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**INVITATION TO THE ANNUAL GENERAL MEETING OF WISeKey International Holding Ltd**
(the "Company")

**SIX Swiss Exchange Convention Point Conference Center, Selnaustrasse 30, 8001 Zurich, Switzerland**
**Wednesday, May 31, 2017, 2:00 p.m. CET**

**Agenda Items**

**(1) Approval of the 2016 Annual Report of WISeKey International Holding Ltd, including the Audited Consolidated Financial Statements for Fiscal Year 2016 and the Audited Statutory Financial Statements for Fiscal Year 2016**

**Proposal of the Board of Directors**
The Board of Directors proposes that the 2016 annual report, including the audited consolidated financial statements for the calendar year ending December 31 (“fiscal year”) 2016, and the audited statutory financial statements for fiscal year 2016, be approved.
**Recommendation**
The Board of Directors recommends you vote "**FOR**" this proposal number 1.

**(2) Discharge of the Members of the Board of Directors and the Executive Management from Liability for Activities During Fiscal Year 2016**

**Proposal of the Board of Directors**
The Board of Directors proposes that the members of the Board of Directors and Messrs. Carlos Moreira (CEO), Peter Ward (CFO) and Carlos Moreno (COO), who served as members of the Executive Management in 2016, be discharged from liability for activities during fiscal year 2016.
**Recommendation**
The Board of Directors recommends you vote "**FOR**" this proposal number 2.

**(3) Appropriation of Accumulated Loss for Fiscal Year 2016**

**Proposal of the Board of Directors**
The Board of Directors proposes that the net loss of CHF 4,547,017 of the Company be carried forward.

| | **in CHF thousands** |
|---|---|
| Balance brought forward from previous years | 0 |
| Net loss of the year | 4,547.017 |
| Total accumulated loss | 4,547.017 |
| **Appropriation of accumulated loss** | |
| Balance to be carried forward on this account | 4,547.017 |

**Recommendation**
The Board of Directors recommends you vote "**FOR**" this proposal number 3.

**(4) Renewal of Authorized Share Capital**

**Proposal of the Board of Directors**
The Board of Directors proposes that its authority to issue registered shares with a nominal value of CHF 0.05 each (the "Class B Shares") out of the Company’s authorized share capital be renewed for a two-year period, expiring on May 31, 2019. Pursuant to the proposal, the Board of Directors’ authority to issue new Class B Shares in one or several steps will be limited to a maximum of 13,831,248 shares, or 50% of the Company’s share capital currently recorded in the Commercial Register of the Canton of Zug. The proposed amendments to the Articles of Association are included in Annex A.
**Recommendation**
The Board of Directors recommends you vote "**FOR**" this proposal number 4.

**(5) Increase of Conditional Share Capital**

**Proposal of the Board of Directors**
The Board of Directors proposes that its authority to issue Class B Shares out of the Company’s conditional share capital be increased to 50% of the Company’s share capital currently recorded in the commercial register of the Canton of Zug. Pursuant to the proposal, the Board’s authority to issue new Class B Shares in one or several steps will be limited to a maximum of 13,831,248 Class B Shares, of which (1) 8,831,248 Class B Shares, corresponding to a nominal amount of CHF 441,562.40, may be issued to third parties or shareholders in connection with bonds (including convertible bonds and bonds with options), options, warrants, notes, other securities or contractual obligations newly or already issued or granted by the Company or one of its group companies (in the Articles or Association collectively referred to as Rights-Bearing Obligations) and (2) 5,000,000 Class B Shares, corresponding to a nominal amount of CHF 250,000.00, to employees, members of the Board of Directors, consultants and other persons providing services to the Company or one of its group companies under the Company's equity benefit or incentive plans in connection with the issuance of Class B Shares or Rights-Bearing Obligations. The proposed amendments to the Articles of Association are included in Annex B.
**Recommendation**
The Board of Directors recommends you vote "**FOR**" this proposal number 5.

