

# CORPORATE GOVERNANCE

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## INTRODUCTION

This Corporate Governance Report describes the principles of management and control as they apply to the top decision-making bodies of the Investis Group. To enhance transparency and thus comparability with other companies, it has been prepared in conformity with the SIX Corporate Governance Directive dated 1 January 2016. Unless otherwise specified, all information contained in the report is based on data as at 31 December 2016.

The principles and rules of corporate governance as practiced by the Investis Group are set out in the Company's Articles of Association, its Organisational Regulations and the regulations of the Board of Directors' committees. The chairman of the Board of Directors (the "Chairman") reviews the content and current relevance of the corporate provisions regularly, and proposes any additions or amendments required to the Board of Directors.

Investis Group complies with all the rules relevant to corporate governance. In particular, the Investis Group abides by all existing legislation, the directives of the SIX Swiss Exchange and the remarks thereto, and the Swiss Code of Best Practice for Corporate Governance issued by *economiesuisse*, Switzerland's umbrella business association (as updated in September 2014).

This Annual Report contains the Compensation Report of the Board of Directors, which also complies with the Swiss Ordinance against Excessive Compensation at Listed Joint-Stock Companies (OaEC).

## GROUP STRUCTURE AND SHAREHOLDERS

### GROUP STRUCTURE

Investis Holding SA (the “**Company**”) is a joint-stock holding company organised under Swiss law, which has direct or indirect shareholdings in various companies (the Company together with its subsidiaries, the “**Investis Group**” or the “**Group**”). While the Board of Directors devotes itself to overall management, strategic and supervisory duties, the Executive Board is entrusted with operational management tasks. The Company’s legal domicile is Neumühlequai 6, 8001 Zurich, Switzerland.

Since 30 June 2016, the registered shares of Investis Holding SA have been listed at SIX Swiss Exchange AG, Zurich (securities number 32 509 429, ISIN CH 032 509 4297, Bloomberg: IREN.SW, Reuters: IREN.S). The shares have a nominal value of CHF 0.10 each. The Company’s market capitalisation amounted to CHF 729.6 million as of 31 December 2016. None of the Company’s subsidiaries are listed.

For details of the non-listed companies that belong to the Investis Group of consolidated companies, see the relevant chapter of the Financial Report Note 26.

The Group is divided into two operational divisions, namely the Properties business segment (“Properties”) and the Real Estate Services business segment (“Real Estate Services”). The Properties business segment focuses on investing and developing its residential property portfolio. The Real Estate Services business segment follows a multi-brand strategy and provides a wide range of services throughout Switzerland. The activities are structured into property management, facility management and construction management (the latter until March 2017).

### SIGNIFICANT SHAREHOLDERS

Upon listing on 30 June 2016, Stéphane Bonvin was the only significant shareholder. As of 31 December 2016, the Board of Directors is aware of the following shareholders and groups of shareholders that hold at least 3% of the voting rights in the Company:

Stéphane Bonvin owned 9,751,080 shares or 76.18% of the outstanding share capital.

Investis Holding SA is not aware of any other significant shareholder as of 31 December 2016. Detailed disclosure information can be found under <https://www.six-exchange-regulation.com/de/home/publications/significant-shareholders.html>.

## SHAREHOLDER STRUCTURE

Registered shareholder structure by countries/regions and by shareholder categories as per 31 December 2016.

	Registered shareholders		Registered shares		Non-registered shares	Total number of shares issued
Switzerland	377	93.6%	11,350,533	96.5%		
Europe (excluding Switzerland)	21	5.2%	368,813	3.1%		
North America	3	0.7%	13,364	0.1%		
Other countries	2	0.5%	26,195	0.2%		
<b>Total</b>	<b>403</b>	<b>100.0%</b>	<b>11,758,905</b>	<b>100.0%</b>		
Natural persons	255	63.3%	10,133,809	86.2%		
Legal persons	148	36.7%	1,625,096	13.8%		
<b>Total</b>	<b>403</b>	<b>100.0%</b>	<b>11,758,905</b>	<b>100.0%</b>		
1 – 1,000	261	64.8%	84,778	0.7%		
1,001 – 10,000	97	24.1%	348,404	2.7%		
10,001 – 100,000	42	10.4%	1,198,702	9.4%		
100,001 and over	3	0.8%	10,127,021	79.1%		
<b>Total</b>	<b>403</b>	<b>100.0%</b>	<b>11,758,905</b>	<b>91.9%</b>		<b>11,758,905</b>
Non-registered shares					1,041,095	8.1%
<b>Total</b>						<b>12,800,000</b>

## CROSS-SHAREHOLDINGS

There are no cross-shareholdings exceeding 5% of the capital shareholdings or voting rights on both sides.

## CAPITAL STRUCTURE

As at 31 December 2016, the share capital amounted to CHF 1,280,000 and comprised 12,800,000 fully paid-up registered shares with a nominal value of CHF 0.10 each. For further details and the composition of the amounts of conditional capital of Investis Holding SA, please see [Note 2.4](#) in the Statutory Financial Statements.

### AUTHORISED CAPITAL

There is no authorised capital.

### CONDITIONAL CAPITAL

Article 3a of the Company's [Articles of Association](#) sets out the following relating to the conditional share capital:

"The Company's share capital shall be increased by a maximum amount of CHF 30,000 through the issuance of no more than 300,000 fully paid-up registered shares with a nominal value of CHF 0.10 by way of the exercise of options or similar rights belonging to employees and members of the Board of Directors and the Executive Board in accordance with the applicable regulations and resolutions of the Board of Directors.

The subscription rights of the shareholders are excluded. The acquisition of registered shares pursuant to Article 3a of the Articles of Association and all other transfers of such registered shares are subject to the transfer restrictions set forth in Article 5 of the Articles of Association.

The conditions governing the allocation and exercise of said option rights and other rights to shares under Article 3a of the Articles of Association are to be regulated by the Board of Directors. Shares may be issued at a price lower than the market price."

### CHANGES IN CAPITAL

Investis Holding SA was incorporated on 7 June 2016 as a joint-stock company by its sole shareholder Stéphane Bonvin and was registered in the commercial register of the Canton of Zurich on 8 June 2016 with a share capital of CHF 1,000,000 divided into 10,000,000 registered shares with a nominal value of CHF 0.10 each.

At the Extraordinary General Meeting of the Company held on 17 June 2016, the shareholder of the Company resolved to increase the share capital by CHF 280,000, consisting of 2,800,000 shares with a nominal value of CHF 0.10 each. There have been no changes in capital since.

## SHARES AND PARTICIPATION CERTIFICATES

As at 31 December 2016, the share capital amounted to CHF 1,280,000 and comprised 12,800,000 fully paid-up registered shares with a nominal value of CHF 0.10 each all of which are entitled to dividends and confer the right to vote. Further details of the composition of the share capital are shown in Note 2.4 of the Statutory Financial Statements. At the General Meeting of Investis Holding SA each registered share carries one vote. These voting rights can be exercised only if the shareholder is registered as a shareholder with voting rights in the Investis Holding SA share ledger. According to the Articles of Association, such registration is restricted as further set out in the next chapter. The registered shares of Investis Holding SA are uncertificated.

There are no preference shares or voting shares. Investis Holding SA has not issued any participation certificates.

## RESTRICTIONS ON TRANSFERABILITY AND NOMINEE REGISTRATIONS

Article 5 of the Articles of Association provides that a share ledger is kept for registered shares in which the name and address of every owner, usufructuary and nominee of registered shares is recorded. In relation to Investis, only the person or entity entered in the share ledger is recognised as a shareholder, usufructuary or nominee.

Persons acquiring registered shares require the approval of the Board of Directors in each case to be recorded in the share ledger as shareholder with voting rights.

