


# 7<sup>th</sup> ordinary Annual General Meeting

**10 April 2024, 3:00 p.m.**

Kursaal Bern Ltd.  
Kornhausstrasse 3  
3013 Bern



**Health and  
well-being are  
at the heart of  
what we do.**





# Contents

**06** Agenda items

---

**12** Comments regarding  
voting on remuneration:  
Agenda items 5, 6.1 and 6.2

---

**20** Notes

# Dear Shareholders,

Galenica's objectives are to generate attractive returns for its shareholders, play an active role in the Swiss healthcare market and be an attractive employer.

The 2023 financial year was characterised by opportunities, changes and challenges. With an increase in sales of 4.4%, we once again achieved strong growth and further developed Galenica. Due to special effects, however, we were unable to fully meet our ambitious earnings targets. Nevertheless, with EBIT on a par with the previous year, we achieved a good result.

Our remuneration policies and systems are designed to ensure that the interests of shareholders and the Executive Committee are broadly aligned. In accordance with the statutory requirements and the Articles of Association, at the 2024 Annual General Meeting you will be asked to individually and bindingly approve the two maximum total remuneration amounts for 2025, and also to engage in a consultative vote on the 2023 Remuneration Report.

The Remuneration Report 2023 is intended to enable you as a shareholder to compare the proposed maximum total remuneration for the 2025 financial year with the performance results and the corresponding remuneration paid in 2023. Details of the remuneration systems for the Board of Directors and the Executive Committee can be found in the Remuneration Report, which is part of the Galenica Group Annual Report 2023 ([www.galenica.com](http://www.galenica.com), Publications).

The comments in this booklet provide background information on individual agenda items.

Yours sincerely,

On behalf of the Board of Directors



**Dr. Markus R. Neuhaus**  
Chairman of the Board of  
Directors

**Bertrand Jungo**  
Chairman of the  
Remuneration Committee



# Agenda items

**1. Approval of the Management Report, the Financial statements 2023 of Galenica Ltd. and the Consolidated financial statements 2023 of the Galenica Group**

The Board of Directors proposes that the Management Report and the Financial statements 2023 of Galenica Ltd. and the Consolidated financial statements 2023 of the Galenica Group be approved.

Comment: The Board of Directors is required by law to submit the Management Report, the Financial statements of Galenica Ltd. and the Consolidated financial statements of the Galenica Group for each financial year to the Annual General Meeting for approval.

**2. Approval of the report on non-financial matters 2023**

The Board of Directors proposes that the report on non-financial matters 2023 be approved.

Comment: From the 2023 financial year onwards Galenica Ltd. is obliged to prepare a report on non-financial matters due to the introduction of Art. 964a of the Swiss Code of Obligations. Details on compliance with this obligation can be found in the 2023 report on non-financial matters. This is available at <http://www.galenica.com/>.

The report on non-financial matters 2023 is being presented for approval for the first time to the Annual General Meeting, according to new statutory requirements (Art. 964c Swiss Code of Obligations).

**3. Discharge from liability of the members of the Board of Directors and the Executive Committee**

The Board of Directors proposes that the actions of its members and the members of the Executive Committee be ratified for the 2023 financial year.

Comment: By ratifying the actions of the members of the Board of Directors and the Executive Committee, the consenting shareholders declare that they will no longer hold the relevant persons accountable for events from the previous financial year that were brought to the attention of the Annual General Meeting.

**4. Resolution on the appropriation of available earnings 2023 and reserves from capital contributions**

The Board of Directors proposes that a dividend of CHF 2.20 per registered share be distributed for the 2023 financial year. For this, CHF 1.10 is to be paid from available earnings and CHF 1.10 from reserves from capital contributions.

Comment: The distribution of a dividend requires an Annual General Meeting resolution.

