

# Gurit Holding AG, Wattwil

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

(The invitation in German is binding)

To be held on Wednesday, April 20, 2022, at 4:30 p.m. CEST

*Despite the fact that the Federal Council has recently lifted the most important Covid restrictions, the Board of Directors of Gurit Holding AG has decided, due to the ongoing tense situation and in the interest of your and our health and in compliance with the COVID-19 Ordinance 3, that it will not be possible for shareholders to physically attend the 2022 Ordinary Annual General Meeting. We thank you for your understanding. Instead, shareholders are asked to use the electronic voting platform or send the voting instructions by mail to the independent proxy. In order to facilitate the opportunity to review the agenda items despite the circumstances, relevant documents will be available from March 24, 2022 under 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) until April 11, 2022, the documents will be distributed by e-mail or, if desired and a postal address and phone number is provided, by mail. In addition, shareholders are given the opportunity to address questions related to the agenda items to the Board of Directors. The relevant questions have to be sent to the following e-mail address: [investor@gurit.com](mailto:investor@gurit.com) by April 11, 2022.*

### Agenda:

1. Approval of Management Report, Annual and Consolidated Financial Statements 2021
2. Decision on Appropriation of Retained Earnings 2021
3. Granting of Discharge to the Members of the Board of Directors and the Executive Committee for the financial year 2021
4. Elections (by individual vote)
  - 4.1 Election of Rudolf Hadorn 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 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 Andreas Evertz as Member of the Board of Directors for the period until closing of the following Ordinary Annual General Meeting
  - 4.4 Election of Bettina Gerharz-Kalte, Nick Huber and Rudolf Hadorn as Members of the Nomination and Compensation Committee for the period until closing of the following Ordinary Annual General Meeting
  - 4.5 Re-election of Brunner Knobel Attorneys-at-law as independent proxy holder for the period until closing of the following Ordinary Annual General Meeting
  - 4.6 Re-election of PricewaterhouseCoopers AG, Zurich, as auditors for the period until closing of the following Ordinary Annual General Meeting
5. Partial amendment of the Articles of Association: Introduction of a single registered share structure and abolishment of the opting-up
  - 5.1 Introduction of a single registered share structure
  - 5.2 Abolishment of the opting-up
6. Partial amendment of the Articles of Association: Creation of authorized capital
7. General amendment of the Articles of Association
8. Consultative vote on the Compensation Report 2021
9. Approval of the maximum total amount of fixed compensation of the Board of Directors for the term of office 2022/2023
10. Approval of the maximum total amount of fixed compensation of the Executive Committee for the period of July 1, 2022 to June 30, 2023
11. Approval of the maximum total amount of performance-based compensation of the Executive Committee for the period of January 1, 2022 to December 31, 2022

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

#### 1. Approval of Management Report, Annual and Consolidated Financial Statements 2021

The Board of Directors proposes to approve the Management Report, the Annual Financial Statements and the Consolidated Financial Statements for the year 2021.

#### 2. Decision on Appropriation of Retained Earnings 2021

The Board of Directors proposes to distribute CHF 3,276,000 out of the retained earnings 2021 of CHF 211,523,407 and to carry forward the residual amount of CHF 208,247,407.

Retained earnings carried forward from previous year	CHF 179,098,884
Net profit for 2021	CHF 32,424,523
Retained earnings 2021	CHF 211,523,407
Dividend distribution	CHF -3,276,000
(CHF 7.00 per bearer share; CHF 1.40 per registered share)	
To be carried forward	CHF 208,247,407

The following dates are scheduled for the distribution

Ex-date: Friday, April 22, 2022  
Record date: Monday, April 25, 2022  
Payment date: Tuesday, April 26, 2022

**3. Granting of Discharge to the Members of the Board of Directors and the Executive Committee for the financial year 2021**

The Board of Directors proposes to grant all Members of the Board of Directors and the Executive Committee discharge for the financial year 2021.

