


MEETING DATE	Fri, 10 Apr 2015 10:30 am	TYPE	AGM	ISSUE DATE	Fri, 27 Mar 2015
MEETING LOCATION	Congress Center Basel, hall San Francisco, Messeplatz 21, Basel, Switzerland				
CURRENT INDICES	PIRC Global				
SECTOR	Medical Supplies				

PROPOSALS		ADVICE
1	<p>Receive the Annual Report Disclosure is acceptable and the report was made available sufficiently before the meeting. The auditors have not qualified their opinion. No serious corporate governance concerns have been identified. Acceptable proposal.</p>	For
2	<p>Approve the dividend The Board proposes a dividend of CHF 3.75 per share. The dividend is covered by earnings. Acceptable proposal.</p>	For
3	<p>Discharge the Board and the Senior Management Standard proposal. No serious concerns have been identified. Acceptable proposal.</p>	For
4	<p>Approve fees payable to the Board of Directors The Company has proposed a prospective remuneration proposal, which means that the proposed amount will not be the actual amount to be paid, but only the total remuneration cap. The voting outcome of this resolution will be binding for the Company. It is proposed to fix the Board's remuneration until next AGM at CHF 2,250,000. Part of the fees (40%) are paid in Company shares, which is welcomed. No increase has been proposed. Acceptable proposal.</p>	For
5.1	<p>Approve Fixed Remuneration of Executive Committee It is proposed to approve the prospective fixed remuneration for members of the Executive Management of the Company, which means that the proposed amount will not be the actual amount to be paid, but only the fixed remuneration cap. The voting outcome of this resolution will be binding for the Company. It is proposed to fix the remuneration of members of the Executive Committee until next AGM at CHF 5 million (CHF 3.6 million were paid and the total target amount was CHF 4.7 million for the year under review). The Company submitted two separate proposals for Executives fixed and variable remuneration, which is welcomed. With this separation, if shareholders rejected the variable compensation at a future potential retrospective proposal, the Company may nevertheless pay fixed salaries. The Ordinance Against Excessive Payments provides that if compensation is not approved, it may not be paid. The proposed increase is within 10% in aggregate on annual basis. Triodos abstains on this proposal.</p>	Abstain

- 5.2 Approve Short-Term Variable Remuneration of Executive Committee** **Oppose**
- It is proposed to approve the prospective short-term variable remuneration for members of the Executive Management of the Company, which means that the proposed amount will not be the actual amount to be paid, but only the total remuneration cap. The voting outcome of this resolution will be binding for the Company.
- It is proposed to fix the short-term variable remuneration of members of the Executive Committee until next AGM at CHF 4.282 million (CHF 3.738 million were paid for the year under review).
- The Company has not submitted its compensation structure to an advisory vote, which would be recommended by the local Corporate Governance Code. There are concerns over the remuneration structure at the Company: the Company does not disclose performance criteria and targets for the bonus, which is against best practice. Additionally, the Company does not submit the long-term variable remuneration for shareholder approval which is not in line with the Ordinance Against Excessive Pay.
- As the Company does not disclose performance criteria and targets for the bonus and has not submitted long term variable remuneration to a vote, Triodos opposes this resolution.
- 6.1 Re-elect Gilbert Achermann as member and Chairman of the Board** **Oppose**
- It is proposed to re-elect Gilbert Achermann as Chairman of the Board. In terms of good governance, it is considered that the Chairman should be considered to be independent. There is sufficient independent representation on the Board, however Gilbert Achermann previously was the CEO of the Company. It is considered that current or past executive responsibilities are detrimental to the implementation of the supervisory functions required by the Chairmanship. Triodos opposes this resolution.
- 6.2 Re-elect Sebastian Burckhardt** **Abstain**
- Non-Executive Director. Not considered to be independent as he has served on the Board for more than nine years. There is sufficient independent representation on the Board, however there are concerns over his aggregate time commitments.
- 6.3 Re-elect Roland Hess** **Oppose**
- Independent Non-Executive Director. Not all members of the Audit committee are independent in our view, which is against best practices. We therefore do not support the re-election of Mr. Hess, as he is responsible for the audit committee, as Chairman of this committee.
- 6.4 Re-elect Ulrich Looser** **Abstain**
- Independent Non-Executive Director. However, there are concerns over the director's potential aggregate time commitments.
- 6.5 Re-elect Beat Luethi** **For**
- Independent Non-Executive Director.
- 6.6 Re-elect Stefan Meister** **Abstain**
- Independent Non-Executive Director. There are concerns over the director's potential aggregate time commitments.
- 6.7 Re-elect Thomas Straumann** **Abstain**
- Non-Executive Vice Chairman, not considered to be independent as he owns a significant percentage of the company's issued share capital. In addition he served on the Board for more than nine years and he was CEO and Chairman until 1994. There is sufficient independent representation on the Board. However, there are concerns over his potential aggregate time commitments.
- 7.1 Elect Ulrich Looser as Member of the Compensation Committee** **For**
- This director is considered to be independent.
- 7.2 Elect Beat Luethi as Member of the Compensation Committee** **For**
- This director is considered to be independent.
- 7.3 Elect Stefan Meister as Member of the Compensation Committee** **Oppose**
- This director is considered to be independent. Mr. Meister is Chairman of the compensation and nomination committee and less than 20% of board members is female (actually 0%), pre and post AGM, without reasonable explanation. In our view a good gender balance at Board level improves the financial performance of the company, as well as the sustainability performance. Triodos opposes this election to the committee.

