

# CORPORATE GOVERNANCE

Corporate structure  
and shareholders

**48**

Capital structure

**49**

Board of Directors

**51**

Executive Committee

**55**

Compensations,  
shareholdings and  
loans

**56**

Shareholder  
participation rights

**56**

Changes of control  
and defense measures

**57**

Auditors

**57**

Information policy

**58**

Ensuring good corporate governance is very important to Komax. Objectives in this area include safeguarding company value and success in the interest of customers, shareholders, staff, creditors, suppliers, and the public, as well as the provision of transparent, rapid, and simultaneous information to all stakeholder groups. Komax takes as its starting point the principles and regulations of the “Swiss Code of Best Practice” of Economiesuisse and the Directive on Information Relating to Corporate Governance (Directive Corporate Governance, DCG) of SIX Exchange Regulation, and gives account of developments in this area each year in the Annual Report. The key elements are laid down in the Articles of Association, the Organizational Regulations, and the Regulations on the Remuneration Committee and the Audit Committee. In addition, the Board of Directors regularly looks at the issue of corporate governance and initiates the corresponding adjustments where appropriate.

## 1 Corporate structure and shareholders

### Corporate structure

The Group structure and subsidiaries belonging to the Group are set out on pages 106 and 107 of the Annual Report. With the exception of Komax Holding AG, no companies with listed participation securities form part of the scope of consolidation.

Komax Holding AG, the holding company of the Komax Group, has its headquarters in Dierikon, Switzerland. Details on the place of listing, market capitalization, security and ISIN numbers are set out on pages 43 to 46 (“Information for investors”).

### Major shareholders

Shareholders whose share of the company’s share capital exceeds or falls below the thresholds of 3, 5, 10, 15, 20, 25, 33⅓, 50 and 66⅔% have a reporting obligation under the Financial Market Infrastructure Act (FinMIA). According to the disclosure reports submitted, the company had the following major shareholders holding more than 3% of the votes as at 31 December 2017:

Shareholder / Shareholder group	Number of shares 31.12.2017	Share in % 31.12.2017 <sup>1</sup>
Veraison SICAV, Zurich, Switzerland	196 229 <sup>2</sup>	5.199
Max Koch, Meggen, Switzerland	190 285	5.042
Swisscanto Fondsleitung AG, Zurich, Switzerland	132 410 <sup>3</sup>	3.508
Leo Steiner, Steinhausen, Switzerland	126 954	3.364

<sup>1</sup> The calculation is based on the 3 774 148 registered shares listed in the Commercial Register as at 31 December 2017.

<sup>2</sup> Notification of breach of 5% threshold on 23 May 2015.

<sup>3</sup> Notification of breach of 3% threshold on 16 December 2016.

All shareholdings reported to Komax Holding AG and the Disclosure Office of SIX Swiss Exchange during the 2017 financial year as per Art. 120 of the Financial Market Infrastructure Act have been published on SIX Swiss Exchange AG’s electronic publication platform, and can be viewed at [www.six-exchange-regulation.com/en/home/publications/significant-shareholders.html](http://www.six-exchange-regulation.com/en/home/publications/significant-shareholders.html).

### Cross-shareholdings

There are no cross-shareholdings.

## 2 Capital structure

### Capital

in CHF	
Ordinary capital	383 448.20
Conditional capital	1 551.80
Authorized capital	0.00

Further details are provided in the sections below.

#### Authorized and conditional capital in particular

For detail on conditional capital, please see page 99 of the consolidated financial statements of Komax Holding AG as well as Art. 3.2 of the Articles of Association.

The Annual General Meeting of 13 May 2009 approved the creation of new conditional capital up to a maximum of CHF 18 000, thereby allowing the share capital of the company at that time to rise by up to CHF 46 248 to cover the exercising of option or subscription rights issued as part of the Executive and Employee Participation Programs of Komax Holding AG. The subscription and advance subscription rights of the remaining shareholders in the company are excluded.

