


MEETING DATE	Wed, 08 Apr 2015 13:30 pm	TYPE	AGM	ISSUE DATE	Thu, 26 Mar 2015
MEETING LOCATION	Hallenstadion Zurich Oerlikon Wallisellenstrasse 45				
CURRENT INDICES	FTSE EuroFirst				
SECTOR	Fixed Line Telecommunications				

PROPOSALS		ADVICE
1.1 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.	For
1.2 Approve the Remuneration Report	It is proposed to approve the remuneration structure of the Company with an advisory vote. Submitting a separate advisory resolution on the Company's remuneration structure is not provided for by the Ordinance Against Excessive Payments but it is recommended by the local Corporate Governance Code. There is lack of disclosure with respect of targets and measurable criteria for variable remuneration, which prevents shareholders from making an informed assessment. The CEO's total variable remuneration during the year under review corresponded to 88% of his fixed salary and it may be overpaying for underperformance, in absence of quantified targets. Performance criteria include Net profit, EBITDA and Operating free cash flow, and have been 'mostly' achieved, as per the Company's remuneration report. There are claw back clauses in place which is welcomed. Based on lack of disclosure on quantified criteria and achieved targets, Triodos opposes this resolution.	Oppose
2 Approve the dividend	The Board proposes a dividend of CHF 22 per share. The dividend is covered by earnings. Acceptable proposal.	For
3 Discharge the Board and the Senior Management	Standard proposal. No serious governance concerns have been identified. Acceptable proposal.	For
4.1 Re-elect Frank Esser	Independent Non-Executive Director.	For
4.2 Re-elect Barbara Frei	Independent Non-Executive Director.	For
4.3 Re-elect Hugo Gerber	Employee representative. Representatives of the employees are considered a positive governance feature. Acceptable proposal.	For
4.4 Re-elect Michel Gobet	Employee representative. Representatives of the employees are considered a positive governance feature. Acceptable proposal.	For
4.5 Re-elect Torsten Kreindl	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 potential aggregate time commitments. Triodos abstain on this proposal.	Abstain
4.6 Re-elect Catherine Muehlemann	Independent Non-Executive Director. There are concerns over her potential aggregate time commitments. Triodos abstains on this resolution.	Abstain
4.7 Re-elect Theophil Schlatter	Independent Non-Executive Director.	For

4.8 Re-elect Hansueli Loosli	Independent Non-Executive Chairman, proposed as Director on this resolution. There are concerns over his potential aggregate time commitments. Triodos abstains on this proposal.	Abstain
4.9 Re-elect Hansueli Loosli as Board Chairman	In terms of good governance, it is considered that the Chairman should be independent. However, there are concerns over the Chairman's potential aggregate time commitments and he did not clarify whether or not he will dedicate enough time and resources to the chairmanship at the Company. Triodos abstains on this proposal.	Abstain
5.1 Re-elect Barbara Frei as Member of the Compensation Committee	This director is considered to be independent. Support is recommended.	For
5.2 Reelect Torsten Kreindl as Member of the Compensation Committee	This director is not considered to be independent. Triodos opposes this resolution.	Oppose
5.3 Re-elect Hansueli Loosli as Member without Voting Rights of the Compensation Committee	This director is considered to be independent. Support is recommended.	For
5.4 Re-elect Theophil Schlatter as Member of the Compensation Committee	This director is considered to be independent. Support is recommended.	For
5.5 Re-elect Hans Werder as Member of the Compensation Committee	This director is not considered to be independent. Triodos opposes this resolution.	Oppose
6.1 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 2.6 million. The increase on an annual basis is 6.7%, which meets guidelines. Triodos supports this resolution.	For
6.2 Approve prospective executive remuneration	It is proposed to approve the prospective 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 remuneration of members of the Executive Committee until next AGM at CHF 9.7 million (CHF 7.79 million were paid for the year under review). This proposal includes fixed and variable remuneration components. The Company has 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: namely, lack of quantified targets and target achievements. Based on these concerns, Triodos opposes this resolution.	Oppose
7 Designate Reber Rechtsanwaelte as Independent Proxy	The Board proposes the election of Reber Rechtsanwaelte 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
8 Appoint the auditors	KPMG proposed. Non-audit fees were approximately 16.14% of audit fees during the year under review. Non-audit fees over a three year basis were approximately 18.51% of audit fees. The level of non-audit fees does not raise concerns. However, the auditors' term exceeds 10 years, which may create a potential conflict of interest on the part of the independent auditor. Triodos opposes this resolution.	Oppose
9 Transact any other business	Shareholders should receive sufficient notice of proposals brought forward by either management or other shareholders. As such, any other proposition brought forward in the meeting would provide insufficient time for an informed assessment. Triodos opposes this resolution.	Oppose

SUPPORTING INFORMATION FOR RESOLUTIONS

Proposal 5.1 - Re-elect Barbara Frei as Member of the Compensation Committee

Election of the Compensation Committee

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 7 - Designate Reber Rechtsanwälte 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 8 - Appoint the auditors

Excessive non-audit fees may create conflict of interest and by 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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Researcher: Francesco Navarrini
Email: pircresearch@pirc.co.uk

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PIRC



Pensions & Investment Research Consultants Limited
6th Floor
9 Prescott Street
London E1 8AZ

Tel: 020 7247 2323
Fax: 020 7247 2457
<http://www.pirc.co.uk>

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