

MOBIMO



CORPORATE GOVERNANCE

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Corporate governance report

For Mobimo, good corporate governance is a key element of business management. The company sees good corporate governance as being the responsible management and control of the company with a focus on sustainable value creation.

The Corporate Governance report contains the information required under the SIX Swiss Exchange Directive Corporate Governance (DCG) and is largely based on the structure of the Annex to this directive. Cross-references are made to other sections of the Annual Report in order to avoid repetitions.

Group structure and shareholders

Group structure

Company	Mobimo Holding AG
Registered office	Lucerne
Place of listing	SIX Swiss Exchange
Market capitalisation as at 31.12.18	CHF 1,545 million
Swiss security no.	1110887
ISIN code	CH0011108872

Mobimo Holding AG is the parent company of the Mobimo Group and is listed on the SIX Swiss Exchange. An overview of all Group companies and shareholdings can be found in Note 33 to the consolidated annual financial statements on page 106.

The Board of Directors of Mobimo Holding AG has delegated the management of current business to the Executive Board. The Executive Board consists of the CEO, the CFO, the heads of the three divisions, Real Estate, Development and Realisation, and the Head of Mobimo Suisse romande. Since 1 January 2018, the three operating divisions have been structured as follows:

Real Estate: The Real Estate division comprises the tasks and services of portfolio management, site management, management and facility management as well as the first and second letting of investment properties in its own portfolio and the marketing of condominiums for sale.

Development: Development activities include the development and realisation of construction projects on sites and building land for third-party investors, the development of investment properties for our own portfolio and the acquisition of sites and building land for development.

Realisation: Realisation of construction projects for the company's own portfolio as well as the development and realisation of condominiums for sale, monitoring of construction activity and quality assurance during the construction phase. For segment reporting purposes, with its clear market and investor focus, the Development and Realisation divisions will continue to be combined in a single Development segment. A breakdown of project success into a development and realisation component would often not be meaningful and is also not intended for internal purposes. The segment statement, including further information on the segments, can be found in Note 3 to the consolidated financial statements on page 63 of this Annual Report.

Significant shareholders

An overview of significant shareholders and other shareholder details can be found in the section Mobimo on the capital market on page 8 of this Annual Report.

The disclosure reports drawn up in the reporting year within the meaning of Article 120 of the Swiss Federal Act on Stock Exchanges and Securities Trading (SESTA) and the provisions of the Ordinance on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (FMIO) can be found on the SIX Exchange Regulation website (www.six-exchange-regulation.com) under Publications > Significant shareholders.

Cross-shareholdings

There are no cross-shareholdings.

Capital structure

Capital

Capital as at 31 December 2018	Total (TCHF)	Number of registered shares	Nominal value per share (CHF)
Share capital	154,476	6,601,547	23.40
Authorised capital	max. 19,109	816,623	23.40
Conditional capital	max. 759	32,446	23.40

Authorised and conditional capital in particular

The authorised and conditional capital are defined in Articles 3a and 3b of the Articles of Association. The exact wording of the provisions of the Articles of Association of Mobimo Holding AG regarding authorised and conditional capital can be found under Investors > Corporate Governance > Articles of Association at www.mobimo.ch.

Authorised capital

The Board of Directors is authorised until 27 March 2020 to increase the company's share capital by issuing a maximum of 816,623 fully paid-up registered shares. Increases may take place all in one go or in stages. The issue price, type of contributions, conditions governing the exercise of subscription rights, allocation of the excluded subscription rights and timing of the dividend entitlement are determined by the Board of Directors. The Board of Directors decides on unexercised subscription rights in the best interests of the company. Once acquired, the new registered shares are subject to restrictions on transfer. Shareholders' subscription rights may be excluded by the Board of Directors for the purpose of an acquisition or (e.g. in the case of a share placement) the financing of the acquisition of land by the company or a subsidiary or for the purpose of taking over or financing the takeover of companies, parts of companies or participations by the company or a subsidiary. Acquisitions or takeovers are permitted only in keeping with the purpose stipulated by the company.

Conditional capital

The share capital may be increased through the issue of up to 32,446 fully paid-up registered shares, subject to the exclusion of subscription rights. Use thereof is restricted as follows:

- › Up to 32,446 fully paid-up registered shares can be issued through the exercise of subscription rights in connection with subscription rights for employees created after 5 May 2010.

The acquisition of registered shares through the exercise of option rights and the subsequent transfer of these registered shares are subject to the following statutory restrictions on transfer.

As at the reporting date, there were no options to create registered shares from conditional capital.

Shares and participation certificates

Share capital stood at CHF 154,476,200 as at 31 December 2018 and comprised 6,601,547 fully paid-up registered shares with a nominal value of CHF 23.40. With the exception of the treasury shares held by Mobimo, every share entered with voting rights in the company's share register has one vote and every share (regardless of whether it is entered in the share register) is entitled to dividends. There are no preference shares or voting shares. Mobimo Holding AG has not issued any participation certificates.

Dividend-right certificates

Mobimo Holding AG has not issued any dividend-right certificates.

Restrictions on transferability and registration of nominees

Article 6 of the Articles of Association defines the restrictions on transferability. The exact wording of Article 6 of the Articles of Association can be found under Investors > Corporate Governance > Articles of Association at www.mobimo.ch.

The Board of Directors may deny authorisation to transfer shares for the following reasons:

- › Insofar as recognising a transferee as a shareholder may, according to the information available to it, hinder the company from providing proof of Swiss control as stipulated by federal laws; specifically, in accordance with the Swiss Federal Act on the Acquisition of Immovable Property in Switzerland by Foreign Non-Residents (ANRA) of 16 December 1983, including the amendments of 30 April 1997, and the Federal Council decision on measures against improper use of federal double taxation agreements of 14 December 1962;
- › If, despite requests from the company, the transferee fails to expressly declare that they have acquired and intend to hold the shares in their own name and for their own account;
- › If, following the acquisition of the shares, the number of shares held by the transferee exceeds 5% of the total number of shares recorded in the Commercial Register. Legal entities and partnerships vested with legal capacity which are grouped together in terms of capital or voting rights, by joint management or in a similar way, as well as natural persons or legal entities and partnerships which act together in a coordinated manner with a view to circumventing the restrictions on registration, shall be deemed as one transferee for the purposes of these conditions;
- › As soon as and insofar as the acquisition of shares takes the total number of shares held by persons abroad as defined by the Swiss Federal Act on the Acquisition of Immovable Property in Switzerland by Foreign Non-Residents (ANRA) to over one-third of the shares recorded in the Commercial Register. This restriction shall apply subject to Article 653c paragraph 3 of the Swiss Code of Obligations, including in the case of registered shares acquired through the exercise of subscription, option or conversion rights.

In order to ensure compliance with the thresholds indicated, prior to being entered in the share register new shareholders are scrutinised as regards their status as Swiss citizens pursuant to ANRA. If they cannot be verified as Swiss citizens, then provided all other conditions are met they are entered in the category of restricted persons without voting rights, as long as the threshold of one-third of all shareholders is not exceeded and provided there is no other risk, such as tighter practices on the part of the licensing authority, that the entry of the non-Swiss shareholder will result in the company no longer being able to furnish evidence of Swiss control.

As at 31 December 2018, 12.3% (of which 10.45 percentage points have voting rights and 1.85 percentage points do not) of the shares were held by shareholders who are classified in the share register as non-Swiss or restricted persons (entered but without voting rights) according to the above definition.

The Articles of Association do not contain any provisions pertaining to the registration of nominees. The Board of Directors has laid down the following nominee registration principles in the regulations governing the administration of the share register and the recognition and registration of shareholders of Mobimo Holding AG:

- › Without disclosure of the name, head office/address and shareholding of those shareholders for whose account the nominee holds the shares, the nominee shall be entered in the share register as a shareholder with voting rights up to a maximum recognition threshold of 2% of the registered shares entered in the Commercial Register;
- › Without disclosure of the name, head office/address and shareholding, no more than 0.25% of the share capital which is entered in the Commercial Register may be registered by the relevant nominee in the share register as shares with voting rights for one and the same purchaser;

- › The nominee must conclude an agreement with the company which precisely defines the applicable rights and obligations. Nominee registrations may in total not exceed 10% of the shares entered in the Commercial Register. Once this 10% threshold is reached, the company may not register any further nominees. As at the reporting date, nominee registrations accounted for 5.81% of registered shares (5.81% with voting rights). The restrictions mentioned above also apply (5% clause and maximum proportion of non-Swiss shares without voting right restrictions).

