Energy is a software provider offering intelligent automatic power consumption software and services for electric vehicles charging infrastructure, home appliances and solar solutions. It is headquartered in Hørsholm, North Zealand, Denmark. At the end of July 2021, the Company announced the closing of the acquisition of 75% of the shares of Etrel d.o.o. ('Etrel'), a provider of interactive charging hardware and software solutions for electric vehicles, with headquarters in Grosuplje, Slovenia. The current management will continue to hold 25% in Etrel. Pursuant to the respective agreement, Landis+Gyr has the option to acquire the remaining 25% of the shares in Etrel in May 2024. At the end of January 2022, the Company announced the closing of the acquisition of the Turkish meter provider Luna Elektrik Elektronik Sanayi ve Ticaret A.Ş. ("Luna") with headquarters in Izmir. The pandemic has posed many challenges, but it also exemplified Landis+Gyr's operations, proving the efficiency of its business continuity procedures. All Landis+Gyr factories have been operational and in compliance with local governmental policies for staff well-being and protection, except in India where the lockdown led to a temporary closure of operations. The Company was able to successfully meet customers' demand, while managing all suppliers globally to ensure product delivery and minimum disruptions. In order to safeguard the Company's solid balance sheet throughout the pandemic, the Company carefully managed cash and liquidity. Landis+Gyr's overall global supplier footprint remains largely unchanged.
102-11	Whether and how the organization applies the Precautionary Principle or approach. Landis+Gyr applies the precautionary approach. In addition to reviewing and approving the Group's comprehensive annual risk assessment process, the Board and its committees are updated regularly by members of the Group Executive Management and Extended Executive Management on all key risks facing the Group, such as quality issues, the progress of major customer projects, the progress of R+D projects and other risk areas as they are identified.
102-12	A list of externally-developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes, or which it endorses. The Company supports several external initiatives and standards in line with its ESG commitments and strategic direction. These initiatives include: – United Nations Global Compact (UNGC) – Global Reporting Initiative (GRI) – Ethics and Compliance Switzerland (ECS) – Science-Based Targets Initiative (SBTi) – UN Race to Zero campaign – Business Ambition for 1.5°C campaign
102-13	A list of the main memberships of industry or other associations, and national or international advocacy organizations. UCA International User Group; ZigBee Alliance; WiSUN Alliance; PRIME Association; G3 Association; Smart Electric Power Alliance – SEPA; Gridwise Alliance Thread Group; IDIS Association; Fair Standards Alliance; ETSI (The European Telecommunications Standards Institute); Eurelectric; ESMIG; DLMS; USB Forum; Multipeak; Echonet Alliance; metering standard associations in several countries; BEAMA; Swissmem; IG exact; Electrosuisse; Verband Schweizerischer Elektrizitätsunternehmen (VSE); swissmig; Several Chambers of Commerce. Represented on international / national metering standards bodies (such as TC13, TC57, TC 47, SC77A (IEC), ANSI C12, EL-11, BIS).
102-14	A statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy for addressing sustainability. See Page 4 of this report.
102-15	A description of key impacts, risks, and opportunities. Key risks and their management is addressed in the chapter Risk Management, while opportunities are discussed as part of the Market Environment and Strategy & Business Model as part of the Performance Report.
102-16	A description of the organization's values, principles, standards, and norms of behavior. The binding compass for all principles, integrity standards and norms of behavior at Landis+Gyr is the Code of Business Ethics and Conduct – for the Board, the Executive Management team, or employees producing, installing or selling Landis+Gyr products. Mission: At Landis+Gyr, we create a greener tomorrow through leading smart metering, grid edge intelligence and smart infrastructure technology. As partners, we empower customers and consumers to utilize resources in a more informed and sustainable way. Together, we manage energy better. Values: Customer intimacy (we are a trusted partner and deliver on our commitments); uncompromising performance (we strive to deliver high quality on time, every time); innovative technology (we passionately innovate true differentiators for our customers); entrepreneurial spirit (we empower teams to drive results with a can-do attitude); sustainable impact (we manage energy better for a more sustainable world)

GRI Standard	GRI Indicator
102-18	**a.** Governance structure of the organization, including committees of the highest governance body.
	The General Assembly, Board and Committees of the Board (Audit & Finance Committee, Remuneration Committee, Nomination, Governance & Sustainability Committee), Executive Management are described in the Corporate Governance Report. Please refer to the following information: Corporate Governance Report, Chapter 1, Chapter 3 and Chapter 4.
	b. Committees responsible for decision-making on economic, environmental, and social topics.
	The implementation of the activities agreed for the respective ESG cycle (currently FY 2019–21) is overseen by the ESG Steering Committee. General ESG decision making is with the Executive Management Team which also includes the CEO. The CSR Directive guides the implementation.
102-20	Executive-level responsibility for economic, environmental, and social topics.
	Sustainability is deeply rooted in Landis+Gyr's DNA. At the Board of Directors level, the 'Nomination, Governance & Sustainability Committee' engages with Management on sustainability matters including the review and approval of the Company's Sustainability Report, the setting and monitoring of ESG targets and goals, the evaluation of ESG risks and opportunities, etc. At the Management level, the implementation of the ESG targets is overseen by the ESG Steering Committee (consisting – with one exception – of managers reporting direclty to the CEO)
102-22	Composition of the highest governance body and its committees
	Please refer to the following information: Corporate Governance Report, Chapter 3.
102-23	**a.** Whether the chair of the highest governance body is also an executive officer in the organization.
	This is not the case. Please refer to the following information: Corporate Governance Report, Chapter 3 and Chapter 4.
	b. If the chair is also an executive officer, describe his or her function within the organization's management and the reasons for this arrangement.
	This is not the case.
102-26	Highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental, and social topics.
	The 'Nomination, Governance & Sustainability Committee' (NGSC) of the Board of Directors (BoD) and ultimately the BoD itself are responsible for overseeing the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental, and social topics. Please refer to the following information: Corporate Governance Report, Chapter 3.
102-29	**a.** Highest governance body's role in identifying and managing economic, environmental, and social topics and their impacts, risks, and opportunities including its role in the implementation of due diligence processes.
	The Board of Directors, the Company's highest governance body, is engaged via its 'Nomination, Governance & Sustainability Committee' (NGSC) in overseeing sustainability matters including the review and approval of the Company's Sustainability Report, the setting and monitoring of ESG targets and goals, the evaluation of ESG risks and opportunities, etc.
	b. Whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental, and social topics and their impacts, risks, and opportunities.
	Yes, stakeholder consultation is actively used to support the identification of material topics and the impact/contribution Landis+Gyr has or potentially can/should have on them. Also, Landis+Gyr's ESG targets are influenced by the feedback the Company receives in its exchanges with its stakeholders. Identified stakeholders are: customers (and their customers); suppliers; employees; government authorities and regulators; associations and NGO's; local communities; shareholders/investors (represented by individual investors as well as the BoD) and business partners.
102-31	Frequency of the highest governance body's review of economic, environmental, and social topics and their impacts, risks, and opportunities.
	Starting with FY 2022, the 'Nomination, Governance & Sustainability Committee' (NGSC) of the Board reviews ESG topics four times a year and subsequently informs the full Board, while the Board of Directors covers ESG topics once a year as a focus topic, and usually once a year within the course of the annual strategy workshop. In FY 2021, the NGSC and the RemCo have each dealt with ESG topics three times with reporting to the full Board. The Board has addressed ESG topics three times in FY 2021 and undertook a full ESG review in the course of the strategy workshop. While the ESG topics are on the agenda four times a year, fundamental discussions are held less frequently. Impacts, risks, and opportunities are assessed annually and the stakeholder-based (re-)assessment of the fundamental direction is taken up every three years with a new ESG cycle.
102-32	The highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material topics are covered.
	The 'Nomination, Governance & Sustainability Committee' (NGSC) of the Board and subsequently the full Board reviews and approves the Sustainability Report.

GRI Standard	GRI Indicator
102-35	**a.** Remuneration policies for the highest governance body and senior executives.
	For details on remuneration policies, see the Remuneration Report of the Annual Report FY 2021.
	b. How performance criteria in the remuneration policies relate to the highest governance body's and senior executives' objectives for economic, environmental, and social topics.
	The Short Term Incentive (STI) plan for FY 2021 included a portion of 20% dedicated to ESG targets. This applies to management and all employees eligible to the STI plan.
102-40	A list of stakeholder groups engaged by the organization.
	Customers, suppliers, employees, regulators/ associations and NGOs, local communities and shareholders/investors (represented by the BoD), business partners. An overview of stakeholder groups can be found in the materiality assessment in this report (page 9).
102-41	Percentage of total employees covered by collective bargaining agreements.
	41% of the Landis+Gyr employees are covered by a collective bargaining agreement. The number of employees covered by collective bargaining agreement is reported by the HR responsible of each country.
102-42	The basis for identifying and selecting stakeholders with whom to engage.
	Stakeholders are selected on the basis of their relevance to the Company, as well as the impact the Company and its activities has on them.
102-43	The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.
	Due to legal requirements and obligations of Landis+Gyr Group AG as a publicly listed Company, the stakeholder engagement is partly regulated and met within the ordinary course of business and shareholder dialog. While the exchange is continuous with some stakeholders (e.g., employees, suppliers, partners, customers), other stakeholder exchanges happen on an ad hoc basis (e.g., regulators, shareholders/investors) or are limited to certain events such as the set-up of a new 3-year ESG cycle (e.g., local communities, associations/NGOs). Prior to the introduction of a new ESG cycle, Landis+Gyr engages with its stakeholders to capture their views on the Company's impact per topic and the respective relevance to them. More details about the new stakeholder based materiality assessment to be found on page 9–13 of this report.
102-44	Key topics and concerns that have been raised through stakeholder engagement.
	The topics and concerns raised during the stakeholder engagement exercise for the actual ESG cycle in 2018 have been described in the Sustainability Report FY 2019–20 on page 17 and 18. Process and targets for the upcoming ESG cycle (2022–24) can be found in the dedicated section of this report (page 7).
102-45	**a.** A list of all entities included in the organization's consolidated financial statements or equivalent documents.
	Please refer to the following information: Corporate Governance Report, Chapter 1.
	b. Whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.
	The Sustainability Report covers the same entities as the financial report with the exception of Luna and Etrel. These acquisitions took place during the reporting year, hence these entities will be included in future Sustainability Reports. Should a figure or a statement include those entities it will be mentioned explicitly.

GRI Standard	GRI Indicator
102-46	**a.** An explanation of the process for defining the report content and the topic Boundaries.
	The report content follows the logic of stakeholder relevance, which has been discussed in the different stakeholder exchanges and is reflected in Landis+Gyr's material topics. Stakeholders were asked about their views on Landis+Gyr's impact on a shortlist of ESG topics that had previously been defined by a group of internal and external experts as well as management. Such shortlist was derived from a longlist created following GRI materiality. **MATERIALITY COMPLETENESS** The report considers all significant impacts of Landis+Gyr along its value chain. **STAKEHOLDER INCLUSIVENESS** Stakeholder inclusiveness is ensured by considering feedback from stakeholder engagement. **SUSTAINABILITY CONTEXT** Sustainability context is provided in the answers of the different standards. Also of material nature are the principles of the UN Global Compact that Landis+Gyr has committed itself to. The topic boundaries are addressed in the management approach of the different material topics discussed (where the impacts occur and the organization is involved with the impacts (direct or indirect). For more information please also consult the FY 2019 Sustainability Report, where the topic is discussed in more detail. The ESG cycle FY 2019–21 has come to an end with the business year covered by this Sustainability Report. In the second half of the FY 2021 Landis+Gyr has performed once more a materiality assessment involving its most important stakeholders. This process and its outcome is discussed and reported in the first part of this report.
	b. An explanation of how the organization has implemented the Reporting Principles for defining report content.
	As defined in GRI 101, the creation of the report was based on principles of relevance (materiality), stakeholder inclusivity, sustainability context and completeness of the information. With regard to the quality of the information reported, the principles of balance, comparability, accuracy, timeliness, clarity and reliability have been applied.
102-47	A list of the material topics identified in the process for defining report content.
	Landis+Gyr used the GRI Materiality Principle to define the material topics as preparation of the current ESG cycle back in FY 2018–19. There have been no changes in the material topics compared to the ones reported in the last Sustainability Report. The analysis was performed as follows: – Identification of relevant economic, social, environmental, and governance issues on which the Company has an relevant impact – Evaluation and ranking of the level of stakeholder concern regarding each issue (internal Materiality Workshop and external interviews) – Evaluation and ranking of the potential impact of each issue – Defined set of ambitions and action areas for relevant topics – Representation of the issues and their prioritization in the materiality matrix – Definition of a set of ambitions and action areas for each of the relevant topics – Elaboration of a roadmap and actions, deliverables, Key Performance Indicators, budgets and responsibilities Topics defined as material are: Energy Efficiency and Climate Protection, Data Security and Privacy, Employee Motivation, Business Integrity. Further material topics with a defined action plan are: Community Engagement, Fair Labor Practices, Occupational Health & Safety, Resource Efficiency, Strategic Responsible Sourcing. During the last business year, the Company performed again a stakeholder based materiality assessment to define the material topics that the Company needs to tackle during the next ESG cycle (and beyond) (page 7)
102-48	The effect of any restatements of information given in previous reports, and the reasons for such restatements.
	If in individual cases, a new form of presentation, calculation method or optimized data collection has led to other results for the previous years, this is noted under the respective statements.
102-49	Significant changes from previous reporting periods in the list of material topics and topic Boundaries.
	There were no significant changes during the reporting period for topics identified as material. If, in individual cases, a new measuring method is used, this is noted under the respective statement. During FY 2021, Landis+Gyr acquired the Smart Metering Provider Luna Elektrik Elektronik Sanayi ve Ticaret A.Ş., Izmir, Turkey and EV-Charging manufacturer Etrel d.o.o., Grosuplje, Slovenia. No data related to Luna and Etrel has been integrated into this report. For a few indicators where data of the newly acquired companies have been included, this is explicitly stated. This is the third report following the GRI standards. Landis+Gyr published its first environmental impact report in 2011 and the first full Sustainability Report in 2017.
102-50	Reporting period for the information provided.
	01.04.2021–31.03.2022, throughout the report referred to as FY 2021 or FY 21.

GRI Standard	GRI Indicator
102-51	If applicable, the date of the most recent previous report.
	Landis+Gyr's last Sustainability Report was issued at the end of October 2021. Sustainability aspects have also been reported in the last Annual Report which was issued at the end of May 2021.
102-52	Reporting cycle.
	Landis+Gyr will report annually on the reporting period beginning of April to end of March. This is the third report of the three-year ESG cycle from FY 2019 to FY 2021. This Sustainability Report is the first that is being issued as part of the Company's Annual Report.
102-53	The contact point for questions regarding the report or its contents.
	Eva Borowski Senior Vice President Investor Relations & Corporate Communications Phone: +41 41 935 63 96 eva.borowski@landisgyr.com
102-54	The claim made by the organization, if it has prepared a report in accordance with the GRI Standards
	This report has been prepared in accordance with the GRI Standards: Core option.
102-55	GRI content index
	This is the GRI content index.
102-56	External assurance
	This report has been externally audited by DQS. The audit report can be found on page 72/73. Additionally, aspects of what is being reported have also been audited as part of the ISO certification audits. See Landis+Gyr sites with related ISO certificates on page 75/76.

Management Approach

GRI Standard	Material Topic	GRI Indicator
103-1	Energy Efficiency and Climate Protection	Explanation of the material topics and their boundary.
		a. An explanation of why the topic is material Over-reliance on fossil fuels has taken a toll on the environment, leading to the rapid increase of greenhouse gas emissions, and exposing Landis+Gyr to the damaging consequences of climate change. The Company, its stakeholders, its value chain as well as its products and services are affected by climate change and depend on a more sustainable energy use in the future. For this reason, Landis+Gyr is committed to reducing its carbon footprint, both for operational direct emissions (GHG scopes 1 and 2) as well as upstream and downstream indirect emissions (GHG scope 3). Moreover, through its products and services, the Company supports customers and end-consumers in reducing their own carbon footprint. As a sign of its strong commitment to climate action, the Company has announced it will become carbon neutral in its operations by 2030 for scope 1 and 2. To guide Landis+Gyr in this journey, the Company recently joined the 'Science-Based Targets Initiative' and committed to set net-zero targets, both for the near- and long-term. **b. The boundary for the material topic, which includes a description of:** **i. where the impacts occur:** Along the full value chain, both internally and externally. **ii. the organization's involvement with the impacts:** Directly and indirectly **c. Any specific limitation regarding the topic boundary** At the moment, the Company's calculation of GHG Scope 3 is limited to business travel. The Company's supply chain represents an important part of the Company's carbon footprint. In recent years, the supply chain has become increasingly global and complex, driven by the fact that certain processes have been outsourced. To ensure that high ESG standards are also applied within the Company's supply chain, Landis+Gyr requires its suppliers to sign and comply with its Supplier Code of Conduct, including its 'Green Procurement Requirements'. This policy specifically requires suppliers to implement methods to improve energy efficiency and minimize energy consumption. The Company actively monitors suppliers' compliance with ESG standards through audits and other processes.