**(6) Further Amendments to the Company's Articles of Association (articles 28 para. 4 and 31)**

**Proposal of the Board of Directors**
The Board of Directors proposes to (i) amend article 28 para. 4 of the Company's Articles of Association in order to allow for options or comparable instruments to be granted to all members of the Board as part of their compensation, and (ii) amend article 31 of the Company's Articles of Association in order to allow the Company or companies controlled by it to grant loans to members of the Board or the Executive Management provided they are granted at arm's length terms. All proposed amendments to the Articles of Association are included in Annex C.
**Recommendation**
The Board of Directors recommends you vote "**FOR**" this proposal number 6.

**(7) Re-election of 6 Members of the Board of Directors, and Election of 2 new Candidates to the Board of Directors, All for a Term Extending Until Completion of the Next Annual General Meeting**

**Proposal of the Board of Directors**
The Board of Directors proposes that the following 6 candidates be re-elected and the following 2 new candidates be elected to the Board of Directors, each for a term extending until completion of the next Annual General Meeting:

- Re-election of Carlos Moreira
- Re-election of Philippe Doubre
- Re-election of Juan Hernandez Zayas
- Re-election of Dourgam Kummer
- Re-election of Maryla Shingler Bobbio
- Re-election of Peter Ward
- Election of Thomas Whayne
- Election of David Fergusson

**Recommendation**
The Board of Directors recommends you vote "**FOR**" the re-election or election, as applicable, of each of these nominees to the Board of Directors.

**(8) Election of the Chairman of the Board of Directors for a Term Extending Until Completion of the Next Annual General Meeting**

**Proposal of the Board of Directors**
The Board of Directors proposes that Carlos Moreira be elected as the Chairman of the Board of Directors for a term extending until completion of the next Annual General Meeting.
**Recommendation**
The Board of Directors recommends you vote “**FOR**” this proposal number 8.

**(9) Elections of the Members of the Nomination & Compensation Committee, Each for a Term Extending Until Completion of the Next Annual General Meeting**

**Proposal of the Board of Directors**
The Board of Directors proposes that the following candidates for re-election or election, respectively, to the Board of Directors, be elected as members of the Compensation Committee, each for a term extending until completion of the next Annual General Meeting:

- Election of David Fergusson
- Election of Thomas Wayne
- Re-election of Maryla Shingler Bobbio

**Recommendation**
The Board of Directors recommends you vote "**FOR**" the election or re-election, as applicable, of each of these nominees as members of the Compensation Committee.

**(10) Re-election of BDO SA, Vernier, as the Company's Auditor for a Further One-Year Term**

**Proposal of the Board of Directors**
The Board of Directors proposes that BDO SA, Vernier, be re-elected as the Company’s auditor pursuant to the Swiss Code of Obligations for a further one-year term, commencing on the date of the 2017 Annual General Meeting and terminating on the date of the 2018 Annual General Meeting.
**Recommendation**
The Board of Directors recommends you vote "**FOR**" this proposal number 10.

**(11) Re-election of the Independent Proxy for a Term Extending Until Completion of the Next Annual General Meeting**

**Proposal of the Board of Directors**
The Board of Directors proposes that Etude Castiglioni & De Mitri, 4, rue de Rive, 1204 Geneva, be re-elected to serve as independent proxy at (and until completion of) the 2018 Annual General Meeting and at any extraordinary general meeting of shareholders of the Company that may be held prior to the 2018 Annual General Meeting.
**Recommendation**
The Board of Directors recommends you vote "**FOR**" this proposal number 11.

**(12) Compensation Report for the Financial Year 2016**

**12.1 Advisory Vote on the Company's Compensation Report of the Financial Year 2016**

**Proposal of the Board of Directors**
The Board of Directors proposes that the compensation report, as included in the Annual Report, be approved (non-binding advisory vote).
**Recommendation**
The Board of Directors recommends you vote "**FOR**" this proposal number 12.1.

**12.2 Ratification of the Amount of Compensation of the Board of Directors for the Period Between the 2016 Annual General Meeting and the 2017 Annual General Meeting**

**Proposal of the Board of Directors:**
The Board of Directors proposes that the shareholders ratify the amount paid to the Board of Directors pursuant to the Company's 2016 Compensation Report, as included in the Annual Report.

