


MEETING DATE	Thu, 06 Jun 2019 10:00 am	TYPE	AGM	ISSUE DATE	Tue, 28 May 2019
MEETING LOCATION	Reinterrasse, Joseph-Beuys-Ufer 33, 40479, Duesseldorf, Germany				
CURRENT INDICES	PIRC Global				
SECTOR	Medical Supplies				

COMPANY OVERVIEW

Gerresheimer AG is a German manufacturer of primary packaging products for medication and drug delivery devices made of special-purpose glass and plastics.

MEETING SPECIFIC INFORMATION

No quorum required for ordinary resolutions at this meeting. Resolutions under ordinary business are approved by simple majority of the votes cast.

PROPOSALS	CLIENT ADVICE	PIRC ADVICE
1 Receive Financial Statements and Statutory Reports for Fiscal 2018 Non-voting agenda item.	Non-Voting	Non-Voting
2 Approve the Dividend The Board proposes a dividend of EUR 1.15 per share. The dividend is covered by earnings. Triodos supports this resolution.	For	For
3 Approve Discharge of Management Board for Fiscal 2018 Standard proposal. No serious governance concerns have been identified. Triodos supports this resolution.	For	For
4 Approve Discharge of Supervisory Board for Fiscal 2018 Standard proposal. No serious governance concerns have been identified. Triodos supports this resolution.	For	For
5 Appoint the Auditors Deloitte proposed. Non-audit fees represented 10.82% of audit fees during the year under review and 5.33% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than seven years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.	Oppose	Abstain
6 Approve Fees Payable to the Board of Directors It is proposed to increase the amount payable to the Board of Directors by more than 10% on annual basis. Triodos supports this resolution. PIRC issue: The increase is considered material and exceeds guidelines, while the Company has provided justification, the increase is still deemed excessive.	For	Oppose
7 Approve Creation of EUR 6.3 Million Pool of Capital with Partial Exclusion of Preemptive Rights It is proposed to create a pool of conditional capital with the option to exclude shareholders pre-emptive rights. The authority requested is for 20% of the issued share capital. Exceeds guidelines.	Oppose	Oppose

8 Issue Bonds

It is proposed to issue convertible bonds for up to 20% of the share capital.
Pre-emptive rights for conversion will be waived for up to 10% of the share capital.
Meets guidelines.

For

For

CORPORATE GOVERNANCE HIGHLIGHTS

BOARD AND OTHER GOVERNANCE INFORMATION	AFTER MEETING
Size of Board	12
Average Disclosed Age of Directors	55
Average Tenure of All Directors	5.75
Number of Independent Directors	3
Board Independence Level	25.0%
Directors' Aggregated Voting Rights	<0.1%
Annual Election of Directors	No
Separate Chair and CEO	Yes
The Company Has a Senior Independent Director	No
No Executive is On the Remuneration Committee	Yes
No Executive is On the Nomination Committee	Yes
No Executive is On the Audit Committee	Yes
The Company Maintains a Corporate Jet	n/d
There is a Controlling Shareholder	No

BOARD AND COMMITTEE COMPOSITION (post-Meeting)

BOARD CHANGES

No changes during the year under review.

DIRECTOR	GENDER	INDEPENDENT BY		BOARD	AC	RC	NC	SC	TENURE
		PIRC	COMPANY						
Axel Herberg	M	No	Yes	Ch	M	C	C	-	4
Francesco Grioli	M	No	No	VCh	M	M	-	-	8
Andrea Abt	F	Yes	Yes	NED	M	-	-	-	4
Heike Arndt	F	No	No	Emp	-	-	-	-	2
Karin Dorrepaal	F	Yes	Yes	NED	-	-	-	-	7
Franz Hartinger	M	No	No	Emp	-	-	-	-	2
Peter Noé	M	Yes	Yes	NED	-	-	M	-	7
Markus Rocholz	M	No	No	Emp	M	M	-	-	7
Paul Schilling	M	No	No	Emp	-	-	-	-	2
Katja Schnitzler	F	No	No	Emp	M	-	-	-	3
Theodor Stuth	M	No	Yes	NED	C	-	-	-	11
Udo J. Vetter	M	No	Yes	NED	-	M	M	-	12
Number of Meetings				8	4	12	0		
Number of NED only Meetings				n/d					

PIRC assesses a non-executive director's independence according to PIRC's shareholder guidelines. Comments represent PIRC's analysis based on information in the report and accounts. AC = Audit Committee, RC = Remuneration Committee, NC = Nomination Committee, SC = Sustainability Committee, C = Chair of Committee, M = Member of Committee.

