

# INVITATION TO THE ANNUAL GENERAL MEETING OF SIKA AG

Tuesday, March 28, 2023  
4.00 p.m., at Waldmannhalle, Baar  
Doors open: 3.00 p.m.

DEAR SHAREHOLDERS,

The Board of Directors is pleased to invite you to the Annual General Meeting of Sika AG, to be held on Tuesday, March 28, 2023 at 4.00 p.m. at Waldmannhalle, Baar.

## **AGENDA AND PROPOSALS BY THE BOARD OF DIRECTORS**

### **1. APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS FOR 2022**

**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 2022 be approved.

**Notes.** The report of the Board of Directors and Group Management is included in the annual report, which is available on the Internet at [www.sika.com](http://www.sika.com), under the heading Investors. The income statement of Sika AG shows income of CHF 822.5 million, an operating result of CHF 508.4 million, a net profit before taxes of CHF 498.6 million and a net profit of CHF 492.1 million. The balance sheet total increased by CHF 481.7 million to CHF 7,223.2 million. Shareholders' equity amounted to CHF 3,183.0 million at the end of the year. The consolidated financial statements show a net profit of CHF 1,162.5 million. An operating profit of CHF 1,579.7 million and operating free cash flow of CHF 865.2 million were generated on net sales of CHF 10,491.8 million. In its reports to the Annual General Meeting, KPMG 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

<b>Composition of retained earnings</b>	
Net profit for the year	492.1
Results carried forward from prior year	842.0
<b>Total at the disposal of Annual General Meeting</b>	<b>1,334.1</b>
<b>Dividend payment</b>	
Dividend payment out of the profit brought forward	513.5
<b>Results carried forward</b>	<b>820.6</b>

**Notes.** No allocation was made to the statutory retained earnings as they currently already exceed 20% of the share capital. Provided that the proposal of the Board of Directors is approved, the gross dividend will amount to CHF 3.20 per share (representing a 10.3% increase on the previous year's distribution). After payment of the Swiss withholding tax of 35%, a net dividend in the amount of CHF 2.08 per share will be paid out. The net dividend will be paid as from April 3, 2023. The appropriation of the retained earnings and the distribution of the dividend are based on the annual financial statements audited by the auditors and to be approved under agenda item 1.

### **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.

**Notes.** Pursuant to art. 698 para. 2 section 7 CO, the discharge of the members of the Board of Directors and Group Management is one of the inalienable powers of the General Meeting of shareholders. The Company is not aware of any facts that would oppose a full discharge.

#### 4. ELECTIONS

A detailed curriculum vitae of each member of the Board of Directors is provided in the section "Leadership" on pages 162 – 163 of the annual report. The annual report is available on the Internet at [www.sika.com](http://www.sika.com), under the heading Investors.

##### 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. Hälg as a member

**Notes.** Paul J. Hälg has been a member of the Board of Directors since 2009 and Chair of the Board of Directors since 2012. He is considered independent in accordance with the Swiss Code of Best Practice for Corporate Governance of Economiesuisse.

###### 4.1.2 Viktor W. Balli as a member

**Notes.** Viktor W. Balli has been a member of the Board of Directors since 2019. He is considered independent in accordance with the Swiss Code of Best Practice for Corporate Governance of Economiesuisse. Viktor W. Balli is also a member of the Audit Committee and the Sustainability Committee.

###### 4.1.3 Lucrèce Foufopoulos-De Ridder as a member

**Notes.** Lucrèce Foufopoulos-De Ridder has been a member of the Board of Directors since 2022. She is considered independent in accordance with the Swiss Code of Best Practice for Corporate Governance of Economiesuisse. Lucrèce Foufopoulos-De Ridder is also a member of the Audit Committee and the Sustainability Committee.

###### 4.1.4 Justin M. Howell as a member

**Notes.** Justin M. Howell has been a member of the Board of Directors since 2018. He is considered independent in accordance with the Swiss Code of Best Practice for Corporate Governance of Economiesuisse. Justin M. Howell is also the Chair of the Nomination and Compensation Committee.

###### 4.1.5 Gordana Landén as a member

**Notes.** Gordana Landén has been a member of the Board of Directors since 2022. She is considered independent in accordance with the Swiss Code of Best Practice for Corporate Governance of Economiesuisse. Gordana Landén is also a member of the Nomination and Compensation Committee.

###### 4.1.6 Monika Ribar as a member

**Notes.** Monika Ribar has been a member of the Board of Directors since 2011. She is considered independent in accordance with the Swiss Code of Best Practice for Corporate Governance of Economiesuisse. Monika Ribar is also the Chair of the Audit Committee.

###### 4.1.7 Paul Schuler as a member

**Notes.** Paul Schuler has been a member of the Board of Directors since 2021. Due to his function as CEO of Sika AG in the period from 2017 to 2021, Paul Schuler is not considered independent in accordance with the Swiss Code of Best Practice for Corporate Governance of Economiesuisse.

###### 4.1.8 Thierry F.J. Vanlancker as a member

**Notes.** Thierry F.J. Vanlancker has been a member of the Board of Directors since 2019. He is considered independent in accordance with the Swiss Code of Best Practice for Corporate Governance of Economiesuisse. Thierry F.J. Vanlancker is also the Chair of the Sustainability Committee and a member of the Nomination and Compensation Committee.

##### 4.2. Election of the Chair of the Board of Directors

**Proposal by the Board of Directors.** The Board of Directors proposes that Paul J. Hälg be re-elected as Chair of the Board of Directors for a term of office of one year.

**Notes.** For the curriculum vitae of Paul J. Hälg, see notes to agenda item 4.1.1. The Board of Directors is convinced that Paul J. Hälg, with his knowledge and skills, remains the best choice for the position of Chair of the Board of Directors.

