



medmix Surgery: K-System

# Corporate governance

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# Corporate structure and shareholders

medmix Ltd is subject to the laws of Switzerland, in particular Swiss corporate and stock exchange laws. The company also applies the Swiss Code of Best Practice for Corporate Governance. medmix Ltd has a single share class and has separated the functions of Chairman of the Board of Directors and CEO. The information in the following section is set out in the order defined by the SIX Swiss Exchange directive on information relating to corporate governance (RLCG), with subsections summarized as far as possible. medmix Ltd's consolidated financial statements comply with International Financial Reporting Standards (IFRS), and, in certain sections, readers are referred to the financial reporting section in the medmix annual report 2022. medmix Ltd reports the compensation of the Board of Directors and the Executive Committee in the [compensation report](#). Unless otherwise indicated, the following information refers to the situation on December 31, 2022. Accordingly, the corporate governance report does not reflect the revised corporate law, in force as of January 1, 2023. The Board of Directors intends to propose to the Shareholder's Meeting in April 2023 the revision of the current Articles of Association. Shareholders will receive a report from the Board of Directors explaining the proposed amendments ahead of the Shareholder's Meeting. Further information on corporate governance is published on [medmix.swiss/en/Investors/Governance](https://medmix.swiss/en/Investors/Governance)

## Corporate structure

The group is organized into two business areas, Healthcare and Consumer & Industrial, and the organizational group structure corresponds to these reported business areas. More information on this operational corporate structure can be found under [note 3](#) to the consolidated financial statements in the financial reporting section. medmix Ltd is the only medmix group company listed on a stock exchange. It is based in Baar, Switzerland. Its shares are listed and traded on the SIX Swiss Exchange in Zurich (Securities no. 112.967.710/ISIN CH1129677105). On December 31, 2022, the market capitalization of all issued shares of medmix Ltd was CHF 726,217,712. Information on the subsidiaries included in the consolidation can be found under [note 33](#) to the consolidated financial statements. The list comprises all consolidated direct subsidiaries of medmix Ltd and all further consolidated subsidiaries.

## Significant shareholders

According to notifications received from medmix Ltd shareholders, several shareholders held more than 3% of medmix Ltd's share capital on December 31, 2022. As published on the SIX disclosure platform on October 8, 2021, Viktor F. Vekselberg held 40.54% of medmix' shares. The shares are directly held by Tiwel Holding AG. On October 5, 2021, The Capital Group Companies, Inc. held 5.01% of medmix' shares, while FIL Limited held 4.90%, as published on November 17, 2021. As published on October 8, 2021, UBS Fund Management (Switzerland) AG held a pre-capital increase shareholding of 4.35% of medmix' shares. For information on shareholders of medmix Ltd that have reported shareholdings of over 3% or a reduction of shareholdings below 3%, please refer to the website of the [Disclosure Office of SIX Swiss Exchange \(https://www.ser-ag.com/en/resources/notifications-market-participants/official-notices.html\)](https://www.ser-ag.com/en/resources/notifications-market-participants/official-notices.html). For the positions held by medmix and information on shareholders, see [note 21](#) to the consolidated financial statements. There are no cross-shareholdings where the capital or voting stakes on either side exceeds the threshold of 5%.

# Capital structure

## Share capital

As of December 31, 2022, the fully paid-up share capital of medmix Ltd amounts to CHF 412'623.70, divided into 41'262'370 registered shares with a par value of CHF 0.01 per share. All shares are issued in the form of uncertificated securities within the meaning of Art. 973c of the Swiss Code of Obligations and are held as intermediated securities within the meaning of the Swiss Federal Act on Intermediated Securities of October 3, 2008. Each registered share entitles the holder to one vote at the Shareholders' Meeting. The company's Articles of Association authorize the Board of Directors to increase the share capital of medmix Ltd at any time until September 20, 2023, in the maximum nominal amount of CHF 10'000 by issuing up to 1'000'000 fully paid in shares with a nominal value of CHF 0.01 each, which equates to 2.42% of the existing share capital (see Art. 3a of the Articles of Association, on [medmix.swiss/en/Investors/Governance](https://medmix.swiss/en/Investors/Governance); under Downloads). Furthermore, the Board of Directors may withdraw the shareholders' subscription rights for good cause and allocate it to third parties, in particular if it serves the fast and seamless placement of the new shares – in this case, the new shares must be issued at market conditions (for more details, see Art. 3a of the Articles of Association). In September 2021, the company increased its share capital from CHF 342'623.70 to CHF 412'623.70, by issuing 7'000'000 fully paid in shares with a nominal value of CHF 0.01. The Board of Directors decided to withdraw the subscription rights of the existing shareholders and to allocate them to a third-party for placement of the new shares on the capital market at market conditions.

There is no conditional capital, nor are there any participation or dividend certificates. The latest version of the Articles of Association is available on [medmix.swiss/en/Investors/Governance](https://medmix.swiss/en/Investors/Governance) (under Downloads). As of December 31, 2022, medmix Ltd held 347'536 of its own shares, which represents 0.84% of the total number of issued shares.

## Restrictions on transferability and nominee registrations

medmix shares are freely transferable provided that, when requested by the company to do so, buyers declare that they have purchased and will hold the shares in their own name and for their own account (see Art. 6 of the Articles of Association; on [medmix.swiss/en/Investors/Governance](https://medmix.swiss/en/Investors/Governance); under Downloads). Nominees shall only be entered in the share register with the right to vote if they meet the following conditions: the nominee is subject to the supervision of a recognized banking and financial market regulator; the nominee has entered into a written agreement with the Board of Directors concerning its status; the share capital held by the nominee does not exceed 3% of the registered share capital entered in the commercial register; and the names, addresses, and number of shares of those individuals for whose accounts the nominee holds at least 0.5% of the share capital have been disclosed.

The Board of Directors is also entitled, beyond these limits, to enter shares of nominees with voting rights in the share register if the above-mentioned conditions are not met (see Art. 6a of the Articles of Association). The Board of Directors further has the right to cancel registrations in the share register retroactively as of the date of registration if such registrations were made based on incorrect information. Before such cancellation, the Board of Directors shall seek comment from the concerned shareholders. In any event, the shareholders concerned shall be informed immediately about such cancellation (see Art. 6a of the Articles of Association).

In the 2022 reporting period, no nominees applied for registration with voting rights. The 12 nominees, holding a total of 1'193'398 shares (2.9% of total shares), who applied in 2021 have not signed the requested agreement, thus all shares held by these nominees, have been entered in the share register without voting rights. In the 2022 reporting period, the Board of Directors did not have to cancel any registrations in the share register retroactively as of the date of entry. There are no further transfer restrictions and no privileges under the Articles of Association. A removal or amendment of the transfer restriction requires a shareholders' resolution with a majority of at least two-thirds of the votes represented.