Persons acquiring registered shares are recorded in the share ledger as shareholders with voting rights if:

- a) they verify that the registered shares in question have been acquired and are to be held in their own name and for their own account. Persons who do not provide such verification will be recorded in the share ledger as nominees with voting rights only if they confirm in writing that they are prepared to disclose the names, addresses and shareholding of those persons for whose account they hold the shares or if they immediately disclose this information in writing on first demand. The other provisions of the Articles of Association, in particular Article 4, 5 and 8, apply equally to nominees. The Board of Directors may conclude agreements with nominees regarding their disclosure obligations;
- b) the recognition of a buyer of shares as a shareholder does not and cannot, according to the information at Investis' disposal, prevent Investis and/or its subsidiaries from providing proof regarding the composition of the group of shareholders and/or beneficial owners required by law. In particular, the Board of Directors may refuse to register persons domiciled abroad within the meaning of the Federal law of 16 December 1983 on the Acquisition of Real Estate by Persons Abroad (BewG) in the share ledger if such registration could impede the Investis Group in providing the required proof that Investis Holding SA and/or its subsidiaries are under Swiss control.

The Board of Directors has the power to issue regulations on the maintenance of the share ledger and specify registration requirements and restrictions, in particular requirements concerning the proof of a person's acquisition and holding of shares in their own name and for their own account, the percentage limits applicable to registration of persons domiciled abroad in total and for persons domiciled abroad acting individually, jointly or in association, and rules governing the distribution of free allocations to foreigners.

No exemptions from the transferability and nominee registration restrictions were granted in the reporting year.

The Company may delete a registration from the share ledger after consulting with the registered shareholder if the registration was made on the basis of incorrect information provided by the shareholder. The shareholder in question will be notified immediately of such deletion.

### CONVERTIBLE BONDS AND OPTIONS

Investis Holding SA has no convertible bonds or options outstanding.

## BOARD OF DIRECTORS

### MEMBERS OF THE BOARD OF DIRECTORS

The Board of Directors of Investis Holding SA consists of the following four members:

Name	Date of birth	Nationality	Function	Joined	Current term expires
Riccardo Boscardin	1952	Swiss	Chairman, Member of the Audit and Compensation Committee	2016	2017
Albert Baehny	1952	Swiss	Vice-Chairman and Chairman of the Compensation Committee	2016	2017
Thomas Vettiger	1965	Swiss	Member and Chairman of the Audit Committee	2016	2017
Stéphane Bonvin	1967	Swiss	Member	2016 *)	2017

\*) Stéphane Bonvin was the sole shareholder of Investis Investments SA from 1994 until its shares were contributed to Investis Holding SA. Thereafter, he was the sole shareholder of Investis Holding SA until its listing on 30 June 2016.

All terms expire at the next regular Annual General Meeting. The curricula vitae of the individual Board members can also be found under [Investis BoD Portrait](#).

With the exception of Stéphane Bonvin all members of the Board of Directors are independent directors.

#### RICCARDO BOSCARDIN

Chairman of the Board of Directors



Non-executive member  
Member of the Compensation Committee  
Member of the Audit Committee  
Swiss citizen, born in 1952 and currently residing in Bottmingen



Riccardo Boscardin was Head of the Global Real Estate Switzerland division of UBS from 2002 to 2014, and Head of the Global Customised Client Mandates division of UBS from 2011 until 2014. Before that he was Head of Consulting and Portfolio Management at Serimo AG between 1997 and 2002 and served as Chief Executive Officer of the real estate fund companies Himac AG and Serimo Immobiliendienste AG, both subsidiaries of Schweizerischer Bankverein, from 1988 to 1997. Riccardo Boscardin has been predominantly active in the real estate industry since 1984. He holds a Dr. iur. (doctor of law) degree from the University of Basel.

He joined the Investis Group as a member of the Board of Directors of the Company in 2016. Riccardo Boscardin was a member of the Board of Directors of Privera AG from 26 August 2015 until 25 November 2016. Apart from this, he has not been a member of the management of the Company or any of its subsidiaries in the last three financial years, nor does he have any major business relationships with Investis Group.

#### ALBERT BAEHNY

Vice-Chairman of the Board of Directors



Non-executive member  
Chairman of the Compensation Committee  
Swiss citizen, born in 1952 and currently residing in Arlesheim

Albert Baehny has been President of the Board of Directors of Geberit AG since April 2011, and since 2015 Chief Executive Officer of Regent Lighting. From 2005 to 2014, Albert Baehny served as Chief Executive Officer of Geberit Group. Before he moved to Geberit in 2003, Albert Baehny was Senior Vice President of the Specialities division of Wacker Chemie AG. He advanced through numerous management positions in firms including Vantico (2000–2001), Ciba-Geigy/Ciba SC (1994–2000), and Dow Chemicals Europe (1981–1993) after starting his career in the science department of Sero-Hypolab in 1979. Albert Baehny graduated from the University of Freiburg (Switzerland) with a degree in biology.

He joined the Investis Group as a member of the Board of Directors of the Company in 2016. Apart from this, he has not been a member of the management of the Company or any of its subsidiaries in the last three financial years nor does he have any major business relationships with Investis Group.

**THOMAS VETTIGER**

Member of the Board of Directors



Non-executive member  
Chairman of the Audit Committee  
Swiss citizen, born in 1965 and currently residing in Russikon

Thomas Vettiger is Managing Partner and Member of the Board of Directors of IFBC, a consulting firm active in the field of corporate finance and financial advisory, which he co-founded in 1997. Since 2015, Thomas Vettiger has been President of the Board of Directors of Adunic AG and a Member of the Swiss Takeover Board. From 2005 to 2015, he was a Member of the Board of Directors and the Audit Committee of Clientis AG, where he additionally served as Vice-Chairman and Chairman of the Audit Committee from 2013 to 2015. Thomas Vettiger holds a lic. oec. degree from the University of St. Gallen (HSG) and a doctoral degree in finance from the University of Zurich.

He joined the Investis Group as a member of the Board of Directors of the Company in 2016. Apart from this, he has not been a member of the management of the Company or any of its subsidiaries in the last three financial years, nor does he have any major business relationships with Investis Group.

## STÉPHANE BONVIN

Member of the Board of Directors



Executive member

Chief Executive Officer of Investis Group

Member of the Executive Board of Investis Group

Swiss citizen, born 1967 and currently residing in Lens

Stéphane Bonvin founded Investis Holding AG in 1994. Since then, he has been CEO of the Investis Group and has headed its Properties division. With 30 years of experience in the real estate sector, Stéphane Bonvin's extensive network of contacts and wide-ranging knowledge of the property market have enabled the gradual enlargement of the Group's portfolio. He acquired various real estate service companies between 2010 and 2014 in the fields of property management, facility management and construction management. In 2006 he co-founded the Patrimonium Group, where he served as Managing Director until 2015; he continues to sit on its Supervisory Board.

Current positions held outside the Investis Group: Stéphane Bonvin has been a Member of the Supervisory Board of Patrimonium and its subsidiaries since 2006, and of Be Capital and its subsidiaries since 2015.

### Other activities and functions

Other than as described above, the members of the Board of Directors do not engage in any other activities or perform any other functions which are significant to the Group.

No member of the Board of Directors holds any official function or political office.

### Regulation on the number of additional positions

According to Article 23 of the Articles of Association, no member of the Board of Directors may hold more than ten mandates outside the Investis Group, of which no more than five may be for listed companies.

These limitations do not apply to the following:

- 1) mandates in companies controlled by Investis or which control Investis;
- 2) mandates performed by a member of the Board of Directors or the Executive Board on instruction of Investis (no member of the Board of Directors or the Executive Board may perform more than ten such mandates); and
- 3) mandates in associations, charitable foundations and pension schemes (no member of the Board of Directors or the Executive Board may hold more than ten such mandates).

Mandates as referred to herein are functions in the most senior management and administrative bodies of legal entities required to be entered in the Swiss commercial register or an equivalent foreign register. Mandates in different legal entities under joint control or with the same beneficial ownership are treated as one mandate.