GRI Standard	Material Topic	GRI Indicator
103-2	Energy Efficiency and Climate Protection	The management approaches and their components
		a. An explanation of how the organization manages the topic The topic is managed under the Company's ESG program, which defines an ambition, targets and specific action items to be implemented in relation to this topic. Energy use and associated CO_2 emissions are fundamental aspects of this topic. Hence, the Company establishes annual targets to drive improvements on these areas. **b. A statement of the purpose of the management approach** Landis+Gyr is committed to reducing its carbon footprint, both for operational direct emissions (GHG scopes 1 and 2) as well as upstream and downstream indirect emissions (GHG scope 3). Moreover, through its products and services, the Company supports customers and end-consumers in reducing their own carbon footprint. **c. A description of the management approach components** **i. Policies** – Code of Business Ethics and Conduct – ESG Directive – Quality, Occupational Health & Safety and Environmental (QOHSE) Policy – Supplier Code of Conduct incl. the Green Procurement Requirements annex **ii. Commitments** Landis+Gyr is committed to reducing its GHG emissions by decreasing direct and indirect emissions and enabling the avoidance of emissions via its products and services. In line with this commitment, the Company has declared its ambition to become carbon neutral in its operations by 2030 for scope 1 and 2. To support this goal, every year Landis+Gyr sets carbon emission reduction targets in its 'Integrated Management System'. To take its commitment even further, the Company recently joined the 'Science-Based Targets Initiative' and committed to set net-zero targets, both for the near and long term. **iii. Goals and targets** Measures that have been implemented as part of the 3-year program include: – Conduct energy management audits at major production sites – Increase utilization of renewable energy at various company sites – Establish a KPI to quantify total CO_2 savings generated by Landis+Gyr's most prominent products Furthermore, as part of the Short-Term Incentive (STI) targets set in FY 2021, the Company has set the goal to increase portion of energy derived from renewable sources at group level. This is one of 11 ESG goals linked to the STI plan. The ESG component of the STI plan amounts to 20% of the total bonus. **iv. Responsibilities** This material topic is managed by group-level ESG and Business Transformation (reports directly to the CEO), in close cooperation with regional and country-level operations. **v. Resources** The ESG function drives the implementation of actions related to this topic and collects data at group-level on a quarterly basis. Furthermore, given the multi-disciplinary character of this topic, the ESG function collaborates with various other Group departments, including Quality, Product Management, Supply Chain and Procurement. **vi. Grievance mechanisms** Landis+Gyr has a global 'Speak Up' process in place based on the Speak-Up Policy accessible across the organization and run by an independent third-party provider. **vii. Specific actions, such as processes, projects, programs, and initiatives** – Developed and tracked CO_2 savings enablement KPI for most prominent products – Increased the use of renewable electricity across more company sites – Issued new and updated guidelines and policies – Prepared for third-party assurance / data audits – Expanded actual and/ or developed an additional KPI to better communicate the positive contribution made by Landis+Gyr's products towards decarbonization – Performed energy audits on main Landis+Gyr production sites

GRI Standard	Material Topic	GRI Indicator
103-3	Energy Efficiency and Climate Protection	Evaluation of the management approach
		a. An explanation of how the organization evaluates the management approach, including: **i. the mechanisms for evaluating the effectiveness of the management approach:** Every 3 years, the Company reassesses the ESG direction and evaluates whether material topics are being adequately addressed. **ii. the results of the evaluation of the management approach:** The evaluation of the management approach is described in the Company's previous Sustainability Report. Changes can be expected with the set-up of the new ESG cycle FY 2022–24. **iii. related adjustments to the management approach:** Needed adjustments are made over the course of a cycle, under the oversight of the ESG Steering Committee.
103-1	Resource Efficiency	Explanation of the material topics and their boundary
		a. An explanation of why the topic is material Landis+Gyr recognizes that accessible natural resources are finite and being depleted at an unsustainable rate. As resources keep getting scarcer and more expensive, companies are forced to shift from the traditional linear model of 'take-make-use-waste' to a restorative and regenerative model that allows for a more sustainable use of natural resources. Hence, Landis+Gyr supports a transition into a circular economy model, where value once created from raw materials, components and resources is preserved at the highest level possible throughout the life of a product. This implies working to reconceive the full lifecycle of a product, from design and manufacturing through to use and maintenance, with the aim of optimizing resources, reducing the use of raw materials and recovering waste by recycling or reusing. **b. The boundary for the material topic, which includes a description of:** **i. where the impacts occur:** Along the full value chain, both internally and externally. **ii. the organization's involvement with the impacts:** Landis+Gyr's products have a net positive impact on the environment. To amplify its impact, the Company is committed to ensuring that its production process is as sustainable as possible. Hence, Landis+Gyr is focusing on how to embed circular economy principles into its products. Amongst the initiatives being pursued, the Company is working towards increasing the use of recycled materials and parts in its products, reducing their weight and energy consumption per benefit generated and enhancing their recyclability. **c. Any specific limitation regarding the topic boundary.** Initially, activities are focused on large-volume products, specifically hardware.

GRI Standard	Material Topic	GRI Indicator
103-2	Resource Efficiency	The management approaches and their components
		a. An explanation of how the organization manages the topic Resource efficiency is a multi-stakeholder and multi-disciplinary activity. Impact can only be achieved through the collaboration of several functions. Internally, Product Management, Research & Development, Supply Chain Management and Quality Management work closely together to reduce waste, increase recyclability and recycling with the aim of closing the production loop and increasing resource efficiency. However, full impact can only be achieved in collaboration with suppliers and customers across the value chain to effectively cover the entire product life cycle. **b. A statement of the purpose of the management approach** Landis+Gyr's approach to 'Resource Efficiency' seeks to ensure its products have a positive impact through their lifecycle, from design through end-of-life. **c. A description of the management approach components** **i. Policies** – Green Design Manual – Eco-Portfolio initiative **ii. Commitments** Landis+Gyr is committed to using resources in an efficient and responsible manner, both with respect to its operations as well as the products and services delivered by the Company. **iii. Goals and targets** – Set internal targets for electricity meter self-consumption that exceed international standards – Incorporate self-consumption targets into total cost of ownership optimization – Set year-on-year reduction goals for average materials usage – Improve recycling rates, especially for heat and gas meters **iv. Responsibilities** The topic is covered under the ESG roadmap FY 2019–21, which is overseen by the SVP Business Transformation who reports to the Group's CEO. Various functions are responsible for managing different aspects of this topic. For example, Operations are responsible for managing waste and water consumption at company facilities. Product Portfolio Management, Research & Development as well as Supply Chain collaborate closely in regards to eco-friendly design, recycling schemes, etc. **v. Resources** Resources are provided by the different functions mentioned above. Additionally, the ESG office provides support by coordinating and monitoring the various workstreams under this topic. **vi. Grievance mechanisms** Landis+Gyr has a global 'Speak Up' process in place based on the Speak-Up Policy accessible across the organization and run by an independent/neutral third-party provider. **vii. Specific actions, such as processes, projects, programs, and initiatives** This topic consists of 7 workstreams which address specific aspects of the topic, with actions ranging from short- to long-term. The impact is, due to its nature, global with emphasis on locations where Landis+Gyr's products are deployed in larger quantities – Develop KPI focused on reducing the environmental impact of the Company's product portfolio – Reduce energy self-consumption in the Company's products – Drive increased compliance with RoHS and Reach requirements – Develop conditions for increased recycling of meters, especially for heat and gas – Develop and roll out a 'Green Design Manual' – Establish tracking system for conflict minerals – Establish tracking system for material used and set reduction targets – Increase use of recycled materials in Landis+Gyr's products
103-3	Resource Efficiency	Evaluation of the management approach
		a. An explanation of how the organization evaluates the management approach, including: **i. the mechanisms for evaluating the effectiveness of the management approach:** Every 3 years the Company reassesses the ESG direction and evaluates whether material topics are being adequately addressed. **ii. the results of the evaluation of the management approach:** The evaluation of the management approach is described in the Company's previous Sustainability Report. Changes can be expected with the set-up of the new ESG cycle FY 2022–24. **iii. related adjustments to the management approach:** Needed adjustments are made over the course of a cycle, under the oversight of the ESG Steering Committee.

GRI Standard	Material Topic	GRI Indicator
103-1	Strategic Responsible Sourcing	Explanation of the material topics and their boundary **a. An explanation of why the topic is material** Landis+Gyr's collaboration with its supply chain partners is critical to the success of the business. Landis+Gyr strives to expand relationships with its suppliers in terms of sustainability targets and on the basis of shared values. The Company considers its supply chain partners as an integral part of its ESG efforts, and therefore engages closely with them to share and align on its sustainability direction and principles. Hence, it is crucial for Landis+Gyr to ensure suppliers' compliance with the Company's quality, environment, health and safety policies, as well as its Code of Business Ethics and Conduct. **b. The boundary for the material topic, which includes a description of:** **i. where the impacts occur:** The impact is external to Landis+Gyr. It occurs wherever Landis+Gyr is sourcing parts for value creation. **ii. the organization's involvement with the impacts:** Landis+Gyr is aware of its responsibility not only for its own behavior but for the behavior of its suppliers, too. Hence, Landis+Gyr's impact is both direct and indirect. Landis+Gyr maintains a close relationship with its suppliers to ensure compliance with Landis+Gyr's Supplier Code of Conduct and Green Procurement Requirements. **c. Any specific limitation regarding the topic boundary** In a first phase, focus is placed on first tier suppliers representing 85% of Landis+Gyr purchasing volume. Nonetheless, special attention is also given to second tier suppliers in critical environments and potentially dealing with critical topics (risk-based approach under development).
103-2	Strategic Responsible Sourcing	The management approaches and their components **a. An explanation of how the organization manages the topic** Suppliers are an integral part of Landis+Gyr's supply chain. For this reason, Landis+Gyr requests its suppliers to support its ambitions with respect to the environment, the society (particularly human rights), as well as the enforcement of applicable laws and regulations. In order to fulfil this requirement, Landis+Gyr has developed a rigorous supplier qualification process. This includes declarations of compliance, self-assessment and third-party assessment and auditing. Supplier qualification and supplier annual audits (inclusive of ESG dimensions) are pivotal tools to ensure the effectiveness of the approach as well as compliance with the Company's policies. **b. A statement of the purpose of the management approach** Through its management approach, Landis+Gyr seeks to ensure that its values and principles are extended to parties involved in its supply chain. **c. A description of the management approach components** **i. Policies** – Supplier Code of Conduct, including the Green Procurement Requirements – Supplier accreditation (auditing) **ii. Commitments** Landis+Gyr is committed to purchasing all materials and services from suppliers that meet its high ethical standards. The Company only works with suppliers that act according to the Group's environmental principles, including quality, occupational health and safety and environmental policies. **iii. Goals and targets** – Require suppliers to submit certificates confirming compliance with the Company's Supplier Code of Conduct (which includes child labor rules), as well as the Green Procurement Policy (which includes conflict mineral rules) in all regions. – Assess all new supplier against ESG criteria to increase the proportion of purchases from vendors who comply with Landis+Gyr's ESG standards. **iv. Responsibilities** The responsibility for this topic sits with the Global Procurement and Supply Chain function, supported by Global R&D. **v. Resources** Audits (by Landis+Gyr's specialists); ESG supplier assessments (by Landis+Gyr's specialists); capturing of signed compliance with Supplier Code of Conduct and Green Procurement Policy (by Group Procurement) **vi. Grievance mechanisms** Landis+Gyr has a global 'Speak Up' process in place based on the Speak-Up Policy accessible across the organization and run by an independent/neutral third-party provider. The details for making a complaint via the SpeakUp tool are available for external partners on the Landis+Gyr website. **vii. Specific actions, such as processes, projects, programs, and initiatives** This material topic has 5 activity streams, all of which have been completed: – Issue policy describing the Company's green procurement requirements – Collect supplier 'Declaration of Conformity' certificates, acknowledging supplier's adherence to the Company's Supplier Code of Conduct and Green Procurement Requirements. – Set up process to capture cobalt purchased and its origin. – Update Landis+Gyr's Supplier Code of Conduct. – Set up process to capture the use and origin of conflict minerals.

GRI Standard	Material Topic	GRI Indicator
103-3	Strategic Responsible Sourcing	Evaluation of the management approach **a. An explanation of how the organization evaluates the management approach, including:** **i. the mechanisms for evaluating the effectiveness of the management approach:** Every 3 years the Company reassesses the ESG direction and evaluates whether material topics are being adequately addressed. **ii. the results of the evaluation of the management approach:** The evaluation of the management approach is described in the Company's previous Sustainability Report. Further improvements can be expected with the set-up of the new ESG Cycle. **iii. related adjustments to the management approach:** Needed adjustments are made over the course of a cycle, under the oversight of the ESG Steering Committee.
103-1	Employee Motivation	Explanation of the material topics and their boundary **a. An explanation of why the topic is material.** Employees who are engaged and motivated by their employers and jobs are more productive, more loyal and more innovative. Landis+Gyr believes that employee engagement sits at the very heart of its ability to deliver great customer service and achieve outstanding business results. Therefore, Landis+Gyr is firmly committed to an organizational culture where employees feel motivated and engaged. **b. The boundary for the material topic, which includes a description of:** **i. where the impacts occur:** The impact occurs both internally and externally. Evidence of the impact is visible across the whole organization, especially on the interface with Landis+Gyr's customers (external) and also reflected on the quality of the organization's performance (internal). **ii. the organization's involvement with the impacts:** This topic is concerned with creating the conditions where Landis+Gyr's employees feel motivated and engaged. Employee needs change over time and there is an ongoing requirement for the Company to create sustainable and effective processes to address employee expectations. Since the topic is related to Landis+Gyr's employees, the Company is directly involved in managing the impact of this topic. **c. Any specific limitation regarding the topic boundary.** The topic is limited to Landis+Gyr employees.

GRI Standard	Material Topic	GRI Indicator
103-2	Employee Motivation	The management approaches and their components **a. An explanation of how the organization manages the topic** Employee engagement is a complex, multi-layered topic. To ensure resources are consistently focused across the organization, the Company has developed a range of initiatives to create the conditions for sustainable employee engagement. External research on the topic suggests there are some common 'levers' that organizations can pull in order to encourage employee engagement, these levers include: – Supportive management – Positive work environment – Opportunities for growth – Trust in leadership – Meaningful work Indicative examples of specific initiatives that Landis+Gyr focuses on include unlimited access to LinkedIn Learning, all employees having the possibility to raise their voice in the Company's global engagement survey and involvement with the subsequent action planning process, a transformational leadership program to further equip Landis+Gyr's leadership team to manage their teams' success in L+G's ongoing strategic transformation, the global succession planning process or the introduction of a competency toolkit to demonstrate and explain the desired behaviors and how they correlate back to the Company's core values. **b. A statement of the purpose of the management approach** To create and sustain a working environment that allows Landis+Gyr's employees to deliver to the best of their abilities – whether in relation to their current role or their future career progression within the organization. **c. A description of the management approach components** **i. Policies** – Code of Business Ethics and Conduct – Policies covering learning & development, performance management as well as talent acquisition. – In compliance with specific employment law legislation, some locations have a local policy in place covering the above topics. In such cases the country-specific policy prevails. **ii. Commitments** Landis+Gyr is committed to offer state-of-the-art working conditions as well as learning and development opportunities. Landis+Gyr is committed to fair and equal treatment of all its employees. **iii. Goals and targets** – Attract high performing employees who fit the Company culture, values and diversity targets – Develop the Company's talents and support a learning culture and a spirit of diversity and inclusion among the workforce – Implement actions plans resulting from Global Employee Engagement Survey. **iv. Responsibilities** Employee engagement is a shared responsibility between the global HR Team and the Leadership team, and as applicable to all other material topics, is overseen by the ESG Steering Committee. **v. Resources** The resources required such as HR tools and processes (e.g., for the implementation of action plans resulting from the Global Employee Engagement survey) are managed by the respective budget holders. **vi. Grievance mechanisms** Landis+Gyr has a global 'Speak Up' process in place based on the Speak-Up Policy accessible across the organization and run by an independent/neutral third-party provider. **vii. Specific actions, such as processes, projects, programs, and initiatives** – Every two years Landis+Gyr invites its employees, regardless of their role or location, to participate in its Global Employee Engagement Survey. – Within 6 weeks of the engagement survey taking place, a global CEO communication conveys the overarching survey results of the whole organization – Leaders are required to share the local survey results and to engage their teams in the creation and maintenance of an action plan that is aimed at improving levels of employee motivation and engagement across the organization – The action planning process is one of the key enablers for employee engagement by enabling leaders to work collaboratively with their teams to identify the barriers and blockers to engagement and the corrective actions (examples could include helping leaders to be more effective at providing timely recognition for a job well done or creating forums that encourage employees to participate in innovative ideas generation for new products and services) – A consistent global process is used to map succession planning across the organization – It is a strategic goal of Landis+Gyr that employees continuously invest their time in personal and professional development, update their knowledge and acquire new skills.