## Convertible bonds and options

No convertible bonds or warrants are currently outstanding. Details of the restricted share units (RSUs) held by the members of the Board of Directors and performance share units (PSUs) held by the members of the Executive Committee are set out under [note 28](#) to the consolidated financial statements and under [note 9](#) to the financial statements of medmix Ltd.

# Board of Directors\*

None of the board members has been, or currently is, a member of the Executive Committee of medmix Ltd or any of its subsidiaries. In addition, no significant business relationships exist between members of the Board of Directors and medmix Ltd or subsidiaries of medmix Ltd.

medmix group is the former Applicator Systems division of Sulzer group, which was spun off on September 20, 2021, and became medmix Ltd. Hence, medmix Ltd was only incorporated on September 20, 2021. During a transitional period, Sulzer Management Ltd (either directly or through its affiliates) therefore continues to provide certain corporate support services, such as accounting, treasury, tax, internal audit, legal, risk management, compliance and investor relations services. For detailed information on transactions with related parties, please see [note 29](#) to the consolidated financial statements.

\* With amended chart below

## Elections and terms of office

Art. 18 of the Articles of Association (on [medmix.swiss/en/Investors/Governance](#); under Downloads) stipulates that the Board of Directors of medmix Ltd shall comprise three to seven members. Each member is elected individually. The term for members of the Board of Directors is one year until the next AGM, but re-election is possible. At the AGM of April 12, 2022, two Board members were re-elected, all for terms of one year. Jill Lee did not stand for re-election. René Willi, Rob ten Hoedt, Barbara Angehrn, David Metzger and Daniel Flammer were elected as additional members of the Board of Directors. The Board of Directors consists of seven members: two from Switzerland, one from Switzerland/Serbia, one from the Netherlands, one from Switzerland/France, one from Switzerland/Italy and one from France. Professional expertise and international experience played a key role in the selection of the members of the Board of Directors.

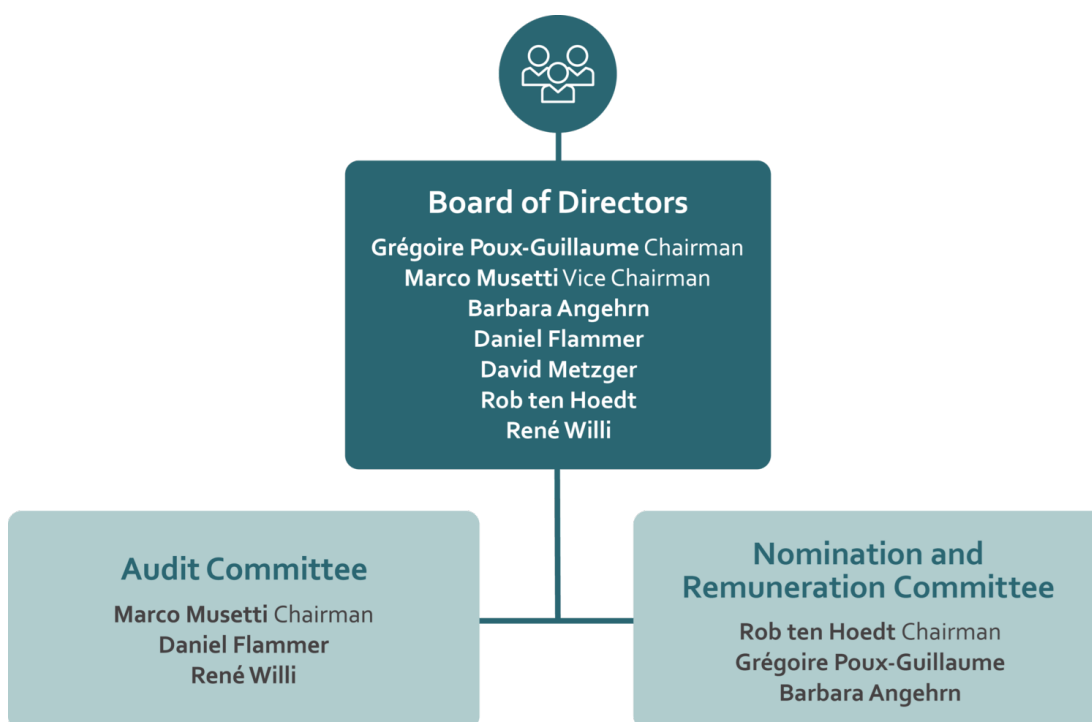
According to Art. 4 of the Organizational Regulations of the Board of Directors (on [medmix.swiss/en/Investors/Governance](#); under Downloads), the term of office of a board member ends no later than on the date of the AGM in the year when the member reaches the age of 70. The Board of Directors can make exceptions up to but not exceeding the year in which the member reaches the age of 73.

## Internal organization

The Board of Directors constitutes itself, except for the Chairman of the Board of Directors who is elected by the Shareholders' Meeting. The Board of Directors appoints from among its members the Vice Chairman of the Board of Directors and the members of the Board Committees, except for the members of the Nomination and Remuneration Committee, who are elected by the Shareholders' Meeting. In addition, the Board of Directors appoints a secretary, who does not need to be a member of the Board.

There are currently two standing Board Committees (for their constitutions, see below):

- the Audit Committee
- the Nomination and Remuneration Committee



The Organizational Regulations of the Board of Directors and the relevant Committee Regulations, which are published on [medmix.swiss/en/Investors/Governance](https://medmix.swiss/en/Investors/Governance) (under Downloads), define the division of responsibilities between the Board of Directors and the CEO. They also define the authorities and responsibilities of the Chairman of the Board of Directors and of the two standing Board Committees.

## Members of the Board of Directors

**Grégoire (Greg) Poux-Guillaume**, Chairman of the Board of Directors, member of the Nomination and Remuneration Committee and member of the Audit Committee<sup>[1]</sup>, is a French citizen born in 1970.

[1] Until April 12, 2022.

Binding interests: None.

Greg Poux-Guillaume has been the Chief Executive Officer and Chairman of the Board of Management of Akzo Nobel since November 2022. Before joining Akzo Nobel he was Chief Executive Officer of Sulzer Ltd until February 18, 2022, a position he held from 2015. He joined Sulzer from General Electric, where he had been named CEO of GE Grid Solutions upon GE’s takeover of Alstom’s energy businesses. Previously, he was a member of the Board of Directors of Delachaux SA (2012 to 2018). From 2011 to 2015, he was Executive Vice President of Alstom Group (member of the Executive Committee) and served as President and CEO of Alstom Grid. From 2009 to 2011, he was a Senior Managing Director at CVC Capital Partners. Prior to this, he held various positions with Alstom Group (2003 to 2008), in technology venture capital with Softbank and in consulting with McKinsey & Company. Greg Poux-Guillaume started his career in Exploration and Production with Total (1993 to 1997). He has been a member of the Board of Directors of the Swiss-American Chamber of Commerce since 2019. He holds an MBA from Harvard Business School, USA and a Master of Science, Mechanical Engineering from the Ecole Centrale Paris, France.