No registrations were rejected during the year under review. The Articles of Association do not contain any provisions pertaining to the revocation of statutory privileges (and none have been granted) or the revocation of restrictions on transferability. As a result, the provisions of the Swiss Code of Obligations apply.

Convertible bonds and options

As at 31 December 2018, Mobimo had no outstanding convertible bonds or options.

Changes in capital

Changes	Total (TCHF)	Number of registered shares	Nominal value per share (CHF)
Share capital as at 31.12.2014	180,282	6,216,606	29.00
Share capital as at 31.12.2015	180,327	6,218,170	29.00
Share capital as at 31.12.2016	180,327	6,218,170	29.00
Share capital as at 31.12.2017	180,327	6,218,170	29.00
Share capital as at 31.12.2018	154,476	6,601,547	23.40
Authorised capital as at 31.12.2014	33,093	1,141,150	29.00
Authorised capital as at 31.12.2015	33,093	1,141,150	29.00
Authorised capital as at 31.12.2016	34,800	1,200,000	29.00
Authorised capital as at 31.12.2017	34,800	1,200,000	29.00
Authorised capital as at 31.12.2018	19,109	816,623	23.40
Conditional capital as at 31.12.2014	34,081	1,175,198	29.00
Conditional capital as at 31.12.2015	34,035	1,173,634	29.00
Conditional capital as at 31.12.2016	941	32,446	29.00
Conditional capital as at 31.12.2017	941	32,446	29.00
Conditional capital as at 31.12.2018	759	32,446	23.40

In 2018, a distribution of CHF 10.00 per share was paid out from capital contribution reserves and through a reduction in share capital. Further information on changes in capital can be found in Note 14 to the consolidated annual financial statements (see page 84 of this Annual Report).

Board of Directors

Members of the Board of Directors

The Board of Directors of Mobimo Holding AG consists of seven members as at the reporting date. All members are non-executive members of the Board of Directors pursuant to the Swiss Code of Best Practice for Corporate Governance. None of the members of the Board of Directors have any significant business relationships with Mobimo Holding AG or with a Mobimo Group company. There

will be changes in the Board of Directors at the 2019 Annual General Meeting: Georges Theiler will not be standing for re-election to the Board of Directors. Peter Schaub, the current Vice Chairman, is to be proposed as his successor. Peter Barandun is stepping down from the Board of Directors after four years. Bernadette Koch, auditor and until mid-2018 partner at Ernst & Young AG, and the outgoing CEO, Dr. Christoph Caviezel, will stand for election as new members of the Board of Directors.

Georges Theiler (CH) Chairman (until April 2019)

Certified operating engineer ETH, Entrepreneur
Born in: 1949



Georges Theiler has been a member of the Board of Directors since 2000 and Chairman of the Board of Directors of Mobimo Holding AG since September 2013.

Professional background

Since 1997 Owner of GT-Consulting (specialised in consulting and directorship mandates), Lucerne
1978 – 1997 Chairman of the Executive Board and member of the Board of Directors of construction company and general contractor Theiler und Kalbermatter T + K Bau AG (building construction, tunnel construction, general contracting, real estate development and real estate management), Lucerne

Education

1976 Certified operating engineer, Swiss Federal Institute of Technology

Other activities and interests

- › Chairman of the Board of Directors of Auto AG Holding, Rothenburg
- › Member of the Board of Directors of Riva AG, Buochs
- › Member of the Board of Directors of Wascosa Holding AG, Lucerne
- › 1995 – 2011 Member of the National Council
- › 2011 – 2015 Member of the Swiss Council of States

Peter Schaub (CH) Vice Chairman

Attorney at law
Born in: 1960



Peter Schaub has been a member of the Board of Directors of Mobimo Holding AG since 2008 and Vice Chairman since 2015.

Professional background

Since 1994 Partner in tax and law firm
weber schaub & partner, Zurich
1990 – 1993 Tax commissioner, Canton of Zurich
1987 – 1988 Legal advisor in law firm
Schellenberg Wittmer, Zurich

Education

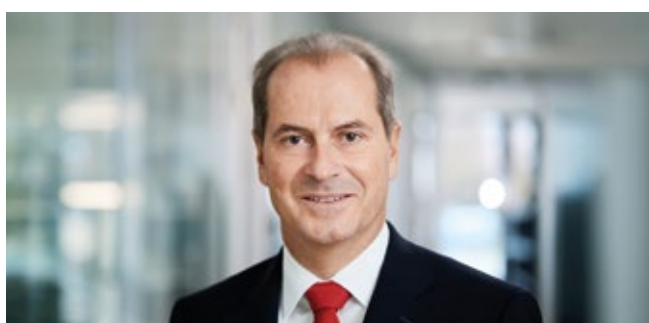
1990 Licence to practise law in the Canton of Zurich
1987 Law degree (lic. iur.), University of Zurich

Other activities and interests

- › Chairman of the Board of Directors of CPH Chemie + Papier Holding AG, Perlen
- › Chairman of the Board of Directors of Scobag Privatbank AG, Basel
- › Chairman of the Foundation Board of the Swiss Foundation for the Deafblind (Schweizerische Stiftung für Taubblinde), Langnau am Albis
- › Chairman of the Board of Directors of Zindel Immo Holding AG, Chur
- › Vice Chairman of the Board of Directors of UBV Holding AG, Uetikon am See
- › Vice Chairman of the Board of Directors of Uetikon Industrieholding AG, Uetikon am See
- › Member of the Foundation Board of the staff pension fund of UBV Uetikon Betriebs- und Verwaltungs AG (UBV-Personalfürsorgefonds)
- › Member of the Board of Directors of Rüegg Cheminée Holding AG, Hinwil

Peter Barandun (CH)
(until April 2019)

Executive MBA HSG
Born in: 1964



Peter Barandun has been a member of the Board of Directors of Mobimo Holding AG since 26 March 2015.

Professional background

Since 2002 CEO and Chairman of the Board of Directors, Electrolux AG, Zurich
1996 – 2002 Head of the divisions of Electrolux and Zanussi, Electrolux AG, Zurich
1990 – 1995 Head of Sales, Bauknecht AG, Lenzburg
1985 – 1990 Deputy Head of Sales, Grossenbacher, St. Gallen

Education

2008 Executive MBA, University of St. Gallen (HSG)

Other activities and interests

- › Chairman of the Board of Directors of Peter Barandun AG, Einsiedeln
- › Member of the Board of Directors and Vice Chairman of the Nomination and Compensation Committee of Arbonia AG, Arbon
- › Vice Chairman of Swiss-Ski, Muri bei Bern
- › Vice Chairman of the Swiss Association for Household and Business Appliances (FEA), Zurich

Daniel Crausaz (CH)

Engineer EPFL, MBA
Born in: 1957



Daniel Crausaz was a member of the Board of Directors of LO Holding Lausanne-Ouchy SA from 1999 to 2014 and has been a member of the Board of Directors of Mobimo Holding AG since 17 December 2009.

Professional background

Since 2003 Independent consultant and since 2016 owner of daniel crausaz conseils Sàrl, Lausanne
1997 – 2003 Managing Director, Banque Cantonale Vaudoise (BCV), Lausanne
1990 – 1997 BCV, Lausanne
1985 – 1989 Engineer, Bonnard & Gardel Ingénieurs Conseils Lausanne SA, Lausanne
1983 – 1985 Engineer, Felix Constructions SA, Bussigny

Education

1990 MBA, Faculty of Business and Economics at the University of Lausanne (HEC)
1982 Engineer, Swiss Federal Institute of Technology Lausanne (EPFL)

Other activities and interests

- › Chairman of the Board of Directors of CIEL Electricité SA, Lausanne
- › Member of the Board of Directors of Zimal SA, Sion
- › Member of the Board of Directors of BIFF Bureau d'Ingénieur Fenêtres et Façades SA, Lausanne
- › Member of the Board of Directors of Vertiqal AG, Zug
- › Member of the Board of Directors of BG Bonnard & Gardel Holding SA, Lausanne
- › Delegate of Agrifert SA, Lausanne

Brian Fischer (CH)

Attorney at law, Swiss-certified tax expert
Born in: 1971



Brian Fischer has been a member of the Board of Directors of Mobimo Holding AG in an independent capacity since 2008.

