

Gurit Holding AG, Wattwil

Informal English Translation of the Invitation to the Ordinary Annual General Meeting of Shareholders

(The Invitation to the AGM in German is binding.)

Wednesday, April 12, 2017, 4:30 p.m. CEST, at the **Hotel SEEDAMM PLAZA, Seedammstrasse 3, 8808 Pfäffikon SZ, Switzerland**

Agenda:

1. Approval of Management Report, Annual and Consolidated Financial Statements 2016
2. Decision on Appropriation of retained earnings
3. Decision on Appropriation of reserves from capital contributions
4. Granting of Discharge to the Members of the Board of Directors and the Executive Committee for the financial year 2016
5. Elections
 - 5.1. Re-election of Mr. Peter Leupp as Member and Chairman of the Board of Directors for the period until closing of the following Ordinary Annual General Meeting
 - 5.2. Re-election of the members of the Board of Directors for the period until closing of the following Ordinary Annual General Meeting
 - 5.3. Re-election of the members of the Compensation Committee for the period until closing of the following Ordinary Annual General Meeting
 - 5.4. Re-election of Mr. Jürg Luginbühl as independent proxy holder for the period until closing of the following Ordinary Annual General Meeting
 - 5.5. Re-election of PricewaterhouseCoopers AG, Zurich, as auditors for the period until closing of the following Ordinary Annual General Meeting
6. Consultative vote on the remuneration report 2016
7. Approval of the maximum total amount of fixed compensation for the Board of Directors
8. Approval of the maximum total amount of fixed compensation for the Executive Committee
9. Approval of the maximum total amount of performance-based compensation for the Executive Committee

The Board of Directors has formulated the following proposals to the items on the Agenda:

1. **Approval of Management Report, Annual and Consolidated Financial Statements 2016**
The Board of Directors proposes to approve the Management Report, Annual and Consolidated Financial Statements for the year 2016.

2. **Appropriation of retained earnings 2016**
The Board of Directors proposes to carry forward the available earnings 2016 of CHF 127'381'396.

Retained earnings carried forward from previous year	<u>CHF 101'256'514</u>
Net profit for 2016	CHF 26'124'882
Available earnings 2016	<u>CHF 127'381'396</u>
To be carried forward	<u>CHF 127'381'396</u>

3. **Appropriation of reserves from capital contributions**
The Board of Directors proposes to distribute CHF 9'360'000 out of the free reserves from capital contributions of CHF 11'196'117 and to carry forward the residual amount of CHF 1'836'117.

Reserves from capital contributions carried forward from previous year	CHF 11'196'117
Distribution from reserves from capital contributions (CHF 20.00 per bearer share; CHF 4.00 per registered share)	<u>CHF -9'360'000</u>
To be carried forward	<u>CHF 1'836'117</u>

The following schedule has been determined for the distribution

Ex-Date: Tuesday, April 18, 2017
Record-Date: Wednesday, April 19, 2017
Payment-Date: Thursday, April 20, 2017

4. **Granting of Discharge to the Members of the Board of Directors and the Executive Committee for financial year 2016**
The Board of Directors proposes to grant all Members of the Board of Directors and the Executive Committee discharge for the financial year 2016.

5. **Elections (individually)**

5.1. **Re-election of Mr. Peter Leupp as Member and Chairman of the Board of Directors for the period until closing of the following Ordinary Annual General Meeting**

The Board of Directors proposes to re-elect Mr. Peter Leupp as Member and Chairman of the Board of Directors for a one-year term of office for the period until the closing of the following Ordinary Annual General Meeting.

5.2. **Re-elections of the members of the Board of Directors for the period until closing of the following Ordinary Annual General Meeting**

The Board of Directors proposes to re-elect the following people for a one-year term of office for the period until the closing of the following Ordinary Annual General Meeting.

- 5.2.1 Stefan Breitenstein
- 5.2.2 Nick Huber
- 5.2.3 Urs Kaufmann
- 5.2.4 Peter Pauli

5.3. **Re-election of the members of the Compensation Committee for the period until closing of the following Ordinary Annual General Meeting**

The Board of Directors proposes to elect the following people for a one-year term of office for the period until the closing of the following Ordinary Annual General Meeting.