#### 4.1. Appropriation of available earnings 2023

Balance brought forward	CHF	311,094
Profit for the year	CHF	224,261,845
Available earnings at the disposal of the Annual General Meeting	CHF	224,572,939

#### Proposal

Dividend per share CHF 1.10	CHF	55,000,000 <sup>1</sup>
Allocation to free reserves	CHF	169,000,000
Balance to be carried forward	CHF	572,939

<sup>1</sup> The proposal for the distribution of the dividend encompasses all shares issued. However, own shares held by the company at the time of the dividend payment are not entitled to dividends. Based on the number of shares owned by Galenica Ltd. as of 31 December 2023, the dividend payment would amount to CHF 54.8 million

If this proposal is approved, the dividend will be paid after deduction of withholding tax from 16 April 2024. The last trading day with entitlement to receive the dividend is 11 April 2024. As of 12 April 2024, the shares will be traded ex-dividend.

#### 4.2. Appropriation of reserves from capital contributions

Reserves from capital contributions	CHF	199,907,823
Dividend per share CHF 1.10 paid out of reserves from capital contributions	CHF	55,000,000 <sup>2</sup>
Balance to be carried forward	CHF	144,907,823

<sup>2</sup> The proposal for the distribution of the dividend from reserves from capital contributions encompasses all shares issued. However, own shares held by the company at the time of the dividend payment are not entitled to dividends. Based on the number of shares owned by Galenica Ltd. as of 31 December 2023, the dividend payment would amount to CHF 54.8 million

If this proposal is approved, the dividend will be paid out without deduction of withholding tax from 16 April 2024. The last trading day with entitlement to receive the dividend is 11 April 2024. As of 12 April 2024, the shares will be traded ex-dividend.

#### 5. Consultative vote on the Remuneration Report 2023

The Board of Directors proposes that the Remuneration Report 2023 be approved via consultative vote.

Comment: A consultative vote will be held in relation to the Remuneration Report in accordance with Art. 735 of the Swiss Code of Obligations. Further information on the Remuneration Report 2023 can be found on page 13. The relevant information can be found in the «Remuneration Report» section of the Annual Report 2023. (<http://www.galenica.com/>)



## **6. Remuneration for the Board of Directors and the Executive Committee**

### **6.1. Approval of the maximum total remuneration for the Board of Directors for the 2025 financial year**

The Board of Directors proposes that a maximum total amount of CHF 1,900,000 be approved for the remuneration of the members of the Board of Directors for the 2025 financial year.

Comment: Pursuant to Art. 698 para. 3 item 4 of the Swiss Code of Obligations, the Annual General Meeting is responsible for approving the remuneration of the Board of Directors.

### **6.2. Approval of the maximum total remuneration for the Executive Committee for the 2025 financial year**

The Board of Directors proposes that a maximum total amount of CHF 9,500,000 be approved for the remuneration of the members of the Executive Committee for the 2025 financial year.

Comment: Pursuant to Art. 698 para. 3 item 4 of the Swiss Code of Obligations, the Annual General Meeting is responsible for approving the remuneration of the Executive Committee. Further information on the maximum total amounts for the 2025 financial year can be found on pages 13 et seqq. ([www.galenica.com](http://www.galenica.com))

## **7. Elections**

### **7.1. Re-elections of the members of the Board of Directors and the Chairman of the Board of Directors**

The Board of Directors proposes the re-election of Dr. Markus R. Neuhaus as member of the Board of Directors and re-election as Chairman of the Board of Directors; re-election of Pascale Bruderer, Bertrand Jungo, Judith Meier, Prof.Dr.med. Solange Peters, Dr. Andreas Walde and Jörg Zulauf as members of the Board of Directors, each for a term of office until the end of the next ordinary Annual General Meeting.