### Election and term of office

The Board of Directors consists of at least three members.

As a general rule, the members of the Board of Directors and the Chairman are elected individually in the General Meeting and hold their posts until the conclusion of the next ordinary Annual General Meeting, subject to early resignation or dismissal. Members elected mid-term serve for the remainder of the term of the member they are replacing. Otherwise, the Board of Directors organises itself. It appoints a Vice-Chairman and designates a secretary, who does not have to be a shareholder or a member of the Board of Directors.

The members of the Board of Directors can be re-elected at any time.

The General Meeting elects the members of the Compensation Committee individually for a term of one year ending at the conclusion of the next Annual General Meeting. Re-election is permitted. The Compensation Committee is composed of at least two members. Only members of the Board of Directors may be elected. The chairman of the Compensation Committee is appointed by the Board of Directors.

The age limit for the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) is in general the end of the month in which the age of 65 is reached. The Board of Directors may decide differently in individual cases.

Members of the Board of Directors who have turned 70 may not be reappointed if their term of office has expired. The Board of Directors may, however, decide to make an exception and propose to the General Meeting the reappointment of a member after the age of 70 has been reached. In any event, members who turn 75 in the course of their ordinary term of office must resign at the next Annual General Meeting following their 75<sup>th</sup> birthday and may not run for another term of office.

### Internal organisational structure

The internal organisation of the Board of Directors is based on the Company's relevant valid Organisational Regulations, which are issued by the Board of Directors and revised regularly. These regulations may be consulted under the Corporate Governance Section. They were resolved upon and entered into force on 16 June 2016.

#### Allocation of tasks within the Board of Directors

Subject to Article 17 of the Articles of Association, the Board of Directors organises itself. It may designate one Vice-Chairman among its members. It appoints a secretary, who does not necessarily have to be a member of the Board of Directors.

The Chairman monitors the observance of legal requirements, the Articles of Association, regulations and directives by the Company's management bodies, and submits the requisite motions, requests and proposals to the Board of Directors. The Chairman also ensures, in collaboration with the Executive Board, that information is provided in good time on all major aspects of the Company which are of relevance to the monitoring of its activities and to the corporate decision-making process. Further details of the duties and authorities of the Chairman of the Board are provided in Article 20 of the Organisational Regulations.

#### Board Committees

The Board of Directors has formed the following two committees to assist it in its work: the Compensation Committee and the Audit Committee.

As a rule, the committees are constituted by the Board of Directors, unless otherwise stated in the Articles of Association or regulations. The chairmen of the committees inform the Board of Directors about their activities at the subsequent ordinary meeting of the Board of Directors, or in urgent cases also immediately. All of these committees have written regulations specifying their tasks and responsibilities.

#### Compensation Committee

Investis' Compensation Committee acts as the relevant body in accordance with the Ordinance Against Excessive Compensation in Listed Companies (Ordinance) and the Articles of Association as amended based on this Ordinance.

The General Meeting elects all Compensation Committee members individually. The committee consists of at least two non-executive members of the Board. The term of office of the members of the Compensation Committee ends at the latest with the closing of the General Meeting following their election. Re-election is permitted. The Board of Directors appoints the chairman of the Compensation Committee. In case of vacancies, the Board appoints substitutes from amongst its members for the remaining term of office.

The Compensation Committee assists and advises the Board of Directors in remuneration-related matters, namely by:

- supporting the Board in proposing motions to the General Meeting so that the General Meeting may vote on the aggregate amounts of remuneration of the members of the Board of Directors and the members of the Executive Board, as well as implementing resolutions passed by the General Meeting in this respect;
- assisting the Board of Directors with the preparation of the compensation report;
- advising the Board of Directors on setting-up, monitoring and regularly reviewing the compensation policy and guidelines at the highest level of the Company;
- helping the Board of Directors set the conditions for the remuneration of the members of the Board of Directors and of the Executive Board in the form of equity securities, conversion rights and option rights as well as assisting and advising the Board of Directors in the review and approval of general compensation and benefit policies, including any long-term incentive compensation or equity plans; and
- submitting recommendations or motions to the Board of Directors on other remuneration-related matters.

The Compensation Committee is entitled to conduct investigations in all matters within its remit. In particular, it has full access, to the extent required to carry out its duties, to the Executive Board, employees, books and records of Investis Holding SA and its subsidiaries. It may also request the services of independent advisors and experts to the extent required to carry out its duties.

The Compensation Committee performs an annual self-evaluation of its performance and reports the results to the Board of Directors.

The Members of the Compensation Committee are: Albert Baehny (chairman) and Riccardo Boscardin.

#### Audit Committee

The Audit Committee supports the Board in its supervisory function, in particular with respect to the completeness of the annual closing of accounts and financial statements, compliance with statutory provisions, analysis of the qualification of the external auditors, as well as the performance of the external auditors. The Committee assesses the usefulness and suitability of the financial reporting, the internal control system and the general supervision of business risks. It makes sure that communication between Group companies and the external auditors regarding financial matters and the Group's course of business is continuous, efficient and productive.

The Audit Committee has the following general duties and competencies:

- evaluating the external auditors with regard to the fulfilment of the necessary qualifications and independence according to the applicable legal provisions, and making proposals for the attention of the Board of Directors concerning the choice of external auditors;
- assessing the work done by the external auditors in office and approving the budget submitted by the external auditors for the audit work;
- making proposals to the Board of Directors regarding the appointment of a compliance officer and assessing the work done by the compliance officer;
- approving the necessary non-audit-specific services provided by the external auditors.

Furthermore, the Audit Committee has the following powers and duties in relation to the internal control system, risk management and compliance:



- assessing the effectiveness of the internal control systems and of the risk management;
- questioning the Chief Executive Officer, the Chief Financial Officer, the Compliance Officer and the external auditor about the significant risks, contingent liabilities and other fundamental obligations of Investis, as well as assessing the measures taken to deal with these.

Finally, the Audit Committee has the following powers and duties in relation to the financial statements:

- examining and submitting proposals to the Board of Directors regarding the approval of the annual and interim accounts of the Company (including significant off balance sheet positions);
- reviewing the outcome of the annual accounts with the external auditor as well as issuing the necessary applications or recommendations to the Board of Directors;
- making a summary assessment of the annual business expenses incurred by the members of the Board of Directors, the chief executive officer, the chief financial officer and any other members of the Executive Board of the Company.

The Audit Committee is entitled to conduct investigations in all matters within its remit. In particular, it has full access, to the extent required for the accomplishment of its duties, to the Executive Board, employees, books and records of Investis Group and its subsidiaries. It may also request the services of independent advisors and experts to the extent required to carry out its duties.

The Audit Committee performs an annual self-evaluation of its performance and reports the results to the Board of Directors.

The Audit Committee is composed of at least two non-executive members of the Board of Directors. At least one member of the Audit Committee has to have recent and relevant financial experience, the others should be familiar with accounting and auditing issues. The members of the Committee are elected for a term of office of one year ending at the end of the next Annual General Meeting following their designation.

The Members of the Audit Committee are: Thomas Vettiger (chairman) and Riccardo Boscardin.

#### **Working methods of the Board of Directors and its committees**

The Board of Directors and its committees meet as often as business requires, but at least four times a year. Extraordinary meetings are held as needed and decisions may also be made by way of approval of a written circular resolution. The CEO and the CFO are usually invited to attend the meetings of the Board of Directors in an advisory capacity. At every meeting, the Board of Directors must receive information from the CEO regarding the business of the Group, the Company and the other most important Group companies. Each member of the Board of Directors may request information regarding all business of the Group as a whole, the Company or other Group companies, and may request access to corporate documents at any time.