**Jill Lee**<sup>[2]</sup>, member of the Board of Directors, member of the Nomination and Remuneration Committee and Chairwoman of the Audit Committee is a citizen of Singapore born in 1963.

[2] Until April 12, 2022.

Binding interests: Member of the Board of Directors and Chairperson of the Audit Committee of Schneider Electric SE, Switzerland; member of the Advisory Board of the Nanyang Technological University, Singapore; member of the Foundation Board of the IMD Business School, Switzerland.

Jill Lee was the Chief Financial Officer of Sulzer Ltd from 2018 and retired in May 2022. From 2011 until 2018, she was a member of the Board of Directors of Sulzer Ltd. She has been a member of the Board of Directors and of the Audit Committee of Schneider Electric since 2020 and the Chairperson of the Audit Committee since 2022. Previously, she was a member of the Supervisory Board of Signify Ltd, where she acted as Chairperson of the Audit Committee (2017 to 2020). From 2015 to 2018, she was the Senior Group Vice President and Head of Next Level Program Management of ABB Ltd. From 2012 to 2014, she was the Senior Vice President and CFO for ABB China and North Asia Region. Prior to this, she served as Senior Vice President, Finance Strategy and Investments for Neptune Orient Lines in Singapore (2010 to 2011). She has also held a number of leadership positions with Siemens, including Global Chief Diversity Officer (2008 to 2010), North-East Region CFO and Senior Executive Vice President of Siemens in China (2004 to 2008), CFO and Senior Vice President of Siemens in Singapore (2000 to 2004). She is currently a member of the Advisory Board of the Nanyang Technological University in Singapore and a member of the Foundation Board of the IMD Business School in Switzerland. She holds an MBA in Business Administration from Nanyang Technological University and a Bachelor's Degree in Business Administration from the National University of Singapore.

**Marco Musetti**, Vice Chairman of the Board of Directors, Chairman of the Nomination and Remuneration Committee<sup>[3]</sup>, and Chairman of the Audit Committee<sup>[4]</sup>, is a Swiss and Italian citizen born in 1969.

[3] Until April 12, 2022.

[4] Since April 12, 2022.

Binding interests: Member of the Board of Directors of United Company RUSAL; member of the Board of Directors of Octo Telematics; President of the Board of Directors of GEM Capital Ltd; member of the Board of Directors of UMK; member of the Board of Directors of Kalahari Minerals Marketing Ltd.

Marco Musetti has been a member of the Board of Directors of United Company Rusal Plc (today United Company RUSAL, international public joint-stock company) since 2016, a member of the Board of Directors of Octo Telematics since 2017, the President of the Board of Directors of GEM Capital Ltd since 2018, a member of the Board of Directors of UMK since 2014, and a member of the Board of Directors of Kalahari Minerals Marketing Ltd since 2021. Marco Musetti was also a member of the Board of Directors of Sulzer Ltd from 2011 to April 2021, a member of the Board of Directors of Schmolz+Bickenbach AG (today Swiss Steel Holding AG) from 2013 to 2019 and a member of the Board of Directors of Kalahari Trading Ltd from 2017 to November 2021. Previously, he was COO and deputy CEO of Aluminium Silicon Marketing (Sual Group) (2000 to 2007), Head of Metals and Structured Finance Desk for Banque Cantonale Vaudoise (1998 to 2000), and Deputy Head of Metals Desk for Banque Bruxelles Lambert (1992 to 1998). Marco Musetti holds a Master of Science in Accounting and Finance from the London School of Economics and Political Science, UK, and a Master's degree in Economics from the University of Lausanne, Switzerland.

**Barbara Angehrn**<sup>[5]</sup>, member of the Board of Directors, and member of the Nomination and Remuneration Committee, is a Swiss and Serbian citizen born in 1974.

Binding interests: None

Barbara Angehrn was a Member of the Executive Committee of Vifor Pharma (acquired in August 2021 by CSL), initially as Chief Business & Marketing Officer, responsible for all Global Commercial Functions as well as the overall Nephrology portfolio, then as Chief Business & Operating Officer with responsibility for the Technical Operations, Manufacturing, IT and other Corporate functions. Prior to Vifor Pharma, Barbara was an entrepreneur and held various senior positions as Vice President Europe at Exelixis, Head of Commercial Operations EMEA at Onyx Pharmaceuticals after having spent more than 9 years at Amgen in various leadership roles. Barbara holds a Bachelor's & Master's degree from the University of St. Gallen, Switzerland.

[5] Barbara Angehrn was elected at the AGM 2022.

**Rob ten Hoedt**<sup>[6]</sup>, member of the Board of Directors, and Chairman of the Nomination and Remuneration Committee, is a Dutch citizen born in 1960.

Binding interests: Chairman of the Board of Directors of MedTech Europe, the Association representing the medical technology industry in Europe; member of the Board of Directors of Fagron International, member of the Board of Directors of NLC Health, a European Healthtech Venture Builder.

Rob ten Hoedt is to date the Executive Vice President & President, Global Regions of Medtronic, and he is a member of the Company's Executive Committee. From 2014, his role was Executive Vice President & President Europe, Middle East & Africa (EMEA) to which Asia-Pacific (APAC) was added from May 2022. He has previously held different business and regional leadership positions in Medtronic since joining Medtronic in 1991. Prior to Medtronic, Rob worked in several medical technology companies including Arjo Hospital Equipment and Polystan Benelux and he also ran his own medical equipment distribution company. Rob graduated from the HAN University of Applied Sciences.

[6] Rob ten Hoedt was elected at the AGM 2022.

**René Willi**<sup>[7]</sup>, member of the Board of Directors, and member of the Audit Committee, is a Swiss citizen born in 1967.

Binding interests: Board positions in companies controlled by Henry Schein

Since 2021, René Will has been Chief Executive Officer of the Global Oral Reconstruction Group at Henry Schein Inc. and a member of the Henry Schein Inc. Executive Management Committee. Before joining Henry Schein in 2013, René Willi was Executive Vice President, Surgical Business Unit, at Institut Straumann AG in Basel, Switzerland, a company he joined in 2005. Prior to Straumann, René held roles in the cardiovascular division of Medtronic. Before that, René served as a management consultant with McKinsey & Company. René started his career in plant engineering as a process engineer (Ems-Inventa) and senior manager sales & engineering (Von Roll Inova AG). René graduated from the ETH Zürich with a PhD in Chemistry and a Master in Industrial Management.

