

Zurich, 3 April 2014

To the Shareholders of EFG International AG

Invitation to the 9th Annual General Meeting

Friday, 25 April 2014, 15:00 (doors open at 14:30)

at Park Hyatt Zurich, Beethovenstrasse 21, CH-8002 Zurich

Agenda and proposals of the Board of Directors

(English translation of the German original)

1. Annual report, financial statements and consolidated financial statements for 2013; reports of the auditors

Proposal of the Board of Directors:

Approval of the annual report, financial statements and consolidated financial statements for 2013 and acknowledgment of the reports of the auditors.

2. Approval of the distribution of the preferred dividend by EFG Finance (Guernsey) Limited in favour of the holders of Class B Shares of EFG Finance (Guernsey) Limited

Background:

Dividend distributions by EFG Finance (Guernsey) Limited to holders of Class B Shares of EFG Finance (Guernsey) Limited in connection with the EFG Fiduciary Certificates require the approval of the General Meeting of EFG International AG (see article 13 paragraph 1 of the Articles of Association of EFG International AG). Pursuant to the terms of the EFG Fiduciary Certificates the exact amount of the dividend distributions will be calculated on 22 April 2014.

Proposal of the Board of Directors:

Approval of the preferred dividend by EFG Finance (Guernsey) Limited to holders of Class B Shares of EFG Finance (Guernsey) Limited in the amount to be determined on 22 April 2014 and to be announced at the Annual General Meeting (the dividend is estimated to amount to about EUR 8,560,000).

3. Allocation of results and dividend by way of distribution out of reserves from capital contributions

3.1 Allocation of results

Background:

The total net income for 2013 shall be set-off against the negative retained earnings brought forward from previous year:

Negative retained earnings (brought forward from previous year)	CHF	-1,141,300,000
Net income for 2013	CHF	138,000,000
Balance to be carried forward	CHF	-1,003,300,000

Proposal of the Board of Directors:

Approval of the negative retained earnings of CHF 1,003,300,000 (comprising net income for 2013 of CHF 138,000,000 set-off against negative retained earnings brought forward from previous year of CHF -1,141,300,000) to be carried forward to the new accounts.

3.2 Dividend by way of distribution out of reserves from capital contributions

Background:

According to article 13 paragraph 6 of the Articles of Association of EFG International AG, a preferred dividend pertaining to the participation certificates of class B shall be made before any other dividend payment. Upon approval of the Board of Directors' proposal under agenda item 2 the holders of participation certificates' entitlement to a preferred dividend lapses according to article 13 paragraph 3 of the Articles of Association of EFG International AG. Therefore, the following proposal of the Board of Directors concerning a dividend by way of distribution out of reserves from capital contributions is subject to the condition that the proposal under agenda item 2 is being approved by the Annual General Meeting.

The Board of Directors proposes a dividend to shareholders by way of distribution out of reserves from capital contributions. The Board of Directors proposes the distribution of CHF 0.20 per registered share out of reserves from capital contributions. Such distribution charged to the reserves from capital contributions would not be subject to 35 % Swiss Withholding Tax. EFG International AG will not make this repayment of reserves from capital contributions on registered shares held in treasury at the time of distribution.

Provided that the Board of Directors' below proposal on a dividend by way of distribution out of reserves from capital contributions is approved, the distribution will be made on 6 May 2014 (ex-date: 30 April 2014).

Proposal of the Board of Directors:

Subject to the condition that the proposal under agenda item 2 is being approved: Approval of a dividend by way of distribution to the shareholders out of reserves from capital contributions of CHF 0.20 per share, amounting to a total distribution of about CHF 29.7 million (depending on the number of shares issued as of the last trading day with entitlement to receive the dividend, i.e. 29 April 2014).

4. Discharge of the Board of Directors and of the Management

Proposal of the Board of Directors:

Approval of granting discharge from liability to the members of the Board of Directors and of the Management for their services in the business year 2013.

