

# Invitation to the 30<sup>th</sup> Ordinary Shareholders' Meeting

**Date: Wednesday, April 13, 2016, 3.00 pm (door opens at 2.00 pm) Place:  
Lake Side, Casino Zurichhorn, Bellerivestrasse 170, CH-8008 Zurich**

## Agenda and Proposals of the Board of Directors:

### 1 Annual Report, Annual Accounts and Consolidated Accounts 2015, Auditors' Report

*Proposal of the Board:* Approval of the Annual Report, the Annual Accounts and the Consolidated Accounts 2015.

### 2 Resolution on the Allocation of Profits

	in CHF
Carried forward from previous year	171'470'216
Reversal of reserve for treasury shares due to introduction of new Swiss GAAP on January 1, 2015	15'296'812
Net Profit 2015	11'524'453
Available retained earnings	198'291'481

#### ***Proposal of the Board:***

- |  |              |
|--|--------------|
| - Payment of a dividend of CHF 1.75 per share with a nominal value of CHF 0.10 each (total 11'467'577 shares eligible for dividend) <sup>1</sup> | (20'068'260) |
| - Balance to be carried forward  | 178'223'221  |

<sup>1</sup> These numbers are based on the outstanding share capital at December 31, 2015. The number of shares eligible for dividend may change due to the repurchase or sale of treasury shares and the issuance of up to 86'246 new shares from the conditional share capital reserved for employee participation plans.

### 3 Discharge of the Members of the Board of Directors and Members of the Executive Committee

*Proposal of the Board:* Grant of discharge to the Members of the Board of Directors and the Members of the Executive Committee for their activities in the business year 2015.

## **4 Elections**

### **4.1 Re-election of Members of the Board of Directors**

*Proposal of the Board:* Re-election of the following current members of the Board of Directors for a one-year term:

- a. Heinrich Fischer
- b. Dr. Oliver Fetzter
- c. Lars Holmqvist
- d. Dr. Karen Huebscher
- e. Dr. Christa Kreuzburg
- f. Gérard Vaillant
- g. Rolf Classon

*Comment:* The elections are conducted in separate ballots.

### **4.2 Re-election of the Chairman of the Board of Directors**

*Proposal of the Board:* Re-election of Rolf Classon as Chairman of the Board of Directors for a one-year term.

### **4.3 Election and re-election of members of the Compensation Committee**

*Proposal of the Board:* Election and re-election of the following members of the Compensation Committee for a one-year term:

- a. Dr. Oliver Fetzter (re-election)
- b. Dr. Christa Kreuzburg (re-election)
- c. Gérard Vaillant (new election)

*Comment:* The elections are conducted in separate ballots.

### **4.4 Election of the Auditors**

*Proposal of the Board:* Election of Ernst & Young AG, Zurich, as auditors for the business year 2016.

### **4.5 Election of the Independent Voting Proxy**

*Proposal of the Board:* Election of Proxy Voting Services GmbH, Zürich, as independent voting proxy until the end of the 31<sup>st</sup> Ordinary Shareholders' Meeting of Tecan Group Ltd. 2017.

## **5 Compensation**

### **5.1 Advisory Vote on the Compensation Report 2015**

*Proposal of the Board:* Approval, on an advisory (non-binding) basis, of the Compensation Report 2015.

*Comments:* Article 18 para. 2 of Tecan's Articles of Association provides that the Board of Directors shall annually submit to the General Meeting of Shareholders the compensation

report for a retrospective non-binding approval. The Compensation Report 2015 is presented in the Business Report 2015. The Compensation Report 2015 covers the compensation paid, promised or granted during the business year 2015.

## **5.2 Approval of maximum total amount of compensation of the Board of Directors from the Ordinary Shareholders Meeting 2016 to the Ordinary Shareholders Meeting 2017**

*Proposal of the Board:* Approval of the maximum total amount of compensation that can be paid, promised or granted to the Board of Directors for the period from the Ordinary Shareholders Meeting 2016 until the Ordinary Shareholders Meeting 2017 in an amount not to exceed CHF 1'450'000.

*Comments:* Under the Ordinance Against Excessive Compensation in Listed Stock Companies and Art. 18 of Tecan's Articles of Association, the requirement to obtain shareholder approval prospectively of the compensation of the Board of Directors is effective for compensation for the period from the Ordinary Shareholders Meeting 2016 until the Ordinary Shareholders Meeting 2017. Consequently, the proposal described in this Agenda Item No. 5.2 gives shareholders the opportunity to cast a binding vote to approve the maximum total amount of compensation that can be paid, promised or granted to the Board of Directors for the period from the Ordinary Shareholders Meeting 2016 until the Ordinary Shareholders Meeting 2017.

The compensation for the Board of Directors currently consists of a compensation in cash and in shares. Details on the compensation structure for the Board of Directors as well as historic pay out data can be found in the Compensation Report.

## **5.3 Approval of maximum total amount of compensation of the Management Board for the Business Year 2017**

Under the Ordinance Against Excessive Compensation in Listed Stock Companies and Art. 18 of Tecan's Articles of Association, the requirement to obtain shareholder approval prospectively of the compensation of the Management Board is effective for compensation for the business year 2017. Consequently, the proposals described in this Agenda Item No. 5.3 gives shareholders the opportunity to cast a binding vote to approve the maximum total amount of compensation that can be paid, promised or granted to the Management Board for the business year 2017.

