

To the shareholders of
Zehnder Group AG

Information on the Annual General Meeting 2022 on Thursday, 7 April 2022

Dear Shareholders,

The Board of Directors has decided to hold the 2022 Annual General Meeting of Zehnder Group AG on 7 April 2022 without the physical presence of the shareholders on the basis of **Art. 8 of the Federal Act on the Statutory Principles for Federal Council Ordinances on Combating the COVID-19 Epidemic (COVID-19 Law)**. Therefore, the only possibility of achieving participation in the Annual General Meeting of 7 April 2022 will be assigning the written or electronic casting of votes and granting of power of attorney to the independent proxy, Werner Schib, attorney-at-law and notary of SwissLegal, Aarau.

Shareholders are therefore once again not allowed to participate physically in the Annual General Meeting. The Annual General Meeting on 7 April 2022 will be held in the premises of Zehnder Group AG at the company's headquarters in Gränichen by the Chairman of the Board of Directors, the Vice Chairman and the Secretary and Recording Secretary of the Board of Directors, in the presence of the independent proxy and a representative of the external auditor.

Holders of registered shares A cannot be represented by a third party or their legal representative. Holders of registered shares B can only be represented by proxy to the Chairman of the Board of Directors.

All shareholders can

- vote in writing or electronically and send their authorisation to the independent proxy with the enclosed form in the reply envelope provided for this purpose addressed to Computershare Schweiz AG by 4 April 2022 at the latest, or
- participate in the elections and votes by means of electronic remote voting by issuing powers of attorney and instructions to the independent proxy by no later than 11:59 p.m. on 4 April 2022 via the electronic platform www.gvote.ch.

By signing the registration, the independent proxy is authorised to vote in favour of the proposals of the Board of Directors in the absence of written instructions to the contrary (see reverse side of the registration). This also applies if proposals are voted on at the Annual General Meeting which are not listed in the invitation.

Agenda

1. Presentation and approval of the Management Report of Zehnder Group AG, the annual financial statements of Zehnder Group AG and the consolidated financial statements

***Motion:** The Board of Directors proposes that the Management Report, the annual financial statements and the consolidated financial statements for 2021 be approved.*

2. Discharge of the members of the Board of Directors and the Group Executive Committee

***Motion:** The Board of Directors proposes that the members of the Board of Directors, as well as the members of the Group Executive Committee, be discharged for the financial year 2021 (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 profit for 2021 according to the income statement	CHF	19,816,030
+ retained earnings from previous year	CHF	337,345,400
Balance sheet profits	CHF	357,161,430

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

Payment of dividends	CHF	21,124,800
Carry-forward to a new account	CHF	336,036,630
Balance sheet profits	CHF	357,161,430

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. The proposal corresponds to a dividend per registered share A of CHF 1.80 (previous year: CHF 1.25).

Ex-dividend date	Monday, 11 April 2022
Record date	Tuesday, 12 April 2022
Dividend payment	Wednesday, 13 April 2022

4. Approval of the total sum of future remuneration for the Board of Directors and the Group Executive Committee; advisory vote on the Compensation Report for 2021

4.1 Compensation of members of the Board of Directors

Motion: The Board of Directors proposes the approval of the total amount for the remuneration of the Board of Directors, consisting of seven members, of a maximum of CHF 1,700,000 for the period of office until the conclusion of the next Annual General Meeting.

Explanatory notes: According to the Articles of Association, the shareholders vote annually on the maximum remuneration of the Board of Directors for the term of office until the next Annual General Meeting.

The proposed maximum compensation of the Board of Directors is CHF 100,000 (+6%) higher than the total amount proposed at the Annual General Meeting 2021 for the term of office until the Annual General Meeting 2022. The increase compared to the last period of office is due to the expansion of the Board of Directors by one member to a total of seven members.

