

# INVITATION ANNUAL GENERAL MEETING 2019

Friday, 5 April 2019

9:30 a.m. (doors open at 8:30 a.m.)

Congress Center Basel

Montreal Hall

Messeplatz 21, Basel, Switzerland



**straumann**group

## To the shareholders of Straumann Holding AG

Dear Madam, Dear Sir

Basel, 1 March 2019

We cordially invite you to our Annual General Meeting on 5 April 2019 at 9:30 a.m. Please find enclosed the agenda, reply form (for ordering admission cards and for granting authorization to the independent voting representative), an abridged version of our 2018 Annual Report and a summary of our Compensation Report.

Please complete and sign the reply form and send it to the share registrar (areg.ch ag) as soon as possible. Replies must reach the registrar by 1 April 2019 at the latest. If you would like to be represented by the independent voting representative, please specify your voting instructions on the reply form before sending it. Alternatively, you can register for the Annual General Meeting online and provide your instructions to the independent voting representative at [www.netvote.ch/straumann/?login](http://www.netvote.ch/straumann/?login).

Admission cards will be sent as of 22 March 2019. If you would like to be represented by a third party, please sign the admission card and give it to your representative together with your instructions.

The Annual General Meeting will be held in the Congress Center at the Basel Trade Fair Center (Messe Basel). It is our pleasure to invite you to coffee and croissants before the Annual General Meeting and to drinks afterwards. We kindly ask you to note that the whole event will finish at around 12 a.m.

We look forward to seeing you.

Yours sincerely,  
Straumann Holding AG



**Gilbert Achermann**  
Chairman of the Board of Directors

#### **Enclosures**

- Registration form with reply envelope
- 2018 Annual Report Highlights
- Compensation Report Summary

# Agenda and proposals of the Board of Directors

## 1. Approval of the Management Report, the Annual Financial Statements, the Consolidated Financial Statements and consultative vote on the Compensation Report for the 2018 business year

### 1.1. Approval of the Management Report, the Annual Financial Statements and the Consolidated Financial Statements for the 2018 business year

The Board of Directors proposes that the Management Report, the Annual Financial Statements and the 2018 Consolidated Financial Statements be approved.

### 1.2. Consultative vote on the Compensation Report for the 2018 business year

In addition, the Board of Directors proposes that the 2018 Compensation Report be approved in a consultative vote. The Compensation Report sets out the relevant principles of Straumann's compensation system and contains information about the compensation paid to the Board of Directors and the Executive Management.

## 2. Appropriation of earnings and dividend payment for the 2018 business year

The Board of Directors proposes to appropriate the 2018 earnings as follows:

(in CHF)	
Net profit for 2018	202 248 204.71
Carried forward from previous years	940 366 792.97
Changes to reserves for own shares	6 015 136.85
<b>Profit available to the Annual General Meeting</b>	<b>1 148 630 134.53</b>
Proposed dividend distribution <sup>1</sup>	-83 125 565.25
Balance carried forward	1 065 504 569.28

1 Based on 15 878 984 issued shares minus 45 543 treasury shares; the number of issued shares/ treasury shares may change up until the Annual General Meeting.

The Board of Directors proposes the distribution of a gross dividend of CHF 5.25 per share. Any excess balance shall be carried forward to the new accounts.

### Explanation

The dividend will be paid out net of 35% withholding tax as of 11 April 2019. Treasury shares held by Straumann Holding AG and its affiliates are not entitled to dividends.

## 3. Discharge of the Board of Directors

The Board of Directors proposes that the members of the Board of Directors be granted discharge for their activities in the 2018 business year.

#### **4. Approval of the compensation of the Board of Directors for the next term**

The Board of Directors proposes a fixed compensation component in a maximum amount of CHF 2.7 million for all its members collectively for the period commencing at the 2019 Annual General Meeting and ending at the 2020 Annual General Meeting.

##### **Explanation**

The compensation for the Board consists of a fixed compensation component, which is paid in cash and shares. Approximately 40% of the total compensation is paid in shares at the market value on the date of grant, which are blocked for two years. The proposed maximum amount includes all social security charges and the fringe benefits listed in the Compensation Report. The Board of Directors determines the compensation payable to its members within the limits approved by the shareholders.

