

Calida

Land	Schweiz
Versammlungstermin	Donnerstag, 21. April 2016 13:30
Versammlungsort	KKL Luzern, Luzernersaal, Europaplatz 1, 6005 Luzern
Art der Versammlung	Ordentliche Generalversammlung
Wertpapiere	ISIN CH0126639464, Telekurs 12663946

Schwerpunkte der Generalversammlung

An dieser GV beantragt der Verwaltungsrat die Wiederwahl all seiner Mitglieder ausser des ehemaligen CEO Felix Sulzberger und die Neuwahl zwei neuer Kandidaten, Stefan Portmann und Jean-Paul Rigaudeau (**PUNKT 5.3**). Der zweitgrösste Aktionär Micalux (Familie Haas, 16% des Kapitals) hat auf die Entscheidung des Verwaltungsrats, Hrn. Sulzberger nicht zur Wiederwahl vorzuschlagen, mit einem Antrag, diesen in den Verwaltungsrat wiederzuwählen, reagiert (**PUNKT 5.2.B**).

Der Verwaltungsrat ist der Meinung, dass es einen Meinungsunterschied mit Hrn. Sulzberger gibt, dessen Anwesenheit im Verwaltungsrat es nicht erlauben würde, sich auf die neuen Prioritäten des Unternehmens zu fokussieren, vor allem auf die Entwicklung der derzeitigen Marken.

Nach separaten Diskussionen mit verschiedenen Verwaltungsratsmitgliedern sowie mit Ch. Haas (Micalux) und F. Sulzberger, hat Ethos keine grossen Unterschiede in der Strategie festgestellt. Angesichts der Leistungen als CEO, der Ernennung eines neuen CEO und der Unsicherheiten in Zusammenhang mit einem möglichen Verkauf des Anteils des grössten Aktionärs von Calida, würde die Wiederwahl von Hrn. Sulzberger einen reibungslosen Übergang erlauben und garantieren, dass die Interessen der Minderheitsaktionäre auf Verwaltungsratsebene vertreten bleiben.

Zusammenfassend empfiehlt Ethos in Übereinstimmung mit ihren Richtlinien FÜR die Wiederwahl der sieben Verwaltungsratsmitglieder (einschliesslich F. Sulzberger) sowie FÜR die Wahl von S. Portmann aber GEGEN die Wahl von J.-P. Rigaudeau zu stimmen (Punkt 2.1.a der Ethos Richtlinien).

Inhalt

- 1 Stimmempfehlungen
- 2 GV Bericht
- 3 Informationen
- 4 Vergütungsbericht
- 5 Beantragte Vergütung
- 6 Verwaltungsrat
- 7 Glossar

1. Generalversammlungs-Übersicht

1.1 Stimmempfehlungen an dieser Generalversammlung

Traktandum	Vorschlag	Abstimmungs- empfehlung Ethos	VR Empfehlung
1	Entgegennahme des Lageberichts, der Jahresrechnung sowie der Konzernrechnung	OHNE ABSTIMMUNG	OHNE ABSTIMMUNG
2	Entgegennahme der Berichte der Revisionstelle	OHNE ABSTIMMUNG	OHNE ABSTIMMUNG
3.1	Genehmigung des Jahresberichts	DAFÜR	DAFÜR
3.2	Genehmigung der Jahresrechnung und der Konzernrechnung	DAFÜR	DAFÜR
3.3	Konsultativabstimmung über den Vergütungsbericht ●	DAGEGEN	DAFÜR
3.4	Verwendung des Bilanzgewinns	DAFÜR	DAFÜR
3.5	Kapitalherabsetzung durch Nennwertrückzahlung	DAFÜR	DAFÜR
3.6	Genehmigung der Ausschüttung einer Dividende aus der Kapitaleinlagereserve	DAFÜR	DAFÜR
4	Entlastung der Mitglieder des Verwaltungsrates und der Geschäftsleitung	DAFÜR	DAFÜR
5	Wahlen in den Verwaltungsrat		
5.1	Wiederwahl von Herrn Dr. Thomas Lustenberger als Präsident	DAFÜR	DAFÜR
5.2.a.1	Wiederwahl von Herrn Erich Kellenberger	DAFÜR	DAFÜR
5.2.a.2	Wiederwahl von Herrn Beat Grüring	DAFÜR	DAFÜR
5.2.a.3	Wiederwahl von Frau Marianne Tesler	DAFÜR	DAFÜR
5.2.a.4	Wiederwahl von Herrn Marco Gadola	DAFÜR	DAFÜR
5.2.a.5	Wiederwahl von Herrn Hans-Kristian Hoejsgaard	DAFÜR	DAFÜR
5.2.b	Wiederwahl von Herrn Felix Sulzberger ●	DAFÜR	DAGEGEN
5.3.a	Neuwahl von Herrn Jean-Paul Rigau ●	DAGEGEN	DAFÜR
5.3.b	Neuwahl von Herrn Stefan Portmann	DAFÜR	DAFÜR
5.4	Wahlen in den Vergütungsausschuss		
5.4.a	Wiederwahl von Herrn Beat Grüring als Mitglied des Vergütungsausschusses	DAFÜR	DAFÜR
5.4.b	Neuwahl von Frau Marianne Tesler als Mitglied des Vergütungsausschusses	DAFÜR	DAFÜR
5.4.c	Neuwahl von Herrn Hans-Kristian Hoejsgaard als Mitglied des Vergütungsausschusses	DAFÜR	DAFÜR
6	Wahl der Revisionsstelle	DAFÜR	DAFÜR
7	Wahl des unabhängigen Stimmrechtsvertreters	DAFÜR	DAFÜR
8	Verbindliche Abstimmungen über die Vergütung des Verwaltungsrats und der Geschäftsleitung		

8.1	Verbindliche prospektive Abstimmung über die gesamte Vergütung des Verwaltungsrats		DAFÜR	DAFÜR
8.2	Verbindliche prospektive Abstimmung über die gesamte Vergütung der Geschäftsleitung	•	DAGEGEN	DAFÜR
9	Verschiedenes	•	ENTHALTUNG	

1.2 Abstimmungsergebnisse der Generalversammlung vom Dienstag, 12. Mai 2015

Traktandum	Vorschlag	% JA	Resultat	Abstimmungs- empfehlung Ethos	VR Empfehlung
1.	Präsentation des Jahresabschlusses und der Konten		-	OHNE ABSTIMMUNG	OHNE ABSTIMMUNG
2.	Präsentation der Berichte der Revisionstelle		-	OHNE ABSTIMMUNG	OHNE ABSTIMMUNG
3.1	Genehmigung des Jahresberichts	100 %	Annahme	DAFÜR	DAFÜR
3.2	Genehmigung der Jahresrechnung und der Konzernrechnung	99 %	Annahme	DAFÜR	DAFÜR
3.3	Konsultativabstimmung über den Vergütungsbericht	85 %	Annahme	● DAGEGEN	DAFÜR
3.4	Verwendung des Bilanzgewinns	98 %	Annahme	DAFÜR	DAFÜR
3.5	Genehmigung der Ausschüttung einer Dividende aus der Kapitaleinlagereserve	98 %	Annahme	DAFÜR	DAFÜR
4.	Entlastung des Verwaltungsrates und der Geschäftsleitung	100 %	Annahme	DAFÜR	DAFÜR
5.	Wahlen in den Verwaltungsrat		-		
5.1	Wiederwahl von Herrn Dr. Thomas Lustenberger als Mitglied und Präsident des Verwaltungsrats	97 %	Annahme	DAFÜR	DAFÜR
5.2.a	Wiederwahl von Herrn Erich Kellenberger	78 %	Annahme	DAFÜR	DAFÜR
5.2.b	Wiederwahl von Herrn Beat Grüring	100 %	Annahme	DAFÜR	DAFÜR
5.2.c	Wiederwahl von Frau Marianne Tesler	100 %	Annahme	DAFÜR	DAFÜR
5.2.d	Wiederwahl von Herrn Marco Gadola	100 %	Annahme	DAFÜR	DAFÜR
5.2.e	Wiederwahl von Herrn Felix Sulzberger	98 %	Annahme	DAFÜR	DAFÜR
5.2.f	Wiederwahl von Herrn Christian Haas	100 %	Annahme	DAFÜR	DAFÜR
5.2.g	Wiederwahl von Herrn Hans-Kristian Hoejsgaard	100 %	Annahme	DAFÜR	DAFÜR
5.3	Wahlen in den Vergütungsausschuss		-		
5.3.a	Wiederwahl von Herrn Dr. Thomas Lustenberger als Mitglied des Vergütungsausschusses	99 %	Annahme	DAFÜR	DAFÜR
5.3.b	Wiederwahl von Herrn Beat Grüring als Mitglied des Vergütungsausschusses	99 %	Annahme	DAFÜR	DAFÜR
6.	Wahl der Revisionsstelle	96 %	Annahme	DAFÜR	DAFÜR
7.	Wahl des unabhängigen Stimmrechtsvertreters	100 %	Annahme	DAFÜR	DAFÜR
8.1	Verbindliche prospektive Abstimmung über die gesamte Vergütung des Verwaltungsrats	99 %	Annahme	DAFÜR	DAFÜR
8.2	Verbindliche prospektive Abstimmung über die gesamte (nicht aktienbasierte) Vergütung der Geschäftsleitung	99 %	Annahme	DAFÜR	DAFÜR
8.3	Verbindliche prospektive Abstimmung über die gesamte aktienbasierte Vergütung der Geschäftsleitung	85 %	Annahme	● DAGEGEN	DAFÜR
9.	Verschiedenes		-	● ENTHALTUNG	DAFÜR