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

**4.1 Election of Rudolf Hadorn 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 elect Rudolf Hadorn as Member and Chairman of the Board of Directors for a 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 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 as Members of the Board of Directors for a further one-year term of office until the closing of the following Ordinary Annual General Meeting:

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

**4.3 Election of Andreas Evertz as Member of the Board of Directors for the period until closing of the following Ordinary Annual General Meeting**

Andreas Evertz is German citizen and has been the CEO of the wind turbine systems supplier Flender since 2020, with previous roles as CEO and President in global industrial companies such as Schenck Process Holding GmbH, Sandvik Machining Solutions and Walter AG. Born in 1969, he holds a mechanical engineering degree from the University of the German Federal Armed Forces in Hamburg.

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

**4.4 Election of Bettina Gerharz-Kalte, Nick Huber and Rudolf Hadorn as 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 as Members of the Nomination and Compensation Committee for a one-year term of office until the closing of the following Ordinary Annual General Meeting

- 4.4.1 Bettina Gerharz-Kalte (Re-election)
- 4.4.2 Nick Huber (Re-election)
- 4.4.3 Rudolf Hadorn (Election)

**4.5 Re-election of Brunner Knobel Attorneys-at-law as independent proxy for the period until closing of the following Ordinary Annual General Meeting**

The Board of Directors proposes to re-elect Brunner Knobel Attorneys-at-law as independent proxy for a one-year term of office until the closing of the following Ordinary Annual General Meeting.

**4.6 Re-election of PricewaterhouseCoopers AG, Zurich, 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 until the closing of the following Ordinary Annual General Meeting.

**5. Partial amendment of the Articles of Association: Introduction of a single registered share structure and abolishment of the opting-up**

**5.1 Introduction of a single registered share structure**

The Board of Directors proposes the adoption of the "One Share, One Vote" principle by introducing a single registered share structure. The proposed new share structure further strengthens the Corporate Governance and provides equal voting rights for all shareholders. Important shareholders holding registered shares have already indicated that they are prepared to waive their voting rights privileges in favour of a new single share structure, without compensation.

The listed bearer shares have seen a significant price increase over recent years. To facilitate trading for private investors, the Board of Directors proposes the creation of a single registered share with a nominal value of CHF 5.--, by way of (i) conversion and split of all bearer shares with a nominal value of CHF 50.-- each into new registered shares with a nominal value of CHF 5.-- each and (ii) split of all registered shares with a nominal value of CHF 10.-- each into new registered shares with a nominal value of CHF 5.-- each.

Details and wording of the proposed amendments to § 3 and § 4 of the Articles of Association are reflected in the enclosure.

## 5.2 Abolishment of the opting-up

The Board of Directors proposes the abolishment of the opting-up in the Articles of Association. With the abolishment of the opting-up, a shareholder who exceeds 33⅓% of the voting rights would now be obliged to make a public takeover offer for all publicly held shares. This is in line with an up to date Corporate Governance and allows public shareholders to exercise their shareholder rights even better.

The deletion of § 4 para. 5 of the Articles of Association proposed by the Board of Directors is reflected in the enclosure.

## 6. Partial amendment of the Articles of Association: Creation of authorized capital

The Board of Directors proposes that the General Meeting approves the creation of authorized capital in the maximum amount of CHF 1,170,000 and authorizes the Board of Directors to increase the share capital at any time within a period of no more than two years by issuing a maximum of 234,000 registered shares with a par value of CHF 5 each. Should the General Meeting reject the introduction of a single registered share structure under agenda item 5, the Board of Directors proposes that the General Meeting approves the creation of authorized capital in the maximum amount of CHF 1,170,000 and authorizes the Board of Directors to increase the share capital at any time within a period of no more than two years by issuing a maximum of 23,400 bearer shares with a par value of CHF 50 each.

Details and wording of the proposed introduction of a new § 3a in the Articles of Association are reflected in the enclosure.

## 7. General amendment of the Articles of Association

The Board of Directors proposes that the General Meeting approves a general amendment of the Articles of Association. The partial amendments of the Articles of Association proposed under agenda item 5 and agenda item 6 are not covered by the general amendment of the Articles of Association. If the General Meeting rejects agenda item 5 and/or agenda item 6, the current § 3 will remain unchanged and/or the § 3a will not be inserted. Details and wording of the proposed amendment to the Articles of Association can be found in the enclosure.