### 4.3. Election of the Nomination and Compensation Committee

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

4.3.1 Justin M. Howell as a member

4.3.2 Gordana Landén as a member

4.3.3 Thierry F.J. Vanlancker as a member

**Notes.** For the curricula vitae of Justin M. Howell, Gordana Landén and Thierry F.J. Vanlancker, see notes to agenda items 4.1.4, 4.1.5 and 4.1.8. Justin M. Howell has been a member of the Nomination and Compensation Committee since 2018, Gordana Landén since 2022 and Thierry F.J. Vanlancker since 2020. If re-elected as a member of the Nomination and Compensation Committee, Justin M. Howell shall be reappointed as the Chair of this Committee.

### 4.4. Election of Statutory Auditors

**Proposal by the Board of Directors.** The Board of Directors proposes that KPMG AG be elected as Statutory Auditors for the 2023 financial year.

**Notes.** KPMG AG has its registered office in Zug. It has confirmed to the attention of the Board of Directors that it possesses the required independence to exercise the mandate.

### 4.5. 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.

**Notes.** Jost Windlin is an attorney-at-law and notary in Zug. He has confirmed to the attention of the Board of Directors that he possesses the required independence to exercise the mandate.

## 5. COMPENSATION

### 5.1. Consultative vote on the 2022 Compensation Report

**Proposal by the Board of Directors.** The Board of Directors proposes that the 2022 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 2022 financial year. The Board of Directors is submitting the Compensation Report to the shareholders for a consultative vote. The Compensation Report can be found on pages 177 to 200 of the annual report. The annual report is available on the Internet at [www.sika.com](http://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 3.4 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 is equal to the total amount proposed for the previous year of office at the 2022 Annual General Meeting. The total amount includes the annual board retainer as well as remuneration for work on the three Board committees, and is expected to break down as follows:

in CHF thousands

Compensation in cash <sup>1</sup>	1,600
Share-based compensation <sup>2</sup>	1,600
Social security contributions <sup>3</sup>	200
<b>Total</b>	<b>3,400</b>

<sup>1</sup> Includes the cash portion of the annual board retainer and the committee fees, as well as the lump sum representation expenses (for the Chair of the Board of Directors).

<sup>2</sup> Includes the share-based portion of the annual board retainer and the committee fees, based on the market value on grant date (start of year of office, 2023 Annual General Meeting; art. 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, 2024 Annual General Meeting).

<sup>3</sup> 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 2023 and 2024 Compensation Reports, which will be submitted to the shareholders for a consultative vote.

The 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 Swiss Code of Obligations. Further details on the principles of compensation for the Board of Directors can be found in the 2022 Compensation Report, which is available on the Internet at [www.sika.com](http://www.sika.com), under the heading Investors.

### 5.3. Approval of the future compensation of 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 Group Management consisting of eight members be approved for the financial year 2024.

**Notes.** 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 proposed total amount was increased by CHF 1 million in comparison with the total amount proposed for the financial year 2023 at the 2022 Annual General Meeting. This takes into account the fact that in recent years, several of the current members of Group Management have been promoted to Group Management. In accordance with Sika's compensation policy, their target compensation was set below the market median at the time of promotion and will be gradually increased to market level over a period of two to five years conditionally upon solid performance. The total amount is expected to break down as follows:

in CHF thousands

Fixed compensation <sup>1</sup>	8,100
Performance bonus <sup>2</sup>	6,700
Performance Share Units (PSU) <sup>3</sup>	6,700
<b>Total</b>	<b>21,500</b>

<sup>1</sup> Includes fixed compensation, 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 expected employer contributions to pension funds (BVG).

<sup>2</sup> Maximum value of bonus payout based on the assumption that all performance targets up to the maximum payout multiplier of 150% have been reached.

<sup>3</sup> 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 2024 Compensation Report, which will be submitted to the shareholders for a consultative vote.

The 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 Swiss Code of Obligations. Further details on the principles of compensation for Group Management can be found in the 2022 Compensation Report, which is available on the Internet at [www.sika.com](http://www.sika.com), under the heading Investors.

## **6. INTRODUCTION OF A CAPITAL BAND AND A CONDITIONAL SHARE CAPITAL (WITHIN THE CAPITAL BAND)**

**Proposal by the Board of Directors.** The Board of Directors proposes to introduce a capital band and a conditional share capital (within the capital band). To this end, the Board of Directors proposes to amend art. 2 para. 4 of the Articles of Association as follows and to introduce art. 2 para. 5 and 6 into the Articles of Association with the following wording:

### **CURRENT TEXT**

#### **Art. 2 para. 4 – Conditional Share Capital**

[para. 4 unchanged]

### **REVISED TEXT<sup>1</sup>**

#### **Art. 2 para. 4 – Conditional Share Capital (Outside the Capital Band)**

[para. 4 unchanged]

### **REVISED TEXT**

#### **Art. 2 para. 5 – Conditional Share Capital (Within the Capital Band)**

Within the capital band pursuant to Art. 2 para. 6 of these Articles of Association, the share capital of the Company is increased through the issuance of a maximum of 7,686,752 fully paid-up registered shares with a nominal value of CHF 0.01 each, representing a maximum nominal value of CHF 76,867.52, by exercising option or conversion rights, which were granted on a stand-alone basis or in connection with bonds or other debt financing instruments by the Company or one of its subsidiaries. The exercise of option and conversion rights and the waiver of such rights may be made in writing, electronically or in any other form. The pre-emptive right of shareholders is excluded.

Placement of the option or conversion rights may be effected by one or more banks, which subscribe to these rights on a fiduciary basis.

Within the framework of Art. 2 para. 6 of these Articles of Association, the Board of Directors may, when issuing option or conversion rights, limit or revoke the advance subscription right of shareholders, if such option or conversion rights are used for the acquisition, or the financing of an acquisition, of enterprises, parts of enterprises or participations. In this case, the structure, duration and, if need be, the amount of the bond or other debt financing instrument, as well as the conditions of the option or conversion rights must be fixed by the Board of Directors in accordance with market conditions at the time of issuance, provided that conversion rights and option rights may be exercisable for a maximum period of ten years only.