Comment: As the term of office of the members of the Board of Directors (including the Chair of the Board of Directors) ends at the end of the ordinary Annual General Meeting on 10 April 2024, they must be re-elected by the Annual General Meeting. All members of the Board of Directors are standing for re-election. Information on the current members of the Board of Directors can be found from page 96 of the Annual Report 2023. (<http://www.galenica.com/>)

- a. Re-election of Dr. Markus R. Neuhaus as member of the Board of Directors and as Chairman of the Board of Directors**
- b. Re-election of Pascale Bruderer**
- c. Re-election of Bertrand Jungo**
- d. Re-election of Judith Meier**
- e. Re-election of Prof. Dr. med. Solange Peters**
- f. Re-election of Dr. Andreas Walde**
- g. Re-election of Jörg Zulauf**

## **7.2. Re-elections to the Remuneration Committee**

The Board of Directors proposes the re-election of Bertrand Jungo, Pascale Bruderer, Prof.Dr.med.Solange Peters and Dr.Andreas Walde to the Remuneration Committee, each for a term of office until the end of the next ordinary Annual General Meeting.

If Bertrand Jungo is re-elected as member of the Remuneration Committee, the Board of Directors intends to reappoint him as Chairman of the Remuneration Committee.

Comment: As the term of office of the members of the Remuneration Committee ends at the end of the ordinary Annual General Meeting on 10 April 2024, they must be re-elected by the Annual General Meeting.

**a. Re-election of Bertrand Jungo**

**b. Re-election of Pascale Bruderer**

**c. Re-election of Prof. Dr. med. Solange Peters**

**d. Re-election of Dr. Andreas Walde**

## **7.3. Re-election of the independent proxy holder**

The Board of Directors proposes that the law firm Walder Wyss Ltd. be re-elected as independent proxy holder for a term of office until the end of the next ordinary Annual General Meeting.

Comment: Under the relevant legislation, the independent proxy holder must be elected annually by the Annual General Meeting. Walder Wyss Ltd. meets the independence criteria and the Board of Directors proposes that Walder Wyss Ltd. be re-elected for reasons of continuity.

## **7.4. Re-election of the statutory auditor**

The Board of Directors proposes that Ernst & Young Ltd. be re-elected as statutory auditor for the financial year beginning on 1 January 2024.

Comment: According to the Articles of Association, the auditors are to be elected annually for a period of one financial year by the Annual General Meeting.





# Comments regarding voting on remuneration

### **Agenda item 5: Consultative vote on the Remuneration Report 2023**

The Remuneration Report 2023 contains detailed information on the remuneration of the Board of Directors and the Executive Committee. In addition, the Remuneration Report ensures transparency regarding performance and the achievement of Group targets, and about the remuneration actually paid or awarded to the Executive Committee.

The Board of Directors invites the shareholders to engage in consultative voting on the Remuneration Report 2023, which sets out the remuneration system, remuneration practices and payments for the past financial year. The Remuneration Report is available on our website at: [www.galenica.com](http://www.galenica.com), Publications.

### **Remuneration Report 2023**

The Board of Directors proposes that the Remuneration Report 2023 be approved via consultative voting.

### **Preliminary comments on remuneration for the Board of Directors and the Executive Committee**

Daniela Bosshardt and Prof. Hon. Dr. Michel Burnier were not standing for re-election at the 2023 Annual General Meeting. Dr. Markus R. Neuhaus was elected as new Chairman of the Board of Directors and Prof. Dr. med. Solange Peters and Jörg Zulauf were elected as new members to the Board of Directors at the 2023 Annual General Meeting.

The Board of Directors had seven members following the 2023 Annual General Meeting. The Board of Directors has the following committees: Audit and Risk Committee, Remuneration Committee, Governance, Nomination and Sustainability Committee. For the reporting year, the Executive

Committee had eight members as at the balance sheet date.

As Chief People & Culture, Arianne Hasler became a member of the Executive Committee on 1 September 2023. The proposed maximum total remuneration for the 2025 financial year is based on the remuneration for eight Executive Committee members.