The allocation of options was undertaken in a framework determined by the Remuneration Committee. The option plan of Komax Holding AG was authoritative. The individual allocation of options was at the discretion of the Board of Directors and senior management. These options have a duration of five years and are subject to a three-year lock-in period. The predetermined exercise price of the option corresponds to the lower of the following two values: the average price of the fourth quarter of the preceding year, or the average price in March of the year the option was issued. The allocation of share options was discontinued in 2015 and replaced by share-based programs. Further information on the Komax Group's employee participation programs, can be found on pages 66 and 67 and 109 to 111 of the Annual Report.

In 2010, 13 360 options were converted into shares with a par value of CHF 0.10. In 2011, no options were exercised, and in 2012, 42 909 options were exercised. The number of options exercised in 2013 amounted to 79 991; the figure for 2014 was 81 321, for 2015 86 550, 2016 82 497 and for 2017 60 334. Conditional capital therefore amounted to CHF 1 551.80 as at 31 December 2017.

The new capital created in 2017 was reported within the deadline stipulated under Art. 635h of the Swiss Code of Obligations (CO).

The Komax Holding AG has no authorized capital.

#### Capital changes

Details of capital changes in 2016 and 2017 can be found on page 76 of the Financial Report. The corresponding information for 2015 can be found on page 85 of the financial section of the 2016 Annual Report.

#### Shares, participation certificates, and bonus certificates

As at 31 December 2017, Komax Holding AG had fully paid-up capital of CHF 383 448.20 and distributed over 3 834 482 registered shares with a par value of CHF 0.10 each. Each registered share entitles the holder to vote at the Annual General Meeting as long as the shareholder is listed in the share register as a "voting shareholder" (see also "Restrictions on transferability of shares and nominee registrations" on page 50). Registered shares are fully entitled to receive dividends. Komax Holding AG has not issued any participation certificates or bonus certificates.

### **Restrictions on transferability of shares and nominee registrations**

The Komax Holding AG share register is divided into the categories of “non-voting shareholders” and “voting shareholders.” “Non-voting shareholders” may exercise all property rights, but not the right to vote or rights associated with that of voting. “Voting shareholders” may exercise all rights associated with the share (Articles of Association, Section 6 para. 2).

Registration of an acquirer of shares as a “voting shareholder” may be refused under Komax Holding AG’s Articles of Association (Section 6 para. 4) if, as a result of such recognition, the acquirer would directly or indirectly hold more than 15% of the total number of shares recorded in the Commercial Register. Legal entities and groups with joint legal status which are connected through capital, voting rights, management or in some other manner, along with all natural persons, legal entities and groups with joint legal status which act in concert by virtue of agreement, syndicate or in some other manner, are regarded as a single acquirer for the purposes of this provision. This limitation also applies in the case of the acquisition of registered shares through the exercising of subscription rights, option rights or conversion rights. No requests for an exception were made in the year under review. This restriction does not apply to the acquisition of shares through inheritance, division of an estate or joint marital property.

Komax Holding AG’s Articles of Association (Section 6 paras. 5 and 6) also empower the Board of Directors to refuse entry in the share register if the acquirer does not expressly declare, at the request of the Board, that the shares were acquired in his/her own name and for his/her own account. Nominees are listed in the share register as “non-voting shareholders.” After hearing the affected party, Komax Holding AG may delete entries in the share register if such entries occurred in consequence of false statements by the acquirer. The acquirer must be informed of the deletion immediately.

### **Convertible bonds and options**

Komax Holding AG has no outstanding convertible bonds. Details on employee options can be found above under “Authorized and conditional capital in particular” as well as on page 109 of the Annual Report.

### **Management transactions**

The Listing Rules of SIX Swiss Exchange stipulate a disclosure obligation for management transactions. The Board of Directors has issued a set of regulations to comply with these provisions. Members of the Board of Directors and Executive Committee have a disclosure obligation towards the company in this respect. A total of 28 notifications were submitted in the 2017 financial year. Published notifications can be found at [www.six-exchange-regulation.com/en/home/publications/management-transactions.html](http://www.six-exchange-regulation.com/en/home/publications/management-transactions.html) (website of SIX Swiss Exchange).

