

INVITATION TO THE ANNUAL GENERAL MEETING OF SIKA AG

Tuesday, April 20, 2021, 4.00 p.m.

DEAR SHAREHOLDERS,

The Annual General Meeting of Sika AG will be held on Tuesday, April 20, 2021 at 4.00 p.m.

Based on the Ordinance of the Federal Council on measures to prevent coronavirus, it will not be possible for shareholders to physically attend the Annual General Meeting. Accordingly, shareholders are asked to exercise their rights exclusively through the independent proxy.

The Annual General Meeting will be broadcast on the Sika website and shareholders will be given the opportunity to ask questions during the Annual General Meeting via an online platform. We refer to the last page of this invitation for further information.

AGENDA AND PROPOSALS BY THE BOARD OF DIRECTORS

1. APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS FOR 2020

Proposal by the Board of Directors. On the basis of the Report of the Statutory Auditors, the Board of Directors proposes that the annual financial statements and the consolidated financial statements for the year 2020 be approved.

Notes. The report of the Board of Directors and Group Management is included in the annual report, which may be obtained by shareholders and is also available on the Internet at www.sika.com, under the heading Investors.

The income statement of Sika AG shows an income of CHF 507.3 million, an operating result of CHF 299.5 million, a net profit before taxes of CHF 319.9 million and a net profit of CHF 309.0 million. The balance sheet total increased by CHF 36.1 million to CHF 7,136.0 million. Shareholders' equity amounted to CHF 1,421.8 million at the end of the year. The consolidated financial statements show a net profit of CHF 825.1 million. An operating profit of CHF 1,130.5 million and operating free cash flow of CHF 1,259.4 million were generated on net sales of CHF 7,877.5 million. In its reports to the Annual General Meeting, Ernst & Young AG recommends that the annual financial statements of Sika AG and the consolidated financial statements be approved. In the opinion of the auditors, the consolidated financial statements give a true and fair view of the Group's assets, financial situation, and earnings in accordance with the International Financial Reporting Standards and comply with Swiss law.

2. APPROPRIATION OF THE RETAINED EARNINGS OF SIKA AG

Proposal by the Board of Directors. The Board of Directors proposes to the Annual General Meeting the following appropriation of retained earnings:

in CHF mn

Composition of retained earnings	
Net profit for the year	309.0
Results carried forward from prior year	934.4
Total at the disposal of Annual General Meeting	1,243.4
Dividend payment	
Dividend payment out of the profit brought forward	354.5
Results carried forward	888.9

Notes. No allocation was made to the general statutory reserve as it currently already exceeds 20% of the share capital. Provided that the proposal of the Board of Directors is approved, the gross dividend will amount to CHF 2.50 per share (representing a 8.7% increase on the previous year's distribution). After payment of the Swiss withholding tax of 35%, a net dividend in the amount of CHF 1.625 will be paid out. The net dividend will be paid as from April 26, 2021. Treasury shares are not entitled to dividend payments.

3. GRANTING DISCHARGE TO THE ADMINISTRATIVE BODIES

Proposal by the Board of Directors. The Board of Directors proposes that the members of the administrative bodies be discharged.

4. ELECTIONS

4.1. Re-election of the Board of Directors

Proposal by the Board of Directors. The Board of Directors proposes that the following persons be re-elected to the Board of Directors for a term of office of one year:

- 4.1.1 Paul J. Hält as a member
- 4.1.2 Monika Ribar as a member
- 4.1.3 Daniel J. Sauter as a member
- 4.1.4 Christoph Tobler as a member
- 4.1.5 Justin M. Howell as a member
- 4.1.6 Thierry F. J. Vanlancker as a member
- 4.1.7 Viktor W. Balli as a member

4.2. Election to the Board of Directors

Proposal by the Board of Directors. The Board of Directors proposes that Paul Schuler is elected to the Board of Directors for a term of office of one year:

Notes. Paul Schuler (born 1955) served as Chief Executive Officer of Sika AG since July 1, 2017. He will resign from this function with effect as of April 30, 2021. Prior to his appointment as Chief Executive Officer, he had already worked 29 years for Sika, serving as Regional Manager of North America from 2007 to 2012 and as Regional Manager of EMEA between 2013 and 2017. Paul Schuler has played a key role in developing and executing Sika's successful growth strategy. His achievements at Sika include, among others, the high growth rates, significant improvements in efficiency and profitability as well as responsibility for the integration of several acquisitions, including the acquisition of Parex. With his extensive knowledge of the company, the markets, products, and technologies and of Sika's corporate culture, he contributes valuable experience to the Board of Directors. Paul Schuler is Swiss citizen.

