

## Invitation to the 45<sup>th</sup> Annual General Meeting of Shareholders

(This invitation is a non-binding translation of the official German version published on March 20, 2018 in the Swiss Official Gazette of Commerce)

The shareholders of OC Oerlikon Corporation AG, Pfäffikon (the "Corporation") are invited to the 45<sup>th</sup> Annual General Meeting of Shareholders on

**Tuesday, April 10, 2018, at 9:30 a.m. (door opens at 8:30 a.m.)  
KKL Luzern (Culture and Convention Center), Luzerner Saal,  
Europaplatz 1, 6005 Lucerne**

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### Agenda

#### 1. Approval of the Group Business Review, the Annual Financial Statements and the Consolidated Financial Statements for 2017

The Board of Directors proposes to the Annual General Meeting of Shareholders that the Group Business Review, the Annual Financial Statements of OC Oerlikon Corporation AG, Pfäffikon and the Consolidated Financial Statements of the Oerlikon Group for 2017 be approved.

#### 2. Allocation of the 2017 available earnings and distribution of dividend from reserves from capital contributions

##### 2.1 Allocation of the 2017 earnings

Retained earnings brought forward	CHF	562 824 897
Loss on Treasury Shares	CHF	-21 523
Result for the year	CHF	78 220 246
Available earnings	CHF	641 023 620

The Board of Directors proposes to the Annual General Meeting of Shareholders that the available earnings are to be appropriated as follows:

Balance to be carried forward	CHF	641 023 620
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##### 2.2 Distribution of dividend from reserves from capital contributions

The Board of Directors proposes to the Annual General Meeting of Shareholders a distribution of a dividend, distributed from reserves from capital contributions:

Dividend from reserves from capital contributions (without withholding tax) of CHF 0.35 on dividend bearing shares with a nominal value of CHF 1.00 each	CHF	119 000 000
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\* No dividend will be paid on treasury shares held by OC Oerlikon Corporation AG, Pfäffikon.

Provided that the proposal of the Board of Directors is approved by the Annual General Meeting of Shareholders, the dividend will be paid out as from April 16, 2018. The shares will be traded ex-dividend as of April 12, 2018.

*Explanation: As of January 1, 2011, under Swiss tax law, qualifying capital contributions contributed to a company by its shareholders since 1997 may be distributed without being subject to Swiss withholding tax. At the level of the Swiss resident shareholder holding the shares in his private assets, the distribution of qualifying capital contributions is also exempt from Swiss income tax.*

**3. Discharge of the members of the Board of Directors and the Executive Committee for the financial year 2017**

The Board of Directors proposes to the Annual General Meeting of Shareholders to grant discharge to the members of the Board of Directors and the Executive Committee for the financial year 2017.

**4. Elections to the Board of Directors**

The term of office for all members of the Board of Directors expires at the Annual General Meeting on April 10, 2018. All current members stand for re-election. Accordingly, the Board of Directors proposes to the Annual General Meeting of Shareholders that the following individuals be re-elected for a one-year term of office until completion of the next Annual General Meeting of Shareholders:

4.1 Prof. Dr. Michael Süss, as Chairman of the Board of Directors;

4.2 Mr. Jean Botti, as Director;

4.3 Mr. Geoffery Merszei, as Director;

4.4 Mr. David Metzger, as Director;

4.5 Mr. Alexey V. Moskov, as Director;

4.6 Mr. Gerhard Pegam, as Director.

Elections shall be held individually.

**5. Elections to the Human Resources Committee**

The term of office for all members of the Human Resources Committee expires at the Annual General Meeting on April 10, 2018. All current members stand for re-election. Accordingly, the Board of Directors proposes to the Annual General Meeting of Shareholders that the following individuals be re-elected as members of the Human Resources Committee for a one-year term of office until completion of the next Annual General Meeting of Shareholders:

5.1 Prof. Dr. Michael Süss, as member of the Human Resources Committee;

5.2 Mr. Alexey V. Moskov, as member of the Human Resources Committee;

5.3 Mr. Gerhard Pegam, as member of the Human Resources Committee.

Elections shall be held individually.

**6. Election of the Auditors**

The Board of Directors proposes to the Annual General Meeting of Shareholders the re-election of PricewaterhouseCoopers AG, Zurich, as auditor for a period of one year.

**7. Election of the Independent Proxy**

The Board of Directors proposes to the Annual General Meeting of Shareholders that Proxy Voting Services GmbH, Zurich, be re-elected as Independent Proxy for a one-year term of office until completion of the next Annual General Meeting of Shareholders.

**8. Approval of the maximum aggregate amount of total compensation of the Board of Directors**

The Board of Directors proposes to the Annual General Meeting of Shareholders to approve a maximum aggregate amount of total compensation of the Board of Directors for their term of office from AGM 2018 to AGM 2019 of CHF 2.2 million.

*Explanation: This is a binding vote required by the Ordinance against excessive compensation by public corporations of November 20, 2013 ("Compensation Ordinance") and the articles of association, allowing shareholders to vote on the aggregate maximum compensation of the Board of Directors for the forthcoming term of office. The proposed amount allows for a maximum compensation of the Board of Directors for the term of office from AGM 2018 to AGM 2019 of CHF 2.2 million.*

*The maximum amount excludes legally required employer's contributions to social security paid or to be paid by the company. The actual payout, including the distribution among these non-binding components, will be disclosed in the compensation reports 2018 and 2019, respectively.*

**9. Approval of the maximum aggregate amount of fixed compensation of the Executive Committee**

The Board of Directors proposes to the Annual General Meeting of Shareholders to approve a maximum aggregate amount of fixed compensation of the Executive Committee for the period starting on July 1, 2018 and ending on June 30, 2019 of CHF 4.0 million.