### 3 Board of Directors

The Board of Directors comprised six individuals as at 31 December 2017. Other than the Chairman, no member of the Board of Directors was a member of the Executive Committee in the three financial years prior to the reporting period, and no member of the Board of Directors has any material business relationship with any Group companies.

#### Members of the Board of Directors

	Appointed	Term expires	Committees
Beat Kälin, Chairman	2015	2018	RC
Daniel Hirschi, Vice-Chairman	2005	2018	RC (Chairman)
David Dean	2014	2018	AC (Chairman)
Andreas Häberli	2017	2018	
Kurt Haerri	2012	2018	AC
Roland Siegwart	2013	2018	RC

AC: Audit Committee  
RC: Remuneration Committee

There are no cross-involvements among the Board of Directors. Biographies of the individual Board members and details of their other activities and interests are provided on pages 34 and 35 of the Annual Report.

#### Statutory regulations with respect to the number of permissible activities as per Art. 12 para. 1 point 1 ERCO

According to Section 21 para. 3 of the Articles of Association, the number of permissible mandates of members of the Board of Directors in the highest management or administrative bodies of legal entities which are obliged to have themselves entered in the Commercial Register or in a corresponding foreign register and which are not controlled by the company or do not control the company shall be four additional mandates for listed companies, five additional mandates for non-listed companies, and five additional mandates for charitable organizations, as long as this does not involve any breach of statutory provisions and in particular the due diligence obligations of the Board of Directors. Mandates with different companies that belong to the same corporate group count as a single mandate. Mandates undertaken by a member of the Board of Directors at the behest of a Group company or to exercise an office under public law are not covered by the restriction on additional mandates described above. The assumption of mandates other than those stipulated above is permissible without numerical restriction, as long as these mandates are unremunerated and do not interfere with the Board member's fulfilment of his/her obligations in respect of the company. The reimbursement of expenses does not count as compensation.

#### Election and term of office

According to the Articles of Association (Section 14 para. 1), the Board of Directors consists of three to seven members. It is predominantly composed of independent, non-executive members, who are elected individually by the Annual General Meeting for a term lasting until the end of the next Annual General Meeting. The Annual General Meeting also elects the Chairman. Members may be re-elected. There is no restriction on the length of a member's term of office. The Articles of Association provide no regulations regarding the appointment of the Chairman and the members of the Board of Directors that deviate from statutory provisions.

The Chairman and all other members of the Board of Directors will be proposed for re-election at the next Annual General Meeting on 19 April 2018.

## Internal organization

The Board of Directors consists of the Chairman and a maximum of six other Board members. With the exception of the Chairman, who is also elected by the Annual General Meeting unless that position becomes vacant during the year, the Board of Directors organizes itself. If the office of Chairman becomes vacant during the period of office, the Board of Directors will nominate a new Chairman for the remaining period of office, whereby this person must be an existing member of the Board of Directors.

The Chairman is responsible for chairing meetings. The Board of Directors additionally appoints a Secretary, who does not need to be a member of the Board of Directors. The Board of Directors meets as often as business requires, but no less than four times per year. It convenes at the invitation of the Chairman. Each member of the Board of Directors is also entitled to demand that a meeting be called to discuss a particular topic. In this case, the Chairman convenes the meeting within 14 days of receiving the request.

The Board of Directors is deemed to have a quorum if an absolute majority of its members are present in person. The resolutions of the Board of Directors are adopted by an absolute majority of votes present. In the event of a tie, the Chairman casts the deciding vote. All resolutions are minuted. In cases of urgency, a meeting of the Board of Directors may be held by telephone or other appropriate medium. Resolutions by circular letter are permissible provided no Board member calls for verbal discussion. Five ordinary meetings of the Board of Directors took place in 2017, with all members being present on all occasions. On average, these meetings lasted around eight hours. However, these average times pertain to the actual duration of the meetings themselves, and do not take into account the preparatory and follow-up work done by the individual members. Within the Board of Directors, there are two committees that are exclusively made up of non-executive Board members:

### – Remuneration Committee

This committee amalgamates the tasks of a remuneration and nomination committee. The Remuneration Committee consists of a maximum of three non-executive members. The Committee is elected by the Annual General Meeting. Members' term of office ends with the conclusion of the next Annual General Meeting. Re-election is permissible. The current members are Daniel Hirschi (Chair), Beat Kälin, and Roland Siegwart. The Board of Directors is proposing to the Annual General Meeting of 19 April 2018 the re-election of Beat Kälin and Roland Siegwart, and the election of Andreas Häberli as a new Committee member.