5. Amendments to the Articles of Association – Changes due to the new Ordinance against Excessive Compensation with respect to Listed Companies

Background:

On 20th November 2013, the Swiss Federal Council adopted the Swiss Ordinance against Excessive Compensation ("OaeC") with respect to Listed Companies. The OaeC implements the provisions of the Swiss Federal Constitution resulting from the affirmative vote by the Swiss people on 3 March 2013 on the so-called "Minder Initiative". The OaeC entered into force on 1st January 2014.

The Board of Directors of EFG International AG proposes to the shareholders to amend certain provisions of the Articles of Association and introduce new articles in order to implement the changes required by the OaeC already at the Annual General Meeting in 2014. Some further changes will be proposed to the Annual General Meeting 2015.

The most important amendments are set forth below:

- The shareholders will individually elect the members of the Board of Directors, the Chairman of the Board of Directors and the members of the Remuneration Committee for a one-year term of office (see also agenda items 8 and 9 below). In addition, the Articles of Association will contain the basic principles with respect to the organization and responsibility of the Remuneration Committee;
- The shareholders will elect the independent proxy for a one-year term of office (see also agenda item 10 below);
- The Articles of Association will contain provisions regarding the annual and binding vote of the shareholders on the compensation of the Board of Directors and the Executive Management and on other compensation related matters; and
- The Articles of Association will contain provisions regarding (i) the number of mandates of the Board of Directors and the Executive Management, (ii) the term of employment agreements of members of the Executive Management and (iii) the delegation of the management to natural persons.

The proposed amendments and the new wording of the Articles of Association are set forth in the Annex.

5.1 Amendments relating to general requirements and adjustments

Proposal of the Board of Directors:

Approval of the following revised Articles (as set forth in the Annex): Article 17, Article 23, Article 26, Article 28 and Article 29.

5.2 Amendments relating to the compensation of the members of the board and management

Proposal of the Board of Directors:

Approval of the following revised and new Articles (as set forth in the Annex): Article 18, Article 32 and introduction of a new title "VI. Compensation and related provisions" and a new subtitle "A. Compensation Principles", Article 33, Article 34 and introduction of a new subtitle "B. Additional Compensation for New Hires and Promotions", Article 35 and introduction of a new subtitle "C. Variable Compensation and Equity Incentive Plan" and Article 36 and introduction of a new subtitle "D. Pension Benefits not based on Occupational Pension Schemes".

5.3 Further amendments

Proposal of the Board of Directors:

Approval of the following revised and new Articles (as set forth in the Annex): Article 25, Article 27, Article 30, Article 37 and introduction of a new subtitle "E. Permitted Additional Mandates" and Article 38 as well as introduction of a new subtitle "F. Duration and Notice Period of Employment and similar Contracts".

5.4 Final vote on the revised Articles of Association

Proposal of the Board of Directors:

Approval of the revised Articles of Association of EFG International AG as set forth in the Annex to this invitation.

6. Amendment to the Articles of Association – Renewal of authorized share capital

Background:

Article 3a of the current Articles of Association of EFG International AG authorizes the Board of Directors until 27 April 2014 to increase the share capital by no more than CHF 25,000,000 by issuing no more than 50,000,000 fully paid up registered shares.

The proposed amendment of article 3a of the Articles of Association would result in a renewal of the authorized share capital and would authorize the Board of Directors until 25 April 2016 to increase the share capital by no more than CHF 25,000,000 by issuing no more than 50,000,000 fully paid up registered shares. The terms under which such issues of registered shares could take place would remain unchanged compared to the current Articles of Association.

As a result, EFG International AG's flexibility to increase its share capital by issuing registered shares would be maintained.

The proposed new wording of article 3a of the Articles of Association of EFG International AG is shown in the Annex.

Proposal of the Board of Directors:

Approval of the renewal of the authorized capital for another two years until 25 April 2016 and of the corresponding amendment of article 3a of the Articles of Association of EFG International AG as shown in the Annex.