BOARD OF DIRECTORS (post-Meeting)

AXEL HERBERG		CHAIR (NON EXECUTIVE)			
AGE	61	TENURE	4 Years	COMMITTEES	A,R*,N*
OTHER POSITION	CCC Investment GmbH [Managing partner]; Leica Group [NED]; Lisa Germany holding [NED]; Vetter Pharma [NED]; ex-Gerresheimer AG [CEO]; ex-Mckinsey & Company [Exec]; ex-The Blackstone Group GmbH [Ch]; ex-W Germany Holding GmbH [Ch]				
INDEPENDENT BY PIRC	N	INDEPENDENT BY COMPANY		Y	
COMMENT	Not considered to be independent as he is the former CEO of Gerreshimer AG, which is the parent Company of the Group. There are concerns over his aggregate time commitments.				
FRANCESCO GRIOLI		VICE CHAIR (NON EXECUTIVE)			
AGE	47	TENURE	8 Years	COMMITTEES	A,R
OTHER POSITION	Continental AG [NED]; Steag New Energies GmbH [VCh]; Villeroy & Boch AG [NED]; Villeroy & Boch Fielsen GmbH [NED]; ex-BASF SE [NED]; ex-Fejo GmbH [Exec]; ex-IG Bergbau [NED]; ex-Symrise AG [NED]				
INDEPENDENT BY PIRC	N	INDEPENDENT BY COMPANY		N	
COMMENT	Not considered to be independent as the director is an employee representative.				

ANDREA ABT		NON-EXECUTIVE DIRECTOR			
AGE	59	TENURE	4 Years	COMMITTEES	A
OTHER POSITION	John Laing Group plc [NED]; Petrofac [NED]; SIG plc [NED]; ex-Brammer plc [NED]; ex-Siemens Infrastructure & Cities Sector [Exec]				
INDEPENDENT BY PIRC	Y	INDEPENDENT BY COMPANY			Y
HEIKE ARNDT		EMPLOYEE REPRESENTATIVE			
AGE	56	TENURE	2 Years	COMMITTEES	None
OTHER POSITION	DMT GmbH & Co. KG, Germany [NED]; RAG Verkauf GmbH [NED]				
INDEPENDENT BY PIRC	N	INDEPENDENT BY COMPANY			N
COMMENT	Not considered to be independent as the director is an employee representative.				
KARIN DORREPAAL		NON-EXECUTIVE DIRECTOR			
AGE	58	TENURE	7 Years	COMMITTEES	None
OTHER POSITION	Almirall S.A [NED]; Humedics [Ch]; Julius Clinical Research BV [NED]; Kerry Group plc. [NED]; Paion AG [VCh]; Triton Beteiligungsberatung GmbH [NED]; ex-Cryo Save Group NV [NED]; ex-Grontmij N.V [NED]; ex-MDx Health S.A. [NED]; ex-Schering AG [Exec]				
INDEPENDENT BY PIRC	Y	INDEPENDENT BY COMPANY			Y
COMMENT	There are concerns over her aggregate time commitments.				
FRANZ HARTINGER		EMPLOYEE REPRESENTATIVE			
AGE	59	TENURE	2 Years	COMMITTEES	None
OTHER POSITION					
INDEPENDENT BY PIRC	N	INDEPENDENT BY COMPANY			N
COMMENT	Not considered to be independent as the director is an employee representative.				
PETER NOÉ		NON-EXECUTIVE DIRECTOR			
AGE	62	TENURE	7 Years	COMMITTEES	N
OTHER POSITION	BlackRock Private Equity Partners AG [NED]; ex-CDRB Holding AG [Ch]; ex-Hochtief AG [Exec]				
INDEPENDENT BY PIRC	Y	INDEPENDENT BY COMPANY			Y
COMMENT	He serves on the board of BlackRock Private Equity Partners AG, a subsidiary of BlackRock Inc., which in 2011 held a significant stake of the company's issued share capital. The cool-off period is considered to be sufficient.				
MARKUS ROCHOLZ		EMPLOYEE REPRESENTATIVE			
AGE	49	TENURE	7 Years	COMMITTEES	A,R
OTHER POSITION	Gerresheimer Tettau [NED]				
INDEPENDENT BY PIRC	N	INDEPENDENT BY COMPANY			N
COMMENT	Not considered to be independent as the director is an employee representative.				
PAUL SCHILLING		EMPLOYEE REPRESENTATIVE			
AGE	49	TENURE	2 Years	COMMITTEES	None
OTHER POSITION					
INDEPENDENT BY PIRC	N	INDEPENDENT BY COMPANY			N
COMMENT	Not considered to be independent as the director is an employee representative.				

KATJA SCHNITZLER		EMPLOYEE REPRESENTATIVE			
AGE	38	TENURE	3 Years	COMMITTEES	A
OTHER POSITION					
INDEPENDENT BY PIRC	N	INDEPENDENT BY COMPANY		N	
COMMENT	Not considered to be independent as the director is an employee representative.				