- 5.3.1. Nick Huber
- 5.3.2. Urs Kaufmann
- 5.3.3. Peter Leupp

5.4. **Re-election of Mr. Jürg Luginbühl as independent proxy holder for the period until closing of the following Ordinary Annual General Meeting**

The Board of Directors proposes to elect Mr. Jürg Luginbühl as independent proxy holder for a one-year term of office for the period until the closing of the following Ordinary Annual General Meeting.

5.5. **Re-election of PricewaterhouseCoopers AG, Zürich, as auditors for the period until closing of the following Ordinary Annual General Meeting**

The Board of Directors proposes to re-elect PricewaterhouseCoopers AG, Zurich, as auditors for a one-year term of office for the period until the closing of the following Ordinary Annual General Meeting.

6. **Consultative vote on the remuneration report 2016**

The Board of Directors proposes to consensually take note of the compensation report 2016 on the basis of a consultative vote.

7. **Approval of the maximum total amount of fixed compensation for the Board of Directors for the 2017/2018 term of office**

The Board of Directors proposes to approve a maximum total amount of fixed compensation for the Board of Directors (5 members including the Chairman) of CHF 634'000 plus CHF 127'200 for the allocation of 150 bearer shares for the period from closing of the current Annual General Meeting until the next ordinary Annual General Meeting in 2018. The amount for the 150 bearer shares was calculated based on a share price of CHF 848 per share. This corresponds to the average closing share price of the five days actual stock price trading before March 3, 2017 - the date on which the Compensation Committee and the Board of Directors met. As the stock exchange price is subject to fluctuations, the value of the 150 bearer shares might be higher or lower than the amount of CHF 127'200 on the settlement date in April 2018.

8. **Approval of the maximum total amount of fixed compensation for the Executive Committee for the period from July 1, 2017 to June 30, 2018**

The Board of Directors proposes to approve a maximum total amount of fixed compensation for the Executive Committee (6 members including the CEO) of CHF 2'650'000 for the period from July 1, 2017 to June 30, 2018.

9. **Approval of the maximum total amount of performance-based compensation for the Executive Committee for the period from January 1, 2017 to December 31, 2017**

The Board of Directors proposes to approve a maximum total amount of performance-based compensation for the Executive Committee of CHF 1'300'000 (plus statutory social security contribution of CHF 109'000) for the performance-based cash compensation and CHF 699'600 (plus statutory social security contribution of CHF 60'420) for the allocation of a maximum of 825 bearer shares on the basis of the results that will be achieved in the fiscal year 2017 and to be allocated in April 2018. The amount for the 825 bearer shares was calculated based on a share price of CHF 848 per share. This corresponds to the average closing share price of the five days actual stock price trading before March 3, 2017 - the date on which the Compensation Committee and the Board of Directors met. As the stock exchange price is subject to fluctuations, the value of the 825 bearer shares might be higher or lower than the amount of CHF 699'600 on the settlement date in April 2018.

Representation/Proxy:

A shareholder can be represented at the Annual General Meeting by another shareholder.

In addition, shareholders can be represented by the independent proxy holder Dr Jürg Luginbühl, Vischer AG, Schützengasse 1, Postfach 5090, 8021 Zürich, as independent proxy holder as set forth in Art. 689c CO. Granting of proxy and written instructions may be submitted to the independent proxy holder by means of the instructions form by post or electronically via a platform for remote electronic voting.

Admission and voting cards as well as an instruction form or – alternatively a code to access the electronic platform for remote electronic granting of proxy and entering voting instructions – can be obtained until April 3, 2017 from UBS, Credit Suisse or directly from Gurit Services AG, Thurgauerstrasse 54, 8050 Zurich (Fax +41 44 316-1569) by means of proving the legitimation of share ownership. Granting of proxy and instructions can be submitted to the independent proxy holder until April 7, 2017. Shareholders using the platform for remote electronic voting are no longer entitled to participate at the respective Annual General Meeting of Shareholders in person.

Documentation

The Annual Report 2016, including the Management report, the financial statements and the consolidated financial statements as well as the reports of the auditors, is available for inspection as of March 8, 2017, at the registered office of the Company. The annual report is also available for inspection and download as a pdf file at <http://www.gurit.com/Investors/Reports>. Registered Shareholders receive the invitation to the Ordinary Annual General Meeting directly by mail.

Wattwil, March 13, 2017

The Board of Directors