7. Amendment to the Articles of Association – Increase of conditional capital

Background:

According to article 3b of the current Articles of Association, EFG International AG is entitled to increase its share capital by issuing registered shares with a nominal value of CHF 0.50 each upon exercise of option rights or in connection with similar rights regarding employee shares (including existing or future restricted stock units (RSU)) granted to officers and employees of the company.

In order to cover settlement of claims under existing and future employee incentive plans the conditional capital the Board of Directors proposes to the Annual General Meeting 2014 a corresponding increase of the conditional capital by no more than CHF 750,000 by issuing no more than 1,500,000 fully paid up registered shares with a nominal value of CHF 0.50 each (this represents about 1 % of the total share capital issued).

The proposed new wording of article 3b of the Articles of Association of EFG International AG is shown in the Annex.

Proposal of the Board of Directors:

Approval of the increase of the conditional capital and of the corresponding amendment of article 3b of the Articles of Association of EFG International AG as shown in the Annex.

8. Election of the members of the Board of Directors and the Chairman

Background:

The current members of the Board of Directors have all provided valuable services to EFG International AG and all stand for re-election except Mr. Hans Niederer, who regrettably decided not to seek another term of office.

In order to emphasize the company's commitment to the Asian markets Mr. Robert Chiu is proposed as new member of the Board of Directors. In addition, Mr. Daniel Zuberbühler is proposed as a new member to strengthen the Board of Directors' regulatory and supervisory knowledge.

Robert Yin Chiu:

Mr. Robert Chiu was born in 1948 and is a Hong Kong citizen. He was responsible for EFG Bank's Asian business in Hong Kong and Singapore since inception in 2000 ultimately as non-executive Chairman. Between 1993 and 2000, Mr. Chiu was Managing Director and General Manager of the Republic National Bank of New York as Head of the banks Private Banking business for the Asia Pacific Region. Prior to that, he held various positions at Standard Chartered Bank's Asian Private Banking business (1987-1992) in Hong Kong and at Citibank (1976-1987) in New York and Hong Kong. Mr. Chiu was educated in the United States and obtained his Bachelor of Science at Columbia University and his Master of Business Administration at the University of Chicago.

Karl Daniel Zuberbühler:

Mr. Daniel Zuberbühler was born in 1948 and is a Swiss citizen. Between 1976 and 2011 he held various positions at the SFBC, from 1988 until 1996 as Deputy Director and from 1996 until 2008 as CEO. Between 2009 and 2011 he was Vice-Chairman of the Board of Directors of FINMA. In 2012 and 2013 he served as Senior Financial Consultant and Director Audit Financial Services at KPMG AG in Zurich. Mr. Zuberbühler studied law at the University of Bern and business at the City of London Politechnic. He qualified as a Berne attorney in 1976.

In accordance with articles 3 and 4 of the OaeC with respect to Listed Companies, the Annual General Meeting elects each member of the Board of Directors and the Chairman of the Board of Directors individually for a one-year term of office until completion of the next Annual General Meeting.

Proposal of the Board of Directors:

Re-election of Messrs. Niccolò H. Burki, Emmanuel Leonard Bussetil, Erwin Richard Caduff, Michael Norland Higgin, Spiro J. Latsis, Bernd-A. von Maltzan, Hugh Napier Matthews, Pericles Petalas and Jean Pierre Cuoni as member of the Board of Directors each for a one-year term of office until completion of the next Annual General Meeting.

Election of Messrs. Robert Yin Chiu and Karl Daniel Zuberbühler as members of the Board of Directors, each for a one-year term of office until completion of the next Annual General Meeting.

Election of Mr. Jean Pierre Cuoni as Chairman of the Board of Directors for a one-year term of office until completion of the next Annual General Meeting.

All elections will be carried out individually.