**Recommendation**
The Board of Directors recommends you vote "**FOR**" this proposal number 12.2.

**(13) Vote on the Compensation of the Board of Directors and the Executive Management**

**13.1 Ratification of the Maximum Aggregate Amount of Compensation of the Board of Directors for the Period Between the 2017 Annual General Meeting and the 2018 Annual General Meeting**

**Proposal of the Board of Directors**
The Board of Directors proposes that the shareholders ratify an amount of CHF 1,000,000 as the maximum aggregate amount of compensation of the Board of Directors for the period between the 2017 Annual General Meeting and the 2018 Annual General Meeting.
**Recommendation**
The Board of Directors recommends you vote "**FOR**" this proposal number 13.1

**13.2 Ratification of the Maximum Aggregate Amount of Compensation of the Executive Management for Fiscal Year 2017**

**Proposal of the Board of Directors**
The Board of Directors proposes that the shareholders ratify an amount of CHF 4,500,000 as the maximum aggregate amount of compensation of the Executive Management for fiscal year 2017.
**Recommendation**
The Board of Directors recommends you vote "**FOR**" this proposal number 13.2

**Organizational Matters**

**Right to Participate and Vote | Admission Cards**
After returning the Registration and Authorization Form which, together with the Invitation to the Annual General Meeting, is sent to all shareholders registered in the share register of WISeKey International Holding Ltd by or before May 22, 2017, shareholders will receive an admission card and voting material. The completed Registration and Authorization Form must be received by the Company no later than on May 26, 2017. Shareholders recorded in the Company’s share register with voting rights as at May 22, 2017 will be entitled to participate in, and vote at, the Annual General Meeting. No registrations and de-registrations of registered shares will be made in the share register from May 23 to May 31, 2017.

**Appointment of Proxy & Independent Proxy**
A shareholder entitled to vote may give a written proxy for the Annual General Meeting to a third party (who need not be a shareholder). Proxy holders will only be admitted to the Annual General Meeting upon presentation of a valid admission card and a duly executed proxy, which they will receive upon returning the Registration and Authorization Form indicating that the respective shareholder would like to be represented by a third party proxy at the Annual General Meeting.

Etude Castiglioni & De Mitri, 4, rue de Rive, 1204 Geneva, is designated as Independent Proxy for the Annual General Meeting. Shareholders who choose to authorize the Independent Proxy to vote in accordance with their instructions may instruct the Independent Proxy by mail as indicated below, or electronically. Electronic voting instructions may be given by accessing the website www.ecomm-portal.com and then following the guidance that is being displayed on their computer screen. The personal access data needed for registration can be found on the Registration and Authorization Form. Instructions can be given electronically to the Independent Proxy until May 29, 2017, 11:59 p.m. CET.

**Voting Instructions**
Shares of holders who have voted electronically or timely submitted a properly executed Registration and Authorization Form and specifically indicated their votes will be voted by the Independent Proxy as indicated. Holders of shares who have voted electronically or timely submitted a properly executed Registration and Authorization Form but have not specifically indicated their votes instruct the Independent Proxy to vote in accordance with the recommendations of the Board of Directors with regard to the items listed in the notice of meeting.

If any modifications to agenda items or proposals identified in this invitation or other matters on which voting is permissible under Swiss law are properly presented at the Annual General Meeting for consideration, you instruct the Independent Proxy, in the absence of other specific instructions, to vote in accordance with the recommendations of the Board of Directors. As of the date of this publication, the Board of Directors is not aware of any such modifications or other matters proposed to come before the 2017 Annual General Meeting.

**Mailing Address and Deadline**
The completed Registration and Authorization Forms shall be mailed to:

Computershare Switzerland Ltd
WISeKey International Holding Ltd
Postfach
4601 Olten

We urge you to return your Registration and Authorization Form as soon as possible to ensure that it is timely submitted. All Registration and Authorizations Forms must be received no later than on Friday, May 26, 2017. Please do not mail the Registration and Authorization Form if you choose to give your instructions to the Independent Proxy electronically.