Professional background

Since 2001 Head of External Asset Managers division,
Bank Vontobel AG, Zurich
1997 – 2000 Tax and legal advisor,
PricewaterhouseCoopers AG, Zurich

Education

2000 Swiss-certified tax expert, Zurich
1996 Licence to practise law in the Canton of Berne

Other activities and interests

- › No other activities
- › No other interests

Bernard Guillelmon (CH/F)

Engineer EPFL, Masters in energy, MBA
Born in: 1966



Bernard Guillelmon was a member of the Board of Directors of LO Holding Lausanne-Ouchy SA from 2005 to 2009 and has been a member of the Board of Directors of Mobimo Holding AG since 17 December 2009.

Professional background

Since 2008 CEO, BLS AG, Berne
2001 – 2008 Key positions (Energy, Infrastructure, Business
Management) at SBB, Berne
1999 – 2000 Independent consultant, Les Giettes
1990 – 1998 Engineer, Department Head, BKW AG, Berne

Education

1999 MBA, INSEAD, Fontainebleau
1992 Masters in energy, Lausanne
1990 Engineer, Swiss Federal Institute of Technology
Lausanne (EPFL)

Other activities and interests

- › Chairman of the Board of Directors of BLS Cargo AG, Berne
- › Vice Chairman of the Board of Directors of JJM Holding, Lausanne
- › Member of the Executive Board and Committee of the Swiss Association of Public Transport (Verband öffentlicher Verkehr, VöV), Berne
- › Member of the Board of Directors of Ralpin AG, Olten
- › Member of the Supervisory Board of Ermewa Holding, Paris
- › Vice Chairman of the Steering Committee of Direct Transport, Berne

Wilhelm Hansen (CH)

lic. rer. pol., management consultant

Born in: 1953



Wilhelm Hansen has been a member of the Board of Directors of Mobimo Holding AG since 2008.

Professional background

- | | |
|-------------|---|
| Since 2002 | Independent management consultant for organisational and strategy development and corporate governance, Basel |
| 1995 – 2002 | Co-owner of private bank Baumann & Cie., Basel |
| 1982 – 1994 | Head of Securities and Group Life Insurance, Baloise Versicherungen, Basel |
| 1977 – 1982 | Investment advisor, SBG, Basel |

Education

- | | |
|------|---|
| 1977 | Political sciences degree (lic. rer. pol.),
University of St. Gallen (HSG)/University of Basel |
|------|---|

Other activities and interests

- › Vice Chairman of the Board of Directors of Scobag Privatbank AG, Basel
- › Member of the Board of Directors of Psychiatrie Baselland, Liestal
- › Member of the Investment Committee of the Transparenta multi-employer plan, Aesch

Members departing in the year under review

No members departed in the 2018 financial year.

Honorary Chairmen

Dr. Alfred Meili is the Honorary Chairman of Mobimo Holding AG. He was the driving force behind the creation of the Mobimo Group and was Chairman of the Board of Directors until 2008.

Laurent Rivier is the Honorary Chairman of LO Holding Lausanne-Ouchy SA, having previously served as Chairman of the Board of Directors from 2000 to 2009.

Dr. Alfred Meili and Laurent Rivier were appointed Honorary Chairmen in recognition of their services to their respective companies. This office confers neither the right to sit on the Board of Directors, nor any other rights and obligations of a member of the Board of Directors, nor any entitlement to directors' compensation or other compensation.

Other activities and interests

Mobimo Holding AG has concluded special agreements with all members of the Board of Directors and Executive Board in order to avoid conflicts of interest. In these agreements, the members of the Board of Directors and Executive Board undertake:

- › not to take up any office with other real estate companies without the approval of the Board of Directors of Mobimo Holding AG,
- › to keep the company informed about any offers to acquire land and property and grant the company a priority claim, provided such offers are not confidential,
- › not to accept any additional compensation such as arrangement commissions,
- › not to acquire any shares of real estate, except for shares traded on the stock exchange and acquisitions of real estate through share purchases.

Besides those listed above, the members of the Board of Directors of Mobimo Holding AG do not occupy any further positions in the management and supervisory bodies of major Swiss and foreign entities or in institutions and foundations under public or private law, and also do not carry out any further long-term management or advisory functions for key Swiss or foreign interest groups. They also do not perform any other official functions or hold any other political offices.

Number of authorised activities in accordance with Article 12 paragraph 1 item 1 OaEC

The members of the Board of Directors may exercise the following additional activities in senior executive or administrative bodies of legal entities that are required to be entered in the Commercial Register or a corresponding foreign register and are neither controlled by the company nor in control of the company:

- › up to three mandates for companies (in Switzerland or abroad) that meet the conditions for a public limited company in accordance with Article 727 paragraph 1 item 1 of the Swiss Code of Obligations, and
- › up to 15 mandates for companies that are not considered as public limited companies in accordance with Article 727 paragraph 1 item 1 of the Swiss Code of Obligations.

There are no restrictions on mandates for legal entities that are not required to be entered in the Commercial Register or a corresponding foreign register, or on honorary directorships at organisations recognised for tax purposes as not-for-profit.

Election and term of office

The Board of Directors of Mobimo Holding AG consists of at least three members and is elected for a period of one year at the General Meeting. The Board of Directors currently has seven members. The term of office of the members ends at the end of the next Annual General Meeting. The members of the Board of Directors may be immediately re-elected upon expiry of their term of office.

The General Meeting elects the Chairman of the Board of Directors. Re-election is permitted. The term of office of the Chairman ends at the end of the next Annual General Meeting. If the office of Chairman becomes vacant, the Board of Directors appoints a Chairman for the remaining term of office.

The Articles of Association do not contain any rules that differ from the statutory legal provisions with regard to the appointment of the independent shareholder representative.

Internal organisation

In 2018, the General Meeting confirmed Georges Theiler as the Chairman of the Board of Directors. The Board of Directors appointed Peter Schaub as Vice Chairman of the Board of Directors.

The Board of Directors is quorate if the majority of its members are present and passes resolutions by a majority of the votes cast.

In general, three meetings of the Board of Directors are held in the first quarter of each year, two in the third quarter and three in the fourth quarter. The ordinary meetings usually last half a day. In addition to a two-day strategy meeting, the Board of Directors’ trip and an innovation day, a total of four meetings and four telephone conferences were held in 2018. With one exception, the Board of Directors was present in full at every meeting.

The CEO, CFO and other members of the Executive Board occasionally take part in the meetings of the Board of Directors, although the Board of Directors always meets first without these persons present. The Chairman decides whether employees or other external advisors are to be included in the meeting in order to deal with specific issues.

The Board of Directors has three committees: the Real Estate Committee (IC), the Audit and Risk Committee (AC) and the Nomination and Compensation Committee (NCC). The purpose, tasks, duties and competences of the committees are summarised below.



Real Estate Committee

The Real Estate Committee ensures that the strategic investment and divestment targets it sets each year are implemented successfully. It is also the body with primary responsibility for the sustainability strategy. The competences of the Board of Directors, Real Estate Committee and Executive Board with respect to purchases and sales are summarised under the definition of competence regulation on page 35. The Real Estate Committee aims to provide the Board of Directors with real estate expertise that is as comprehensive as possible by:

- › conducting ongoing market observations,
- › developing the network for real estate investors, etc.,
- › cooperating closely with management,
- › providing regular information to the Board of Directors.

The Real Estate Committee fulfils three functions, namely:

- › deciding on property purchases and divestments for property transactions between CHF 10 million and CHF 30 million,
- › submitting requests to the Board of Directors for property transactions which have a volume of over CHF 30 million and therefore lie within its competence,
- › supervising investment and development business as well as the external property appraisals to be carried out periodically.

