

MEETING DATE	Fri, 09 Apr 2021 8:30 am	TYPE	AGM	ISSUE DATE	Thu, 01 Apr 2021
MEETING LOCATION	Virtual				
CURRENT INDICES	FTSE EuroFirst				
SECTOR	Medical Supplies				
FYE	31 Dec 2020				

PROPOSALS		ADVICE
<p>1.1 Approve Financial Statements Disclosure is adequate. The financial statements were made available sufficiently before the meeting and have been audited and certified. Triodos supports this resolution.</p>		For
<p>1.2 Advisory Vote on the Remuneration Report It is proposed to approve the remuneration Report. Variable remuneration appears to be consistently capped, although the pay-out may exceed 200% of the fixed remuneration for the highest paid director. There do not appear to be claw back clauses in place over the entirety of the variable remuneration, which makes it unlikely for payment to be recovered if incorrectly paid out. However, the company has not disclosed quantified targets or performance criteria for its variable remuneration component, which may lead to overpayment against underperformance. Triodos opposes this resolution.</p>		Oppose
<p>2 Approve the Dividend The Board of Directors proposes a withholding tax exempt repayment of legal reserves from capital contributions of CHF 5.75 per (registered) share and a prior reclassification of the total amount of distribution from legal reserves from capital contributions into other reserves. The repayment is covered by capital contributions. Acceptable proposal.</p>		For
<p>3 Discharge the Board Standard proposal.</p>		For
<p>4 Approve Fees Payable to the Board of Directors The Board of Directors proposes a fixed compensation component in a maximum amount of CHF 2.7 million. This does not represent an increase since last year, support is recommended.</p>		For
<p>5 Approval of the Compensation of the Executive Management It is proposed to approve the remuneration policy. Variable remuneration does not seem to be consistently capped and as such there are excessiveness concerns as the total potential variable remuneration may exceed 200% of the salary. In addition, the company has not disclosed quantified targets for the performance criteria for its variable remuneration component, which as a consequence 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 that shareholders will be able to reclaim any variable remuneration unfairly paid out. Triodos opposes this resolution.</p>		Oppose
<p>5.1 Approve Fixed Remuneration of Executive Committee The company is seeking approval for the proposed prospective remuneration to the Executive Committee. The proposal of CHF 9.0 million for all members of the Executive Management is within the cap approved at the previous AGM. Triodos supports this resolution.</p>		For

- 5.2 Approve the Long-Term Variable Compensation of Executive Committee.** **Oppose**
- It is proposed to approve the long-term variable compensation for all members of the Executive Management collectively for the 2021 business year. 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 3.5 million (CHF 3.2 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.
- Variable remuneration appears to be consistently capped, and the payout is in line with best practice. However, the company has not disclosed quantified targets for the performance criteria of its variable remuneration component, which as a consequence 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 that shareholders will be able to reclaim any variable remuneration unfairly paid out.
- Triodos opposes this resolution.
- 5.3 Approve Short-Term Variable Remuneration of Executive Committee.** **Oppose**
- A short-term variable compensation of the amount of CHF 3.1 million for all members of the Executive Management collectively for the 2020 business year is proposed. 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 3.1 million. 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.
- Variable remuneration appears to be consistently capped, and the payout is in line with best practice. However, the company has not disclosed quantified targets for the performance criteria of its variable remuneration component, which as a consequence 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 that shareholders will be able to reclaim any variable remuneration unfairly paid out.
- Triodos supports this resolution.
- 6.1 Elect Gilbert Achermann - Chair (Non Executive)** **Oppose**
- Non-Executive Chair. The director is not considered independent owing to a tenure of more than twelve years.
- Triodos opposes this resolution.
- 6.2 Elect Sebastian Burckhardt - Non-Executive Director** **Oppose**
- Non-Executive Director. Not considered independent owing to a tenure of over twelve years. There are also concerns over the director's potential aggregate time commitments. There is insufficient independent representation on the Board.
- Triodos opposes this resolution.
- 6.3 Elect Marco Gadola - Non-Executive Director** **Oppose**
- Non-Executive Director. Not considered independent as the director was previously employed by the company, Straumann Group, as CEO (until 31 Dec. 2019). There is insufficient independent representation on the Board.
- Triodos opposes this resolution.
- 6.4 Elect Juan José Gonzalez - Non-Executive Director** **For**
- Independent Non-Executive Director.
- 6.5 Elect Beat Lüthi - Non-Executive Director** **For**
- Independent Non-Executive Director.

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| 6.6 Elect Thomas Straumann - Vice Chair (Non Executive)
Non Executive Vice Chair. Not considered to be independent as Dr. Straumann owns a significant percentage of the company's issued share capital. Furthermore the director is not considered independent owing to a tenure of over twelve years. | Oppose |
| 6.7 Elect Regula Wallimann - Non-Executive Director
Independent Non-Executive Director. | For |
| 6.8 Elect Petra Rumpf - Executive Director
Executive Director. This director was until very recently part of the executive management and is not considered independent.
Triodos abstains on this resolution | Abstain |
| 7.1 Elect Remuneration Committee Member: Beat Lüthi
Non-Executive Director, candidate to the Remuneration Committee on this resolution.
Triodos supports this resolution. | For |
| 7.2 Elect Remuneration Committee Member: Regula Wallimann
Independent Non-Executive Director, candidate to the Remuneration Committee on this resolution.
Support is recommended. | For |
| 7.3 Elect Remuneration Committee Member: Juan José Gonzalez
Independent Non-Executive Director, candidate to the Remuneration Committee on this resolution.
Support is recommended. | For |
| 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. A vote in favour is recommended. | For |
| 9 Appoint the Auditors
EY proposed. Non-audit fees represented 31.11% of audit fees during the year under review and 37.23% on a three-year aggregate basis. This level of non-audit fees raises some concerns about the independence of the statutory auditor.
Triodos opposes this resolution. | Oppose |
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