

## Holcim

Country	Switzerland
Meeting date	08 May 2015 10:00
Meeting location	Messe Zürich, Wallisellenstrasse 49, 8050 Zürich
Meeting type	Extraordinary General Meeting
Securities	ISIN CH0012214059, Telekurs 1221405

## General Meeting Highlights

Under **ITEM 1.1**, the board of directors proposes to increase the share capital by issuing 264'237'400 new shares (81% of the share capital) without pre-emptive rights in connection to the planned merger with Lafarge via an exchange offer on the entire capital of Lafarge to be launched in the beginning of June 2015. Ethos considers that the proposed merger is not in the long term interest of Holcim's shareholders and that a significant risk exists that the combined entity will generate less return and dividend payment capacity to shareholders compared to Holcim on a stand-alone basis. While acknowledging that Holcim's operations currently do not cover the cost of capital, Ethos and other shareholders of Holcim are of the opinion that Holcim will be better placed to create value for its shareholders on a stand-alone basis rather than by merging with Lafarge whose current results and balance sheet will put a burden on the new entity. Ethos therefore believes it is not in the interest of Holcim's shareholders to be massively diluted by Lafarge shareholders at the proposed exchange rate of 10 Lafarge shares for every 9 Holcim shares.

In the beginning of March 2015, Ethos sent a letter asking 14 questions to the board of directors of Holcim regarding the planned merger. Ethos had several discussions with the board and management on these questions but was not convinced by the answers received. In light of the :

- Strategic and financial concerns regarding the proposed transaction;
- The deterioration of the governance of the company following the planned merger;
- The potential negative impact on Holcim's stakeholders;

Ethos recommends to reject the merger as well as all related proposals made at this EGM with the exception of the stock dividend (**ITEM 2**).

Ethos, in accordance with points 5.4.a, 6.a and 6.e of its voting guidelines, recommends to OPPOSE.

## Report Content

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# 1. General Meeting Overview

## 1.1 Voting positions at this general meeting

Item	Proposal		Ethos voting position	Board recommendation
	Background to the EGM			
1.1	Ordinary capital increase	●	OPPOSE	FOR
1.2	Approve new authorised capital for the purpose of re-opened exchange offer and the squeeze-out	●	OPPOSE	FOR
2	Approve new authorised capital for a stock dividend		FOR	FOR
3	Articles of association	●	OPPOSE	FOR
4	Elections to the board of directors			
4.1	Elect Mr. Bruno Lafont	●	OPPOSE	FOR
4.2	Elect Mr. Paul Desmarais Jr.	●	OPPOSE	FOR
4.3	Elect Mr. Gérard Lamarche	●	OPPOSE	FOR
4.4	Elect Mr. Nassef Sawiris	●	OPPOSE	FOR
4.5	Elect Mr. Philippe P. Dauman	●	OPPOSE	FOR
4.6	Elect Mr. Oscar Fanjul Martin	●	OPPOSE	FOR
4.7	Elect Mr. Bertrand Collomb	●	OPPOSE	FOR
5	Elections to the remuneration committee			
5.1	Elect Mr. Paul Desmarais Jr. to the Remuneration Committee	●	OPPOSE	FOR
5.2	Elect Mr. Oscar Fanjul Martin to the Remuneration Committee	●	OPPOSE	FOR
6.1	Binding prospective vote on the total remuneration of the board of directors	●	OPPOSE	FOR
6.2	Binding prospective vote on the total remuneration of the executive management	●	OPPOSE	FOR
	Transact any other business	●	OPPOSE	

## 2. Proxy Analysis

### Background to the EGM

#### 1) The proposed transaction

This Extraordinary General Meeting (EGM) is convened by the board of directors to request shareholder approval to proceed to a merger of "equals" between Holcim and Lafarge to form "LafargeHolcim Ltd" the world leader producer of cement, aggregates, ready-mix concrete and asphalt. Shareholders are asked to approve a 81% increase in Holcim's share capital without pre-emptive rights (ITEM 1) to make a public exchange offer for all issued and outstanding shares of Lafarge with an exchange ratio of nine registered shares of Holcim for every ten Lafarge shares. This proposal requires a 2/3 majority of the votes represented. In case proposal under ITEM 1.1 is rejected, then no vote will be held on the other items which are all merger-related.

The merger between Holcim and Lafarge was announced on 7 April 2014 as a "merger of equals" stipulating an exchange ratio of one Lafarge share for one Holcim share. Upon announcement of the merger in 2014, it was foreseen that the board of the new entity would be chaired by Holcim's current chairman Mr. Reitzle and that the CEO of the company would be the current chairman and CEO of Lafarge Mr. Lafont. Thomas Schmidheiny, reference shareholder of Holcim with 20% of capital, as well as Lafarge's two major shareholders, Groupe Bruxelles Lambert (21.10% of Lafarge's share capital and 29.3% of voting rights) and NNS Holding Sarl controlled by Mr. Nassef Sawiris (13.9% of Lafarge's share capital and 19.4% of the voting rights), entered into support voting agreements. The boards of both companies approved the operation unanimously. LafargeHolcim would be domiciled in Switzerland and listed on the SIX Swiss Exchange and Euronext Paris.

In terms of corporate governance, the initial plan was to have a board of 14 persons (7 from Holcim and 7 from Lafarge) chaired by Mr. Reitzle and an executive management composed of 10 members (5 from Lafarge and 5 from Holcim). At that time, it was planned that Mr. Bruno Lafont (current chairman/CEO of Lafarge) would take over as CEO of the new Group.

During 2014, Lafarge's financial situation deteriorated and its market valuation went down. Some Holcim shareholders, including Ethos, Mr Schmidheiny, Eurocement and most analysts were not convinced about this merger "between equals" that looked increasingly unequal. In fact, since the announcement of the merger, Holcim has clearly outperformed Lafarge in terms of sales, cash flows and earnings. Following pressure exercised by the shareholders, the 1:1 exchange ratio was renegotiated and the boards of directors of Holcim and Lafarge reached a new agreement on 20 March 2015, that includes a new exchange ratio of 9 Holcim shares for 10 Lafarge shares.