9. Election of the members of the Remuneration Committee*Background:*

In accordance with article 7 of the OaeC, the Annual General Meeting elects each member of the Remuneration Committee among the members of the Board of Directors individually for a one-year term of office until completion of the next Annual General Meeting.

Proposal of the Board of Directors:

Election of Messrs. Niccolò H. Burki, Emmanuel Leonard Bussetil, Jean Pierre Cuoni, Hugh Napier Matthews and Pericles Petalas as member of the Remuneration Committee each for a one-year term of office until completion of the next Annual General Meeting.

All elections will be carried out individually.

10. Election of the independent shareholders representative (independent proxy)

Background:

In accordance with article 8 of the OaEC the Annual General Meeting elects the independent shareholders representative (independent proxy) for a one-year term of office until completion of the next Annual General Meeting.

Proposal of the Board of Directors:

Election of the law firm KSTA Attorneys, Zurich, as independent shareholders representative (independent proxy) for a one-year term of office until completion of the next Annual General Meeting.

11. Election of the Auditors

Proposal of the Board of Directors:

Re-election of PricewaterhouseCoopers SA, Geneva, for a one-year term of office as auditors.

Administrative Details

The annual report 2013 and the reports of the Auditors are available for inspection at the domicile of the company. The annual report 2013 is also available on the internet (www.efginternational.com/financial-reporting). These documents will also be sent to shareholders at their request.

Enclosed with the invitation sent to shareholders is a reply form which can be used to order the admission card or to grant a proxy. Shareholders who wish to attend the Annual General Meeting in person or grant a proxy are kindly asked to complete the enclosed reply form and return it until **17 April 2014** at the latest (date of receipt) as soon as possible by mail to the following address: EFG International AG, c/o SIX SAG AG, Baslerstrasse 90, Postfach, CH-4601 Olten, Switzerland.

Shareholders registered with voting rights in the share register as of 10 April 2014 will be authorized to participate and to vote at the Annual General Meeting. They will receive their admission card and voting material upon returning the enclosed registration form. From 10 April 2014 to 25 April 2014, no entries will be made in the share register which would create a right to vote at the Annual General Meeting.

Shareholders who sell part or all their shares before the Annual General Meeting are no longer entitled to vote to that extent. They are requested to return or to exchange their admission card and voting material.

Shareholders who do not attend the Annual General Meeting in person may be represented by written proxy by a third party or by the independent representative pursuant to article 689c of the Swiss Code of Obligations, KSTA Attorneys, Zurich. For further details please consult the application and proxy form.

Zurich, 3 April 2014

EFG International AG

On behalf of the Board of Directors

The Chairman

Jean Pierre Cuoni

EFG International AG, Bleicherweg 8, P.O. Box 2255, CH-8022 Zurich, Switzerland

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Annex: Revised Articles of Association¹

