



**LafargeHolcim**

**MINUTES**

**of the 104th Ordinary Annual General Meeting of**

**LafargeHolcim Ltd**

**held on May 12, 2016, 14:00 hrs**

**at Hallenstadion, Wallisellenstrasse 45, 8050 Zürich**

**Present Board Members**

|                                    |                                  |
|------------------------------------|----------------------------------|
| Prof. Dr. Wolfgang Reitzle         | Chairman, chairing the meeting   |
| Dr. Beat Hess                      | Vice-Chairman                    |
| Bertrand Colomb                    | Member of the Board of Directors |
| Philippe Dauman                    | Member of the Board of Directors |
| Oscar Fanjul                       | Member of the Board of Directors |
| Dr. Alexander Gut                  | Member of the Board of Directors |
| Bruno Lafont                       | Member of the Board of Directors |
| Gérard Lamarche                    | Member of the Board of Directors |
| Adrian Loader                      | Member of the Board of Directors |
| Dr. h.c. Thomas Schmidheiny        | Member of the Board of Directors |
| Hanne Birgitte Breinbjerg Sørensen | Member of the Board of Directors |
| Dr. Dieter Spälti                  | Member of the Board of Directors |

**Absent Board Members**

|                     |                                  |
|---------------------|----------------------------------|
| Paul Desmarais, Jr. | Member of the Board of Directors |
| Nassef Sawiris      | Member of the Board of Directors |

**Others present**

|               |                                |
|---------------|--------------------------------|
| Dr Thomas Ris | Independent voting proxy       |
| Markus Müller | Public Notary, Zürich-Altstadt |

**Tellers**

|                    |                           |
|--------------------|---------------------------|
| Dzevrije Zendeli   | Teller (Chairperson)      |
| Lukas Studer       | Teller (Vize-Chairperson) |
| Philipp Fratschöl  | Teller                    |
| Barbara Hediger    | Teller                    |
| Manuela Heini      | Teller                    |
| Barbara Keiser     | Teller                    |
| Beate Körfer       | Teller                    |
| Liliane Leinhäuser | Teller                    |
| Sarah Melone       | Teller                    |
| Ursula Vetter      | Teller                    |
| Melanie Zemp       | Teller                    |

|                     |                                |
|---------------------|--------------------------------|
| Willy Hofstetter    | Representative of the auditors |
| Elisa Alfieri       | Representative of the auditors |
| Eric Ohlund         | Representative of the auditors |
| Dragana Simijonovic | Secretary                      |

## **Presence**

The shares are represented as follows:

73 148 187 by shareholders present  
347 079 967 by the independent voting proxy

A total of 420 228 154 registered shares is represented, equivalent to 69,24% of the issued share capital. The absolute majority of the represented votes is 210 114 078. The absolute majority of the represented par values is CHF 420 228 156.00..

640 shareholders are present.

## **Constitution**

Prof Dr Wolfgang Reitzle, Chairman of the Board of Directors, takes the chair and declares the meeting open. He calls specific attention to the fact that a sound and video recording is being made of the entire Annual General Meeting and explains the safety rules.

Dragana Simijonovic is appointed Secretary.

The Annual General Meeting elects the proposed ladies and gentlemen to act as tellers.

The Chairman notes that this Annual General Meeting has been convened in compliance with the legal requirements and the Articles of Incorporation, with announcement of the agenda and motions of the Board of Directors.

The requirements stipulated by law and in the Articles of Incorporation for documents to be made available have been met.

During his address, the Chairman referred to the activities and results in 2015, the significance of LafargeHolcim becoming an industry leader, and the challenges and opportunities that this involves.

CEO Eric Olsen provided an overview of the operational performance of the Group and in the various regions in 2015, a year which was marked by change, particularly with regard to the merger. He also briefly reported on the results from the first quarter of 2016 and addressed the future strategy of the company.

The Chairman gave the shareholders the opportunity to speak.

As Director of the Ethos Foundation, **Vincent Kaufmann, of Geneva**, talked about the viewpoint of his organisation with regard to the impacts of the merger, criticised LafargeHolcim for achieving poorer results in comparison to competitors and questioned the goodwill recognised in the balance sheet. Mr Kaufmann also criticised the compensation paid out. He welcomed the introduction of a long-term compensation plan with performance criteria, but criticised the prospective method of voting on maximum compensation and the composition of the Board of Directors, which he does not deem to be independent enough.