### **Agenda item 6.1: Approval of the maximum total remuneration for the Board of Directors for the 2025 financial year**

The proposed maximum total remuneration for the members of the Board of Directors for the 2025 financial year of CHF 1,900,000 is based on the assumption that seven non-executive members (including the Chair of the Board of Directors) will be (re-)elected to the Board of Directors and has remained unchanged since 2019.

The remuneration applicable to the members of the Board of Directors reflects the management structure and the responsibilities of the Board of Directors as per the relevant legislation, the Articles of Association and the Organisational Regulations. The members of the Board of Directors of Galenica receive fixed remuneration only. They do not receive any variable or performance-related remuneration, stock options or additional remuneration for attending meetings. The members of the Board of Directors have the option of joining the Galenica Pension Fund in accordance with the policy, but if they do so, they must pay all contributions (employer and employee savings and risk contributions) themselves in full. At least 50% of the annual remuneration paid to the members of the Board of Directors (or, at the request of individual Board of Directors members, 100% thereof) is paid out in Galenica shares, which are blocked for five years.

The Board of Directors proposes that the maximum total remuneration for the members of the Board of Directors for the 2025 financial year remain unchanged from the previous year at CHF 1,900,000. This amount includes an estimated mandatory contribution of CHF 72,000 to be paid by Galenica to the social security systems. The total amount includes additional remuneration for any further activities on the Board of Directors or for Group companies.

### Maximum total remuneration for the Board of Directors for the 2025 financial year

The Board of Directors proposes that a maximum total amount of CHF 1,900,000 be approved for remuneration for the members of the Board of Directors for the 2025 financial year.

### Agenda item 6.2: Approval of the maximum total remuneration for the Executive Committee for the 2025 financial year

The proposed maximum total remuneration is based on remuneration for eight Executive Committee members. This includes the Chief Executive Officer (CEO). The Board of Directors proposes a maximum total remuneration of CHF 9,500,000 for the 2025 financial year.

Galenica offers competitive remuneration in order to recruit talented employees for key positions and retain them at the company. In line with Galenica's performance-based remuneration philosophy, if the Executive Committee achieves the performance targets, it generally receives a target remuneration equal to the remuneration level (median) of comparable positions in other companies of the same size and complexity. If performance targets are missed or surpassed, the remuneration paid may be below or above this median value.

### Development of the maximum total remuneration for the Board of Directors for the 2023 to 2025 financial years

in thousand CHF	2023 (approved by AGM)	2024 (approved by AGM)	2025 (motion)
Number of members	7	7	7
Maximum total remuneration for the Board of Directors	1,900	1,900	1,900
of which social security contributions (estimated) <sup>1</sup>	70	73	72

<sup>1</sup> As of 1 January 2024

### **Maximum total remuneration for the Executive Committee for the 2025 financial year**

The Board of Directors proposes that a maximum total amount of CHF 9,500,000 be approved for the remuneration of the members of the Executive Committee for the 2025 financial year.

Further information on the remuneration of the Board of Directors and the Executive Committee can be found in the Remuneration Report 2023.

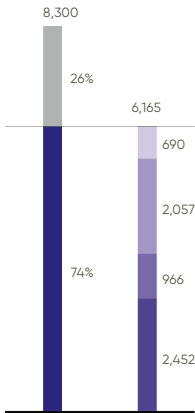
[www.galenica.com](http://www.galenica.com), Publications



## Remuneration for all members of the Executive Committee

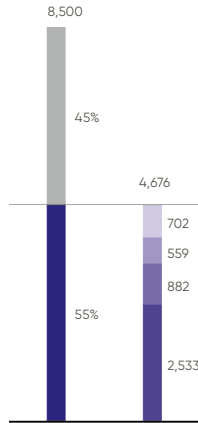
in thousand CHF

2022



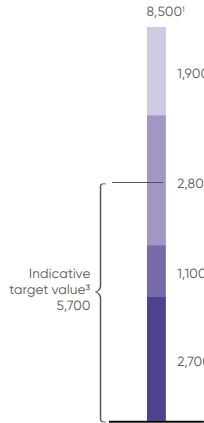
Maximum total amount approved by the 2021 AGM based on 6 members; supplemented by an additional amount based on expansion of the Executive Committee to 7 members<sup>4</sup>