The Real Estate Committee normally meets six to eight times a year. The Chairman of the Real Estate Committee may convene additional meetings at any time. A total of eight meetings were held in 2018. The meetings lasted an average of three hours. Minutes are taken at every meeting and subsequently distributed to all members of the Board of Directors and the Executive Board.

Audit and Risk Committee

The Audit and Risk Committee fulfils a supervisory function. It may request any measures it deems necessary in order to perform its duties and has direct access to all documentation, employees and the auditors. The main duty of this Committee is to support the Board of Directors by means of preparatory work, audits and clarification. The four areas in which the Audit and Risk Committee is active are as follows:

- › budgeting, preparation of financial statements, external audit and external appraisal,

- › risk management and internal control system (ICS), including adherence to legislation, directives and internal guidelines (compliance),
- › financing,
- › taxes.

The Board of Directors addresses its risk management responsibilities via the Audit and Risk Committee. Management prepares an annual risk inventory for the Audit and Risk Committee, setting out significant risks by risk category. For each risk, the risk owner, impact and measures implemented are analysed and then evaluated on the basis of likelihood, financial impact and damage to reputation and image. Where necessary, further measures are defined for the ongoing management of the assessed risks.

The Audit and Risk Committee meets on a quarterly basis and before the publication of the semi-annual and annual results. The Chairman of the Audit and Risk Committee may convene additional meetings at any time. A total of five meetings were held in 2018. The meetings lasted an average of three hours. If necessary, the Audit and Risk Committee may invite members of the Executive Board, other employees, external advisors or auditors to its meetings, or request that they meet with members of or advisors to the Audit and Risk Committee. Minutes are taken at every meeting and subsequently distributed to all members of the Board of Directors.

Nomination and Compensation Committee

The Nomination and Compensation Committee is a preparatory committee for the Board of Directors and has no decision-making powers. It has the following duties and responsibilities with regard to compensation:

- › drawing up and reviewing the compensation policy, monitoring the implementation of the compensation policy and submitting proposals and recommendations on the compensation policy to the Board of Directors,
- › drawing up and reviewing specific compensation models, monitoring the implementation of compensation models and submitting proposals and recommendations on specific compensation models to the Board of Directors,
- › preparing all relevant decisions of the Board of Directors with regard to the compensation of the members of the Board of Directors and Executive Board and submitting proposals to the Board of Directors regarding the type and amount of the annual compensation of the members of the Board of Directors and Executive Board, including preparing the proposal for the maximum total amount to be submitted to the General Meeting for approval,
- › reviewing the company's annual salary budget and the principles governing the payment of variable compensation to employees outside of the Executive Board,
- › submitting proposals to the Board of Directors for approval of the awarding of mandates by the company or its subsidiaries to members of the Board of Directors or the Executive Board and to related legal entities and natural persons.

The Board of Directors has also transferred responsibility for succession planning, performance appraisals, training and further development, and the handling of general questions on staff policy, to the Nomination and Compensation Committee in its capacity as an advisory and preparatory committee for human resources matters relating to the members of the Board of Directors and the Executive Board.

The Nomination and Compensation Committee comprises at least three members, who are elected individually by the Annual General Meeting. Only members of the Board of Directors may be elected to the committee. The Chairman of the Nomination and Compensation Committee is proposed by the Board of Directors. The term of office of members of the Nomination and Compensation Committee ends at the end of the next Annual General Meeting. Re-election is permitted. If the Nomination and Compensation Committee is no longer complete or falls below the minimum number of three members, the Board of Directors appoints the necessary members for the remaining term of office.

The Nomination and Compensation Committee may also request the assistance of independent third parties in performing its tasks and compensate them accordingly.

The Nomination and Compensation Committee meets at least twice per year in connection with the tasks, duties and responsibilities incumbent on it under the Ordinance Against Excessive Compensation in Listed Companies (OaEC) and the Articles of Association. These meetings usually take place in the first and last quarter of the year. The Chairman of the Nomination and Compensation Committee may convene additional meetings at any time. A total of eleven meetings and four telephone conferences were held in 2018. The meetings lasted an average of two hours. Minutes are taken at every meeting and subsequently distributed to all members of the Board of Directors.

Competence regulation

The Board of Directors is responsible for managing the company and supervising the Executive Board. It represents the company externally and makes decisions on all matters that do not fall under the remit of another body within the company by law or pursuant to the Articles of Association or other regulations. In addition to its non-transferable duties in accordance with Article 716a of the Swiss Code of Obligations, the Board of Directors also has the following duties and competences:

- › defining the Group policy and the business policy of the Group companies (such as defining the guidelines governing the strategic focus of the Group and of the Group companies/portfolio approach),
- › making decisions regarding company or Group company investments and disposals over CHF 10 million,
- › defining and reviewing the sustainability strategy,
- › defining and monitoring the financial and investment budgets of the Group companies,

- › making fundamental decisions with regard to electing and dismissing members of the Board of Directors, Group company auditors and valuation experts,
- › passing resolutions on founding, acquiring and disposing of Group and affiliated companies,
- › initiating business relations between the Mobimo Group and important third parties,
- › overseeing the measures that need to be undertaken with regard to stock exchange listings,
- › defining the corporate identity,
- › defining the accounting principles, including the consolidation of all financial statements,
- › approving participation and option plans.

In accordance with the delegation norm of Article 20 of the Articles of Association (see Investors > Corporate Governance > Articles of Association at www.mobimo.ch) and to the extent permitted by law and the Articles of Association, the Board of Directors has transferred the operational management of the Mobimo Group to the Executive Board under the direction of the CEO. The Executive Board implements the Group and business policies in line with the guidelines set by the Board of Directors.

The Executive Board has the following main duties and competences:

- › managing the company within the framework of corporate policy, medium-term planning and annual budgets,
- › executing the resolutions of the Board of Directors,
- › preparing the annual budget,
- › managing the Group companies at the level of the Board of Directors and/or the Executive Board, in compliance with the respective responsibilities and local organisational regulations,
- › undertaking tasks and public relations work associated with the public listing.

The competences of the Board of Directors, Real Estate Committee and Executive Board for the purchase and sale of properties are regulated as follows at Mobimo Holding AG: The Board of Directors has delegated operational decisions on property transactions up to an investment volume of CHF 10 million to the Executive Board. The Board of Directors of Mobimo Holding AG makes decisions on real estate transactions with a total value of over CHF 30 million, while the Real Estate Committee is responsible for decisions on real estate transactions between CHF 10 million and CHF 30 million.

Information and control instruments with regard to the Executive Board

The Chairman of the Board of Directors holds regular coordination and information meetings with the CEO. The CEO also usually takes part in the committee meetings. The CFO also usually takes part in the Audit and Risk Committee meetings.

The entire Board of Directors receives a monthly report on current business performance and a quarterly report from the Executive Board informing them about the following areas: financial situation/budget achievement, risk situation, progress and planned activities of the operating and administrative areas, and personnel situation. The information relates to developments and events since the last management report, together with expected developments and planned activities. The Executive Board attends the meetings of the Board of Directors and reports on items on the agenda and/or is available for questions and information.

A formal internal audit is not appropriate due to the size of the company. Internal control and risk management are performed by Finance. The implementation of regulatory and accounting changes is worked out at an early stage in cooperation with the statutory auditors.

Executive Board

Members of the Executive Board

CEO Christoph Caviezel will hand over responsibility for the operational management of Mobimo Holding AG to Daniel Ducrey in spring 2019. Daniel Ducrey will join the company on 1 March 2019 and assume the role of CEO on the day after the Annual General

Meeting on 2 April 2019. Christoph Caviezel, who has served as CEO for many years, will be proposed to the shareholders of Mobimo Holding AG at the Annual General Meeting for election to the Board of Directors.

Dr. Christoph Caviezel (CH) CEO (until April 2019)

Dr. iur., attorney at law
Born in: 1957



Christoph Caviezel has been CEO of the Mobimo Group since 1 October 2008 and directly manages the Corporate Center and Purchase and Divestment business areas.