GRI Standard	Material Topic	GRI Indicator
103-3	Employee Motivation	Evaluation of the management approach **a. An explanation of how the organization evaluates the management approach, including:** **i. the mechanisms for evaluating the effectiveness of the management approach:** Every 3 years the Company reassesses the ESG direction and evaluates whether material topics are being adequately addressed. **ii. the results of the evaluation of the management approach:** The Company is currently finalizing the roadmap that will guide its Employee Motivation efforts for the next 3-year ESG cycle from FY 2022 to FY 2024. As part of this process, it will set new targets and KPIs to measure progress. **iii. related adjustments to the management approach:** Needed adjustments are made over the course of a cycle, under the oversight of the ESG Steering Committee.
103-1	Occupational Health and Safety	Explanation of the material topics and their boundary **a. An explanation of why the topic is material** This topic covers the impact of business activities on the physical and mental well-being of all employees. The right to a healthy and safe workplace is recognized as a human right. As such, Landis+Gyr has a duty of care towards its employees. Proper management of 'Occupational Health and Safety' (OH&S) contributes to improve employee well-being and build a positive safety culture, where everybody is aware of OH&S risks and feels responsible for their own health and safety and that of others. This has a positive impact on productivity, employee morale and reduces the risk of work-related injuries or illnesses. The latter can result in employee stress, reputational damage, loss of working days and additional expenditures for Landis+Gyr. Consequently, the occupational health and safety of employees a key factor for the success of Landis+Gyr. **b. The boundary for the material topic, which includes a description of:** **i. where the impacts occur:** Occupational Health and Safety at work involves both the prevention of harm, and the promotion of occupational health and well-being of Landis+Gyr's employees (internal). Furthermore, this topic also impacts the Company's suppliers, who are required to comply with OH&S requirements listed in the Supplier Code of Conduct (external). **ii. the organization's involvement with the impacts:** Throughout its offices and operations, but also its supply chain and products, Landis+Gyr is exposed to occupational health, safety, and well-being issues across multiple areas of the organization. Landis+Gyr has an effective OH&S monitoring system in place that enables OH&S issues to be managed across all levels of the organization and monitored accordingly to proactively introduce control / corrective measures where required (direct). **c. Any specific limitation regarding the topic boundary** In addition to Landis+Gyr managing the occupational health and safety of their employees and associated activities, Landis+Gyr also extends the same internal OH&S requirements to its suppliers through its Supplier Code of Conduct. Furthermore, Landis+Gyr also complies with applicable safety requirements (external regulation and internal guidelines) in relation to the design of its products to ensure they can be safely used throughout their product life-cycle.

GRI Standard	Material Topic	GRI Indicator
103-2	Occupational Health and Safety	The management approaches and their components **a. An explanation of how the organization manages the topic** The occupational health and safety of all employees is a top priority at Landis+Gyr. The Company is committed to maintaining safe working environments that reduce the risks of accidents, injuries and illnesses. To maintain and strengthen a high standard of workplace occupational health and safety, Landis+Gyr provides employees with regular training and instructions to integrate job safety into all routine and non-routine working activities. Current OH&S practices have mostly been standardized across the group due to the requirements of ISO 45001 and national occupational health and safety legislation. **b. A statement of the purpose of the management approach** The Landis+Gyr management approach to occupational health and safety aims to proactively manage OH&S across all Landis+Gyr activities, through ongoing monitoring, analysis of OH&S data to drive continuous improvement. **c. A description of the management approach components** **i. Policies** Every activity at Landis+Gyr is guided by the overarching L+G Code of Business Ethics and Conduct. Additionally, for OH&S, there is a group-wide L+G QOHSE (Quality, Occupational Health, Safety and Environment) policy in place. Other policies and guidelines are site-specific to cater for the differences in national laws and site operational activities. However, there are also a number of generic corporate OH&S standards available which cover key OH&S risk areas. **ii. Commitments** The right to a healthy and safe workplace is recognized as a human right and ensuring the health and safety for all employees is a top priority for Landis+Gyr. **iii. Goals and targets** Maintain and further improve and develop the current OH&S management system from a global and preventative perspective: – further harmonize regional OH&S processes and KPIs – improve cross-regional sharing (global OH&S network, OH&S global practice dashboard) – migration from ISO18001 to ISO45001 on all sites – common accident investigation process / tool – visitors and supplier safety (expand OH&S awareness to key suppliers) – stabilize and improve group-wide near-miss reporting **iv. Responsibilities** OH&S management is the responsibility of every employee. However, the site CEOs are accountable for ensuring that OH&S responsibilities are effectively cascaded to the 'Quality Manager' and the topic is managed as part of the integrated management system that focuses on the most salient topics. **v. Resources** – OH&S handbooks and guidelines – OH&S corporate standards – OH&S training sessions – OH&S reporting system – OH&S reporting dashboards – Internal and external audits. **vi. Grievance mechanisms** Landis+Gyr has implemented a global 'Speak Up' process, based on the Speak-Up Policy accessible across the organization and managed through an independent third-party provider. **vii. Specific actions, such as processes, projects, programs, and initiatives** – Enhance and intensify Global OH&S audits program (incorporating any learnings from the pandemic) – Further strengthen the Company's OH&S management system – Establish 'near-miss' reporting – Enhance travel safety practices – Improve employee and visitor safety – Raise suppliers' OH&S awareness – Conduct physical and mental stress assessment in office and shopfloor

GRI Standard	Material Topic	GRI Indicator
103-3	Occupational Health and Safety	Evaluation of the management approach **a. An explanation of how the organization evaluates the management approach, including:** **i. the mechanisms for evaluating the effectiveness of the management approach:** Every 3 years the Company reassesses L+G's the ESG direction and evaluates whether material topics are being adequately addressed. **ii. the results of the evaluation of the management approach:** The evaluation of the management approach is described in the Company's last Sustainability Report. Currently, the management approach is being reassessed as part of the set-up of the new ESG cycle FY 2022–24. **iii. related adjustments to the management approach:** Needed adjustments are made over the course of the ESG cycle under the oversight of the ESG Steering Committee.
103-1	Fair Labor Practices	Explanation of the material topics and their boundary **a. An explanation of why the topic is material** Landis+Gyr's success is the result of the hard work and innovation of its employees around the globe. Landis+Gyr is committed to treating its employees with the respect they deserve, and in accordance with local legal requirements and global standards and guidelines (such as the United Nations Universal Declaration of Human Rights, as well as the Declaration on the Fundamental Principles and Rights at Work of the International Labor Organization), also reflected in its Code of Business Ethics and Conduct. Landis+Gyr's commitment to fair labor practices is also a fundamental pillar of its supply chain operations. **b. The boundary for the material topic, which includes a description of:** **i. where the impacts occur:** Internally in its own operations and externally with its suppliers and partners. **ii. the organization's involvement with the impacts:** Direct in its own operations and indirect in its value chain. **c. Any specific limitation regarding the topic boundary** A striking limitation regarding this topic are the varying degrees of human rights protection entrenched in the local legislations of the territories in which Landis+Gyr operates. To overcome this limitation, Landis+Gyr has adopted global standards for fair labor standards in both its internal and external operations.

GRI Standard	Material Topic	GRI Indicator
103-2	Fair Labor Practices	The management approaches and their components **a. An explanation of how the organization manages the topic** Landis+Gyr's fair labor practices focus on the implementation of a set of internal guidelines and control measures within the entire organization and supply chain to ensure compliance with local laws and international standards. A central requirement is the warranty of equal employment opportunities without discrimination and harassment based on age, gender, religion, sexual orientation, or ethnic/social origin. Landis+Gyr's Code of Business Ethics and Conduct also covers employees' responsibilities to each other, such as respect for one another, and not engaging in discrimination or retaliation. All new employees must agree to fully comply with the Code and to participate in regular training sessions. In the event of non-compliance with the Code of Business Ethics and Conduct, Landis+Gyr cultivates a 'Speak-Up' culture. Globally, the Company has installed multiple channels for reporting suspected or known violations of the code, other internal policies, or the law. For this purpose, Landis+Gyr implemented a confidential 24-hour hotline for making such reports, as well as a web portal where employees can file a complaint. Finally, concerns can be reported through different channels in the organization, such as via e-mail to a manager, HR Business Partner, or Compliance Officer. Another avenue for filing a report is through the company's Ombudsperson, an external party dedicated for receiving and managing such complaints. For this purpose, a case management system has been rolled out to record and monitor complaints and their resolution. Regional Compliance Officers assist the Group Chief Compliance Officer and the Global Compliance Team with overseeing compliance with corporate standards and control measures both internally, and also across the Company's entire supply chain. **b. A statement of the purpose of the management approach** To uphold and follow the international standards described e.g., in UNGC Principles and the fair labor standards of the Responsible Business Alliance, which are an integrative part of Landis+Gyr's Code of Business Ethics and Conduct. **c. A description of the management approach components** **i. Policies** – Code of Business Ethics and Conduct: a global policy that outlines the responsibilities and expected professional behavior of Landis+Gyr and all its employees, including that Landis+Gyr's duty of, and commitment to, upholding and protecting the human rights of its employees. – Supplier Code of Conduct: a global policy that governs the relationships between Landis+Gyr and its suppliers, and specifically outlines Landis+Gyr's expectation that its suppliers uphold and protect the human rights of all workers across their operation. **ii. Commitments** Landis+Gyr is committed to upholding and promoting fair labor practices in all locations and for all employees and along the value chain. Advanced fair labor practices – whether imposed by local statutory requirements or by internal standards where such statutes do not exist – are the norm at all Landis+Gyr sites. **iii. Goals and targets** The goal is that, despite varying statutory requirements with regards to freedom of association, fair labor practices, protection of minors and young people, and other human rights issues, Landis+Gyr maintains the highest standard of human rights in all its global operations, both internal and external. To that end, Landis+Gyr has adopted global standards for fair labor standards in both its internal Code of Conduct, as well as in its Supplier Code of Conduct. These standards often require stakeholders to go beyond the letter of the local law. **iv. Responsibilities** This topic is managed by the Group Chief Compliance Officer in collaboration with Global Head of Human Resources and the Global Head of Supply Chain Management and Operations. As applicable to all other ESG material topics, the implementation of targets is overseen by the ESG Steering Committee. **v. Resources** The topic of Fair Labor Practices is owned and managed by the Group Chief Compliance Officer. The Group CCO reports regularly to an Ethics Committee made up of the Group's CEO, CFO, General Counsel, and Head of HR, and Regional Executive Vice Presidents. The Group CCO is also supported by a Global Compliance Team, as well as by the Regional Compliance Officers. The Group CCO relies on cross-functional stakeholders to drive compliance across the organization. The Global Head of Human Resources and the Global Head of Supply Chain Management and Operations manage the monitoring of the Company's internal and external operations, respectively, with regards to this topic. **vi. Grievance mechanisms** Landis+Gyr has a global 'Speak Up' process in place based on the Speak-Up Policy accessible across the organization and run by an independent/neutral third-party provider. **vii. Specific actions, such as processes, projects, programs, and initiatives** – The implementation of a reporting framework and a human rights due diligence process. – The periodic (yearly basis) roll-out of new learning content focused on ethics and integrity with alternating topics in focus for each launch, including principles regarding fair labor standards. – Due diligence checks. – Landis+Gyr performed the equal pay analysis in accordance with the requirements of the Swiss Federal Act on Gender Equality. The results of the analysis show that Landis+Gyr is fully compliant with Swiss equal pay standards, which further demonstrates Landis+Gyr's commitment to fair pay.

GRI Standard	Material Topic	GRI Indicator
103-3	Fair Labor Practices	Evaluation of the management approach
		a. An explanation of how the organization evaluates the management approach, including: **i. the mechanisms for evaluating the effectiveness of the management approach:** Every 3 years the Company reassesses the ESG direction and evaluates whether material topics are being adequately addressed. **ii. the results of the evaluation of the management approach:** The Company is currently finalizing the roadmap that will guide its Fair Labor Practices efforts for the next 3-year ESG cycle from FY22 to FY24. As part of this process, it will set new targets and KPIs to measure progress. **iii. related adjustments to the management approach:** Needed adjustments are made over the course of a cycle, under the oversight of the ESG Steering Committee.
103-1	Community Engagement	Explanation of the material topics and their boundary
		a. An explanation of why the topic is material With a local presence in around 30 countries and approximately 6,500 people employed, the Company has a significant impact on several local communities and depends on positive local relationships to support its business. As with all companies, Landis+Gyr depends on local resources such as infrastructure, workers, customers and suppliers. In the same way, communities benefit from the employment, taxes revenues and boost to the local economy enabled by firms. This mutual dependency means that businesses can only thrive if the communities around them also prosper, and vice versa. For this reason, Landis+Gyr views community engagement as essential to support the long-term success of its business. **b. The boundary for the material topic, which includes a description of:** **i. where the impacts occur:** The impact is external and occurs in all locations where Landis+Gyr is active or has an impact via its products. **ii. the organization's involvement with the impacts:** Landis+Gyr's operations have a direct impact on local communities via local employment, local procurement of goods and services, use of local resources, use of local infrastructure, impact on the local environment, etc. **c. Any specific limitation regarding the topic boundary** Landis+Gyr focuses primarily on the geographic areas where the Company operates.

GRI Standard	Material Topic	GRI Indicator
103-2	Community Engagement	The management approaches and their components **a. An explanation of how the organization manages the topic** Landis+Gyr has defined an overarching framework, targets and KPIs on community engagement. Identification and implementation of community engagement activities fall under regional and local responsibility, whereas the definition of the framework and the monitoring of activities fall under global responsibility. **b. A statement of the purpose of the management approach** Landis+Gyr views its community engagement efforts as essential to fulfill its commitment as a responsible corporate citizen. **c. A description of the management approach components** **i. Policies** – Community Engagement Directive, which describes the focus of the activities, governance, process, and reporting related to community engagement. **ii. Commitments** Landis+Gyr strives to be a good corporate citizen and act as a force for good in the communities where it operates, thus creating a positive environment for its employees, neighbors, and other local stakeholders. **iii. Goals and targets** Landis+Gyr's community engagement activities create value for the company, its employees and their families, local communities, and society. During the ESG cycle FY 2019–FY 2021 the emphasis was placed on establishing the foundations for these activities, e.g., defining goals and KPIs, identifying community engagement areas where the Company wants to take action. **iv. Responsibilities** The responsibility for this topic sits with the ESG Office (Global Community Engagement Program Coordinator), which is supported by regional resources for the identification, implementation and reporting of initiatives. As applicable to all other ESG material topics, the implementation of community engagement targets is overseen by the ESG Steering Committee. **v. Resources** In addition to the organizational resources assigned, the Company has a dedicated budget for initiatives under this topic. **vi. Grievance mechanisms** Landis+Gyr has implemented a global 'Speak-Up' process, based on the Speak Up Policy accessible across the organization and managed through an independent third-party provider. **vii. Specific actions, such as processes, projects, programs, and initiatives** In locations like India, Brazil, South Africa, Mexico, Greece and the UK, there is a long-standing tradition of engaging with communities via donations or volunteering initiatives aimed at improving the quality of life of local communities. During FY 2021, the COVID-19 pandemic continued to have an adverse impact on community engagement activities given the imposed social distancing measures. Nevertheless, as per its tradition, the Company continued to support vulnerable groups in local communities, particularly children: – In Greece, Landis+Gyr provided financial support and in-kind donations to 'Efthimeio Center of Corinth' and 'Child's Smile". Through these organizations the Company supported the basic nutrition needs of children living under difficult conditions. – In South Africa, the Company made financial donations to five different organizations including 'Khulisani Foundation' and 'Love Trust (Nokuphila)'. Both organizations support early childhood development through education, nutrition and social work support. Furthermore, as a gesture of solidarity with those affected by the COVID-19 pandemic, the members of the Board of Directors and Group Executive Management decided at the beginning of the financial year to take a voluntary 10% pay cut for a period of six months. This money was allocated to a relief fund, which provided financial assistance to support employees, and their dependent family members, in India, who were directly impacted by COVID-19. The Company-sponsored COVID-19 fund benefited approximately 650 employees. Two vaccination drives were set up in Noida and Kolkata and 10 oxygen concentrators were made available across locations. Employee families were supported in the event of a death. Following the start of the Russia-Ukraine war at the end of February 2021, Landis+Gyr launched a fundraising campaign aimed at supporting Red Cross efforts in Ukraine. To alleviate the suffering of those impacted by the war, the Company committed to match employee donations up to USD 250,000 for a total of USD 500,000 in donations. In March 2022, Landis+Gyr has taken the decision to cease all exports to Russia and Belarus until further notice.