#### **5. Approval of the compensation of the Executive Management**

##### **Explanation**

The compensation paid to the Executive Management consists of a fixed compensation component in cash, which includes the basic salary and other compensation components as well as benefits for the period starting on 1 April of the current business year and ending on 31 March of the consecutive business year, a variable short-term compensation component in cash, paid retrospectively for the past business year, and a variable long-term, share-based compensation component for the current business year.

The proposed maximum amounts include social security charges and the fringe benefits listed in the Compensation Report.

- The fixed compensation components are individually defined by the Board of Directors within the limits approved by the Annual General Meeting.
- The long-term, variable remuneration payable to the individual members of the Executive Management will be granted in the form of 'Performance Share Units' (PSUs) within the limits approved by the Annual General Meeting. The PSUs entitle members of the Executive Management to receive 1 Straumann Holding AG share per PSU in the case of a 100% target achievement, and up to 2 shares per PSU in the case of a maximum target achievement upon completion of the vesting period in April 2022.
- The short-term variable compensation component to be approved by the General Meeting has been calculated for the individual members of the Executive Management based on the achievement of specific financial and company-specific targets.

Please refer to our Compensation Report, which is included in the full Annual Report, or to our Summary Compensation Report, which is enclosed, for further information on fixed and variable compensation.

### **5.1 Approval of the fixed compensation of the Executive Management for the period from 1 April 2019 to 31 March 2020**

The Board of Directors proposes a maximum total fixed compensation of CHF 7.3 million for all members of the Executive Management collectively for the period from 1 April 2019 to 31 March 2020.

### **5.2 Approval of the long-term variable compensation of the Executive Management for the current business year**

The Board of Directors proposes a long-term variable compensation in the maximum amount of CHF 3.9 million for all members of the Executive Management collectively for the 2019 business year.

### **5.3 Approval of the short-term variable compensation of the Executive Management for the 2018 business year**

The Board of Directors proposes a short-term variable compensation in the maximum amount of CHF 6.1 million for all members of the Executive Management collectively for the 2018 business year.

## **6. Election of the Board of Directors and the Chairman**

The term of office of all members of the Board of Directors ends at the 2019 Annual General Meeting. All current members of the Board are standing for re-election.

Accordingly, the Board proposes the re-election of:

- Gilbert Achermann, as a member and Chairman
- Monique Bourquin, as a member
- Dr Sebastian Burckhardt, as a member
- Ulrich Looser, as a member
- Dr Beat Lüthi, as a member
- Dr h.c. Thomas Straumann, as a member
- Regula Wallimann, as a member,

each for a term of one year ending with the completion of the 2020 Annual General Meeting.

Further, the Board of Directors proposes the election of:

- Juan-José Gonzalez

for a term of one year ending with the completion of the 2020 Annual General Meeting.

Mr Gonzalez is an expert in the medical-technology and consumer-health sectors, with a deep knowledge of global markets, healthcare systems, and technology. He has served as President of Johnson & Johnson's orthopedic business, DePuy Synthes, in the US since 2015 and as Chair of the Orthopedics Sector of AdvaMed in

the US since 2016. Prior to this, he headed DePuy Synthes EMEA and was Vice President of J&J's Enterprise Program Office, working closely with the CEO and Executive Committee on enterprise strategy, portfolio and key growth initiatives. Previously, he held positions in global/regional/country management in J&J's consumer health business. Before joining J&J in 2007, he worked for Pfizer, McKinsey & Co. and Procter & Gamble, across various continents.

Juan-José Gonzalez is 46 years old and has both Peruvian and US citizenship. He holds a BSc in Industrial Engineering, an MBA, and a Master's in Technology Management. His background, multinational experience and skills in strategy, execution, talent development and mentoring make him a valuable addition to the Board and increases its diversity.

#### **7. Election of the members of the Compensation Committee**

The Board of Directors proposes the re-election of:

- Monique Bourquin, as a member of the Compensation Committee
  - Ulrich Looser, as a member of the Compensation Committee
  - Dr h.c. Thomas Straumann, as a member of the Compensation Committee,
- each for a term of one year ending with the completion of the 2020 Annual General Meeting.

#### **8. Election of the independent voting representative**

The Board of Directors proposes the re-election of NEOVIUS AG, Basel, as the independent voting representative for a term of office of one year ending with the completion of the 2020 Annual General Meeting.