Präsenzmeldung

Die Stimmbeteiligung an der Generalversammlung 2015 war 78% der stimmberechtigten Aktien. Die vertretenen Stimmen verteilen sich wie folgt:

- Unabhängiger Stimmrechtsvertreter: 30%
- Anwesende Aktionärinnen und Aktionäre: 70%

2. Proxy Analysis

1	Present financial statements and accounts	NON-VOTING																		
	<p>This item is the presentation of the annual report, as well as of the annual statutory and consolidated accounts.</p> <p>This is a non-voting item.</p>																			
2	Present the reports of the statutory auditor	NON-VOTING																		
	<p>This item is the presentation of the annual report, as well as of the annual statutory and consolidated accounts.</p> <p>This is a non-voting item.</p>																			
3.1	Approve annual report	FOR																		
	<p>The board of directors requests shareholder approval of the company's annual report for the fiscal year 2015.</p> <p>Company performance in 2015 (see detailed figures in section 3.3 of this report)</p> <table border="0"> <tr> <td>- Total revenues variation in 2015</td> <td style="text-align: right;">-12.9%</td> </tr> <tr> <td>- Total revenues variation (3-year annualised)</td> <td style="text-align: right;">+20.3%</td> </tr> <tr> <td>- Operating margin 2015</td> <td style="text-align: right;">6.0%</td> </tr> <tr> <td>- Operating margin 2014</td> <td style="text-align: right;">6.6%</td> </tr> <tr> <td>- Net income variation</td> <td style="text-align: right;">-27.7%</td> </tr> <tr> <td>- Return on equity 2015</td> <td style="text-align: right;">10.8%</td> </tr> <tr> <td>- Return on equity 2014</td> <td style="text-align: right;">15.3%</td> </tr> <tr> <td>- Total Shareholder Return (TSR)</td> <td style="text-align: right;">-12.9%</td> </tr> <tr> <td>- 3-year TSR</td> <td style="text-align: right;">32.4%</td> </tr> </table> <p>2015 Company milestones</p> <ul style="list-style-type: none"> • During the year under review, Calida sales declined by 13% mainly due to currency impact (sales declined by 2.7% in local currency). The remaining decline in sales is explained by Calida as a result of a generally weak demand environment in Europe, in particular in France. • The EBIT margin and net income also fell by 0.6 percentage point to 6% in 2015 as a result of currency effect. • Also, in 2015, there were rumours in the market on a potential sale of the 35% stake of the Kellenberger Family, the anchor shareholder of Calida. The company subsequently announced that the family had effectively given a mandate to an investment bank to look for a potential acquirer of the stake. According to the board, the family's goal is to preserve the independence of Calida by selling its stake to another family or anchor shareholder. The company announced in January that the Kellenberger family was committed to stay for a minimum of 3 additional years in Calida's share capital. 		- Total revenues variation in 2015	-12.9%	- Total revenues variation (3-year annualised)	+20.3%	- Operating margin 2015	6.0%	- Operating margin 2014	6.6%	- Net income variation	-27.7%	- Return on equity 2015	10.8%	- Return on equity 2014	15.3%	- Total Shareholder Return (TSR)	-12.9%	- 3-year TSR	32.4%
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- Return on equity 2014	15.3%																			
- Total Shareholder Return (TSR)	-12.9%																			
- 3-year TSR	32.4%																			

- In 2015, the company announced a change of CEO with the retirement of Mr. Sulzberger and the appointment of Mr. Pichler as of 1 of April 2016 (see also ITEM 5). The board has also reviewed the company strategy and intends to concentrate on organic growth with the development of the current brands rather than seeking to acquire new brands. Ethos notes that Calida still needs to finalise the acquisition of Lafuma by purchasing the remaining stake of approx. 28.45%.

Ethos has no special concerns regarding the accuracy of the company's financial statements and accounts. As required by the Swiss Code of Obligations, the auditors confirmed that an internal control system designed for the preparation of financial statements exists as of 31 December 2015. Ethos, in accordance with its voting guidelines, recommends to vote FOR.

3.2	Approve financial statements and consolidated accounts	FOR
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The board of directors requests shareholder approval of the company's annual and consolidated accounts for the fiscal year 2015.

Ethos has no special concerns regarding the accuracy of the company's financial statements and accounts. As required by the Swiss Code of Obligations, the auditors confirmed that an internal control system designed for the preparation of financial statements exists as of 31 December 2015. Ethos, in accordance with its voting guidelines, recommends to vote FOR.

3.3	Advisory vote on the remuneration report	OPPOSE
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The board of directors requests an advisory vote on the remuneration report included in the annual report. While the vote is not binding, it allows shareholders to send a message to the board that could help shape executive remuneration. The remuneration report describes the remuneration policy and discloses the remuneration paid to both non-executive board members and members of the executive board. Section 4 of this report includes the description and detailed figures of the 2015 remuneration of the board of directors and of the members of the executive management of the company.

A) Changes implemented

In 2015, the company has been more transparent regarding the phantom stock plan (cash settled) of the former CEO, Mr. Sulzberger. The company also explains the new phantom stock plan reserved for the new company CEO, Mr. Pichler, which is similar to the one of M. Sulzberger but has longer term features. The phantom stock plan for Mr. Pichler provides a cash payment of CHF 200'000 for each CHF 2.50 increase in the share price of Calida for a "sustainable period". Out of the CHF 200'000, a first payment of CHF 100'000 becomes due when the share price exceeds a certain threshold for at least 90 days (which shall not be consecutive) within a period of 180 days. The first threshold is the average share price of the first quarter 2016 (CHF 31.00) + CHF 2.50. A second payment of CHF 100'000 will be made if the share price is still above the threshold two years after the date at which it was first exceeded. At that time, if the share price is below the threshold, the bonus can still be earned if the share price subsequently exceeds the threshold again for a "sustainable period" as defined above. The plan provides that every incremental increase of CHF 2.50 entitles to the same payment (CHF 200'000 paid in two tranches).

Ethos notes that the new CEO took office on the 1st of April 2016. At this date, the share price was already CHF 35.50 meaning that the CHF 33.50 threshold had already been exceeded (the share price still needs to stay at this level during 90 days within the next 180 days). Ethos therefore considers this potential CHF 200'000 payment (settled in two tranches) as undeserved by the new CEO who was not in office at the time of crossing. Ethos also notes that the second threshold of CHF 36.00 is also very close at the date of writing this report.

B) Ethos' appraisal of the remuneration system

B.1) Disclosure

Concerns

- The performance conditions pertaining to the annual bonus of the members of management are not precisely disclosed preventing shareholders from assessing whether the remuneration policy adequately aligns the interests of the members of the executive management to those of the shareholders and the company's long-term strategy.
- The company operates an option plan for the members of the management other than the CEO. The basis underlying the grant of options is not disclosed in the remuneration report.

B.2) Remuneration structure: Board members

During the year under review, the chairman of the board, Mr. Lustenberger, received CHF 138'000 (unchanged), while the other members of the board received on average CHF 73'400 (+5%). The chairman's remuneration is 1.9 times the average remuneration of the other members of the board.

Concerns

- Ethos regrets that the board fees are entirely paid in cash, especially since several directors hold no shares in the company. Non-executive directors should gradually build up a portfolio of the company's shares that should be kept for at least 3 years, in order to ensure that their interests are aligned with those of the shareholders.

B.3) Remuneration structure: Executive management

Members of the executive management, including the CEO, have a base salary and can receive variable remuneration under 2 incentive plans, which are described in detail under section 4.5 of this report. For the year under review, the company former CEO, Mr. Sulzberger, received a total remuneration of CHF 2'341'000 (-5.5%), of which 59% is variable. His total variable remuneration at grant represents 2.31 times his base salary. CHF 750'000 of his total remuneration is due to the former phantom stock plan. In 2015, the share price of Calida exceeded two thresholds which entitled Mr. Sulzberger to two payments of CHF 375'000 (CHF 37.50 and CHF 40.00). However, Ethos notes that the share price closed at year-end 2015 at CHF 32.00. The other members of the management received on average CHF 508'200 (+0.9%), of which 39% is variable. Their total variable remuneration at grant represents 100% times their average base salary.

Pay-for-performance connection

In order to assess the pay-for-performance connection, and thus the relevance of the level of bonus paid, Ethos reviews the performance of the company compared to 27 companies active in the same industry as Calida (based on the Global Industry Classification Standard (GICS) level 3). Ethos considers that the sales growth, the evolution of EBITDA (relative to the sales at the beginning of the period) and the total shareholder return (TSR) give a good overview of the performance of the company.

For the 2015 financial year, the company ranks at the following percentiles (100 is best) for each of the indicators:

Sales growth	4th
Evolution of EBITDA	24th
TSR	49th

Based on the three indicators, the company ranks at the 25th percentile. Therefore, Ethos considers that the payment of a bonus slightly below target would be appropriate. Calida however does not disclose the level of target bonus of the executive management but only the maximum value.