The Chairman decides whether other persons should attend all or part of any meeting of the Board of Directors, and, as the case may be, who shall be invited. These persons do not vote. The Board of Directors passes its resolutions by the majority of votes cast, each Director having one vote. Abstentions are not counted as votes cast. In case of equal votes, the Chairman of the meeting has the casting vote.

Every meeting of the Board of Directors is minuted. The minutes must generally be signed by the Chairman and by the secretary of the Board of Directors. Circular resolutions must be reflected in the minutes of the next meeting of the Board of Directors. The minutes of each meeting of the Board of Directors must be approved at the next meeting of the Board of Directors.

In the second half of 2016, i.e. after the initial public offering (IPO), the Board of Directors held three meetings (12 September 2016, 13 October 2016, 30 November 2016), which each lasted for three hours on average. Various meetings were held in the first half of the year in anticipation of the IPO.

The Audit Committee meets at least three times a year and the Compensation Committee meets at least twice a year. In the second half of fiscal 2016, the Audit Committee met twice after the IPO (2 September 2016, 21 November 2016), with the meetings lasting for 4.5 hours on average. The Compensation Committee did not meet in the second half of 2016 after the IPO.

Board committee meetings are held at the invitation of the chair. A Board committee meeting may also be demanded by any committee member or the CEO (and an Audit Committee meeting may additionally be demanded by the Chairman of the Board of Directors, the CFO or the external auditors). The agenda of the Board committee meetings is compiled by the chair. Any committee member may include an agenda item. The committee members each receive documentation prior to the meetings, which enables them to prepare for discussion of the agenda items concerned. A committee meeting shall be quorate, and empowered to submit proposals to the Board of Directors, if the majority of committee members are present. The meeting votes and passes resolutions by a simple majority, whereby the meeting chair has the casting vote.

In addition to its members, meetings of the Audit Committee are attended by the CFO and the Corporate Controller. In addition to its members, meetings of the Compensation Committee are attended by the CEO. Minutes are kept of all Board committee meetings. Committee resolutions may also be passed by circular written communication provided no member demands that a meeting be convened.

An annual self-assessment procedure has been established to permanently monitor and if possible enhance the performance of the Board of Directors. This evaluates how efficiently the Board and its committees are performing their functions and meeting their responsibilities, whether each Board member participates actively in Board discussions and makes contributions based on independent judgment, and whether an environment of open discussion is maintained at Board meetings.

#### Areas of responsibility

The Board of Directors is responsible for the overall, high-level management of the Company (which cannot be delegated) and the supervision of the CEO, the CFO and other members (if any) of the Executive Board. The list of duties that cannot be delegated can be found in the Organisational Regulations on the company website.

With regard to the non-transferability and inalienability of the duties of the Board of Directors, reference is made to Article 716a of the Swiss Code of Obligations and Article 17 of the Articles of Association, and for more detail to Article 16 of the Organisational Regulations.



In addition to the responsibilities and powers of authority set out above, and in the interests of coordinated Group management, the Board of Directors is responsible at Group level for the following tasks in particular (without limitation):

#### Strategy and business orientation

- a) setting the strategy and business policy of the Group;
- b) approving the Group's business plans as proposed by the CEO;
- c) approving the model and defining the individual principles of the Group's business policy;
- d) approving the measures and transactions set out in Article 16 of the Organisational Regulations, to the extent they are of fundamental importance to the Group.

#### Organisation and supervision

- a) approving the essential features of the Group's organisation, management, corporate governance principles and Code of Conduct;
- b) approving the organisational principles of the main subsidiaries, including the approval of amendments to parts of the Articles of Association that are of fundamental importance to the Company or the Group;
- c) issuing important regulations, instructions and guidelines at the level of the Group, provided the authority to do so is not assigned to the Executive Board;
- d) passing resolutions on the Group's underlying financial, legal and organisational structure;
- e) ensuring an internal control system and appropriate risk and compliance management at the Group level and for the main subsidiaries;
- f) processing the management's reporting with respect to the Group;
- g) passing resolutions on contracts made by the main Group companies that do not concern their daily business, as well as resolutions on initiating and withdrawing legal actions and administrative proceedings, and on the conclusion of settlements by Group companies, if the amount at stake exceeds CHF 500,000 or if the dispute has a strategic importance.

#### Accounting, financial controlling and planning

- a) approving the annual budget of the Group and of the main Group companies;
- b) approving the medium-term revenue plan and the investment budget of the Group;
- c) supervising the financial stability (security, liquidity, profitability) of the Group;
- d) receiving orientations on the business development of the Group and each of the main Group companies, their quarterly interim accounts as well as on significant business transactions and extraordinary events within the Group.

#### Human resources

- a) giving advance notice about the appointment and dismissal of members of the Board of Directors, the Executive Board and of the management of the main subsidiaries;
- b) approving general policy with respect to staff.

Other business of Group companies (other than the Company)

Beyond the responsibilities listed above, the Board of Directors has the power to approve all decisions made by Group companies that are of strategic relevance for the Investis Group.

Unless stated otherwise in the mandatory statutory provisions, the Articles of Association or the Organisational Regulations, the Board of Directors delegates management of the Group (i.e. coordinated management of the Company and all other Group companies) to the CEO. According to Article 32 of the Organisational Regulations, the CEO is mainly responsible for the operational management of Investis Group within the guidelines provided by the Board of Directors, as well as for setting Company targets, preparing and supervising compliance with the principles of general business policy, and periodic reporting to the Board of Directors.

#### Information and controlling instruments for supervising the Executive Board

The Board of Directors makes sure it is regularly informed about the business of the Company and the other Group companies, and about any developments that may be relevant thereto. It deals with the reports and proposals submitted by the committees of the Board of Directors, the CEO and the CFO.

The Chairman also monitors observance of legal requirements, the Articles of Association, regulations and directives issued by the Company's management bodies, and submits the requisite motions, requests and proposals to the Board of Directors. The Chairman also ensures, in collaboration with the Executive Board, that information is provided in good time about all major aspects of the Company which are of relevance to the monitoring of its activities and to the corporate decision-making process. Further details of the Chairman's duties and powers of authority are provided in Article 20 of the Organisational Regulations.

Any member of the Board of Directors may demand to be informed about the Group's affairs. The CEO is responsible for informing the Board of Directors about the current course of business and important business transactions occurring in the Company and its subsidiaries. The CEO reports to the Chairman at regular intervals. If a specific development with significant business or financial importance occurs in the course of ordinary or extraordinary business, the CEO must also inform the Chairman immediately, and the Chairman will in turn pass such information on to the members of the Board. Members of the Board of Directors may directly contact the CEO, the CFO and other members of the Executive Board or employees of any Group companies subject to the prior consent of the Chairman.

To ensure the full Board of Directors is informed directly, the Executive Board regularly attends meetings of the Board of Directors and its committees, though not if the Board or its committees need to conduct a closed session. The CFO also attends all meetings of the Audit Committee and is present for most agenda items at full Board meetings. Other members of the Executive Board attend Board meetings for particular agenda items as and when required.

In addition, the Company has implemented a management information system (MIS) for the Investis Group which is structured as follows: the financial statements of the individual subsidiaries are prepared on a monthly basis. These figures are aggregated per segment and consolidated for the Group. The figures are compared with the previous year and the budget. The attainability of the budget is assessed on the basis of quarterly reporting and forecasts. The heads of the segments submit written reports on the progress of business to the Executive Board and the Board of Directors. These reports are discussed with the Executive Board at the Board of Directors' meetings, as are the implementation and observance of Board resolutions and the company's liquidity levels.

The Company's risk management function provides an established risk model for identifying, managing and monitoring strategic and operational risks throughout the Group. The Group-wide risk profile consists of the risks identified (adopting the bottom-up approach) and Group-wide strategic risks (adopting the top-down approach). The present risk profile and the current status of risks-reducing measures are regularly monitored and are reported to the Board of Directors.