Current version	New version
<p>Article 3a</p> <p>The board of directors is authorised, at any time until 27 April 2014, to increase the share capital by no more than CHF 25'000'000 by issuing no more than 50'000'000 fully paid up registered shares with a face value of CHF 0.50 each. Increase by firm underwriting, partial increases as well as increases by way of conversion of own free funds are permissible. The issue price, the starting date of the dividend entitlement and the type of contribution will be determined by the board of directors. After their acquisition, the newly issued registered shares shall be subject to the transfer limitations pursuant to Article 6 of the Articles of Association.</p> <p>[...]</p>	<p>Article 3a</p> <p>The board of directors (the "Board of Directors") is authorised, at any time until 25 April 2016, to increase the share capital by no more than CHF 25,000,000 by issuing no more than 50,000,000 fully paid up registered shares with a face value of CHF 0.50 each. Increase by firm underwriting, partial increases as well as increases by way of conversion of own free funds are permissible. The issue price, the starting date of the dividend entitlement and the type of contribution will be determined by the Board of Directors. After their acquisition, the newly issued registered shares shall be subject to the transfer limitations pursuant to Article 6 of the Articles of Association.</p> <p>[...]</p>
<p>Article 3b</p> <p>The share capital of the company may be increased by no more than CHF 1'678'980 by issuing no more than 3'357'960 fully paid up registered shares with a face value of CHF 0.50 each, upon the exercise of option rights or in connection with similar rights regarding employee shares (including existing or future restricted stock units (RSU)) granted to officers and employees at all levels of the company and its group companies according to respective regulations of the board of directors. The preemptive rights and the advance subscription rights of the shareholders and the participants are excluded. The acquisition of registered shares based on this Article 3b and every subsequent transfer of these registered shares shall be subject to the transfer restrictions pursuant to Article 6 of the Articles of Association.</p> <p>[...]</p>	<p>Article 3b</p> <p>The share capital of the Company may be increased by no more than CHF 2,428,980 by issuing no more than 4,857,960 fully paid up registered shares with a face value of CHF 0.50 each, upon the exercise of option rights or in connection with similar rights regarding employee shares (including existing or future restricted stock units (RSU)) granted to officers and employees at all levels of the Company and its group companies according to respective regulations of the Board of Directors. The preemptive rights and the advance subscription rights of the shareholders and the participants are excluded. The acquisition of registered shares based on this Article 3b and every subsequent transfer of these registered shares shall be subject to the transfer restrictions pursuant to Article 6 of the Articles of Association.</p> <p>[...]</p>

¹ Only the substantial changes of the Articles of Association have been included. For all changes (formal/'cosmetic' changes) please see the entire document under www.efginternational.com/agm. The document is also available for inspection at the domicile of the company and will be sent to the shareholders at their request.

<p>Article 17</p> <p>The general meeting has the following inalienable powers:</p> <ol style="list-style-type: none"> 1. drawing up and amending the articles of association; 2. electing and dismissing the members of the board of directors and the auditors; 3. approving the annual report; 4. approving the annual accounts and deciding on the appropriation of net income, particularly fixing the dividend and director's fees; 5. granting discharge to the members of the board of directors; 6. taking decisions on all other matters that come within the remit of the general meeting by law or under the articles of association or which are referred to it by the board of directors for a decision. 	<p>Article 17</p> <p>The General Meeting has the following inalienable powers:</p> <ol style="list-style-type: none"> 1. drawing up and amending the Articles of Association; 2. electing and dismissing the members of the Board of Directors, the Chairman of the Board of Directors (the "Chairman"), the members of the remuneration committee of the Company (the "Remuneration Committee"), the independent proxy of the Company (the "Independent Proxy") and the Auditors; 3. approving the annual report; 4. approving the annual accounts and deciding on the appropriation of net income, particularly fixing the dividend and director's fees; 5. granting discharge to the members of the Board of Directors; 6. approving the aggregate maximum compensation of the Board of Directors and the aggregate maximum compensation of the executive committee of the Company (the "Executive Committee") pursuant to Article 18 below; and 7. taking decisions on all other matters that come within the remit of the General Meeting by law or under the Articles of Association or which are referred to it by the Board of Directors for a decision.
	<p>Article 18</p> <p>Each year the General Meeting approves separately the proposals of the Board of Directors on the aggregate maximum amounts of:</p> <ol style="list-style-type: none"> a) the compensation of the Board of Directors pursuant to Article 32 below that can be paid and awarded respectively for the term of office until the closure of the next annual General Meeting; b) the fix compensation of the Executive Committee pursuant to Article 33 below that can be paid and awarded respectively in the current year; c) the variable compensation of the Executive Committee pursuant to Article 35 below that can be paid and awarded respectively in the current year based on the performance in the business year preceding the annual General Meeting.