Most of the changes are made in anticipation of the revised corporate law which will enter into force on of January 1, 2023 and are driven by the ambition to achieve first-class Corporate Governance as part of the commitment to continuously improve the ESG performance. The Board of Directors proposes the creation of a statutory basis for holding General Meetings by virtual means as of January 1, 2023 (§ 11), the lowering of thresholds for the exercise of certain shareholder rights (§ 9 and § 10), the determination of the qualified majority based on the number of votes represented (§ 12), an expansion of the catalog of resolutions of the General Meeting subject to the qualified majority (§ 12 and § 14), and further restrictions on the possible activities of members of the Board of Directors and Executive Committee outside the Gurit Group (§ 27). In addition, the Board of Directors proposes the deletion of provisions which replicated the applicable corporate law (e.g. § 5) or which do not need to be reflected in the Articles of Association for other reasons (e.g. § 7). In addition to these changes, the Board of Directors proposes formal changes which are intended to facilitate the readability of the Articles of Association, namely the insertion of titles and the consolidation of the German and English versions of the Articles of Association in one document.

## 8. Consultative vote on the Compensation Report 2021

The Board of Directors proposes to consensually take note of the Compensation Report 2021 on the basis of a consultative vote.

## 9. Approval of the maximum total amount of fixed compensation of the Board of Directors for the term of office 2022/2023

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 Chairman) of CHF 742,000 plus CHF 255,000 for the allocation of 175 bearer shares (or, if the introduction of a single registered share structure under agenda item 5 is approved, 1,750 registered shares) of the Company for the period until the closing of the next Ordinary Annual General Meeting 2023. The amount for the 175 bearer shares (or 1,750 registered shares) was calculated based on a share price of CHF 1,455 (or, in accordance with the par value of the registered shares, CHF 145.50) per share. This corresponds to the average closing share price of the month of January 2022. As the stock exchange price is subject to fluctuations, the value of the 175 bearer shares (or 1,750 registered shares) might be higher or lower than the amount of CHF 255,000 on the settlement date in April 2023.

## 10. Approval of the maximum total amount of fixed compensation of the Executive Committee for the period of July 1, 2022 to June 30, 2023

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, 2022 to June 30, 2023.

## 11. Approval of the maximum total amount of performance-based compensation of the Executive Committee for the period of January 1, 2022 to December 31, 2022

The Board of Directors proposes to approve a maximum total amount of performance-based compensation for the Members of the Executive Committee of CHF 1,401,454 (plus statutory social security contributions of CHF 130,555) for the performance-based cash compensation and CHF 1,200,375 (plus statutory social security contributions of CHF 110,216) for the allocation of a maximum of 825 bearer shares (or, if the introduction of a single registered share structure under agenda item 5 is approved, 8,250 registered shares) of the Company on the basis of the results that will be achieved in the financial year 2022 and to be granted in March 2023. The 825 bearer shares (or 8,250 registered shares) are valued at CHF 1,455 (or, in accordance with the par value of the registered shares, CHF 145.50) per share. This corresponds to the average closing share price of the month of January 2022. As the stock exchange price is subject to fluctuations, the value of the 825 bearer shares (or 8,250 registered shares) might be higher or lower than the amount of CHF 1,200,375 on the settlement date in March 2023.

**Representation / Proxy:**

Shareholders can be represented by the independent proxy holder, **Brunner Knobel Attorneys-at-law, Kluggasse 21, CH-8640 Rapperswil**. Granting of proxy and written instructions may be submitted to the independent proxy electronically via the platform for remote electronic voting or by means of the instruction form including legitimation about the shareholding by mail. 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** – can be obtained until April 8, 2022 from **UBS, Credit Suisse** or directly from Gurit Services AG, Thurgauerstrasse 54, CH-8050 Zurich (E-mail: [investor@gurit.com](mailto:investor@gurit.com)) by means of proving the legitimation of shareholding. Granting of proxy and instructions can be submitted to the independent proxy holder until April 13, 2022. Shareholders are not entitled to personally attend the Ordinary Annual General Meeting.

**Documentation**

The Annual Report 2021, including inter alia 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 24, 2022 at the registered office of the Company as well as at Gurit Services AG, Thurgauerstrasse 54, CH-8050 Zurich. Additionally, it can be reviewed and downloaded as 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 24, 2022

The Board of Directors