## EXECUTIVE BOARD

The Executive Board is responsible for the operational management of the Investis Group and represents the Group publicly. The Executive Board corresponds to the “executive management” pursuant to the Swiss Ordinance Against Excessive Compensation in Listed Companies (Ordinance).

Name	Role	Nationality	Member since
Stéphane Bonvin	CEO	Swiss	1994 *)
René Häsler	CFO	Swiss	2015
Catherine Dubey	Head Real Estate Services	Swiss	2015

\*) Stéphane Bonvin was the sole shareholder of Investis Investments SA from 1994 until its shares were contributed to Investis Holding SA. Thereafter, he was the sole shareholder of Investis Holding SA until its listing on 30 June 2016.

### STÉPHANE BONVIN

#### CHIEF EXECUTIVE OFFICER (CEO)

Member of the Executive Board and of the Board of Directors



Stéphane Bonvin founded Investis Holding AG in 1994. Since then, he has been CEO of the Investis Group and has headed its Properties division. With 30 years of experience in the real estate sector, Stéphane Bonvin’s extensive network of contacts and wide-ranging knowledge of the property market have enabled the gradual enlargement of the Group’s portfolio. He acquired various real estate service companies between 2010 and 2014 in the fields of property management, facility management and construction management. In 2006 he co-founded the Patrimonium Group, which he served as Managing Director until 2015; he continues to sit on its Supervisory Board.

Current positions held outside the Investis Group: Stéphane Bonvin has been a member of the Supervisory Board of Patrimonium and its subsidiaries since 2006 and of Be Capital and its subsidiaries since 2015.

**RENÉ HÄSLER**  
**CHIEF FINANCIAL OFFICER (CFO)**  
**Member of the Executive Board**



Swiss Certified Public Accountant and Swiss Certified Expert for Accounting and Controlling

René Häslér has been the CFO of the Investis Group and a member of its Executive Board since 2015. Prior to this he was Head of Corporate Controlling and Senior Vice-President at Kuoni Travel Holding Ltd for 17 years. After the successful completion of his training as a Swiss Certified Expert for Accounting and Controlling, and as a Swiss Certified Public Accountant, René Häslér brought his extensive financial expertise to bear as a Senior Manager in the Auditing department of KPMG in Zurich. Prior to this he held various financial positions at Fides Treuhandgesellschaft in Geneva and at Bank Leu in Zurich.

**CATHERINE DUBEY**  
**HEAD REAL ESTATE SERVICES**  
**Member of the Executive Board**



Lic. iur. University of Lausanne, Graduate Certificate in Business Management

Catherine Dubey has headed the Real Estate Services division since 2015 and sits on the Executive Board of the Investis Group. She has many years of experience in the real estate sector and previously worked as Site Manager and Head of Real Estate Investment at Régie du Rhône, Vaud, prior to accepting the post of CEO at Régie du Rhône SA. Before this she worked at Patrimonium Asset Management SA in Echandens from 2007 – 2011 as the Head of its Real Estate division and was involved in the launch of Patrimonium's real estate fund. Catherine Dubey started her career at the GECO Group (Gerance et Courtage). She holds a law degree (lic. iur.) from the University of Lausanne and gained a Graduate Certificate in Business Management from the HEC Lausanne.

### Other activities and functions

All details of other activities and any further functions of Executive Board members are provided above or on the company [website](#).

No member of the Executive Board holds any official function or political office.

### Regulation and additional positions

According to Article 23 of the [Articles of Association](#), no member of the Executive Board may hold more than five mandates outside the Investis Group, of which no more than three may be for listed companies. All mandates must be approved by the Board of Directors.

These limitations do not apply to the following:

- 1) mandates within companies controlled by Investis or which control Investis;
- 2) mandates performed by a member of the Board of Directors or the Executive Board on instruction of Investis (no member of the Board of Directors or the Executive Board may perform more than ten such mandates); and
- 3) mandates in associations, charitable foundations and pension schemes (no member of the Board of Directors or the Executive Board may hold more than ten such mandates).

Mandates as referred to herein are functions in the most senior management and administrative bodies of legal entities required to be entered in the Swiss commercial register or an equivalent foreign register. Mandates in different legal entities under joint control or with the same beneficial ownership are treated as one mandate.

### Management contracts

Investis Holding SA and its Group subsidiaries have not concluded any management contracts with any third parties.

## COMPENSATION, SHAREHOLDINGS AND LOANS

Details of the compensation, shares and loans of members of the Board of Directors and the Executive Board are provided in the Compensation Report.

## SHAREHOLDERS' PARTICIPATION RIGHTS

### VOTING RIGHTS RESTRICTIONS AND REPRESENTATION

The Articles of Association can be found on the company website under Corporate Governance. The following are references to selected relevant articles:

- share ledger, restrictions on transferability and registration (Article 5)
- powers of the Annual General Meeting (Article 6)
- convening/agenda of the Annual General Meeting (Article 8)
- voting rights and adoption of resolutions, independent voting rights proxy and issuing instructions (Article 10, 11 and 12)
- special quorums (Article 13)
- remuneration of the Board of Directors and Executive Board (Article 19)

The texts of certain provisions within the Articles of Association are presented in the following section:

### VOTING RIGHTS RESTRICTIONS AND REPRESENTATION

Each share entitles the holder to one vote. The transferability of the shares is restricted pursuant to Article 5 of the Articles of Association. For details on the restrictions on transferability, see the Capital structure chapter in this Corporate Governance Section under “Restrictions on transferability and nominee registration”. Other than this, there are no restrictions.

Investis recognises only one proxy per share. A shareholder may represent himself at the General Meeting or appoint a proxy, who need not be a shareholder but must present a written proxy form, or arrange to be represented by the independent proxy. The officer presiding over the General Meeting decides whether individual instances of representation are permissible. Investis ensures that the shareholders can issue their powers of attorney and instructions to the independent proxy, including by electronic means, up until 4 p.m. of the second working day prior to the date of the General Meeting. Compliance with the submission deadline for powers of attorney and instructions is determined by the time at which they are received by the independent proxy. The Board of Directors determines the procedure for electronically issuing powers of attorney and instructions.

Powers of attorney and instructions may be issued only for the upcoming General Meeting.



## SPECIAL QUORUM

A resolution by the General Meeting passed with both a minimum of two thirds of the votes represented and the absolute majority of the nominal value of the shares represented shall be required in order to

- 1) amend official purpose of Investis;
- 2) introduce shares with preferential voting rights;
- 3) restrict the transferability of registered shares;
- 4) carry out any authorised or conditional capital increase;
- 5) carry out a capital increase funded by equity capital in consideration of contributions in kind or to fund acquisitions in kind and the granting of special rights;
- 6) restrict or cancel subscription rights;
- 7) relocate the registered office of the Company;
- 8) dissolve the Company;
- 9) or as prescribed otherwise by law.

## CONVOCATION OF THE GENERAL MEETING

The General Meeting is convened by the Board of Directors or, if necessary, by the auditors. Liquidators are also entitled to convene the General Meeting.

The General Meeting is convened by publishing a notice to the shareholders in the Company's official publications or by written invitation sent to the shareholders registered in the share ledger not less than 20 days before the date of the meeting. The notice of the General Meeting must contain, in addition to stating the date, time and place of the General Meeting, the agenda as well as motions proposed by the Board of Directors and any shareholders who requested the General Meeting or exercised their right to add an item to the agenda.

Subject to the provisions governing a Universal General Meeting (Universalversammlung), resolutions may not be passed on any agenda items not announced in this way except where they relate to convening an Extraordinary General Meeting or carrying out a Special General Meeting at the request of a shareholder. However, no prior notification is required for the submission of motions as part of the agenda items and for deliberations not for resolutions.

The Board of Directors must call an Extraordinary General Meeting within 20 days of being requested to do so by a written notice submitted by shareholders representing at least 10 per cent of the share capital and specifying the business to be conducted and the motions to be put before the General Meeting.

