

To the shareholders of Zehnder Group AG

Invitation to the Annual General Meeting 2023

Date: Thursday, 23 March 2023, **4:00 p.m.**, registration from 3:00 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. 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 2022 be approved.*

Explanatory note: The Board of Directors is required by law to submit the operational and financial management report, the financial statements and the consolidated financial statements for each financial year to the Annual General Meeting for approval. The auditors PricewaterhouseCoopers AG, Lucerne, have audited the consolidated financial statements of Zehnder Group and the financial statements of Zehnder Group AG and have nothing to add to their audit reports.

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 2022 (by means of a single vote for all members of the Board of Directors and the Group Executive Committee).*

Explanatory note: With the discharge of the members of the Board of Directors and the Group Executive Committee, the company as well as the consenting shareholders declare that they will no longer hold the responsible persons accountable for events from the past financial year that were brought to the attention of the Annual General Meeting. The company is not aware of any facts that would prevent the full discharge of the members of the Board of Directors and the Group Executive Committee.

3. Resolution on the appropriation of the balance sheet profits

Net profit for 2022 according to the income statement	CHF	49,251,217
+ retained earnings from previous year	CHF	336,498,686
Balance sheet profits	CHF	385,749,903

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

<i>Payment of dividends</i>	CHF	21,124,800
<i>Carry-forward to a new account</i>	CHF	364,625,103
<i>Balance sheet profits</i>	CHF	385,749,903

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 dividend-bearing registered share A of CHF 1.80 (previous year: CHF 1.80). An allocation to the profit reserve shall be waived, as this already exceeds 20% of the share capital. The appropriation of the balance sheet profit and the distribution of the ordinary dividend are based on the annual accounts audited by the auditors and to be approved in agenda item 1.

Ex-dividend date	Monday, 27 March 2023
Record date	Tuesday, 28 March 2023
Dividend payment	Wednesday, 29 March 2023

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 2022

4.1 Remuneration 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 note: 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. In order to strengthen the alignment to long-term shareholder interests, payment of the fixed annual retainer for the Board of Directors is made half in cash and half in form of registered shares A of Zehnder Group. The number of shares awarded is determined based on the average volume-weighted share price during the period 1 December and 31 December of that year. The shares are subject to a restriction period of three years during which they cannot be sold, transferred or pledged. The restriction period also applies in the case of termination of the mandate, except in case of death or change of control, where the restriction immediately lapses.

The cash compensation is paid out on a monthly basis and the registered shares A are allocated in January for the current compensation period corresponding to the term of office from the Annual General Meeting of the previous year to the Annual General Meeting of the reporting year.

The proposed maximum compensation of the Board of Directors remains unchanged compared to the total amount proposed at the Annual General Meeting 2022 for the term of office until the Annual General Meeting 2023.

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 6,000,000 for the financial year 2023.*

Explanatory note: 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 compensation for the Group Executive Committee includes a fixed annual base salary, a variable short-term element, a variable long-term element, participation in the management share plan and occupational pension benefits and perquisites. Further details on the basis of the variable compensation of the members of the Group Executive Committee can be found in the Compensation Report, which is available online at www.zehndergroup.com/en/investor-relations/corporate-governance.

The amount proposed is CHF 300,000 (+5.3%) higher than the total amount proposed for the previous year at the 2022 Annual General Meeting. The increase of the maximum compensation compared with the previous year is due to the increase of the maximum cap on short-term variable compensation from the previous 75% to the new market-standard 100% of the annual base salary for all members of the Group Executive Committee. The new market-standard percentage is only applied in the event of corresponding corporate success.

The total amount requested is the maximum possible amount for short-term variable remuneration. The long-term variable remuneration takes the form of allocated performance share units (PSUs). The allocation of the PSUs is calculated on the one hand from the fixed allocation amount (fixed amount up to 50% of the annual base salary) and on the other hand from the average volume-weighted share price of Zehnder Group on the SIX Swiss Exchange during the period 1 October to 31 December of the year before the grant date.

A maximum target achievement was assumed for the total LTI amount. The originally allocated PSUs are multiplied by a performance factor of a maximum of 150%. The LTI total amount does not include any share price changes during the three-year vesting period.

4.3 Advisory vote on the Compensation Report for 2022

Motion: *The Board of Directors proposes that the 2022 Compensation Report be approved (advisory vote).*

Explanatory note: The vote on the Compensation Report 2022 is purely consultative and not binding. The Compensation Report can be found as a separate chapter in the Annual Report 2022, which is available online at www.zehndergroup.com/en/investor-relations/reports-and-presentations.

5. Amendment of the Articles of Association

Motion: *The Board of Directors proposes to amend the Articles of Association of Zehnder Group AG in order to comply with the requirements of the revision of the Swiss company law effective as of 1 January 2023 as well as to make further adjustments to the current practice and legal situation.*

Explanatory note: For the explanations and the text of the proposed amended Articles of Association, please refer to the document “Overview and explanations of the amendment to the Articles of Association” published at www.zehndergroup.com/de/investor-relations/generalversammlung (in German only).