[7] René Willi was elected at the AGM 2022.



**David Metzger**<sup>[8]</sup>, member of the Board of Directors, is a Swiss and French citizen born in 1969.

Binding interests: Member of the Board of Directors of Sulzer, Switzerland; member of the Board of Directors of Octo Telematics, Italy.

David Metzger is Managing Director Investments and Portfolio Manager for Liwet Holding AG. Previously, David held senior positions in Witel AG, and with its predecessor company RMAG as Deputy Managing Director M&A. Prior to this, he held various roles at Good Energies Inc. (part of Cofra Group), Bain & Company, Novartis, and Morgan Stanley. David graduated from the University of Zürich with a Master's degree in Finance as well as from the INSEAD with an MBA.

[8] David Metzger was elected at the AGM 2022.

**Daniel Flammer**<sup>[9]</sup>, member of the Board of Directors, and member of the Audit Committee, is a Swiss citizen born in 1969.

Binding interest: Supervisory Board or Board of Directors positions at AdvisReal AG (since 2018) and AR Professional Services AG (since 2021). Chairman of the Board of Directors of altrimo treuhand group AG Appenzell (since 2019) and Tiwel Holding AG Zurich (since 2019).

Daniel Flammer has been Managing Partner of AR Financial Advisory AG in Zurich since April 2018 where he provides transaction advisory and CFO advisory services. Previously, he was a Partner in Audit & Advisory at Deloitte AG Zurich (1998/2004 to 2018), after starting his career with Hess Revisions- und Wirtschaftsberatungs AG & Hess Grant Thornton AG (1996 to 1998), ALFA Treuhand- und Revisions AG (1988–1996) and Communal Administration of Niederburen in St. Gallen (1985–1988). Daniel qualified as a certified public accountant in 1997 and previously graduated from the University of Applied Sciences for Business HWV St. Gallen (Betriebsökonom HWV/FHSG). He was certified as an International Director at INSEAD in 2018.

[9] Daniel Flammer was elected at the AGM 2022.

## Operating principles of the Board of Directors and its Committees

All decisions are made by the full Board of Directors. For each application, written documentation is distributed to the members of the Board of Directors ahead of each meeting. The Board of Directors and the Committees meet as often as required by the circumstances. The Board of Directors meets at least five times per year, the Audit Committee and the Nomination and Remuneration Committee meet at least four times per year. The Board of Directors shall be deemed quorate if at least half of its members are present. Resolutions of the Board of Directors are passed upon the majority of votes cast. In case of a tie, the Chairperson of the meeting shall have the casting vote.

In 2022 the Board held five ordinary meetings, lasting on average 5 hours 20 minutes and seven extraordinary meetings (either in person or via video conference), lasting on average 40 minutes. The Nomination and Remuneration Committee held five meetings in 2022, lasting an average of 1.5 hours, while the Audit Committee held four meetings, lasting an average of 1.5 hours. For further details, see the table below. The CEO, the CFO and the Secretary of the Board of Directors also generally attend the Board meetings in an advisory role. Other members of the Executive Committee, the Leadership Team as well as other selected executives are invited to attend Board meetings as required to provide their specific input on midterm planning, the strategy, the budget, market segment-specific items or investments and acquisitions.

The Committees do not make any decisions, but rather review and discuss the matters assigned to them and submit the required proposals to the full Board of Directors for a decision. At the next full Board meeting following the Committee meeting, the Chairpersons of the Committees report to the full Board of Directors on all matters discussed, including key findings, opinions and recommendations.

Members of the Board				Attending meetings of the			
Name	Nationality	Position	Entry	Elected until	Board	AC	NRC
Grégoire Poux-Guillaume	French	Chairman	September 2021	2023	12		
		Member AC <sup>10)</sup>				1	
		Member NRC					
Marco Musetti	Swiss/Italian	Vice Chairman of the Board	September 2021	2023	12		
		Chairman AC <sup>11)</sup>				3	
		Chairman NRC <sup>12)</sup>					
Jill Lee <sup>13)</sup>	Singaporean	Chairwoman AC	September 2021	2022	4		
		Member NRC					
Barbara Angehrn	Swiss/Serbian	Member NRC <sup>14)</sup>	April 2022	2023	7		3
Rob ten Hoedt	Dutch	Chairman NRC <sup>15)</sup>	April 2022	2023	6		3
René Willi	Swiss	Member AC <sup>16)</sup>	April 2022	2023	7	3 <sup>19)</sup>	
David Metzger	Swiss/French	Member of the Board <sup>17)</sup>	April 2022	2023	7		
Daniel Flammer	Swiss	Member AC <sup>18)</sup>	April 2022	2023	6	3 <sup>19)</sup>	

AC = Audit Committee, NRC = Nomination and Remuneration Committee

10) Until April 12, 2022.

11) Since April 12, 2022.

12) Until April 12, 2022.

13) Until April 12, 2022.

14) Since April 12, 2022.

15) Since April 12, 2022.

16) Since April 12, 2022.

17) Since April 12, 2022.

18) Since April 12, 2022.

19) As amended on April 13, 2023.

## Additional mandates of members of the Board of Directors outside the medmix group

According to Art. 33 of medmix' Articles of Association (on [medmix.swiss/en/Investors/Governance](https://www.medmix.ch/en/Investors/Governance); under Downloads), the maximum number of additional mandates held by members of the Board of Directors outside the medmix group is ten (of which a maximum of four mandates may be with listed companies). Exceptions (e.g., for mandates held at the request of medmix or mandates in charity organizations) are also defined in Art. 33 of the Articles of Association. All board members comply with these requirements and no exceptions were granted in the reporting period.