Concerns

- Over the past years, Ethos has expressed significant concerns regarding the phantom stock plan reserved for the company CEO considering that it was rewarding short term share price appreciation in cash. Ethos notes that a subsequent drop in the share price as was the case in 2015, does not affect the remuneration already paid. As a result, Mr. Sulzberger's remuneration for 2015 of CHF 2.3 million appears excessive in Ethos' view.
- Regarding the phantom stock plan, Ethos welcomes the mention of the "sustainable period" during which the share price has to be exceeded for the first time in 2015 remuneration report and that the conditions that will apply to the new CEO are more stringent and more long-term oriented than they were for Mr. Sulzberger. However, Ethos considers that a phantom stock plan settled in cash is not a good alignment with the long term interests of shareholders. Ethos believes that part of the CEO's remuneration should be settled in shares so that subsequent drops in the share price also impact the CEO which is not the case with the current plan. Ethos has conveyed its concerns to the board of directors many times over the past years. Ethos therefore regrets that the board did not take the occasion of the change in CEO to establish a different share plan.
- Ethos strongly regrets that the vesting of options is not linked to the achievement of performance conditions. While Ethos appreciates that part of the variable remuneration is deferred thereby retaining key talent, it considers that the long-term incentive should reward the creation of sustained growth in shareholder value. Furthermore, the way options are granted to the members of the management is not explained in the remuneration report and seems to be at the full discretion of the board.

C) Ethos' recommendation

In view of the above concerns, Ethos, in accordance with point 4.1.b of its voting guidelines, recommends to OPPOSE.

3.4 Allocation of income FOR

The board of directors proposes that the amount at the disposal of the AGM be allocated as follows:

Available earnings brought forward	CHF	98'608'000
2015 Income of the parent company	CHF	25'934'000
At the disposal of the AGM	CHF	124'542'000
Payment of dividend	CHF	0
Allocation to reserves	CHF	0
Carry forward to statutory accounts	CHF	124'542'000

The board proposes to pay a dividend of CHF 0.80 via a repayment of nominal value of CHF 0.40 per share (ITEM 3.5) and CHF 0.40 per share via a dividend out of capital contribution reserves (ITEM 3.6).

Ethos, in accordance with its voting guidelines, recommends to vote FOR.

3.5 Reduce share capital via repayment of nominal value FOR

The board of directors proposes to reduce the company's share capital by 16'183'696 via the repayment of CHF 0.40 nominal value per share to the shareholders and the transfer of CHF 1.60 from nominal value to the reserves from capital contributions. This corresponds to a 95% reduction of the issued share capital. The new share capital shall amount to CHF 809'184.80 divided into 8'091'848 registered shares with a nominal value of CHF 0.10. As opposed to the payment of a cash dividend, the reimbursement of nominal value is fiscally advantageous as it is not subject to the 35% federal withholding tax; nor is it subject to Swiss income tax for private investors domiciled in Switzerland.

Together with the CHF 0.40 dividend per share proposed under ITEM 3.6, the total dividend amounts to CHF 0.80 per share or a payout ratio of 40% on the 2015 consolidated net income (see also ITEM 3.6).

If adopted, this proposal will have a substantial impact on the shareholders' ability to add resolutions on the agenda of general meetings. Article 12 of the company's articles of association specifies that a shareholder or a group of shareholders may submit resolutions if they own at least CHF 1 million nominal value of the company's share capital. Currently, this corresponds to 476'191 shares or 5.91% of the share capital.

Since the new share capital will be below CHF 1 million, the right to table shareholder resolutions will increase to 10% of the share capital which corresponds to the legal threshold to call an EGM. The board of directors does not propose to adapt this requirement which will reduce the capacity of shareholders to exercise their rights. Ethos contacted the company that reacted positively by committing to restore the threshold at its current level next year.

While ethos appreciates the board's commitment to restore the threshold at its current level, it regrets that the board did not seize the occasion to lower the threshold to an acceptable level such as 0.25% of the share capital which is the % foreseen in the preliminary draft regarding the amendment of the Swiss Code of Obligations.

Since the board has committed to adapt the threshold next year, the proposal can be accepted. Ethos, in accordance with its voting guidelines, recommends to vote FOR.

3.6 Approve dividend distribution out of capital contribution reserves FOR

For the fiscal year under review, the board proposes to pay a dividend of CHF 0.40 per share out of the capital contributions reserves in addition to the repayment of nominal value of CHF 2.00 per share proposed above. This procedure allows shareholders, whether subject to Swiss taxes or not, not to pay the withholding tax on dividend. In order to proceed with the dividend payment, the company needs to transfer the amount of the dividend to be paid from the reserves from capital contributions to free reserves:

Closing balance of capital contributions reserves	CHF	17'578'000
Transfer to free reserves for dividend payment	CHF	3'237'000
Capital contributions reserves available for future tax-free distributions	CHF	14'341'000

Key indicators

Consolidated net income	CHF	16'989'000
Free cash flow (Cash flow from operating activities - Capital expenditures)	CHF	1'500'000
Dividend per share	CHF	0.80 (2014: 0.80)
Payout ratio		40
Dividend yield (based on the share price at year-end)		2.4%
Net cash (Cash and cash equivalents + Marketable securities - Current and non-current debt)	CHF	32'400'000

Subject to shareholder approval of ITEMS 3.5 and 3.6, the dividend will be paid on 28.04.2016.

Together with the CHF 0.40 dividend per share proposed under ITEM 3.6, the total dividend amounts to CHF 0.80 per share or a payout ratio of 40% on the 2015 consolidated net income (see also ITEM 3.6).

Since the board has committed to adapt the threshold next year, the proposal can be accepted. Ethos, in accordance with its voting guidelines, recommends to vote FOR.

4 Discharge board members and executive management FOR

The board of directors requests shareholders to discharge its members as well as those of the executive management of their responsibilities for their management of the company for the fiscal year 2015.

In line with the Swiss Code of Obligations, shareholders are requested to release the members of the board of directors from liability for their activities during the fiscal year under review. Shareholders that grant the discharge lose their right to file claims against the members of the board of directors for activities carried out during the year relating to facts that have been disclosed to shareholders. Nevertheless, all shareholders maintain their rights to file claims for facts that have not been disclosed to shareholders when the discharge was granted.

The auditor's reports are not qualified and Ethos is not aware of any revealed facts that would give reason to oppose the discharge. Ethos, in accordance with its voting guidelines, recommends to vote FOR.

5 Elections to the board of directors

The board of directors proposes to re-elect all his members with the exception of Mr. Sulzberger and proposes to appoint two new nominees. Micalux, shareholder of Calida with 16% of the share capital, has tabled a shareholder resolution requesting that Mr. Sulzberger be re-elected to the board of directors (ITEM 5.2.b).

Main features of board composition after the AGM assuming the election of all candidates (for more details, see section 6 of this report)

Board size	9
Combination of the functions of Chairman and CEO	No
% independent directors	66.7 %
% representatives of Kellenberger Family	11.1 %
% executive directors	0.0 %
% women directors	11.1 %
Average age of directors	59.9
Average board tenure	9.1 years

* Kellenberger Family holds 35% of the capital and voting rights. Mr. Kellenberger sits on the board as representative of the family.

Felix Sulzberger has decided to quit his function as CEO after 14 years at the head of Calida having reached the age of 65. He is nonetheless ready to continue as member of the board (in which he has been sitting since 2008) if he is re-elected at the annual general meeting of Calida on 21 April 2016. The board always praised the achievements of F. Sulzberger who succeeded in transforming Calida, a company that was in a very difficult situation, into a leader in its industry. However, the board has decided not to support Mr. Sulzberger's re-election justifying its decision by a disagreement on the company strategy. The board has decided that Calida needs to focus on its current brand rather than looking for further acquisition.

A new CEO external to the group, Reiner Pichler, will take over on 1 April 2016. The retained strategy will concentrate both on the completion of the integration of Lafuma and the organic growth of the different brands, while at the same time analysing opportunities for acquisitions of companies. After separate discussions with different board members as well as with Ch. Haas (Micalux) and F. Sulzberger, Ethos did not note any fundamental differences in strategy. On the contrary, Ethos is convinced that the presence of F. Sulzberger on the board will constitute an important added value during this development phase of Calida for the following three reasons:

- F. Sulzberger personifies Calida's success. Dismissing him would constitute a considerable source of unease for many shareholders. Ethos received assurance from F. Sulzberger that in case he is reelected he will in no way assume neither operational tasks nor tasks intended for the chairman Th. Lustenberger.
- The finalisation of the complete acquisition and the integration of Lafuma initiated by F. Sulzberger are ongoing. Ethos considers it primordial that the new CEO coming from outside of the group, R. Pichler, can benefit from the experience of F. Sulzberger to ensure an optimal takeover of functions. His presence on the board will allow Calida to continue to benefit from his vast experience in the textile sector.
- The historical and main shareholder of Calida (Kellenberger family, 35% of the capital) recently wished to sell its stake before retracting and announcing that it would remain invested at least for the coming three years. These changes of mind by the Kellenberger family can upset certain shareholders with a long-term view and create differences of interests within the board. In this context, the presence of F. Sulzberger reassures by ensuring continuity.