The Chairman commented briefly on the individual points raised by Mr Kaufmann and pointed out in particular the complexity involved with implementing a global merger with a long-term vision and the volatility of the stock market environment. He emphasised that the Board of Directors has a very good composition as far as the interests of the company are concerned, and this will be further complemented by the election of Jürg Oleas.

**Petra Kalman, of Budapest, Hungary**, representative of Magyar Cement in Hungary, commented on the development of LafargeHolcim and the legal dispute that has endured for several years regarding a plant in Hungary. She levelled a number of accusations against LafargeHolcim, including theft. She also presented her views on why previous settlement negotiations have failed.

Vice-Chairman Beat Hess rejected the accusations and – as in previous Annual General Meetings – pointed to the numerous discussions held with Mr Kalman on potential solutions to the conflict, most recently in December 2015. During these discussions, Mr Kalman and LafargeHolcim were too far apart in their respective views. Mr Hess again confirmed the willingness of LafargeHolcim to conduct settlement negotiations on reasonable terms.

**Peter Alig, of Zurich**, criticised the goodwill recognised in the balance sheet and questioned whether this goodwill is justified in light of the current business situation. In a separate point, Mr Alig questioned what the reasons were for appointing a new CFO.

The Chairman commented briefly and emphasised that the search for and selection of a successor to the former CFO, who retired in 2015, was carried out with the required diligence. CFO Ron Wirahadiraksa then commented on the question regarding goodwill.

**Rudolf Meyer, of Zurich**, Chairman of Actares, reported that while it was possible to find an acceptable solution for all parties involved in the long-standing labour dispute in India, he fears that similar conflicts could arise in other LafargeHolcim plants in the country and would like to know how these will be resolved within a reasonable period of time. Mr Meyer criticised the fact that LafargeHolcim has not published a final report on the merger and that the next Sustainability Report is being published late, i.e. not at the same time as the Annual Report, only in English, and only in electronic form.

The Chairman commented briefly on the individual points raised by Mr Meyer and stressed that sustainability is a key element that is firmly established at LafargeHolcim. Vice-Chairman Beat Hess explained that it is not customary to publish a final report on a merger and pointed out that regular reports are made on the course of business, the integration and synergies. The Vice-Chairman confirmed that a new Sustainability Report will be published at the end of May, that it will be in English, as this is customary for a large global company, and that it will be electronic primarily for reasons of sustainability.

**Hermann Struchen, of Zurich**, thanked the Board for the elaborate refreshments provided, before criticising the merger by referring to the current share price. He also complained about the fact that almost all of the information displayed at the event is in English, criticised the compensation paid out and enquired as to the available level of reserves from capital contributions for future payouts.

The Chairman pointed out that the success of a merger cannot be measured by the short-term development of the share price and alluded to the international competition for good managers, which is reflected in their compensation. The CFO confirmed that the reserves from capital contributions currently amount to around CHF 22 billion.

Nobody else asks to be given the floor.

## **Agenda**

### **Item 1**

**Management report, annual consolidated financial statements of the Group, annual financial statements of LafargeHolcim Ltd and the compensation report; auditors' reports**

#### **Item 1.1**

**Approval of the management report, the annual consolidated financial statements of the Group, and the annual financial statements of LafargeHolcim Ltd**

The Chairman points out that the Annual Report for 2015 was made available for consultation 20 days prior to the Annual General Meeting at the registered office of the Company and sent to shareholders upon request. The shareholders have been notified in writing about this. From March 17, 2016, the report could be consulted on the LafargeHolcim website. No motions by shareholders in view of today's general meeting have been put forward by shareholders.

The annual consolidated financial statements of the Group and the annual financial statements of LafargeHolcim Ltd have been audited by the auditors, Ernst & Young AG. Their reports can be found on pages 265 and 280 of the Annual Report. The representatives of the auditors, upon consultation, stated before the meeting that no additional comments have to be made by the auditors.

The Chairman gives the shareholders the opportunity to speak out on this agenda item.

Nobody asks to be given the floor.