#### **Art. 2 para. 6 – Capital Band**

The Company has a capital band between CHF 1,460,482.99 (lower limit) and CHF 1,614,218.03 (upper limit). Within the capital band, the Board of Directors is authorized, until March 28, 2028 or until the earlier expiration of the capital band, to increase or decrease the share capital once or several times and in any amounts. The capital increase or reduction may be effected by the issuance of up to 7,686,752 fully paid-up registered shares with a nominal value of CHF 0.01 each or by cancelling up to 7,686,752 registered shares with a nominal value of CHF 0.01 each or by increasing or reducing the nominal value of the existing registered shares within the capital band.

In the event of a capital increase, the Board of Directors shall determine the number of shares, the issue price, the type of contributions, the time of issuance, the conditions for exercising subscription rights and the start of dividend entitlement. In this context, the Board of Directors may issue new shares by means of a firm underwriting by a bank or another third party and a subsequent offer to the existing shareholders. The Board of Directors is authorized to restrict or exclude trading in subscription rights. The Board of Directors may allow subscription rights that are not exercised to lapse or place them or the shares for which subscription rights are granted but not exercised at market conditions or otherwise use them in the interest of the Company.

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<sup>1</sup> Proposed amendments/additions are underlined.

The Board of Directors is authorized to exclude or limit the shareholders' subscription rights in respect of the shares to be issued under this art. 2 para. 6 and to allocate them to individual shareholders, third parties, the Company or Group companies, in particular:

1. if the issue price of the new shares is determined taking into account the market price; or
2. for the acquisition of companies, parts of companies or participations or for the financing or refinancing of such transactions or the financing of new investment projects of the Company or its Group companies, including the acquisition of products, intellectual property rights or licenses; or
3. for the purpose of expanding the shareholder base in certain geographic financial or investor markets, for the participation of strategic partners; or
4. for the participation of members of the Board of Directors, members of the Group Management, employees, agents, consultants or other persons who provide services to the Company or one of its Group companies; or
5. for a rapid and flexible raising of capital which, without excluding subscription rights of the existing shareholders, would not be possible, or would only be possible with considerable efforts or delay or at substantially worse conditions.

Within the capital band, the Board of Directors may carry out a conditional capital increase in accordance with Art. 2 para. 5 of these Articles of Association. To the extent that, and as long as, rights or obligations to acquire shares are outstanding on the basis of the capital band, the capital band may not be used for any other capital increases to the extent of the maximum number of such shares.

The total number of registered shares issued (i) from conditional capital (within the capital band) pursuant to Art. 2 para. 5 of the Articles of Association under restriction or exclusion of the shareholders' advance subscription rights and (ii) from the capital band pursuant to Art. 2 para. 6 of the Articles of Association in one or more capital increases under exclusion of the shareholders' subscription rights, may not exceed a total of 7,686,752 new registered shares.

If the share capital increases as a result of a conditional capital increase (outside the capital band) pursuant to Art. 2 para. 4 of these Articles of Association, the upper and lower limits of the capital band shall increase to the extent of the increase in the share capital.

In the event of a reduction of the share capital within the capital band, the Board of Directors shall determine, to the extent necessary, the use of the reduction amount. The Board of Directors may also use the reduction amount for the partial or complete elimination of a situation of negative net worth within the meaning of Art. 653p SCO or simultaneously reduce the share capital and increase it at least to the previous amount within the meaning of Art. 653q SCO.

**Notes.** The capital band authorizes the Board of Directors, for a maximum period of five years, to increase the share capital registered in the Commercial Register within a bandwidth of  $\pm 5\%$  to a maximum of CHF 1,614,218.03 (corresponding to 105% of the currently registered share capital) and/or to reduce it to CHF 1,460,482.99 (corresponding to 95% of the currently registered share capital). Within the scope of  $\pm 5\%$ , the Board of Directors may increase and decrease the share capital and additional capital can also be created by issuing option or conversion rights granted alone or in connection with bonds or other debt financing instruments of the Company or one of its subsidiaries.

The introduction of the capital band does not affect the existing conditional share capital in accordance with art. 2 para. 4 of the Articles of Association, which is intended for conversions under the outstanding convertible bond of May 2018. This shall be clarified by the addition of the phrase "outside the capital band" in the title of art. 2 para. 4 of the Articles of Association. In accordance with the provisions of Swiss corporate law, however, in the case of a capital increase based on art. 2 para. 4 of the Articles of Association (conditional share capital outside the capital band), the upper and lower limits of the capital band are increased to the extent of increase in the share capital.

The capital band provides the Company with flexibility in its raising of capital. In the event of increases, the Board of Directors is also authorized, subject to certain conditions, to limit or exclude the shareholders' advance subscription rights (in case of increases out of conditional share capital within the capital band) and/or subscription rights (in case of other increases) and to allocate unexercised or withdrawn advance subscription and/or subscription rights otherwise, but only to the extent of a maximum of 7,686,752 new registered shares (corresponding to 5% of the currently registered share capital).

After each increase or reduction, the Board of Directors will make the necessary declarations and amend the Articles of Association accordingly. The introduction of the capital band and the conditional share capital within the capital band must be approved by a majority of two thirds of the votes represented and a majority of the nominal value of shares represented.

## 7. AMENDMENT OF THE ARTICLES OF ASSOCIATION

### 7.1 Mandatory amendments of the Articles of Association to reflect the corporate law reform

**Proposal by the Board of Directors.** The Board of Directors proposes to amend, delete or supplement art. 7.1, art. 7.2 para. 2, 3 and 4, art. 7.3 para. 4 and 7, art. 8.2 para. 2, art. 10 para. 3 and art. 13 of the Articles of Association as follows:

#### CURRENT TEXT

##### Art. 7.1 – Non-transferable Powers

The General Meeting is the supreme executive body of the Company. It has the following non-transferrable powers:

1. the adoption and amendment of the Articles of Association;
2. the appointment of the Chairman and of other members of the Board of Directors;
3. the appointment of the Nomination and Compensation Committee members;
4. the appointment of an independent voting proxy;
5. the appointment of the Auditors;
6. the approval of the management report and the consolidated financial statements;
7. the approval of the annual financial statements, as well as the determination of the allocation of profits shown in the balance sheet, in particular with regard to dividends;
  
8. the approval of the compensations to be paid to the members of the Board of Directors and of the Group Management;
9. the discharge of the members of the Board of Directors;
  
10. the adoption of resolutions concerning all those matters that are reserved to the General Meeting by law or by the Articles of Association.