Directions to the 2017 Annual General Meeting can be obtained by contacting our Corporate Secretary at our registered office, General-Guisan-Strasse 6, 6030 Zug, Switzerland, telephone number +41 (22) 594 3000. If you intend to attend and vote at the 2017 Annual General Meeting in person, you are required to present the admission card, as sent to you via separate mail before the Annual General Meeting if you choose to attend the Annual General Meeting, together with proof of identification, or, if you own shares held in the name of a bank, broker or other nominee, a "legal proxy" issued by your bank, broker or other nominee in your name, together with proof of identification. If you plan to attend the 2017 Annual General Meeting in person, we urge you to arrive at the meeting location no later than 1.30 p.m. CET time on Wednesday, May 31, 2017. In order to determine attendance correctly, any shareholder leaving the 2017 Annual General Meeting early or temporarily, will be requested to present such shareholder’s admission card upon exit.

**Annual Report, Consolidated Financial Statements, Statutory Financial Statements, Compensation Report**
A copy of the 2016 Annual Report (including the consolidated financial statements for fiscal year 2016, the statutory financial statements of WISeKey International Holding Ltd for fiscal year 2016 and the audit reports on such consolidated and statutory financial statements, and the 2016 Compensation Report, are available for physical inspection at WISeKey International Holding Ltd’s registered office, General-Guisan-Strasse 6, 6030 Zug, Switzerland. The 2016 Annual Report may also downloaded from https://www.wisekey.com/investors/reports/annual-reports/, and copies of these materials may be obtained free of charge by contacting our Corporate Secretary at our registered office, General-Guisan-Strasse 6, 6030 Zug, Switzerland, telephone number +41 (22) 594 3000.

Zug, May 8, 2017

On behalf of the Board of Directors,

Carlos Moreira
Chairman

## Annex A
## Renewal of Authorized Share Capital

**Artikel 4a**

*Genehmigtes Kapital*

1 Der Verwaltungsrat ist ermächtigt, jederzeit bis zum ~~16. März 2018~~ 31. Mai 2019 das Aktienkapital im Maximalbetrag von CHF ~~397'032.45~~ 691'562.40 durch Ausgabe von höchstens ~~7'940'649~~ 13'831'248 vollständig zu liberierenden Namenaktien mit einem Nennwert von je CHF 0.05 zu erhöhen. Erhöhungen in Teilbeträgen sind gestattet.

2 Der Verwaltungsrat legt den Ausgabebetrag, die Art der Einlagen, den Zeitpunkt der Ausgabe, die Bedingungen der Bezugsrechtsausübung und den Beginn der Dividendenberechtigung fest. Dabei kann der Verwaltungsrat neue Aktien mittels Festübernahme durch eine Bank oder einen Dritten und anschliessendem Angebot an die bisherigen Aktionäre ausgeben.

3 Der Verwaltungsrat ist ermächtigt, den Handel mit Bezugsrechten zu ermöglichen, zu beschränken oder auszuschliessen. Der Verwaltungsrat kann nicht ausgeübte Bezugsrechte verfallen lassen oder er kann diese bzw. Aktien, für welche Bezugsrechte eingeräumt, aber nicht ausgeübt werden, zu Marktkonditionen platzieren oder anderweitig im Interesse der Gesellschaft verwenden.

4 Der Verwaltungsrat ist ferner ermächtigt, das Bezugsrecht der Aktionäre zu beschränken oder aufzuheben und Dritten zuzuweisen, im Falle der Verwendung der Aktien:

(a) für die Ausgabe von neuen Aktien, wenn der Ausgabebetrag der neuen Aktien unter Berücksichtigung des Marktpreises festgesetzt wird; oder

(c) für die Übernahme von Unternehmen, Unternehmensteilen oder Beteiligungen oder für neue Investitionsvorhaben oder für die Finanzierung oder Refinanzierung solcher Transaktionen; oder

(c) zum Zwecke der Erweiterung des Aktionärskreises in gewissen Finanz- oder Investorenmärkten oder im Zusammenhang mit der Kotierung der Aktien an inländischen oder ausländischen Börsen; oder