Finally, the board also proposes the election of Stefan Portmann and Jean-Paul Rigau deau. Ethos supports S. Portmann whose vast experience in Calida's area of activity will certainly be an advantage. The profile of J.-P. Rigau deau however does not seem optimal; Ethos is of the opinion that given the sector in which Calida is active, it is indispensable that the board is completed by adding a woman, especially as the current female member (M. Tesler) will reach the age limit next year.

- | | | |
|----------------|--|------------|
| 5.1 | <p>Re-elect Dr. Thomas Lustenberger as board member and chairman of the board (single vote)</p> <p>The board proposes to re-elect Dr. iur. Thomas Lustenberger (Swiss, 65) for a further 1-year term. He has been board member and chairman of the board since 2000. He is considered affiliated due to his long tenure and the fact that Mr. Lustenberger law firm receives annual fees from Calida for consultancy services.</p> <p>However, the board is sufficiently independent. Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p> | FOR |
| 5.2.a.1 | <p>Re-elect Mr. Erich Kellenberger</p> <p>The board proposes to re-elect Mr. Erich Kellenberger (Swiss, 68) for a further 1-year term. He has been board member since 1986. He is considered affiliated as he is important shareholder of the company with a 35% stake and he has been sitting on the board for more than 12 years.</p> <p>As mentioned above, the Kellenberger family has tried to sell its stake before deciding to stay in the capital for a minimum of 3 years. Ethos considers that important shareholders are entitled to have an adequate representation at board level and therefore, in accordance with its voting guidelines, recommends to vote FOR.</p> | FOR |

5.2.a.2	Re-elect Mr. Beat Grüring	FOR
<p>The board proposes to re-elect Mr. Beat Grüring (Swiss, 55) for a further 1-year term. He has been board member since 2005 and is currently member of the nomination and remuneration committee. He is considered independent.</p>		
<p>Mr. Grüring is CEO and co-owner of Tally Weijl a clothing retailer and as such a specialist of the retail and textile industry. Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p>		
5.2.a.3	Re-elect Ms. Marianne Tesler	FOR
<p>The board proposes to re-elect Ms. Marianne Tesler (French, 70) for a further 1-year term. She has been board member since 2006 and is currently member of the nomination and remuneration committee. She is considered independent.</p>		
<p>Ethos notes that Ms Tesler is the only woman in the board. She will have to step down next year due to the age limit. Ethos regrets that the board has not appointed any new women. Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p>		
5.2.a.4	Re-elect Mr. Marco Gadola	FOR
<p>The board proposes to re-elect Mr. Marco Gadola (Swiss, 53) for a further 1-year term. He has been board member since 2011 and is currently member of the audit committee (chairman). He is considered independent. Mr. Gadola also acts as vice chairman of the board.</p>		
<p>Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p>		
5.2.a.5	Re-elect Mr. Hans-Kristian Hoejsgaard	FOR
<p>The board proposes to re-elect Mr. Hans-Kristian Hoejsgaard (Danish, 58) for a further 1-year term. He has been board member since 2014 and is currently member of the audit committee and nomination and remuneration committee. He is considered independent.</p>		
<p>Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p>		
5.2.b	Re-elect Mr. Felix Sulzberger	FOR
<p>Micalux SA, Luxembourg, holding 16% of the share capital controlled by Mr. Haas, board member of Calida until the end of July 2015, has tabled a shareholder resolution requesting the re-election of Mr. Felix Sulzberger (CEO from 2001 until end of March 2016) to the board of directors for a one-year term. As explained under ITEM 5, the board unanimously (except Mr. Sulzberger) rejects Micalux's proposal to re-elect Mr. Sulzberger. Mr. Sulzberger cannot be considered independent as he is the former CEO of Calida and his election is proposed by an important shareholder of Calida.</p>		
<p>The board explains a divergence of opinion between the board members and Mr. Sulzberger regarding the priorities set for Calida. The board wants the new CEO to concentrate on the development of the current brands and not on further acquisitions. For the reasons explained under ITEM 5, Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p>		
5.3.a	Elect Mr. Jean-Paul Rigau	OPPOSE
<p>The board proposes to newly appoint Mr. Jean-Paul Rigau (French, 57) for a 1-year term. He is considered independent. Mr. Rigau is not a specialist of the textile industry having worked in the consumer goods and pharmaceutical industry. The board explains that Mr. Rigau is a French citizen which is an important market for Calida and its brands.</p>		
<p>While Ethos acknowledges that Mr. Rigau has good competences in the consumer goods industry, he has no background in the textile industry. Furthermore, Ethos supports the election of Mr. Sulzberger. Ethos would have preferred that the board appoint one or two women in the perspective of the retirement of Ms. Tesler for age reason at the 2017 AGM. Ethos, in accordance with point 2.1.a of its voting guidelines, recommends to OPPOSE.</p>		

5.3.b	Elect Mr. Stefan Portmann	FOR								
	<p>The board proposes to newly appoint Mr. Stefan Portmann (Swiss, 48) for a 1-year term. He is considered independent. Mr. Portmann is a specialist of the retail and textile industry as a former partner of Schild and franchiser of the underwear brands Intimissimi and Calzedonia.</p> <p>Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p>									
5.4 Elections to the remuneration committee										
	<p>The board of directors proposes that Mr. Grüring, Ms Tesler and Mr. Hoejsgaard be (re)-elected to the remuneration committee to serve for another 1-year term.</p> <p>Main features of the remuneration committee composition after the AGM</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 80%;">Committee size</td> <td style="text-align: right;">3</td> </tr> <tr> <td>Number of independent members</td> <td style="text-align: right;">3</td> </tr> <tr> <td>Number of executive members</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Number of members with executive functions within other listed companies</td> <td style="text-align: right;">0</td> </tr> </table> <p>The composition of the committee being in line with Ethos' guidelines, the election of the proposed nominees can be approved.</p>		Committee size	3	Number of independent members	3	Number of executive members	0	Number of members with executive functions within other listed companies	0
Committee size	3									
Number of independent members	3									
Number of executive members	0									
Number of members with executive functions within other listed companies	0									
5.4.a	Re-elect Mr. Beat Grüring to the remuneration committee	FOR								
	<p>The board proposes to elect Mr. Beat Grüring to the remuneration committee for a 1-year term.</p> <p>Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p>									
5.4.b	Elect Ms. Marianne Tesler to the remuneration committee	FOR								
	<p>The board proposes to elect Ms. Marianne Tesler to the remuneration committee for a 1-year term.</p> <p>Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p>									
5.4.c	Elect Mr. Hans-Kristian Hoejsgaard to the remuneration committee	FOR								
	<p>The board proposes to elect Mr. Hans-Kristian Hoejsgaard to the remuneration committee for a 1-year term.</p> <p>Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p>									
6 Election of the auditors										
	<p>The board of directors recommends that shareholders ratify the re-appointment of Ernst & Young as the company's external auditors for a further 1-year term.</p> <p>Audit versus non-audit fees</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 80%;">Non-audit fees / Audit fees (2015)</td> <td style="text-align: right;">4.6 %</td> </tr> <tr> <td>Non-audit fees / Audit fees (3-year aggregate)</td> <td style="text-align: right;">13.0 %</td> </tr> </table> <p>The non-audit fees being an acceptable level in 2015 and over the past three years, Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p>		Non-audit fees / Audit fees (2015)	4.6 %	Non-audit fees / Audit fees (3-year aggregate)	13.0 %				
Non-audit fees / Audit fees (2015)	4.6 %									
Non-audit fees / Audit fees (3-year aggregate)	13.0 %									
7 Election of the independent proxy										
	<p>The Minder ordinance requires that the independent proxy be elected by the shareholders. The board of directors therefore proposes the appointment of Grossenbacher Rechtsanwälte as independent proxy for a 1-year term.</p>									

Ethos is not aware of any potential conflict of interests and, in accordance with its voting guidelines, recommends to vote FOR.

8 Binding votes on the remuneration of the board of directors and the executive management

In accordance with the Minder ordinance, the amounts of remuneration of the board of directors and the executive management are submitted to shareholder approval (binding separate votes). Consistent with the provision of the articles of association, the board requests 2 separate votes as follows:

- Prospective vote on the total remuneration of the board of directors (ITEM 8.1)
- Prospective vote on the total remuneration of the executive management in a single vote (ITEM 8.2)

Ethos regrets that the board only proposes a single vote for the remuneration of the executive management while it proposed two separate votes last year (one for the cash remuneration and one for the share-based remuneration).

8.1 Binding prospective vote on the total remuneration of the board of directors FOR

The board of directors requests shareholder approval of the total maximum remuneration to be paid to the board of directors for the year 2017.

A) Board proposal

The board requests a maximum total amount of CHF 800'000 (see section 5 of this report for details). In the meeting agenda, the amount is not broken down. Ethos notes that Calida is one of the few company to request the board remuneration for the next financial year. Most companies request the remuneration for the board of directors for the period from one AGM to the other AGM.