Chairman of Boards of Directors within the Mobimo Group

Mobimo AG, Mobimo Management AG, O4Real SA, Immobilien Invest Holding AG, Petit Mont-Riond SA, LO Holding Lausanne-Ouchy SA, LO Immeubles SA, Flonplex SA, Parking du Centre SA, Promisa SA, CC Management SA, Mobimo Zürich Nord AG, Immobiliengesellschaft Fadmatt AG

Professional background

2001 – 2008	CEO, Intershop Holding AG, Zurich (member of the Board of Directors from 2003)
1995 – 2001	Intershop Holding AG, Zurich (member of the Executive Board from 1999)
1986 – 1995	Head of Real Estate, SBB, Lucerne
1980 – 1986	Attorney at law

Education

1988	Doctor of law (Dr. iur.), University of Fribourg
1983	Licence to practise law in the Canton of Grisons
1980	Law degree (lic. iur.), University of Fribourg

Other activities and interests

- › Member of the Investment Committee of the Investment Foundation for Overseas Real Estate (Anlagestiftung für Immobilienanlagen im Ausland, AFIAA), Zurich, until June 2018
- › Bank Council of Graubündner Kantonalbank, Chur
- › Member of the Board of Directors of Crypto Real Estate AG, Zug

Daniel Ducrey (CH) CEO (from April 2019)

Architect FH
Born in: 1964



Daniel Ducrey will become CEO of the Mobimo Group from the start of April 2019. In addition to serving as CEO, he will also directly manage the Corporate Center and Purchase and Divestment business areas.

Chairman of Boards of Directors within the Mobimo Group (from April 2019)

Mobimo AG, Mobimo Management AG, O4Real SA, Immobilien Invest Holding AG, Petit Mont-Riond SA, LO Holding Lausanne-Ouchy SA, LO Immeubles SA, Flonplex SA, Parking du Centre SA, Promisa SA, CC Management SA, Mobimo Zürich Nord AG, Immobiliengesellschaft Fadmatt AG

Professional background

2015 – 2018	CEO, Steiner Group, Zurich
2012 – 2015	CEO, Steiner India Ltd., Mumbai
2009 – 2012	Business Unit Head, Steiner Group, Western Switzerland region, Lausanne (Member of the Executive Board from 2009)
1999 – 2009	Losinger Construction AG, Berne (Member of the Executive Board from 2008)
1992 – 1999	Architect and construction manager, SAPCO AG, Givisiez
1987 – 1988	Draughtsman, Grobéty architectural practice, Andrey, Sottas, Fribourg
1986 – 1987	Draughtsman, Claude Biemann architectural practice, Marly

Education

2004	Postgraduate studies in business administration and management, FH Berne
1992	Architecture degree (cert. architect), FH Biel/Bienne
1983	Training as a structural draughtsman, Fribourg

Thomas Stauber (CH)
Head of Real Estate, Deputy CEO (until summer 2019)

Certified civil engineer ETH/SIA, NDS BWI
Born in: 1964



Thomas Stauber joined Mobimo in November 2011 as a member of the Executive Board and set up the Development for Third Parties business area. He has headed the Real Estate division since July 2014.

Member of Boards of Directors within the Mobimo Group

BSS&M Real Estate AG, Mobimo FM Service AG
(formerly FM Service & Dienstleistungs AG)

Professional background

2011 – 2014 Head of Development for Third Parties, Mobimo, Küsnacht
2004 – 2011 Head of Acquisitions and Project Development, Allreal Generalunternehmung AG, Zurich (as a member of the Executive Board)
2002 – 2004 Managing Director, Bauengineering AG, Zurich
2000 – 2002 Head of Project Development, tk3 AG, Basel (as a member of the Executive Board)
1995 – 2000 Head of Technical Planning and Realisation of the Sony Center on Potsdamer Platz, Sony Berlin GmbH, Berlin
1989 – 1994 Project managing civil engineer

Education

1994 Postgraduate studies in industrial management and manufacturing, ETH Zurich
1989 Cert. civil engineer, ETH Zurich

Manuel Itten (CH)
CFO

Business administration FH
Born in: 1965



Manuel Itten joined Mobimo in 2004, serving as Head of Controlling until February 2009 and CFO since March 2009.

Chairman of Boards of Directors within the Mobimo Group

BSS&M Real Estate AG, Mobimo FM Service AG
(formerly FM Service & Dienstleistungs AG)

Member of Boards of Directors within the Mobimo Group

Mobimo AG, Mobimo Management AG, LO Holding Lausanne-Ouchy SA, LO Immeubles SA, O4Real SA, Parking du Centre SA, Flonplex SA, Promisa SA, CC Management SA, Mobimo Zürich Nord AG, Petit Mond-Riond SA, Immobiliengesellschaft Fadmatt AG

Professional background

2004 – 2009 Head of Controlling, Mobimo, Küsnacht
2000 – 2004 Head of Controlling, Livit AG, Zurich
1999 – 2000 Auditor and consultant, Zurich
1988 – 1996 Various management positions in sales promotion (marketing)

Education

1999 Business administration degree (Business Economist HWV), FH Winterthur
1988 Completion of basic commercial and design studies

Vinzenz Manser (CH)
Head of Realisation

Certified architect HTL; MAS in Real Estate Management HWZ
Born in: 1967



Vinzenz Manser joined Mobimo in March 2002 and has been Head of Realisation since 2008. He has been a member of the Executive Board of Mobimo since January 2018.

Professional background

2008 – 2017 Head of Project Management, Mobimo, Küsnacht
2002 – 2008 Project Manager, Mobimo, Küsnacht
1999 – 2002 Overall Project Head, Mobag AG, Zurich
1994 – 1999 Construction manager, project lead, overall project head for various major construction projects, Caretta und Weidmann AG, Zurich
1993 – 1994 Planning manager and construction manager, Conarenco AG, Zurich
1990 – 1992 Construction manager and construction cost controller, Emch und Berger Zürich AG, Zurich

Education

2008 Master of Advanced Studies in Real Estate Management HWZ, Zurich
1997 Certified architect HTL, Zurich
1990 Training as an underground engineering draughtsman, St. Gallen
1987 Training as a bricklayer, St. Gallen

Marc Pointet (CH)
Head of Mobimo Suisse romande

Certified architect ETH, Executive MBA HSG
Born in: 1974



Marc Pointet joined Mobimo in November 2006 and has been Head of Mobimo Suisse romande since March 2013. He has been a member of the Executive Board since April 2015.

Professional background

2006 – 2013 Head of Project Management team, Mobimo, Küsnacht
2004 – 2006 Branch Head, Karl Steiner AG, St. Moritz
2003 – 2004 Assistant to the CEO, Karl Steiner AG, Zurich
2002 – 2003 Project team member, Credit Suisse, Zurich

Education

2012 Executive MBA, University of St. Gallen (HSG)
2001 Architecture degree (cert. architect), ETH Zurich

Marco Tondel (CH)
Head of Acquisition and Development

Certified architect ETH, Executive MBA ZHAW
Born in: 1974



Marco Tondel joined Mobimo in January 2012, working as Head of Development for Third Parties from 2014. He has been a member of the Executive Board since January 2018 and heads up all of Mobimo's development activities.

Professional background

2014 – 2017	Head of Development for Third Parties, Mobimo, Küsnacht
2012 – 2014	Project Manager, Development for Third Parties, Mobimo, Küsnacht
2005 – 2011	Vice Director for Project Development for the Allreal portfolio and for third parties, Zurich
2002 – 2005	Project Manager, Project Development and Design, BSS Architekten, Schwyz/Zurich
2000 – 2002	Project Manager, Design and Implementation, Alioth Langlotz Stalder Buol architectural practice, Zurich

Education

2008	Degree in Real Estate Investment Banking, European Business School, Wiesbaden
2005	Executive MBA, Zurich University of Applied Sciences, Winterthur
2000	Architecture degree (cert. architect), ETH Zurich

Other activities and interests

The members of the Executive Board perform no long-term management or advisory functions for key Swiss or foreign interest groups, nor do they perform any official functions or hold any political offices.

In accordance with Article 12 paragraph 1 item 1 OaEC, the members of the Executive Board may exercise the following additional activities in senior executive or administrative bodies of legal entities that are required to be entered in the Commercial Register or a corresponding foreign register and are neither controlled by the company nor in control of the company:

- › up to one mandate for companies (in Switzerland or abroad) that meet the conditions for a public limited company in accordance with Article 727 paragraph 1 item 1 of the Swiss Code of Obligations; and
- › up to five mandates for companies that are not considered public limited companies in accordance with Article 727 paragraph 1 item 1 of the Swiss Code of Obligations.

