

Invitation to the annual general meeting of shareholders of Zehnder Group AG



Date: Thursday, 12 April 2018, 4:30 p.m., registration from 3:30 p.m.
Shareholders and guests are cordially invited to an “Apéritif riche” after the annual general meeting.

Place: Zentrum Bärenmatte, Turnhalleweg 1, 5034 Suhr, Switzerland

Agenda

- 1. Presentation and approval of the operating and financial review of the Zehnder Group AG, the annual financial statements of the Zehnder Group AG and the consolidated financial statements as well as receipt of the auditor’s report**

Motion: The Board of Directors proposes that the operating and financial review, the annual financial statements and the consolidated financial statements for 2017 be approved.

- 2. Discharge of the members of the Board of Directors and the Executive Committee**

Motion: The Board of Directors proposes that the members of the Board of Directors, as well as the members of the Executive Committee, be discharged for the financial year 2017 (by means of a single vote for all members of the Board of Directors and the Executive Committee).

- 3. Resolution on the appropriation of the balance sheet profits**

Net income for 2017 according to the income statement	CHF	25,690,053
+ retained earnings from previous year	CHF	307,548,702
Balance sheet profits	CHF	333,238,755
– own shares	CHF	– 9,282,870
Balance sheet profits available to the annual general meeting	CHF	323,955,885

Motion: The Board of Directors proposes that earnings be appropriated as follows:

Payment of dividends	CHF	5,868,000
Carry-forward to a new account	CHF	327,370,755
Balance sheet profits	CHF	333,238,755

Explanatory note: The long-term dividend policy of the Zehnder Group makes provision for 30 to 50% of the consolidated net income excluding minority interests to be paid out in dividends.

Ex-dividend date	Monday, 16 April 2018
Record date	Tuesday, 17 April 2018
Payment date	Wednesday, 18 April 2018

- 4. Approval of the total sum of future remuneration for the Board of Directors and the Executive Committee; advisory vote on the remuneration report for 2017**

- 4.1 Remuneration for the Board of Directors**

Motion: The Board of Directors proposes to approve the remuneration for the Board of Directors totalling CHF 2,400,000 for the period of office until the next annual general meeting.

4.2 Remuneration for the Executive Committee

Motion: *The Board of Directors proposes to approve the remuneration for the Executive Committee totaling CHF 3,700,000 for the financial year 2018.*

4.3 Advisory vote on the remuneration report for 2017

Motion: *The Board of Directors proposes that the shareholders ratify the remuneration report for 2017 in an advisory vote.*

5. Elections

5.1 Re-elections to the Board of Directors and re-election of the Chairman

Motion: *The Board of Directors proposes that all existing members of the Board of Directors be re-elected, along with Hans-Peter Zehnder as Chairman of the Board of Directors for a term of office of 1 year, i.e. until conclusion of the next annual general meeting.*

5.1.1 *Re-election of Hans-Peter Zehnder as member and as chairman of the Board of Directors*

5.1.2 *Re-election of Thomas Benz*

5.1.3 *Re-election of Urs Buchmann*

5.1.4 *Re-election of Riet Cadonau*

5.1.5 *Re-election of Jörg Walther*

5.1.6 *Re-election of Milva Zehnder*

5.2 Re-elections and election of the members of the Compensation Committee

Motion: *The Board of Directors proposes that Thomas Benz, Urs Buchmann and Riet Cadonau be re-elected as members of the Compensation Committee for a term of office of 1 year, i.e. until conclusion of the next annual general meeting.*

5.2.1 *Re-election of Thomas Benz*

5.2.2 *Re-election of Urs Buchmann*

5.2.3 *Re-election of Riet Cadonau*

5.3 Re-election of the independent proxy

Motion: *The Board of Directors proposes that Werner Schib, Attorney at Law and Notary, SwissLegal (Aarau), Jurastrasse 4, 5001 Aarau, be re-elected as the independent proxy for a term of office of 1 year, i.e. until conclusion of the next annual general meeting.*

5.4 Re-election of the auditor

Motion: *The Board of Directors proposes that KPMG AG, Zug, be re-elected as statutory auditor for the 2018 financial year.*

6. Amendment of the Articles of Association

Explanatory note: Resolution on the amendment of the Articles of Association with regard to the facilitation of shareholders' right to place an item to the agenda, as well as on the basis of details of the remuneration votes, the company's remuneration principles, in particular the introduction of a long-term variable remuneration (Long Term Incentive Plan) and the clarification of the principles for employee participation plans.