B) Comparison to company peers

In 2014 (most recent figures available), the total remuneration paid to the members of the board of directors of companies similar to Calida (peers) was the following:

Median remuneration of chairmen	CHF	274'000
Median remuneration of other board members	CHF	94'146

NB: Ethos' peer group consists of 21 companies (excluding companies active in financial services) listed in Switzerland, including Calida, that are comparable to Calida in terms of market capitalisation, number of employees, and total revenues.

In 2015, CHF 536'000 were paid to the 7 non-executive board members. For 2017, it is not yet clear how many members the board will include.

The 2015 remuneration were as follows:

Chairman	CHF	138'000
Other board members (average)	CHF	73'400

Assuming a constant remuneration of the chairman of the board (CHF 138'000) and the election of all 8 other board members listed above, the requested remuneration budget shall not allow any significant increase in the remuneration of the board members. The requested amount shall allow to pay remuneration below the median of the peer group.

C) Ethos' recommendation

While Ethos regrets that the fees are entirely paid in cash, that several board members do not hold any shares and that the amount requested for the board is not requested from an AGM to an other but based on the 2017 fiscal year, the remuneration of the board members can be accepted as it remains below the average remuneration of the peer group. Ethos, in accordance with its voting guidelines, recommends to vote FOR.

8.2 Binding prospective vote on the total remuneration of the executive management OPPOSE

The board of directors requests shareholder approval of the total maximum remuneration to be paid to the executive management for the 2017 financial year (prospective vote).

A) Board proposal

The board requests a maximum amount of CHF 5.3 million to be paid to the 6 members of the executive management, including the CEO (see section 5 of this report for details). The company has not broken down the amount between fixed, variable and share-based remuneration. In addition, as opposed to last year, the board requests this year the remuneration of the executive management under a single vote.

B) Ethos' recommendation

Last year, Ethos supported the cash remuneration but opposed the long term plan for the reasons explained under ITEM 3.3. This year, the company has made a step backward by proposing only one vote on the total amount. Ethos regrets this step backward which leaves shareholder with an all or nothing choice. In light of Ethos concerns regarding the long term plan of the new CEO (phantom stock in cash) and of the other members of the management (discretionary amount of options with no performance conditions), Ethos cannot accept the proposed remuneration budget. Ethos urges the board to introduce a share plan to encourage the long term shareholdings of the new CEO and better align his remuneration package with the long term interest of the shareholders. In light of the lack of transparency in the invitation and Ethos' concerns regarding the long term plan operated by Calida, Ethos, in accordance with point 4.5.d of its voting guidelines, recommends to OPPOSE.

9 Miscellaneous ABSTAIN

Ethos recommends to oppose any unannounced additional proposals made during the AGM either by the board or by a shareholder. The formal meeting agenda does not include this proposal, which is only included in the proxy card with no precise item number. Ethos, in accordance with point 9.1 of its voting guidelines, recommends to ABSTAIN.

3. Company Information

Before the General Meeting of 21 April 2016

3.1 General Information

Headquarters	Oberkirch (LU), Switzerland
Activities	<p>Calida is a manufacturer of high-quality lingerie, underwear and nightwear. Over the years, with the acquisition of brands that include Millet, Eider, Lafuma and Oxbow, the company has entered into outdoor equipment developing products for alpinists, mountaineers, hikers and excursionists as well as gardeners.</p> <p>Through these different brands the Group is divided into five operating divisions:</p> <ul style="list-style-type: none">- Calida (35.9% of total net sales in 2015)- Aubade (16.0%)- Millet Mountain (29.7%) : combines the brands Millet, Eider and Lafuma Outdoor- Furniture (10.6%): Lafuma Mobilier, expert in outdoor gear- Oxbow (7.8%)
Employees	Total number on 31.12.2015: 2953
Chairman	Dr. iur. Thomas Lustenberger (since 2000), Swiss, aged 65
CEO	Reiner Pichler (since 2016), German, aged 53
	<p>On 17 December 2015, the company announced that due to differences of opinion with the board of directors and the main shareholder, the CEO, Mr. Felix Sulzberger, had resigned and Mr. Reiner Pichler would take over in April 2016 to ensure a continuity of operations.</p>
Listing	SIX Swiss Exchange Berlin

3.2 Capital

Issued Capital	In CHF	Number	Nominal Value	Issued Capital	
		Registered shares	8'053'437	2.10	16'912'218
		Total issued capital			16'912'218

On 24 February 2016, the board decided to increase the share capital by 38'411 registered shares via the conditional capital. Therefore, the share capital consists of 8'091'848 registered shares representing CHF 16'992'880.8 nominal.

Under ITEM 3.5 of the 2016 AGM, the board proposes to reduce the nominal value from CHF 2.1 to CHF 0.1. Therefore, the share capital would consist of 8'091'848 registered shares of CHF 0.1 nominal, representing CHF 809'184.8 nominal.

Authorisation to issue shares without guaranteed pre-emptive rights	In CHF	Equity Type	Number	% of Issued Capital	
		Conditional capital for employee participation	Registered shares	268'152	3.3 %
		Total authorisation			3.3 %

Upon approval of ITEM 3.5 of the 2016 AGM, the conditional capital would consist of 268'152 registered shares of CHF 0.1 nominal, representing CHF 26'815.20 nominal.

The company has no outstanding convertible bonds.

Conditions to file a shareholder resolution	Date	31.12.2015	In CHF	Nominal value required	1'000'000
				Market value required	15'285'731
				% of listed voting capital	5.91 %

Restriction on registration of shares or voting rights

The company does not accept any nominee registrations.

Important shareholders

On 21 March 2016:

- Shareholder group of the Kellenberger family: 34.5%
- Micalux SA (Luxemburg): 16.3%
- Vontobel Fonds Services AG: 7.5% (of which 5.7% represented by a shareholder group composed of Foundation Ethos, Pictet Funds SA and Vontobel Fonds Services AG pooled by an agreement regarding the exercise of voting rights)

At year-end 2015, Calida also holds 2'200 treasury shares (0.03% of the company share capital) without voting rights.

3.3 Financials and Key Figures

Year end 31. December

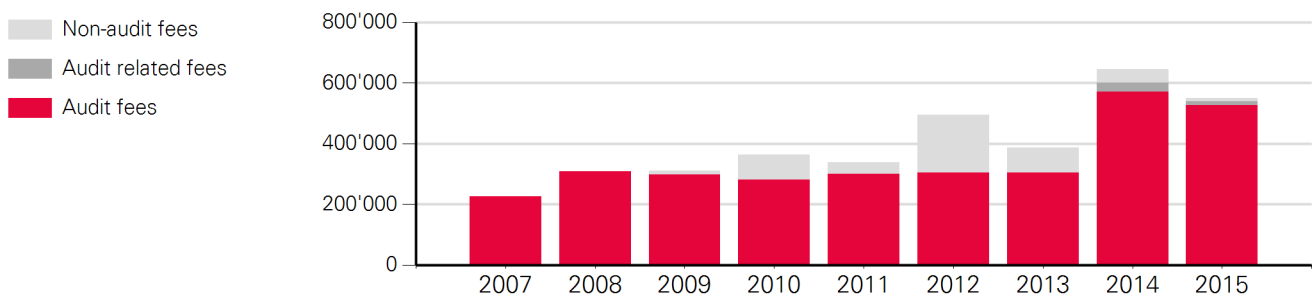
Reporting standard IFRS

		2015	2014	2013
Net revenues	CHF	358.98 million	412.38 million	206.39 million
EBIT	CHF	21.54 million	27.21 million	21.02 million
Net income attributable to shareholders (without minority interests)	CHF	15.92 million	22.00 million	10.86 million
Shareholders' equity	CHF	147.45 million	147.67 million	139.32 million
Market capitalisation at year-end	CHF	259.70 million	296.77 million	225.07 million
Earnings per registered share (basic)	CHF	1.97	2.74	1.36
Dividend per registered share	CHF	0.40	0.80	0.80
Repayment of nominal value per registered share	CHF	0.40	0.00	0.00
Payout ratio (on group net income)		40.00 %	29.20 %	58.82 %
Market value per registered share at year end	CHF	32.10	36.85	28.15

3.4 External Auditor

Auditor Ernst & Young, since 2007

Fees	In CHF	2015	2014	2013
Audit fees		525'000	570'000	304'000
Audit related fees		14'000	30'000	0
Non-audit fees		10'000	45'000	83'000
Total		549'000	645'000	387'000

