

Zurich, 5 April 2017

To the shareholders of EFG International AG

## **Invitation to the 12th Annual General Meeting**

Friday, 28 April 2017, 14:30 (doors open at 14:00)  
at Metropol, Fraumünsterstrasse 12, CH-8001 Zürich

### **Agenda items and proposals of the Board of Directors**

(English translation of the German original)

#### **1. Management report, financial statements and consolidated financial statements for 2016; reports of the auditors**

*Proposal of the Board of Directors:*

Approval of the management report, financial statements and consolidated financial statements for 2016 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 the holders of non-voting 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 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 21 April 2017.

*Proposal of the Board of Directors:*

Approval of the preferred dividend by EFG Finance (Guernsey) Limited to the holders of non-voting Class B Shares of EFG Finance (Guernsey) Limited in the amount to be determined on 21 April 2017 and to be announced at the Annual General Meeting (the dividend is estimated to amount to about EUR 3,500,000).

#### **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 2016 shall be set-off against the negative retained earnings brought forward from previous year:

Negative retained earnings (brought forward from previous year)	CHF	- 990,575,116
Net income for 2016	CHF	339,335,025
<b>Balance to be carried forward</b>	<b>CHF</b>	<b>- 651,240,091</b>

*Proposal of the Board of Directors:*

Approval of the negative retained earnings of CHF -651,240,091 (comprising net income for 2016 of CHF 339,335,025 set-off against negative retained earnings brought forward from the previous year of CHF -990,575,116) 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 the participation certificates' entitlement to a preferred dividend lapses according to article 13 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 the shareholders by way of distribution out of reserves from capital contributions. The Board of Directors proposes the distribution of CHF 0.25 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 5 May 2017 (ex-dividend date: 3 May 2017).

*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 0.25 per share, amounting to a total distribution of about CHF 72 million (depending on the number of shares issued as of the last trading day with entitlement to receive the dividend).

### **4. Discharge of the members of the Board of Directors and the Executive Committee**

*Proposal of the Board of Directors:*

Approval of granting discharge from liability to the members of the Board of Directors and the Executive Committee for their services in the business year 2016.

## **5. Amendments to the Articles of Association**

### **5.1 Increase of conditional share capital**

*Background:*

According to article 3b of the current Articles of Association, EFG International AG is entitled to increase its share capital by no more than CHF 1,611,461.50 by issuing no more than 3,222,923 fully paid up 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 (RSUs)) granted to officers and employees of EFG International AG and its group companies.

In order to meet obligations arising in connection with exercised option rights under existing and future employee incentive plans, the Board of Directors proposes to the Annual General Meeting 2017 an increase of the conditional capital by no more than CHF 1,250,000 by issuing no more than 2,500,000 fully paid up registered shares with a nominal value of CHF 0.50 each. The proposed increase of the conditional capital represents about 0.9 % of the total share capital issued at the time the Annual General Meeting is held.

The proposed new wording of article 3b of the Articles of Association of EFG International AG is set forth 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.

### **5.2 Amendments regarding the compensation of the members of the Board of Directors**

*Background:*

The proposed amendment of Article 32 of the Articles of Association of EFG International AG permits the payment of the fixed base fee for the member of the Board of Directors not only in cash but also in whole or in part in equity or equity linked instruments, such as RSUs. This new possible form of compensation helps to increase the alignment of interest of the shareholders and the members of the Board of Directors and aligns the structure of the compensation of the Board of Directors to best practice and the practice in the market.

For further details see the proposed amendment of article 32 of the Articles of Association of EFG International AG as set forth in the Annex.

*Proposal of the Board of Directors:*

Approval of the amendment of article 32 of the Articles of Association of EFG International AG as shown in the Annex.

### **5.3 Further amendments to the Articles of Association**

*Background:*

The proposed amendments are either based on changes in Swiss law (deleted reference to Stock Exchange Act in article 6 of the Articles of Association of EFG International AG), include further

specifications or are of an editorial nature (amendment of article 35 of the Articles of Association of EFG International AG).

The proposed amendments of articles 6 and 35 of the Articles of Association are set forth in the Annex.

*Proposal of the Board of Directors:*

Approval of amendments of articles 6 and 35 of the Articles of Association of EFG International AG as shown in the Annex.

## **6. Approval of compensation**

In accordance with article 18 para. 1 of the Articles of Association, the following aggregate maximum compensation amounts proposed to be approved by the Annual General Meeting are deemed to include all social security and pension contributions, where applicable.

