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Public Corporate Governance Code Report 2016

Preamble

As the statutes of the CTAO gGmbH do not provide for a supervisory body, the task of supervising the management is incumbent on the meeting of the company's shareholders.

The actual version of the PCGC is that of 30 June 2009.

The current management of the CTAO gGmbH consists of the Managing Director, Prof Dr. Ulrich Straumann. He steers the company since 1 March 2016.

Declaration

The Management of the CTAO gGmbH declares herewith that the applicable recommendations of the Public Corporate Governance Code of the Federation dated 30 June 2009 have been complied with and continue to be complied with - with the following justified exceptions:

3. Collaboration of the management with the supervisory body

3.1.3 PCGC:

"... Any documents required as a basis for decisions, in particular the annual financial statement, the group financial statement, the report on the corporation's/ group's economic status, and the auditor's report, shall be provided to the members of the supervisory body in due time prior to the meeting."

Implementation:

Documents were not always provided in accordance with Rule 6 Rules of Procedure Council, i.e. two weeks before the Council meeting, due to the current shortage of staff. As the employment of additional staff is progressing quite well this issue is expected to be overcome in 2017. The documents of main concern of this chapter were provided in due time for the 7th Council meeting.

4. Management

4.2.1 PCGC:

"As a minimum, the management shall consist of two persons."

Implementation:

The management of the CTAO gGmbH consists of one person, the Managing Director.

This is justified by the fact that this company was set up as an interim legal entity to be replaced by a final legal entity in the near future and the management was also nominated for this interim period. Thus, it seemed appropriate to appoint only one Managing Director for the current time.

4.3.1 PCGC:

“The remuneration paid to the members of the management shall be determined by the supervisory body...”

Implementation:

No remuneration was paid to the former Managing Director who was in office until February 2016. The remuneration for his successor has been negotiated between the current CTAO Managing Director and the Chairs of Council. This has been delegated by Council to its Chairs in a resolution from 20 January 2016. The remuneration is a fixed rate per year. Council was informed about the main provisions of the employment contract in preparation of its 6th meeting on 7 March 2016.

4.3.3 PCGC

“The supervisory body shall deliberate on the remuneration system established for the management, including the essential elements of the contract; it shall review the system at regular intervals, and shall adjust it as required...”

Implementation

A remuneration system was not established for the current interim legal entity. This interim legal entity is expected to be replaced by a final legal entity in the near future and thus individual remuneration negotiations were considered more appropriate at this time. The current Managing Director, Prof Dr Ulrich Straumann receives a fixed monthly remuneration.

5. Supervisory body

CTAO gGmbH has no statutory supervisory body. Thus, these recommendations of the CTAO gGmbH do not apply.

Report according to 6 PCGC (Transparency)

The annual PCGC reports as well as the annual financial statements including the Management Report are publicly available on the company's website at

<https://www.cta-observatory.org/about/governance/#1473147489559-0e6ea653-4004>

The former Managing Director, Prof Dr. Werner Hofmann, did not receive any remuneration.

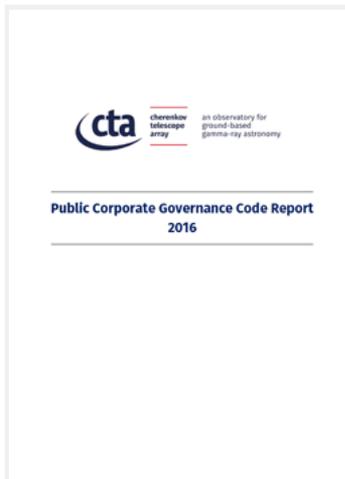
The monthly remuneration of the current Managing Director, Prof Dr Ulrich Straumann, who started his term in March 2016, was set to a fixed rate composed of a direct transfer, being subject to income taxes, plus half of the statutory social insurance premium (including unemployment and health insurance), which would be due if the Managing Director would have been employed in Switzerland with the same remuneration.

In 2016 Prof Dr. Ulrich Straumann received a remuneration of EUR 40.000 plus a social insurance premium of EUR 5.035. No other benefits were granted to him.

Heidelberg, 13. Juni 2017



Prof. Dr. Ulrich Straumann
Managing Director



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Adobe Sign-Dokumentverlauf

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-  Marc-Andre Besel (mbesel@cta-observatory.org) hat das Dokument über Acrobat hochgeladen.
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