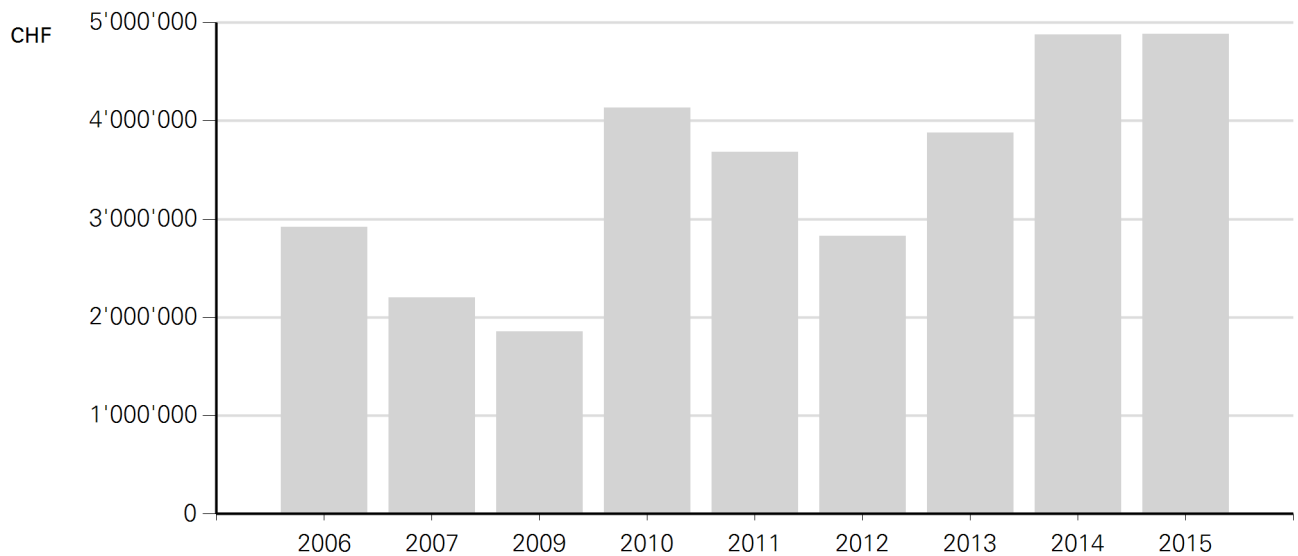


Comments The lead auditor, Mr. Christoph Michel, has been in charge since 2014.
In 2015, non-audit fees were related to advisory services.

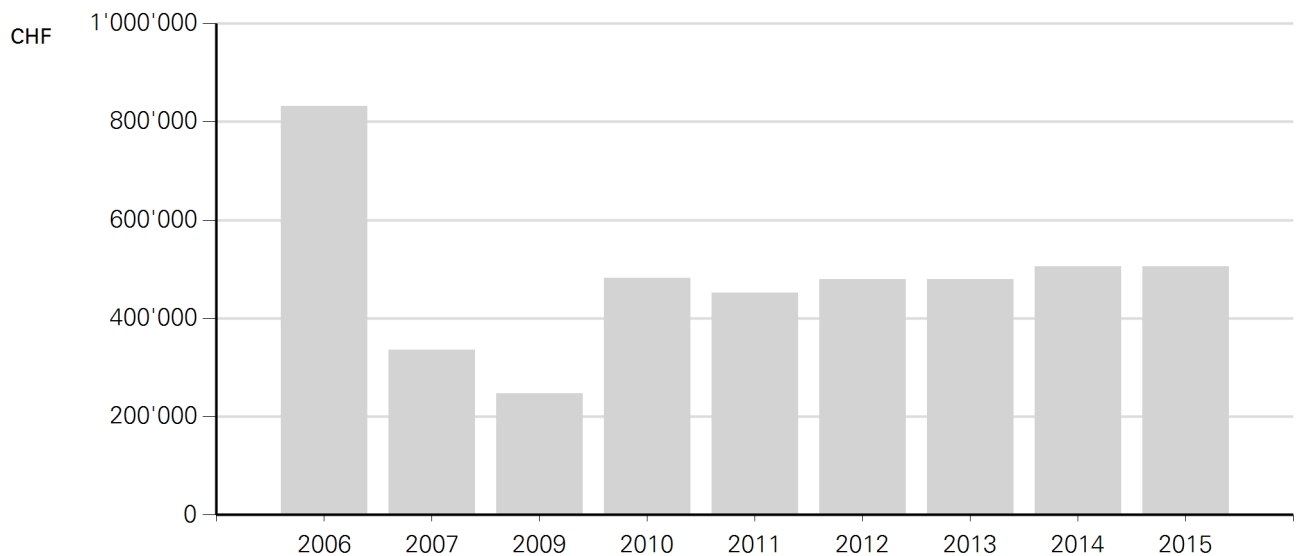
4. Remuneration Report

4.1 Evolution of the Aggregate Remuneration

A Members of the Executive Management



B Board Members (Outside Executive Management)



4.2 Global Remuneration Figures

A Members of the Executive Management

		2015 Number	2015 CHF	2014 Number	2014 CHF	Var.
Total number of persons (FTE)		6.0		5.8		
Cash	Fixed		1'582'000		1'608'000	-1.6%
	Variable		1'818'000		1'979'000	-8.1%
Shares	Fixed	0	0	0	0	0.0%
	Variable	0	0	0	0	0.0%
Options	Variable	54'000	543'000	48'000	353'000	53.8%
Other			939'000		935'000	0.4%
Total			4'882'000		4'875'000	0.1%
Highest paid executive			2'341'000		2'477'000	-5.5%
Average other executives			508'200		503'782	0.9%

B Board Members (Outside Executive Management)

		2015 Number	2015 CHF	2014 Number	2014 CHF	Var.
Total number of persons (FTE)		6.0		6.3		
Cash	Fixed		445'000		448'000	-0.7%
	Variable		0		0	0.0%
Shares	Fixed	0	0	0	0	0.0%
	Variable	0	0	0	0	0.0%
Options	Variable	0	0	0	0	0.0%
Other			60'000		58'000	3.4%
Total			505'000		506'000	-0.2%
Highest paid non-executive			138'000		138'000	0.0%
Average other non-executives			73'400		69'918	5.0%

Comments

Members of the executive management

The executive remuneration includes the following elements:

- Base salary
- Annual bonus paid in cash (see section 4.5.B of this report)
- Long-term incentive plan paid in options (see section 4.5.C of this report)
- Pensions
- Benefits in kind

The CEO does not receive options. However, he receives a special cash payment related to the share price increase (see section 4.5.B of this report).

The highest paid executive was Mr. Felix Sulzberger (CEO until April 2016) both in 2014 and 2015.

Non-executive board members

Non-executive board members receive a fixed fee paid in cash. In addition, they may also receive variable compensation or options. However, no options were granted since 2013.

The highest paid non-executive board member was Dr. Thomas Lustenberger (chairman) in both 2014 and 2015.

4.3 Individual Remuneration Figures

Individual figures for 2015 (CHF)

A Members of the Executive Management

Name, Function	Cash Fixed	Cash Variable	Shares Fixed	Shares Variable	Options Variable	Other	Total
F. Sulzberger, CEO	595'000	1'377'000	0	0	0	369'000	2'341'000
Average other executives	197'400	88'200	0	0	108'600	114'000	508'200

B Board Members (Outside Executive Management)

Name, Function	Cash Fixed	Cash Variable	Shares Fixed	Shares Variable	Options Variable	Other	Total
T. Lustenberger, Ch	120'000	0	0	0	0	18'000	138'000
M. Gadola, VCh	81'000	0	0	0	0	12'000	93'000
B. Grüring, Mbr	71'000	0	0	0	0	11'000	82'000
H. Hoejsgaard, Mbr	71'000	0	0	0	0	11'000	82'000
E. Kellenberger, Mbr	51'000	0	0	0	0	4'000	55'000
M. Tesler, Mbr	51'000	0	0	0	0	4'000	55'000

4.4 Best Practice Checklist

A Members of the Executive Management

Company practice	Each member's remuneration disclosed separately	-
	All pay components disclosed separately (salary, bonus, LTI, pension)	Ok
	Peer group's companies disclosed	-
	Accrual principle applied	Ok
	Performance criteria for short-term incentive adequately disclosed	Ok
	% of annual bonus depending on individual criteria disclosed	-
	Ex-post explanation of the level of achievement of the performance objectives for the short-term incentive	-
	Performance criteria for the vesting of long-term incentive adequately disclosed	Not relevant
	Precise performance objectives for the vesting of the long-term incentive disclosed	Not relevant
	Level of vesting of the long-term incentive (in % of the initial grant) disclosed	Not relevant
	Value realised upon vesting of the long-term incentive disclosed	-
	Shares granted valued at fair market value	Not relevant
	Options granted valued at fair market value	Ok

B Board Members (Outside Executive Management)

Company practice	Non-executive directors' fees partly paid in shares	-
	Non-executive directors do not receive options	Ok
	Non-executive directors do not receive performance based remuneration	Ok
	Minimum share ownership requirements exist for non-executive board members	-

4.5 Remuneration Structure (Executives)

A Remuneration Breakdown

Breakdown	Base salary	Short-term incentives	Long-term incentives	Pensions / Other
Of highest paid executive	25.4%	58.8%	0.0%	15.8%
Of other executives	38.8%	17.4%	21.4%	22.4%

B Short-term Incentives

Short-term incentives in % of base salary	On target	Maximum	Actual
Of highest paid executive	NA	134.5%	231.5%
Of other executives	NA	52.0%	44.7%

Performance criterion	Type	Weighting (highest paid)	Weighting (other executives)
Operational EBIT	Absolute	100.0%	100.0%

Calida has two short-term remuneration plans, the second plan is exclusively awarded to the CEO.

1) Cash Bonus: the annual bonus for the CEO (not including the special bonus linked to the share price growth) is capped at CHF 800'000, corresponding to 134% of his current base salary. No bonus is paid in case of under-achievement of targets. The annual bonus is capped at 52% of the base salary for the other executives and no bonus is paid in case of under-achievement of targets.