The Annual Report, the Compensation Report and the Auditors' Report must be made available for inspection by shareholders at Investis' registered office no later than 20 days before the Annual General Meeting. A note must be included in the invitation to the General Meeting informing shareholders to this effect and of their right to request that these documents be sent to them.

**INCLUSION OF ITEMS ON THE AGENDA**

Shareholders who represent at least 10 per cent of the share capital may submit items for inclusion on the agenda. The request must be received by Investis at least 40 days before the General Meeting.

**ENTRIES IN THE SHARE LEDGER**

All shareholders entered in the share ledger as shareholders with voting rights up to three working days before a General Meeting may vote at the meeting concerned. Shareholders who sell their shares before the General Meeting takes place are no longer entitled to vote. Shareholders who buy additional shares or sell part of their shareholding after their meeting admission card has been issued must exchange the card sent to them at the information desk on arriving at the meeting concerned.

The Board of Directors may refuse to register persons domiciled abroad within the meaning of the Federal law of 16 December 1983 on the Acquisition of Real Estate by Persons Abroad (BewG) in the share ledger if such registration could impede the Company in providing the required proof that Investis and/or subsidiaries are under Swiss control.

The Board of Directors has the power to issue regulations on the maintenance of the share ledger and to specify registration requirements and restrictions, in particular requirements concerning the proof of a person's acquisition and holding of shares in their own name and for their own account, the percentage limits applicable to registration of persons domiciled abroad in total and for persons domiciled abroad acting individually, jointly or in association, and rules governing the distribution of free allocations to foreigners.

As at 31 December 2016, a regulation was in place to restrict the cumulative shareholding of persons domiciled abroad to 30% of the voting rights. This regulation is within the meaning of the Federal law of 16 December 1983 on the Acquisition of Real Estate by Persons Abroad (BewG).

## CHANGES OF CONTROL AND DEFENCE MEASURES

### DUTY TO MAKE AN OFFER

There are no opting-up or opting-out clauses in the Articles of Association of Investis Holding SA within the meaning of Article 125 and 135 of the Swiss Financial Market Infrastructure Act.

### CHANGE-OF-CONTROL CLAUSES

In the event of a change of control, bondholders are entitled to demand the premature repayment of their bond amount. This Change of Control provision does not apply to Stéphane Bonvin, current controlling shareholder of Investis. Stéphane Bonvin's holding can float between 0 per cent and 100 per cent without triggering a Change of Control event for him.

In the event of a change of control in the Company, there are no agreements or schemes for the benefit of the members of the Board of Directors and the Executive Board.

## AUDITORS

### DURATION OF MANDATE AND TERM OF OFFICE OF THE AUDITOR-IN-CHARGE

The statutory auditors of Investis since its incorporation have been PricewaterhouseCoopers AG, Bahnhofplatz 10, 3001 Bern, Switzerland. PricewaterhouseCoopers AG, Place du Midi 40, Sion have been the statutory auditors of the Group's previous holding company Investis Investments since the financial year 2013. Oliver Kuntze has been the lead auditor since the financial year 2014. Stéphane Jaquet was the lead auditor for the financial year 2013.

### AUDIT FEES

PricewaterhouseCoopers invoiced CHF 0.28 million during fiscal year 2016 for services in connection with the auditing of the annual accounts of Investis Holding SA and its Group subsidiaries, as well as the consolidated financial statements of the Investis Group (prior year CHF 0.28 million).

### ADDITIONAL FEES

For the 2016 reporting period, PricewaterhouseCoopers invoiced CHF 0.45 million in additional fees mostly in connection with the initial public offering (prior year CHF 0.11 million). No other significant fees were charged by other audit companies for any other services.

### SUPERVISORY AND CONTROLLING INSTRUMENTS WITH REGARD TO THE EXTERNAL AUDITORS

Each year, the Audit Committee of the Board of Directors evaluates the performance, remuneration and independence of the statutory auditor and proposes an external auditor to the Board of Directors which is put forward for election at the General Meeting. The Audit Committee also annually examines the scope of the external auditing, the auditing plans and the relevant processes, and discusses the audit results with the external auditors.

## INFORMATION POLICY

Investis Group maintains an open and transparent communication policy towards its shareholders, current and potential investors, financial analysts, customers, business partners and other stakeholder groups. Investis Group provides prompt and comprehensive information on the Group's business activities, while paying due and full regard to all the applicable provisions and directives of the SIX Swiss Exchange.

Investis Holding SA publishes a comprehensive Annual Report each year informing its shareholders about business developments and the Company's annual results. The Annual Report 2016 is the first one to be made available to the public and is an online version only. Of particular importance are the Corporate Governance Report integrated into the Annual Report and the Financial Report on the past business year. Investis' consolidated financial statements are compiled in compliance with Swiss GAAP FER.

The report on the half-year results is published and distributed in the same way as the Company's media releases. This report contains unaudited financial results which are compiled in compliance with Swiss GAAP FER.

Investis Holding SA occasionally publishes information on current developments within its two business units or on other Group activities. In compliance with the relevant listing regulations of the SIX Swiss Exchange, these communications are always issued simultaneously to a broad circle of recipients. The information contained in these reports and communications is considered correct at the time of its publication. Investis does not update media releases issued in the past in the light of subsequent market or business developments.

Investis conducts its reporting in accordance with the disclosure obligations set out in the Financial Market Infrastructure Act (FMIA) as well as the SIX Swiss Exchange's ad-hoc publicity rules. An archive of all media releases can be found on the company website under [Media releases](#).

Following its listing, Investis has created an [archive](#) on its website containing all published reports, presentations and other relevant published communications.

As part of its investor relations function, Investis Holding SA organises:

- the presentation of its annual results;
- conference calls around the publication of its half-year results or other information updates;
- meetings with investors and analysts, either individually or in groups at roadshows in key financial centers;
- presentations at brokers' and banks' events.

These activities are conducted with a focus on recently announced developments or financial results, and in full compliance with the SIX Exchange's directive on ad-hoc publicity.

Presentations for financial analysts and investors are regularly archived on the company [website](#). These presentations are not constantly updated, but document long-term developments within the Company.

Interested parties may also add their name to the Investor-Relations e-mail list on the company website.

The following links may be useful:

Subject	Link
Information on Investis' shares	<a href="https://www.investisgroup.com/nc/en/investors/#c1511">https://www.investisgroup.com/nc/en/investors/#c1511</a>
Board of Directors	<a href="https://www.investisgroup.com/en/profile/#c1340">https://www.investisgroup.com/en/profile/#c1340</a>
Executive Board	<a href="https://www.investisgroup.com/en/profile/#c1015">https://www.investisgroup.com/en/profile/#c1015</a>
Articles of Association	<a href="https://www.investisgroup.com/fileadmin/user_upload/Dateien/Corporate_Governance_EN/Investis_Statuten_EN.pdf">https://www.investisgroup.com/fileadmin/user_upload/Dateien/Corporate_Governance_EN/Investis_Statuten_EN.pdf</a>
Organisational Regulations	<a href="https://www.investisgroup.com/fileadmin/user_upload/Dateien/Corporate_Governance_EN/Organisational_Regulations.pdf">https://www.investisgroup.com/fileadmin/user_upload/Dateien/Corporate_Governance_EN/Organisational_Regulations.pdf</a>
Corporate Governance (incl. Compensation Report)	<a href="https://www.investisgroup.com/nc/en/investors/#c1386">https://www.investisgroup.com/nc/en/investors/#c1386</a>
Archive	<a href="https://www.investisgroup.com/nc/en/investors/#c1377">https://www.investisgroup.com/nc/en/investors/#c1377</a>
Media releases	<a href="https://www.investisgroup.com/en/media/#c1455">https://www.investisgroup.com/en/media/#c1455</a>
Key dates	<a href="https://www.investisgroup.com/nc/en/investors/#c1388">https://www.investisgroup.com/nc/en/investors/#c1388</a>
To be added to the distribution list	<a href="https://www.investisgroup.com/nc/en/investors/#c811">https://www.investisgroup.com/nc/en/investors/#c811</a>

