



# **Inventing success together**

**27<sup>th</sup> Annual General Meeting  
of SFS Group AG**

**Thursday, 23 April 2020**

Dear shareholders,

In order to contain the spread of the coronavirus in Switzerland and to protect the population and healthcare services, the Swiss Federal Council decided on further far-reaching measures at its meetings on 13 March and 16 March 2020.

Based on article 6a of the Ordinance 2 of the Swiss Federal Council on measures to combat the coronavirus (COVID-19 Ordinance 2) of 13/16 March 2020, the Board of Directors of the SFS Group AG makes use of the option to order written or electronic voting and the granting of power of attorney to the independent proxy as the only way to participate in the Annual General Meeting of 23 April 2020.

Shareholders are therefore not allowed to participate physically in the Annual General Meeting. The Annual General Meeting on 23 April 2020 will be held on the premises of the SFS Group AG at the company's headquarters in Heerbrugg in the presence of the independent proxy and a representative of the external auditor.

### Voting

All shareholders can still

- send their authorisation and instructions in writing to the independent proxy with the enclosed form in the reply envelope provided for this purpose to Computershare Schweiz AG by Friday, 17 April 2020 at the latest, or
- participate in the elections and votes by electronic remote voting by issuing powers of attorney and instructions to the independent proxy by no later than 11:59 p.m. on Friday, 17 April 2020 via the electronic [ip.computershare.ch/sfsag](http://ip.computershare.ch/sfsag)

All shareholders entered in the share register on 9 April 2020 are entitled to vote.

### Votes and questions

If you had planned to vote, submit a motion in respect of an agenda item or ask question at the Annual General Meeting, you may do so in writing within the limits of what is legally permitted. We will take note of your vote, briefly record it in the minutes, comment on motions and reply to questions in written. Please send your motion or questions to us by Friday, 17 April 2020, either by email to:

[corporate.communications@sfs.biz](mailto:corporate.communications@sfs.biz)

or by mail to:

SFS Group AG  
Corporate Communications  
Rosenbergsaustasse 8  
CH- 9435 Heerbrugg

Enclosed you find the letter to shareholders with the most important information regarding the 2019 financial year. The complete annual report can be downloaded at:

<https://annualreport.sfs.biz/en>.

It is also available in printed form at the company's headquarters: Rosenbergsaustasse 8, CH-9435 Heerbrugg.

### Thank you

We thank all our shareholders for their continued loyal support. That gives our company stability and continuity. We also thank you for your understanding in the face of this extraordinary situation and look forward to greeting you in person at next year's Annual General Meeting.

With kind regards



Heinrich Spoerry  
Chairman of the Board of Directors



Jens Breu  
CEO

### 27<sup>th</sup> Annual General Meeting of SFS Group AG

Thursday, 23 April 2020, 5:30 p.m.

SFS Group AG  
Rosenbergsaustasse 8  
CH-9435 Heerbrugg

### Agenda and proposals

#### 1

#### Approval of the management report of SFS Group AG, the consolidated financial statements and the financial statements of SFS Group AG for 2019

The Board of Directors proposes that the management report, the consolidated financial statements and the financial statements for the 2019 financial year be approved.

#### 2

#### Approval of the compensation of the Board of Directors and the Group Executive Board

The compensation of the Board of Directors and the Group Executive Board is submitted to the Annual General Meeting for approval on an annual basis. Pursuant to Article 12 of the Articles of Association, the compensation of the Board of Directors for the period until the next Annual General Meeting is submitted to the shareholders at the Annual General Meeting for approval. The fixed compensation of the Group Executive Board for the coming 2021 financial year and the variable compensation of the Group Executive Board based on the results and the goals achieved during the 2019 financial year, to be paid upon approval, are submitted to the Annual General Meeting for approval.

The determination process and the structure of the compensation of the Board of Directors and the Group Executive Board are described in detail in the compensation report on page 46 of the annual report and can be viewed online at: <https://annualreport.sfs.biz/en>.

#### 2.1

Approval of the compensation of the Board of Directors for the 2020/2021 term of office.

The Board of Directors proposes that shareholders approve the maximum total compensation for the members of the Board of Directors of CHF 760,000 (including social insurance contributions) plus CHF 430,000 (including social insurance contributions) for the award of 4,300 SFS shares for the period until the end of the Annual General Meeting in 2021. The allotted shares are valued at the 25 February 2020 market price of CHF 84.85. As the price of the shares is subject to fluctuations, the value of the 4,300 shares upon date of grant following the Annual General Meeting may be higher or lower than the allocated CHF 430,000.

#### 2.2

Approval of the maximum total fixed compensation of the Group Executive Board for the period from 1 January 2021 to 31 December 2021.

The Board of Directors proposes that shareholders approve the maximum total amount of CHF 4,000,000 (including social insurance contributions) as fixed compensation for the members of the Group Executive Board for the 2021 financial year.

#### 2.3

Approval of the maximum total variable compensation of the Group Executive Board for the past 2019 financial year.

The Board of Directors proposes that shareholders approve the maximum total amount of CHF 1,170,000 (including social insurance contributions) as variable cash compensation for the members of the Group Executive Board plus CHF 930,000 (including social insurance contributions) for the award of 8,714 SFS shares based on the results achieved during the 2019 financial year, to be granted to the members of the Group Executive Board upon approval following this Annual General Meeting. The allotted shares are valued at the 25 February 2020 market price of CHF 84.85. As the market price of the shares is subject to fluctuations, the value of the 8,714 shares upon date of grant following the Annual General Meeting may be higher or lower than the allocated CHF 930,000.

### 3

#### **Discharge of the Board of Directors and the Group Executive Board**

The Board of Directors proposes that the members of the Board of Directors and the Group Executive Board be granted discharge from liability for the 2019 financial year.

### 4

#### **Appropriation of retained earnings**

The Board of Directors proposes the payment of a gross dividend of CHF 2.10 per registered share of CHF 0.10 nominal value.

Balance brought forward	CHF	489'605'479.87
Net income for the year	CHF	82'163'518.10
Retained earnings available for distribution	CHF	571'768'997.97
Dividend from retained earnings	CHF	-78'750'000.00
Balance to be carried forward	CHF	493'018'997.97

### 5

#### **Re-election of the members and the Chairman of the Board of Directors**

Re-election of the members of the Board of Directors and the Chairman of the Board of Directors for a term of office until the end of the next Annual General Meeting is proposed.

- a) Re-election of Nick Huber
- b) Re-election of Urs Kaufmann
- c) Re-election of Thomas Oetterli
- d) Re-election of Heinrich Spoerry and re-election as Chairman of the Board of Directors (in a single vote)
- e) Re-election of Bettina Stadler
- f) Re-election of Jörg Walther

### 6

#### **Re-election of the members of the Nomination and Compensation Committee**

Re-election of the members of the Nomination and Compensation Committee for a term of office until the end of the next Annual General Meeting is proposed.

- a) Re-election of Nick Huber
- b) Re-election of Urs Kaufmann (Committee Chairman)
- c) Re-election of Heinrich Spoerry

### 7

#### **Re-election of the independent proxy**

The Board of Directors proposes the re-election of bürki bolt Rechtsanwälte, Auerstrasse 2, CH-9435 Heerbrugg, as independent proxy until the end of the next Annual General Meeting.

### 8

#### **Re-election of the statutory auditors**

The Board of Directors proposes the re-election of PricewaterhouseCoopers AG, St. Gallen, as statutory auditor for the 2020 financial year.