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| MEETING DATE | Fri, 07 Apr 2017 10:30 am | TYPE | AGM | ISSUE DATE | Thu, 30 Mar 2017 |
| MEETING LOCATION | Congress Center Basel, San Francisco Hall, Messeplatz 21, Basel, Switzerland | | | |  |
| CURRENT INDICES | PIRC Global | | | | |
| SECTOR | Medical Supplies | | | | |

| PROPOSALS | | ADVICE |
|------------------|--|---------------|
| 1.1 | <p>Receive the Annual Report</p> <p>Disclosure is adequate. The financial statements were made available sufficiently before the meeting and have been audited and certified. No serious governance concerns have been identified. Triodos supports this resolution.</p> | For |
| 1.2 | <p>Approve the Remuneration Report</p> <p>It is proposed to approve the remuneration policy with an advisory vote. Variable remuneration appears to be consistently capped, and the payout is in line with best practice. However, the Company has not disclosed quantified targets or performance criteria for its variable remuneration component, which may lead to overpayment against underperformance. In addition, there are no claw back clauses in place over the entirety of the variable remuneration component, which makes it unlikely for shareholders to reclaim that variable remuneration unfairly paid out. The Company has not disclosed quantified targets or performance criteria for its variable remuneration component. Triodos opposes this resolution.</p> | Oppose |
| 2 | <p>Approve the Dividend</p> <p>The Board proposes a dividend of 4.25 per share. The dividend is covered by earnings. Acceptable proposal.</p> | For |
| 3 | <p>Discharge the Board</p> <p>Standard proposal. No serious governance concerns have been identified. Triodos supports this resolution.</p> | For |
| 4 | <p>Approve Fees Payable to the Board of Directors</p> <p>The Board is seeking approval for Board and Committee membership fees for non-executive directors. No increase has been proposed. Triodos supports this resolution.</p> | For |
| 5.1 | <p>Approval of the Fixed Compensation of the Executive Management</p> <p>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.</p> <p>It is proposed to fix the remuneration of members of the Executive Committee until next AGM at CHF 5.8 million (CHF 5.8 million was proposed last year). 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. No increase has been proposed. Triodos supports this resolution.</p> | For |

- 5.2 Approval of the Long-Term Variable Compensation of the Executive Management** **Oppose**
 It is proposed to approve the prospective 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 cap for the variable remuneration component. 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 3.0 million (CHF 2.062 million were paid 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.
 There are concerns the long-term remuneration component as performance targets have not been quantified, which does not permit an accurate assessment on their effectiveness. The performance period is three years without a further holding period, which is not considered to be sufficiently long term. Triodos opposes this resolution.
- 5.3 Approval of the Short-Term Variable Compensation of the Executive Management** **Oppose**
 It is proposed to approve the prospective 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 cap for the variable remuneration component. 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 5.7 million (CHF 4.574 million were paid 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.
 There are concerns over the short-term remuneration component as performance targets are not quantified, which does not permit an accurate assessment on their effectiveness. Triodos opposes this resolution.
- 6.1 Re-elect Gilbert Achermann as Chairman** **For**
 Non-Executive Director. Not considered to be independent as he was CEO of Straumann Holding until 31 March 2010. However, there is sufficient independent representation on the board. Triodos supports this resolution.
- 6.2 Re-elect Dr Sebastian Burckhardt** **Oppose**
 Non-Executive Director. Not considered to be independent as he has served on the Board for 15 years. There is sufficient independent representation on the Board. However, there are concerns over the director's potential aggregate time commitments. Triodos opposes as nominee is not considered independent and he serves in the audit committee that should be fully independent.
- 6.3 Re-elect Ulrich Looser** **Abstain**
 Independent Non-Executive Director. There are concerns over the director's potential aggregate time commitments. Triodos abstains on this resolution.
- 6.4 Re-elect Dr Beat Lüthi** **Abstain**
 Independent Non-Executive Director. There are concerns over the director's potential aggregate time commitments. Triodos abstains on this resolution.
- 6.5 Re-elect Dr. H.C. Thomas Straumann** **Abstain**
 Non-Executive Director. Not considered to be independent as Dr. Straumann 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 the director's potential aggregate time commitments. Triodos abstains on this resolution.
- 6.6 Elect Monique Bourquin** **For**
 Independent Non-Executive Director.
- 6.7 Elect Regula Wallimann** **For**
 Independent Non-Executive Director.

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| 7.1 | Elect Remuneration Committee Member: Monique Bourquin This director is considered to be independent. Triodos supports this resolution. | For |
| 7.2 | Elect Remuneration Committee Member: Ulrich Looser This director is considered to be independent. Support would be normally recommended. However, due to the concerns over the potential aggregate time commitments for this Director, it is believed that he may not have the sufficient time for this position as member of the Remuneration Committee. Triodos abstains on this resolution. | Abstain |
| 7.3 | Elect Remuneration Committee Member: Dr. H.C. Thomas Straumann This director is not considered to be independent. Triodos opposes this resolution. | Oppose |
| 8 | Appoint Independent Proxy NEOVIUS AG proposed 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. Triodos supports this resolution. | For |
| 9 | Appoint the Auditors EY proposed. Non-audit fees represented 13.62% of audit fees during the year under review and 23.45% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. Triodos supports this resolution. | For |

SUPPORTING INFORMATION FOR RESOLUTIONS

Proposal 1.1 - Receive the Annual Report

In November 2014, the Directive 2014/95/EU was published and Member States will have until end of 2016 to transpose the Directive into national legislation and companies will start reporting as of their financial year 2017. The Directive has legislative relevance for all the European Economic Area and as such should be implemented also by members of the European Free Trade Association. Under the Directive, companies should provide disclosure of non-financial information (policy and practice) in the annual report or on a separate report, made available at the latest 6 months after the date of the balance sheet. The European Commission has been tasked with publishing non-binding reporting guidelines by December 2016. Although the provisions contained in the Directive are not yet binding, they are considered to set the bar of best practice. PIRC maintains that corporations should not passively abide by minimum standards set in regulation, but actively exceed minimum thresholds and seek best practice. PIRC will accurately monitor the presence and the quality of non-financial information.

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