2023



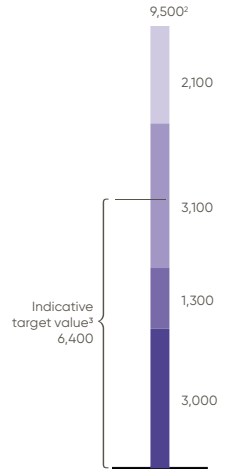
Maximum total amount approved by the 2022 AGM based on 7 members

2024



Indicative target value<sup>3</sup> 5,700

2025



Indicative target value<sup>3</sup> 6,400

■ Annual base salary

■ Social security contributions and other remuneration

■ STI

■ LTI

<sup>1</sup> Maximum total amount approved by the Annual General Meeting on 3 May 2023 based on seven Executive Committee members

<sup>2</sup> Proposal for the 2024 Annual General Meeting based on eight Executive Committee members

<sup>3</sup> If 100% of targets are achieved

<sup>4</sup> The maximum total amount based on six members, as approved by the Annual General Meeting on 12 May 2021, was CHF 7,200,000. Due to the expansion of the Executive Committee from six to seven members as of 1 January 2022, an additional amount pursuant to Art. 22 para. 6 of the Articles of Association was deemed applicable

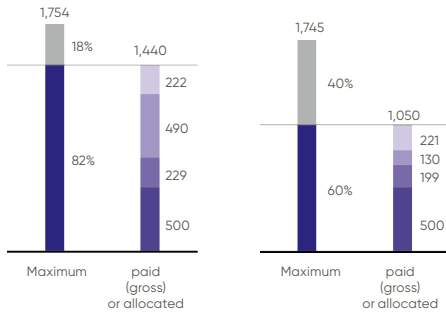


## Remuneration for the highest-paid member of the Executive Committee CEO Galenica Group

in thousand CHF

**2022**

**2023**



■ Annual base salary

■ Social security contributions and other remuneration

■ STI

■ LTI

**We support  
people at every  
stage of life on  
their journey  
towards health  
and well-being.**





# Notes



### **Shareholder register**

The shareholders of Galenica Ltd. registered as having voting rights in the shareholder register as of 2 April 2024 are entitled to vote.

No trading restrictions for Galenica shares  
The registration of shareholders for voting purposes does not affect the tradability of the shares before, during or after the Annual General Meeting.

### **Documentation**

The Annual Report of the Galenica Group is available on the internet at [www.galenica.com](http://www.galenica.com), Publications. The Annual Report 2023 with the Management Report and Financial statements of Galenica Ltd. and the Galenica Group, the Remuneration Report and the corresponding auditor's reports are available for inspection at the company's registered office in Bern. The report on non-financial matters 2023 is available online as a PDF in German and English at <http://www.galenica.com/>.

The current explanations are available in German, English and French at [www.galenica.com](http://www.galenica.com), Publications.

### **Simultaneous interpreting**

The Annual General Meeting will be held partly in German and partly in French. Simultaneous interpreting into German and into French will take place. Headsets will be available in the foyer.

### **Early departure from the Annual General Meeting**

To ensure that attendance can be accurately measured, please hand in unused voting materials and electronic voting devices at the exit if you depart early from the Annual General Meeting.

### **How to get there**

We recommend that you use public transport, as there is limited parking available around the Kursaal in Bern. From Bern main railway station, take tram line 9 (direction: Wankdorf Bahnhof) to the Kursaal stop.

**We are  
Switzerland's  
leading  
healthcare  
network.**







**Galenica Ltd**  
Untermattweg 8  
P.O. Box · CH-3001 Bern  
Phone +41 58 852 81 11  
info@galenica.com  
**www.galenica.com**