## Audit Committee

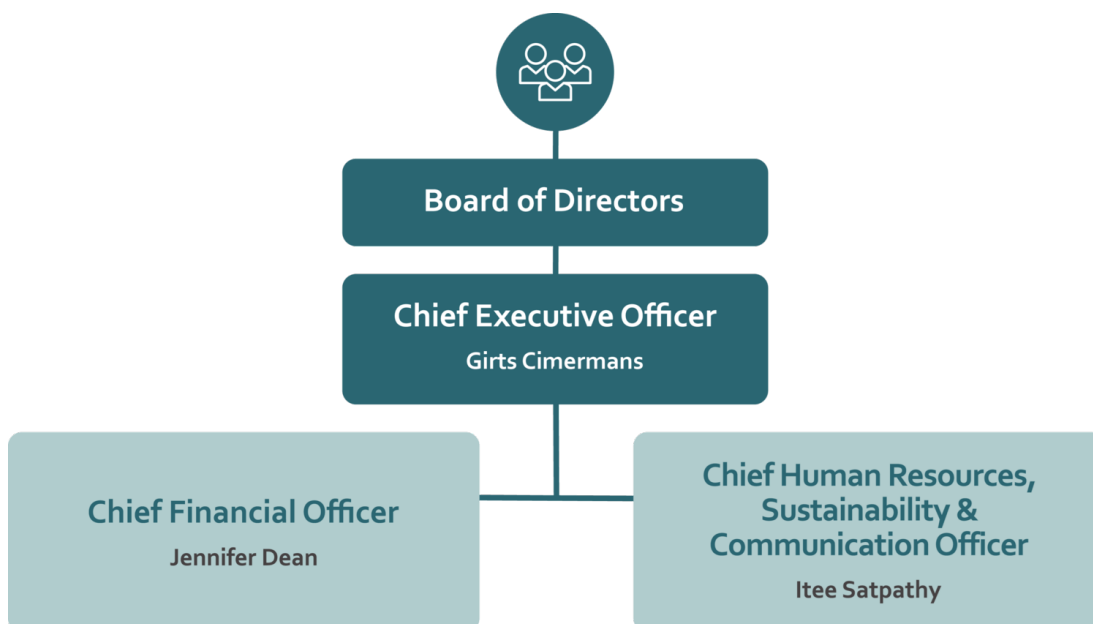
The Audit Committee (members listed above) assesses the midyear and annual consolidated financial statements and, in particular, the activities – including effectiveness and independence – of the internal and statutory auditor and the cooperation between the two bodies. It also assesses the internal control system as well as risk management and compliance, with at least one meeting per year dedicated to risk management and compliance. The Regulations of the Audit Committee can be viewed on [medmix.swiss/en/Investors/Governance](https://medmix.swiss/en/Investors/Governance) (under Downloads). The CFO, the Secretary of the Board, the Deputy CFO (who is also the secretary of this Committee) and the external auditor-in-charge attend the meetings of the Audit Committee. In 2022, the Audit Committee held four meetings. The statutory auditor attended the meetings, and internal subject matter experts gave presentations to the Audit Committee during the meetings.

## Nomination and Remuneration Committee

The Remuneration Committee (members listed above) was renamed the Nomination and Remuneration Committee in 2022. It assesses the compensation systems and recommends compensation for the members of the Board of Directors and the Executive Committee (including short-term and long-term incentive components) on behalf of the Board of Directors and in accordance with its specifications. It carries out broad compensation benchmarking with an international comparison group, supported by studies of consulting firms, if necessary, and it scrutinizes the work of internal and external consultants. The Nomination and Remuneration Committee also deals with nomination matters and assesses the criteria for the election and re-election of board members and the nomination of candidates for the Executive Committee. It is furthermore responsible for the succession planning for the CEO and the Executive Committee. The members of the Nomination and Remuneration Committee are elected by the shareholders' meeting. The Nomination and Remuneration Committee Regulations are available on [medmix.swiss/en/Investors/Governance](https://medmix.swiss/en/Investors/Governance) (Under Downloads). The CEO and the Chief Human Resources Officer attend the meetings of the Nomination and Remuneration Committee. In 2022 the Nomination and Remuneration Committee held five meetings.

## Division of powers between the Board of Directors and the CEO

The Board of Directors has largely delegated executive management powers to the CEO. However, it is still responsible for matters that cannot be delegated in accordance with Art. 716a of the Swiss Code of Obligations. These matters include corporate strategy, the approval of mid-term planning and the annual budget, key personnel decisions, and the preparation of the compensation report. The same applies to acquisition and divestiture decisions exceeding CHF 20 million, investments in fixed assets exceeding CHF 10 million, major corporate restructurings, approval of dispute settlements with an impact on operating income of more than CHF 5 million, approval of research and development projects exceeding CHF 5 million, other matters relevant to the company, and decisions that must be made by law by the Board of Directors. The competency regulations and the nature of the collaboration between the Board of Directors and the Executive Committee can be viewed in the Organizational Regulations of the Board of Directors on [medmix.swiss/en/Investors/Governance](https://medmix.swiss/en/Investors/Governance) (Under Downloads).



## Information and control instruments

Each member of the Board of Directors receives a copy of the monthly financial information (January to May and July to November), plus the midyear and annual financial statements. These include information about the balance sheet, the income and cash flow statements, as well as key figures for the company and its market segments. They incorporate comments on the respective business results and a rolling forecast for the current business year. The CEO and CFO report at every Board meeting on business developments and all matters relevant to the company. Once per year, the Board receives the forecasted annual results. During these Board meetings, the Chairs of the Committees also report on all matters discussed by their committees and on the key findings and assessments, and they submit proposals as required. Each year, the Board of Directors discusses and approves the budget for the following year and the midterm plan, the latter being subject to periodic review. The Chairman of the Board of Directors regularly consults with the CEO and other representatives of the Executive Committee with respect to strategic matters and focus areas. In addition, the Board of Directors receives a status update on investor relations on a regular basis and each member of the Board may request information regarding all matters relating to the group’s business.

## Group Internal Audit

In 2022, the group hired its own Head of Internal Audit. On individual assignments, the group’s Internal Audit received support from Sulzer group under the Transitional Services Agreement.

The objective of Group Internal Audit is to provide independent objective assurance and other services to help ensure that medmix group operates in accordance with the management, internal controls and governance processes, which are adequate for the achievement of business objectives. Group Internal Audit is approved to provide assurance services to both medmix and external stakeholders such as external auditors. Meetings between internal audit and the statutory auditor take place on an annual basis to discuss the internal audit organization and approach.

Group companies are audited by Group Internal Audit based on an audit plan that is approved by the Audit Committee. Special audit assignments may be performed upon request of a member of the Board of Directors, the Executive Committee or company management, with prior approval from the Chair of the Audit Committee.

In 2022, Group Internal Audit carried out four new audits and one follow-up assignment to verify the implementation of recommendations from previous audits. Additionally, Group Internal Audit delivered two consulting assignments to assist the company's management in meeting its objectives. One of the focal points was the internal control system as well as compliance with the company's governance structure.

The results of each audit and key remediation measures are discussed in detail and agreed upon with the companies and also shared with members of the medmix executive team. The Chairman of the Board of Directors, the members of the Audit Committee, the CEO, the CFO, the Deputy CFO, the COO and other line managers of the audited entity receive a copy of the audit report. Significant findings and recommendations are also presented to and discussed with the Executive Committee. A follow-up process is in place for all group internal audits, which allows efficient and effective monitoring of how the improvement measures are being implemented.

Group Internal Audit prepares a summary of audit activities and results, along with the status of implementation of improvement measures. On a quarterly basis, the Head of Internal Audit presents the summary to the Audit Committee and, thereafter, it is reported to the Board of Directors.