The Chairman puts the agenda item to the vote.

The management report, annual consolidated financial statements of the Group and annual financial statements of LafargeHolcim Ltd are approved by:

|             |                             |
|-------------|-----------------------------|
| 412 067 675 | votes in favour (98.06%) to |
| 7 499 410   | votes against (1.78%), and  |
| 676 410     | abstentions (0.16%)         |

## **Item 1.2**

### **Advisory vote on the compensation report**

The Chairman points out that the compensation report can be found in the Annual Report, pages 124 through 141 and in the financial part of the Annual Report. He comments on the compensation policy and objectives of LafargeHolcim.

The Chairman gives the shareholders an opportunity to speak out on this agenda item.

**Werner Utz, of Bonstetten**, also thanked the Board for the generous refreshments provided and enquired as to how much time and work the Board of Directors puts in to justify the proposed level of compensation.

The Chairman outlined the amount of time required, in particular with regard to the customary number of meetings held by the Board and its committees, and noted the additional, increased level of work performed for special projects such as the recent merger.

Nobody else asks to be given the floor.

The Chairman puts the agenda item to the advisory vote.

The compensation report 2015 is approved in the advisory vote by:

|             |                              |
|-------------|------------------------------|
| 378 957 131 | votes in favour (90.18 %) to |
| 36 380 333  | votes against (8.66 %), and  |
| 4 906 135   | abstentions (1.16 %)         |

## **Item 2**

### **Discharge of the members of the Board of Directors and the persons entrusted with management**

The Chairman notes that for this agenda item the members of the Board of Directors and other persons who have participated in management are not entitled to vote, that the number of shares represented and therefore the absolute majority is reduced accordingly, and he gives the shareholders the opportunity to comment on this agenda item.

Nobody asks to be given the floor. The Chairman puts the agenda item to the vote.

The discharge of the members of the Board of Directors and the persons entrusted with management of LafargeHolcim Ltd during the 2015 financial year is granted by:

|             |                              |
|-------------|------------------------------|
| 255 840 543 | votes in favour (91.81 %) to |
| 21 967 710  | votes against (7.88 %), and  |
| 865 659     | abstentions (0.31 %)         |

## **Item 3**

### **Appropriation of retained earnings; determination of the payout from capital contribution reserves**

**Item 3.1****Appropriation of retained earnings**

The Chairman makes introductory comments on the appropriation of retained earnings and on payout from capital contribution reserves and proposes to the meeting the appropriation of retained earnings of CHF 11 102 mio to be carried forward.

The Chairman gives the shareholders the opportunity to comment on this agenda item.

Nobody asks to be given the floor. The Chairman puts the agenda item to the vote.

The motion by the Board of Directors on the appropriation of the retained earnings is approved by the Annual General Meeting by:

|             |                              |
|-------------|------------------------------|
| 412 426 729 | votes in favour (98.14 %) to |
| 7 216 606   | votes against (1.72 %), and  |
| 599 915     | abstentions (0.14%)          |

**Item 3.2****Determination of the payout from capital contribution reserves**

The Chairman comments on the appropriation from capital contribution reserves to free reserves and payout of CHF 1.50 per registered share of CHF 2.00 par value on the registered share capital entitled to payout up to an amount of CHF 910 mio. This amount will be reduced by the part of the payout attributable to the treasury shares held by the Company and by its affiliates as per the relevant date. As per May 9, 2016 the number of treasury shares was 1'215'746. Payment of the payout is expected to be made on May 19, 2016.

The Chairman gives the shareholders the opportunity to comment on this agenda item.

Nobody asks to be given the floor. The Chairman puts the agenda item to the vote.

The motion by the Board of Directors on the determination of the payout is approved by the Annual General Meeting by:

|             |                              |
|-------------|------------------------------|
| 412 381 727 | votes in favour (98.13 %) to |
| 7 294 031   | votes against (1.74 %), and  |
| 567 707     | abstentions (0.13 %)         |

**Item 4****Elections****Item 4.1****Re-elections of members of the board of directors and election of the Chairperson of the Board of Directors****4.1.1 Re-election of Dr. Beat Hess as a member and election as Chairperson of the Board of Directors**

The Chairman gives the shareholders the opportunity to comment on this agenda item and explains that now is the opportunity for all comments related to all motions under agenda items 4.1 and 4.2 as thereafter all candidates will be proposed for election in the foreseen order.