*Proposal of the Board:* Approval of the maximum total amount of compensation that can be paid, promised or granted to the members of the Management Board for the business year 2017 in an amount not to exceed **CHF 18'200'000**, including fixed compensation, short term incentive compensation, as long term incentive benefits and in equity and other forms of compensation.

*Comments:* The current compensation scheme consists of (a) a fixed and short term element and (b) of a long term incentive element.

- a) The fixed compensation consists of fixed compensation elements in cash and in kind. The short term incentive is a bonus in cash under Tecan's Variable Pay Regulation, the pay out of which will depend on the performance in the respective business year. Details on the bonus scheme and historical pay-out data can be found in the Compensation Report. It is currently anticipated that the maximum amount for this fixed and short term element would be around CHF 6'700'000 for 2017.
- b) The long term incentive currently consists of an initial grant in 2017 of shares that are blocked for three years and involve the right to receive additional shares that may vest later subject to the achievement of three year economic value targets of Tecan as per Tecan's Performance Share Matching Plan. A description of the Performance Share Matching Plan and the historic amounts of grants and vesting can be found in the Compensation Report. It is currently anticipated that the maximum amount of this long term incentive element for 2017 would be around CHF 11'500'000.

The sum of these two anticipated amounts is a maximum amount of CHF 18'200'000, which is

the proposal from the Board of Directors for the Business Year 2017. In comparison, the total of the amounts approved by the 2015 Annual Ordinary Shareholders Meeting for the **Business Year 2016 was CHF 17'900'000.**

## 6 Amendment of Articles of Incorporation

### Renewal of Authorized Share Capital

*Proposal:* Renewal of the authorization provided in art. 3c para. 1 of the articles of incorporation to increase the share capital until April 13, 2018 by a maximum amount of CHF 220,000 by issuing a maximum of 2,200,000 fully paid up registered shares with a par value of CHF 0.10 each, corresponding to 19.18% of the share capital.

The Board of Directors proposes to amend art. 3c para. 1 of the articles of incorporation as follows, whereby this amendment will only become effective upon its registration in the commercial registry:

#### Current Text

Art. 3c

The Board of Directors is authorized to increase the share capital at any time up to April 14, 2016, by an amount not exceeding CHF 220,000.00 through the issue of up to 2,200,000 registered shares, payable in full, each with a nominal value of CHF 0.10. Increase by underwriting as well as partial increases are permitted. The issue amount, the dividend entitlement, the type of contributions and any possible acquisition of assets will be determined by the Board of Directors. The new registered shares are subject to the restrictions specified in section 5 of the Articles of Incorporation.

#### New Text

(Amendments **highlighted**)

Art. 3c

The Board of Directors is authorized to increase the share capital at any time up to **April 13, 2018**, by an amount not exceeding CHF 220'000.-- through the issue of up to 2'200'000 registered shares, payable in full, each with a nominal value of CHF 0.10. Increase by underwriting as well as partial increases are permitted. The issue amount, the dividend entitlement, the type of contributions and any possible acquisition of assets will be determined by the Board of Directors. The new registered shares are subject to the restrictions specified in art. 5 of the Articles of Incorporation.

[Para. 2 and 3 of art. 3c remain unchanged.]

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## **Documentation**

The current Articles of Incorporation, the Business Report 2015, consisting of the Annual Report of the Board of Directors, the Annual Financial Statements, and the Consolidated Financial Statements, as well as the Reports of the Auditors and the Compensation Report are available for inspection by the shareholders as of March 23, 2016 at the Company's registered office at Seestrasse 103, CH-8708 Männedorf. Upon request, a shareholder may receive a copy of these documents from the Company. As of March 23, 2016 at the latest, the Business Report 2015 may be downloaded from the Company's website, [www.tecan.com](http://www.tecan.com).

## **Admission to the Meeting and Voting Rights**

Shareholders returning the application card by April 11, 2016 at the latest, will be sent the admission cards and the voting material.

Any shareholder of record as of April 4, 2016, 5.00 pm, is entitled to vote at the meeting. Until April 14, 2016, the share register of the Company will be closed for any registrations.

## **Representation and Power of Attorney**

Shareholders who are not able to attend the meeting may be represented as follows:

- by an empowered person: The power of attorney (in the lower part of the admission card) must be completed and handed over to the representative.
- by the independent voting representative, Proxy Voting Services GmbH, Grossmunsterplatz 1, Postfach 173, CH-8024 Zurich. The application card is sufficient for granting the power of attorney (it is not necessary to request the admission card). Instructions to the independent voting representative may be given by using the instruction form on the back of the application card. Pursuant to art. 11 of the Ordinance Against Excessive Compensation in Listed Stock Companies as of January 1, 2014 proxy voting by a member of the company or by a depository is prohibited.
- You may submit your voting instructions to the independent proxy in the internet under [www.sherpany.com/tecan](http://www.sherpany.com/tecan). For the registration with Sherpany, please refer to the document enclosed and follow the steps in the registration instruction.

Männedorf, March 22, 2016

For the Board of Directors of Tecan Group Ltd.

Rolf Classon

Chairman