There are no restrictions on mandates for legal entities that are not required to be entered in the Commercial Register or a corresponding foreign register, or on honorary directorships at organisations recognised for tax purposes as not-for-profit. However, the prior approval of the Board of Directors is required for such mandates and appointments.

Management agreements

No management agreements have been concluded with third parties. There are service agreements between the Group companies and Mobimo Management AG and between the Group companies and Mobimo FM Service AG (formerly FM Service & Dienstleistungs AG).

Remuneration and profit-sharing

All information on the compensation of Mobimo's Board of Directors and Executive Board is provided in the separate compensation report from page 43 of this Annual Report.

Shareholders' rights of participation

In connection with the shareholders' rights of participation, the relevant statutory provisions of Mobimo Holding AG are referred to below. The company's current Articles of Association are available at www.mobimo.ch under Investors > Corporate Governance > Articles of Association.

Restrictions on voting rights and proxies

Only those persons entered in the share register are entitled to exercise their voting rights at General Meetings.

The Board of Directors may refuse to approve the transfer of registered shares, insofar as recognising a transferee as a shareholder may, according to the information available to it, hinder the company from providing proof of Swiss control as stipulated under federal law (in particular the Swiss Federal Act on the Acquisition of Immoveable Property in Switzerland by Foreign Non-Residents, ANRA). The Board of Directors did not reject any entries in the share register in the year under review, insofar as shareholders provided the information required for entry (see above).

Executive Board					
CEO	CFO	Head of Real Estate	Head of Mobimo Suisse romande	Head of Acquisition and Development	Head of Realisation
Dr. Christoph Caviezel (until April 2019) Daniel Ducrey (from April 2019)	Manuel Itten	Thomas Stauber	Marc Pointet	Marco Tondel	Vinzenz Manser

In accordance with Article 12 of the Articles of Association, any shareholder may be represented at the General Meeting by their legal representative, by a third party who has been granted written authorisation (and who does not need to be a shareholder), or by the independent proxy. The Board of Directors specifies the process and conditions for issuing authorisations and instructions to the independent proxy. Shareholders may issue general instructions both for proposals relating to agenda items set out in the invitation to the General Meeting and for undisclosed or new proposals. In particular, general instructions to vote in favour of the Board of Directors on proposals that are set out in the invitation or have not yet been disclosed are considered to be valid instructions on the exercise of voting rights. Shareholders have the option to receive their documents for the General Meeting or issue proxies and instructions to the independent proxy electronically via the Sherpany online shareholder platform.

The independent proxy is elected by the General Meeting. Natural persons and legal entities or partnerships are eligible for election. The term of office of the independent proxy ends at the end of the next Annual General Meeting. Re-election is permitted. If Mobimo does not have an independent proxy or the independent proxy is withdrawn due to a lack of independence or for any other reasons, an independent proxy is appointed by the Board of Directors for the current General Meeting or the next. Authorisations and instructions that have already been issued will remain valid for the new independent proxy, unless other authorisations and instructions have been explicitly issued by shareholders.

Quorum prescribed by the Articles of Association

There is no quorum prescribed by the Articles of Association that goes beyond the statutory provisions on passing resolutions (Articles 703 and 704 of the Swiss Code of Obligations).

Convocation of General Meetings

The convocation of General Meetings, the form of convocation and the right of shareholders to convene a General Meeting are governed by Articles 9 and 10 of the Articles of Association. The Annual General Meeting is convened by the Board of Directors or, if necessary, by the external auditor and is held once a year within six months of the end of the financial year. The Board of Directors may convene Extraordinary General Meetings at any time. Extraordinary General Meetings are to be convened by the Board of Directors on the basis of a resolution of the General Meeting, at the

request of the auditor or if one or more shareholders who together represent at least 5% of the share capital request one in writing and submit the items for the agenda.

The liquidators also have the right to convene a General Meeting. The invitation to the General Meeting is issued at least 20 days prior to the date of the meeting via publication of a single notice in the Swiss Official Gazette of Commerce. Personal invitations are also sent to the shareholders entered in the share register giving the same notice. The invitation must set out all the items on the agenda together with the proposals of the Board of Directors and any shareholders who have requested that a General Meeting be convened. The annual report and auditor's report must be made available for inspection by shareholders at the company's registered office no later than 20 days prior to the Annual General Meeting. The availability of these reports and the right of shareholders to request that copies be sent to them must be indicated in the notice of convocation of the Annual General Meeting.

Agenda

The shareholders' right to add items to the agenda is governed by Article 9 of the Articles of Association. Shareholders representing at least 0.5% of the share capital may request that an item be included on the agenda. Requests to add items to the agenda must be submitted in writing at least 45 days prior to the General Meeting.

Entries in the share register

Under Article 6 of the Articles of Association, anyone entered in the share register is recognised as a shareholder or usufructuary. Entry is conditional on the provision of evidence that the transfer meets formal requirements and is subject to the approval of the Board of Directors. The Board of Directors has transferred this approval authority to the Audit and Risk Committee. The Audit and Risk Committee has subsequently delegated all decisions that have no impact on stock exchange reporting thresholds or concern members of the Board of Directors or Executive Board to the CFO. No entries shall be made in the share register during a period ranging from a maximum of 20 days before the General Meeting up to the day after the General Meeting. Prior to the Annual General Meeting held in Lucerne on 2 April 2019, the share register will be closed for entries from 25 March 2019 onwards.

Compensation report

The Board of Directors has decided to provide the shareholders with a compensation report each year and hold an annual consultative vote on it irrespective of whether or not there have been significant changes compared with the previous year. The compensation report can be found on pages 43 to 47 of this Annual Report.

Change of control and defensive measures

Obligation to make an offer

In view of the Swiss Federal Act on the Acquisition of Immovable Property in Switzerland by Foreign Non-Residents (ANRA), the company has chosen not to make use of the opportunity to include an opting-out or opting-up clause in its Articles of Association. The legal provisions under Article 135 of the Swiss Stock Exchange Act (SESTA) governing the obligation to make a purchase offer therefore apply. Anyone who acquires shares directly, indirectly or by mutual agreement with third parties, with the result that their total holding, including the securities they already own, exceeds the threshold of 33% of the voting rights of a listed company, whether exercisable or not, must make an offer to acquire all listed shares of said company.

Change of control clauses

There are no change of control clauses.

Auditor

Duration of mandate and term of office of lead auditor

Since Mobimo Holding AG was established in December 1999, the company's statutory auditor has been KPMG AG, Lucerne. The statutory auditor is appointed annually by the Annual General Meeting. Kurt Stocker has been lead auditor since 2013. His maximum term of office is seven years. The frequency of rotation corresponds to the legal regulation.

Audit fee and additional fees

The fees charged by KPMG AG for auditing the 2018 financial year were CHF 0.4 million (prior year: CHF 0.4 million). This figure includes the fees for auditing the consolidated financial statements, the statutory individual financial statements of all subsidiaries and the compensation report, and for reviewing the semi-annual results. In the year under review, KPMG AG invoiced an additional fee of CHF 0.3 million (prior year: CHF 0.1 million). The additional fees relate to tax consulting and due diligence services.

The fee paid to the independent property valuer Jones Lang LaSalle AG for the 2018 financial year was CHF 0.3 million (prior year: CHF 0.5 million).

Information instruments of the external auditors

The Audit and Risk Committee usually holds two meetings with the auditors every year, at the time of the semi-annual results and the annual results. The Chairman of the Board of Directors, the Chairman of the Audit and Risk Committee and the auditors meet once a year. The Audit and Risk Committee receives the results of the audit in a comprehensive report.

Information policy

Mobimo Holding AG provides its shareholders and the capital market with information that is forthright, up to date and as transparent as possible.

The publication used by the company to make official announcements is the Swiss Official Gazette of Commerce (SOGC).