2) The CEO, Mr. Felix Sulzberger, receives a special cash payment (phantom stock plan) of CHF 375'000 for each CHF 2.50 increase in the share price of the company: CHF 37.50, CHF 40.00, CHF 42.50, etc. This award will continue until 31 December 2016. Should the share price fall below a threshold and then rise again, no second payment is due. In order to receive the payment, the threshold must be exceeded at least 45 days over a period of 120 days following the first day it is reached.

The annual bonus (based on operational EBIT) received by the CEO, Mr. Sulzberger, represents 105% of his base salary. The 231.48% actual achievement compared to base salary includes his special cash payment under the phantom stock plan (as outlined above).

In 2015, the operational EBIT targets were achieved at 120% by the CEO and 118% on average for the other executives.

Change as of 2016:

The new CEO, Mr. Reiner Pichler, will have a similar option plan to Mr. Felix Sulzberger when he joins the company in 2016. He will also receive a special cash payment (phantom stock plan) of CHF 200'000 for each CHF 2.50 increase in the share price of the company. The first threshold is the Q1 2016 average share price plus CHF 2.50. A first payment of CHF 100'000 is due when the share price sustainably exceeds the threshold. A second payment of CHF 100'000 is due when the share price is still above the threshold two years after the date at which it was sustainably exceeded. Should the share price at that time be below the threshold, the bonus can still be achieved if the share price sustainably exceeds the threshold again. The threshold is sustainably exceeded if within a period of 180 consecutive days, the threshold is exceeded on 90 days, which do not have to be consecutive. Should the share price fall below a threshold and then rise again, no second payment is due.

C Long-term Incentives

Incentive	Plan 1	Plan 2	Plan 3
Type of awards	Options	-	-
Fair value at grant date disclosed	Yes		
Vesting period for time-vesting awards	1-4 years		
Performance period	None		
Sale restriction after performance/vesting period	Not relevant		
Absolute performance criteria for vesting	None		
Relative performance criteria for vesting	None		
Initial grant for the highest paid (in % of the base salary)	Discretionary		
Minimum final grant (in % of initial grant)	100%		
Maximum final grant (in % of initial grant)	100%		
Maximum payout (valued at date of grant, in % of the base salary)	NR		

Comments

Plan 1

Options are granted on a discretionary basis to executive management.

Each option gives the right to one share. 54'000 options were granted in 2015 (48'000 in 2014). Options have no performance conditions and are valued according to the Binomial model.

The weighted average fair value of the options granted in 2015 was CHF 10.33 (2014: CHF 7.47) per option. Options vest over a period of 4 years.

4.6 Remuneration and Financial Performance

A Change in Remuneration 2014-2015

Highest paid executive	-5.5%
Average other executives	0.9%
Highest paid non-executive	0.0%
Average other non-executives	5.0%

B Change in Financial Performance 2014-2015

Sales	-12.9%
Operating income	-20.8%
Net income	-27.7%
Total shareholder return	-10.7%

4.7 Share and Option Holdings

A Members of the Executive Management

Name	Function	31.12.2015 Shares	31.12.2015 Options	31.12.2014 Shares	31.12.2014 Options
F. Sulzberger	CEO	75'084	0	138'780	0
Total other executives	OE	4'000	141'432	4'000	117'243
Total		79'084	141'432	142'780	117'243

B Board Members (Outside Executive Management)

Name	Function	31.12.2015 Shares	31.12.2015 Options	31.12.2014 Shares	31.12.2014 Options
T. Lustenberger	Ch	74'680	0	74'680	0
M. Gadola	VCh	0	0	0	0
B. Grüring	Mbr	34'174	0	21'174	0
H. Hoejsgaard	Mbr	0	0	0	0
E. Kellenberger	Mbr	2'776'245	0	2'772'170	0
M. Tesler	Mbr	0	0	0	0
Total		2'885'099	0	2'868'024	0

Comments

The shares indicated for Mr. Kellenberg are held by the shareholder group of the Kellenberg family.

5. Remuneration Requested

Executive Management

Item	Component	Type	Amount requested (CHF)	Nb. of pers. (FTE)	Modality
8.2	Fixed and variable remuneration (short-term and long-term)	Cash, options	5'300'000	6.0	Prospective

Total remuneration requested for the executive management: 5'300'000

Board of Directors

Item	Component	Type	Amount requested (CHF)	Nb. of pers. (FTE)	Modality
8.1	Fixed remuneration	Cash	800'000	7.0	Prospective

Total remuneration requested for the board of directors: 800'000

Comments

Board members may also receive variable compensation or options. However, no options were granted since 2013.

6. Board of Directors

Composition after the General Meeting of 21 April 2016

Committee	Executive	Affiliated non-executive	Independent non-executive	Total
Board of Directors	0	3	6	9
Audit committee	0	0	2	2
Nomination and remuneration committee	0	0	3	3

Election procedure for directors	Individual
Mandate duration	1 year
Maximum term of office	None
Mandatory age limit	70 years
Single signature	No
Number of board meetings during the past year	5 (duration between 0.5 and 1.5 day)
Number of audit committee meetings during the past year	3 (duration not disclosed)
Number of nomination and remuneration committee meetings during the past year	2 (duration not disclosed)
Attendance rate at board meetings not disclosed	

NB: The above figures are based on the assumption that all nominees will be re-elected, i.e. including Felix Sulzberger, who is proposed by Micalux S.A. under ITEM 5.2.b.

Out of the 5 board meetings, one was held via telephone conference. In addition, 2 extraordinary telephone conferences and 2 extraordinary meetings were held.

Ms. Marianne Tesler will turn 70 years old in 2016. Therefore, she should not stand for re-election at the 2017 AGM according to the mandatory age limit set by Calida.

Dr. iur. Thomas Lustenberger

Affiliated Chairman Up for Re-election

Nationality	Swiss
Age	65
Director since / term ends	2000 / 2017
Committee memberships	none
Affiliation	<ul style="list-style-type: none"> – Board membership exceeding time limit for independence – Consultancy fees
Main activity	<p>Partner of Meyerlustenberger Lachenal, which invoiced Calida for fees amounting to CHF 88'000 in 2015 for various consultancy services. (222'000 in 2014 and 136'000 in 2013).</p> <ul style="list-style-type: none"> – Meyerlustenberger Lachenal AG, Law Firm, Switzerland - Partner & Chairman
Directorships	<ul style="list-style-type: none"> – Nordisk Gold und Silber Design AG, Switzerland - Chairman – Altium Capital AG, Switzerland - Member
Other relevant mandates	<ul style="list-style-type: none"> – Golfclub Reuss Hünenberg, Switzerland - Chairman

Marco Gadola

Independent Vice Chairman Up for Re-election

Nationality	Swiss
Age	53
Director since / term ends	2011 / 2017
Committee memberships	<ul style="list-style-type: none"> – Audit committee, Chairman
Main activity	<ul style="list-style-type: none"> – Straumann (listed), Switzerland - CEO
Directorships	<ul style="list-style-type: none"> – MCH Group AG (listed), Switzerland - Member
Other relevant mandates	<ul style="list-style-type: none"> – ITI Foundation (International Team for Implantology), Switzerland - Member
Comments	<p>CEO Asia Pacific of Panalpina (2012-2013). CFO of Panalpina (2008-2012). CFO and COO of Straumann (2005-2008). CFO of Hero (2001-2005).</p>

Beat Grüning

Independent

Member

Up for Re-election

Nationality

Swiss

Age

55

Director since / term ends

2005 / 2017

Committee memberships

– Nomination and remuneration committee

Main activity

– Tally Weijl, Switzerland - CEO and Co-Owner

Hans-Kristian Hoejsgaard

Independent

Member

Up for Re-election

Nationality

Danish

Age

58

Director since / term ends

2014 / 2017

Committee memberships

– Audit committee
– Nomination and remuneration committee

Main activity

– Oettinger Davidoff AG, Switzerland - CEO and board member

Other relevant mandates

– Pension Fund Oettinger Davidoff AG, Switzerland - Chairman

Comments

President & CEO of Timex Group, USA (2008-2009).
President & CEO of Georg Jensen, Denmark (2003-2007).

Erich Kellenberger

Affiliated Member Up for Re-election

Nationality	Swiss
Age	68
Director since / term ends	1986 / 2017
Committee memberships	none
Affiliation	<ul style="list-style-type: none"> – Important shareholder or its representative – Business relationship – Board membership exceeding time limit for independence <p>Representative of the founding family, holding 34.5% of the shares. Chairman of Blue Lemon, from which the company generated CHF 353'000 of revenues in 2015 (CHF 415'000 in 2014 and CHF 465'000 in 2013).</p>
Main activity	none
Directorships	<ul style="list-style-type: none"> – Dama AG, Switzerland - Chairman & Co-Owner – Blue Lemon AG, Switzerland - Chairman & Co-Owner – Habene AG, Handel & Consulting, Switzerland - Chairman – Dreiländerfunk AG, Switzerland - Member – Smike AG, Switzerland - Member
Comments	CEO of Calida Holding AG until 2001.