The renegotiation of the merger in March 2015 was also the occasion to adapt the initial governance structure. In fact, it progressively appeared that Mr. Lafont who is used to the combined function of chairman and CEO and to a centralised decision making process was not the most suitable CEO of the new entity. Holcim operates as a decentralised organisation with the regional operations having significant decision power. Several shareholders and key managers of Holcim exerted pressure to appoint another CEO from Lafarge for the combined entity. It was also decided that Mr. Lafont would be nominated as co-Chairman of the board of directors. Holcim and Lafarge's boards of directors announced on 9 April 2015 that Mr. Olsen, presently Lafarge Executive Vice-President, Operations, has been appointed CEO of the new entity.

Ethos notes that the merger between Lafarge and Holcim was subject to approval by antitrust authorities. In view of the dominant position of the two companies in certain markets, antitrust authorities have made their approval conditional on the divestment of certain assets of both companies in key markets. On 2 February 2015, Holcim and Lafarge announced a project to sell assets to CRH for an enterprise value of CHF 6.8 billion in the context of their planned merger. At the time of the announcement, CRH's share price rose by more than 7%.

The completion of the transaction is subject to the fulfillment of certain conditions, including the approval of the capital increase proposed under ITEM 1.1 by a majority of 66.6% of votes cast, the election at this EGM of the new members of the board, the approval of the transaction by relevant regulatory authorities and the tender of at least two-thirds of the share capital or voting rights of Lafarge. Upon approval of all motions at this EGM, the exchange offer shall be launched in the beginning of June 2015.

In case of termination of the deal either by Holcim or Lafarge, EUR 350 million break fees would be paid to the other party. Ethos however notes that if Holcim's EGM refuses the capital increase and thereby the merger, no break fees will be due to Lafarge. Holcim and Lafarge are however exposed to a break up fees of EUR 158 million in favour of CRH, a buyer of certain assets.

## 2) Rationale of the merger according to Holcim's Board

The company mentions that the merger of equals of Holcim and Lafarge brings together two leading building materials companies with the objective of creating the most advanced company in the building materials industry. The company intends to seize market trends that represent opportunities such as:

- Population growth and rapid urbanization that are driving demand for more housing and infrastructure.
- Increasing demand for value-added products and services from building materials companies.
- Resource scarcity and climate change requiring environmentally friendly, energy-efficient building materials and processes.

Holcim's board considers that the merger will allow the company to diversify its portfolio and offer a well balanced geographical footprint (90 countries). The merger shall also allow the company to reinforce innovation by combining R&D capacities to respond to client needs and to work on reducing the environmental impact of the operations.

The board anticipates potential synergies of EUR 1.4 billion (as of the third year) coming from:

- EUR 200 million in operational synergies from selection and implementation of best practices, including in logistics, distribution, IT and energy consumption.
- EUR 340 million from procurement, including economies of scale and cost synergies achieved both through centralized procurement for certain global supplies and at the local level in countries where both Holcim and Lafarge are present.
- EUR 250 million from cost synergies in selling, general and administrative expenses due to the reduction or elimination of duplicative functions and the consolidation of corporate overhead.
- EUR 200 million from the deployment of innovations on a larger scale and the cross-fertilization of value-added product and services portfolio.
- EUR 100 million (EUR 200 after the third year) from financing synergies due to more favourable financing rates and synergies in cash allocation.
- EUR 200 million from capital expenditure synergies, through the selection and adoption of best practices on maintenance capital expenditures and higher efficiency on expansion capital expenditures.

Ethos notes that no due diligence has been made on Lafarge prior to signing the agreement and that no fairness opinion has been published by Holcim.

## 3) Ethos' opinion

Ethos is of the opinion that the proposed merger is not in the long term interest of minority shareholders of Holcim nor minority shareholders of Lafarge. Ethos considers that this operation mainly serves the main interest of Group Bruxelles Lambert controlled by the Desmarais Family and the Baron Frère Family (21% of capital and 29% of voting rights) as well as NNS Holding Sarl controlled by Mr. Nassef Sawiris with 13.9% of Lafarge's share capital and 19.4% of the voting rights. Ethos also notes the ineligibility of the shareholders of Lafarge via the French saving plan based on national shares (PEA) to participate in the exchange offer.

Ethos acknowledges that both Holcim and Lafarge, despite the current low oil price, suffer from the economic environment and price pressure posting returns on invested capital that are not covering the cost of their capital (Holcim Economic Value Added of CHF - 800 million in 2014). However, Ethos considers that the proposed operation shall not remediate this issue and will not benefit to Holcim shareholders and stakeholders.