4.3. Election of the Chairman

Proposal by the Board of Directors. The Board of Directors proposes that Paul J. Hält is re-elected as Chairman of the Board of Directors for a term of office of one year.

4.4. Election of the Nomination and Compensation Committee

Proposal by the Board of Directors. The Board of Directors proposes that the following persons be elected to the Nomination- and Compensation Committee for a term of office of one year:

- 4.4.1 Daniel J. Sauter
- 4.4.2 Justin M. Howell
- 4.4.3 Thierry F. J. Vanlancker

4.5. Election of Statutory Auditors

Proposal by the Board of Directors. The Board of Directors proposes that Ernst & Young AG be elected as Statutory Auditors for the 2021 financial year.

4.6. Election of Independent Proxy

Proposal by the Board of Directors. The Board of Directors proposes that Jost Windlin, attorney-at-law and notary at Bright Law AG in Zug, be elected independent proxy until the close of the next Annual General Meeting.

5. COMPENSATION

5.1. Consultative vote on the 2020 Compensation Report

Proposal by the Board of Directors. The Board of Directors proposes that the 2020 Compensation Report be approved (non-binding consultative vote).

Notes. The Compensation Report incorporates the basic principles for the compensation of the Board of Directors and Group Management as well as the remuneration of the members of these two corporate bodies for the 2020 financial year. The Board of Directors is submitting the Compensation Report to shareholders for a consultative vote. The Compensation Report can be found on pages 84 - 101 of the Annual Report. The Annual Report can be accessed on the Internet at www.sika.com, under the heading Investors.

5.2. Approval of the future compensation of the Board of Directors

Proposal by the Board of Directors. The Board of Directors proposes that a maximum total amount of CHF 3.3 million in compensation for the Board of Directors consisting of eight members be approved for a term of office of one year until the close of the next Annual General Meeting.

Notes. The proposed total amount remains unchanged from the total amount proposed for the previous year at the 2020 Annual General Meeting. The total amount includes base compensation as well as remuneration for work on the two Board committees, and is expected to break down as follows:

in TCHF	
Fixed compensation ¹	1,700
Share-based compensation ²	1,350
Social security contributions ³	250
Total	3,300

¹ Includes base compensation, committee remuneration and lump-sum representation expenses (Chairman of the Board of Directors).

² Market value on grant date (start of year of office, 2021 Annual General Meeting; article 11 para. 3 section 2 of the articles of association). The figure given here does not reflect any change in share price between the grant date and definitive allocation (end of year of office, 2022 Annual General Meeting).

³ Includes expected employer contributions to social security to the extent that they result in a benefit entitlement. Contributions that do not result in an increase of the benefit entitlement are not included.

The compensation actually paid will be disclosed in the 2021 and 2022 Compensation Reports, which will be submitted to shareholders for a consultative vote.

Approval of the maximum total amount of compensation for members of the Board of Directors is in accordance with art. 11 of the articles of association and in keeping with the Ordinance against Excessive Compensation in Listed Companies. Further details on the principles of compensation for the Board of Directors can be found in the 2020 Compensation Report (which can be accessed on the Internet at www.sika.com, under the heading Investors).

5.3. Approval of the future compensation of the Group Management

Proposal by the Board of Directors. The Board of Directors proposes that a maximum total amount of CHF 21.5 million in compensation for the Group Management consisting of nine members be approved for the financial year 2022.

Notes. The proposed total amount is 10% higher than the total amount proposed for the financial year 2021 at the 2020 Annual General Meeting. This is solely due to the fact that the Group Management consists of nine instead of eight members. The total amount comprises fixed compensation including employer contributions to social security and pension funds (BVG), the maximum amount of the performance bonus as well as the maximum Performance Share Unit allocation under the long-term participation plan, valued on the allocation date. The total amount is expected to break down as follows:

in TCHF	
Fixed compensation ¹	8,900
Performance bonus ²	6,300
Performance Share Units (PSU) ³	6,300
Total	21,500

¹ Includes fixed compensation, expected employer contributions to social security to the extent that they result in a benefit entitlement (contributions that do not result in a benefit entitlement are not included), as well as employer contributions to pension funds (BVG).