Stefan Portmann

Independent Member New Nominee

Nationality	Swiss
Age	48
Director since / term ends	2016 / 2017
Committee memberships	none
Main activity	– Retail Fashion Partners AG, Switzerland - Chairman and co-owner
Directorships	<ul style="list-style-type: none"> – Flaschenpost Services AG, Switzerland - Vice Chairman – Stöckli Swiss Sports AG, Switzerland - Member – RealLook AG, Switzerland - Member – Staff Finder Holding AG, Switzerland - Member
Other relevant mandates	– pro juventute, Switzerland - Member
Comments	Former franchiser of the brands "Intimissimi" and "Calzedonia". Former partner of Schild, until its sale to Globus in 2014.

Jean-Paul Rigaudeau

Independent Member New Nominee

Nationality	French
Age	57
Director since / term ends	2016 / 2017
Committee memberships	none
Main activity	– Implantica AG, Switzerland - co-CEO
Directorships	– Fairtrade International, Germany - Member
Other relevant mandates	– Rainbows4children Stiftung, Switzerland - Member
Comments	CEO of Unilabs (2009-2013). Executive positions (2004-2007) and President Europe (2008) at Kraft Foods. Managing director at Johnson&Johnson (2000-2004).

Felix Sulzberger

Affiliated Member Up for Re-election

Nationality	Swiss
Age	65
Director since / term ends	2008 / 2017
Committee memberships	none
Affiliation	– Former executive
Main activity	CEO of Calida from 2001 to April 2016. none
Other relevant mandates	– Finatem Beteiligungs GmbH, Germany - Member, Advisory Board – Foundation BEST Art Collection Luzern, Switzerland - Member
Comments	CEO of Calida, Switzerland (2001-April 2016). Senior Vice President and General Manager Europe of Reebok (2000-2001).

Marianne Tesler		
Independent	Member	Up for Re-election

Nationality	French
Age	70
Director since / term ends	2006 / 2017
Committee memberships	– Nomination and remuneration committee
Main activity	– Consultant - Fashion
Other relevant mandates	– International House, USA - Member
Comments	<p>CEO of Art Partners Inc, USA (2008-2015). CEO of Damon Dash Enterprises, USA (2006-2008). International Development of multi-brand concept for Antichi Pelletieri, Italy (2004-2006). CEO of Givenchy Haute-Couture & Ready-to-Wear, France (1999-2004).</p>

7. Glossar

English	Deutsch	Français
A		
Activities	Aktivitäten	Activités
Affiliated	Affiliert	Affilié
AGM (Annual General Meeting)	Ordentliche Generalversammlung	Assemblée générale ordinaire
Annual bonus	Jahresbonus	Bonus annuel
Attendance rate	Teilnahmequote	Taux de présence
Audit committee	Prüfungsausschuss	Comité d'audit
Audit fees	Honorare für Revisionsdienstleistungen	Honoraires de révision
Audit-related fees	Honorare für revisionsnahe Dienstleistungen	Honoraires pour les services liés à la révision
Autorised capital	Genehmigtes Kapital	Capital autorisé
Average	Mittelwert	Moyenne
B		
Base salary	Grundgehalt	Salaire de base
Bearer share	Inhaberaktie	Action au porteur
Board meeting	Verwaltungsratssitzung	Séance du conseil d'administration
Board members	Verwaltungsratsmitglieder	Membres du conseil d'administration
Board of directors	Verwaltungsrat	Conseil d'administration
Breakdown	Detaillierte Offenlegung	Répartition détaillée
C		
Capital	Kapital	Capital
Capital contribution reserves	Reserven aus Kapitaleinlagen	Réserves issues d'apports en capital
CEO (Chief Executive Officer)	Geschäftsleiter	Président de la direction générale
Chairman	Verwaltungsratspräsident	Président du conseil d'administration
Chairman's committee	Ausschuss des Verwaltungsratspräsidenten	Comité du président du conseil d'administration
Comments	Kommentare	Commentaires
Committee meeting	Ausschusssitzung	Séance du comité
Conditional capital	Bedingtes Kapital	Capital conditionnel
Corporate governance committee	Ausschuss für Corporate Governance	Comité de gouvernance d'entreprise
D		
Dividend	Dividende	Dividende
Dividend rights certificates	Partizipationsscheine	Bons de participation
E		
Earnings per share	Gewinn pro Aktie	Bénéfice par action

English	Deutsch	Français
E		
EGM (Extraordinary General Meeting)	Ausserordentliche Generalversammlung	Assemblée générale extraordinaire
Election	Neuwahl	Election
Election procedure for directors	Wahlverfahren für Verwaltungsräte	Procédure d'élection des administrateurs
Employees	Personalbestand	Employés
Executive management	Geschäftsleitung	Direction générale
External auditor	Externe Revisionsstelle	Auditeur externe
F		
Fair value	Beizulegender Zeitwert	Juste valeur
Fees	Gebühren	Honoraires
Financial performance	Finanzergebnis	Performance financière
Financial reporting	Finanzberichterstattung	Information financière
Financials	Finanzergebnis	Données financières
G		
General information	Allgemeine Informationen	Informations générales
Global remuneration figures	Allgemeine Vergütungsangaben	Rémunérations agrégées
H		
Headquarters	Hauptsitz	Siège social
Highest paid executive	Höchstbezahltes Mitglied der Konzernleitung	Membre le mieux rémunéré de la direction générale
I		
Important shareholders	Bedeutende Aktionäre	Actionnaires importants
Independent	Unabhängig	Indépendant
Individual remuneration figures	Individuelle Vergütungsangaben	Rémunérations individuelles
Internal Control	Internes Kontrollsystem	Contrôle interne
K		
Key figures	Kennzahlen	Chiffres clés
L		
Listing	Kotierung	Cotation
LTIP (Long-term incentive plan)	Langfristige Beteiligungspläne	Plan de participation à long terme
M		
Mandate duration	Mandatsdauer	Durée du mandat
Mandatory age limit	Obligatorische Altersgrenze	Limite d'âge statutaire
Market capitalisation	Marktkapitalisierung	Capitalisation boursière
Market value	Marktwert	Valeur boursière
N		
NA (Not available)	Nicht verfügbar	Pas disponible
ND (Not disclosed)	Nicht offengelegt	Pas publié
Net income	Reingewinn	Bénéfice net

English	Deutsch	Français
N		
Net revenues	Nettoerträge	Revenus nets
New nominee	Neuer Kandidat / Neue Kandidatin	Nouveau candidat
Nomination and remuneration committee	Nominations- und Vergütungsausschuss	Comité de nomination et de rémunération
Nomination committee	Nominationsausschuss	Comité de nomination
Non-audit fees	Honorare für nicht revisionsbezogene Dienstleistungen	Honoraires non liés à la révision
Non-voting equity securities	Genussscheine	Bons de jouissance
Notice period	Kündigungsfrist	Délai de préavis
NR (Not relevant)	Irrelevant	Pas pertinent
O		
Operating income	Betriebsergebnis	Résultat d'exploitation
Operating margin	Operative Marge	Marge opérationnelle
P		
Payout ratio	Gewinnausschüttungsquote	Taux de distribution du bénéfice
Peer group	Vergleichsgruppe	Groupe de référence
Pensions	Altersvorsorge	Contributions de retraite
Performance criteria	Leistungskriterien	Critères de performance
R		
Re-election	Wiederwahl	Réélection
Registered share	Namensaktie	Action nominative
Remuneration	Vergütung	Rémunération
Remuneration committee	Vergütungsausschuss	Comité de rémunération
Reporting standard	Rechnungslegungsstandard	Norme comptable
Restriction on registration of shares or voting rights	Beschränkungen der Übertragbarkeit der Aktien und des Stimmrechts	Restrictions relatives à l'inscription des actions ou aux droits de vote
Return on equity	Eigenkapitalrendite	Rendement des capitaux propres
Risk committee	Risiko-Ausschuss	Comité des risques
S		
Share and option holdings	Aktien- und Optionenbesitz	Détention d'actions et d'options
Share capital	Aktienkapital	Capital-actions
Shareholder resolution	Aktionärsantrag	Résolution d'actionnaire
Shareholders' equity	Eigenkapital	Capitaux propres
Short-term incentives	Kurzfristige variable Vergütung	Rémunération à court-terme
Stock ownership requirements	Aktienbesitz Anforderungen	Exigences en matière de détention d'actions
Strategy committee	Strategie-Ausschuss	Comité de stratégie
Structure	Struktur	Structure
Sustainability committee	Ausschuss für Nachhaltigkeit	Comité de développement durable

English	Deutsch	Français
T		
Total revenues	Betriebsertrag	Revenus totaux
Total shareholder return	Gesamte Aktienrendite	Rentabilité de l'action
U		
Up for re-election	Zur Wiederwahl	A réélection
Y		
Year end	Jahresende	Fin de l'année

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About Ethos

The Ethos Foundation aims at promoting socially responsible investment as well as a stable and prosperous socio-economic environment. Ethos is composed of more than 210 Swiss pension funds and other tax-exempt institutions. Its subsidiary Ethos Services is an acknowledged provider of consulting services comprising socially responsible investment (SRI) funds, shareholder meeting analyses and an investor engagement and dialogue programme.

For further information: www.ethosfund.ch.

Frequently used abbreviations

AGM	Annual General Meeting
EGM	Extraordinary General Meeting
NA	Not available
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COO	Chief Operating Officer
OE	Other Executive Function
Ex-	Former



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