

# **ZUMTOBEL Group**

## **Joint Proposals by the Supervisory Board and Management Board for Resolutions**

### **Point 1 of the Agenda**

**"Presentation of the approved annual financial statements as of 30 April 2020 together with the report of the Management Board and the report of the Supervisory Board on the 2019/2020 financial year as well as the proposal for the use of profit, the consolidated financial statements, the group management report and the consolidated corporate governance report as of 30 April 2020."**

The Management Board and the Supervisory Board of Zumtobel Group AG hereby determine that a resolution, and consequently also a proposal for a resolution, are not required for this point of the agenda. The above documents can be reviewed in the Internet under [www.zumtobelgroup.com](http://www.zumtobelgroup.com).

The balance sheet profit for the financial year from 1 May 2019 to 30 April 2020 as reported in the annual financial statements as of 30 April 2020, which were prepared in accordance with the Austrian Commercial Code ("Unternehmensgesetzbuch"), amounts to EUR 4,350,000.00.

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## **Point 2 of the Agenda**

### **"Resolution on the use of profit for the 2019/2020 financial year."**

The Management Board and Supervisory Board of Zumtobel Group AG recommend the approval of the following resolutions to this point of the agenda by the general meeting:

"The net profit for the financial year from 1 May 2019 to 30 April 2020 in the amount of EUR 4,350,000.00 as shown in the annual financial statements of the Company as of 30 April 2020, which were prepared in accordance with the Austrian Commercial Code ("Unternehmensgesetzbuch"), shall be distributed as follows:

1. A dividend of EUR 0.10 (ten eurocents) shall be paid on each of the Company's shares which is entitled to a dividend at the time of the resolution on the use of balance sheet profit (i.e. the date of the Company's annual general meeting on 24 July 2020). Therefore, total amount of the dividend equals the dividend of EUR 0.10 (ten eurocents) per share multiplied by the number of the Company's shares which are entitled to dividends on the date of the resolution for the use of balance sheet profit. The Company currently (= 22 June 2020) holds 353,343 treasury shares that are not entitled to dividends; therefore, the portion of net profit to be distributed as a dividend amounts to EUR 4,314,665.70 and the portion of net profit to be carried forward amounts to EUR 35,334.30. If the number of treasury shares held by the Company changes by the date of the resolution on the use of net profit by the general meeting, the Company's management will adjust the proposed resolution accordingly.
2. The remaining balance sheet profit will be carried forward.
3. The dividend will be paid on 31 July 2020 (payment date); the ex-day is 28 July 2020."

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## **Point 3 of the Agenda**

### **"Resolution on the release of the members of the Management Board and Supervisory Board from liability for the 2019/2020 financial year."**

The Management Board and the Supervisory Board of Zumtobel Group AG recommend the approval of the following resolutions to this point of the agenda by the general meeting:

- a) "Management Board members Alfred Felder, born on 20.07.1963, Bernard Motzko, born on 15.11.1962 and Thomas Tschol, born on 14.09.1970, as well as
  - b) all members of the Supervisory Board
- of Zumtobel Group AG are, in separate voting procedures, hereby released from liability for their respective activities during the 2019/2020 financial year."

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## **Point 4 of the Agenda**

### **"Resolution on the remuneration policy for the members of the Management Board"**

In accordance with § 78b of the Austrian Stock Corporation Act, the remuneration policy for the members of the Management Board and the Supervisory Board must be submitted for the first time to this general meeting for resolution.

Thereafter, the general meeting will be asked to vote on the remuneration policies at least every fourth financial year and in the event of any material change.

The voting by the general meeting on remuneration policy is to be understood as a recommendation.

The Supervisory Board of Zumtobel Group AG established the remuneration policy for the members of the Management Board at its meeting on 22 June 2020.

The Supervisory Board of Zumtobel Group AG proposes that the general meeting approves the remuneration policy for the members of the Management Board in the current version.

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## Point 5 of the Agenda

### **"Resolution on the determination of remuneration for the members of the Supervisory Board for the 2020/2021 financial year."**

#### 1) Resolution on the remuneration policy for members of the Supervisory Board

The Supervisory Board of Zumtobel Group AG established the remuneration policy for the members of the Supervisory Board at its meeting on 22 June 2020.