### 3.1) Strategy and financial concerns

- The integration into the new entity will allow Lafarge to "clean" its balance sheet by removing part of the EUR 11.36 billion goodwill position of which EUR 5 billion in risky countries located in middle East (Iraq, Syria) and Africa (Egypt) and improve its risk profile thereby potentially improving its financing conditions. These countries face political instability which is a major risk on Lafarge's assets. The merger brochure states that the remaining goodwill of LafargeHolcim after the merger would amount to CHF 15.8 billion while the current combined goodwill of both entities before the merger and the investment amount to EUR 11.36 billion for Lafarge and CHF 7.2 billion for Holcim. The shareholder information brochure mentions that there is a risk that further goodwill impairment takes place in the future, potentially reducing the consolidated net income of the combined entity.
- Globally, the synergies' of the proposed operation are limited as the production of cement is a very local activity and that the consolidation of the production plants is limited. In this context, the potential alleged synergies seem overstated (approx. 4.5% of the sales of the combined entity). Analysts tend to estimate the synergies of similar transactions at approx. 1-2% of the combined sales. In its brochure, the board explains several key risk factors including the failure to integrate and to realize the expected synergies. In fact, Unions in the building material industry have significant power. The need to reach compromise with such unions and stakeholders on restructuring plans can delay and significantly reduce the estimated synergies.
- The corporate culture of the two companies is different. Holcim operates as a decentralised organisation with a certain flexibility in the decision making progress. It seems that Lafarge's decision making process is more centralised in Paris. Such different corporate culture may be counter productive, pushing key heads of countries to leave, leading to potential unsatisfaction and demotivation of employees.
- According to the shareholder group of Holcim "against the merger" (Community of Interests Pro-Holcim: [www.holcimshareholders.com](http://www.holcimshareholders.com)), during the past 4 years, Lafarge has generated a cumulative negative Free Cash Flow (post Capex and Dividends) of EUR 804 million, while Holcim has generated a positive free cash flow of EUR 947 million.
- According to the shareholder group Community of Interests Pro-Holcim, over the past 5 years, Holcim has invested 54.4% more than Lafarge in Property, Plant & Equipment. According to Bloomberg data, Holcim's CAPEX in % of sales over the past 5 years has been systematically higher than the one of Lafarge (5-year average of 9.6% of the sales for Holcim compared to 6.7% for Lafarge). This raises concerns over the relative quality of the assets of Lafarge and potential investment needs in the future that could impair the new group's ability to pay attractive returns to its shareholders. This is particularly risky as the board of Holcim states in the shareholder brochure that no due diligence was conducted on Lafarge.
- According to the shareholder group Community of Interests Pro-Holcim, last year, Lafarge had to write off EUR 385 million goodwill, mainly related to their investments in Syria and Iraq. Cumulatively over the past 4 years this amounted to EUR 765 million.
- Lafarge's debt rating is two grades lower than Holcim's. Lafarge's S&P rating is BB+ while Holcim's is BBB. The shareholder information mentions that there is a risk that the credit rating of the combined entity be lower than Holcim's current BBB.
- Alongside the merger, Holcim will have to sell profitable assets. The deal with CRH was made under the pressure of the antitrust authorities and in light of the CRH's share price increase upon announcement of the operation, Ethos is however not convinced that the valuation was made with the required diligence and in the best interest of shareholders.
- At the time of the EGM, the detailed exchange offer brochure is not available. Key information is therefore lacking to allow shareholders to make an informed decision on the proposed transaction.

### 3.2) Governance concerns

- The proposed co-chairmanship of Mr. Reitzle and Mr. Lafont seems totally unrealistic. In fact, it is not legally possible in Switzerland to have two chairmen. Only one can be registered in the commercial register. In Holcim's case, the risk of conflict is high. Furthermore, the remuneration of Mr. Reitzle as chairman is CHF 1.5 million. The board already requests an increase in the total fees of the board (from CHF 4 million to CHF 7 million) partially explained by the co-chairmen positions. Ethos is of the opinion that this solution is not satisfactory and might create confusion and significantly impair the governance of Holcim.
- Ethos asks Holcim about the future role of the vice chairman of the board. The vice chairman will remain Mr Hess. In case of absence of the chairman, a company representative told Ethos that the vice chairman will be in charge of chairing the board and not the co-chairman. Ethos is convinced that such governance setup will be likely to cause conflict within the board.

- Lafarge's shareholders will control 44.7% of the new entity. The two largest shareholders of Lafarge currently control 35% of the capital and 48.7% of the voting rights of the company. It is not clear what precise stake they will hold after the merger. In fact, some Lafarge shareholders will not be able to participate in the exchange offer (French saving plans based on national shares (PEA)). Ethos notes that GBL shareholders will have two representatives on Holcim's Board (Mr. Paul Desmarais and Mr Lamarche) and Mr Sawiris will also be represented.
- Globally the level of independence of the board of the new entity will be lower than the current level of board independence of Holcim. In fact, the new board will include 14 members of whom only 44% are independent compared to 78% currently. Important shareholders of Lafarge will have three seats (Mr Sawiris, Mr Desmarais and his representative Mr. Lamarche). Mr Schmidheiny and his representative Mr. Spälti will have two seats, former executives or long standing board members of Lafarge three seats (Mr. Collomb, Mr. Lafont and Mr. Dauman). The board of Holcim will therefore lack independence.
- Holcim's second largest shareholder, Mr. Galchev, holding 10% of Holcim's share capital via Eurocement, will not be represented at the board despite the fact that he will hold a similar stake as Mr. Sawiris. He made a request for a board seat to the board of Holcim which answered that the request came too late and could not be taken into consideration at this EGM. It is not yet clear whether Mr. Galchev will support the operation at the EGM and whether he will request to be elected to the board during the EGM as allowed by Swiss company law.