(d) für nationale und internationale Aktienplatzierungen zum Zwecke der Erhöhung des Streubesitzes oder zur Einhaltung anwendbarer Kotierungsvorschriften; oder

(e) zwecks Beteiligung von strategischen Investoren; oder

(f) für die Einräumung einer Mehrzuteilungsoption ("greenshoe") an ein oder mehrere Finanzinstitute im Zusammenhang mit einer Aktienplatzierung; oder

(g) für die Beteiligung von Verwaltungsräten, Geschäftsleitungsmitgliedern, Mitarbeitern, Beauftragten, Beratern der Gesellschaft oder einer Gruppengesellschaft, oder anderen Personen, die Dienstleistungen an die Gesellschaft oder eine Gruppengesellschaft erbringen; oder

(h) um Kapital auf eine schnelle und flexible Weise zu beschaffen, welche ohne den Ausschluss der Bezugsrechte der bestehenden Aktionäre nur schwer möglich wäre.

5 Zeichnung und Erwerb der neuen Aktien sowie jede nachfolgende Übertragung der Aktien unterliegen den Beschränkungen von Artikel 6 dieser Statuten.

**Article 4a**

*Authorized Capital*

1 The Board of Directors is authorized, at any time until ~~March 16, 2018~~ May 31, 2019 to increase the share capital in an amount not to exceed CHF ~~397,032.45~~ 691,562.40 through the issuance of up to ~~7,940,649~~ 13,831,248 fully paid-in registered shares with a nominal value of CHF 0.05 each. An increase in partial amounts shall be permitted.

2 The Board of Directors shall determine the issue price, the type of payment, the date of issue of new shares, the conditions for the exercise of pre-emptive rights and the beginning date for dividend entitlement. In this regard, the Board of Directors may issue new shares by means of a firm underwriting through a banking institution or a third party and a subsequent offer of these shares to the current shareholders.

3 The Board of Directors is entitled to permit, to restrict or to exclude the trade with pre-emptive rights. The Board of Directors may permit pre-emptive rights that have not been exercised to expire or it may place these rights and/or shares as to which pre-emptive rights have been granted but not exercised at market conditions or use them for other purposes in the interest of the Company.

4 The Board of Directors is further authorized to limit or withdraw the pre-emptive rights of shareholders and allocate such rights to third parties if the shares are to be used:

(b) for issuing new shares if the issue price of the new shares is determined by reference to the market price;

(b) for the acquisition of an enterprise, parts of an enterprise or participations or for new investment projects or for purposes of financing or refinancing any such transactions; or

(c) for the purpose of broadening the shareholder constituency in certain financial or investor markets or in connection with the listing of new shares on domestic or foreign stock exchanges; or

(d) for purposes of national and international offerings of shares for the purpose of increasing the free float or to meet applicable listing requirements;

(e) for purposes of the participation of strategic partners; or

(f) for an over-allotment option ("greenshoe") being granted to one or more financial institutions in connection with an offering of shares; or

(g) for the participation of directors, officers, employees, contractors, consultants of, or other persons providing services to the Company or a group company; or

(h) for raising capital in a fast and flexible manner which could only be achieved with great difficulty without exclusion of the pre-emptive rights of the existing shareholders.

5 The subscription and acquisition of the new shares as well as any subsequent transfer of the shares shall be subject to the restrictions pursuant to Article 6 of these articles of association.

## Annex B
## Increase of Conditional Share Capital

**Artikel 4b**

*Bedingtes Kapital*

1 Das Aktienkapital kann sich um höchstens CHF ~~353'685.10~~ 691'562.40 erhöhen:

(a) bis zu einem Betrag von CHF ~~274'612.90~~ 441'562.40 durch Ausgabe von höchstens ~~5'492'258~~ 8'831'248 voll zu liberierenden Namenaktien im Nennwert von je CHF 0.05 im Zusammenhang mit der Ausübung von Wandel-, Options-, Tausch-, Bezugs-, oder ähnlichen Rechten auf den Bezug von Aktien (die **Rechte**), welche Dritten oder Aktionären in Zusammenhang mit neuen oder bereits begebenen Anleihen (inklusive Wandel- oder Optionsanleihen), Optionen, Warrants, anderen Finanzierungsinstrumenten oder vertraglichen Verpflichtungen, die von der Gesellschaft oder einer ihrer Konzerngesellschaften gewährt wurden oder gewährt werden (die **mit Rechten verbundenen Obligationen**); und