	<p>The aggregate maximum compensation amounts approved by the General Meeting are deemed inclusive social security and pension contributions.</p> <p>In case, the General Meeting does not approve the proposed compensation amounts, the Board of Directors can submit new proposals at the same General Meeting. If no new proposals are submitted or if the new proposals are not approved, the Board of Directors can convene extraordinary General Meetings and propose new aggregate maximum compensation amounts for approval.</p>
<p>Article 22</p> <p>Each shareholder may have himself/herself represented at the general meeting. The representative shall identify himself/herself by means of a written power of attorney.</p>	<p>Article 23</p> <p>Each shareholder may have himself/herself represented at the General Meeting either by the Independent Proxy by means of a written or electronic proxy or by a third party, who need not to be a shareholder, by means of a written proxy.</p> <p>The Board of Directors may, in the notice of a General Meeting or in general regulations or directives, issue procedural rules regarding the participation and representation in the General Meeting and regarding the requirements for proxies and instructions (including electronic proxies and electronic instructions) thereby taking into account the rules laid down in this Article.</p>
<p>Article 24</p> <p>The general meeting shall take its decisions and conduct its elections by an absolute majority of the share votes represented, subject to different binding provisions laid down by law, in particular Art. 704 CO.</p>	<p>Article 25</p> <p>Subject to different mandatory provisions of the law or different provisions of the Articles of Association, the General Meeting shall take its decisions and carry out its elections with the simple majority of the votes cast, whereby abstentions from voting, empty or invalid ballots shall be disregarded for purposes of establishing the majority.</p>
<p>Article 25</p> <p>The board of directors consists of three or more members, who are elected by the general meeting for a one-year term and who may be re-elected.</p> <p>The term of office ends on the day of the ordinary general meeting. [...]</p>	<p>Article 26</p> <p>The Board of Directors consists of at least five members, who are individually elected by the General Meeting for a one-year term and who may be re-elected.</p> <p>The term of office ends with the closure of the next ordinary General Meeting. [...]</p>

<p>Article 26</p> <p>The board of directors forms itself by electing its chairman and secretary. The secretary does not have to be a member of the board of directors. [...]</p>	<p>Article 27</p> <p>The Board of Directors shall elect a secretary. The secretary does not have to be a member of the Board of Directors. [...]</p>
<p>Article 27</p> <p>[...]</p> <p>7. notifying the judiciary should the company become excessively indebted.</p>	<p>Article 28</p> <p>[...]</p> <p>7. the issuance of the compensation report; 8. notifying the judiciary should the Company become excessively indebted.</p> <p>If the position of the Chairman of the Board of Directors is vacant, the Board of Directors may appoint a new Chairman for the remaining term of office from among the members of the Board of Directors. If the Remuneration Committee is not complete, the Board of Directors may fill the open positions for the remaining term of office with another member of the Board of Directors. If the Company has no Independent Proxy, the Board of Directors may appoint an Independent Proxy for the next General Meeting.</p>
<p>Article 28</p> <p>The board of directors may entrust the management and the representation of the company wholly or in part to one or several persons, members of the board of directors or third parties who need not be shareholders of the company. The board of directors shall enact the organizational regulations and arrange for the appropriate contractual relationships.</p>	<p>Article 29</p> <p>The Board of Directors may entrust the management and the representation of the Company wholly or in part to one or several natural persons, members of the Board of Directors, committees of the Board of Directors or third parties who need to be natural persons. The Board of Directors shall enact the organizational regulations and arrange for the appropriate contractual relationships.</p>
<p>Article 29</p> <p>The members of the board of directors are entitled to a remuneration which shall be determined by the board of directors in accordance with their workload and responsibility.</p>	<p>Article 30</p> <p>The Remuneration Committee shall consist of at least three members of the Board of Directors who are individually elected by the General Meeting. The term of office is one year and ends with the conclusion of the next annual General Meeting. Re-election is possible.</p> <p>The Remuneration Committee shall in principle have the following tasks and responsibilities in relation to the compensation of the Board of Directors and the Executive Committee of the Company:</p> <p>1. The function of the Remuneration Committee is to establish the compensation strategy for the Company, and to approve</p>