The remuneration model for the Board of Directors is summarised in the following table:

CHF	In cash	In shares
Retainer (gross p.a.)		
Chairman of the Board of Directors	210,000	210,000
Vice Chairman of the Board of Directors	90,000	90,000
Members of the Board of Directors	50,000	50,000
Committee fees (gross p.a.)		
Chairman of the Nomination and Compensation Committee or Audit Committee	50,000	
Members of the Nomination and Compensation Committee or Audit Committee	25,000	
Expense lump sum (gross) ¹	2,000	

¹ The Chairman and Vice Chairman of the Board of Directors are paid a lump sum expense allowance in line with the company's rules on executives' expenses depending on the work commitment (currently 50% for the Chairman of the Board of Directors and 25% for the Vice Chairman). No lump sum expense allowance is paid for members of the Board of Directors based outside Switzerland or if the actual business expenses exceed CHF 2,000, and the business expenses are reimbursed on an actual cost basis.

The proposed maximum total amount for the remuneration of the Board of Directors of CHF 1,700,000 includes the following elements:

- CHF 980,000 cash remuneration for the retainers of the Board of Directors, basic fees for committee activities, flat-rate expenses and a reserve for special, unforeseen tasks,
- CHF 600,000 for compensation in the form of restricted shares and a reserve for unforeseeable price fluctuations,
- CHF 120,000 for the estimated social security contributions.

4.2 Remuneration of the Group Executive Committee

Motion: The Board of Directors proposes the approval of the total amount for the remuneration of the Group Executive Committee, consisting of five members, of a maximum of CHF 5,700,000 for the financial year 2022.

Explanatory notes: According to the Articles of Association, the shareholders vote annually on the maximum remuneration of the Group Executive Committee for the current financial year.

The amount proposed is CHF 100,000 (+2%) higher than the total amount proposed for the previous year at the 2021 Annual General Meeting. The increase compared to the previous year is due to higher employer contributions to pension funds.

The total amount requested for the Group Executive Committee was calculated based on the following assumptions:

- The amount of the annual basic salaries remains largely constant compared to the previous year.
- The short-term variable compensation in the form of a profit share in cash amounts to a maximum of 100% of the annual base salary for the CEO and 75% for all other members of the Group Executive Committee. Further-

more, it is assumed that the calculation basis for the short-term variable remuneration (comparison of the Group net profit compared to the previous year) remains unchanged. The total amount requested is the maximum possible amount.

- The long-term variable compensation (Long-Term Incentive, LTI) is in the form of allocated Performance Share Units (PSU). The vesting of PSU is calculated based on the fixed vesting amount (up to 50% of the annual base salary) and the average volume-weighted price of Zehnder shares on the SIX Swiss Exchange in the period from 1 October to 31 December in the year prior to vesting. For the LTI total amount, a maximum target achievement was assumed, which multiplies the target number of PSU originally granted by a performance factor of a maximum of 150% and does not include any share price changes during the 3-year vesting period.
- A proportional development of employer contributions to pension funds in relation to the fixed and variable remuneration elements is assumed.

The following table shows the comparison between the effective remuneration for 2021 and the proposed maximum remuneration for 2022 to the Group Executive Committee:

CHF	Application 2021 (maximum)	Effective 2021	Application 2022 (maximum)
Fixed cash remuneration, including flat-rate expenses, acquired shares ¹ and other benefits	2,300,000	2,287,743	2'300'000
Short- and long-term variable remuneration	2,600,000	2,058,845	2,600,000
Employer social security and pension contributions	700,000	765,081	800,000
Total compensation	5,600,000	5,111,669	5,700,000

¹ The members of the Group Executive Committee are eligible to purchase shares under the Zehnder Group Management Share Plan. The value disclosed includes the value of the 30% discount on the shares purchased, determined at the closing share price of the share at the grant date, 8 January 2021 and 10 January 2022, less the reference value.

4.3 Advisory vote on the Compensation Report for 2021

Motion: *The Board of Directors proposes that the 2021 Compensation Report be approved (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 the re-election of Urs Buchmann, Riet Cadonau, Jörg Walther, Ivo Wechsler, Milva Zehnder and Hans-Peter Zehnder as members of the Board of Directors and of Hans-Peter Zehnder as Chairman of the Board of Directors, for a term of office ending at the conclusion of the next Annual General Meeting. Information on the professional backgrounds of the current members of the Board of Directors can be found in the Annual Report, which is available at www.zehndergroup.com/en/investor-relations/reports-and-presentations.*

The elections will be held individually.