THEODOR STUTH		NON-EXECUTIVE DIRECTOR			
AGE	66	TENURE	11 Years	COMMITTEES	A*
OTHER POSITION	Linnet Group SE [NED]; Wickeder Holding GmbH [NED]; Wickeder Profile Walzwerk GmbH [NED]; ex-Deloitte [Partner]				
INDEPENDENT BY PIRC	N	INDEPENDENT BY COMPANY		Y	
COMMENT	Not considered to be independent as he is a former partner of Deloitte, the company's external auditor. It is not clear whether there has been a sufficient cool-off period.				

UDO J. VETTER		NON-EXECUTIVE DIRECTOR			
AGE	65	TENURE	12 Years	COMMITTEES	R,N
OTHER POSITION	HSM GmbH & Co. KG [NED]; ITM AG [Ch]; MMC GmbH & Co. KG [Partner]; Navigo GmbH [NED]; OncoBeta GmbH [NED]; OncoBeta International GmbH [NED]; Paschal India Pvt. Ltd. [Ch]; UV-Cap GmbH & Co.KG [Partner]; Vetter Pharma Fertigungs GmbH & Co. KG [Ch]; ex-Atoll GmbH [Ch]; ex-Edt AG [Ch]; ex-Gland Pharma Pte. Ltd. [NED]; ex-K & M Praezisionstechnik GmbH [NED]; ex-SeaLionPharma Pte. Ltd. [Ch]				
INDEPENDENT BY PIRC	N	INDEPENDENT BY COMPANY		Y	
COMMENT	Not considered independent as he has been on the Board for over nine years. There are concerns over his potential aggregate time commitments.				

BOARD COMPOSITION

BOARD COMPOSITION FOLLOWING THE AGM

	Number	% of Board
Executive Director	0	0.0
Independent NEDs	3	25.0
Connected NEDs	4	33.33
Other	5	41.67

BOARD COMMITTEES FOLLOWING THE AGM

	Number of Members	% Women	% Independent by PIRC	% Independent by Company
Whole Board	12	33.33	25.0	50.0
Audit	6	33.33	16.67	50.0
Remuneration	4	0.0	0.0	50.0
Nomination	3	0.0	33.33	100.0

AUDIT

Audit Firm	Deloitte		
Date Appointed	2009-09-04		
Tenure	9 Years		
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AUDITOR REMUNERATION - EURm	2018	2017	2016
	Deloitte	Deloitte	Deloitte
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Statutory audit fee	0.62	0.57	0.59
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Acceptable non-audit work undertaken by the auditors			
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Audit-related, mandatory regulatory	0.0	0.0	0.01
Tax compliance	0.0	0.0	0.0
Subtotal Authorised	0.0	0.0	0.01
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Unacceptable non-audit work undertaken by the auditors			
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Other tax services	0.0	0.0	0.01
Acquisition-related	0.0	0.0	0.0
Other services	0.07	0.01	0.01
Total non-audit fees	0.07	0.01	0.02
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Company percentage of non-audit fees versus audit fees	10.82	1.92	2.88
Total Company three year percentage of unacceptable non-audit fees versus audit fees	5.0		

SHARE CAPITAL AND SHAREHOLDER RELATIONS

DISCLOSED ORDINARY VOTING RIGHTS

	PERCENTAGE
NN Group N.V.	5.2
Stichting Pensioenfonds	5.1
BNP Paribas Investment Partners S.A.	5.07