#### REVISED TEXT<sup>2</sup>

##### Art. 7.1 – Non-transferable Powers

The General Meeting is the supreme executive body of the Company. It has the following non-transferrable powers:

1. the adoption and amendment of the Articles of Association;
2. the appointment of the Chairman and of other members of the Board of Directors;
3. the appointment of the Nomination and Compensation Committee members;
4. the appointment of an independent voting proxy;
5. the appointment of the Auditors;
6. the approval of the management report and the consolidated financial statements;
7. the approval of the annual financial statements, as well as the determination of the allocation of profits shown in the balance sheet, in particular with regard to dividends;
8. the determination of the interim dividend and the approval of the interim account required therefor;
9. the passing of resolutions on the repayment of the statutory capital reserve;
- ~~10.~~ the approval of the compensations to be paid to the members of the Board of Directors and of the Group Management;
- ~~11.~~ the discharge of the members of the Board of Directors;
12. the delisting of the Company's equity securities;
- ~~13.~~ the adoption of resolutions concerning all those matters that are reserved to the General Meeting by law or by the Articles of Association.

<sup>2</sup> Proposed amendments/additions are underlined.



**Art. 7.2 para. 2 subparagraph 3 – Convening**

The General Meeting can also be convened by written request from one or more shareholders, representing together at least one tenth of the share capital, specifying the items to be included on the agenda and the proposals to be put forward.

**Art. 7.2 para. 3 – Requests for Agenda Items**

Shareholders who represent shares with a nominal value of CHF 10,000.00 may, within the deadline published by the Company, demand in writing that an item be put on the agenda to be discussed together with the relevant motions. This has to be published in accordance with § 17 of the Articles of Association.

**Art. 7.2 para. 4 subparagraphs 2, 3 and 4 – Invitation, Requirement and Mailing of Documents**

The notice of a meeting states the matters on the agenda and the proposals of the Board of Directors and the shareholders who demanded that a meeting of shareholders be called or that matters be included in the agenda.

Not less than 20 days prior to the General Meeting, the business report, the report of the Auditors and the compensation report with the Auditors' report as well as the proposal on the allocation of profits as shown on the balance sheet are made available for inspection by the shareholders at the principal office of the Company.

Holders of registered shares entered in the share register automatically receive the business report, report of the Auditors and compensation report.

**Art. 7.2 para. 2 subparagraph 3 – Convening**

The General Meeting can also be convened by written request from one or more shareholders, representing together at least 5% of the share capital or voting rights, specifying the items to be included on the agenda and the proposals to be put forward.

**Art. 7.2 para. 3 – Requests for Agenda Items**

Shareholders representing together at least 0.5% of the share capital or voting rights may, within the deadline published by the Company, demand that an item be put on the agenda to be discussed or request that proposals concerning agenda items be included in the invitation to the General Meeting. Shareholders may submit a brief explanatory statement together with the agenda items or the proposals. This must be included in the invitation to the General Meeting.

**Art. 7.2 para. 4 subparagraphs 2, 3 and 4 – Invitation, Requirement and Mailing of Documents**

The invitation shall state:

1. the date, the starting time, the form and the location of the General Meeting;
2. the agenda items;
3. the proposals of the Board of Directors and a brief explanatory statement for such proposals;
4. the proposals of the shareholders, if any, together with a brief explanatory statement;
5. the name and the address of the independent proxy.

The Board of Directors may summarize the agenda items in the invitation, provided that it makes further information available to the shareholders by other means.

At least 20 days prior to the General Meeting, the business report, the report of the Auditors and the compensation report with the Auditors' report as well as the proposal on the allocation of profits as shown on the balance sheet are made available for inspection by the shareholders. If the documents are not available electronically, each shareholder may request that they be sent to him in good time.

[subparagraph 4 deleted]

**Art. 7.3 para. 4 – Resolutions**

Unless the law or these Articles of Association provide otherwise, the adoption of resolutions and elections requires an absolute majority of votes represented at the General Meeting (not taking into account abstentions, blank votes and invalid votes).

At least a two-thirds majority of the votes represented, and an absolute majority of the par values of shares represented, is required for the adoption of resolutions concerning:

1. modification of the purpose of the Company;
2. introduction of voting shares;
3. limiting or facilitating the transfer of registered shares;
4. an authorized or conditional increase of the capital;
5. an increase of the capital by conversion of capital surplus, by contribution in kind, for the purpose of acquisition of property and the granting of special rights;
6. limiting or revoking subscription rights;
7. change of location of the principal office of the Company;
8. dissolution of the Company without liquidation;
9. conversion of registered shares into bearer shares;
10. removal from office of more than one third of the Board of Directors.

**Art. 7.3 para. 7 – Shareholder Proxies**

Each shareholder with voting rights may have his shares represented at the General Meeting by another shareholder with a voting right (proxy) based on a written power of attorney, the recognition of which is decided by the Board of Directors.

**Art. 7.3 para. 4 – Resolutions**

Unless the law or these Articles of Association provide otherwise, the adoption of resolutions and elections requires a majority of votes represented at the General Meeting (not taking into account abstentions, blank votes and invalid votes).

At least a two-thirds majority of the votes represented, and a majority of the par values of shares represented, is required for the adoption of resolutions concerning:

1. modification of the purpose of the Company;
2. consolidation of shares, unless the consent of all shareholders concerned is required;
3. introduction of voting shares;
4. limiting or facilitating the transfer of registered shares;
5. introduction of conditional capital or a capital band;
6. an increase of the capital by conversion of capital surplus, by contributions in kind, by offset with a claim and the granting of special rights;
7. limiting or revoking subscription rights;
8. conversion of participation certificates into shares;
9. change of the currency of the share capital;
10. introduction of the casting vote of the person chairing the General Meeting;
11. a provision in the Articles of Association on holding the General Meeting abroad;
12. change of location of the principal office of the Company;
13. introduction of an arbitration clause in the Articles of Association;
14. dissolution of the Company;
15. conversion of registered shares into bearer shares;
16. removal from office of more than one third of the Board of Directors.