#### Key dates 2017

Financial year close	31 December 2016
2016 annual results published	22 March
Annual Report published	22 March
Annual General Meeting	27 April
Dividend paid to banks (value date)	4 May
First half-year close	30 June
2017 Half-year results published	31 August

## COMPENSATION REPORT

### 1. INTRODUCTION

This Compensation Report is intended to provide an overview of the compensation structure, the compensation procedure and the compensation committee of Investis Holding SA as well as the compensation amounts paid to the members of the Board of Directors and Executive Board for fiscal year 2016. The compensation report follows the requirements of the Swiss Ordinance against Excessive Compensation at Listed Joint-Stock Companies (OaEC) and also contains certain information which has to be disclosed pursuant to article 663c para 3 of the Swiss Code of Obligations and sections 5.1 and 5.2 of the annex to the Directive on Information Relating to Corporate Governance of the SIX Exchange Regulation. In addition, Investis Holding SA has taken into account the Swiss Code of Best Practice for Corporate Governance issued by *economiesuisse*. The compensation report regarding fiscal year 2016 has been reviewed and audited by the Company's auditors and will be submitted to the 2017 Annual General Meeting for an advisory vote. Please find the auditors' report at the end of this chapter.

### 2. COMPENSATION COMMITTEE

According to Article 25 of the Articles of Association and the Organisational Regulations of Investis Holding SA, the Compensation Committee consists of at least two non-executive members of the Board of Directors. The members of the Compensation Committee are elected annually and individually by the Annual General Meeting for a term of office of one year ending at the closure of the next Annual General Meeting following their election. At the end of their term of office, members of the Compensation Committee can be re-elected. The Chairman of the Compensation Committee is appointed by the Board of Directors. Currently, the Compensation Committee consists of Albert Baehny (Chairman) and Riccardo Boscardin. In the opinion of the Board of Directors, both Compensation Committee members possess the required experience for this function and are familiar with the regulatory requirements as well as with compensation practices and developments. Riccardo Boscardin, Chairman of the Board of Directors, is currently one of the members of the Compensation Committee.

The duties and responsibilities of the Compensation Committee are set out in Article 26 of the Articles of Association and further described in detail in the Organisational Regulations of Investis Holding SA as issued by the Board of Directors. In accordance with the Organisational Regulations, the Board of Directors of Investis Holding SA has adopted separate Compensation Committee regulations which govern in detail the organisation, functions, operation and modalities of the resolutions passed by the Compensation Committee. Meetings of the Compensation Committee are convened by its chairman and are held as often as required for the fulfilment of its duties but at least three times a year.

The main duty of the Compensation Committee is to develop the compensation policies, compensation principles and performance criteria with respect to compensation for the Board of Directors and the Executive Board of Investis Holding SA and to monitor their implementation in order to ensure a fair, reasonable and competitive remuneration that is consistent with the strategic objectives of Investis Group. The Compensation Committee further prepares decisions of the Board of Directors that relate to the compensation of the Board of Directors and the Executive Board and submits motions to the Board of Directors. In addition, the Compensation Committee assists the Board of Directors with respect to the preparation of the Compensation Report.

### 3. COMPENSATION PROCEDURE

The Compensation Committee annually reviews the compensation structure as well as the amounts of compensation paid to the members of the Board of Directors and the members of the Executive Board, and submits motions and recommendations for compensation-related decisions and changes to the compensation structure and policies to the entire Board of Directors. The Board of Directors takes its compensation-related decisions in response to the motions and recommendations presented by the Compensation Committee. This annual review process includes an assessment of basic salaries and fringe benefits as well as performance-based short-term remuneration and stock purchase plans.

If necessary, the Compensation Committee may use the services of independent external consultants. External consultants are usually used to ensure remuneration is benchmarked and to contribute to the design of compensation plans.

Members of the Executive Board are not involved in determining their own remuneration. The Chief Executive Officer (CEO), however, is usually consulted about the remuneration proposed for the other members of the Executive Board.

Recommendations by the Compensation Committee about the remuneration of members of the Board of Directors must comply with internal corporate guidelines. Remuneration of members of the Board of Directors has to be approved by all members of the Board of Directors, though when a vote is taken on compensation for a specific member of the Board of Directors, the respective member must comply with the applicable walkout rules.

#### 3.1 Performance review process

The actual remuneration effectively paid out in a given year depends on the individual's as well as on the Company's performance. Individual performance is assessed through the formal annual review process. Company and individual performance objectives are approved at the beginning of the business year and achievements against those objectives are assessed after year-end. The performance appraisal is the basis for the determination of the actual remuneration.

Objective setting (December)	Mid-year review (July)	Full-year review (January)	Determination of compensation (March)
Determination of objectives - Group - individual	Discussion of performance to date against defined objectives and corrective measures	Performance assessment	Determination of actual compensation



## 4. COMPENSATION RELATED RULES IN THE ARTICLES OF ASSOCIATION

### 4.1 Principles of compensation

Investis Group is committed to attracting, motivating and retaining the best professionals and managers to ensure the sustained success of the Company.

Pursuant to Article 19 of the Articles of Association, the members of the Board of Directors and the members of the Executive Board are entitled to a remuneration commensurate with their activities. The remuneration may be paid by the Company or by another Group company provided it is covered by the total compensation amount approved by the General Meeting for the Board of Directors and Executive Board, respectively.

The members of the Board of Directors receive fixed remuneration in cash. No other remuneration or committee fees are paid except for the relevant employer social security contributions.

Remuneration of members of the Executive Board consists of a fixed and a variable component. The amount of the variable remuneration paid to the members of the Executive Board depends on qualitative and quantitative targets and parameters defined by the Board of Directors. The Board of Directors defines and assesses the targets and their achievement or delegates this task to the Compensation Committee. The variable remuneration may be paid in cash or in the form of equity instruments, conversion or option rights or other rights to equity instruments.

The Board of Directors determines the respective amounts of remuneration within the total remuneration amounts approved by the General Meeting and in response to proposals made by the Compensation Committee.

If any remuneration is paid in the form of shares, option rights or similar instruments, the Board of Directors shall set out the applicable conditions and requirements in one or more plans or sets of regulations. These plans or regulations may stipulate the time of allocation, the valuation, the applicable holding, vesting and exercise periods (including their acceleration, shortening or revocation in the event of predefined events), the maximum number of shares, option rights or other instruments that may be allocated, potential claw-back mechanisms and discounts at allocation.

Reimbursement of expenses does not qualify as remuneration. The Company may reimburse members of the Board of Directors and the members of the Executive Board in the form of lump-sum expenses as recognised for tax purposes.

### 4.2 Approval of total compensation by the General Meeting

According to Article 20 of the Articles of Association, the General Meeting approves annually, separately and with binding effect the proposals made by the Board of Directors regarding the maximum total compensation for the Board of Directors and the Executive Board as follows:

- 1) For the remuneration of the Board of Directors, the maximum total amount is approved for the period until the next Annual General Meeting;
- 2) For the fixed and variable remuneration of the Executive Board, the maximum total amount is approved for the fiscal year following the Annual General Meeting (approval period).

If the proposed remuneration amount for the Board of Directors or the Executive Board is rejected by the Annual General Meeting, the Board of Directors can put forward new proposals at the same General Meeting or can convene an Extraordinary General Meeting for this purpose.

#### **4.3 Additional amount for the compensation of additional members of the Executive Board**

For Investis Holding SA, the additional amount within the meaning of article 19 of the OaEC is governed by Article 21 of the Articles of Association. Pursuant to this provision, an additional amount of not more than 33% of the last total compensation amount approved for the compensation of the members of the Executive Board is available per year for each new member of the Executive Board who is appointed after the annual total compensation has been approved by the General Meeting, provided that the aggregate amount approved for the respective approval period proves insufficient.