The Articles of Association provide no regulations regarding the appointment of Committee members that deviate from statutory provisions. If a member leaves the company prior to completing his term of office, the Board of Directors will appoint a replacement from among its number for the remaining period of office.

The Remuneration Committee meets as often as business requires, but at least twice a year. The invitation, which contains details of the agenda items, is issued in writing at least ten days prior to the meeting. The CEO and other members of the Executive Committee may attend these meetings in an advisory capacity. However, they do not take part in discussions concerning their own compensation. The Committee Chairman reports to the Board of Directors on the activities of the Committee after every meeting. The minutes of Committee meetings are made available to members of the Board of Directors.

In 2017, the Committee held two ordinary meetings as well as one extraordinary meeting; in each case, all members were present. On average, these meetings lasted a good four hours. These average times do not include the preparatory and follow-up work done by the individual members.

The tasks of the Remuneration Committee include supporting the Board of Directors in the fulfilment of the compensation and staff policy duties assigned to it by current legislation and the Articles of Association. In particular, the Remuneration Committee puts forward proposals on remuneration policy and prepares all relevant decision-making material for the Board of Directors with respect to the appointment and remuneration of members of the Board of Directors and the Executive Committee. The detailed tasks and competencies of the Remuneration Committee are formulated in a set of Regulations for the Remuneration Committee. Further details on the Remuneration Committee can be found in the Compensation Report on pages 59 to 71.

#### – Audit Committee

The members of the Audit Committee are David Dean (Chair) and Kurt Haerri. The Committee meets at least twice a year. Two ordinary meetings took place in 2017, with all members being present on both occasions. On average, these meetings lasted four hours. These average times do not include the preparatory and follow-up work done by the individual members.

The tasks of the Audit Committee include the overall supervision of the external and internal auditors, as well as financial reporting. The Audit Committee sets out the scope and schedule of the audits to be carried out by the two auditing bodies and also coordinates their work.

Both the external and internal auditors draw up a report on their audit work, and the Audit Committee monitors implementation of the audit findings. Furthermore, the Audit Committee evaluates the reliability of the internal control system and risk management, and acquires a picture of the extent to which statutory and internal regulations are being adhered to (compliance).

The CEO and the CFO both attend meetings of the Audit Committee. The external auditor is invited to attend. The CFO represents the internal audit unit. Both bodies have access to the minutes of the meetings of the Board of Directors and Executive Committee. The detailed tasks and competencies of the Audit Committee are set out in the Organizational Regulations for the Audit Committee.

#### **Definition of areas of responsibility**

According to Art. 716a para. 1 CO and Section 19 of the Articles of Association, the Board of Directors must fulfil the following tasks:

- Overall management of the company and issuance of the necessary directives
- Defining the company's organizational structure
- Determining the principles of accounting, financial controlling and financial planning, insofar as this is necessary for the management of the company
- Appointing and removing the persons entrusted with managing and/or representing the company
- Ultimate supervision of the persons entrusted with managing the company, specifically with respect to prevailing legislation, the Articles of Association, regulations, and directives
- Producing the Annual Report, making preparations for the Annual General Meeting and executing the resolutions passed by the Annual General Meeting
- Drawing up the Compensation Report
- Informing the courts in the event of excessive indebtedness
- Passing resolutions on supplementary contributions for shares not fully paid in
- Resolutions for the approval of capital increases and the resulting amendments to the Articles of Association

The tasks, obligations and powers of the Board of Directors, its Chairman, and the above-mentioned Committees are set out in detail in the Articles of Association, the Organizational Regulations of Komax Holding AG, and the Regulations for the Remuneration Committee and the Audit Committee. These also define the rights, obligations and competencies of the CEO and Executive Committee. The relevant regulations are reviewed on a regular basis and amended where necessary. The most recent adjustments have been in force since 1 January 2017.