### 3.3) Impact on stakeholders

- For Ethos, this operation also raises concerns regarding the long term interest of Holcim's stakeholders. In fact, in order to achieve the planned synergies, jobcuts are expected in the new entity. Furthermore, the plan synergies on procurement means that the group intends to use its new size to make pressure on its supply chain where margins are already very low. Further restructuring in the entire supply chain shall be expected in order for the synergies to realise. Also, with its increased size, LafargeHolcim will be able to maintain or increase its prices. Such consolidation is hardly compatible with the long term interests of Holcim's employees (job cuts), clients (increased price), suppliers (pressure on price and margin) and civil society.
- The shareholder information brochure does not specify the number of job cuts in the combined entity. The brochure mentions that the expected synergies from the reduction or elimination of duplicative functions and the consolidation of corporate overhead shall generate approx. EUR 250 million of annual synergies. The number of job cuts shall therefore represent several thousands on a worldwide basis. For the Swiss market, job cuts will be limited as Lafarge is not present in Switzerland. Job cuts are expected at the corporate center and should, according to third party information, concerns approx. 180 persons.
- Ethos values the new group's commitment towards sustainability and toward reducing its massive impact on the environment and climate change. In fact, based on the carbon disclosure data, Holcim total CO<sub>2</sub>e emissions from scope 1 and 2 in 2014 was 106'499'295 tonnes for 140'300'000 tonnes of cement sold while it was 102'063'621 tonnes for 116'400'000 tonnes of cement sold for Lafarge. The combined entity's CO<sub>2</sub>e emissions will amount to approx. 200 million tonnes of CO<sub>2</sub>e which will pushed the company at the 5th rank of the worldwide largest CO<sub>2</sub>e emitters. Holcim and Lafarge also use significant other resources such as water and sand. Ethos is of the opinion that both groups must in any case invest to reduce their impact and that further environmental regulations will come and may force them to do so. Therefore, in Ethos' view, both companies need to work on their footprint in any case. The merger is by no means a driver of these investments. Ethos also notes that based on Trucost data, the GHG footprint (tonnes CO<sub>2</sub>e / per million revenues) amount to 5'366 tonnes CO<sub>2</sub>e/ per USD million of sales for Lafarge, 5'290 tonnes for Holcim and only 4'111 tonnes for HeidelbergCement AG. HeidelbergCement footprint is lower. Ethos notes that both groups can make further progress on a stand-alone basis regarding their GHG footprint and have already taken strong commitments.

### 4) Ethos' recommendation

In the beginning of March 2015, Ethos sent a letter to the board asking 14 questions and specifically requesting disclosure of the fairness opinions on the merger. Ethos discussed with the company these questions and was not convinced by the answers. The company has not published the fairness opinions. In light of the low synergies and the risk they do not materialise, the potential impact on Holcim's stakeholders, the deterioration of the governance of the company following the merger and the financial situation of Lafarge compared to Holcim, Ethos recommends to reject the merger and refuse all proposal with the exception of the potential stock dividend made at this EGM.

Ethos considers that the proposed merger is not in the long term interest of Holcim's shareholders and that a significant risk exists that the combined entity will generate less return and dividend payment to shareholders compared to Holcim on a stand-alone basis. While acknowledging that Holcim's operations currently do not cover the cost of capital, Ethos and other shareholders of Holcim are of the opinion that Holcim will be better placed to create value for its shareholders on a stand alone-basis and not by merging with Lafarge whose current results and balance sheet will put a burden on the new entity. Ethos therefore believes it is not in the interest of Holcim shareholders to be massively diluted by Lafarge shareholders.

**1.1 Ordinary capital increase**
**OPPOSE**

The board of directors proposes to increase the share capital by up to CHF 528'474'800 nominal (from currently CHF 654'172'752 nominal up to CHF 1'182'647'552) through the issuance of up to 264'237'400 fully paid-in registered shares with a par value of CHF 2 each. The proposed capital increase without pre-emptive rights represents 81% of the current share capital and is in the connection with the planned merger with Lafarge via an exchange offer (see above). The final amount of the ordinary capital increase shall be determined by the board by reference to the number of Lafarge shares that have been validly tendered to the Exchange Offer upon closing of the acceptance period of the exchange offer and the re-opened Exchange Offer. According to Swiss law, the issuance of shares without pre-emptive rights requires a 2/3 majority of the shares represented at the general meeting. The proposed ordinary capital increase must be conducted within three months following its approval.

The proposed ordinary capital increase will be carried out in two steps: first, new shares of the company will be issued to those holders of Lafarge shares who have tendered their shares during the regular offer period of the Exchange Offer; second, new company shares will be issued to those holders of Lafarge shares who have tendered their shares during the re-opened Exchange Offer. The reopening of the Exchange Offer is a requirement under applicable AMF General Regulations. The Board of Directors expects the First Tranche to occur on or about July 10, 2015, and the Second Tranche on or about August 4, 2015. The board requests an authorised share capital under ITEM 1.2 in case the re-opening of the exchange offer takes place in more than three months in which case the ordinary share capital increase requested under this ITEM will expire.

In line with its position regarding the proposed merger (see background to the EGM), Ethos cannot approve the proposed capital increase and, in accordance with points 5.4.a, 6.a and 6.e of its voting guidelines, recommends to OPPOSE.

**1.2 Approve new authorised capital for the purpose of re-opened exchange offer and the squeeze-out**
**OPPOSE**

The board of directors proposes to create a new authorised share capital of CHF 264'237'400 by issuing up to 132'118'700 registered shares without pre-emptive rights. With this authorisation, valid for two years, the board is allowed to increase the share capital by a maximum of 40% in connection with the financing or re-financing any acquisition of shares in Lafarge. According to Swiss law, the creation of an authorised capital requires a 2/3 majority of the shares represented at the general meeting.

The ordinary capital increase, as set forth in Item 1.1, must be carried out within three months (art. 650 para. 1 CO). The board of Holcim therefore proposes to create authorized share capital in addition to the ordinary share capital increase in order to be able to deliver the new Holcim shares required in the context of the re-opened Exchange Offer in the event that the reopening takes place after the expiry of the three month period. Upon completion of the re-opened Exchange Offer, the Board of Directors will increase the share capital by allotting the shares to be issued to the Lafarge shareholders who have tendered their shares in the re-opening of the Exchange Offer.

In line with its position regarding the proposed merger (see background to the EGM), Ethos cannot approve the proposed capital increase and, in accordance with points 5.4.a, 6.a and 6.f of its voting guidelines, recommends to OPPOSE.

**2 Approve new authorised capital for a stock dividend FOR**

The board of directors proposes to create a new authorised share capital of CHF 29'132'376 nominal with pre-emptive rights. With this authorisation, valid for two years, the board is allowed to increase the share capital by 29'566'188 new shares representing a maximum of 9% of Holcim's share capital prior to this EGM. The requested amount is in conformity with Swiss law which authorises a maximum 50% increase over issued share capital. According to Swiss law, the creation of an authorised capital requires a 2/3 majority of the shares represented at the general meeting.

