

# Gurit Holding AG, Wattwil

## Informal English translation of the invitation to the Ordinary Annual General Meeting of Shareholders

(The invitation in German is binding)

Wednesday, April 15, 2020 ~~4:30 p.m. CEST,~~  
~~at the Hotel SEEDAMM PLAZA, Seedorfstrasse 3, 8808 Pfäffikon SZ, Switzerland~~

*Due to the health risk posed by coronavirus, Gurit urges shareholders to refrain from physically attending the Annual General Meeting. Instead, please use the electronic voting platform or send your voting instructions by mail to the independent proxy. For these reasons, Gurit will not host any social events such as aperitif or dinner in addition to the AGM. In order to facilitate the opportunity to review agenda items prior to the Meeting, relevant documents will be available from April 1, 2020, 5:30 p.m. at the following web link: [www.gurit.com/Investors/AGM](http://www.gurit.com/Investors/AGM). Upon request by e-mail to [investor@gurit.com](mailto:investor@gurit.com) by March 27, 2020, the documents may be sent by e-mail or, if requested and full postal address and telephone number is provided, by post.*

### Agenda:

1. Approval of Management Report, Annual and Consolidated Financial Statements 2019
2. Decision on Appropriation of retained earnings 2019
3. Granting of Discharge to the Members of the Board of Directors and the Executive Committee for the financial year 2019
4. Elections (by individual vote)
  - 4.1. Re-election of Peter Leupp as Member and Chairman of the Board of Directors for the period until closing of the following Ordinary Annual General Meeting
  - 4.2. Re-election of Stefan Breitenstein, Bettina Gerharz-Kalte, Nick Huber, Urs Kaufmann, and Philippe Royer as Members of the Board of Directors for the period until closing of the following Ordinary Annual General Meeting
  - 4.3. Election of the Members of the Nomination and Compensation Committee for the period until closing of the following Ordinary Annual General Meeting
  - 4.4. Election of Vischer AG as independent proxy holder for the period until closing of the following Ordinary Annual General Meeting
  - 4.5. Re-election of PricewaterhouseCoopers AG, Zürich, as auditors for the period until closing of the following Ordinary Annual General Meeting
5. Amendment of the Articles of Association due to the new remuneration policy
6. Consultative vote on the Compensation report 2019
7. Approval of the maximum total amount of fixed compensation of the Board of Directors for the term of office 2020/2021
8. Approval of the maximum total amount of fixed compensation of the Executive Committee for the period of July 1, 2020 to June 30, 2021
9. Approval of the maximum total amount of performance-based compensation of the Executive Committee for the period of January 1, 2020 to December 31, 2020

### The Board of Directors makes the following proposals to the items on the Agenda:

- 1. Approval of Management Report, Annual and Consolidated Financial Statements 2019**  
 The Board of Directors proposes to approve the Management Report, the Annual Financial Statements and the Consolidated Financial Statements for the year 2019.
- 2. Decision on Appropriation of retained earnings 2019**  
 The Board of Directors proposes to distribute CHF 11'700'000 out of the retained earnings 2019 of CHF 147'968'751 and to carry forward the residual amount of CHF 136'268'751.

Retained earnings carried forward from previous year	CHF 106'569'244
Net profit for 2019	CHF 41'399'507
Retained earnings 2019	CHF 147'968'751
Dividend distribution (CHF 25 per bearer share, CHF 5 per registered share)	CHF -11'700'000
To be carried forward	<u>CHF 136'268'751</u>

#### The following dates are scheduled for the distribution

Ex-date: Friday, April 17, 2020  
 Record date: Monday, April 20, 2020  
 Payment date: Tuesday, April 21, 2020

- 3. Granting of Discharge to the Members of the Board of Directors and Executive Committee for the financial year 2019**  
 The Board of Directors proposes to grant all Members of the Board of Directors and Executive Committee discharge for the financial year 2019.

#### 4. Elections (by individual vote)

##### 4.1. Re-election of 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 Peter Leupp as Member and Chairman of the Board of Directors for a further one-year term of office until the closing of the following Ordinary Annual General Meeting.