*Explanation: This is a binding vote required by the Compensation Ordinance and the articles of association, allowing shareholders to vote on the maximum aggregate fixed compensation of the Executive Committee for the forthcoming period. The proposed amount allows for a maximum fixed compensation of the Executive Committee for the period starting on July 1, 2018 and ending on June 30, 2019 of CHF 4.0 million.*

*The maximum amount excludes legally required employer's contributions to social security paid or to be paid by the company. The actual payout, including the distribution among these non-binding components, will be disclosed in the compensation reports 2018 and 2019, respectively.*

**10. Approval of the aggregate amount of variable compensation of the Executive Committee**

The Board of Directors proposes to the Annual General Meeting of Shareholders to approve the aggregate amount of variable compensation of the Executive Committee for the past financial year, i.e. for the period starting on January 1, 2017 and ending on December 31, 2017 of CHF 7.9 million.

*Explanation: This is a binding vote required by the Compensation Ordinance and the articles of association, allowing shareholders to vote on the aggregate variable compensation of the Executive Committee for the past financial year. By voting retrospectively, shareholders have a say on the effectively granted variable pay in full awareness of the business results of the previous financial year and any changes in the business environment.*

*This amount has been derived from adding the following components: annual bonus of CHF 4.0 million and multi-year equity grants (performance share units) with an estimated value at grant date of CHF 3.9 million. This amount excludes legally required employer's contributions to social security paid or to be paid by the company. Depending on the achievement of pre-determined performance criteria over a period of three years, between 0 and 2 shares of the Corporation will be allocated per performance share unit. The actual number of shares allocated, if any, will be disclosed in the remuneration report 2020. Since some members of the Executive Committee receive their remuneration in other currencies than CHF the actual payout also depends on the exchange rate at the time of payout.*

## **Organizational Information**

### **Annual report**

The Annual Report 2017 consisting of the Business Report, the Annual Financial Statements of OC Oerlikon Corporation AG, Pfäffikon, the Consolidated Financial Statements, the Remuneration Report and the Auditors' Reports will be available for inspection by the shareholders as from March 20, 2018 at the Corporation's registered office located at Churerstrasse 120, 8808 Pfäffikon SZ. Each shareholder may request OC Oerlikon Corporation AG, Pfäffikon, to deliver the Annual Report (Phone +41 58 360 96 96). In addition, the Annual Report is available in an electronic format on the internet on the Corporation's website <https://www.oerlikon.com/annualreport-2017/en/>.

### **Admission cards**

Admission Cards and voting material will only be delivered upon application. We request that you return the filled in Reply Form in the enclosed reply envelope as soon as possible but no later than Thursday, April 5, 2018, or that you reply electronically (instructions regarding electronic reply can be found on the corresponding information sheet attached to the invitation).

### **Right to vote**

The shareholders registered in the share register with the right to vote as at Thursday, March 29, 2018, are entitled to vote. No entries will be made in the share register during the period of March 30, 2018 through April 10, 2018. Shareholders who have sold their shares prior to the Annual General Meeting of Shareholders will no longer have any voting rights with respect to these shares.

### **No trading restriction on shares in OC Oerlikon Corporation AG, Pfäffikon**

The registration of shareholders for voting purposes does not affect the trading of shares held by registered shareholders before, during or after a General Meeting.

### **Leaving the Annual General Meeting of Shareholders prior to its conclusion**

In order to ensure a proper assessment of the participants, the shareholders who leave the Annual General Meeting of Shareholders prior to its conclusion, either definitely or temporarily, must hand in or show, respectively, the electronic voting device as well as the unused voting information material together with the admission card at the exit.

### **Proxy**

Shareholders who do not wish to participate at the Annual General Meeting of Shareholders personally, may choose to be represented either by another shareholder or by the Independent Proxy, Proxy Voting Services GmbH, Grossmünsterplatz 1, 8001 Zurich, Switzerland.

If you want to grant proxy authority to the Independent Proxy, Proxy Voting Services GmbH, Grossmünsterplatz 1, 8001 Zurich, Switzerland, please return the accordingly filled in and signed Reply Form in the enclosed reply envelope as soon as possible but no later than Thursday, April 5, 2018 or reply electronically (instructions regarding electronic reply can be found on the corresponding information sheet attached to the invitation). If you want to grant proxy authority to another shareholder, please return the accordingly filled in Reply Form in the enclosed reply envelope as soon as possible but no later than Thursday, April 5, 2018 or reply electronically (instructions regarding electronic reply can be found on the corresponding information sheet attached to the invitation). After having received the admission card, fill in the corresponding category on the admission card and give it to the authorized shareholder.

### **Means of transportation**

Since the KKL Luzern is situated right next to the railway station Lucerne and parking facilities (at extra cost) are limited, it is recommended to use public transport.

Pfäffikon SZ, March 16, 2018

### **OC Oerlikon Corporation AG, Pfäffikon**

Prof. Dr. Michael Süss  
Chairman of the Board of Directors