GRI Standard	Material Topic	GRI Indicator
103-3	Community Engagement	Evaluation of the management approach **a. An explanation of how the organization evaluates the management approach, including:** **i. the mechanisms for evaluating the effectiveness of the management approach:** Every 3 years, the Company reassesses the ESG direction and evaluates whether material topics are being adequately addressed. **ii. the results of the evaluation of the management approach:** The Company is currently finalizing the roadmap that will guide its Community Engagement efforts for the next 3-year ESG cycle from FY 2022–24. As part of this process, it will set new targets and KPIs to measure progress. **iii. related adjustments to the management approach:** Needed adjustments are made over the course of a cycle, under the oversight of the ESG Steering Committee.
103-1	Data Security and Privacy	Explanation of the material topics and their boundary **a. An explanation of why the topic is material** Landis+Gyr's products and services deliver intelligence to the power grid by collecting and analyzing data and enabling energy utilities and energy consumers to make fact-based decisions regarding energy management. While the use of digital technologies offers great opportunities for enhanced efficiency and reliability in the energy grid, it also poses increased data privacy and security risks. These can expose sensitive data to unauthorized users and result in reputational damage, significant financial losses and for the Company. Therefore, Landis+Gyr is committed to taking the necessary measures to protect gathered data and to implement controls aimed at minimizing security risks. **b. The boundary for the material topic, which includes a description of:** **i. where the impacts occur:** Landis+Gyr is exposed to the risks of data security and privacy through its operations (internal) and also through its products, solutions and services (external). **ii. the organization's involvement with the impacts.** Landis+Gyr is involved with the impacts both directly and indirectly. **c. Any specific limitation regarding the topic boundary** The natural boundary of Landis+Gyr's influencing sphere with Data Security and Privacy is with the use phase of products and solutions where, depending on the business model, several parties are involved in keeping the infrastructure and the data secure and private.

GRI Standard	Material Topic	GRI Indicator
103-2	Data Security and Privacy	The management approaches and their components **a. An explanation of how the organization manages the topic** The topic is vast and is managed by many parties in the organization. It starts with the Compliance and Data Privacy function, which sets the boundaries and oversees implementation. In a next step, the Cyber and Information Security department delivers a secure environment with gradations to adhere to the different security and compliance requirements. Product Management, Engineering, Production and Supply Chain ensure data security and privacy policies are implemented in Landis+Gyr's products and solutions. Documents are stored according to the established process and kept safe for the period required by applicable laws. **b. A statement of the purpose of the management approach** Landis+Gyr takes every precaution in the design and production of its products. With its management approach, the Company ensures that the data used or generated by its products and solutions is protected and its privacy is kept. **c. A description of the management approach components** **i. Policies** – Data Security Policy: This document describes the importance, the boundary as well as the managing principles of this material topic. The policy is shaped by GDPR and other privacy regulations. Several Landis+Gyr sites are ISO 27001 certified **ii. Commitments** Landis+Gyr continues to further enhance and mature its data security and privacy program to manage the increasing regulatory requirements as well as the rising volume of cyber security threats. **iii. Goals and targets** – Globalize and enhance the Company's security compliance framework and formalize the Company's security intelligence function. – Continue to develop the Company's global security awareness and training program. – Enhance and extend the Company's Secure Development Lifecycle program across all development and manufacturing areas. – Further enhance products and solutions to continue to meet customer and regulatory privacy and security requirements. **iv. Responsibilities** This topic is managed by the Company's Chief Information Security Officer, in collaboration with the Global Chief Compliance and Data Protection Officer. As with all other ESG material topics, the implementation of the agreed activities for this topic is overseen by the ESG Steering Committee. **v. Resources** Apart from the organization members assigned to this topic, every member of the organization is responsible for keeping the Company's data as well as the data handled by Landis+Gyr's products secure. A considerable amount of investment goes into Data Security and Privacy across multiple departments. **vi. Grievance mechanisms** Landis+Gyr has a global 'Speak Up' process in place based on the Speak-Up Policy accessible across the organization and run by an independent/neutral third-party provider. **vii. Specific actions, such as processes, projects, programs, and initiatives** There are several focus areas under this topic, such as building and enhancing the infrastructure and processes, addressing internal improvements, or enhancing the way in which Landis+Gyr's products and solutions respond to rising data security and privacy demand. Key workstreams include: – Compliance with data privacy process and policies – Security awareness and training – Vulnerability management – Network and workstation protection – Identity management – Cloud security – Software Development Lifecycle (SDLC)

GRI Standard	Material Topic	GRI Indicator
103-3	Data Security and Privacy	Evaluation of the management approach **a. An explanation of how the organization evaluates the management approach, including:** **i. the mechanisms for evaluating the effectiveness of the management approach:** Every 3 years, the Company reassesses the ESG direction and evaluates whether material topics are being adequately addressed. **ii. the results of the evaluation of the management approach:** The Company is currently finalizing the roadmap that will guide its Data Security and Privacy efforts for the next 3-year ESG cycle from FY 2022 to FY 2024. As part of this process, it will set new targets and KPIs to measure progress. **iii. related adjustments to the management approach:** Needed adjustments are made over the course of a cycle, under the oversight of the ESG Steering Committee.
103-1	Business Integrity	Explanation of the material topics and their boundary **a. An explanation of why the topic is material** As a global Company, Landis+Gyr conducts business in many countries where practices may vary greatly. Furthermore, given the industry in which Landis+Gyr operates, many of Landis+Gyr's customers are government-owned or highly regulated by local governments. Landis+Gyr's employees, agents, contractors, and other intermediaries are thus expected to conduct business with the utmost integrity in line with all applicable laws and regulations, good market practices and internal policies. This behavior is essential to protect the Company and its employees from reputational damages and exposures to other risks, while promoting a work environment founded on integrity and respect. **b. The boundary for the material topic, which includes a description of:** **i. where the impacts occur:** The impacts occur in every location where Landis+Gyr operates (internally and externally). **ii. the organization's involvement with the impacts:** Landis+Gyr is present in approximately 30 countries, all of which have different legal requirements and expectations. The Company is therefore exposed to a variety of risks such as bribery, corruption, fraud, and anti-competitive behavior. The impact is both direct and indirect. **c. Any specific limitation regarding the topic boundary** This topic covers Landis+Gyr Group and its subsidiary companies, including all its employees and other agents, contractors, or intermediaries.

GRI Standard	Material Topic	GRI Indicator
103-2	Business Integrity	The management approaches and their components
		a. An explanation of how the organization manages the topic As a market and technology leader in the field of intelligent energy management, Landis+Gyr is committed to upholding the highest ethical standards. Landis+Gyr's integrity standards are described in the Company's Code of Business Ethics and Conduct which expressly prohibits corruption, violations of fair competition, and human rights infringements. Landis+Gyr takes a zero-tolerance approach against all forms of corruption and bribery, and is committed to acting professionally, fairly and with integrity in all business dealings and relationships. Consequently, the Company has implemented a compliance governance structure with responsible compliance managers at group level, as well as in the regions and individual countries, all of whom ensure that all compliance policies and processes are implemented at all levels of the organization. These individuals also advise internal stakeholders regarding compliance topics. In addition, Landis+Gyr has implemented a third-party due diligence process, which requires a mandatory due diligence check prior to the appointment of a third-party intermediary. This check is conducted by or with the assistance of an independent third-party provider, who scans potential third-party intermediaries against blacklists, sanctions lists, adverse media, and other databases that may reveal a lack of business integrity. The Company's third-party due diligence process is constantly re-evaluated and updated to ensure all necessary parties are properly screened and vetted before business engagements are initiated. All Landis+Gyr employees are required to abide by the Landis+Gyr Code of Business Ethics and Conduct. All white-collar employees (computer users) are trained on the content of the Code of Business Ethics and Conduct on a yearly basis. Furthermore, the Company offers specialized training sessions on the most relevant compliance risks. Training sessions focused on anti-corruption, competition law, data privacy, and other relevant compliance risks are completed annually by employees who interface directly with customers, agents, distributors, vendors, and competitors, as well as anyone who is a direct manager (regardless of their role). Globally, the Company has installed appropriate channels for reporting suspected or known violations of the code, other internal policies, or the law. For this purpose, Landis+Gyr implemented a confidential 24-hour hotline, as well as a web portal where employees can file a complaint. Concerns can be reported through different channels in the organization, such as via e-mail to a manager, HR Business Partner, Compliance Officer or external Ombudperson. For this purpose, a case management system has been rolled out to record and monitor complaints and their resolution. **b. A statement of the purpose of the management approach** At Landis+Gyr, acting ethically and in accordance with the values laid out in the Code of Business Ethics and Conduct is everyone's responsibility. Landis+Gyr's Chief Compliance Officer manages all compliance-related matters, ensures that global policies are properly implemented, and that training is periodically developed, launched, and completed. The role of the Regional Compliance Officers is to help ensure that the compliance program is implemented locally. All these activities are undertaken for the ultimate purpose of upholding the highest ethical standards at Landis+Gyr. **c. A description of the management approach components** **i. Policies** – Code of Business Ethics and Conduct: a global policy that outlines the responsibilities and expected professional behavior of Landis+Gyr and all its employees. – Supplier Code of Conduct: a global policy that governs the relationships between Landis+Gyr and its suppliers. – Anti-Corruption Policy: a global policy that offers a deep dive into the topic of corruption and other associated prohibited practices. – Unfair Competition and Antitrust Policy: a global policy that offers a deep dive into the topic of antitrust and all associated prohibited practices. – Speak-Up System Process & Policy: a global policy that provides guidance on how to make a complaint of a known or suspected violation of laws or policies. **ii. Commitments** Landis+Gyr is committed to upholding the highest ethical standards. Landis+Gyr's stringent integrity standards are described in the Company's Code of Business Ethics and Conduct, which expressly prohibits corruption, violations of fair competition, and human rights infringements. **iii. Goals and targets** Landis+Gyr requires its staff and related third parties to uphold its values of business ethics and business integrity, as stated in the Code of Business Ethics and Conduct and related policies. **iv. Responsibilities** This topic is managed by the Group Chief Compliance Officer. As with all other ESG material topics, progress on this topic is overseen by the ESG Steering Committee. **v. Resources** The topic of Business Integrity is owned and managed by the Group Chief Compliance Officer (CCO). The Group CCO reports regularly to an Ethics Committee that consists of the Group's CEO, CFO, General Counsel, Head of HR and Regional Executive Vice Presidents. The Group CCO is also supported by a Global Compliance Paralegal, as well as by local members of the Legal & Compliance team, as appropriate. In addition to these organizational resources, Landis+Gyr has a global training program in place, and operations are audited. **vi. Grievance mechanisms** Landis+Gyr has a global 'Speak Up' process in place which is based on the Speak-Up Policy accessible across the organization and run by an independent/neutral third-party provider. **vii. Specific actions, such as processes, projects, programs, and initiatives** Some activities that support this material topic are, among others: – The periodic (yearly basis) roll-out of new learning content for the Code of Business Ethics and Conduct (face-to-face sessions and e-learning), Anti-Competition (e-learning), and Anti-Bribery (e-learning). Ethics and integrity are the central themes of the learning content – Bi-annual Ethics and Compliance Newsletters shared with the global organization – Due diligence checks for business partners.

GRI Standard	Material Topic	GRI Indicator
103-3	Business Integrity	Evaluation of the management approach
		a. An explanation of how the organization evaluates the management approach, including: **i. the mechanisms for evaluating the effectiveness of the management approach:** Every 3 years, the Company reassesses the ESG direction and evaluates whether material topics are being adequately addressed. **ii. the results of the evaluation of the management approach:** The Company is currently finalizing the roadmap that will guide its Business Integrity efforts for the next 3-year ESG cycle from FY 2022 to FY24. As part of this process, it will set new targets and KPIs to measure progress. **iii. related adjustments to the management approach:** Needed adjustments are made over the course of a cycle, under the oversight of the ESG Steering Committee.

Economic Disclosures

GRI Standard	Material Topic	GRI Indicator
205-2	Business Integrity	**a.** Total number and percentage of governance body members that the organization's anti-corruption policies and procedures have been communicated to, broken down by region.
		As of the creation of this report, Landis+Gyr's operating governance body members – the extended Executive Management Team – consisted of 12 members, distributed geographically as follows: 3 in the Americas, 1 in APAC, and 8 in EMEA. All of them are informed and updated regularly on Landis+Gyr's Code of Business Ethics and Conduct, which also covers the topic of corruption.
	Business Integrity	**b.** Total number and percentage of employees that the organization's anti-corruption policies and procedures have been communicated to, broken down by employee category and region.
		All Landis+Gyr employees are required to abide by the Landis+Gyr Code of Business Ethics and Conduct. All white-collar employees (computer users) are trained on the content of the Code of Conduct on a yearly basis. Furthermore, the Company offers specialized training sessions on the most relevant compliance risks. Training sessions focused on anti-corruption and competition law are completed on a yearly basis by employees who are in close contact with customers, agents, distributors, vendors, and competitors, as well as anyone who has a management role. For details and statistics please consult the employee tables.
	Business Integrity	**c.** Total number and percentage of business partners that the organization's anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region. Describe if the organization's anti-corruption policies and procedures have been communicated to any other persons or organizations.
		Landis+Gyr has implemented a third-party due diligence process. It requires a mandatory due diligence check prior to the appointment of a third-party business partner. This check is conducted by or with the assistance of an independent third party and scans potential third party business partners against blacklists, sanctions lists, adverse media, and other databases that may reveal a lack of business integrity. The Company's third-party due diligence process is regularly re-evaluated and updated to ensure third parties are properly screened and vetted before business engagements are initiated. All Landis+Gyr applicable policies, including the Code of Business Ethics and Conduct and Anti-Corruption Policy, are routinely communicated to the Company's business partners during onboarding. Furthermore, these policies are also communicated to Landis+Gyr's customers during the tender phase. With regards to suppliers, the same is communicated to them through the Landis+Gyr Supplier Code of Conduct, which was recently updated. Suppliers are required to confirm adherence.
	Business Integrity	**d.** Total number and percentage of governance body members that have received training on anti-corruption, broken down by region.
		As of the creation of this report, Landis+Gyr's operating governance body members – the Extended Executive Management Team – consisted of 12 members, distributed geographically as follows: 3 in the Americas, 1 in APAC, and 8 in EMEA. Of these, all members (100%) completed a Landis+Gyr Code of Business Ethics and Conduct e-learning session, which focuses on a variety of compliance risks, including corruption. This completion occurred either (1) during the Code of Business Ethics and Conduct e-learning Campaign, which launched on November 1, 2021 and ended on November 30, 2021, or (2) upon joining Landis+Gyr (for those who joined the Company after November 30, 2021). Lastly, all members (100%) completed a Preventing Bribery and Corruption e-learning session. This is a yearly requirement, and thus, all members will be (re)trained on this topic in the fall of 2022.
	Business Integrity	**e.** Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region.
		As of February 11th 2022, Landis+Gyr employed a total of 5,323 employees, distributed geographically as follows: 1,885 in the Americas, 1,380 in Asia Pacific, and 2,058 in EMEA. 3,471 or 99.97% of Landis+Gyr's white collar employees active as of February 8, 2022 completed the e-learning session for the Landis+Gyr Code of Business Ethics and Conduct during a campaign which was launched on November 1, 2021. The remaining employees were either an exception to the launch population (i.e., blue-collar workers). New employees are required to complete the same e-learning session within 7 days of joining Landis+Gyr. Course completion, which requires passing a test with a score of 80% or above, is tracked locally as part of the onboarding process. The e-learning session focuses on a variety of compliance risks, including prevention of bribery and corruption. No live training was conducted due to the COVID-19 pandemic. Lastly, 2,567 or 100% of Landis+Gyr's white collar employees who are in close contact with customers, agents, distributors, vendors and competitors, all employees with a management role and all employees in sales, finance and procurement active as of January 17, 2022 completed the Preventing Bribery and Corruption e-learning session during the campaign which was launched on September 1, 2021.