5.1 Change of purpose (with sustainability provision)

Art. 2

5.2 Changes required as a result of the revision of company law

- a. **Art. 6 (new Art. 5)**
- b. **Art. 12 (new Art. 11)**
- c. **Art. 13 (new Art. 12) subsections 1, 3–8**
- d. **Art. 14 (new Art. 13)**
- e. **Art. 17 (new Art. 16)**
- f. **Art. 21 (new Art. 20)**
- g. **Art. 30 (new Art. 29) (without number of mandates)**
- h. **Art. 37 (new Art. 36)**

5.3 Introduction of the possibility to hold a virtual AGM

Art. 13 (new Art. 12) subsection 9

5.4 Introduction of the possibility to use the new electronic means

- a. **Art. 13 (new Art. 12) subsection 2**
- b. **Art. 25 (new Art. 24)**
- c. **Art. 26 (new Art. 25)**
- d. **Art. 39 (new Art. 38)**

5.5 Editorial amendments to current practice and legal situation and reduction of the number of permissible mandates outside the group

- a. **Art. 3 subsections 2 and 4**
- b. **Deletion of Art. 5**
- c. **Art. 7 (new Art. 6)**
- d. **Art. 9 (new Art. 8)**
- e. **Art. 10 (new Art. 9)**
- f. **Art. 15 (new Art. 14)**
- g. **Art. 24 (new Art. 23)**
- h. **Art. 27 (new Art. 26)**
- i. **Art. 30 (new Art. 29) (only concerning the number of mandates)**
- j. **Art. 31 (new Art. 30)**
- k. **Adaptation of the remaining article numbering and references**

5.6 Introduction of a statutory jurisdiction clause

Introduction Art. 39

6. Elections

6.1 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, Sandra Emme, Milva Inderbitzin-Zehnder, Jörg Walther, Ivo Wechsler 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.*

Explanatory note: As the term of office of the members of the Board of Directors as well as the Chairman ends with the conclusion of the Annual General Meeting on 23 March 2023, they must be re-elected by the Annual General Meeting.

Hans-Peter Zehnder and Milva Inderbitzin-Zehnder represent the Zehnder family of shareholders on the Board of Directors. All other members of the Board of Directors are independent within the meaning of the Swiss Code of Best Practice for Corporate Governance of Economiesuisse. None of the directors has been a member of the Group Executive Committee of Zehnder Group AG or any of its subsidiaries in the last three years. None of the directors has a significant business relationship with Zehnder Group AG. All members of the Board of Directors are non-executive.

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.

6.1.1 *Re-election of Hans-Peter Zehnder as member and as Chairman of the Board of Directors*

6.1.2 *Re-election of Urs Buchmann*

6.1.3 *Re-election of Riet Cadonau*

6.1.4 *Re-election of Sandra Emme*

6.1.5 *Re-election of Milva Inderbitzin-Zehnder*

6.1.6 *Re-election of Jörg Walther*

6.1.7 *Re-election of Ivo Wechsler*

6.2 Re-elections of members of the Nomination and Compensation Committee

Motion: *The Board of Directors proposes that Riet Cadonau, Sandra Emme and Milva Inderbitzin-Zehnder be re-elected as members of the Nomination and Compensation Committee for a term of office ending at the conclusion of the next Annual General Meeting.
The elections will be held individually.*

Explanatory note: As the term of office of the members of the Nomination and Compensation Committee ends with the conclusion of the Annual General Meeting on 23 March 2023, they must each be newly elected by the Annual General Meeting. Riet Cadonau has been a member since 2017 and Chairman since 2017, Sandra Emme since 2022 and Milva Inderbitzin-Zehnder since 2020 have been members of the Nomination and Compensation Committee. Riet Cadonau and Sandra Emme are independent within the meaning of the Swiss Code of Best Practice for Corporate Governance of Economiesuisse. It is intended that Riet Cadonau will be confirmed as Chairman of the Nomination and Compensation Committee by the Board of Directors following his re-election as a member of the Nomination and Compensation Committee. The elections will be held individually.

6.2.1 *Re-election of Riet Cadonau*

6.2.2 *Re-election of Sandra Emme*

6.2.3 *Re-election of Milva Inderbitzin-Zehnder*

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

Explanatory note: According to the law, the independent proxy must be elected annually by the General Meeting. Werner Schib, attorney-at-law and notary public, fulfils the independence criteria and the Board of Directors proposes to re-elect him for reasons of continuity.

6.4 Re-election of the statutory auditor

Motion: *The Board of Directors proposes that PricewaterhouseCoopers AG, Lucerne, be re-elected as statutory auditor for the 2023 fiscal year.*

Explanatory note: According to the Articles of Association, the auditors must be elected annually by the General Meeting. PricewaterhouseCoopers AG, Lucerne, has been the auditor of Zehnder Group AG since 2019. PricewaterhouseCoopers has confirmed to the Board of Directors that it has the necessary independence to carry out the mandate.

Documentation

The 2022 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 2022 Annual Report was published on 1 March 2023 and is available for download at www.zehndergroup.com/en/investor-relations/general-meeting-of-shareholders.

The document "Overview of the amendment to the Articles of Association and explanations" is published at www.zehndergroup.com/de/investor-relations/generalversammlung (in German only).

Voting rights

Entitled to vote are shareholders who are registered at the share register of Zehnder Group AG by 9 March 2023, 12:00 p.m. CET. Registered shareholders will automatically receive the log-in data and required information as well as 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 20 March 2023. 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 20 March 2023. 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 20 March 2023. 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 (www.gvote.ch)*
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 are 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, 20 March 2023, 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 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 2024 Annual General Meeting will be published in the annual report and on the company website under Investor Investor Relations / Company calendar (www.zehndergroup.com/en/investor-relations/events).

Zehnder Group AG

On behalf of the Board of Directors

Dr Hans-Peter Zehnder

Gränichen, 1 March 2023

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