(b) bis zu einem Betrag von CHF ~~79'072.20~~ 250'000.00 durch Ausgabe von höchstens ~~1'581'444~~ 5'000'000 voll zu liberierenden Namenaktien im Nennwert von je CHF 0.05 im Zusammenhang mit der Ausgabe von Aktien oder mit Rechten verbundenen Obligationen an Mitglieder des Verwaltungsrates, Mitglieder der Geschäftsleitung, Arbeitnehmer, Beauftragte, Berater oder andere Personen, die für die Gesellschaft oder eine Konzerngesellschaft Dienstleistungen erbringen.

2 Bei der Ausgabe von mit Rechten verbundenen Obligationen durch die Gesellschaft oder einer ihrer Konzerngesellschaften ist das Bezugsrecht der Aktionäre ausgeschlossen. Zum Bezug der neuen Aktien, die bei der Ausübung von mit Rechten verbundenen Obligationen ausgegeben werden, sind die jeweiligen Inhaber der mit Rechten verbundenen Obligationen berechtigt. Die Bedingungen der mit Rechten verbundenen Obligationen sind durch den Verwaltungsrat festzulegen.

3 Der Verwaltungsrat ist ermächtigt, bei der Ausgabe von mit Rechten verbundenen Obligationen durch die Gesellschaft oder einer ihrer Konzerngesellschaften das Vorwegzeichnungsrecht der Aktionäre zu beschränken oder aufzuheben, falls solche mit Rechten verbunden Obligationen:

(a) zum Zwecke der Übernahme von Unternehmen, Unternehmensteilen oder Beteiligungen oder für neue Investitionsvorhaben ausgegeben werden; oder

(b) an strategische Investoren ausgegeben werden; oder

(c) auf den nationalen oder internationalen Kapitalmärkten oder im Rahmen einer Privatplatzierung emittiert werden.

4 Wird das Vorwegzeichnungsrecht durch Beschluss des Verwaltungsrates weder direkt noch indirekt gewährt, gilt Folgendes:

(a) Die mit Rechten verbundenen Obligationen sind zu den jeweils marktüblichen Bedingungen auszugeben oder einzugehen; und

(b) der Umwandlungs-, Tausch- oder sonstige Ausübungspreis der mit Rechten verbundenen Obligationen ist unter Berücksichtigung des Marktpreises im Zeitpunkt der Ausgabe der mit Rechten verbundenen Obligationen festzusetzen; und

(c) die mit Rechten verbundenen Obligationen sind höchstens während 30 Jahren ab dem jeweiligen Zeitpunkt der betreffenden Ausgabe oder des betreffenden Abschlusses wandel-, tauschoder aus-übbar.

5 Bei der Ausgabe von Aktien oder mit Rechten verbundenen Obligationen gemäss Art. 4b Absatz 1(b) dieser Statuten, sind das Bezugsrecht wie auch das Vorwegzeichnungsrecht der Aktionäre der Gesellschaft ausgeschlossen. Die Ausgabe von Aktien oder mit Rechten verbundenen Obligationen an die in Art. 4b Absatz 1(b) dieser Statuten genannten Personen erfolgt gemäss einem oder mehreren Beteiligungsplänen der Gesellschaft. Die Ausgabe von Aktien an die in Art. 4b Absatz 1(b) dieser Statuten genannten Personen kann zu einem Preis erfolgen, der unter dem Kurs der Börse liegt, an der die Aktien gehandelt werden, muss aber mindestens zum Nennwert erfolgen.

6 Die neuen Aktien, welche über die Ausübung von mit Rechten verbundenen Obligationen erworben werden, unterliegen den Beschränkungen gemäss Artikel 6 dieser Statuten.