Nobody asks to be given the floor.

The Chairman, on behalf of the Board of Directors, proposes Dr Beat Hess to be re-elected as a member of the Board of Directors and elected as Chairperson of the Board of Directors for a term of office of one year, expiring after the completion of the Annual General Meeting 2017.

The Chairman puts the agenda item to the vote.

The Annual General Meeting elects Dr Beat Hess by:

|             |                             |
|-------------|-----------------------------|
| 411 983 023 | votes in favour (98.03%) to |
| 7 647 498   | votes against (1.82%), and  |
| 613 122     | abstentions (0.15)          |

for a term of office of one year as a member of the Board of Directors and as Chairperson of the Board of Directors.

**4.1.2 Re-election of Bertrand Collomb as a member of the Board of Directors**

On behalf of the Board of Directors, the Chairman proposes that Bertrand Collomb be elected for a term of office of one year, expiring after the completion of the Annual General Meeting 2017.

The Chairman puts the agenda item to the vote.



The Annual General Meeting elects Bertrand Collomb by:

|             |                              |
|-------------|------------------------------|
| 401 565 045 | votes in favour (95.56 %) to |
| 17 892 988  | votes against (4.26 %), and  |
| 785 668     | abstentions (0.18%)          |

for a further term of office of one year as member of the Board of Directors.

#### **4.1.3 Re-election of Philipp Dauman as a member of the Board of Directors**

On behalf of the Board of Directors, the Chairman proposes that Philipp Dauman be elected for a term of office of one year, expiring after the completion of the Annual General Meeting 2017.

The Chairman puts the agenda item to the vote.

The Annual General Meeting elects Philipp Dauman by:

|             |                             |
|-------------|-----------------------------|
| 402 358 016 | votes in favour (95.75%) to |
| 17 072 223  | votes against (4.06%), and  |
| 813 462     | abstentions (0.19%)         |

for a further term of office of one year as member of the Board of Directors.

#### **4.1.4 Re-election of Paul Desmarais, Jr. as a member of the Board of Directors**

On behalf of the Board of Directors, the Chairman proposes that Paul Desmarais, Jr. be elected for a term of office of one year, expiring after the completion of the Annual General Meeting 2017.

The Chairman puts the agenda item to the vote.

The Annual General Meeting elects Paul Desmarais, Jr. by:

|             |                             |
|-------------|-----------------------------|
| 386 714 231 | votes in favour (92.03%) to |
| 32 837 926  | votes against (7.81%), and  |
| 691 408     | abstentions (0.16%)         |

for a further term of office of one year as member of the Board of Directors.

**4.1.5 Re-election of Oscar Fanjul as a member of the Board of Directors**

On behalf of the Board of Directors, the Chairman proposes that Oscar Fanjul be elected for a term of office of one year, expiring after the completion of the Annual General Meeting 2017.

The Chairman puts the agenda item to the vote.

The Annual General Meeting elects Oscar Fanjul by:

|             |                             |
|-------------|-----------------------------|
| 410 206 913 | votes in favour (97.61%) to |
| 9 282 031   | votes against (2.21%), and  |
| 753 817     | abstentions (0.18%)         |

for a further term of office of one year as member of the Board of Directors.

**4.1.6 Re-election of Dr. Alexander Gut as a member of the Board of Directors**

On behalf of the Board of Directors, the Chairman proposes that Dr. Alexander Gut be elected for a term of office of one year, expiring after the completion of the Annual General Meeting 2017.

The Chairman puts the agenda item to the vote.

The Annual General Meeting elects Dr. Alexander Gut by:

|             |                             |
|-------------|-----------------------------|
| 411 920 148 | votes in favour (98.02%) to |
| 7 606 588   | votes against (1.81%), and  |
| 716 025     | abstentions (0.17%)         |

for a further term of office of one year as member of the Board of Directors.

**4.1.7 Re-election of Bruno Lafont as a member of the Board of Directors**

On behalf of the Board of Directors, the Chairman proposes that Bruno Lafont be elected for a term of office of one year, expiring after the completion of the Annual General Meeting 2017.