## Risk management and compliance

During the reporting period, medmix Ltd benefitted from the Sulzer group compliance and risk management set up and support in accordance with the Transitional Service Agreement. Hence, medmix Ltd leveraged Sulzer group's comprehensive compliance program. During this time, 1'058 employees in defined targeted groups participated in compliance e-learning modules with a focus on anti-corruption, anti-bribery, diversity and respect. Five internal compliance investigations were carried out, mainly related to employment issues. Each had a low financial impact and carried no reputational risk. Adequate disciplinary measures were taken.

In order to maintain a comprehensive and robust compliance management system across medmix group and to support a seamless transition, the compliance management processes of Sulzer were assessed and used to start adapting medmix' compliance processes to the group's specific compliance risks. In 2022, medmix launched its own compliance hotline and incident reporting system based on a specialized vendor-based compliance tool and systems. Such reports can be made anonymously or openly via a free hotline or a dedicated website. Furthermore, a directive sets clear rules for internal investigations.

medmix places high priority on conducting its business with integrity, in compliance with all applicable laws and internal rules, and on accepting only reasonable risks. In the course of the spin-off, medmix, under the supervision of its Chief Compliance Officer, implemented an internal control system as well as several policies and directives addressing different compliance topics, such as a Code of Business Conduct published on [medmix.swiss/en/Investors/Governance](https://www.medmix.swiss/en/Investors/Governance) (under Downloads) and rules regarding antitrust risks, bribery and corruption, export control and other risks (e.g., non-compliance with stock exchange laws and regulations, insufficient protection of intellectual property and know-how, violations of privacy and data protection or with regard to environment, quality, safety and health). The Chief Compliance Officer is responsible for the further development of medmix group's compliance management system

With the hiring of the medmix Chief Compliance Officer, a compliance risk analysis took place that formed the basis of the medmix integrated Compliance Management System (CMS), covering organizational and procedural principles and measures to ensure compliance with legal requirements and internal company guidelines. The medmix CMS targets the principles of good corporate governance, proportionality, integrity, transparency, accountability, and sustainability.

The medmix integrated CMS is structured in three main pillars: Prevention, Detect and React.

Prevention measures to avoid misconduct and compliance risks were implemented through the medmix Compliance Hotline, worldwide centralized Compliance Training and Campaign Platform, the corporate Due Diligence process performing integrity checks and the Policy Manager accessible to all employees. The Code of Business Conduct carries the measures at its core.

Detect: instruments for detecting misconduct were established through the whistle-blower system, internal audit, and compliance controls.

React: continuous improvement through monitoring, audits, and investigations to correct or eliminate weaknesses in processes and controls, as well as defining disciplinary measures.

The CMS is regularly reviewed, evaluated and, if necessary, adapted. This enables a continuous risk assessment and adaptation to the actual risk situation of the company with a formal yearly Enterprise Risk Management review as described thereafter.

# Executive Committee

The Board of Directors delegates executive management powers to the CEO. The CEO delegates the appropriate powers to the members of the Executive Committee. The Organizational Regulations of the Board of Directors govern, among other things, the transfer of responsibilities from the Board of Directors to the CEO. The regulations can be viewed on [medmix.swiss/en/Investors/Governance](https://medmix.swiss/en/Investors/Governance) (Under Downloads). There are no management contracts with third parties. None of the Executive Committee members has a contract with a notice period exceeding 12 months. As of December 31, 2022, the Executive Committee consisted of three members.

**Girts Cimermans**, Chief Executive Officer, and member of the Executive Committee, is a Latvian citizen born in 1969.

Binding interests: Member of the Board of Directors of Alpcot Ltd.

Girts Cimermans has been the CEO of medmix since Sept 2021. Before the incorporation and separate listing of medmix Ltd, Girts Cimermans was Division President of Sulzer Ltd's Applicator Systems division and member of the Sulzer Executive Committee from 2019. Starting in 2014, Girts Cimermans served as CEO of Hoya Vision Care in Bangkok and Amsterdam. From 2011 to 2013, he was President Europe Middle East & Africa of Pentax Medical in Germany, and from 2009 to 2011 Director Eastern Europe of Danaher Group's Kavo Dental GmbH. Prior to this, Girts held several positions at GE Healthcare in Germany, including President Northeastern Europe. He holds a Master's degree from the Stockholm School of Economics, Stockholm, Sweden.

**Jennifer Dean**, Chief Financial Officer, and member of the Executive Committee is an Australian citizen born in 1968.

Binding interests: Member of Board of the Australian Swiss Chamber of Commerce.

Jennifer Dean has been the CFO of medmix since September 2021. Before the incorporation and separate listing of medmix Ltd, Jennifer Dean acted as the Chief Financial Officer for the Applicator Systems division of Sulzer Ltd (from 2017). She was CFO for Product Lines at GE Power Services from 2015 to 2017. Prior to this, she held a number of positions at Alstom, including Vice President Finance for the Thermal Services division (2013 to 2015), Finance Director for Gas Turbine Product Line (2010 to 2013), and Finance Director for Environmental Control Systems & Carbon Capture Systems (2006 to 2010). Jennifer Dean holds a Bachelor's degree in Economics from Macquarie University, Sydney, Australia and is a chartered accountant (Chartered Accountants Australia & New Zealand) and associate member of the Governance Institute of Australia.

**Itee Satpathy**, Chief Human Resources, Sustainability and Communication Officer, and member of the Executive Committee, is a Swiss citizen born in 1978.

Before joining medmix Ltd in December 2021, Itee Satpathy was appointed Global Head of People Development and Internal Communications at Sulzer in 2018. Prior to joining Sulzer, she led Talent Development and Diversity at Syngenta (2013 to 2017). Previously, she held various roles of increasing responsibility at Novartis across the Human Resources function, including leadership and organization development, talent management and diversity and inclusion (2003 to 2012). Itee started her career in India with ICICI Bank before moving to Switzerland in 2003. Itee Satpathy holds a Master's degree (Diploma) in Human Resources Management from XLRI School of Management, Jamshedpur, India.



## Additional mandates of members of the Executive Committee outside the medmix group

No member of the Executive Committee may hold more than five mandates, of which no more than one may be in listed companies (see Art. 33 of the Articles of Association on [medmix.swiss/en/Investors/Governance](https://medmix.swiss/en/Investors/Governance); under Downloads). Exceptions (e.g., for mandates held at the request of medmix or mandates in charity organizations) are also defined in Art. 33 of the Articles of Association. All members of the Executive Committee comply with these requirements and no exceptions were granted in the reporting period.