Environmental Disclosures

GRI Standard	Material Topic	GRI Indicator
301-1	Resource Efficiency	Total weight or volume of materials that are used to produce and package the organization's primary products and services during the reporting period, by: i. non-renewable materials used; ii. renewable materials used.
		Non-renewable: Plastics 9,210 tons ; Metal 6,752 tons; Printed Circuit Boards and electromechanical parts: 3,986 tons. Renewable: cardboard and wood used for packaging 4,317 tons Data source: Procurement data; PCBA and electromechanical data is estimated to be 20% of total non-renewable weight. Renewable packaging data to customers is as taken from material purchase records. A portion of the total amount reported is estimated based on product volumes. Quantities for the month of March are extrapolated.
302-1	Energy Efficiency and Climate Protection	**a.** Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used.
		Landis+Gyr Group consumed 14,958,434 MJ town gas and 19,569,008* MJ diesel and gasoline during the reporting period. Last year, the Company consumed 14,449,450.39 MJ in town gas and 15,608,578 MJ in diesel and gasoline. This represents an increase of 25%* in diesel and gasoline and 3.5% in town gas. * Consumption reported in distance included additionally into this year reporting. (Calculation performed same as last year would have resulted in an increase of 17% instead of 25%)
	Energy Efficiency and Climate Protection	**b.** Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used.
		None.
	Energy Efficiency and Climate Protection	**c.** In joules, watt-hours or multiples, the total: i. electricity consumption ii. heating consumption iii. cooling consumption iv. steam consumption.
		The total electricity consumption in the national grid mix was 6,961.99 MWh down from 12,883.45 MWh last year, which represents a reduction of 54%. The consumption based on renewable sources was 12,168.35 MWh up from 6,566 MWh in the last year, which represents an increase of 85%. Total electricity consumption went down 2% to 19,130 MWh from 19,449 MWh in the previous year. District heating (steam) amounted to 1,944 MWh, which represents a reduction of 0.3% compared to the previous year.
	Energy Efficiency and Climate Protection	**d.** In joules, watt-hours or multiples, the total: i. electricity sold ii. heating sold iii. cooling sold iv. steam sold.
		None.
	Energy Efficiency and Climate Protection	**e.** Total energy consumption within the organization, in joules or multiples.
		FY 2021: Electricity consumption 68,869,226 MJ; Steam (district heating) 6,997,273 MJ; Diesel and Gasoline 19,569,008* MJ; Town Gas 14,958,434 MJ = Total 110,393,943 MJ (l Diesel converted in MJ with 38 and Gasoline with 34) FY 2020: Electricity consumption 70,016,243 MJ; Steam (district heating) 7,015,694 MJ; Diesel and Gasoline 15,608,578* MJ; Town Gas 14,449,450 MJ = Total 107,089,965 MJ (*l Diesel converted in MJ with 30 and Gasoline with 35) From FY 2020 to 2021, the total energy consumption increased by 3.1%. However in last year's report the portion of vehicles that report in 'distance covered' instead of 'fuel consumed' was not included.
	Energy Efficiency and Climate Protection	**f.** Standards, methodologies, assumptions, and/or calculation tools used.
		Information was captured via the Company's ESG reporting tool: web-based SpheraCloud Corporate Sustainability Software (formerly SoFi) at all Landis+Gyr sites.
	Energy Efficiency and Climate Protection	**g.** Source of the conversion factors used.
		IPCC (2007), ELCD (2007) and GaBi 4 database

GRI Standard	Material Topic	GRI Indicator
302-3	Energy Efficiency and Climate Protection	**a.** Energy intensity ratio for the organization.
		In FY 2021, the total energy intensity ratio for the organization was 7,541 (kJ per 100 USD TO) compared to 7,892* in the previous year which represents a reduction of 4.5%.
	Energy Efficiency and Climate Protection	**b.** Organization-specific metric (the denominator) chosen to calculate the ratio.
		This number is calculated in KJ per 100 USD turnover whereby the turnover in the reporting year was 1,464 mUSD (total TO in FY 2020 = 1,357 mUSD)
	Energy Efficiency and Climate Protection	**c.** Types of energy included in the intensity ratio; whether fuel, electricity, heating, cooling, steam, or all.
		All; relevant are: electricity, fuel, heating, steam.
	Energy Efficiency and Climate Protection	**d.** Whether the ratio uses energy consumption within the organization, outside of it, or both.
		Based on Scope 1 and 2 (inside the organization)
302-4	Energy Efficiency and Climate Protection	**a.** Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples.
		The energy consumption increased by 3,303,978 MJ. (This is explained by the addition of 'vehicle energy consumption' into the total energy calculation this year. The increase of fuel consumption was driven by the relaxation of certain pandemic restrictions.) Landis+Gyr has implemented the learnings gained in the energy audits previously performed in the most important production sites. Examples of measures taken are: employee awareness training, HVAC controls have been automated and adjusted to maximize energy efficiency, turn off or unplug idle electronic devices when not used, continued replacement of illumination with LEDs and lighting generally reduced, better route planning leading to reduced fuel use, more detailed energy consumption measurement in production processes. The pandemic and its resulting home office regulations continued to impact the Company's energy consumption across Landis+Gyr's sites.
	Energy Efficiency and Climate Protection	**b.** Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all
		All; as included in the calculation of Scope 1 and 2 (electricity, fuels, heating, steam).
	Energy Efficiency and Climate Protection	**c.** Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it.
		Calculation of reduction is year-over-year. The main reason for choosing this approach is consistency over time.
	Energy Efficiency and Climate Protection	**d.** Standards, methodologies, assumptions, and/or calculation tools used.
		Information has been captured via the Company's ESG reporting tool: web-based SpheraCloud Corporate Sustainability Software (formerly SoFi) at all Landis+Gyr sites.
305-1	Energy Efficiency and Climate Protection	**a.** Gross direct (Scope 1) GHG emissions in metric tons of CO_2 equivalent.
		Total scope 1 emission: 2,245 tons CO_2e. Detailed information on all CO_2e emissions can be found on the sheet "CO_2 emissions" in this report.
	Energy Efficiency and Climate Protection	**b.** Gases included in the calculation; whether CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, or all.
		All (relevant: CO_2, CH_4, N_2O).
	Energy Efficiency and Climate Protection	**c.** Biogenic CO_2 emissions in metric tons of CO_2 equivalent.
		None.

GRI Standard	Material Topic	GRI Indicator
	Energy Efficiency and Climate Protection	**d.** Base year for the calculation, if applicable, including: i. the rationale for choosing it; ii. emissions in the base year; iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.
		Company targets to reduce CO_2 emissions have been set year-over-year since 2007, which was the first year Landis+Gyr calculated its GHG emissions. In 2007, the scope 1 emission was 7,143 tons CO_2e. The change since then is of –69%. and +3% compared to the previous year. See additional information on the 'CO_2e emissions' section of this report.
	Energy Efficiency and Climate Protection	**e.** Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.
		Intergovernmental Panel on Climate Change (IPCC) 2007, European reference Life Cycle Database (ELCD) (2007) and Global Warming Potential (GWP) rates: CO_2 = 1; CH_4 = 25; N_2O = 298;
	Energy Efficiency and Climate Protection	**f.** Consolidation approach for emissions; whether equity share, financial control, or operational control.
		Operational control.
	Energy Efficiency and Climate Protection	**g.** Standards, methodologies, assumptions, and/or calculation tools used.
		GHG Protocol Corporate Accounting and Reporting Standard; and Reporting tool: web-based SpheraCloud Corporate Sustainability software (formerly SoFi).
305-2	Energy Efficiency and Climate Protection	**a.** Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO_2 equivalent.
		Total scope 2 emission: 6,555 tons CO_2e. Detailed information on all CO_2e emission is available on the 'CO_2 emissions' section of this report.
	Energy Efficiency and Climate Protection	**b.** If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO_2 equivalent.
		Data is purely captured using the location-based approach, with the exception of green energy purchases which are set to zero CO_2 emissions.
	Energy Efficiency and Climate Protection	**c.** If available, the gases included in the calculation; whether CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, or all.
		All (relevant: CO_2, CH_4, N_2O).
	Energy Efficiency and Climate Protection	**d.** Base year for the calculation, if applicable, including: i. the rationale for choosing it; ii. emissions in the base year; iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.
		Company targets to reduce CO_2 emissions have been set year-over-year since 2007, which was the first year Landis+Gyr calculated its GHG emissions. In 2007, the scope 2 emission was 27,762 tons CO_2e. The reduction since then is of 76% and 40% compared to the previous year. See additional information on the 'CO_2e emission' section in this report. The pandemic and its resulting home office regulations continued to impact the Company's electricity consumption across Landis+Gyr's offices. However, also the increased use of renewable energy (double % compared to the previous year) has contributed to the improvement shown.
	Energy Efficiency and Climate Protection	**e.** Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.
		GaBi 4 Database (2006), IPCC (2007); GWP rates: CO_2= 1; CH_4 = 25; N_2O = 298;

GRI Standard	Material Topic	GRI Indicator
	Energy Efficiency and Climate Protection	**f.** Consolidation approach for emissions; whether equity share, financial control, or operational control.
		Operational control.
	Energy Efficiency and Climate Protection	**g.** Standards, methodologies, assumptions, and/or calculation tools used.
		GHG Protocol Corporate Accounting and Reporting Standard; and Reporting tool: web-based SpheraCloud Corporate Sustainability software (formerly SoFi).
305-3	Energy Efficiency and Climate Protection	**a.** Gross other indirect (Scope 3) GHG emissions in metric tons of CO_2 equivalent.
		Total scope 3 emission: 887 tons CO_2e. This figure only includes business flights. Detailed information on all CO_2e emission is available on the 'CO_2 emissions' section of this report.
	Energy Efficiency and Climate Protection	**b.** If available, the gases included in the calculation; whether CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, or all.
		IPCC (2007), ELCD (2007); and GWP rates: CO_2 = 1; CH_4 = 25; N_2O = 298;
	Energy Efficiency and Climate Protection	**c.** Biogenic CO_2 emissions in metric tons of CO_2 equivalent.
		None.
	Energy Efficiency and Climate Protection	**d.** Other indirect (Scope 3) GHG emissions categories and activities included in the calculation.
		Scope 3 inventory only covers business flights.
	Energy Efficiency and Climate Protection	**e.** Base year for the calculation, if applicable, including: i. the rationale for choosing it; ii. emissions in the base year; iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.
		Company targets to reduce CO_2 emissions have been set year-over-year since 2007, which was the first year Landis+Gyr calculated its GHG emissions. In 2007, the scope 3 emission was 5,521 tons CO_2e. The reduction since then is of 84% and an increase of 365 % compared to the previous year. Please see additional information on the CO_2e emission sheet in this report. While in the previous year business trips hardly took place due to the pandemic, in FY 2021, the business trips activity has resumed partly.
	Energy Efficiency and Climate Protection	**f.** Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.
		GaBi 4 Database (2006), IPCC (2007); GWP rates: CO_2= 1; CH_4 = 25; N^2O = 298;
	Energy Efficiency and Climate Protection	**g.** Standards, methodologies, assumptions, and/or calculation tools used.
		– GHG Protocol Corporate Accounting and Reporting Standard; – Reporting tool: web-based SpheraCloud Corporate Sustainability software (formerly SoFi)

GRI Standard	Material Topic	GRI Indicator
305-4	Energy Efficiency and Climate Protection	**a.** GHG emissions intensity ratio for the organization.
		0.6 kg CO_2e per 100 USD turnover. For additional statistics, see also 'CO_2 emission' section of this report.
	Energy Efficiency and Climate Protection	**b.** Organization-specific metric (the denominator) chosen to calculate the ratio.
		Revenue (turnover).
	Energy Efficiency and Climate Protection	**c.** Types of GHG emissions included in the intensity ratio; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3).
		Scope 1 and 2.
	Energy Efficiency and Climate Protection	**d.** Gases included in the calculation; whether CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, or all. When reporting on GHG emissions targets, the reporting organization shall explain whether offsets were used to meet the targets, including the type, amount, criteria or scheme of which the offsets are part.
		All (relevant CO_2, CH_4, N_2O). Offsets have not been used.
305-5	Energy Efficiency and Climate Protection	**a.** GHG emissions reduced as a direct result of reduction initiatives, in metric tons of CO_2 equivalent.
		GHG emissions (scope 1–3) have been reduced by 3,611 t to 9,687 t from 13,297 t in the previous year. Landis+Gyr has increased the portion of renewable power purchased from 30% in FY 2020 to over 60% in FY 2021. Additionally, energy saving initiatives continue to be implemented with special focus on the largest sites. The pandemic and its resulting home office regulations continued to impact the Company's electricity consumption across Landis+Gyr's offices. Landis+Gyr did not use any offsets. For detailed data please visit the CO_2 emission sheet in this report.
	Energy Efficiency and Climate Protection	**b.** Gases included in the calculation; whether CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, or all.
		All (relevant CO_2, CH_4, N_2O).
	Energy Efficiency and Climate Protection	**c.** Base year or baseline, including the rationale for choosing it.
		The reduction of GHG emissions is calculated in comparison to the previous year (year-over-year). Company GHG reduction goals have been set on a year-over-year basis which led to a reduced GHG emission of 76 % since the first measurement in 2007. The Company has committed to carbon neutrality by 2030 for scope 1 and 2 and has embarked in the process to set science-based targets for carbon reduction according to the SBTi.
	Energy Efficiency and Climate Protection	**d.** Scopes in which reductions took place; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3).
		Reductions have been achieved on scope 2, while scope 1 and scope 3 experienced increases.
	Energy Efficiency and Climate Protection	**e.** Standards, methodologies, assumptions, and/or calculation tools used.
		GHG Protocol Corporate Accounting and Reporting Standard; and Reporting tool: web-based SpheraCloud Corporate Sustainability software (formerly SoFi).
305-7	Energy Efficiency and Climate Protection	**a.** Significant air emissions, in kilograms or multiples, for each of the following: i. NOX ii. SOX iii. Persistent organic pollutants (POP) iv. Volatile organic compounds (VOC) v. Hazardous air pollutants (HAP) vi. Particulate matter (PM) vii. Other standard categories of air emissions identified in relevant regulations.
		Methane (CH_4): 1.18 t No other emissions occurred.
	Energy Efficiency and Climate Protection	**b.** Source of the emission factors used.
		GWP CH_4 = 25