The Chairman puts the agenda item to the vote.

The Annual General Meeting elects Bruno Lafont by:

|             |                             |
|-------------|-----------------------------|
| 407 901 922 | votes in favour (97.07%) to |
| 11 607 765  | votes against (2.76%), and  |
| 733 074     | abstentions (0.17%)         |

for a further term of office of one year as member of the Board of Directors.

#### **4.1.8 Re-election of Gérard Lamarche as a member of the Board of Directors**

On behalf of the Board of Directors, the Chairman proposes that Gérard Lamarche be elected for a term of office of one year, expiring after the completion of the Annual General Meeting 2017.

The Chairman puts the agenda item to the vote.

The Annual General Meeting elects Gérard Lamarche by:

|             |                             |
|-------------|-----------------------------|
| 385 248 204 | votes in favour (91.67%) to |
| 34 296 473  | votes against (8.16%), and  |
| 698 084     | abstentions (0.17%)         |

for a further term of office of one year as member of the Board of Directors.

#### **4.1.9 Re-election of Adrian Loader as a member of the Board of Directors**

On behalf of the Board of Directors, the Chairman proposes that Adrian Loader be elected for a term of office of one year, expiring after the completion of the Annual General Meeting 2017.

The Chairman puts the agenda item to the vote.

The Annual General Meeting elects Adrian Loader by:

|             |                             |
|-------------|-----------------------------|
| 410 534 157 | votes in favour (97.69%) to |
| 9 013 411   | votes against (2.14%), and  |
| 695 193     | abstentions (0.17%)         |

for a further term of office of one year as member of the Board of Directors.

**4.1.10 Re-election of Nassef Sawiris as a member of the Board of Directors**

On behalf of the Board of Directors, the Chairman proposes that Nassef Sawiris be elected for a term of office of one year, expiring after the completion of the Annual General Meeting 2017.

The Chairman puts the agenda item to the vote.

The Annual General Meeting elects Nassef Sawiris by:

|             |                             |
|-------------|-----------------------------|
| 409 162 295 | votes in favour (97.36%) to |
| 10 383 518  | votes against (2.47%), and  |
| 697 160     | abstentions (0.17%)         |

for a further term of office of one year as member of the Board of Directors.

**4.1.11 Re-election of Dr. h.c. Thomas Schmidheiny as a member of the Board of Directors**

On behalf of the Board of Directors, the Chairman proposes that Dr. h.c. Thomas Schmidheiny be elected for a term of office of one year, expiring after the completion of the Annual General Meeting 2017.

The Chairman puts the agenda item to the vote.

The Annual General Meeting elects Dr. h.c. Thomas Schmidheiny by:

|             |                             |
|-------------|-----------------------------|
| 409 907 258 | votes in favour (97.54%) to |
| 9 636 637   | votes against (2.29%), and  |
| 699 078     | abstentions (0.17%)         |

for a further term of office of one year as member of the Board of Directors.

**4.1.12 Re-election of Hanne Birgitte Breinbjerg Sørensen as a member of the Board of Directors**

On behalf of the Board of Directors, the Chairman proposes that Hanne Birgitte Breinbjerg Sørensen be elected for a term of office of one year, expiring after the completion of the Annual General Meeting 2017.

The Chairman puts the agenda item to the vote.

The Annual General Meeting elects Hanne Birgitte Breinbjerg Sørensen by:

|             |                             |
|-------------|-----------------------------|
| 411 933 629 | votes in favour (98.02%) to |
| 7 607 395   | votes against (1.81%), and  |
| 702 236     | abstentions (0.17%)         |

for a further term of office of one year as member of the Board of Directors.

#### **4.1.13 Re-election of Dr. Dieter Spälti as member of the Board of Directors**

The Vice-Chairman passes the floor to the Chairman.

On behalf of the Board of Directors, the Chairman proposes that Dr. Dieter Spälti be re-elected for a further term of office of one year, expiring after the completion of the Annual General Meeting 2017.

The Chairman puts the agenda item to the vote.