To the extent permitted by law and by the Articles of Association, the Board of Directors has delegated operational management of the company to the CEO of the Komax Group. The Executive Committee is made up of the CEO and the CFO. The members of the Executive Committee are appointed by the Board of Directors at the proposal of the Remuneration Committee.

### **Information and control instruments in respect of the Executive Committee**

The CEO informs the Board of Directors at each ordinary meeting about the course of business, the Group's most important transactions and the status of the tasks delegated to the Executive Committee. In addition, the key data generated by the management information system (MIS) is discussed at length with the CEO and CFO at these meetings. The Board of Directors is provided with full details of the current course of business and the financial situation of the Group between each meeting. In addition, the Chairman of the Board of Directors and the CEO are in regular contact to discuss important questions of company policy.

The risks associated with the Group's commercial activities are systematically identified, analyzed, monitored and managed through an institutionalized risk management function. These risks are amalgamated into groups according to their nature, namely general external risks, business risks, financial risks, risks arising in connection with corporate governance, and IT risks. The Executive Committee is responsible for the operational side of risk management, whereby specially appointed process owners are assigned responsibility for the management of key individual risks. These process owners take specific measures and monitor their implementation. Every year, the Executive Committee informs the Audit Committee of the risks identified and measures taken as part of risk management activities.

The MIS of the Komax Group is organized as follows: each subsidiary's key balance sheet and profit and loss figures are compiled and consolidated once a month. The subsidiaries' balance sheets, income statements, cash flow statements and various indicators are compiled and consolidated on a quarterly, half-yearly and yearly basis. A comparison is then made with the previous year and the budget. The budget forecast is checked for attainability against the quarterly statements for each individual company and on a consolidated basis.

Using key controls, the internal control system (ICS) ensures proper and efficient management, safeguards assets, prevents and identifies offences and errors, and ensures accurate and complete accounting records as well as timely preparation of reliable financial information. A report setting out the results of these investigations and the corresponding measures taken is submitted to the Audit Committee.

The internal audit function evaluates the effectiveness of the ICS as well as management and monitoring processes. It also supports the Executive Committee in the risk management process. Internal audit duties are performed by the Finance & Accounting unit of Komax Management AG, Dierikon. This unit scrutinizes the individual operating units of the Group and the various business areas of the parent entity at regular intervals, and on the basis of an annually updated audit plan. The internal auditors report the results of their investigations to the Audit Committee. The Audit Committee reviews and approves the scope of the audit, the audit plan, and the corresponding responsibilities. It also decides on any measures to be implemented as a result of internal audit findings.

## 4 Executive Committee

The Executive Committee of the Group comprises the CEO and the CFO.

	Function exercised since
Matijas Meyer, CEO	2015
Andreas Wolfisberg, CFO	1996

Biographies of the individual members of the Executive Committee are provided on page 35.

### Other activities and interests

Aside from the mandates listed on page 35, the members of the Executive Committee did not exercise any activities on management or supervisory bodies of significant Swiss and foreign corporate entities, institutions or foundations under private or public law outside the Komax Group as at 31 December 2017.

### Statutory regulations with respect to the number of permissible activities as per Art. 12 para. 1 ERCO

The number of permissible mandates of members of the Executive Committee in the highest management or administrative bodies of legal entities which are obliged to have themselves entered in the Commercial Register or in a corresponding foreign register and which are not controlled by the company or do not control the company shall be two additional mandates for listed companies, two additional mandates for non-listed companies, and five additional mandates for charitable organizations, as long as this does not involve any breach of statutory provisions and in particular the applicable due diligence obligations and the duty of loyalty. Mandates with different companies that belong to the same corporate group count as a single mandate. Mandates undertaken by a member of the Executive Committee at the behest of a Group company are not covered by the additional mandate restriction. Executive Committee members may not accept any of the above-mentioned mandates without the prior written approval of the Board of Directors. The assumption of mandates other than those stipulated above is permissible without numerical restriction, as long as these mandates are unremunerated and do not interfere with the Executive Committee member's fulfilment of his obligations regarding the company. The reimbursement of expenses does not count as compensation.