GRI Standard	Material Topic	GRI Indicator
	Energy Efficiency and Climate Protection	**c.** Standards, methodologies, assumptions, and/or calculation tools used.
		GHG Protocol Corporate Accounting and Reporting Standard; and Reporting tool: web-based SpheraCloud Corporate Sustainability software (formerly SoFi)
303-1 (2018)	Management approach	**a.** A description of how the organization interacts with water, including how and where water is withdrawn, consumed, and discharged, and the water-related impacts caused or contributed to, or directly linked to the organization's activities, products or services by a business relationship (e.g., impacts caused by runoff).
		Landis+Gyr uses water in its office buildings and production facilities. The activities using water in the office buildings are: water withdraw for drinking purpose, for cooking (e.g., where a canteen is in place), in the restrooms and for cleaning. In production facilities, water is used for cleaning and cooling in addition to the activities mentioned for office facilities. Facilities with green areas require water for irrigation purposes. Wherever possible, rainwater is used for this purpose. In some facilities irrigation water is used to flush toilets. Water reuse and recycling is in place in most production facilities. Some sites such as Pequot Lakes, Kolkata or Corinth also use water from wells.
303-1 (2018)	Management approach	**b.** A description of the approach used to identify water-related impacts, including the scope of assessments, their timeframe, and any tools or methodologies used.
		Landis+Gyr has been measuring and managing its water usage for about ten years. All sites under Landis+Gyr control measure their water use and report it regularly in the Sustainability data collection tool SoFi (by Sphera). Landis+Gyr defines water consumption reduction targets every year. For the first time a water reduction target has been included as part of the targets related to the Short Term Incentive (STI) plan to which a large portion of employees are eligible.
303-1 (2018)	Management approach	**c.** A description of how water-related impacts are addressed, including how the organization works with stakeholders to steward water as a shared resource, and how it engages with suppliers or customers with significant water-related impacts
		Generally speaking, Landis+Gyr does not consume water in a volume that would be impactful to its stakeholders. Water management follows the path of relevance and impact. Sites with higher water consumption are monitored more closely.
303-1 (2018)	Management approach	**d.** An explanation of the process for setting any water-related goals and targets that are part of the organization's management approach, and how they relate to public policy and the local context of each area with water stress.
		Goalsetting has several dimensions, the global company-wide approach, whereby top down goals are set for the Company. Global goals are then split/cascaded to regions and sites in a collaborative process considering local requirements (regulatory, stakeholder and company own).
303-2 (2018)	Management approach	**a.** A description of any minimum standards set for the quality of effluent discharge, and how these minimum standards were determined, including: i. how standards for facilities operating in locations with no local discharge requirements were determined; ii. any internally developed water quality standards or guidelines; iii. any sector-specific standards considered; iv. whether the profile of the receiving waterbody was considered.
		Landis+Gyr's sites follow the respective local regulation regarding water use and discharge. The vast majority of sites discharges water via the public sewage system. Some sites have their own water treatment facilities onsite such as Curitiba, which treats rainwater and waste water for further use (e.g., irrigation). The Reynosa site, for example, uses the condensed water of the air conditioning system for plant watering. **i) n/a** **ii) n/a** **iii) n/a** **iv) Local regulation is followed**
303-5 (2018)	Additional Information	**a.** Total water consumption from all areas in megaliters.
		72.46 megaliters down from 90.528 megaliters in the previous year, which represents a reduction of 20%.
	Additional Information	**b.** Total water consumption from all areas with water stress in megaliters.
		Corinth (GR): 9.7 megaliters; Melbourne/ Laverton (AUS): 1.6 megaliters; Nurnberg (DE): 0.7 megaliters; Reynosa (MX): 8 megaliters; Kosmodal: 1.8 megaliters – in total 21.7 megaliters. Regions with water stress have been defined as per WRI's Aqueduct Water Risk Atlas.
	Additional Information	**c.** Change in water storage in megaliters, if water storage has been identified as having a significant water-related impact.
		No relevant water storage is in place. At some sites, Landis+Gyr uses rainwater storage tanks for garden irrigation purposes. Sites with water sewage treatment plants may have some storage.

GRI Standard	Material Topic	GRI Indicator
	Additional Information	**d.** Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used, including whether the information is calculated, estimated, modeled, or sourced from direct measurements, and the approach taken for this, such as the use of any sector-specific factors.
		The data has been registered by the local sites and is captured in Landis+Gyr's ESG reporting tool. Most data is available (measured or as per water invoice of the supplier), however, for few smaller sites where data is included in tenant fees data has been estimated.
306-1 (2020)	Additional Information	**a.** For the organization's significant actual and potential waste-related impacts, a description of: i. the inputs, activities, and outputs that lead or could lead to these impacts; ii. whether these impacts relate to waste generated in the organization's own activities or to waste generated upstream or downstream in its value chain.
		Landis+Gyr generates waste though its activities in its office or production sites, with the largest portion of waste being generated in the production sites. Landis+Gyr is aware of the impact caused by waste and works on two fronts to reduce it. First, the Company is reducing the portion of waste that goes to landfill with ongoing segregation of material that can be recycled. Second, the Company takes various measures (such as packaging reduction or returnable containers) to reduce the total waste volume.
306-2 (2020)	Additional Information	**a.** Actions, including circularity measures, taken to prevent waste generation in the organization's own activities and upstream and downstream in its value chain, and to manage significant impacts from waste generated.
		Example of measures: reuse of scrap material; reuse of packing material (e.g., multiple-use pallets), refeeding leftover material back into the production process to the extent possible. Landis+Gyr is using recycled material wherever it is technically possible (this is a requirement in Landis+Gyr's Green Design Manual). Landis+Gyr has Service&Repair procedures in place to keep products operational for a longer period of time. Landis+Gyr keeps large parts of its waste in the life cycle by recycling or selling it to third parties.
	Additional Information	**b.** If the waste generated by the organization in its own activities is managed by a third party, a description of the processes used to determine whether the third party manages the waste in line with contractual or legislative obligations.
		Landis+Gyr uses only official (e.g., municipal) parties for waste management, or professional waste handlers, who provide waste reports including segregation details of waste collected and percentage of recycling rates.
	Additional Information	**c.** The processes used to collect and monitor waste-related data
		Waste data is captured in combination with all other environmental data with the aid of Landis+Gyr's ESG data capturing tool SoFi.
306-3 (2020)	Additional Information	**a.** Total weight of waste generated in metric tons, and a breakdown of this total by composition of the waste.
		Total waste generated: 2,757 t. For details, see waste section in this report.
	Additional Information	**b.** Contextual information necessary to understand the data and how the data has been compiled.
		Waste data has been captured on all Landis+Gyr sites via the Company's ESG data capturing tool SoFi. Evidence is submitted with the data entry.
306-4 (2020)	Additional Information	**a.** Total weight of waste diverted from disposal in metric tons, and a breakdown of this total by composition of the waste.
		1,442 t of the total waste was sold, hence not disposed. Additionally 1,008 t of total waste was recycled. For details refer to table "Waste" in this report.
	Additional Information	**b.** Total weight of hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations: i. Preparation for reuse; ii. Recycling; iii. Other recovery operations.
		Total hazardous waste diverted from disposal was 21.95 t and handled as follows: – Recycled waste: 18.44 t – Sold waste: 0.68 t – Incinerated waste: 2.72 t – Landfilled waste: 0.14 t

GRI Standard	Material Topic	GRI Indicator
	Additional Information	**c.** Total weight of non-hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations: i. Preparation for reuse; ii. Recycling; iii. Other recovery operations.
		Non-hazardous waste diverted from disposal was 2,531 t and handled as follows: – Recycled waste: 1,090 t – Sold waste: 1,441 t
	Additional Information	**d.** For each recovery operation listed in Disclosures 306-4-b and 306-4-c, a breakdown of the total weight in metric tons of hazardous waste and of non-hazardous waste diverted from disposal: i. onsite; ii. offsite.
		The total amount of waste diverted from disposal went offsite.
	Additional Information	**e.** Contextual information necessary to understand the data and how the data has been compiled.
		Waste data have been captured on all Landis+Gyr sites via the Company's ESG data capturing tool SoFi. The system requires data collectors to upload evidence to substantiate data entered.
306-5 (2020)	Additional Information	**a.** Total weight of waste directed to disposal in metric tons, and a breakdown of this total by composition of the waste.
		Waste to disposal: 229 t Definition: Waste sent to disposal equals 'Total Waste' less 'Sold Waste' less 'Recycled Waste'. For details refer to table "Waste" of this report.
	Additional Information	**b.** Total weight of hazardous waste directed to disposal in metric tons, and a breakdown of this total by the following disposal operations: i. Incineration (with energy recovery); ii. Incineration (without energy recovery); iii. Landfilling; iv. Other disposal operations.
		2.72 t was incinerated, 0.14 t was sent to landfill.
	Additional Information	**c.** Total weight of non-hazardous waste directed to disposal in metric tons, and a breakdown of this total by the following disposal operations: i. Incineration (with energy recovery); ii. Incineration (without energy recovery); iii. Landfilling; iv. Other disposal operations.
		The total amount of non-hazardous waste directed to disposal was 221 t and handled as follows: – Incinerated waste: 28 t – Landfilled waste: 194 t
	Additional Information	**d.** For each disposal operation listed in Disclosures 306-5-b and 306-5-c, a breakdown of the total weight in metric tons of hazardous waste and of non-hazardous waste directed to disposal: i. onsite; ii. offsite.
		The total amount of waste directed to disposal went offsite.
	Additional Information	**e.** Contextual information necessary to understand the data and how the data has been compiled.
		The waste data has been captured on all Landis+Gyr sites via the Company's ESG data capturing tool SoFi. The system requires data collectors to upload evidence to substantiate data entered.

GRI Standard	Material Topic	GRI Indicator
308-1	Strategic Responsible Sourcing	Percentage of new suppliers that were screened using environmental criteria.
		89% of new suppliers have been screened for environmental and social impact (scope limited to Direct Materials, and suppliers with spend above 10k USD) Landis+Gyr's Code of Conduct and Green Procurement Requirements were reviewed and reissued (Revision 3). The documents were sent to 250 suppliers. To date, 204 of these suppliers, representing 85% of the Company's spend on direct materials, have signed the Green Procurement Policy. All new suppliers received the Company's Green Procurement Requirements, as part of the mandatory supplier onboarding documentation (Non-Disclosure Agreement; General Supply Agreement; Supplier Quality Assurance Manual; Code of Conduct; Green Procurement Policy). Furthermore, Conflict Minerals (CMRT) as well as Extended Minerals Reporting Template (EMRT) monitoring system is in place.
308-2	Strategic Responsible Sourcing	**a.** Number of suppliers assessed for environmental impacts.
		204 suppliers either signed the Landis+Gyr's Supplier Code of Conduct as well as the Green Procurement Requirements or had their own Code of Conduct approved by Landis+Gyr as acceptable and equivalent. Furthermore, 89% of new suppliers were screened for environmental and social impact (scope limited to Direct Materials, and suppliers with spend above 10k USD).
	Strategic Responsible Sourcing	**b.** Number of suppliers identified as having significant actual and potential negative environmental impacts.
		Landis+Gyr has not identified any suppliers with significant actual or potential negative environmental impacts. Over the next 3 years, the Company is committed to performing ESG audits of the top 90% of spend (Direct Material suppliers) as well as the top 15 "potential risk" suppliers. Accordingly, an assessment framework is being developed to identify and prioritize "potential risk" suppliers.
	Strategic Responsible Sourcing	**c.** Significant actual and potential negative environmental impacts identified in the supply chain.
		No significant actual and potential negative environmental impacts have been identified in the supply chain.
	Strategic Responsible Sourcing	**d.** Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment.
		None.
	Strategic Responsible Sourcing	**e.** Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment, and why.
		None.

Social Disclosures

GRI Standard	Material Topic	GRI Indicator
403-1	OH&S	**a.** A statement of whether an occupational health and safety management system has been implemented, including whether: i. the system has been implemented because of legal requirements and, if so, a list of the requirements; ii. the system has been implemented based on recognized risk management and/or management system standards/guidelines and, if so, a list of the standards/guidelines.
		Landis+Gyr has an Occupational, Health and Safety Management System certified to ISO 45001, a dedicated QOEHS policy which addresses both local requirements (e.g., national legislation, standards or codes of practice), as well as the requirements of the ISO 45001 standard across the global organization. Legal requirements include, but are not limited to injury reporting, chemical reporting for emergency responders, job-specific / work activity risk assessments, personal protective equipment requirements and OHS training. ISO 45001 certified sites are: Americas: Alpharetta, Indianapolis, Overland, Roseville, Lafayette, Reynosa, Curitiba EMEA: Cham, Montlucon, Corinth, Manchester, Peterborough, Austria, Slovenia, Belgium, Czech Republic, Netherlands, Spain, Italy, Poland, Kosmosdal (ZA), Nurnberg and Finland APAC: Noida, Joka, Zhuhai, Melbourne, Sydney, Brisbane, Perth, New Zealand.
	OH&S	**b.** A description of the scope of workers, activities, and workplaces covered by the occupational health and safety management system, and an explanation of whether and, if so, why any workers, activities, or workplaces are not covered.
		All Landis+Gyr employees (including remote workers), contractors and visitors are covered by the scope of the Landis+Gyr Occupational Health and Safety (OHS) management system.
403-2	OH&S	**a.** A description of the processes used to identify work-related hazards and assess risks on a routine and non-routine basis, and to apply the hierarchy of controls in order to eliminate hazards and minimize risks, including: i. how the organization ensures the quality of these processes, including the competency of persons who carry them out; ii. how the results of these processes are used to evaluate and continually improve the occupational health and safety management system.
		As required by ISO 45001, all Landis+Gyr global sites are required to perform risk assessments of the activities undertaken at each site (including both routine and non-routine activities). The Hazard identification and Risk Assessment (HIRA) method is used as the primary mechanism for the identification of work-related hazards and assessment of risk. Risk controls are defined based on the risk exposure identified in the HIRA register. Risk mitigation actions are applied through the implementation of corrective actions. Risks and hazards associated with each process/activity are assessed and a risk mitigation plan is developed and implemented. Risk is re-assessed after implementation of risk mitigation measures for continual improvement. The quality of this process is assessed in the management review as well as through internal and external audits. Regular training on these aspects is provided to all individuals (as required). Results of these assessments are shared on a weekly/monthly/yearly basis with specific stakeholders (as required).
	OH&S	**b.** A description of the processes for workers to report work-related hazards and hazardous situations, and an explanation of how workers are protected against reprisals.
		Landis+Gyr has implemented a Global OHS Reporting system, which enables accidents/incidents to be reported and managed accordingly. The Global OHS Reporting system also enables the reporting of near misses. All employees (permanent, contracted and support staff) are able to report any work-related hazards through the Company's reporting system, via e-mail or phone call. Emergency contact numbers are displayed at key locations. Site inspections are also arranged to identify any work-related hazards and hazardous situations. Employees are encouraged to report such instances – with the option to report anonymously using the Speak-Up platform – so that proper actions can be taken on time. As described in the Code of Business Ethics and Conduct, all Landis+Gyr employees can report hazardous events without fear of discrimination, reprisal, intimidation or harassment.

GRI Standard	Material Topic	GRI Indicator
	OH&S	**c.** A description of the policies and processes for workers to remove themselves from work situations that they believe could cause injury or ill health, and an explanation of how workers are protected against reprisals.
		Landis+Gyr's Code of Business Ethics and Conduct addresses and engages employees not to carry out any work under unsafe conditions and to report such situations through the near misses reporting process. The Company's Quality, Occupational Health and Safety and Environment (QEHS) Training covers information about identifying hazards, the requirement to not perform work if a worker feels it is unsafe as well as the notion that reports do not entail reprisals.
	OH&S	**d.** A description of the processes used to investigate work-related incidents, including the processes to identify hazards and assess risks relating to the incidents, to determine corrective actions using the hierarchy of controls, and to determine improvements needed in the occupational health and safety management system.
		Landis+Gyr has established a global accident, incident and near misses reporting system, including regional and local reporting and investigation procedures aligned to local and regional requirements (e.g., legal, ISO norms and other applicable rules). The Company utilizes a global standardized accident and near misses form, undertakes root-cause analysis as part of all investigations and implements identified corrective actions.
403-3	OH&S	A description of the occupational health services' functions that contribute to the identification and elimination of hazards and minimization of risks, and an explanation of how the organization ensures the quality of these services and facilitates workers' access to them.
		The OH&S function is a part of the quality team. The OHS & functional representative performs the activity of hazard identification and risk assessment across all levels of the organization to identify potential risks/hazards related to workplace, health, safety of people. Hazard identification is done through GEMBA walks, facility safety audits, housekeeping audits and interactions with employees. Analysis of all hazards/risks is done and corrective actions are taken to eliminate the hazards. Review of corrective actions is done to assess the risk level related to any hazard. Employees can access OH&S representatives anytime through email, phone or MS team to report any kind of hazard at the workplace.
403-5	OH&S	A description of any occupational health and safety training provided to workers, including generic training as well as training on specific work-related hazards, hazardous activities, or hazardous situations.
		Landis+Gyr's Integrated Management System (IMS) Awareness Training has been rolled out globally to all white collar employees and includes a high-level overview of Occupational, Health and Safety. All employees receive Occupational Health & Safety Induction training specific to their location. Further job-specific health and safety training is provided as required, based on work activities being undertaken, related hazards and controls.
403-7	OH&S	A description of the organization's approach to preventing or mitigating significant negative occupational health and safety impacts that are directly linked to its operations, products or services by its business relationships, and the related hazards and risks.
		Landis+Gyr is committed to preventing or mitigating negative OH&S impacts and L+G QEOHS Policy defines that all OH&S hazards are appropriately risk assessed, OH&S issues reported to management and near miss data collected and reported monthly at all sites. In accordance with ISO 45001, risk assessments are performed at all sites to identify such negative hazards and implement corrective actions to mitigate any occupational health/safety impacts.
403-8	OH&S	**a.** If the organization has implemented an occupational health and safety management system based on legal requirements and/or recognized standards/guidelines: i. the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system; ii. the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system that has been internally audited; iii. the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system that has been audited or certified by an external party.
		All Landis+Gyr employees, contractors, external workers and visitors are covered by its OH&S requirements in alignment with ISO 45001. For exact numbers please consult the numbers reported under GRI 102-8.
	OH&S	**b.** Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded.
		None.
	OH&S	**c.** Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.
		None necessary.