The Board of Directors proposes to create an authorised share capital in order to allow the distribution of a stock dividend. The board of Holcim will increase the share capital by allotting to each existing share one entitlement. 20 entitlements will give the holder the right to receive one additional LafargeHolcim Ltd share for free. The increase of the share capital will not exceed 5% of the share capital issued at the time the entitlements are allotted (after the ordinary capital increase proposed under ITEM 1.1), or a ratio of one free new share for a minimum of every 20 shares already owned.

Ethos notes that this proposal will only be submitted if ITEM 1.1 is approved. While Ethos does not support the merger, Ethos supports the proposed stock dividend in case shareholders of Holcim approve ITEM 1.1. Ethos, in accordance with its voting guidelines, recommends to vote FOR.

**3 Articles of association OPPOSE**

The board proposes proposes, subject to and effective upon the completion of the Exchange Offer, to change the corporate name of Holcim Ltd to LafargeHolcim Ltd (LafargeHolcim AG) (LafargeHolcim S.A.), to rename the "nomination & compensation committee" to "nomination, compensation & governance committee" and to amend the Articles of Incorporation to reflect those changes.

In accordance with its position regarding the proposed merger, Ethos recommends not to support the proposed amendment to the articles of association and the change of name of Holcim into LafargeHolcim. Ethos, consistent with its position on the merger, recommends to OPPOSE.

**4 Elections to the board of directors**

The board of directors proposes to newly appoint 7 members to the board of LafargeHolcim coming from the board of Lafarge to serve for one-year terms. Two Holcim board members will step down upon approval of the merger. The new board shall consist of 7 members from Holcim's side and 7 members of Lafarge side.

**Main features of board composition after the AGM (for more details, see section 3 of this report)**

Board size	14
Combination of the functions of Chairman and CEO	No
% independent directors	42.9 %
% representatives of GBL	14.2%
% representatives of Thomas Schmidheiny	14.2%
% representatives of Mr. Sawiris	7%
% executive directors	0.0 %
% women directors	7.1 %
Average age of directors	60.9
Average board tenure	5.1 years

As mentioned above, upon approval of the operation, the independence of the board of LafargeHolcim will deteriorate and be below 50%, while the current independence level of the board of Holcim is 76%. Consistent with its position on the merger between Holcim and Lafarge, Ethos recommends to oppose the nomination of the 7 members proposed by Lafarge.



4.1	Elect Mr. Bruno Lafont	OPPOSE
<p>The board proposes to newly appoint Mr. Bruno Lafont (French, 59) for a 1-year term. He is considered affiliated as he is the current chairman and CEO of Lafarge. Upon appointment and approval of the merger, Mr. Lafont shall become co-chairman of the board of Holcim.</p> <p>However, it is not compatible with Swiss law to have 2 co-chairmen on the board of a Swiss company. In line with the Minder ordinance, the general meeting is supposed to elect the board chairman. The ordinary general meeting of Holcim held on 13 April 2015 approved the election of Mr. Reitzle as chairman. There is no specific proposal at the extraordinary general meeting to appoint Mr. Lafont as co-chairman.</p> <p>In line with Ethos' position on the merger, Ethos recommends to OPPOSE.</p>		
4.2	Elect Mr. Paul Desmarais Jr.	OPPOSE
<p>The board proposes to newly appoint Mr. Paul Desmarais Jr. (Canadian, 60) for a 1-year term. He is considered affiliated as he is an important shareholder of Lafarge via Groupe Bruxelles Lambert (21.1% of the share capital and 29.3% of the voting rights) and will become an important shareholder of LafargeHolcim.</p> <p>In line with Ethos' position on the merger, Ethos recommends to OPPOSE.</p>		
4.3	Elect Mr. Gérard Lamarche	OPPOSE
<p>The board proposes to newly appoint Mr. Gérard Lamarche (Belgian, 54) for a 1-year term. He is considered affiliated as he is a representative of an important shareholder of Lafarge via Groupe Bruxelles Lambert (21.1% of the share capital and 29.3% of the voting rights).</p> <p>In line with Ethos' position on the merger, Ethos recommends to OPPOSE.</p>		
4.4	Elect Mr. Nassef Sawiris	OPPOSE
<p>The board proposes to newly appoint Mr. Nassef Sawiris (Egyptian, 54) for a 1-year term. He is considered affiliated as he is an important shareholder of Lafarge via NNS Holding Sarl (13.9% of the share capital and 19.4% of the voting rights) and will become an important shareholder of LafargeHolcim.</p>		
4.5	Elect Mr. Philippe P. Dauman	OPPOSE
<p>The board proposes to newly appoint Mr. Philippe P. Dauman (US Citizen, 61) for a 1-year term. He is considered affiliated as he has been connected to Lafarge for more than 12 years. In fact, Mr. Dauman was board member of Lafarge's US subsidiary from 1997 to 2006 before being appointed to the board of Lafarge in 2007.</p> <p>In line with Ethos' position on the merger, Ethos recommends to OPPOSE.</p>		
4.6	Elect Mr. Oscar Fanjul Martin	OPPOSE
<p>The board proposes to newly appoint Mr. Oscar Fanjul Martin (Spanish, 66) for a 1-year term. He is considered independent.</p> <p>In line with Ethos' position on the merger, Ethos recommends to OPPOSE.</p>		
4.7	Elect Mr. Bertrand Collomb	OPPOSE
<p>The board proposes to newly appoint Mr. Bertrand Collomb (French, 73) for a 1-year term. He is considered affiliated as he is the former chairman and CEO of Lafarge (prior to Mr. Lafont). He joined Lafarge in 1975 and became group chairman and CEO from 1989 to 2003 after which he became chairman until 2007.</p> <p>In line with Ethos' position on the merger, Ethos recommends to OPPOSE.</p>		