	<p>the compensation and to make recommendations to the Board of Directors with regard to certain compensation matters, in particular to review, on behalf of the Board of Directors and within the limits set by the General Meeting, the amount of compensation to be paid to the members of the Board of Directors and the members of the Executive Committee;</p> <ol style="list-style-type: none"> 2. The Remuneration Committee shall annually review, and make a recommendation to the Board of Directors regarding, the form and amount of the compensation of the members of the Board of Directors and any additional compensation to be paid for service as Chairman, for service on committees of the Board of Directors and for service as a chairman of a committee; 3. The Remuneration Committee shall annually (a) review and assess the corporate goals and objectives upon which the compensation of the Chief Executive Officer and the other members of the Executive Committee is based and (b) evaluate the performance of the Chief Executive Officer and the other members of the Executive Committee in light of these goals and objectives. 4. After the evaluation of the Chief Executive Officer's performance, the Remuneration Committee shall make a recommendation to the Board of Directors of appropriate compensation levels for the Chief Executive Officer. 5. The Remuneration Committee shall annually review and make a recommendation to the Board of Directors of appropriate compensation levels for other members of the Executive Committee, as to (a) the annual base salary level, (b) the annual incentive opportunity level, (c) the long-term incentive opportunity level, (d) any employment agreements and other arrangements or provisions and (e) any special or supplemental benefits. <p>The Board of Directors shall set forth rules with respect to further tasks and responsibilities of the Remuneration Committee in the Company's regulations.</p>
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	<p>VI. Compensation and related provisions A. Compensation Principles Article 32</p> <p>The compensation of the members of the Board of Directors which is paid out subject to the approval by the General Meeting consists of a fix base fee paid in cash by the Company and/or a direct or indirect subsidiary of the Company depending on the function in the Board of Directors, the number of committee activities and the functions in the committees.</p> <p>Subject to the approval by the General Meeting, members of the Board of Directors may receive additional market standard remuneration in cash for advisory services not related to their function as member of the Board of Director rendered to the Company and/or direct or indirect subsidiaries of the Company.</p>
	<p>Article 33</p> <p>The compensation of the members of the Executive Committee which is subject to the approval by the General Meeting comprises compensation paid by the Company and/or a direct or indirect subsidiary of the Company and consists of:</p> <ul style="list-style-type: none"> a) A fix base salary paid in cash; and b) Variable compensation paid in cash and/or awarded in equity or equity linked instruments in accordance with Article 35 below.
	<p>B. Additional Compensation for New Hires and Promotions Article 34</p> <p>In the event that new members of the Executive Committee are appointed after the General Meeting has approved the aggregate maximum fix compensation of the Executive Committee, the Company may award additional compensation to such new members. The additional aggregate fix compensation per year for all new members of the Executive Committee shall not exceed 50 % of the last aggregate maximum fix compensation amount of the Executive Committee approved by the General Meeting.</p> <p>Within the scope of the additional compensation for new hires and promotions according to the paragraph above, the Company may grant to such new members of</p>

	<p>the Executive Committee sign on bonuses in the form of cash and/or equity or equity linked instruments under the Company's equity incentive plans as compensation for forfeited compensation elements at the previous employer.</p>
	<p>C. Variable Compensation and Equity Incentive Plan Article 35</p> <p>Subject to the approval by the General Meeting the award of variable compensation to the members of the Executive Committee is entirely within the discretion of the Remuneration Committee. The decision of the Remuneration Committee to award variable compensation to a member of the Executive Committee is based on group, company, functional/business unit and individual goals. The Remuneration Committee considers a number of quantitative and qualitative elements such as the performance, both in profitability and stock price evolution, of the Company through the year, the relation between variable compensation and key performance indicators, and the risk profile of the Company and the individual performance of the members of the Executive Committee. The individual variable compensation may in addition be based on the achievement of business critical initiatives. The Remuneration Committee approves target and maximum award levels for each member of the Executive Committee taking into account position, responsibilities and tasks as well as the actual bonus awards/pay-out.</p> <p>The members of the Executive Management participate upon discretionary invitation by the Remuneration Committee (each a "Participant") in the Company's Equity Incentive Plan (the "EIP") under which a certain percentage of the variable compensation is payable in the form of options regarding shares in the Company ("Options") or of RSU regarding shares in the Company. The Remuneration Committee shall determine the amount of Options and/or RSU granted to a Participant.</p> <p>The Remuneration Committee determines annually the minimum percentage of the variable compensation awarded in form of Options and/or RSU under the EIP. The</p>