GRI Standard	Material Topic	GRI Indicator
403-9	OH&S	**a.** For all employees: i. The number and rate of fatalities as a result of work-related injury; ii. The number and rate of high-consequence work-related injuries (excluding fatalities); ii. The number and rate of high-consequence work-related injuries (excluding fatalities); iii. The number and rate of recordable work-related injuries; iv. The main types of work-related injury; v. The number of hours worked.
		During the current reporting period, there have been no fatalities due to work-related injuries . Accidents are classified in the categories Lost Time Incidents (LTI, incidents that caused lost time from work), Medical Treatment Incidents (MTI, incident that did not cause lost time from work but required medical treatment beyond basic first aid) and Minor Accidents (incident that did not cause lost time from work). All Lost Time accidents are reported to Group OHS. In the past financial year, Landis+Gyr recorded 8* Lost Time Incidents at a Lost Time Incident Frequency Rate of 0.74. (LTIs x 1,000,000)/Exposure Hours. The number of exposure hours in the reporting period was 10,793,460. Landis+Gyr requires that every Lost Time Accident is investigated and a corrective action plan implemented to fix the issue and to address the root cause of the accident. *The recorded Lost Time Incidents were classified as follows: 1 = Contact with electricity 1 = Contact with sharp object 1 = Manual handling: Lifting and handling 1 = Manual Handling: Pushing and pulling 1 = Other 1 = Slip, trip, fall, same level 1 = Struck by falling object 1 = Struck by moving vehicle
	OH&S	**b.** For all workers who are not employees but whose work and/or workplace is controlled by the organization: i. The number and rate of fatalities as a result of work-related injury; ii. The number and rate of high-consequence work-related injuries (excluding fatalities); ii. The number and rate of high-consequence work-related injuries (excluding fatalities); iii. The number and rate of recordable work-related injuries; iv. The main types of work-related injury; v. The number of hours worked.
		No differentiation. Details are provided under 403-9 a.
	OH&S	**c.** The work-related hazards that pose a risk of high-consequence injury, including: i. how these hazards have been determined; ii. which of these hazards have caused or contributed to high-consequence injuries during the reporting period; iii. actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls.
		Risk assessments are used as the primary mechanism for the identification and categorization of hazards / risks. Each location must identify specific local hazards – depending on their activities – and are required to undertake site-specific risk assessments. Preventive risk identification and related actions to eliminate hazards and minimize risks are managed through the Integrated Management System (IMS) for Quality, Environment, Occupational Health and Safety and Business Continuity. Employees, as part of their daily activities, and managers, when carrying out job observations and PM reviews, identify potential risks in the workplace. Actions to eliminate hazards and risks are also identified during each location's Annual IMS Management Review and Annual Internal IMS Audit program. An overall IMS Management Review is undertaken at the executive level on an annual basis. Emergency response plans are in place for all sites. The Landis+Gyr process for Managing QEOHS-Critical Activities includes the identification of related improvement activities, designation of local responsible managers, hazard assessments for personal protective equipment and preventive maintenance for equipment, tools, devices and vehicles. The QEOHS onboarding process is standardized. Initial and recurring QEOHS training is undertaken. The hazards definition used is of Minor (up to one day absence), Lost Time (more than one day absence). Cases are described in 403-9 a.
	OH&S	**d.** Any actions taken or underway to eliminate other work-related hazards and minimize risks using the hierarchy of controls.
		The Company has put in place a Near Miss reporting system.
	OH&S	**e.** Whether the rates have been calculated based on 200,000 or 1,000,000 hours worked.
		The rates are based on 1,000,000 hours worked.
	OH&S	**f.** Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded.
		No workers have been excluded from this disclosure.
	OH&S	**g.** Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.
		Global Occupational Health and Safety performance guidelines are available, which provide guidance on how OH&S performance is measured within Landis+Gyr. Procedures and training material is made available to all sites in order to ensure standardized OH&S reporting is achieved.

GRI Standard	Material Topic	GRI Indicator
404-1	Employee Motivation	Average hours of training that the organization's employees have undertaken during the reporting period, by: i. gender; ii. employee category.
		16.5 hours average per employee in total Male: 16.8 hours; Female: 15.6 hours; Other / Not Declared 7 hours Full Time: 16.7 hours; Part Time: 8.1 hours Data also includes Etrel (White collars employees)
404-2	Employee Motivation	**a.** Type and scope of programs implemented and assistance provided to upgrade employee skills.
		The Company provides training to its employees through a variety of different channels, which include compulsory training, skills development as well as supporting individual career growth. For several years, Landis+Gyr has provided its employees unlimited access to LinkedIn Learning. This year, the LinkedIn Learning initiative, which supports the Company's ESG targets, focused on professional development, leadership skills and technology upskilling. As a result of Landis+Gyr's partnership with Google, the Company launched a Google Cloud platform training program to support employees in improving their technical skills required for the transformational journey. The training program offers unlimited access to on-demand courses and role-based learning paths, from introductory level to expert. Since the start of the program, several hundred employees have already spent thousands of hours strengthening their cloud technology skills and advancing their careers. To further equip the leadership team to manage their teams' success in the Company's ongoing strategic transformation, Landis+Gyr launched a Transformational Leadership Program. The program consisted of three modules which were designed to explore how people-centered leadership is a pivotal component to energize teams, to lead and manage change, to achieve and sustain competitive advantages, and to inspire change through transformational coaching.
	Employee Motivation	**b.** Transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.
		Transition programs are provided as part of social plans or part of bespoke individual agreements, but always in consideration of local employment conditions.
404-3	Employee Motivation	Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period.
		Male: 73%; Female: 41% Full Time: 62%; Part Time: 53%
405-1	Fair Labor Practice	**a.** Percentage of individuals within the organization's governance bodies in each of the following diversity categories: i. Gender; ii. Age group: under 30 years old, 30–50 years old, over 50 years old; iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).
		Board of Directors: Male 75%; Female 25% Group Executive Management: Male 75%, Female 25% Board of Directors members are in the age group over 50 years old. The age split of the Group Executive Management: is as follows: 25% between 30–50 years and 75% older than 50 years
	Fair Labor Practice	**b.** Percentage of employees per employee category in each of the following diversity categories: i. Gender; ii. Age group: under 30 years old, 30–50 years old, over 50 years old; iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).
		Identify as male: 65%; Identify as Female: 35%; Other/Not Declared: 0% Under 30 years: 16%; 30–50 years: 58%; over 50 years: 26%
408-1	Fair Labor Practice	**a.** Operations and suppliers considered to have significant risk for incidents of: i. child labor; ii. young workers exposed to hazardous work.
		89% of new direct material suppliers have been screened against a list of ESG criteria including risk for child labor. Legacy Tier 1 Suppliers who made up 85% of company spend, as well as critical suppliers in Tier 2, were also screened using the third-party due diligence tool and during the reporting year were subject to ongoing monitoring. According to the due diligence process and following review by Compliance and Procurement, no suppliers in these target groups were considered to have significant risk for instances of child labor or young workers exposed to hazardous work.
	Fair Labor Practice	**b.** Operations and suppliers considered to have significant risk for incidents of child labor either in terms of: i. type of operation (such as manufacturing plant) and supplier; ii. countries or geographic areas with operations and suppliers considered at risk.
		According to the due diligence process and following review by Compliance and Procurement, no suppliers in these target groups were considered to have significant risk for instances of child labor or young workers exposed to hazardous work.

GRI Standard	Material Topic	GRI Indicator
	Fair Labor Practice	**c.** Measures taken by the organization in the reporting period intended to contribute to the effective abolition of child labor.
		Landis+Gyr's Code of Business Ethics and Conduct and its Supplier Code of Conduct have been updated to include strict prohibitions on forced or compulsory labor, as well as child labor. Documents have been distributed to relevant stakeholders. All white collar employees must complete an annual compliance e-learning module that re-emphasizes the provisions of the Code of Business Ethics and Conduct. Furthermore, suppliers of direct materials required to comply with the Supplier Code of Conduct, and are subject to due diligence screenings and audits, covering several topics including child labor. https://www.landisgyr.com/webfoo/wp-content/uploads/2020/09/LandisGyr-Supplier-Code-of-Conduct-Green-Procurement-Annex.pdf https://www.landisgyr.eu/webfoo/wp-content/uploads/2020/06/LandisGyr-Green-Procurement-Requirements.pdf
413-1	Local Communities	Percentage of operations with implemented local community engagement, impact assessments, and/or development programs, including the use of: i. social impact assessments, including gender impact assessments, based on participatory processes; ii. environmental impact assessments and ongoing monitoring; iii. public disclosure of results of environmental and social impact assessments; iv. local community development programs based on local communities' needs; v. stakeholder engagement plans based on stakeholder mapping; vi. broad based local community consultation committees and processes that include vulnerable groups; vii. works councils, occupational health and safety committees and other worker representation bodies to deal with impacts; viii. formal local community grievance processes.
		Percentage of operations with implemented local community engagement, impact assessments, and/or development programs: Landis+Gyr monitors its environmental and social impacts (mainly employment-related) on all its sites (assessments are not the same on all sites and reflect specific local requirements). – Social impact assessments: Landis+Gyr places strong emphasis on gender diversity. For the ESG cycle FY 2019–2021, the Company aimed at hiring more female employees. For the next ESG cycle, the Company will continue to advance gender diversity in the workplace by increasing the share of female employees in its global workforce. In addition to gender diversity, the Company manages and closely monitors physical health impacts as part of the Company's OH&S activities. – Environmental impact assessments / monitoring: Besides the monitoring of standard environmental emissions (GHG, Water, Waste) and resource consumption, certain sites also perform assessments on critical parameters in line with ISO 14001 Environmental Management System standard. – Public disclosure of assessment results: Global assessment results are disclosed in the sustainability report. Some sites also publish the result of their local assessments regionally. – Local community development programs: In locations like India, Brazil, South Africa, Mexico, Greece and the UK, there is a long-standing tradition of engaging with communities via donations or volunteering initiatives. During FF 2021, the COVID-19 pandemic continued to have an adverse impact on community engagement activities given the imposed social distancing measures. Nevertheless, as per its tradition, the Company continued to support vulnerable groups, particularly children. In Greece, for example, Landis+Gyr provided financial support and in-kind donations to 'Efthimeio Center of Corinth' and 'Child's Smile". Through these organizations the Company supported the basic nutrition needs of children living under difficult conditions. In South Africa, the Company made financial donations to five different organizations including 'Khulisani Foundation' and 'Love Trust (Nokuphila)'. Both organizations support early childhood development through education, nutrition and social work support. Furthermore, as a gesture of solidarity with those affected by the COVID-19 pandemic, the members of the Board of Directors and Group Executive Management decided at the beginning of the financial year to take a voluntary 10% pay cut for a period of six months. This money was allocated to a relief fund, which provided financial assistance to support Landis+Gyr employees in India, and dependent family members, who were directly impacted by COVID-19. In FY 2021, the company-sponsored COVID-19 fund benefitted approximately 650 employees in India. Two vaccination drives were set up in Noida and Kolkata and 10 oxygen concentrators were made available across locations. Employee families were supported in the event of a death. – Stakeholder engagement plans: Sites like India and Brazil have local stakeholder engagement plans. At group level, stakeholder engagement forms an integral part of the materiality assessment which involves relevant stakeholders from all regions. – Broad based local community consultation committees and processes: Consultation is commonly implemented for workforce related topics. Certain sites like India or Mexico participate in different local community committees. Furthermore, Landis+Gyr engages regularly with local authorities, especially in locations where the Company has major plants. – Works councils, occupational health and safety committees and other worker representation bodies: OH&S committees are in place in all major sites. Additionally, work councils focusing on different issues are active in most sites. – Local community grievance processes: Some sites have specific grievance processes for local communities, others use the generic grievance process. – Other comment: In South Africa, Landis+Gyr is implementing a supplier development plan, with a focus on developing the capacity of local suppliers. At several Landis+Gyr sites, regular or ad hoc support is provided for specific activities that benefit the local community.
418-1	Data Security and Privacy	**a.** Total number of substantiated complaints received concerning breaches of customer privacy, categorized by: i. complaints received from outside parties and substantiated by the organization; ii. complaints from regulatory bodies.
		None
	Data Security and Privacy	**b.** Total number of identified leaks, thefts, or losses of customer data.
		None
	Data Security and Privacy	**c.** If the organization has not identified any substantiated complaints, a brief statement of this fact is sufficient.
		No leaks, thefts or losses of customer data were experienced during the reporting period.

Independent Assurance Statement

To the Management and Stakeholders of Landis+Gyr AG

DQS has been engaged by Landis+Gyr AG to provide independent assurance over the Landis+Gyr Sustainability Report 2021-2022, which is published as a dedicated chapter of the Landis+Gyr Annual Report 2021-2022. The engagement took place in March and April 2022 and was concluded on April 22, 2022.

Objectives

The objective of this assurance engagement was to independently express conclusions on underlying reporting processes and validate qualitative and quantitative claims, so as to limit misinterpretation by stakeholders and increase the overall credibility of the reported information and data.

Scope of assurance

The assurance encompassed the entire sustainability chapter of the annual report and focused on all figures, statements and claims related to sustainability during the reporting period April 2021 to March 2022. More specifically, this included:

- Statements, information and performance data contained within the sustainability report;
- Landis+Gyr's management approach of material issues; and
- Landis+Gyr's reported data and information as per the requirements of the Global Reporting Initiative Standards.
- Verification of ESG performance targets as part of the Short-Term Incentive Plan

The assurance engagement was performed in accordance with a Type 2 assurance of the AA1000 Assurance Standard (AA1000AS v3), which consists of:

- Evaluating the company's sustainability framework and processes using the inclusivity, materiality, responsiveness and impact criteria of the AA1000 AccountAbility Principles (AA1000APS 2018), and
- Evaluating the quality of the reported sustainability performance information.

The report has been self-declared to be in accordance with the requirements of the GRI Standards.

Additional on-site assessments

The evaluation of the non-financial performance indicators is safeguarded by additional site-specific assessments. In addition to the headquarters in Cham, Switzerland, the following sites have been assessed by DQS in 2022 as part of the assurance engagement:

- Landis+Gyr, 30000 Mill Creek Avenue, Suite 100, Alpharetta, GA 30022, USA
- Landis+Gyr, J.K Millennium Centre, 7th Floor, 46 D Jawaharlal Nehru Road, Kolkata – 700071, West Bengal, India
- Landis+Gyr, No. 12 Pingdong 3RD, Nanping Industry Community, Zuhai City, Guangdong, 519060, China
- Landis+Gyr, 2 Slate Avenue, N1 Business Park, Old Johannesburg Road, Kosmodal, Ext 7 Centurion, South Africa

Level of assurance and limitations

A moderate level of assurance under AA1000AS was provided for this engagement. Information and performance data subject to assurance is limited to the content of the sustainability report and the Short-Term Incentive Plan.

The assurance did not cover financial data, technical descriptions of buildings, equipment and production processes or other information not related to sustainability.