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| 8 | Designate NEOVIUS Schlager & Partner as Independent Proxy
The Board proposes the election of Neovius Schlager & Partner as the independent proxy to act on behalf of shareholder voting, for one-year term. The named proxy has no other commercial relationship with the company. Acceptable proposal. | For |
| 9 | Appoint the auditors
Ernst & Young AG proposed. Non-audit fees were approximately 40.05% of audit fees during the year under review. There are concerns that this level of non-audit fees creates a potential for conflict of interest on the part of the independent auditor. The auditor was initially appointed in 2014, hence the tenure is less than five years, which is meets guidelines. Triodos opposes this resolution. | Oppose |
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SUPPORTING INFORMATION FOR RESOLUTIONS

Proposal 4 - Approve fees payable to the Board of Directors

This applies to resolutions 4, 5.1 and 5.2.

In compliance with the Ordinance Against Excessive Compensation, companies can submit a prospective or retrospective remuneration proposal for the Board of Directors and members of the Executive Committee.

In the first case, shareholders are asked to approve the cap for the proposed remuneration; in the second, shareholders will be asked to approve the actual remuneration to be paid to either the Board or the Executive Committee. In accordance with the Ordinance, companies can set in their bylaws the procedures to be undertaken if shareholders reject a binding pay resolution. Bylaws cannot provide for the board or the compensation committee to set remuneration, should a binding proposal be rejected. Companies can propose another binding resolution on pay at the same AGM, at an EGM later during the year, or at the next AGM.

Proposal 7.1 - Elect Ulrich Looser as Member of the Compensation Committee

This applies to resolutions 7.1, 7.2 and 7.3.

In compliance with the Ordinance Against Excessive Compensation, shareholders are entitled to appoint members of the Compensation Committee directly. The Company must submit candidates in separate resolutions.

In terms of good corporate governance, it is considered to be best practice that the compensation committee consists exclusively of independent members. Support is granted to independent directors, while opposition will be recommended for non-independent directors.

Proposal 8 - Designate NEOVIUS Schlager & Partner as Independent Proxy

The Ordinance Against Excessive Compensation effective January 2014 prohibits the appointment of a depositary or a corporate proxy. Uninstructed proxy votes lodged with depositary banks acting as an intermediary in the proxy chain or with the company itself have traditionally been treated as a vote in favour of all management resolutions.

Proposal 9 - Appoint the auditors

Excessive non-audit fees and potentially creating conflict of interest and by that hindering an objective audit of the Company. Excessive non-audit fees may not be supported during the year under review or the three previous years. In addition, appointments of those auditors who did not disclose in detail the nature of their non-audit services may not be supported.

In addition, in terms of good governance, it is considered that external auditors should rotate at least every five years, and annual election would be welcomed under a maximum tenure of five years.

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