**Article 4b**

*Conditional Share Capital*

1 The share capital may be increased in an amount not to exceed CHF ~~353,685.10~~691,562.40:

(a) up to an amount of CHF ~~274,612.90~~ 441,562.40 by the issuance of up to ~~5,492,258~~ 8,831,248 fully paid-in registered shares with a nominal value of CHF 0.05 each in connection with the exercise of conversion, option, exchange, warrant or similar rights for the subscription of shares (the **Rights**) granted to third parties or shareholders in connection with bonds (including convertible bonds and bonds with options), options, warrants, notes, other securities or contractual obligations newly or already issued or granted by the Company or one of its group companies (the **Rights-Bearing Obligations**); and

(b) up to an amount of CHF ~~79,072.20~~ 250,000.00 by the issuance of up to ~~1,581,444~~ 5,000,000 fully paid-in registered shares with a nominal value of CHF 0.05 each in connection with the issuance of shares or Rights-Bearing Obligations granted to the members of the Board of Directors, members of executive management, employees, contractors, consultants or other persons providing services to the Company or one of its group companies.

2 The pre-emptive rights of the shareholders shall be excluded in connection with the issuance of any Rights-Bearing Obligations by the Company or any of its group companies. The then-current owners of such Right-Bearing Obligations shall be entitled to subscribe for the new shares issued upon conversion, exchange, or exercise of the Rights-Bearing Obligations. The conditions of the Rights-Bearing Obligations shall be determined by the Board of Directors.

3 The Board of Directors shall be authorized to restrict or deny the advance subscription rights of shareholders In connection with the issuance by the Company or one of its group companies of Rights-Bearing Obligations if:

(a) such issuances are for the purpose of financing or refinancing the acquisition of an enterprise, parts of an enterprise, or participations or for new investment projects; or

(b) such instruments are issued to strategic investors; or

(c) such instruments are issued on national or international capital markets or through a private placement.

4 4 If advance subscription rights are neither granted directly or indirectly by the Board of Directors, the following shall apply:

(a) The Rights-Bearing Obligations shall be issued or entered into at market conditions; and

(b) the conversion, exchange or exercise price of the Rights-Bearing Obligations shall be set with reference to the market conditions prevailing at the date on which the Rights-Bearing Obligations are issued; and

(c) the Rights-Bearing Obligations may be converted, exchanged or exercised during a maximum period of 30 years from the date of the relevant issuance or entry.

5 The pre-emptive rights and advance subscription rights of the shareholders shall be excluded in connection with the issuance of any Shares or Rights-Bearing Obligations pursuant to Art. 4b para 1(b) of these Articles of Association. Shares or Rights-Bearing Obligations shall be issued to any of the persons referred to in Art. 4b para 1(b) of these Articles of Association in accordance with one or more benefit or incentive plans of the Company. Shares may be issued to any of the persons referred to in Art. 4b para 1(b) of these Articles of Association at a price lower than the current market price quoted on the stock exchange on which the Shares are traded, but at least at par value.

6 The new shares acquired through the exercise of Rights Bearing Obligations shall be subject to the limitations pursuant to Article 6 of these Articles of Association.

## Annex C
## Further Amendments to the Company's Articles of Association (articles 28 para. 4 and 31)

**Artikel 28**

*Vergütungen der Mitglieder des Verwaltungsrates und der Geschäftsleitung*

1 Die Vergütung der nicht-exekutiven Mitglieder des Verwaltungsrates umfasst eine feste Grundentschädigung und kann weitere Vergütungselemente und Leistungen umfassen. Die Gesamtvergütung berücksichtigt Funktion und Verantwortungsstufe des Empfängers.

2 Die Vergütung der exekutiven Mitglieder des Verwaltungsrates und der Mitglieder der Geschäftsleitung umfasst fixe und variable Vergütungselemente. Die variable Vergütung richtet sich nach der Erreichung bestimmter Leistungsziele. Die Gesamtvergütung berücksichtigt Funktion und Verantwortungsstufe des Empfängers.