### **6.1 Approval of the maximum aggregate fixed compensation of the Board of Directors**

*Proposal of the Board of Directors:*

Approval of the total maximum amount of CHF 3,700,000 of fixed compensation for the members of the Board of Directors to be paid and awarded respectively for the term of office from the 2017 Annual General Meeting until the closure of the 2018 Annual General Meeting.

### **6.2 Approval of the maximum aggregate fixed compensation of the Executive Committee**

*Proposal of the Board of Directors:*

Approval of the total maximum amount of CHF 13,900,000 of fixed compensation for the members of the Executive Committee to be paid and awarded respectively in the business year 2017.

### **6.3 Approval of the aggregate variable compensation of the Executive Committee**

*Proposal of the Board of Directors:*

Approval of the total amount of CHF 4,360,504 of variable compensation for the members of the Executive Committee to be paid and awarded respectively in 2017 based on the performance in the business year 2016.

For further information please consult the 2016 Compensation Report which is available electronically under [www.efginternational.com/financial-reporting](http://www.efginternational.com/financial-reporting) as well as in printed form upon request.

## **7. Re-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 with the exception of Mr. Erwin R. Caduff, who decided not to stand for re-election for another term of office. The Board of Directors sincerely thanks him for his excellent service to EFG International AG.

All elections will be carried out individually.

#### **7.1 Re-election of the members of the Board of Directors**

*Proposal of the Board of Directors:*

Re-election of Ms. Susanne Brandenberger and Messrs. Niccolò H. Burki, Emmanuel L. Bussetil, Michael N. Higgin, Roberto Isolani, Steven M. Jacobs, Spiro J. Latsis, Bernd-A. von Maltzan, Périclès Petalas, John A. Williamson, and Daniel Zuberbühler as members of the Board of Directors each for a one-year term of office until the closure of the next Annual General Meeting.

#### **7.2 Re-election of the Chairman**

*Proposal of the Board of Directors:*

Re-election of Mr. John A. Williamson as Chairman of the Board of Directors for a one-year term of office until the closure of the next Annual General Meeting.

### **8. Re-election and election of the members of the Remuneration and Nomination Committee**

*Background:*

The current members of the Remuneration and Nomination Committee have all provided valuable services to EFG International AG and all stand for re-election with the exception of Mr. Erwin R. Caduff. The Board of Directors proposes in addition the appointment of Messrs. Steven M. Jacobs and Bernd-A. von Maltzan as new members.

All elections will be carried out individually.

*Proposal of the Board of Directors:*

Re-election of Messrs. Niccolò H. Burki, Emmanuel L. Bussetil, Périclès Petalas and John A. Williamson as members of the Remuneration and Nomination Committee each for a one-year term of office until completion of the next Annual General Meeting.

Election of Messrs. Steven M. Jacobs and Bernd-A. von Maltzan as new members of the Remuneration and Nomination Committee for a one-year term of office until completion of the next Annual General Meeting.

### **9. Re-election of the independent shareholders representative (independent proxy)**

*Proposal of the Board of Directors:*

Re-election of the law firm ADROIT Attorneys, Zurich, as independent proxy for a one-year term of office until the closure of the next Annual General Meeting.

### **10. Re-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 2016 (including the Compensation Report 2016) and the reports of the auditors are available for inspection at the domicile of the company. The annual report 2016 (including the Compensation Report 2016) is also available on the internet ([www.efginternational.com/financial-reporting](http://www.efginternational.com/financial-reporting)). These documents will also be sent to shareholders at their request.

Enclosed with the invitation sent to shareholders is the application and proxy 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 form and return it until **24 April 2017** at the latest (date of receipt) by mail to the following address: EFG International AG, c/o Computershare Schweiz AG, Baslerstrasse 90, P.O. Box, CH-4601 Olten, Switzerland.

Shareholders may also grant a power of attorney to the independent proxy, ADROIT Attorneys, Zurich, and exercise their voting rights online using their personal voting code set out in the application and proxy form. Shareholders are asked not to return their application and proxy form in case they grant power of attorney to the independent proxy and register their instructions online.

Shareholders registered with voting rights in the share register as at 12 April 2017 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 application and proxy form. From 12 April 2017 to 28 April 2017, 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 proxy, ADROIT Attorneys, Zurich, pursuant to the articles 8 et seq. of the Ordinance against Excessive Compensation with respect to Listed Companies. For further details shareholders may consult the application and proxy form.

Zurich, 5 April 2017

**EFG International AG**

On behalf of the Board of Directors



The Chairman  
John A. Williamson