**Art. 7.3 para. 7 – Shareholder Proxies**

Each shareholder with voting rights may have his shares represented at the General Meeting by a third party. The Board of Directors shall decide on the recognition of the proxy.

**Art. 8.2 para. 2 – Non-transferable and Inalienable Duties**

The Board of Directors has the following non-transferrable and inalienable duties:

1. ultimate direction of the Company and issuing of the necessary instructions;
2. determination of the organization;
3. administration of accounting, financial control, and financial planning;
4. appointment and removal of the persons entrusted with management and representation, and determination of their signing powers;
5. ultimate supervision of the persons entrusted with management and representation, also with respect to their compliance with the law, articles of association, regulations, and instructions. To this end, the Board of Directors sees to it that it is regularly informed on the course of business;
6. preparation of the annual report and the compensation report as well as the preparation of the General Meeting and the execution of its resolutions;
7. determination of the compensation policies and petition to the General Meeting with regard to approval of the compensation of the members of the Board of Directors and the Group Management;
8. notification of the court if liabilities exceed assets;
9. passing of resolutions regarding the stipulation of capital increases and the amendments of the Articles of Association resulting therefrom.

**Art. 10 para. 3 subparagraph 1 – Activities outside of the Group**

The maximum number of mandates of a member of the Group Management as member of the top management or administrative body of other legal entities outside of the Group which require registration in the commercial register or an equivalent foreign register is five; however, no more than two mandates must be held at any listed company. The Nomination and Compensation Committee approves acceptance of each mandate.

**Art. 8.2 para. 2 – Non-transferable and Inalienable Duties**

The Board of Directors has the following non-transferrable and inalienable duties:

1. ultimate direction of the Company and issuing of the necessary instructions;
2. determination of the organization;
3. administration of accounting, financial control, and financial planning;
4. appointment and removal of the persons entrusted with management and representation, and determination of their signing powers;
5. ultimate supervision of the persons entrusted with management and representation, also with respect to their compliance with the law, articles of association, regulations, and instructions. To this end, the Board of Directors sees to it that it is regularly informed on the course of business;
6. preparation of the annual report and the compensation report as well as preparation of the General Meeting and the execution of its resolutions;
7. determination of the compensation policies and petition to the General Meeting with regard to approval of the compensation of the members of the Board of Directors and the Group Management;
8. filing of an application for a debt restructuring moratorium and notification of the court if liabilities exceed assets;
9. passing of resolutions regarding the stipulation of capital increases and the amendments of the Articles of Association resulting therefrom.

**Art. 10 para. 3 subparagraph 1 – Activities outside of the Group**

A member of the Group Management may hold up to five mandates in comparable positions in other undertakings with commercial objects outside the Group, but not more than two mandates at listed entities. The Nomination and Compensation Committee approves acceptance of each mandate.

#### **Art. 13 – Mandates of the Members of the Board of Directors, Employment Agreements**

The duration of the mandate of the Board of Directors' members is determined by their office term and the law. Employment agreements with members of the Group Management may be concluded for a fixed contractual term of up to one year. The termination period for unlimited employment agreements concluded with members of the Group Management may be a maximum of twelve months. Employment agreements with members of the Group Management may contain a post-contractual non-competition clause for which the employee can be compensated.

#### **Art. 13 – Mandates of the Members of the Board of Directors, Employment Agreements**

The duration of the mandate of the Board of Directors' members is determined by their office term and the law. Employment agreements with members of the Group Management may be concluded for a fixed contractual term of up to one year. The termination period for unlimited employment agreements concluded with members of the Group Management may be a maximum of twelve months. Employment agreements with members of the Group Management may contain a post-contractual non-competition clause for which the employee can be compensated. The compensation for non-competition clauses is limited to the average of the compensation of the last three financial years.

**Notes.** The amendments of art. 7.1, art. 7.2 para. 2, 3 and 4, art. 7.3 para. 4 and 7, art. 8.2 para. 2, art. 10 para. 3 and art. 13 of the Articles of Association are connected with the entry into force of the corporate law reform on January 1, 2023. On the one hand, the amendments are intended to change provisions of the Articles of Association that conflict with mandatory law. On the other hand, provisions of the Articles of Association that reflect the wording of the old mandatory corporate law shall be adapted to the new wording of the law.

#### **7.2 Editorial amendments to the Articles of Association**

**Proposal by the Board of Directors.** The Board of Directors proposes to amend, delete or supplement art. 2 para. 4, art. 3 para. 3 and 4, art. 7.3 para. 3 and art. 15 para. 3 of the Articles of Association as follows:

##### **CURRENT TEXT**

#### **Art. 2 para. 4 subparagraph 3 – Conditional Share Capital (Outside the Capital Band)<sup>4</sup>**

When issuing option or conversion rights, the Board of Directors may revoke the advance subscription right of the shareholders, if such option or conversion rights are used for the acquisition, or the financing of an acquisition, of enterprises, parts of enterprises or participations. In this case, the structure, duration, and, if need be, amount of the bond or other debt financing instrument, as well as the conditions of the option or conversion rights must be fixed by the Board of Directors in accordance with market conditions at the time of issuance, provided that conversion rights and option rights may be exercisable for a maximum period of ten years only.

##### **REVISED TEXT<sup>3</sup>**

#### **Art. 2 para. 4 subparagraph 3 – Conditional Share Capital (Outside the Capital Band)**

When issuing option or conversion rights, the Board of Directors may limit or revoke the advance subscription right of the shareholders, if such option or conversion rights are used for the acquisition, or the financing of an acquisition, of enterprises, parts of enterprises or participations. In this case, the structure, duration, and, if need be, amount of the bond or other debt financing instrument, as well as the conditions of the option or conversion rights must be fixed by the Board of Directors in accordance with market conditions at the time of issuance, provided that conversion rights and option rights may be exercisable for a maximum period of ten years only.