<b>5</b>	<b>Elections to the remuneration committee</b>	
	<p>The board of directors proposes to newly appoint two representatives of Lafarge to the remuneration committee. Upon their appointment, the size of the remuneration committee will increase to 6 members which Ethos considers as excessive.</p> <p><b>Main features of the remuneration committee composition after the AGM</b></p> <p>Committee size <span style="float: right;">6</span></p> <p>Number of independent members <span style="float: right;">4</span></p> <p>Number of members with executive functions within other listed companies</p>	
<b>5.1</b>	<b>Elect Mr. Paul Desmarais Jr. to the Remuneration Committee</b>	<b>OPPOSE</b>
	<p>The board proposes to elect Mr. Paul Desmarais Jr. to the remuneration committee for a 1-year term. In line with Ethos' position on the merger, Ethos recommends to OPPOSE.</p>	
<b>5.2</b>	<b>Elect Mr. Oscar Fanjul Martin to the Remuneration Committee</b>	<b>OPPOSE</b>
	<p>The board proposes to elect Mr. Oscar Fanjul Martin to the remuneration committee for a 1-year term. In line with Ethos' position on the merger, Ethos recommends to OPPOSE.</p>	
<b>6.1</b>	<b>Binding prospective vote on the total remuneration of the board of directors</b>	<b>OPPOSE</b>
	<p>The board of directors requests shareholder approval of the total maximum remuneration to be paid to the board of directors for the period from the 2015 AGM to the 2016 AGM (prospective vote).</p> <p>The board requests shareholder approval to increase the amount of remuneration of the board approved at the AGM of 13 April from CHF 4'370'000 for its current 9 members to CHF 6'950'000 million for the proposed 14 members. As mentioned under the background of the EGM, the board expects additional costs due to its larger size and the co-chairmen function.</p> <p>In line with Ethos' position on the merger, Ethos recommends to OPPOSE.</p>	
<b>6.2</b>	<b>Binding prospective vote on the total remuneration of the executive management</b>	<b>OPPOSE</b>
	<p>The board of directors requests shareholder approval of the total maximum remuneration to be paid to the executive management for the 2016 financial year (prospective vote).</p> <p>The board requests shareholder approval to increase the amount of remuneration budget of the management approved at the AGM of 13 April 2015 from a maximum CHF 28.9 for 7 members to a maximum amount of CHF 40.5 million for the 10 members of the management after the merger. The average remuneration allowed by this budget remains stable around CHF 4 million. Part of the amount shall be paid in a new long term incentive plan (33%) whose set up is not yet defined by the board.</p> <p>In line with Ethos' position on the merger and due to the lack of information regarding the new long term incentive plan, Ethos, in accordance with point 4.5.a, recommends to OPPOSE.</p>	
	<b>Transact any other business</b>	<b>OPPOSE</b>
	<p>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 OPPOSE.</p>	

### 3. Board of Directors

#### Composition after the General Meeting of 8 May 2015

Committee	Executive	Affiliated non-executive	Independent non-executive	Total
Board of Directors	0	8	6	14
Audit committee	0	1	2	3
Nomination and remuneration committee	0	2	4	6
Strategy committee	0	1	2	3

Election procedure for directors	Individual
Mandate duration	1 year
Mandatory age limit	None
Single signature	No
Number of board meetings during the past year	6 (regular meetings, approx. 5 hours)
Number of audit committee meetings during the past year	4 (approx. 4.75 hours)
Number of nomination and remuneration committee meetings during the past year	4 (approx. 3 hours)
Number of strategy committee meetings during the past year	13 (approx. 2 hours)
Average attendance rate at board meetings disclosed	98%

In 2014, the board held 6 regular meetings and two additional meetings focused on strategy topics.

Attendance rate was 100% at all committee meetings, however one member was absent at 1 of the 6 board meetings during the year.

The board has two women members.

## Bruno Lafont

Affiliated	Chairman	New Nominee
Nationality	French	
Age	59	
Director since / term ends	2015 / 2016	
Committee memberships	none	
Affiliation	– Former executive	
	Chairman and CEO of Lafarge until its merger with Holcim	
Main activity	– Lafarge (France), CEO	
Directorships	– Lafarge (France), Chairman – ArcelorMittal (Luxembourg), Member – Electricité de France (EDF) (France), Member	
Comments	We have concerns over his aggregate time commitments (two external mandates in addition to the executive responsibility in a major firm)	

## Prof. Dr.-Ing. Wolfgang Reitzle

Independent	Chairman	
Nationality	German	
Age	66	
Director since / term ends	2012 / 2016	
Committee memberships	– Nomination and remuneration committee – Strategy committee, Chairman	
Main activity	none	
Directorships	– Continental (Germany), Chairman – Axel Springer (Germany), Member – Hawesko Holding AG (Germany), Member – Medical Park AG (Germany), Chairman	
Comments	CEO of Linde AG (2003-2014) CEO of Premier Automotive Group (1999-2002) Head of Research and Development of BMW AG (1987-1999)	
	Concerns over aggregate time commitments.	

## Dr. iur. Beat W. Hess

Independent

Vice Chairman

Nationality	Swiss
Age	66
Director since / term ends	2010 / 2016
Committee memberships	– Audit committee – Strategy committee
Main activity	none
Directorships	– Sonova, Vice Chairman – Nestlé, Member
Other relevant mandates	– The Hague Academy of International Law (The Netherlands), Member – Stiftung zur Förderung des Studiengangs Master in Law and Economics an der Universität St. Gallen, Member
Comments	Group Legal Director of Royal Dutch Shell (Netherlands, 2003-2011). General Counsel of ABB (1988-2003).