The Annual General Meeting re-elects Dr. Dieter Spälti by:

|             |                             |
|-------------|-----------------------------|
| 406 912 925 | votes in favour (96.83%) to |
| 12 659 846  | votes against (3.01%), and  |
| 670 489     | abstentions (0.16%)         |

for a further term of office of one year as a member of the Board of Directors.

#### **Item 4.2 Election of a member of the Board of Directors**

##### **4.2.1 Election of Jürg Oleas as a member of the Board of Directors**

On behalf of the Board of Directors, the Chairman proposes that Jürg Oleas be elected as a member of the Board of Directors for a term of office of one year, expiring after the completion of the Annual General Meeting 2017.

The Chairman puts the agenda item to the vote.

The Annual General Meeting elects Jürg Oleas by:

|             |                             |
|-------------|-----------------------------|
| 411 768 463 | votes in favour (97.98%) to |
| 7 762 386   | votes against (1.85%), and  |
| 713 610     | abstentions (0.17%)         |

for a term of office of one year as a member of the Board of Directors.

#### **Item 4.3 Re-elections of members of the Nomination, Compensation & Governance Committee**

##### **4.3.1 Re-election of Paul Desmarais, Jr. as a member of the Nomination, Compensation & Governance Committee**

On behalf of the Board of Directors, the Chairman proposes that Paul Desmarais, Jr. be re-elected for a further term of office of one year, expiring after the completion of the Annual General Meeting 2017.

The Chairman puts the agenda item to the vote.

The Annual General Meeting re-elects Paul Desmarais, Jr. by:

|             |                             |
|-------------|-----------------------------|
| 389 293 923 | votes in favour (92.64%) to |
| 30 186 233  | votes against (7.18%), and  |
| 764 303     | abstentions (0.18%)         |

for a further term of office of one year as a member of the Nomination, Compensation & Governance Committee.

##### **4.3.2 Re-election of Oscar Fanjul as a member of the Nomination, Compensation & Governance Committee**

On behalf of the Board of Directors, the Chairman proposes that Oscar Fanjul be re-elected for a further term of office of one year, expiring after the completion of the Annual General Meeting 2017.

The Chairman puts the agenda item to the vote.

The Annual General Meeting re-elects Oscar Fanjul by:

|             |                             |
|-------------|-----------------------------|
| 409 946 998 | votes in favour (97.55%) to |
| 9 511 696   | votes against (2.26%), and  |
| 785 766     | abstentions (0.19%)         |

for a further term of office of one year as a member of the Nomination, Compensation & Governance Committee.

#### **4.3.3 Re-election of Adrian Loader as a member of the Nomination, Compensation & Governance Committee**

On behalf of the Board of Directors, the Chairman proposes that Adrian Loader be re-elected for a further term of office of one year, expiring after the completion of the Annual General Meeting 2017.

The Chairman puts the agenda item to the vote.

The Annual General Meeting re-elects Adrian Loader by:

|             |                             |
|-------------|-----------------------------|
| 410 028 382 | votes in favour (97.57%) to |
| 9 463 293   | votes against (2.25%), and  |
| 752 785     | abstentions (0.18%)         |

for a further term of office of one year as a member of the Nomination, Compensation & Governance Committee.

#### **Item 4.4 Elections of members of the Nomination, Compensation & Governance Committee**

##### **4.4.1 Election of Nassef Sawiris as a member of the Nomination, Compensation & Governance Committee**

On behalf of the Board of Directors, the Chairman proposes Nassef Sawiris to be elected for a term of office of one year, expiring after the completion of the Annual General Meeting 2017.

The Chairman puts the agenda item to the vote.

The Annual General Meeting elects Nassef Sawiris by:

|             |                             |
|-------------|-----------------------------|
| 408 807 989 | votes in favour (97.28%) to |
|-------------|-----------------------------|

|            |                            |
|------------|----------------------------|
| 10 706 941 | votes against (2.55%), and |
| 729 845    | abstentions (0.17%)        |

for a term of office of one year as a member of the Nomination, Compensation & Governance Committee.

#### **4.4.2 Election of Hanne Birgitte Breinbjerg Sørensen as a member of the Nomination, Compensation & Governance Committee**

On behalf of the Board of Directors, the Chairman proposes Hanne Birgitte Breinbjerg Sørensen to be elected for a term of office of one year, expiring after the completion of the Annual General Meeting 2017.