# Shareholder participation rights

## Restrictions and representation of voting rights

Only nominees are subject to restrictions (see section [capital structure](#) of this corporate governance report). No exceptions were granted during the reporting year, and no measures to remove these restrictions are planned. According to Art. 7 of the Articles of Association (on [medmix.swiss/en/Investors/Governance](#); under Downloads), a shareholder may be represented at a Shareholders' Meeting by its legal representative, another shareholder with the right to vote, or the independent proxy. Shares held by a shareholder may be represented by only one person.

## Statutory quorum

Generally, the Shareholders' Meeting passes its resolutions and carries out its elections upon an absolute majority of the votes represented (see Art. 15 of the Articles of Association; on [medmix.swiss/en/Investors/Governance](#); under Downloads). However, changes to the Articles of Association may only be approved by a majority of at least two-thirds of the voting rights represented at the Shareholders' Meeting, other than ordinary share capital increases (against payment in cash and without exclusion of shareholders' pre-emptive rights), which are decided by an absolute majority of the votes represented. The dissolution or a merger of the company can only be decided upon if at least half the shares issued are represented at the Shareholders' Meeting and two-thirds thereof vote in favor of the corresponding proposal (see Art. 16 of the Articles of Association).

## Convocation of the Shareholders' Meeting and submission of agenda items

The applicable regulations regarding requesting the convocation of an extraordinary Shareholders' Meeting are in line with the applicable law regarding the convocation of a Shareholders' Meeting. Shareholders representing at least 2% of the share capital may submit items for inclusion on the agenda of a Shareholders' Meeting. Such submissions must be requested in writing at least two months prior to the meeting and must specify the agenda items and proposals of the shareholder concerned (see Art. 12 of the Articles of Association; on [medmix.swiss/en/Investors/Governance](#); under Downloads).

## Entry in the share register

Voting rights may be exercised by shareholders who are registered in the share register on the record date stated in the invitation to the respective Shareholders' Meeting.

## Independent proxy

At the AGM of April 12, 2022, Proxy Voting Services GmbH was elected as the independent proxy of medmix Ltd for a term of office extending until completion of the next AGM. The Articles of Association (on [medmix.swiss/en/Investors/Governance](#); under Downloads) do not contain rules on the granting of instructions to the independent proxy and the electronic participation in the Shareholders' Meeting that deviate from the default Swiss law.

# Takeover and defense measures

The Articles of Association (on [medmix.swiss/en/Investors/Governance](https://medmix.swiss/en/Investors/Governance); under Downloads) contain neither opting-out nor opting-up clauses. If there is a change of control, the number of all outstanding restricted share units (RSUs) shall be prorated based on the period from the grant date to the effective date of the change of control, in proportion to the full original vesting period, and such prorated number of RSUs shall vest immediately on the effective date of the change of control. The Board of Directors, however, may determine any other treatment of outstanding RSUs in case of a change of control. A change of control includes a merger, consolidation, acquisition, or other transaction as a result of which securities possessing 50% or more of the total combined voting power of medmix Ltd's outstanding securities are held by a person different from the person or the persons cumulatively holding 50% or more (and acting in concert) of the total combined voting power of medmix Ltd's outstanding securities immediately prior to such transaction, as well as the sale of all or substantially all of the assets of medmix Ltd to a third party.

With respect to the performance share units (PSUs) allocated to members of the Executive Committee and other eligible employees, in case of a change of control:

(a) the number of outstanding PSUs that continue to be eligible for vesting shall be prorated based on (i) the period from the beginning of the performance period to the day immediately prior to the date when the change of control becomes legally effective, and (ii) in relation to the total performance period;

(b) the total achievement factor for such prorated number of PSUs shall be determined by the Board of Directors based on an appropriate performance assessment through the date of the change of control, and in a way that is acceptable for mandatory legal/regulatory purposes;

(c) after application of the prorating as per (a) above, and the total achievement factor determined by the Board as per (b) above, the resulting number of vested PSUs shall vest immediately on the day on which the change of control becomes legally effective.

The Board of Directors, however, may in its sole discretion determine a different treatment of PSUs in case of a change of control.

# Auditor

The statutory auditor is elected at the AGM for a one-year term of office. KPMG AG was elected at the AGM of April 12, 2022. The acting external auditor-in-charge is Simon Niklaus. Provided that KPMG remains elected, the external auditor-in-charge shall be replaced after no later than seven years. The Audit Committee is in charge of supervising and monitoring the statutory auditor, and it reports to the Board of Directors (see section Audit Committee in the chapter [Board of Directors](#) of this corporate governance report). The members of the Audit Committee receive summaries of audit findings and improvement proposals at least once a year. Generally, the external auditor-in-charge and his deputy are invited to attend meetings of the Audit Committee. In 2022, the statutory auditor was present at all Audit Committee meetings. The Audit Committee or its Chairperson meets separately with the statutory auditor at least once a year to assess (among other things) the independence of the statutory auditors. The Audit Committee evaluates the work done by the statutory auditor based on the documents, reports and presentations provided by the statutory auditor, as well as on the materiality and objectivity of their statements. To do so, the Committee gathers the opinion of the CFO. The Audit Committee reviews the fee paid to the auditor regularly and compares it with the auditing fees paid by other internationally active Swiss companies. Said fee is negotiated by the CFO and approved by the Board of Directors. Further information on the auditor, in particular the auditor's fees and any additional fees received by the auditor for advisory services outside its statutory audit mandate, is listed under [note 30](#) to the consolidated financial statements. All advisory services provided outside the statutory audit mandate (essentially, consulting services related to audit and accounting as well as legal and tax advisory services) are compliant with the applicable independence rules.

# Risk management

At medmix, risks are assessed regularly as part of the company's integrated risk management process. The procedure to understand and manage risk is based on a landscape framed by medmix' objectives and operating environment. medmix ERM involves viewing risk holistically across the organization. Both insurable and non-insurable risks are identified, with the objective to eliminate, mitigate or transfer such risk or prepare to accept them. The medmix ERM embodies the organizational culture of prudent risk-taking and is the process of identifying, assessing, and responding to risks, and communicating the outcomes of these analyses in a timely manner. The executive management encourages a strong organizational culture and awareness of risk to ensure that the organization can overcome the factors that inhibit effective risk management.

The analysis of the external and internal context shows the environment in which medmix seeks to define and achieve its objectives.

The primary external influences relate to the social, cultural, political, legal, regulatory, financial, technological, and economic environments within which medmix operates. These external influences occur at international, national, state, regional or local levels. Influences on the internal environment for medmix include medmix current operations and business objectives.

