

# Gurit Holding AG, Wattwil

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

(The German Invitation to the AGM is binding.)

Tuesday, April 17, 2018, 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 2017
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 2017
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 2017
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 2017**  
The Board of Directors proposes to approve the Management Report, Annual and Consolidated Financial Statements for the year 2017.
2. **Appropriation of retained earnings 2017**  
The Board of Directors proposes to distribute CHF 7'605'000 out of the retained earnings of CHF 127'539'646 and to carry forward the residual amount of CHF 119'934'646.

Retained earnings carried forward from previous year	<u>CHF 127'381'396</u>
Net profit for 2017	CHF 158'250
Available earnings 2017	<u>CHF 127'539'646</u>
Distribution to shareholders (CHF 16.25 per bearer share, CHF 3.25 per registered share)	CHF -7'605'000

To be carried forward CHF 119'934'646

3. **Appropriation of reserves from capital contributions**  
The Board of Directors proposes to distribute CHF 1'755'000 out of the free reserves from capital contributions of CHF 1'836'117 and to carry forward the residual amount of CHF 81'117.

Reserves from capital contributions carried forward from previous year	CHF 1'836'117
Distribution from reserves from capital contributions (CHF 3.75 per bearer share; CHF 0.75 per registered share)	<u>CHF -1'755'000</u>
To be carried forward	<u>CHF 81'117</u>

### The following schedule has been determined for the distribution

Ex-Date: Thursday, April 19, 2018  
Record-Date: Friday, April 20, 2018  
Payment-Date: Monday, April 23, 2018

4. **Granting of Discharge to the Members of the Board of Directors and the Executive Committee for financial year 2017**

The Board of Directors proposes to grant all Members of the Board of Directors and the Executive Committee discharge for the financial year 2017.
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. Urs Kaufmann
    - 5.3.2. Nick Huber
    - 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 2017**

The Board of Directors proposes to consensually take note of the compensation report 2017 on the basis of a consultative vote.
7. **Approval of the maximum total amount of fixed compensation for the Board of Directors for the 2018/2019 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 606'000 plus CHF 145'200 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 2019. The amount for the 150 bearer shares was calculated based on a share price of CHF 968 per share. This corresponds to the average closing share price of the five days actual stock price trading before February 15, 2018 - the date on which the Compensation Committee 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 145'200 on the settlement date in April 2019.
8. **Approval of the maximum total amount of fixed compensation for the Executive Committee for the period from July 1, 2018 to June 30, 2019**

The Board of Directors proposes to approve a maximum total amount of fixed compensation for the Executive Committee (5 members including the CEO) of CHF 2'350'000 for the period from July 1, 2018 to June 30, 2019.
9. **Approval of the maximum total amount of performance-based compensation for the Executive Committee for the period from January 1, 2018 to December 31, 2018**

The Board of Directors proposes to approve a maximum total amount of performance-based compensation for the Executive Committee of CHF 1'224'500 (plus statutory social security contribution of CHF 92'370) for the performance-based cash compensation and CHF 726'000 (plus statutory social security contribution of CHF 55'902) for the allocation of a maximum of 750 bearer shares on the basis of the results that will be achieved in the fiscal year 2018 and to be allocated in April 2019. The amount for the 750 bearer shares was calculated based on a share price of CHF 968 per share. This corresponds to the average closing share price of the five days actual stock price trading before February 15, 2018 - the date on which the Compensation Committee met. As the stock exchange price is subject to fluctuations, the value of the 750 bearer shares might be higher or lower than the amount of CHF 726'000 on the settlement date in April 2019.

**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 6, 2018 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 11, 2018. 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 2017, 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 13, 2018, 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 14, 2018

The Board of Directors