### Management contracts

No management agreements exist with companies or natural persons outside of the Group in relation to transferred management responsibilities.

## 5 Compensations, shareholdings and loans

Details of compensations, shareholdings and loans are set out in the Compensation Report on pages 59 to 71 of this Annual Report.

## 6 Shareholder participation rights

The fundamental participation rights of shareholders are set out in the Swiss Code of Obligations (CO) and supplemented by the provisions of the company's Articles of Association. There are no regulations on participation in the Annual General Meeting that deviate from statutory provisions. The Articles of Association of Komax Holding AG are available in electronic form on the website [www.komaxgroup.com/articles-of-association](http://www.komaxgroup.com/articles-of-association).

### **Voting rights and representation restrictions**

Shareholders registered in the Komax Holding AG share register are entitled to vote; each share is entitled to one vote. Treasury shares do not confer the right to vote. No single shareholder may directly or indirectly exercise the votes of more than 15% of the total number of shares recorded in the Commercial Register for his/her own registered shares and shares voted by proxy. Legal entities and groups with joint legal status which are connected through capital, voting rights, management, or in some other manner, along with all natural persons, legal entities, and groups with joint legal status which act in concert by virtue of agreement, syndicate, or in some other manner, are regarded as one person for the purposes of this provision. Representation by the independent proxy remains reserved.

Shareholders may be represented at the Annual General Meeting by another shareholder with voting rights on the basis of a written power of attorney, and by the independent proxy on the basis of electronic or written power of attorney. The Chair of the Annual General Meeting shall decide on the permissibility of representation. The independent proxy is elected by the Annual General Meeting up until the end of the next Annual General Meeting. The Articles of Association provide no regulations regarding the appointment of the independent proxy that deviate from statutory provisions. The statutory voting rights limitation may be removed by a resolution by the Annual General Meeting. Such a resolution must be carried by an absolute majority of voting shares represented.

### **Statutory quorums**

The Annual General Meeting votes and passes its resolutions with the absolute majority of votes represented, unless prevailing legislation or the Articles of Association contain mandatory provisions under which resolutions have to be passed in a different way. In addition to the resolutions specified in CO Art. 704, under the Articles of Association of Komax Holding AG, a two-thirds majority of votes cast and an absolute majority by value of shares voted is required to dismiss members of the Board of Directors.

### **Convocation of the Annual General Meeting of shareholders and agenda**

The convocation of the Annual General Meeting is governed by applicable law. Shareholders representing at least 1% of the share capital can request that items be placed on the agenda for discussion by submitting the proposed motions in writing by the deadline published by the company.

**Entries in the share register**

Any person acquiring shares is listed as a “shareholder with voting rights” up to a maximum of 15% of the total number of shares published in the Commercial Register. Any person owning more than 15% of the published shares will be entered as a “non-voting shareholder” for the portion in excess of 15% (Komax Holding AG Articles of Association, Section 6 para. 4). This restriction does not apply to the acquisition of shares through inheritance, division of an estate or joint marital property. The Board of Directors can refuse entry in the share register if the acquirer does not expressly declare, at the request of the Board, that the shares were acquired in his/her own name and for his/her own account. After hearing the affected party, the company may delete entries in the share register if such entries occurred in consequence of false statements by the acquirer. The acquirer must be informed of the deletion immediately. Nominees are listed in the share register as “non-voting shareholders.”