**External Risks**

Risk	Rationale	Management Activities
<b>Business Interruption</b>		<b>Mitigate</b>
Factory disrupted or unable to operate. Leads to economic impact, contractual risk and reputation risk	<ol style="list-style-type: none"> <li>1. Unable to operate site (China zero-Covid policy)</li> <li>2. Lead time and capex of relocation, capacity constraints</li> <li>3. Delay in equipment commissioning</li> <li>4. Duplicates reduced profitability</li> </ol>	<ol style="list-style-type: none"> <li>1. Global footprint (limit single site risk)</li> <li>2. Deploy BCP and crisis management system</li> <li>3. Risk management guidelines</li> <li>4. Obtain business risk insurance</li> <li>5. Monitor climate change impact, pandemic and policy decisions</li> </ol>
<b>Supply Chain Disruption</b>		<b>Anticipate</b>
Unable to source (energy, raw material, transportation, or equipment) on time and in the required quantity	Inability to source and ship, delays and inflate growth and sales plans	<ol style="list-style-type: none"> <li>1. Global procurement (avoid single source)</li> <li>2. Deploy regional inventory and logistics models to mitigate global products availability concerns</li> <li>3. Global monitoring of supply chain risks</li> </ol>
<b>Export Trade Restrictions</b>		<b>Reduce</b>
Breach of regulations drives breach of law, fine, denied export status, liabilities	Unable to continue shipping, liability, reputation	<ol style="list-style-type: none"> <li>1. Monitor regulatory space &amp; trends</li> <li>2. Leverage digital solutions</li> <li>3. Resource increase in Export/Trade</li> </ol>
<b>Product Regulations</b>		<b>Reduce</b>
medmix portfolio becoming partly unprofitable due to regulations changes on products	Enaction of laws restricting the use of disposable products; New legislation from taxes to bans	<ol style="list-style-type: none"> <li>1. Monitor regulations and trends (quality or regulatory)</li> <li>2. Assess customers evolving demand and the fitness of the portfolio</li> <li>3. Assess alternatives in product R&amp;D</li> </ol>
<b>Intellectual Property</b>		<b>Reduce</b>
medmix unable to defend its technology and patent portfolio, and commercialize its new products	Unable to sell or price our products	<ol style="list-style-type: none"> <li>1. Fiercely defend IPR</li> <li>2. Thorough IP clearance study before product introduction</li> <li>3. External vendors scanning of competitors/copier products</li> <li>4. Strong IP protection of product portfolio, improvements, and of brands</li> <li>5. Embed IP in M&amp;A processes</li> </ol>
<b>Compliance</b>		<b>Reduce</b>
Non-compliant or unethical behavior leading to contract breach, reputational damage, fines and liability	<ol style="list-style-type: none"> <li>1. Growth focus on both China and Healthcare</li> <li>2. Move to more regulated industry, compliance with complex local laws</li> </ol>	<ol style="list-style-type: none"> <li>1. Active fostering of high ethical standards by tone from the top and middle management</li> <li>2. Monitoring and assessment of potential exposure</li> <li>3. Wide roll out of Code of Business Conduct and supporting rules (e.g., anticorruption, antitrust, trade control)</li> <li>4. Third-party due diligence process</li> <li>5. Compliance training (incl. e-learning) and audits</li> <li>6. Speak-up culture, compliance hotline and sanction checks</li> </ol>

**Internal Risks**

Risk	Rationale	Management Activities
<b>Finance: No Secure Financing</b>		<b>Reduce</b>
Unable to secure financing for growth due to a) size b) age of medmix c) economic conditions	<ol style="list-style-type: none"> <li>1. Unable to invest in its future, miss acquisitions or technological evolution, lose leadership</li> <li>2. Unable to invest in infrastructure: cost base required to grow and deliver profit expectations</li> </ol>	<ol style="list-style-type: none"> <li>1. Promote medmix to investors and finance community</li> <li>2. Proactively identify source of funds</li> </ol>
<b>HR: Resource Optimization</b>		<b>Reduce</b>
Inability to effectively allocate human resources and/or secure new qualified resources, or optimize business activities	Failure to attract, retain and develop people: higher cost of doing business	<ol style="list-style-type: none"> <li>1. Anchor people and performance efforts to company's values and behaviors</li> <li>2. Ongoing feedback through surveys</li> <li>3. Robust internal communications</li> <li>4. Ongoing engagement in collaborative activities</li> <li>5. Visible development opportunities</li> <li>6. Consistent approach to salary grading</li> <li>7. Identify talents &amp; deploy retention measures</li> <li>8. Promote medmix as an employer of choice</li> </ol>

# Information policy

According to Art. 38 of the Articles of Association (on [medmix.swiss/en/Investors/Governance](https://www.medmix.swiss/en/Investors/Governance); under Downloads), the announcements of medmix Ltd are published in the Swiss Official Gazette of Commerce. In addition, notices to registered shareholders in those cases prescribed by law shall take place in writing to the shareholder's address last known to the company.

medmix Ltd reports on its financial results every half year. In each case, it also comments on business performance and outlook. In addition, the company reports on price-related facts on an ongoing basis (ad hoc publications). The reporting referred to in the [compensation report](#) (including the respective references to the financial reporting section) complies with the recommendations on the content of the compensation report as laid out in section 38 of Appendix 1 to the Swiss Code of Best Practice for Corporate Governance.

## Key dates in 2023

- February 22: Annual results 2022
- April 28: Annual General Meeting 2023
- July 20: Mid-year results 2023

These dates and any changes can be viewed on [medmix.swiss/en/Investors/Financial-Reports](https://www.medmix.swiss/en/Investors/Financial-Reports). Media releases (sent via e-mail) can be subscribed to on <https://www.medmix.swiss/news/media-release-subscription>. Further information is available on [medmix.swiss](https://www.medmix.swiss), or by contacting Investor Relations at [investorrelations@medmix.com](mailto:investorrelations@medmix.com).

The contact address for Investor Relations is:

medmix Ltd

Investor Relations

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## Blackout periods

Generally and regardless of whether any inside information exists or not, pursuant to medmix' Securities Trading, Public Disclosure and Reporting Regulations, the trading in medmix Ltd securities is prohibited for (a) the members of the Board of Directors and the Executive Committee, (b) any staff reporting to any member of the Executive Committee, (c) members of Group Finance, Group Planning and M&A, Group Communications and Investor Relations, and (d) any external advisor having access to inside information in connection with medmix Ltd's financial reporting, during the following periods: the periods starting on January 1 and July 1 up to and including the trading day of the public releases of the respective full-year or half-year reports (if published prior to 7:30 am CET) or the following trading day (if published between 5:40 pm and midnight CET).

Under certain circumstances (in particular, in case of personal hardship), the company may allow exceptions to a blackout period upon reasoned request by an employee, provided that such employee is not in possession of any inside information. Such exceptions must be issued in writing with a copy to the employee's file.