Financial reporting takes the form of semi-annual and annual reports. The consolidated annual financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and the consolidated interim financial statements in accordance with International Accounting Standard 34 (IAS 34) on interim financial reporting. They comply with both Swiss law and the provisions of the listing rules and additional rules for the listing of real estate companies issued by SIX Swiss Exchange.

The company is also subject to the obligation in respect of ad hoc publicity pursuant to Article 53 f. of the listing rules. Ad hoc news is available at www.mobimo.ch under Investors > Ad hoc news, and the form to sign up for the newsletter and ad hoc news can be found at www.mobimo.ch under Investors > Investor Services.

Further information about the company can be found on its website at www.mobimo.ch.

Contact

Mobimo Holding AG
Rütligasse 1
CH-6000 Lucerne 7

Dr. Christoph Caviezel, CEO
Tel. +41 44 397 15 55
ir@mobimo.ch

Compensation report

Mobimo's compensation plans are designed to ensure that qualified managers can be recruited, motivated and retained by the company.

The compensation report is drawn up in line with the Ordinance Against Excessive Compensation in Listed Companies (OaEC) of 20 November 2013, the SIX Swiss Exchange Directive Corporate Governance (DCG) and the principles of the economiesuisse Swiss Code of Best Practice for Corporate Governance.

This compensation report sets out the mechanisms used to determine the compensation and profit-sharing plans of the Board of Directors and Executive Board, along with the key provisions of the Articles of Association. It also provides a comparison of the compensation approved by the General Meeting and the compensation actually paid.

Compensation of the Board of Directors

Principles

Article 22 of the Articles of Association governs the compensation of the Board of Directors. The Articles of Association are available at www.mobimo.ch under Investors > Corporate Governance > Articles of Association.

The members of the Board of Directors are entitled to compensation commensurate with their activities and to reimbursement of their expenses incurred in performing their duties in the interest of the company. All members of the Board of Directors are compensated on the basis of the same principles. The compensation model for members of the Board of Directors is modular in structure and takes account of the activities actually undertaken and functions

occupied by each member of the Board of Directors. Compensation is paid to the members of the Board of Directors plus the employer's share of social security contributions. The Board of Directors does not receive any variable compensation based on short-term performance. Rather it is linked to the long-term success of the company by receiving part of its remuneration in blocked shares.

New rules for compensation with effect from the 2019 Annual General Meeting

With effect from the 2019 Annual General Meeting, the Board of Directors has decided that 25% of compensation will in future be paid in the form of shares. The number of shares allocated and the dates of allocation and transfer of ownership are approved by the Board of Directors at the request of the Nomination and Compensation Committee. The value of the shares is calculated based on the share price applicable on the date of allocation. With effect from the 2019 Annual General Meeting, the Board of Directors sets a vesting period of three years (previously voluntary purchase with a five-year vesting period). From the date of allocation, the shares have both voting and dividend rights.

Approval of compensation by the General Meeting

The maximum total amount of compensation payable to the Board of Directors must be approved annually in advance by the General Meeting for the period until the end of the next Annual General Meeting.

If the total amount of compensation payable to the Board of Directors is not approved, the Board of Directors may either submit a new proposal to the same General Meeting or convene an Extraordinary General Meeting at which it will submit a new proposal for the total amount.

Compensation of the Board of Directors, effective from AGM 2019

Member of the Board: TCHF 70 (until 2019 AGM: TCHF 70)		
Chairman of the Board: + TCHF 130 (until 2019 AGM: + TCHF 200)		
Real Estate Committee	Audit and Risk Committee	Nomination and Compensation Committee
Member: + TCHF 55 (until 2019 AGM: + TCHF 70)	Member: + TCHF 35 (until 2019 AGM: + TCHF 50)	Member: + TCHF 15 (until 2019 AGM: + TCHF 20)
Chairman: + TCHF 20 (until 2019 AGM: + TCHF 30)	Chairman: + TCHF 20 (until 2019 AGM: + TCHF 30)	Chairman: + TCHF 20 (until 2019 AGM: + TCHF 30)

Modular fixed compensation of the Board of Directors

The compensation of members of the Board of Directors consists of various modules depending on the relevant member's activities. It comprises a fixed basic compensation amount, plus fixed supplements for additional activities carried out and functions occupied. The basic compensation is CHF 70,000 per year for each member of the Board of Directors. The Board of Directors has decided to significantly reduce the fixed surcharges with effect from the 2019 Annual General Meeting and to pay the following amounts for further activities:

For activities exercised on a Board Committee:

- › as a member of the Real Estate Committee (IC) CHF 55,000 (previously CHF 70,000),
- › as a member of the Audit Committee (AC) CHF 35,000 (previously CHF 50,000),
- › as a member of the Nomination and Compensation Committee (NCC) CHF 15,000 (previously CHF 20,000).

For acting as Chairman:

- › Chairman of the Board of Directors CHF 130,000 (previously CHF 200,000),
- › Chairman of a Board Committee CHF 20,000 (previously CHF 30,000).

This ensures that the compensation paid to the Board of Directors is in line with the time required for their activities and the level of responsibility involved.

Compensation of the Executive Board

Principles

Articles 28 and 29 of the Articles of Association govern the compensation of the Executive Board. The Articles of Association are available at www.mobimo.ch under Investors > Corporate Governance > Articles of Association.

The compensation system must ensure the members of the Executive Board receive compensation in line with their success in implementing the strategy and their contribution to corporate performance. It is based on the three principles described below:

Performance-related

- › Variable compensation is calculated using qualitative (35%) and quantitative (65%) criteria
- › The compensation system is linked to the implementation of the corporate strategy

Competitive, in line with the market and transparent

- › Attracts and retains highly qualified management
- › Compensation is fair and reasonable in both an internal and external comparison with major listed Swiss real estate companies

Aligned with the interests of the shareholders

- › Promotes outstanding performance and the generation of added value in the interests of the shareholders
- › Variable compensation of which at least 50% in the form of vested shares as a long-term incentive

The total compensation payable to each member of the Executive Board consists of a basic salary (incl. expenses allowance), any other non-performance-related elements and a performance-related element, plus social insurance contributions, ancillary pay and pension contributions. Total compensation takes into account the level of responsibility, area of responsibility, expertise and function of the Executive Board member in question, their achievement of objectives and market conditions.

It is set by the entire Board of Directors at the request of the Nomination and Compensation Committee in line with market conditions, with a particular focus on salary levels in the Swiss real estate market, and reviewed annually. Salaries are compared against the major Swiss real estate companies listed on the SIX Swiss Exchange: Swiss Prime Site AG, PSP Swiss Property AG, Allreal Holding AG, Intershop Holding AG, Zug Estates Holding AG and Warteck Invest AG. This competitive compensation system should enable Mobimo to recruit the senior managers it wants from the relatively small pool of suitable executives and retain them for the company for the long term.

Approval by the General Meeting

The maximum total amount of performance-related compensation payable to the Executive Board must be approved annually by the General Meeting for the financial year in which the General Meeting in question takes place. No performance-related compensation may be paid for the period in question before approval is given.

The maximum total amount of non-performance-related compensation payable to the Executive Board must be approved annually by the General Meeting for the financial year following the General Meeting in question.

If the total amount of compensation payable to the Executive Board is not approved, the Board of Directors may either submit a new proposal to the same General Meeting or convene an Extraordinary General Meeting at which it will submit a new proposal for the total amount of non-performance-related/performance-related compensation.

Fixed compensation of the Executive Board

Like total compensation, the fixed salary is geared to the actual area of responsibility, professional requirements and expertise of each member of the Executive Board and the amount of work involved, and is paid in monthly instalments.

Performance-related compensation of the Executive Board

The performance-related compensation payable to members of the Executive Board is based on the quantitative and qualitative objectives and parameters set by the Board of Directors. The Board of Directors issues regulations governing the details of performance-related compensation. In accordance with currently applicable employment contracts, the maximum performance-related compensation payable to each individual member of the Executive Board is limited to 100% of their non-performance-related gross salary, despite the Articles of Association allowing an

upper limit of 150%. At least 50% of the variable compensation is paid as a long-term incentive, i.e. in shares in the company. The shares issued are subject to a vesting period of five years.