#### **9. Election of the auditors**

The Board of Directors proposes the re-election of Ernst & Young AG, Basel, as the auditor for the 2019 business year.

## Organizational details and additional information

### **A 2018 Annual Report (incl. Compensation Report)**

The 2018 Annual Report including the Compensation Report and the corresponding auditor's reports are published in English online and have been available since 19 February 2019 at the company domicile as well as on the internet at: [www.straumann-group.com/ar2018](http://www.straumann-group.com/ar2018).

### **B Registration/admission cards**

Shareholders registered in Straumann Holding AG's share register as shareholders with voting rights at 5:00 p.m. on 21 March 2019 are entitled to participate in and vote at the Annual General Meeting.

Shareholders, who wish to participate in person at the Annual General Meeting or who wish to be represented by the independent voting representative or by a third party are requested to return the reply form enclosed in this invitation by post to the share registrar, areg.ch ag, Fabrikstrasse 10, 4614 Hägendorf, Switzerland. Reply forms received by the share registrar after 1 April 2019 will not be processed.

Admission cards will be dispatched as of 22 March 2019.

### **C Representation**

Shareholders who cannot attend the Annual General Meeting may be represented by a third party or the independent voting representative, NEOVIUS AG, Attn. Dr. Stephan Frey, Hirschgässlein 30, 4010 Basel, Switzerland.

Shareholders who wish to be represented by the independent voting representative are required to specify their voting instructions on the reply form, to sign and post it to the share registrar so that it arrives by 1 April 2019.

Shareholders who wish to be represented by a third party are required to order an admission card, which they must sign and give to their proxy representative together with their voting materials.

### **D Electronic communication**

Shareholders may issue proxies and instructions to the independent voting representative electronically via [www.netvote.ch/straumann/?login](http://www.netvote.ch/straumann/?login). The instructions must be recorded no later than 11:59 a.m. on 1 April 2019.

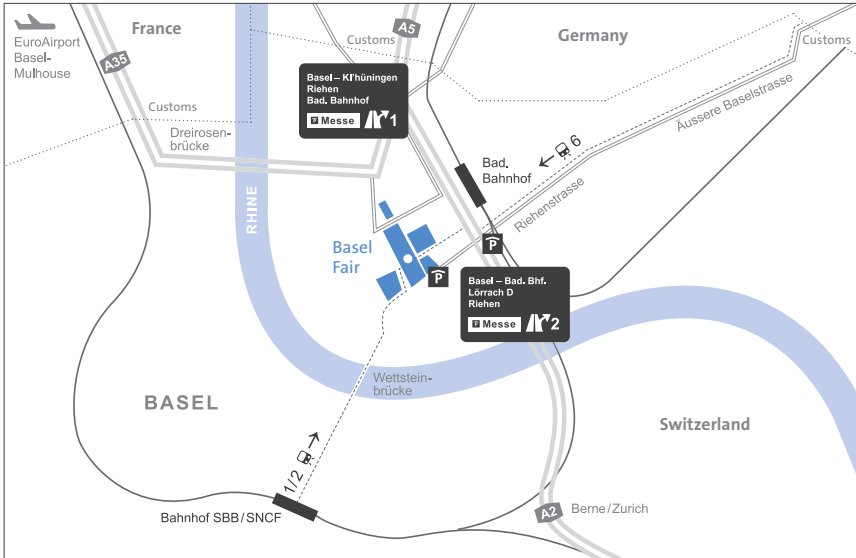
### **E Requests to speak**

Shareholders wishing to comment on an agenda item during the Annual General Meeting are requested to inform our staff at the registration desk in the hall before the meeting begins.

### **F Translation**

This document is the English translation of the German original invitation. In case of any discrepancies between the English translation and the German original, the German original shall prevail.

## Directions



### BY TRAIN TO THE CONGRESS CENTER

#### BAHNHOF BASEL SBB

- Tram Nr. 1 direction «Basel, Dreirosenbrücke», exit Tramstation «Messeplatz»
- Tram Nr. 2 direction «Basel, Eglisee», exit Tramstation «Messeplatz»

#### BADISCHER BAHNHOF

(8 minutes to walk from the fair)

- Tram Nr. 2 direction «Binningen, Kronenplatz», exit Tramstation «Messeplatz»
- Tram Nr. 6 direction «Allschwil, Dorf», exit Tramstation «Messeplatz»