<sup>3</sup> Proposed amendments/additions are underlined.

<sup>4</sup> Assuming that the amendment to art. 2.4 of the Articles of Association proposed under agenda item 6 is accepted.

**Art. 3 para. 3 subparagraph 1 – Certificates, Uncertificated Securities**

The Company issues its shares in the form of individual certificates, general certificates or uncertificated securities. To the extent permitted by law, the Company is free to convert its shares to another form at any time without the consent of shareholders. The Company bears the costs of this conversion.

**Art. 3 para. 4 – Intermediated Securities**

The Company may convert shares to intermediated securities based on individual certificates, general certificates or uncertificated securities and it may withdraw registered shares designed as intermediated securities from the depository.

**Art. 7.3 para. 3 – Voting Right**

Each share confers the right to cast one vote at the General Meeting.

**Art. 15 para. 3 – Distribution of Profits**

The following rules apply to the distribution of profits: After all write-offs have been made and provisions have been established which are commercially indicated and required by law, the earnings are allocated to the statutory reserve pursuant to Article 671 SCO. The earnings remaining after such allocation are, within the limits provided by law, subject to free disposition by the General Meeting at the request of the Board of Directors. All shares are on the basis of their nominal amounts entitled to the same dividend.

**Art. 3 para. 3 subparagraph 1 – Certificates, Uncertificated Securities**

The Company issues its shares in the form of individual certificates, general certificates, simple uncertificated securities within the meaning of the SCO (as amended from time to time) or as intermediated securities. To the extent permitted by law, the Company is free to convert its shares to another form at any time without the consent of shareholders. The Company bears the costs of this conversion.

**Art. 3 para. 4 – Intermediated Securities**

The Company may convert shares to intermediated securities based on individual certificates, general certificates or simple uncertificated securities and it may withdraw registered shares designed as intermediated securities from the depository.

**Art. 7.3 para. 3 – Voting Right**

Each share entered in the share register with voting rights confers the right to cast one vote at the General Meeting.

**Art. 15 para. 3 – Distribution of Profits**

The following rules apply to the distribution of profits: After all write-offs have been made and provisions have been established which are commercially indicated and required by law, the earnings are allocated to the statutory earnings reserve pursuant to Article 672 SCO. The earnings remaining after such allocation are, within the limits provided by law, subject to free disposition by the General Meeting at the request of the Board of Directors. All shares are on the basis of their nominal amounts entitled to the same dividend.

**Notes.** The amendments of art. 2 para. 4, art. 3 para. 3 and 4, art. 7.3 para. 3 and art. 15 para. 3 are of a purely editorial nature. They are intended to adapt the Articles of Association to the current wording of the law or, in the case of art. 7.3 para. 3, to the practice to date.

**7.3 Supplement of the Nominee Provision**

**Proposal by the Board of Directors.** The Board of Directors proposes to supplement art. 4 para. 2 of the Articles of Association as follows:

**CURRENT TEXT**

**Art. 4 para. 2 – Fiduciary Acquisition**

The Company may refuse registration in the share register if, upon the Company's request, the acquirer does not explicitly declare that the shares have been acquired in his own name and for his own account.

**REVISED TEXT<sup>5</sup>**

**Art. 4 para. 2 – Fiduciary Acquisition**

The Company may refuse registration in the share register if, upon the Company's request, the acquirer does not explicitly declare that the shares have been acquired in his own name and for his own account, that there is no agreement to take back or return the shares concerned and that he bears the economic risk associated with the shares.

<sup>5</sup> Proposed amendments/additions are underlined.

[no provision]

Acquirers who do not expressly declare in the application for registration that they hold the shares for their own account (nominees) will be entered without restriction in the share register as shareholders with voting rights up to a maximum of 3% of the share capital. Above this registration limit, nominees will be entered in the share register as shareholders with voting rights if the relevant nominee discloses the names, addresses, nationalities and shareholdings of those beneficial owners for whose account it holds 0.5% or more of the share capital and if the reporting requirements pursuant to the Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (FinMIA) (as amended) are met.

[no provision]

The Board of Directors shall issue the regulations necessary for compliance with the above provisions.

**Notes.** With the amendment of art. 4 para. 2 subparagraph 1, the Articles of Association shall be aligned with the statutory wording. In addition, the new art. 4 para. 2 subparagraphs 2 and 3 are intended to introduce a specific regulation for so-called nominees. A nominee is a legal entity, usually acting in a professional capacity, which registers shares with the Company on behalf of its customers in its own name but for the account of these customers. In doing so, the fact of the trustee position is disclosed and the nominee agrees to disclose the identity of the clients to the Company under certain conditions. A nominee will still be entered in the share register as a shareholder with voting rights up to a maximum of 3% of the share capital. This amendment to the Articles of Association must be approved by a majority of two thirds of the votes represented and a majority of the nominal value of shares represented.

#### **7.4 Introduction of the possibility of holding a virtual general meeting**

**Proposal by the Board of Directors.** The Board of Directors proposes to amend art. 7.2 para. 4 and art. 7.3 para. 6 of the Articles of Association as follows:

##### **CURRENT TEXT**

**Art. 7.2 para. 4 subparagraphs 5, 6 and 7 – Invitation, Requirement and Mailing of Documents**  
[no provision]

[no provision]

[no provision]

##### **REVISED TEXT<sup>6</sup>**

**Art. 7.2 para. 4 subparagraphs 5, 6 and 7 – Invitation, Documents and Venue**  
The Board of Directors shall decide on the venue for the General Meeting.

The Board of Directors may also determine that the General Meeting be held in various locations at the same time. In this case, the oral contributions of participants must be transmitted directly in sound and vision to all venues. The Board of Directors may provide that shareholders who are not present at the venue of the General Meeting may exercise their rights by electronic means.

Alternatively, the Board of Directors may provide for the General Meeting to be held with no venue by electronic means.

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<sup>6</sup> Proposed amendments/additions are underlined.