BEST PRACTICE PRINCIPLES

BEST PRACTICE PRINCIPLE AND CRITERIA	ANALYSIS
A. Division of responsibilities at the head of the company	
1. There is a separate chairman and chief executive	Yes
2. A Senior Independent Director has been appointed	No
3. The Company reports on and discusses gender diversity on the Board	No
4. If applicable, the Company is in line with local legal requirements on gender diversity on the Board, or has set targets for compliance	Yes
B. Independence on the board and election of directors	
5. Sufficient biographical information on all directors is disclosed	Yes
6. At least half of the board comprises non-executive directors	Yes
7. At least half of the board is independent by PIRC guidelines	No
8. Individual director's attendance at board and committee meetings is disclosed	No
9. The Board comprises nomination, audit and remuneration committees	Yes
10. Nomination committee is composed fully of independent directors, excluding employee representatives	No
11. Remuneration committee is composed fully of independent directors, excluding employee representatives	No
12. No alternate director has been appointed	Yes
13. All directors face election every year, excluding employee representatives	No
14. No members from any of the committees are considered to be connected with significant shareholders	Yes
C. Independent and transparent appointments and review process	
15. Recruitment practices for new directors are transparent	n/a
16. There is evidence that a process for succession planning exists and is regularly reviewed	Yes
17. No directors on the board hold family ties	Yes
18. There is evidence that training needs for the board are regularly reviewed and acted upon	Yes
D. Auditors' independence	
19. Audit committee is composed fully of independent directors	No
20. Shareholders annually approve the appointment of the auditor	Yes
21. No director has had a significant connection with the auditors	No
22. Level of non-audit fees does not raise independence concerns	Yes
23. Auditor's date of appointment has been disclosed by the Company	Yes
24. Audit firm is subject to rotation at least every five years	No
E. Disclosure of the auditors' remuneration	
25. An adequate break-down between non-audit fees and audit fees has been provided	Yes
26. An adequate break-down of the nature of non-audit fees is provided	No
F. Audit committee's accountability	
27. Audit committee's policy on awarding non-audit work is described	No
28. The audit committee reviews "whistleblowing" arrangements	Yes
G. Other Best Practice Criteria	
29. An internal audit function exists or an explanation for its absence is provided	Yes
30. The Company has a Data Protection Officer or an equivalent position	Yes
31. Company has disclosed a cybersecurity policy or a compliance management system	Yes
32. Declared dividend or policy is put to the vote	Yes
33. Each ordinary share has equal voting rights	Yes
34. There is no controlling shareholder	Yes
35. No representatives of the controlling shareholder sit on the board	Yes
36. No persons have the right to designate directors to the board	Yes
37. The threshold of controlling shareholding is not achieved due to multiple voting rights	Yes
38. Shareholders have the right to approve all designated directors	Yes
39. The Company has disclosed a policy regarding political donations	No
40. There is disclosure on political donations made during the year under review	No
41. No political donations were made by the company during the year under review	n/d
42. Does the Company maintain one or more corporate aircraft?	n/d

BEST PRACTICE PRINCIPLES: GLOBAL REMUNERATION

BEST PRACTICE PRINCIPLE AND CRITERIA: GLOBAL REMUNERATION		ANALYSIS
1.	Policy - Balance	
B.1	The company does not use adjusted metrics for its variable remuneration.	No
B.2	A fully independent remuneration committee exists comprising at least three members.	No
B.3	Company consults employees when setting executive pay?	No
B.4	No payout possible unless at least two performance conditions achieved?	Yes
B.5	Performance period is five years or more under the LTIP.	No
B.6	If performance period is less than four years, there is an additional holding period.	No
B.7	Maximum potential aggregate variable pay is capped at 200% of the fixed salary per year.	Yes
B.8	There is a deferral period for the Annual Bonus.	Yes
B.9	Variable remuneration is adequately linked to non-financial performance measures.	No
B.10	Vesting scales are sufficiently broad and geared towards better performance.	n/d
B.11	There are malus or clawback provisions in place under the long-term remuneration component.	No
B.12	Severance payments do not include variable remuneration.	Yes
B.13	Equity is not subject to pro-rata vesting upon termination.	Yes
2.	Policy - Disclosure	
D.1	Pay policy aims are fully explained in terms of the Company's objectives?	Yes
D.2	Peer groups used for the purpose of pay comparison are fully disclosed.	No
D.3	The company does not use adjusted performance metrics.	n/d
D.4	Maximum potential awards under the annual bonus are disclosed.	Yes
D.5	Maximum potential awards for long term incentive schemes disclosed.	Yes
D.6	Performance targets are fully disclosed and quantified for annual bonus.	No
D.7	Performance targets are fully disclosed and quantified for long-term incentives.	No
3.	Policy - Implementation	
I.1	The company has disclosed any of the changes into the remuneration policy and these have been duly justified?	Yes
I.2	Fixed and variable components of executive remuneration for the year under review are fully disclosed.	Yes
I.3	Awards made under all schemes during the year are not excessive?	Yes
I.4	Share incentive awards are fully disclosed with award dates and prices.	Yes
I.5	Prospective fees and salaries have been disclosed	Yes
I.6	No discretionary payments have been granted during the year.	Yes
I.7	Value of vested shares disclosed.	No
S.	Summary	
S.1	Company disclosure does not raise serious concerns.	Yes
S.2	There are no serious concerns about policy excessiveness.	Yes
S.3	Implementation has been consistent with the policy.	Yes

PIRC GLOBAL REMUNERATION RATING:

Balance	C
Disclosure	D
Implementation	B

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Researcher: Adam Garside
Email: pircresearcheu@pirc.co.uk

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Pensions & Investment Research Consultants Limited
8th Floor, Suite 8.02, Exchange Tower
2 Harbour Exchange Square
E14 9GE

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

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