## Bertrand Collomb

Affiliated

Member

New Nominee

Nationality	French
Age	73
Director since / term ends	2015 / 2016
Committee memberships	none
Affiliation	– Former executive  Former Chairman/CEO of Lafarge (1989-2003), former chairman of Lafarge (2003-2007) and board member of Lafarge (2007-2012)
Main activity	none
Directorships	– Total (France), Member – Atco Ltc (Canada) (listed), Member – DuPont (USA) (listed), Member
Comments	Lafarge: Former Chairman/CEO (1989-2003), former chairman (2003-2007) and board member (2007-2012)  Former Chairman of AFEP (Association française des entreprises privées) Former NED of Vivendi (2003-2005), Allianz Group and of Unilever (1994-2006) Former Chairman of French Institute of International Relations (IFRI)(until2011)

## Philippe P. Dauman

Affiliated	Member	New Nominee
Nationality	US Citizen	
Age	61	
Director since / term ends	2015 / 2016	
Committee memberships	none	
Affiliation	– Miscellaneous	
Main activity	– Viacom (USA), CEO	
Directorships	– Lafarge (France), Member – Viacom (USA), Member – National Amusements Inc. (USA), Member	
Other relevant mandates	– Business Roundtable (USA), Member	
Comments	Former Co-chairman and CEO of DND Capital Partners Former Partner of Shearman & Sterling	

## Paul Desmarais Jr.

Affiliated Member New Nominee

Nationality	Canadian
Age	60
Director since / term ends	2015 / 2016
Committee memberships	– Nomination and remuneration committee
Affiliation	– Important shareholder or its representative
Main activity	– Power Corporation of Canada (Canada), Co-CEO
Directorships	<ul style="list-style-type: none"> <li>– Pargesa, Chairman</li> <li>– Power Corporation of Canada (Canada), Chairman</li> <li>– Power Financial (Canada), Chairman</li> <li>– Groupe Bruxelles Lambert (Belgium), Vice Chairman</li> <li>– Great West Lifeco (Canada), Member</li> <li>– IGM Financial (Canada), Member</li> <li>– Lafarge (France), Member</li> <li>– SGS, Member</li> <li>– Total (France), Member</li> </ul>
Other relevant mandates	<ul style="list-style-type: none"> <li>– International Economic Forum of the Americas (Canada), Board of Governors, Chairman</li> <li>– Canadian Council of Chief Executives (Canada), Chairman</li> <li>– Sagard Private Equity Partners (France), Member</li> <li>– Council on Foreign Relations (USA), Global Board of Advisors, Member</li> <li>– HEC Montréal (Canada), International advisory board, Member</li> <li>– INSEAD (France), Advisory Council, Member</li> <li>– McGill University (Canada), International Advisory Board, Member</li> <li>– Brookings Institution (USA), Board of Trustees, Member</li> <li>– Nature Conservancy of Canada, Force for nature, Campaign leader</li> </ul>

## Oscar Fanjul Martin

Independent Member New Nominee

Nationality	Spanish
Age	66
Director since / term ends	2015 / 2016
Committee memberships	– Nomination and remuneration committee
Main activity	– Deoleo SA (Spain), Chairman
Directorships	– Lafarge (France), Vice Chairman – Acerinox (Spain), Member – Marsh & McLennan Companies (USA), Member – Omega Capital SL (Spain), Vice Chairman
Comments	Founder, Chairman and CEO of Repsol YPF until 1996 Former NED of London Stock Exchange (end 2011) and Areva (end 2011)

## Dr. oec. publ. Rainer Alexander Gut

Independent Member

Nationality	Swiss
Age	52
Director since / term ends	2011 / 2016
Committee memberships	– Audit committee, Chairman
Main activity	– Gut Corporate Finance AG, Managing Partner
Directorships	– Adecco, Member
Comments	Swiss Certified Accountant. Partner at KPMG (2003-2007). Partner at Ernst & Young (2002-2003). Senior Manager of KPMG (1991-2001).



## Gérard Lamarche

Affiliated Member New Nominee

Nationality	Belgian
Age	54
Director since / term ends	2015 / 2016
Committee memberships	none
Affiliation	– Important shareholder or its representative
Main activity	– Groupe Bruxelles Lambert (Belgium), Managing Director
Directorships	– Groupe Bruxelles Lambert (Belgium), Member – Lafarge (France), Member – Legrand (France), Member – SGS, Member – Total (France), Member
Other relevant mandates	– GDF-Suez (France), Censeur
Comments	CFO of Suez Group (2003-2011).

## Adrian Loader

Independent Member

Nationality	British
Age	67
Director since / term ends	2006 / 2016
Committee memberships	– Nomination and remuneration committee, Chairman
Main activity	none
Directorships	– Oracle Coalfields (UK), Chairman – Sherrit International Corporation (Canada), Member – Alderon Iron Ore (Canada), Member
Other relevant mandates	– GardaWorld (Canada), International Advisory Board, Member
Comments	38 years experience in the international oil industry with the Royal Dutch Shell Group (Shell) where he held numerous senior executive positions before retiring in December 2007. Head of Strategy and Business Development and CEO of Royal Dutch Shell (2005-2007).

## Nassef Sawiris

Affiliated	Member	New Nominee
Nationality	Egyptian	
Age	54	
Director since / term ends	2015 / 2016	
Committee memberships	none	
Affiliation	– Important shareholder or its representative	
Main activity	– OCI (Netherlands), CEO	
Directorships	<ul style="list-style-type: none"> <li>– Lafarge (France), Member</li> <li>– OCI (Netherlands), Member</li> <li>– BESIX Group (Belgium), Member</li> <li>– Nasdaq DFIX (Dubai Stock Exchange), Member</li> <li>– NNS Holding, Member</li> <li>– Lafarge Cement Egypt (Lafarge Group Company), Chairman</li> </ul>	
Comments	We have concerns over Mr. Sawiris' aggregate time commitments.	