**Art. 7.3 para. 6 – Voting/Election Procedure**

The Chairman may request an open, written, or electronic vote and election procedure. Upon the decision of the General Meeting voting are by written vote.

**Art. 7.3 para. 6 – Voting/Election Procedure**

The Chairman may request an open, written, or electronic vote and election procedure.

**Notes.** As part of the corporate law reform, the possibility of virtual general meetings was included in the Swiss Code of Obligations in order to strengthen shareholders' rights. Subject to a corresponding provision in the company's Articles of Association, this makes it possible to hold a general meeting by electronic means and entirely without a physical venue. The aim of this revision was to align the corporate law with the developments in digitalization, to give companies more flexibility in holding the general meeting, and to allow shareholders for whom physical attendance is not possible to participate in the general meeting. At a virtual general meeting, shareholders have the same rights as they have at a physical general meeting, and the Board of Directors is in no way entitled to restrict or exclude these rights. In particular, the participation rights that go beyond the right to vote, such as the right to information or the right to make proposals, are fully preserved. Shareholders will therefore continue to have the opportunity to discuss matters with the Board of Directors and Group Management as well as to ask questions. The position of shareholders is also strengthened by the fact that all shareholders can participate in the virtual general meeting – including those who would not have been able to travel to the venue and attend the physical general meeting. In light of the above, the Board of Directors proposes the inclusion of a provision in the Articles of Association allowing for virtual general meetings to be held. Physical and hybrid general meetings will remain possible and, in the opinion of the Board of Directors, should continue to be the standard in the future – unless factual or legal circumstances do not allow it. In particular, the Board of Directors will review annually whether the General Meeting shall be held in physical, hybrid or – exceptionally – purely virtual form.

**7.5 Introduction of the possibility of using electronic means**

**Proposal by the Board of Directors.** The Board of Directors proposes to amend, delete or supplement art. 8.3 and art. 17 of the Articles of Association as follows:

**CURRENT TEXT****Art. 8.3 – Meetings, Adoption of Resolutions, Minutes**

<sup>1</sup> Meetings

[para. 1 unchanged]

<sup>2</sup> Adoption of Resolutions

[para. 2 becomes new para. 3, otherwise remains unchanged]

<sup>3</sup> Circular Letter Resolution

Unless a member requests an oral discussion, resolutions may also be adopted by way of written consent to a motion, in which case the absolute majority of the members of the Board of Directors is required for adoption of the resolution.

<sup>4</sup> Minutes

[para. 4 becomes new para. 5, otherwise remains unchanged]

**REVISED TEXT<sup>7</sup>****Art. 8.3 – Meetings, Adoption of Resolutions, Minutes**

<sup>1</sup> Meeting

[para. 1 unchanged]

<sup>2</sup> Quorum

The quorum for a meeting of the Board of Directors shall be constituted if the majority of the members are present in person, by telephone or video conference or by other electronic means. Meetings may also be held without a venue. This quorum is not required for the declaration of the capital increase and decrease, and the related amendments to the Articles of Association.

<sup>3</sup> Adoption of Resolutions

[para. 2 becomes new para. 3, otherwise remains unchanged]

<sup>4</sup> Circular Letter Resolution

Unless a member requests an oral discussion, resolutions may also be passed in writing on paper or electronically. If the resolutions are passed electronically, no signature is required.

<sup>5</sup> Minutes

[para. 4 becomes new para. 5, otherwise remains unchanged]

<sup>7</sup> Proposed amendments/additions are underlined.

**Art. 17 second paragraph – Publication and Reports**

Reports to shareholders are published in the Swiss Official Gazette of Commerce (Schweizerischen Handelsamtsblatt).

**Art. 17 second paragraph – Publication and Reports**

Reports to shareholders may also be made by letter to the addresses entered in the share register or by electronic means.

**Notes.** These amendments of the Articles of Association are intended to introduce the new electronic possibilities provided by the corporate law reform. Essentially, the Board of Directors proposes the introduction of the possibility of notifying shareholders by electronic means, as well as further flexibility for the Board of Directors. The Board of Directors shall also be able to hold meetings by electronic means and without a venue, and to pass resolutions electronically.

**7.6. Reduction of the number of mandates outside the Group**

**Proposal by the Board of Directors.** The Board of Directors proposes to amend art. 8.4 of the Articles of Association as follows:

**CURRENT TEXT**

**Art. 8.4 first paragraph – Activities Outside the Group**

The maximum number of mandates of a member of the Board of Directors as member of the top management or administrative body of other legal entities outside the Group which require registration in the commercial register or an equivalent foreign register is fifteen; however, no more than five mandates must be held at any listed company.

**REVISED TEXT<sup>8</sup>**

**Art. 8.4 first paragraph – Activities Outside the Group**

A member of the Board of Directors may hold up to ten mandates in comparable positions in other undertakings with commercial objects outside the Group, but not more than four mandates at listed entities.

**Notes.** In the interests of corporate governance, the number of mandates that a member of the Board of Directors may hold in comparable positions at companies outside the Group shall be reduced. This is to ensure that the members of the Board of Directors continue to have the necessary time and capacities to fulfill their duties within the Group in the best possible way. Further, this provision is amended to reflect the new wording of the law.

A copy of the Articles of Association, which reflects all the proposed amendments pursuant to agenda items 6 and 7, is available at: [www.sika.com/agn](http://www.sika.com/agn).

<sup>8</sup> Proposed amendments/additions are underlined.



## FURTHER INFORMATION

**Issue of the annual report.** The 2022 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](http://www.sika.com/AnnualReport).

**Attendance at the Annual General Meeting.** Only shareholders entered in the share register as at March 23, 2023 are entitled to vote at the Annual General Meeting. Shareholders have the option of voting in person, through a proxy, or remotely by issuing electronic authorizations and instructions to the independent proxy.