##### 4.2. Re-election of Stefan Breitenstein, Bettina Gerharz-Kalte, Nick Huber, Urs Kaufmann and Philippe Royer as 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 candidates for a further one-year term of office until the closing of the following Ordinary Annual General Meeting

- 4.2.1 Stefan Breitenstein
- 4.2.2 Bettina Gerharz-Kalte
- 4.2.3 Nick Huber
- 4.2.4 Urs Kaufmann
- 4.2.5 Philippe Royer

##### 4.3. Election of the Members of the Nomination and Compensation Committee for the period until closing of the following Ordinary Annual General Meeting

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

- 4.3.1 Bettina Gerharz-Kalte (new election)
- 4.3.2 Nick Huber (re-election)
- 4.3.3 Urs Kaufmann (re-election)
- 4.3.4 Peter Leupp (re-election)

##### 4.4. Election of Vischer AG as independent proxy holder for the period until closing of the following Ordinary Annual General Meeting

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

##### 4.5. 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, Zürich, as auditors for a one-year term of office until the closing of the following Ordinary Annual General Meeting.

#### 5. Amendment of the Articles of Association due to the new remuneration policy

The Board of Directors proposes to amend §§ 21, 23 and 24 of the Articles of Association as follows (amendments marked in bold):

Current Language	Amended Language
§ 21 para. 2 The members of the Executive Committee may receive a fixed and a success based remuneration. Such success based remuneration of a member of the Executive Committee must not exceed <b>the fixed remuneration by more than 100%</b> .	§ 21 para. 2 The members of the Executive Committee may receive a fixed and a success based remuneration. Such success based remuneration of a member of the Executive Committee must not exceed <b>65% of the total remuneration</b> .
§23 If the remuneration is paid in shares, options or similar instruments, the Board of Directors (or the Remuneration Committee, respectively, if delegated to such committee) determines the conditions and requirements in one or several plans or regulations. Such plans or regulations may in particular regulate the date of allocation, fair valuation, practicable holding, vesting and/or exercise periods (including the fastening, reduction or cancellation of such periods in case of pre-defined events such as change of control or termination of employment agreement), the maximum amount of shares and/or options to be allocated, any claw-back mechanism as well as any deduction in the allocation of shares or options. <b>The value of the allocated shares, options or similar instruments at their allocation may, in general, not exceed the remuneration in cash.</b>	§ 23 If the remuneration is paid in shares, options or similar instruments, the Board of Directors (or the Remuneration Committee, respectively, if delegated to such committee) determines the conditions and requirements in one or several plans or regulations. Such plans or regulations may in particular regulate the date of allocation, fair valuation, practicable holding, vesting and/or exercise periods (including the fastening, reduction or cancellation of such periods in case of pre-defined events such as change of control or termination of employment agreement), the maximum amount of shares and/or options to be allocated, any claw-back mechanism as well as any deduction in the allocation of shares or options.
§ 24 para. 1 2. The Board of Directors proposes to the General Meeting each year the approval of a maximum aggregate amount for the fixed remunerations of the Executive Committee <b>(in cash and in shares, options or similar instruments)</b> for a term beginning on July 1 after the current General Meeting and ending on June 30 of the following year.	§ 24 para. 1 2. The Board of Directors proposes to the General Meeting each year the approval of a maximum aggregate amount for the fixed remunerations of the Executive Committee <b>in cash</b> for a term beginning on July 1 after the current General Meeting and ending on June 30 of the following year.

<p>3. The Board of Directors proposes to the General Meeting each year the approval of the maximum aggregate amount of success based remunerations of the Executive Committee for a term beginning on January 1 and ending on December 31 of the year in which the current General Meeting takes place.</p>	<p>3. The Board of Directors proposes to the General Meeting each year the approval of the maximum aggregate amount of success based remunerations of the Executive Committee <b>(in cash and in shares, options and similar instruments)</b> for a term beginning on January 1 and ending on December 31 of the year in which the current General Meeting takes place.</p>
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**6. Consultative vote on the Compensation report 2019**

The Board of Directors proposes to consensually take note of the Compensation report 2019 on the basis of a consultative vote.