## Dr. h.c. Thomas Schmidheiny

Affiliated	Member
Nationality	Swiss
Age	70
Director since / term ends	1978 / 2016
Committee memberships	– Nomination and remuneration committee
Affiliation	<ul style="list-style-type: none"> <li>– Important shareholder or its representative</li> <li>– Board membership exceeding time limit for independence</li> </ul> <p style="margin-left: 40px;">Important shareholder of the company and member of the founding family.</p>
Main activity	none
Directorships	<ul style="list-style-type: none"> <li>– Schweizerische Cement-Industrie AG (72% owned by Perinvest AG), Chairman</li> <li>– Perinvest AG, Chairman &amp; Owner</li> <li>– Spectrum Value Management Ltd., Chairman &amp; Owner</li> <li>– CKU AG, Chairman &amp; Owner</li> <li>– Hotel Walserhof Klosters AG, Chairman &amp; Owner</li> <li>– Grand Resort Bad Ragaz, Member and Co-Owner</li> <li>– Simon Murray &amp; Company (Hong Kong), Member</li> <li>– AG Hotels Schweizerhof und Post Davos, Member</li> </ul>
Other relevant mandates	<ul style="list-style-type: none"> <li>– ADELANTE! Stiftung zur Förderung talentierter Nachwuchskräfte in Lateinamerika, Chairman</li> <li>– Stiftung Futur, Chairman</li> <li>– Stiftung Kunstsammlung Thomas Schmidheiny, Chairman</li> <li>– Ernst Schmidheiny Foundation, Chairman</li> <li>– Max Schmidheiny Foundation at the University of St. Gallen, Chairman</li> <li>– Alexander Schmidheiny Foundation, Vice Chairman</li> <li>– at-Dta Foundation, Member</li> <li>– Stiftung zur Förderung Master in Law and Economics, HSG, Member</li> <li>– IMD International Institute for Management Development, Member</li> </ul>
Comments	Executive Chairman of Holcim (1978-2001).

## Hanne B. Breinbjerg Sorensen

Independent	Member
Nationality	Danish
Age	50
Director since / term ends	2013 / 2016
Committee memberships	– Nomination and remuneration committee
Main activity	– Damco (The Netherlands), CEO
Comments	<p>CEO of Maersk Tankers (Denmark; 2012-2013).            Chief Commercial Officer of Maersk Line (2008-2012).            Former CFO of Maersk Line in India, Italy and Singapore.</p>

## Dr. iur. Dieter Spälti

Affiliated

Member

Nationality	Swiss
Age	54
Director since / term ends	2003 / 2016
Committee memberships	<ul style="list-style-type: none"> <li>– Audit committee</li> <li>– Strategy committee</li> </ul>
Affiliation	<ul style="list-style-type: none"> <li>– Important shareholder or its representative</li> <li>– Board membership exceeding time limit for independence</li> </ul> <p>CEO of Spectrum Value Management, family office of Mr. Schmidheiny, and of other companies owned by Mr. Schmidheiny.</p>
Main activity	<ul style="list-style-type: none"> <li>– Spectrum Value Management Ltd. (family office Schmidheiny), CEO &amp; Board Member</li> </ul>
Directorships	<ul style="list-style-type: none"> <li>– Rieter, Member</li> <li>– Spaefag, Chairman</li> <li>– Meridian Capital Holding AG, Chairman</li> <li>– IHAG Holding AG, Vice Chairman</li> <li>– Grand Resort Bad Ragaz, Vice Chairman</li> <li>– Schweizerische Cement-Industrie, Member</li> </ul>
Other relevant mandates	<ul style="list-style-type: none"> <li>– Stiftung Futur, Member</li> </ul>
Comments	<p>Many mandates in companies owned by Mr. Thomas Schmidheiny.            Partner at McKinsey &amp; Company (1993-2001).            CFO of Tyrolit, part of the Swarovski Group (1991-1993).</p>

## 4. Glossary

English	Deutsch	Français
<b>A</b>		
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>B</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
<b>C</b>		
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
<b>D</b>		
Dividend	Dividende	Dividende
Dividend rights certificates	Partizipationsscheine	Bons de participation
<b>E</b>		
Earnings per share	Gewinn pro Aktie	Bénéfice par action

English	Deutsch	Français
<b>E</b>		
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
<b>F</b>		
Fair value	Beizulegender Zeitwert	Juste valeur
Fees	Gebühren	Honoraires
Financial performance	Finanzergebnis	Performance financière
Financial reporting	Finanzberichterstattung	Information financière
Financials	Finanzergebnis	Données financières
<b>G</b>		
General information	Allgemeine Informationen	Informations générales
Global remuneration figures	Allgemeine Vergütungsangaben	Rémunérations agrégées
<b>H</b>		
Headquarters	Hauptsitz	Siège social
Highest paid executive	Höchstbezahltes Mitglied der Konzernleitung	Membre le mieux rémunéré de la direction générale
<b>I</b>		
Important shareholders	Bedeutende Aktionäre	Actionnaires importants
Independent	Unabhängig	Indépendant
Individual remuneration figures	Individuelle Vergütungsangaben	Rémunérations individuelles
Internal Control	Internes Kontrollsystem	Contrôle interne
<b>K</b>		
Key figures	Kennzahlen	Chiffres clés
<b>L</b>		
Listing	Kotierung	Cotation
LTIP (Long-term incentive plan)	Langfristige Beteiligungspläne	Plan de participation à long terme
<b>M</b>		
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
<b>N</b>		
NA (Not available)	Nicht verfügbar	Pas disponible
ND (Not disclosed)	Nicht offengelegt	Pas publié
Net income	Reingewinn	Bénéfice net

English	Deutsch	Français
<b>N</b>		
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
<b>O</b>		
Operating income	Betriebsergebnis	Résultat d'exploitation
Operating margin	Operative Marge	Marge opérationnelle
<b>P</b>		
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
<b>R</b>		
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
<b>S</b>		
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
<b>T</b>		
Total revenues	Betriebsertrag	Revenus totaux
Total shareholder return	Gesamte Aktienrendite	Rentabilité de l'action
<b>U</b>		
Up for re-election	Zur Wiederwahl	A réélection
<b>Y</b>		
Year end	Jahresende	Fin de l'année



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Vincent Kaufmann

**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 one hundred Swiss pension funds and non-profit foundations. Its fully owned 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](http://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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