² Maximum value of bonus payout based on the assumption that all performance targets up to the maximum payout multiplier have been reached.

³ The allocation of Performance Share Units is calculated on the basis of the determined amount of allocation and the share price on the allocation date. The figure given here assumes maximum target attainment, which results in the target number of originally allocated Performance Share Units being multiplied by a maximum payout multiplier of 150%. The figure given here does not factor in share price changes during the vesting period (period between grant date and vesting date).

The compensation actually paid will be disclosed in the 2022 Compensation Report, which will be submitted to shareholders for a consultative vote.

Approval of the maximum total amount of compensation for members of Group Management is in accordance with art. 11 of the articles of association and in keeping with the Ordinance against Excessive Remuneration in Listed Companies. Further details on the principles of compensation for Group Management can be found in the 2020 Compensation Report (which can be accessed on the Internet at www.sika.com, under the heading Investors).

FURTHER INFORMATION

Issue of the annual report. The 2020 annual report of Sika AG, comprising the annual and the consolidated financial statements and the report of the Statutory Auditors, can be viewed and downloaded online at www.sika.com/AnnualReport. In addition, the 2020 annual report will be available for inspection by shareholders from March 19, 2021 at the company's registered office at Zugerstrasse 50, 6341 Baar. Every shareholder may also request by post (Sika AG, Zugerstrasse 50, CH-6341 Baar), by e-mail (sikagroup@ch.sika.com) or by phone under +41 (0)58 436 68 00 to receive a printed copy of the 2020 annual report.

Entitlement to vote at the Annual General Meeting. Only shareholders entered in the share register as at April 15, 2021 are entitled to vote at the Annual General Meeting. No further registrations of voting rights will be carried out in the period from April 16 to April 20, 2021. Shareholders who are registered with voting rights at April 16, 2021, but sell their shares prior to the Annual General Meeting, will lose their shareholder rights in respect of the shares sold.

Shareholders entered in the share register up to and including April 13, 2021 as shareholders with voting rights will receive, together with the invitation to the Annual General Meeting, a reply card that they can use to issue a proxy to the independent proxy, Jost Windlin, attorney-at-law and notary, Bright Law AG, Zug. Further, they will receive information on E-Voting together with the individual one-time code to access the voting website www.gvmanager.ch/sika. Shareholders whose registration in the share register with voting rights is made on or after April 14, 2021, and who wish to exercise their voting rights are asked to contact the share register of Sika AG. Proxies of shareholders whose shareholding changes between March 19, 2021 and April 15, 2021 will automatically be amended.

Proxy and instructions to the independent proxy. Based on the Ordinance of the Federal Council on measures to prevent coronavirus, it will not be possible for shareholders to physically attend the Annual General Meeting. Shareholders are asked to be represented by the independent proxy Jost Windlin, attorney-at-law and notary, Bright Law AG, Zug and to exercise all shareholder rights exclusively through the independent proxy. Please send the reply card to the share register of Sika AG (Sika AG, c/o Devigus Shareholder Services, Birkenstrasse 47, CH-6343 Rotkreuz) by April 14, 2021 at the latest. Shareholders may cast their votes remotely by issuing electronic authorizations and instructions to the independent proxy at www.gvmanager.ch/sika. Shareholders may use the online proxy voting, or change any instructions they may have issued electronically, up to but no later than 11.59 p.m. on Sunday April 18, 2021.

Live stream and shareholder questions: The Annual General Meeting will be broadcast live on the Sika website (www.sika.com/live). In addition, shareholders will be given the opportunity to ask questions during the Annual General Meeting via an online platform. Shareholders wishing to ask questions are requested to complete the registration form available under the following link up to but no later than 11.59 p.m. on Sunday April 18, 2021: www.gvmanager.ch/Speaker/Sika. Further information on the possibility to ask questions, including the authentication process and the use of the data provided by the shareholder can be found under www.sika.com/speaker. **Shareholders are explicitly made aware that it is not possible to exercise shareholder rights through www.gvmanager.ch/Speaker/Sika and that shareholder rights can exclusively be exercised through the independent proxy prior to the Annual General Meeting.** Shareholders are also made aware that the Board of Directors expressly reserves the right to take position on the questions in aggregated or individual form or to limit the speaking time.

Baar, March 19, 2021

Sincerely
Sika AG
On behalf of the Board of Directors



Dr. Paul J. Hälgi, Chairman

VENUE

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