Profit-sharing model

In accordance with the compensation regulations in force since 1 January 2015, the payment of the performance-related element of Executive Board members' compensation is conditional on certain quantitative targets being met by the company (65%) and on individual performance targets (qualitative targets) being met (35%). Under the compensation regulations, variable compensation is capped at 100% of the fixed gross salary.

Based on the corporate strategy, the Board of Directors has defined the key performance figure for calculating the extent to which quantitative targets have been met as the return on equity before revaluation income.

However, entitlement to compensation as a result of quantitative targets being met is conditional on the company achieving a minimum return on equity before revaluation income of 4.5%. Once this minimum return on equity has been achieved, the entitlement of the Executive Board members rises on a straight-line basis within a range defined by the Board of Directors.

The Board of Directors may reduce this portion of the variable compensation in line with the regulations if shareholders do not receive a dividend/capital repayment at least equivalent to that of the prior year.

Qualitative targets comprise individual performance targets such as company, segment or function-specific targets or personal targets, as well as economic and/or market-relevant key figures. Every year, the Nomination and Compensation Committee sets objectives based on Mobimo's corporate strategy, which are then used to determine individual performance targets. The Chairman of the Executive Board then submits a concrete proposal for individual performance targets to the Nomination and Compensation Committee. The targets are then approved by the Nomination and Compensation Committee.

The extent to which qualitative targets have been met is assessed once a year, after the end of the financial year. The assessment is carried out in a first phase by the Chairman of the Executive Board for his fellow members of the Executive Board and by the Chairman of the Board of Directors for the Chairman of the Executive Board. The Nomination and Compensation Committee then carries out a second assessment. Whether or not a member of the Executive Board has met their target determines their individual entitlement to the portion of performance-related contribution based on the qualitative objectives.

Payment of performance-related compensation

Performance-related compensation is always paid in the following year, at the latest prior to the date of the General Meeting.

At least 50% of the variable compensation is paid as a long-term incentive, i.e. in shares in the company. The shares are subject to a vesting period of five years. At the request of the Nomination and Compensation Committee, the Board of Directors determines the dates of allocation and transfer of ownership, and the vesting periods. The share value equals the share price on the date of allocation. From the date of allocation, the shares have both voting and dividend rights.

The Board of Directors may decide to shorten or waive vesting periods, make compensation conditional on the achievement of objectives or not pay compensation at all due to the occurrence of pre-defined events such as a change of control or termination of an employment relationship. In particular, members of the Executive Board who are released from their contracts generally still receive a pro rata portion of the contractually agreed compensation until the end of their employment contract unless the employer terminated the employment relationship for good cause attributable to the employee. Performance-related compensation is generally also paid unless the member in question provided good cause for termination. In each individual case, the Board of Directors decides whether or not the compensation is to be paid and whether vesting periods are to be waived on the basis of the employment contract and the specific circumstances.

The company is entitled to the repayment of all variable compensation paid out on the basis of annual financial statements that do not reflect the company's actual results due to criminal activities or other forms of manipulation. The amount of the repayment entitlement corresponds to the extent of the falsification.

Additional amount for compensation payable to members appointed after the General Meeting

Article 29 of the Articles of Association governs the additional amount for compensation payable to members appointed after the General Meeting. The Articles of Association are available at www.mobimo.ch under Investors > Corporate Governance > Articles of Association.

For each member of the Executive Board appointed after the General Meeting that voted on the total amount of compensation, there is an additional amount of 30% of the total compensation for the Executive Board already approved in advance for the relevant periods. This amount also covers the period between the member in question's appointment and the start of the already approved period. The additional amount that is actually used does not need to be approved by the General Meeting.

Within the limits of the total amount or additional amount already approved, the company may pay a new member of the Executive Board a joining bonus to offset any losses incurred due to the change of position.

Comparison of compensation actually paid and the compensation approved by the General Meeting

The table below shows the approved compensation elements payable to the Board of Directors and Executive Board and compares the figures with the actual amounts recorded in 2018. In accordance with the Articles of Association, compensation payable to the Board of Directors is approved in advance for the period until the next Annual General Meeting. As a result, the approved compensation amount is reduced to the nine-month figure on a straight-line basis and compared with the payments recognised in the income statement for the period from April to December 2018.

Board of Directors

TCHF	Approved 27.3.2018 – 2.4.2019	Approved 27.3.2018 – 31.12.2018 (9 months/pro rata)	Paid 27.3.2018 – 31.12.2018	Approved 28.3.2017 – 27.3.2018	Paid 28.3.2017 – 27.3.2018
Fixed compensation incl. shares	1,300	975	946	1,300	943
Compensation for related parties	n/a	n/a	n/a	n/a	n/a

Executive Board

TCHF	Approved 1.1.2018 – 31.12.2018	Paid 1.1.2018 – 31.12.2018	Approved 1.1.2017 – 31.12.2017	Paid 1.1.2017 – 31.12.2017
Fixed compensation	3,100	2,988	2,850	2,722
Performance-related compensation	3,100	910	2,850	1,537

Compensation report for the 2018 financial year in accordance with the OaEC

Compensation payable to the Board of Directors and Executive Board and related parties

In the year under review, the members of the Board of Directors, related parties and the Executive Board received compensation as set out below.

Compensation payable to the Board of Directors

Name, function (TCHF)	Fees, salary	Shares	Social insurance contributions	2018 Total	Fees, salary	Shares	Social insurance contributions	2017 Total
Georges Theiler, Chairman BoD	340	0	21	361	340	0	21	361
Brian Fischer, BoD	170	0	12	182	170	0	12	182
Wilhelm Hansen, BoD	140	0	9	149	109	31	9	149
Peter Schaub, BoD	170	0	0	170	170	0	0	170
Daniel Crausaz, BoD	120	0	0	120	120	0	2	122
Bernard Guillelmon, BoD	120	0	9	129	120	0	9	129
Peter Barandun, BoD	110	30	10	150	90	50	3	143
Total	1,170	30	61	1,261	1,119	81	56	1,256

Additional compensation payable to members of the Board of Directors and related parties or companies

No request was submitted to the 2018 Annual General Meeting for a sum for additional compensation of members of the Board of Directors and related parties or companies.

Compensation payable to the Executive Board

TCHF	2018 Total	2017 Total	2018 Christoph Caviezel, CEO	2017 Christoph Caviezel, CEO
Fees, salary	2,410	2,198	703	703
Profit-sharing in cash	418	715	123	229
Profit-sharing in shares	420	717	123	229
Other contributions ¹	650	629	196	212
Total	3,898	4,259	1,145	1,373

¹ Other contributions include pension contributions, any service anniversary gifts, private use of vehicles and employer's social insurance contributions.

Amounts for the 2018 financial year reflect the expense reported in the consolidated financial statements for the year under review (accrual accounting).

The General Meeting of 27 March 2018 approved fixed compensation of CHF 3.1 million for the Executive Board for the 2018 financial year.

Share-based compensation for the Executive Board was based on the assumption that a ratio of 50% (prior year: 50%) as stipulated in the compensation regulations applies.

Loans and credit facilities granted to the Board of Directors, Executive Board and related parties

No loans or credit facilities were granted to members of the Board of Directors, Executive Board or related parties in the 2018 financial year, and there were no such receivables outstanding as at 31 December 2018.



Report of the Statutory Auditor

To the General Meeting of Shareholders of Mobimo Holding AG, Lucerne

We have audited the remuneration report dated 31 December 2018 of Mobimo Holding AG for the year ended 31 December 2018. The audit was limited to the information according to articles 14-16 of the Ordinance against Excessive compensation in Stock Exchange Listed Companies contained in the sections "Compensation report for the 2018 financial year in accordance with the Ordinance Against Excessive Compensation in Listed Companies" on pages 46 to 47 of the compensation report.

Responsibility of the Board of Directors

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the remuneration report for the year ended 31 December 2018 of Mobimo Holding AG complies with Swiss law and articles 14 – 16 of the Ordinance.

KPMG AG

A blue ink signature of Kurt Stocker, consisting of a stylized, cursive script.

Kurt Stocker
Licensed Audit Expert
Auditor in Charge

A blue ink signature of Reto Kaufmann, consisting of a stylized, cursive script.

Reto Kaufmann
Licensed Audit Expert

Lucerne, 7 February 2019