Independence and Competences of the Assurance Provider

The DQS Group is an independent professional services firm that provides assurance on sustainability disclosures under the Global Reporting Initiative (GRI), CDP and other specialized management and reporting mechanisms. Independent verifiers have not been involved in the development of the report nor have they been associated with Landis+Gyr's sustainability program, data collection or strategic processes.

DQS Group ensures that the assurance team possesses the required competencies, maintained neutrality and performed ethically throughout the engagement. Further information, including a statement of impartiality, can be found at: www.dqs-cfs.com.

The management of Landis+Gyr was responsible for the preparation of the sustainability part of the Annual Report and all statements and figures contained within it.

Assurance Methodology

The assurance procedures and principles used for this engagement were drawn from the International Standard AA1000 and methodology developed by DQS, which consists of the following steps:

1. Identifying statements and data sets, which are classified according to the relevant data owners and the type of evidence required for the verification process.
2. Reviewing the Sustainability Report to determine whether the material topics identified during our procedures have been adequately disclosed.

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60433 Frankfurt/Main
Germany

3. Carrying out interviews with key functional managers and data owners at Landis+Gyr AG office in Cham (Switzerland) as well as verification of data through a sampling procedure.
4. Assessing the collected information and provide recommendations for immediate correction where required or for future improvement of the report content.

Evaluation of the adherence to AA1000 AccountAbility Principles

Inclusivity - *How the organization engages with stakeholders and enables their participation in identifying issues and finding solutions.*

The stakeholder identification and engagement process is well documented and implemented through the Landis+Gyr ESG program and the Report brings out key stakeholder concerns as material aspects of significant stakeholders. Therefore, it is recommended that Landis+Gyr should continue with the planned process of direct dialogue with the stakeholders at the determined three-year interval.

Materiality - *How the organization recognizes issues that are relevant and significant to itself and its stakeholders.*

The report addresses the range of environmental, social and economic issues that Landis+Gyr and its stakeholders have identified as being of material importance. The identification of material issues has considered both internal assessments of risks and opportunities to the business, as well as stakeholders' views and concerns. A documented process of stakeholder engagement identified the material issues. The Report fairly brings out aspects and topics and its respective boundaries for the diverse operations of Landis+Gyr. It is recommended that Landis+Gyr continues with this process at the determined three-year interval.

Responsiveness - *How the organization responds to stakeholder issues and feedback through decisions, actions, performance and communication.*

Landis+Gyr is responding to those issues that it has identified as material and demonstrates this in its policies, objectives, indicators and performance targets. The organization and its stakeholders can use the reported information as a reasonable basis for their opinions and decision-making. The responses to material aspects are fairly articulated in the report, i.e. disclosures on Landis+Gyr´s policies and management systems including governance.

Impact - *How the organization monitors, measures and ensures accountability for how its actions affect their broader ecosystems.*
Landis+Gyr has implemented systems to monitor and measure its economic, environmental and social impacts. Identified impacts are incorporated into both stakeholder engagement as well as the periodic materiality assessment process. The annual report discloses impacts in a balanced and effective way, indicating both realized and unrealized goals.

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Deutsche Gesellschaft für Nachhaltigkeit
August-Schanz-Strasse 21
60433 Frankfurt/Main
Germany

Conclusion

On the basis of a moderate assurance engagement according to the above-listed criteria, nothing has come to our attention that causes us to believe that the sustainability-related strategies of Landis+Gyr and its sustainability-related key performance indicators defined in the 2021-2022 Annual Report are materially misstated.

The Landis+Gyr Annual Report 2021-2022 is in line with the GRI Standards. The material aspects and their boundaries within and outside of the organization are properly defined in accordance with GRI's reporting principles.

Landis+Gyr has made significant strides to introduce innovative solutions toward mitigating negative impacts and fostering positive impacts. The implementation of the sustainability measures planned for the next reporting cycle will further strengthen the global sustainability practice of Landis+Gyr.

On behalf of the assurance team

April 26, 2022
Frankfurt, Germany

Guido Eggers

Guido Eggers
CEO, DQS CFS

AA1000 Licensed Assurance Provider 000-169

Annexes

Annex A – Short Term Incentive Plan Results 2021-2022

DQS CFS GmbH
Deutsche Gesellschaft für Nachhaltigkeit
August-Schanz-Strasse 21
60433 Frankfurt/Main
Germany

Locations

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Landis+Gyr Worldwide

Global Headquarter

Location	ISO 9001	ISO 45001	ISO 14001	ISO 22301	ISO 27001	ISO 17025	ISO 20000
Cham (CH)	✓	✓	✓	✓	✓	✓	

EMEA

Regional HQ

Location	ISO 9001	ISO 45001	ISO 14001	ISO 22301	ISO 27001	ISO 17025	ISO 20000
Cham (CH)	✓	✓	✓	✓	✓	✓	

R&D Centers

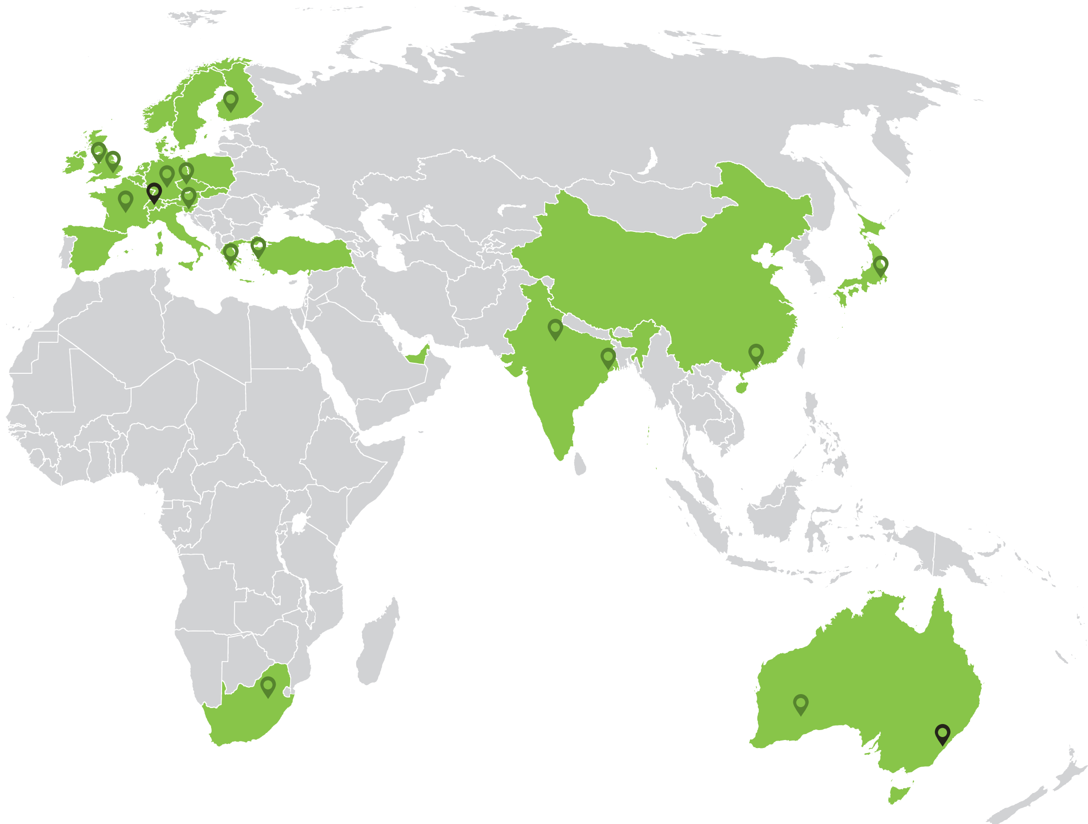
Location	ISO 9001	ISO 45001	ISO 14001	ISO 22301	ISO 27001	ISO 17025	ISO 20000
Cham (CH)	✓	✓	✓	✓	✓	✓	
Gauteng (RSA)	✓	✓	✓	✓		✓	
Grosuplje (SLO)	✓	✓	✓	✓	✓		
Izmir (TUR)	✓	✓	✓		✓	✓	
Kangas (FIN)	✓	✓	✓	✓	✓		✓
Manchester (GBR)	✓	✓	✓	✓	✓		
Montluçon (FRA)	✓	✓	✓	✓	✓	✓	
Northfields (GBR)	✓	✓	✓	✓	✓		
Nuremberg (GER)	✓	✓	✓	✓			
Prague (CZE)	✓	✓	✓	✓	✓		

Manufacturing

Location	ISO 9001	ISO 45001	ISO 14001	ISO 22301	ISO 27001	ISO 17025	ISO 20000
Corinth (GRE)	✓	✓	✓	✓	✓	✓	
Gauteng (RSA)	✓	✓	✓	✓		✓	
Izmir (TUR)	✓	✓	✓		✓	✓	
Montluçon (FRA)	✓	✓	✓	✓	✓		
Nuremberg (GER)	✓	✓	✓	✓			
Preserje (SLO)	✓	✓	✓	✓	✓		

Sales Offices and Service Centers

Location	ISO 9001	ISO 45001	ISO 14001	ISO 22301	ISO 27001	ISO 17025	ISO 20000
Austria	✓	✓		✓			
Belgium	✓	✓		✓			
Czech Republic	✓	✓	✓	✓	✓		
Denmark	✓	✓	✓	✓	✓		
Finland	✓	✓	✓	✓	✓		✓
France	✓	✓	✓	✓	✓		
Germany	✓	✓	✓	✓			
Italy	✓	✓		✓			
Netherlands	✓	✓		✓			
Poland	✓	✓		✓			
Slovakia	✓	✓		✓			
Slovenia	✓	✓		✓			
South Africa	✓	✓		✓			
Spain	✓	✓		✓			
Sweden	✓	✓	✓	✓	✓		
Switzerland	✓	✓	✓	✓	✓	✓	
Turkey	✓	✓	✓		✓	✓	
United Kingdom	✓	✓	✓	✓	✓		



APAC

Regional HQ

Location	ISO 9001	ISO 45001	ISO 14001	ISO 22301	ISO 27001	ISO 17025	ISO 20000
Sydney (AUS)	✓	✓	✓	✓			

R&D Centers

Location	ISO 9001	ISO 45001	ISO 14001	ISO 22301	ISO 27001	ISO 17025	ISO 20000
Noida (IND)	✓	✓	✓	✓	✓ 1)		
Sydney (AUS)	✓	✓	✓	✓			
Tokyo (JAP)	✓	✓	✓	✓			

Manufacturing

Location	ISO 9001	ISO 45001	ISO 14001	ISO 22301	ISO 27001	ISO 17025	ISO 20000
Joka (IND)	✓	✓	✓	✓	✓	✓	
Laverton (AUS)	✓	✓	✓	✓			
Zhuhai (CHN)	✓	✓	✓	✓ 2)			

Sales Offices and Service Centers

Location	ISO 9001	ISO 45001	ISO 14001	ISO 22301	ISO 27001	ISO 17025	ISO 20000
Australia	✓	✓	✓	✓			
China	✓	✓	✓	✓			
Hong Kong	✓	✓	✓	✓			
India	✓	✓	✓	✓			
Japan	✓	✓	✓	✓			
New Zealand	✓	✓	✓	✓		✓	
Singapore	✓	✓	✓	✓			

- ISO 9001 (Quality Management)
- ISO 45001 (Occupational Health and Safety)
- ISO 14001 (Environmental Management)
- ISO 22301 (Business Continuity)
- ISO 27001 (Information Security)
- ISO 17025 (Testing and Calibration Laboratories)
- ISO 20000 (IT Service Management)

1) Incl. CMMi Level 3
2) Incl. ISO 10012 (Measurement management systems)

■ Regional HQ
■ R&D Centers and Manufacturing

North America

Regional HQ
Alpharetta (USA)

R&D Centers
Alpharetta (USA)
Lafayette (USA)
Pequot Lakes (USA)

Manufacturing
Reynosa (MEX)

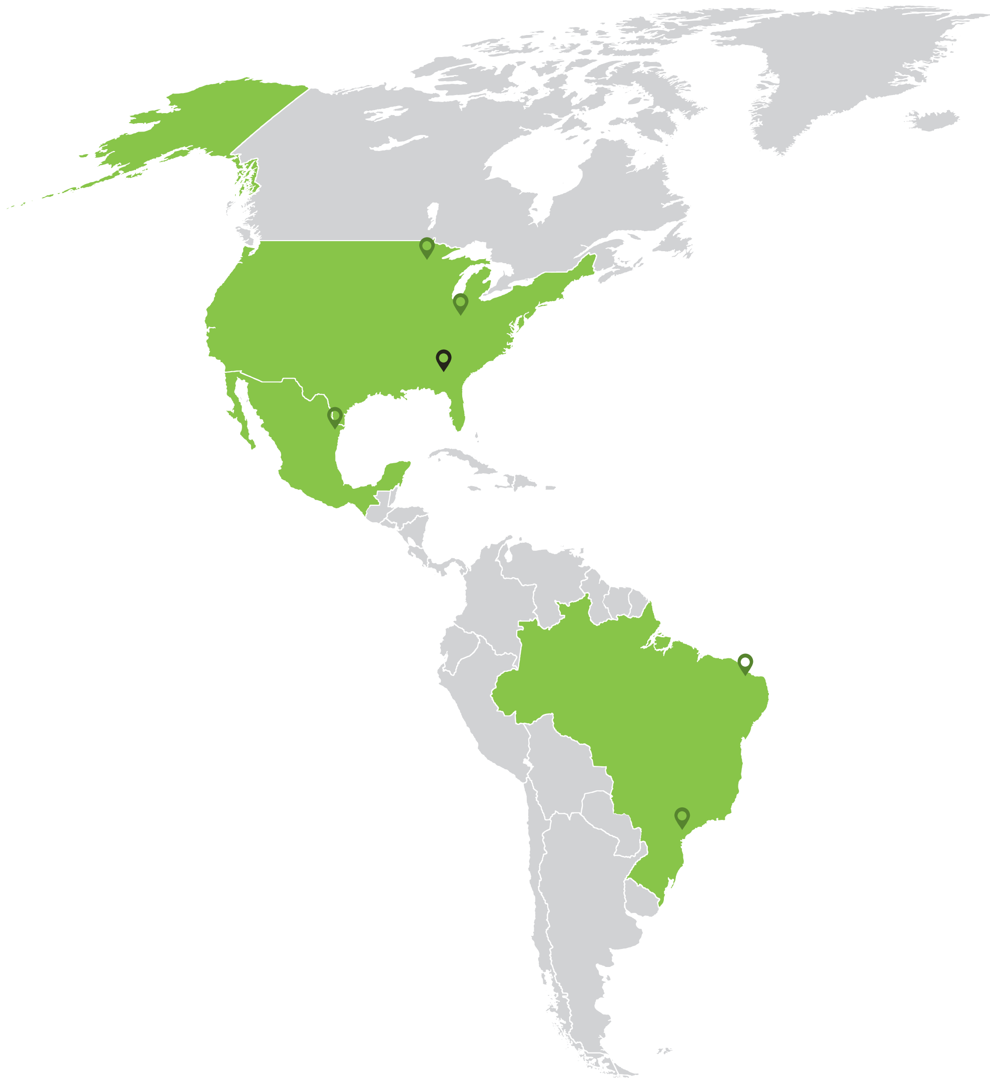
Sales Offices and Service Centers
Alpharetta (USA)
Austin (USA)
Bethlehem (USA)
Indianapolis (USA)
Jacksonville (USA)
Kirkland (USA)
Lenexa (USA)
Orange (USA)
Overland (USA)
Phoenix (USA)
Roseville (USA)
Waukesha (USA)

South America

R&D Centers
Curitiba (BRA)
Fortaleza (BRA)

Manufacturing
Curitiba (BRA)

Sales Offices and Service Centers
Curitiba (BRA)
Duque de Caxias (BRA)



ISO 9001 (Quality Management)
ISO 45001 (Occupational Health and Safety)
ISO 14001 (Environmental Management)
ISO 22301 (Business Continuity)
ISO 27001 (Information Security)
ISO 17025 (Testing and Calibration Laboratories)
ISO 20000 (IT Service Management)
1) Incl. CMMi Level 3
2) Incl. ISO 10012 (Measurement management systems)

Regional HQ
R&D Centers and Manufacturing

Landis+Gyr Group AG
Alte Steinhauserstrasse 18
CH-6330 Cham
Switzerland
www.landisgyr.com