3 Die Leistungsziele können persönliche Ziele, Unternehmens-, Gruppen- oder bereichsspezifische Ziele oder im Vergleich zum Markt, zu anderen Unternehmen oder zu vergleichbaren Richtgrössen berechnete Ziele umfassen, unter Berücksichtigung von Funktion und Verantwortungsstufe des Empfängers der variablen Vergütung. Der Verwaltungsrat oder, soweit an ihn delegiert, der Vergütungsausschuss legt die Gewichtung der Leistungsziele und die jeweiligen Zielwerte fest.

4 Die Vergütung kann in der Form von Geld, Aktien oder Sach- oder Dienstleistungen ausgerichtet werden; die Vergütung ~~an exekutive Mitglieder des Verwaltungsrates und Mitglieder der Geschäftsleitung~~ kann ~~auch~~ zudem auch in der Form von Optionen, vergleichbaren Instrumenten oder Einheiten gewährt werden. Der Verwaltungsrat oder, soweit an ihn delegiert, der Vergütungsausschuss legt Zuteilungsbedingungen, Vesting-Bedingungen, Ausübungsbedingungen und -fristen sowie allfällige Sperrfristen und Verfallsbedingungen fest. Sie können insbesondere vorsehen, dass aufgrund des Eintritts im Voraus bestimmter Ereignisse wie eines Kontrollwechsels oder der Beendigung eines Arbeits- oder Mandatsverhältnisses Vesting-Bedingungen, Ausübungsbedingungen und –fristen, Sperrfristen und Verfallsbedingungen weiter gelten, verkürzt oder aufgehoben werden, Vergütungen unter Annahme der Erreichung der Zielwerte ausgerichtet werden oder Vergütungen verfallen. Die Gesellschaft kann die erforderlichen Aktien oder andere Beteiligungspapiere auf dem Markt erwerben oder unter Nutzung ihres bedingten Kapitals bereitstellen.

5 Die Vergütung kann durch die Gesellschaft oder durch von ihr kontrollierte Gesellschaften ausgerichtet werden.

**Artikel 31**

*Kredite und Darlehen*

Die Gesellschaft oder von ihr kontrollierte Gesellschaften ~~entrichten keine~~ darf Darlehen an Mitglieder des Verwaltungsrates oder der Geschäftsleitung entrichten, vorausgesetzt, diese werden zu Konditionen wie zwischen unabhängigen Vertragsparteien entrichtet.

**Article 28**

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

1 The compensation of the non-executive members of the Board of Directors consists of a fixed base compensation and may consist of further compensation elements. Total compensation shall take into account position and level of responsibility of the recipient.

2 The compensation of the executive members of the Board of Directors and of the members of the Executive Management consists of fixed and variable compensation elements. Variable compensation shall take into account the achievement of specific performance targets. Total compensation shall take into account position and level of responsibility of the recipient.

3 The performance targets may include individual targets, targets of the company, group or parts thereof or targets in relation to the market, other companies or comparable benchmarks, taking into account position and level of responsibility of the recipient. The Board of Directors or, to the extent delegated to it, the Compensation Committee shall determine the relative weight of the performance targets and the respective target values.

4 Compensation may be paid in the form of cash, shares, or in the form of other types of benefits; ~~for the executive members of the Board of Directors and the members of the Executive Management,~~ compensation may ~~in addition~~ also be granted in the form of options or comparable instruments or units. The Board of Directors or, to the extent delegated to it, the Compensation Committee shall determine grant, vesting, exercise, restriction and forfeiture conditions and periods. In particular they may provide for continuation, acceleration or removal of vesting, exercise, restriction and forfeiture conditions and periods, for payment or grant of compensation based upon assumed target achievement, or for forfeiture, in each case in the event of pre-determined events such as a change-of-control or termination of an employment or mandate agreement. The Company may procure the required shares or other securities through purchases in the market or by using contingent share capital.

5 Compensation may be paid by the Company or companies controlled by it.

**Article 31**

*Credits and Loans*

The Company or companies controlled by it ~~shall not~~ may grant ~~any~~ loans to members of the Board of Directors or the Executive Management, provided they are granted at arm's length terms.