	<p>minimum percentage cannot be below 50 %.</p> <p>The Options and/or RSU granted as variable compensation under the EIP are deferred over a minimum period of three years with progressive vesting. It is entirely within the discretion of the Remuneration Committee to decide whether part or all cash awarded as variable compensation is also deferred over a minimum period of three years with progressive vesting. The members of the Executive Committee shall receive unrestricted ownership upon expiry of the vesting period both in respect of the cash and the Options respectively the RSU.</p> <p>Upon termination of employment deferred cash, deferred Options and/or deferred RSU granted but not yet vested shall forfeit except in case of (i) termination of employment for cause by the employee, (ii) termination of employment by the Company other than termination for cause or (iii) retirement, disability or death of the respective member of the Executive Committee.</p> <p>The EIP provides that, upon the occurrence of certain events such as a change of control over the Company, the Options or RSU granted will be subject to accelerated vesting.</p> <p>The Board of Directors is authorized to amend the EIP or to adopt new equity incentive plans within the frame-work established under this Article 35.</p>
	<p>D. Pension Benefits not based on occupational pension schemes Article 36</p> <p>The Company may pay a pension contribution to former members of the Executive Committee or of the Board of Directors provided that they held an executive function within the Company's group prior to serving as a member of the Executive Committee or of the Board of Directors. Such pension contribution may be a fixed amount in cash or, according to the discretion of the Board of Directors, may depend upon the profitability of the business segment the member in question presided over. The pension contribution may be paid for a limited duration not to exceed five years and may not exceed 50 % of the member's average total</p>

	<p>compensation during the three years prior to retirement.</p>
	<p>E. Permitted Additional Mandates Article 37</p> <p>The term mandates as used in this Article means membership in the superior management or oversight bodies of legal entities obliged to register themselves in the Commercial Register in Switzerland or a foreign equivalent thereof (the "Mandates").</p> <p>The members of the Board of Directors may have up to 20 Mandates of which a maximum of 5 may be in listed companies.</p> <p>The members of the Executive Committee may upon prior approval by the Board of Directors or the Remuneration Committee have up to 3 Mandates of which a maximum of 1 may be in listed companies.</p> <p>For the purposes of this Article the following Mandates do not fall under the above restrictions:</p> <ul style="list-style-type: none"> a) Mandates in entities controlled by the Company; b) Mandates in entities controlling the Company; and c) Mandates in associations, charitable institutions as well as welfare and pension institutions. No member of the Board of Directors or of the Executive Committee may have more than 10 such Mandates.
	<p>F. Duration and notice period of employment and similar contracts Article 38</p> <p>The agreements of the members of the Board of Directors have a fixed term until the conclusion of the next annual General Meeting. Early termination or dismissal remains reserved.</p> <p>The employment agreements of the members of the Executive Committee shall in principle be concluded for an indefinite period. The maximum notice period shall not exceed 12 months. If the Board of Directors or the Remuneration Committee comes to the conclusion that a fixed term is appropriate, the fixed term shall not exceed one year. Renewal is possible.</p>

	<p>In the event of termination of the employment agreement, the Company may relieve the respective member of the Executive Committee from its duties and/or can enter into a termination agreement.</p> <p>The Company may, at its discretion, enter into non-competition agreements with members of the Executive Management with a duration of up to two years. The annual compensation payable during the term of the non-competition agreement shall not exceed the annual base salary paid prior to the termination of the employment agreement.</p>
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