The amendments to the Articles of Association are available at www.zehndergroup.com/en/investor-relations/general-meeting-of-shareholders (in German only) and will be sent to the shareholders attending the annual general meeting together with the documents.

6.1 Amendment to Article 13 of the Articles of Association (convocation and right to place items to the agenda)

Motion: *The Board of Directors proposes to amend Article 13 of the Articles of Association.*

6.2 Amendments to Articles 16, 32, 33, 36 and 37 of the Articles of Association (votes on remuneration, principles governing the remuneration of the Board of Directors and the Executive Committee, employee stock option plans)

Motion: *The Board of Directors proposes to amend Articles 16, 32, 33, 36 and 37 of the Articles of Association.*

Documentation

The 2017 annual report (operating and financial review and annual financial statements), the 2017 consolidated financial statements, the reports of the auditor and the motions tabled by the Board of Directors are available to the shareholders for inspection from 16 March 2018 onwards at the company's headquarters in Gränichen, Switzerland, where they can be ordered (telephone +41 79 648 94 18). This information is also available for the download from our website: www.zehndergroup.com/en/investor-relations/general-meeting-of-shareholders.

Voting rights and access to the annual general meeting

Entitled to vote are shareholders who are registered at the share register of Zehnder Group AG by 28 March 2018, 12:00 a.m. CET. Registered shareholders will automatically receive the invitation to the annual general meeting together with the agenda.

Exercise of voting rights, representation/proxy

- **Holders of registered shares A** (hereinafter referred to as shareholders)
Shareholders can decide whether to attend in person, be represented or to participate electronically on votes and elections giving proxies and voting instructions to the independent representative.
 - *Participation in person*
Shareholders, who attend the meeting in person, send their completed application form to Computershare Schweiz AG (see included return envelope) not later than 6 April 2018. The admission card and voting material will then be sent to shareholders by post.
 - *Representation by a third party*
Shareholders, who wish to authorize a third party, send their completed application form to Computershare Schweiz AG (see included return envelope) not later than 6 April 2018. The admission card and voting material will then be sent directly to the third party. Legal representatives do not require authorization.
 - *Representation by the independent proxy Werner Schib, attorney at law and notary, SwissLegal, Aarau*
Shareholders, who wish to appoint the independent proxy, send their completed application form to Computershare Schweiz AG (see return envelope) not later than 6 April 2018. By signing the application form the independent proxy is authorised to vote in accordance with the motion made by the Board of Directors if no other written instructions are included (see reverse of the application form). This applies equally to the case that motions not listed in the invitation are also presented for vote.
 - *Participation by electronic remote vote (investor.sherpany.com)*
Shareholders may also participate in votes and elections using electronic remote vote by granting proxies and issuing instructions to the independent proxy, order their admission card online for a participation in person or appoint a third party for their representation. The log-in data required is sent to registered shareholders together with the invitation to the annual general meeting. Intent to participate electronically and/or any changes to instructions issued electronically must be received not later than Monday, 9 April 2018, at 11:59 p.m. CET.
- **Holders of registered shares B**, who do not participate in person, may be represented by another registered shareholder B only.

Shareholders who give written authorisation to be represented by the independent proxy or choose to exercise their right to participate in votes and elections by voting electronically thereby give up their right to attend the annual general meeting in person.

Right to include items in the agenda

Shareholders may request items to be included in the agenda pursuant to Article 699 of the Swiss Code of Obligations. Such requests must be submitted to the company in writing at least 45 days before the annual general meeting stating the items to be discussed and the motions to be proposed (Article 13 of the Articles of Association). The date of the 2019 annual general meeting is published in the annual report and on the company's website and under "Investor Relations / Company Calendar" (www.zehndergroup.com/en/investor-relations/events).

Zehnder Group AG

On behalf of the Board of Directors

Hans-Peter Zehnder

Gränichen, 16 March 2018

Zehnder Group AG
Moortalstrasse 1
5722 Gränichen
Switzerland
www.zehndergroup.com

T +41 62 855 15 00
F +41 62 855 15 15
investor.relations@zehndergroup.com