#### **4.4 Loans and credits, post-retirement benefits outside the occupational pension scheme**

Pursuant to Article 22 of the Articles of Association, loans and credits to members of the Board of Directors or Executive Board may only be granted at market conditions. Further, the total amount of any loans and credits granted directly or indirectly to members of the Board of Directors or Executive Board may not exceed CHF 50 million.

The Articles of Association of Investis Holding SA do not allow the payment of post-retirement benefits outside the occupational pension scheme (within the meaning of the OaEC) to members of the Board of Directors or Executive Board.

#### **4.5 Termination clauses applicable to members of the Executive Board**

The employment contracts of the members of the Executive Board provide for a twelve-month notice period. There is no entitlement to any severance payments.

In the event of a change in corporate control, no additional compensation or benefits are paid to members of the Executive Board.

### **5. COMPENSATION, LOANS AND CREDITS TO THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD**

The following paragraphs provide information on the compensation granted to the members of the Board of Directors and Executive Board for fiscal 2016, as well as information about loans and credits granted to the members of the Board of Directors and Executive Board, as required by the OaEC.

Please note that Investis Holding SA was only incorporated during the course of 2016, so no comparative figures for the preceding fiscal year are included in the following paragraphs.

## 5.1 Compensation of the Board of Directors and the Executive Board

### 5.1.1 Compensation of the Board of Directors

(non-executive)

For the first approval period up to the 2017 Annual General Meeting maximum total compensation of CHF 351,000 was approved by the General Meeting of 17 June, 2016 for the compensation of the Board of Directors.

The following table sets out the aggregate compensation paid to the Board of Directors for fiscal 2016, as well as the compensation paid to the individual members of the Board of Directors. These amounts were entirely paid in cash.

Annualised compensation of the Board of Directors in detail:

Name	Function	Compensation (in CHF 1,000)	Social security contributions (in CHF 1,000)	2016 Total (in CHF 1,000)
Riccardo Boscardin	Chairman, Member of the Audit and Compensation Committee	160	0	160
Albert Baehny	Vice-Chairman and Chairman of the Compensation Committee	80	6	86
Thomas Vettiger	Member and Chairman of the Audit Committee	80	6	86
Stéphane Bonvin <sup>1)</sup>	Member	0	0	0
<b>Total compensation 2016</b>		<b>320</b>	<b>12</b>	<b>332</b>

- 1) Stéphane Bonvin has been compensated for his role as Chief Executive Officer (CEO) only and did not receive a separate compensation for his function as member of the Board of Directors.

No compensation was paid in 2016 to any former members of the Board of Directors (either directly or indirectly) or to any affiliated persons of current or former members of the Board of Directors.

### 5.1.2 Compensation of the Executive Board

(including the executive member of the Board of Directors)

An annualised maximum total amount of CHF 2,542,000 was approved by the General Meeting of 17 June, 2016 for the fixed and variable compensation of the Executive Board for the shortened first approval period lasting from 1 July, 2016 until 31 December, 2016.

The following table sets out the aggregate annualised compensation paid to the Executive Board for fiscal 2016 in cash, as well as the compensation paid to the individual member of the Executive Board who received the highest remuneration in 2016.

The base compensation consists of a fixed salary and is entirely paid in cash.

Base compensation	Variable compensation
Reflects function, scope of responsibilities, experience and skills	Rewards performance and achievement of business, financial and individual objectives over a one-year period

Annualised compensation of the Executive Board in detail <sup>1)</sup>:

2016	Executive Board <sup>2)</sup> (in CHF)	of which: Stéphane Bonvin (CEO) (in CHF)
Base compensation	1,170	455
Variable compensation	583	360
Pension fund contribution	151	69
Social security contributions	175	87
Other <sup>3)</sup>	14	4
<b>Total</b>	<b>2,093</b>	<b>975</b>

1) Annualised remuneration as at 1 July 2016

2) The Executive Board consists of three members. There are no past members.

3) Allowances in connection with company car entitlements

No remuneration was paid in 2016 to former members of the Executive Board (either directly or indirectly) or to any persons affiliated to current or former members of the Executive Board.

The additional amount pursuant to Article 21 of the Articles of Association was not used in 2016.

## 5.2 Loans and credits to the Board of Directors and Executive Board

### 5.2.1 Loans and credits to the Board of Directors

No loans or credits have been granted to any current or former members of the Board of Directors or to any persons affiliated to current or former members of the Board of Directors.

As at 31 December 2016 the Group had an outstanding loan to a related party in the amount of CHF 30 million.

### 5.2.2 Loans and credits to the members of the Executive Board

No loans or credits have been granted to any current or former members of the Executive Board or to persons affiliated to current or former members of the Executive Board.

As at 31 December 2016 the Group had an outstanding loan to a related party in the amount of CHF 30 million.

## 6. SHARE OWNERSHIP

### Members of the Board of Directors

(non-executive)

As at 31 December 2016 the non-executive members of the Board of Directors (including their related parties) held the following Investis shares.

As at 31 December 2016	Function	Number of registered shares held	Voting rights in % (rounded)
Riccardo Boscardin	Chairman, Member of the Audit and Compensation Committee	2,000	<0.1
Albert Baehny	Vice-Chairman and Chairman of the Compensation Committee	18,867	0.1
Thomas Vettiger	Member and Chairman of the Audit Committee	750	<0.1
<b>Total</b>		<b>21,617</b>	<b>0.2</b>

### Members of the Executive Board

(including the executive member of the Board of Directors)

As at 31 December 2016 the executive member of the Board of Directors and the members of the Executive Board (including their related parties) held the following Investis shares.

As at 31 December 2016	Function	Number of registered shares held	Voting rights in % (rounded)
Stéphane Bonvin <sup>1)</sup>	Chief Executive Officer and member of the Board of Directors	9,751,080	76.2
Catherine Dubey	Head Real Estate Services	600	<0.1
René Häsler	Chief Financial Officer	11,340	0.1
<b>Total</b>		<b>9,763,020</b>	<b>76.3</b>

- 1) In the context of the initial public offering carried out in June 2016, Stéphane Bonvin, as selling shareholder, entered into a lock-up arrangement with Credit Suisse AG (acting on behalf of the other banks) covering any shares within a 67% stake in the share capital of Investis as of the first trading day for a period of 36 months after the first trading day. A lock-up period of 12 months after the first trading day applies to any shares in excess of a 67% stake in the share capital of Investis as of the first trading day.

## REPORT OF THE STATUTORY AUDITOR



## ***Report of the statutory auditor to the General Meeting of Investis Holding SA Zurich***

We have audited the accompanying compensation report of Investis Holding SA for the year ended 31 December 2016. The audit was limited to the information according to articles 14–16 of the Ordinance against Excessive Compensation in Stock Exchange Listed Companies contained on pages 56 to 59 in the chapters 5. and 6. of the compensation report.

### ***Board of Directors' responsibility***

The Board of Directors is responsible for the preparation and overall fair presentation of the compensation report in accordance with Swiss law and the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance). The Board of Directors is also responsible for designing the compensation system and defining individual compensation packages.

### ***Auditor's responsibility***

Our responsibility is to express an opinion on the accompanying compensation report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the compensation report complies with Swiss law and articles 14–16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the compensation report with regard to compensation, loans and credits in accordance with articles 14–16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the compensation report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of compensation, as well as assessing the overall presentation of the compensation report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Opinion***

In our opinion, the compensation report of Investis Holding SA for the year ended 31 December 2016 complies with Swiss law and articles 14–16 of the Ordinance.

PricewaterhouseCoopers AG

Oliver Kuntze

Audit expert  
Auditor in charge

Barbara Kuhn

Audit expert

Bern, 21 March 2017

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