- 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 Urs Buchmann*
- 5.1.3 *Re-election of Riet Cadonau*
- 5.1.4 *Re-election of Jörg Walther*
- 5.1.5 *Re-election of Ivo Wechsler*
- 5.1.6 *Re-election of Milva Zehnder*

5.2 New election to the Board of Directors

Motion: *The Board of Directors proposes that Sandra Emme be elected as a new, independent member of the Board of Directors for a term of office of one year, expiring after the completion of the next Annual General Meeting.*

Sandra Emme (dual German and Swiss citizenship) has extensive experience in digital transformation and business development. After graduating with a Master of Arts in Business and International Management from the City University of Applied Sciences, Bremen, Germany, in 1997 she founded a company in the IT sector in France. The development of this company led her to spend many years in England and the USA. After successfully selling the company in 2008, she continued pursuing her professional activities in Switzerland.

Since 2011, she has worked in various roles at Google Switzerland GmbH, Zurich and as Industry Leader for Cloud Enterprise since 2019. She is also a lecturer in Leading Digital Business Transformation at IMD Business School, Lausanne, Switzerland. She has been a member of the board of directors of Belimo Holding AG since 2018, a member of the board of directors of Metall Zug AG since 2019 and a member of the board of directors of digitalswitzerland since 2021.

- 5.2.1 *New election of Sandra Emme*

5.3 Re-elections and new election of members of the Nomination and Compensation Committee

Motion: *The Board of Directors proposes that Riet Cadonau and Milva Zehnder be re-elected and Sandra Emme be newly elected as members of the Nomination and Compensation Committee for a term of office ending at the conclusion of the next Annual General Meeting. Urs Buchmann will not be standing for re-election. The elections will be held individually.*

- 5.3.1 *Re-election of Riet Cadonau*
- 5.3.2 *Re-election of Milva Zehnder*
- 5.3.3 *New election of Sandra Emme*

5.4 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 ending at the conclusion of the next Annual General Meeting.*

5.5 Re-election of the statutory auditor

Motion: *The Board of Directors proposes that PricewaterhouseCoopers AG, Lucerne, be re-elected as statutory auditor for the 2022 fiscal year.*

Documentation

The 2021 Annual Report (including Management Report and annual financial statements, consolidated financial statements, Corporate Governance Report, Compensation Report, reports of the statutory auditor) can be ordered from the company's headquarters (telephone +41 62 855 15 20). The 2021 Annual Report was published on 23 February 2022 and is available for download at www.zehndergroup.com/en/investor-relations/general-meeting-of-shareholders.

Voting rights

Entitled to vote are shareholders who are registered at the share register of Zehnder Group AG by 24 March 2022, 12:00 p.m. CET. Registered shareholders will automatically receive the log-in data and required information as well as the agenda.

Questions concerning agenda items

As shareholders are not allowed to participate physically in the Annual General Meeting, the Zehnder Group offers them the opportunity to address questions to the Board of Directors via a «virtual speakers desk». This desk will be available to shareholders between 17 and 30 March 2022, 11:59 p.m., at <https://www.zehndergroup.com/en/virtual-speakers-desk>.

The Board of Directors will respond to the most important questions at the Annual General Meeting and publish their answers with the minutes.

Right to place items to the agenda

Shareholders registered with voting rights who individually or collectively represent at least five percent of the share capital of the Company may request the Board of Directors to place an item on the agenda. The request for an item to be included on the agenda must be submitted in writing to the Chairman of the Board of Directors at least 45 days prior to the Annual General Meeting, stating the agenda item and the motions (Art. 13 Articles of Association). The date of the 2023 Annual General Meeting will be published in the annual report and on the company website under Investor Relations/Calendar (www.zehndergroup.com/en/investor-relations/events).

Zehnder Group AG
On behalf of the Board of Directors

Gränichen, 16 March 2022

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