Shareholders entered in the share register up to and including March 20, 2023 as shareholders with voting rights will receive, together with the invitation to the Annual General Meeting, a reply card that they can use to order the admission card and the voting material or to issue a proxy. Further, they will receive information on e-Voting together with the individual one-time code to access the voting website [www.gvmanager-live.ch/sika](http://www.gvmanager-live.ch/sika). Shareholders are requested to send the reply card to the share register of Sika AG (Sika AG, c/o Devigus Shareholder Services, Birkenstrasse 47, 6343 Rotkreuz) by March 23, 2023 at the latest. Shareholders whose registration in the share register with voting rights is made on or after March 21, 2023 and who wish to attend the Annual General Meeting are asked to contact the share register of Sika AG.

No further registrations of voting rights will be carried out in the period from March 24, 2023 to March 28, 2023. Shareholders who are registered with voting rights as at March 24, 2023, but who sell their shares prior to the Annual General Meeting, will lose their shareholder rights in respect of the shares sold. Shareholders whose shareholding changes between March 24, 2023 and March 28, 2023 and who have already received an admission card will not receive a new admission card but a voting device with their current shareholding at the admission counter of the Annual General Meeting. Proxies will be changed automatically.

**Representation by proxy at the Annual General Meeting.** Shareholders not attending the Annual General Meeting in person may be represented by another shareholder with voting rights or by the independent proxy Mr. Jost Windlin, attorney-at-law and notary at Bright Law AG in Zug. In order to grant a proxy to a representative, the shareholder must fully specify the relevant person on the reply card. Shareholders are requested to send the reply card to the share register of Sika AG (Sika AG, c/o Devigus Shareholder Services, Birkenstrasse 47, 6343 Rotkreuz) by March 23, 2023 at the latest. The admission card will then be sent to the proxy.

**Remote electronic voting by issuing authorizations and instructions to the independent proxy.** Shareholders may cast their votes remotely by issuing electronic authorizations and instructions to the independent proxy at [www.gvmanager-live.ch/sika](http://www.gvmanager-live.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, March 26, 2023.

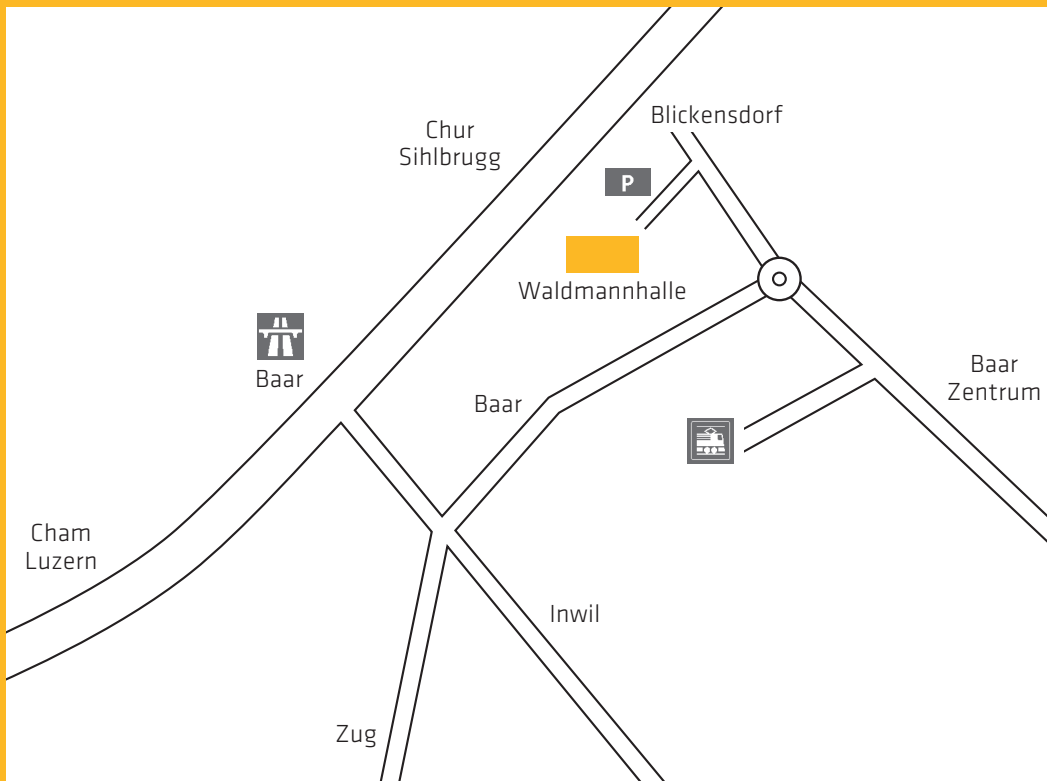
**Live stream and questions of shareholders.** The Annual General Meeting will be broadcast live on the Sika website ([www.sika.com/live](http://www.sika.com/live)). In addition, shareholders will be given the opportunity to ask questions live during the Annual General Meeting via an online platform. Shareholders wishing to ask questions via the online platform are requested to complete the registration form available with the individual access code under the following link up to but no later than 11.59 p.m. on Sunday, March 26, 2023: [www.gvmanager-live.ch/sika](http://www.gvmanager-live.ch/sika). Further information on the right to submit questions, including the authentication process and the use of the data provided by the shareholder can be found under [www.sika.com/speaker](http://www.sika.com/speaker). **Shareholders are explicitly made aware that it is not possible to exercise shareholder rights through the online platform [www.gvmanager-live.ch/sika](http://www.gvmanager-live.ch/sika). These can exclusively be exercised by attending the Annual General Meeting in person or through another shareholder with voting rights or the independent proxy.** 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 speech time.

Baar, February 24, 2023

Sincerely  
Sika AG  
On behalf of the Board of Directors



Dr. Paul J. Hälg, Chair of the Board of Directors



#### **VENUE**

Waldmannhalle, Neugasse 55, 6340 Baar

#### **CATERING**

At the end of the event, you are invited to a standing reception.

#### **HOW TO GET THERE**

By car:

Exit A4a, direction Baar

By public transportation:

Take the S-Bahn from Zurich, Zug or Lucerne to Baar. Doors open at 3.00 p.m. Between 2.30 p.m. and 3.45 p.m. a bus service will be provided from Baar station. A return service will be available until the end of the event.