**7. Approval of the maximum total amount of fixed compensation of the Board of Directors for the term of office 2020/2021**

The Board of Directors proposes to approve a maximum total amount of fixed compensation for the Members of the Board of Directors (6 members including the Chairman) of CHF 720'000 plus CHF 280'000 for the allocation of 175 bearer shares of the Company for the period until the next Ordinary Annual General Meeting 2021. The amount for the 175 bearer shares was calculated based on a share price of CHF 1'595 per share. This corresponds to the average closing share price of the five days actual stock price trading before February 17, 2020 – the date on which the Nomination and Compensation Committee met. As the stock exchange price is subject to fluctuations, the value of the 175 bearer shares might be higher or lower than the amount of CHF 280'000 on the settlement date in April 2021.

**8. Approval of the maximum total amount of fixed compensation of the Executive Committee for the period of July 1, 2020 to June 30, 2021**

The Board of Directors proposes to approve a maximum total amount of fixed compensation for the Executive Committee (8 members including CEO) of CHF 3'250'000 for the period from July 1, 2020 to June 30, 2021.

**9. Approval of the maximum total amount of performance-based compensation of the Executive Committee for the period from January 1, 2020 to December 31, 2020**

The Board of Directors proposes to approve a maximum total amount of performance-based compensation for the Members of the Executive Committee of CHF 1'635'218 (plus statutory social security contributions of CHF 143'594) for the performance-based cash compensation and CHF 1'260'050 (plus statutory social security contributions of CHF 114'228) for the allocation of a maximum of 790 bearer shares of the Company on the basis of the results that will be achieved in the financial year 2020 and to be granted in April 2021. The amount for the 790 bearer shares was calculated based on a share price of CHF 1'595 per share. This corresponds to the average closing share price of the five days actual stock price trading before February 17, 2020 – the date on which the Nomination and Compensation Committee met. As the stock exchange price is subject to fluctuations, the value of the 790 bearer shares might be higher or lower than the amount of CHF 1'260'050 on the settlement date in April 2021.

**Representation/Proxy**

Shareholders can be represented by the independent proxy holder Gian-Andrea Caprez (on behalf of the unavailable Jürg Luginbühl), **Vischer AG, Schützengasse 1, PO box 5090, 8021 Zurich, Switzerland**. Granting of proxy and written instructions may be submitted to the independent proxy holder by means of the instruction form by post or electronically via a platform for remote electronic voting. Admission and voting cards as well as the **instruction form – or alternatively the code to access the electronic platform for remote electronic granting of proxy and entering voting instructions to the independent proxy holder** – can be obtained until April 2, 2020 from **UBS, Credit Suisse** or directly from Gurit Services AG, Thurgauerstrasse 54, 8050 Zürich (E-mail: [investor@gurit.com](mailto:investor@gurit.com)) by means of proving the legitimation of share ownership. Granting of proxy and instructions can be submitted to the independent proxy holder until April 8, 2020. Shareholders giving written instructions or using the platform for remote electronic voting are no longer entitled to participate at the Ordinary Annual General Meeting of Shareholders in person. Shareholders can be represented at the Ordinary Annual General Meeting by another shareholder.

**Documentation**

The Annual Report 2019, including the Management report, the annual and the consolidated financial statements as well as the reports of the auditors, is available for inspection as of March 16, 2020 at the registered office of the Company. Additionally, the annual report is available at <http://www.gurit.com/Investors/Reports> and can be downloaded as a PDF file. Registered Shareholders receive the invitation to the Ordinary Annual General Meeting directly by mail.

Shareholders arriving after the start time of the Ordinary Annual General Meeting must deposit their voting cards at the entrance and are not allowed to vote at the Ordinary Annual General Meeting. Latecomers may still join the Ordinary Annual General Meeting as guests.