The Chairman puts the agenda item to the vote.

The Annual General Meeting elects Hanne Birgitte Breinbjerg Sørensen by:

|             |                             |
|-------------|-----------------------------|
| 410 686 401 | votes in favour (97.73%) to |
| 8 782 074   | votes against (2.09%), and  |
| 776 190     | abstentions (0.18%)         |

for a term of office of one year as a member of the Nomination, Compensation & Governance Committee.

#### **4.5 Re-elections of the auditor and of the independent proxy**

##### **4.5.1 Re-election of the auditor**

On behalf of the Board of Directors, the Chairman proposes that Ernst & Young AG, Zurich, be appointed as auditors for the financial year 2016.

The Chairman gives the shareholders the opportunity to comment on this agenda item.

Nobody asks to be given the floor. The Chairman puts the agenda item to the vote.

The Annual General Meeting elects Ernst & Young AG, Zurich as auditors for the financial year 2016 by:

|             |                             |
|-------------|-----------------------------|
| 410 761 987 | votes in favour (97.74%) to |
| 8 896 281   | votes against (2.12%), and  |
| 586 006     | abstentions (0.14%)         |



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

On behalf of the Board of Directors, the Chairman proposes that Dr Thomas Ris of Ris & Ackermann be elected for a term of office of one year, expiring after the completion of the Annual General Meeting 2017.

The Chairman gives the shareholders the opportunity to comment on this agenda item.

Nobody asks to be given the floor. The Chairman puts the agenda item to the vote.

The Annual General Meeting elects Dr Thomas Ris of Ris & Ackermann, Zurich as the Independent Voting Proxy.

|             |                             |
|-------------|-----------------------------|
| 412 453 598 | votes in favour (98.15%) to |
| 7 213 373   | votes against (1.72%), and  |
| 577 303     | abstentions (0.13%)         |

### **Item 5**

#### **Compensation of the Board of Directors and of the Executive Management**

##### **5.1 Compensation of the Board of Directors for the next term of office**

On behalf of the Board of Directors, the Chairman proposes that approval of the total maximum amount of compensation for the members of the Board of covering the period from the 2016 Annual General Meeting to the 2017 Annual General Meeting Directors of CHF 5,400,000. He makes short remarks and refers to the related information in the documentation for this annual meeting of shareholders.

The Chairman gives the shareholders the opportunity to comment on this agenda item.

Nobody asks to be given the floor. The Chairman puts the agenda item to the vote.

The motion by the Board of Directors on the revision of the Articles of Incorporation is approved by the Annual General Meeting by:

|             |                             |
|-------------|-----------------------------|
| 402 252 409 | votes in favour (95.72%) to |
| 16 950 160  | votes against (4.03%), and  |
| 1 041 705   | abstentions (0.25%)         |

## **5.2 Compensation of the Executive Management for the financial year 2017**

On behalf of the Board of Directors, the Chairman proposes that approval of the total maximum amount of compensation of the Executive Committee covering the period of the financial year 2017 of CHF 40,500,000. He makes short remarks and refers to the related information in the documentation for this annual meeting of shareholders.

The Chairman gives the shareholders the opportunity to comment on this agenda item.

Nobody asks to be given the floor. The Chairman puts the agenda item to the vote.

The motion by the Board of Directors on the approval of the total maximum amount of compensation of the members of the Executive Management covering the period of the financial year 2017 is approved by the Annual General Meeting by:

|             |                             |
|-------------|-----------------------------|
| 390 832 654 | votes in favour (93.00%) to |
| 28 317 656  | votes against (6.74%), and  |
| 1 093 963   | abstentions (0.26%)         |

The Chairman declares the meeting closed at 16.30 pm.

Zurich, May 12, 2016

Chairman of the Board of Directors:

Secretary:

[sign]

[sign]

.....

.....

Prof. Dr. Wolfgang Reitzle

Dragana Simijonovic

Teller:

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Dzevrije Zendeli

Lukas Studer

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[sign]

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Philipp Fratschöl

Barbara Hediger

[sign]

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Manuela Heini

Barbara Keiser

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Beate Körfer

Liliane Leinhäuser

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Sarah Melone

Melanie Zemp

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Ursula Vetter