**Invitation to the Annual General Meeting of 19 April 2018**

All shareholders registered in the Komax Holding AG share register as at 5.00 p.m. on 12 April 2018 are entitled to vote in respect of the number of shares registered in their name at the Annual General Meeting of 19 April 2018. Shareholders registered on 14 March 2018 will receive an invitation indicating the proposals of the Board of Directors together with a reservation and entry ticket coupon. Shareholders who acquire shares later and whose registration application is received by the Komax Holding AG share register no later than 12 April 2018 will receive the invitation at that time, or ballot materials will be waiting for them at the front desk of the Annual General Meeting. Shareholders who dispose of their shares before the Annual General Meeting are not entitled to vote. In the event of a partial sale or purchase of additional shares, the entry ticket received should be exchanged at the front desk on the date of the Annual General Meeting.

## 7 Changes of control and defense measures

**Duty to make an offer**

Upon reaching or exceeding a threshold of 33⅓, a shareholder must submit an offer to all shareholders for the purchase of their shares (Art. 135 FinMIA). The Articles of Association do not contain any opting-out or opting-up regulations.

**Clauses on change of control**

At the Komax Group, change-of-control clauses are not included in employment contracts. However, the members of the Board of Directors, Executive Committee, and middle management are entitled to exercise their options or share-based remuneration in part or in full, without regard to the applicable time limits, in the event of a change in control.

## 8 Auditors

**Duration of the mandate and term of office of the lead auditor**

PricewaterhouseCoopers AG, Basel, has been the statutory auditor of Komax Holding AG and the Komax Group's consolidated financial statements since 1994. Pursuant to the provisions of the Swiss Code of Obligations, the lead auditor is replaced after a maximum term of seven years. The lead auditor has been responsible for the audit mandate since 2017.

**Audit fee**

PricewaterhouseCoopers invoiced the Komax Group CHF 702'963 in the 2017 financial year for services in connection with auditing the annual statements of Komax Holding AG and the Group companies, as well as the consolidated statements of the Komax Group.

### **Additional fees**

During the 2017 financial year, PricewaterhouseCoopers invoiced additional fees amounting to total CHF 87644. This breaks down into fees of CHF 30292 for tax and legal advice and CHF 57352 for transaction services and other consultancy fees.

### **Information instruments of the external audit**

The Audit Committee is responsible for evaluating the external auditors, who submit an audit report to the Board of Directors and senior management. At least two consultations are held each year between the external auditors and the Audit Committee, at which the material findings for each company (management letters) and the consolidated financial statements covered by the audit report are discussed in detail. The auditors also explain the audits conducted (audit and review) for each company along with recent changes in Swiss GAAP FER standards and their impact on the Komax Group's consolidated annual statements. The services provided by the statutory auditors are evaluated by the Audit Committee on the basis of the quality of reporting and the audit reports, the implementation of the audit plan and the level of cooperation with the internal audit team. The independence of the auditors is verified by comparing the fee for additional services charged by the external auditors with the audit fee, taking into account the scope of these additional services.

## **9 Information policy**

Komax Holding AG informs all stakeholders transparently, rapidly, and simultaneously. The CEO, CFO, and the Head of Investor Relations and Corporate Communications are available as contact partners for information purposes.

The consolidated financial statements are compiled in conformity with Swiss GAAP FER standards. Komax Holding AG publishes comprehensive financial results twice a year, for the first half and the full year. In addition to the financial results, shareholders and the financial markets are also regularly informed of significant changes and developments.

Komax Holding AG publishes facts relevant to its share price in conformity with the disclosure policies of SIX Swiss Exchange Ltd. (ad hoc publicity, Art. 72 of the Listing Rules). The Listing Rules can be downloaded at [www.six-exchange-regulation.com](http://www.six-exchange-regulation.com). The official publication for company notices is the "Swiss Official Gazette of Commerce" ("Schweizerisches Handelsamtsblatt").

Information on share price trends, annual and half-year reports, the financial calendar, the minutes of the most recent Annual General Meeting, media releases, and Komax Holding AG's Articles of Association and Organizational Regulations are available at [www.komaxgroup.com](http://www.komaxgroup.com). Media and analyst conferences are held at least once a year. Anyone who wants to receive all media releases of Komax Holding AG by e-mail should sign up to the mailing list on the Komax website.

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