The Supervisory Board of Zumtobel Group AG proposes that the general meeting approves the remuneration policy for the members of the Supervisory Board in the current version.

#### 2) Resolution on the determination of the remuneration of the members of the Supervisory Board for the 2020/2021 financial year

The Management Board and the Supervisory Board of Zumtobel Group AG recommend the approval of the following resolution to this point of the agenda by the general meeting:

"The members of the Supervisory Board will receive the following remuneration for the 2020/2021 financial year:

- a) Fixed remuneration for the members of the Supervisory Board (in proportion to the actual time served on this corporate body):
  - The chairperson of the Supervisory Board (but not the vice-chairpersons) will receive EUR 120,000.00, and
  - Each other elected Supervisory Board member will receive EUR 60,000.00;

The fixed remuneration will be paid in equal monthly instalments; no additional attendance fees will be paid for the Supervisory Board meetings or for the general meeting;

- b) Variable remuneration for the elected members of the Supervisory Board committees:
  - The chairperson of each committee (but not the vice-chairpersons) will receive remuneration of EUR 15,000.00 for each meeting up to a maximum of EUR 30,000.00 in each financial year for activities as the committee chairperson; and
  - Every other member of the Audit Committee will receive EUR 5,000.00 for each meeting up to a maximum of EUR 10,000.00 in each financial year for his or her activities as a member of this committee;

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- Every other member of the Committee for Management Board Matters will receive EUR 5,000.00 for each meeting up to a maximum of EUR 10,000.00 in each financial year for his or her activities as a member of this committee;
- Every other member of the Strategy Committee will receive EUR 5,000.00 for each meeting up to a maximum of EUR 10,000.00 in each financial year for his or her activities as a member of this committee;

The attendance fees will only be paid to members who are actually present; the variable remuneration will be paid one week after the respective meeting;

- c) Furthermore, each member of the Supervisory Board will be entitled to reimbursement of his or her expenses."

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## **Point 6 of the Agenda**

**"Election of an auditor for the annual financial statements and management report as well as the consolidated financial statements and group management report for the 2020/2021 financial year."**

The Audit Committee of the Company carried out a selection procedure in accordance with Article 16 of the EU Regulation on specific requirements regarding the statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (Regulation (EU) 537/2014) with regard to the appointment of a new auditor for the Company's annual and consolidated financial statements.

The Audit Committee recommended the appointment of PwC Wirtschaftsprüfung GmbH, Donau-City-Strasse 7, A-1220 Vienna, and Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., Wagramer Strasse 19, A-1220 Vienna, and communicated a justified preference for PwC Wirtschaftsprüfung GmbH. In its recommendation to the Supervisory Board, the Audit Committee stated that the Supervisory Board is free from undue influence by third parties and that it is not subject to any clause of the kind as referred to in Article 16 (6) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC. In accordance with the preference expressed by the Audit Committee, the Supervisory Board therefore proposes that the general meeting adopts the following resolution on this point of the agenda:

"PwC Wirtschaftsprüfung GmbH is hereby appointed as auditor for the annual financial statements of the Company and the consolidated financial statements to be prepared by the Company for the financial year 2020/2021."

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## **Point 7 of the Agenda**

### **"Elections to the Supervisory Board"**

In accordance with Section VII. (1) of the articles of association of Zumtobel Group AG, the Supervisory Board comprises up to six members elected by the general meeting as well as the employee representatives delegated pursuant to § 110 of the Austrian Labour Constitution Act.

The Supervisory Board of the Company currently comprises six members elected by the general meeting. The extraordinary general meeting on 18 May 2020 represented the last general meeting at which elections to the Supervisory Board were held.

Since the terms of office of Volkhard Hofmann and Johannes Burtscher will end at the close of the 44<sup>th</sup> general meeting of Zumtobel Group AG on 24 July 2020, two new Supervisory Board members must be elected. In order to meet the minimum requirement pursuant to § 86 (7) of the Austrian Stock Corporation Act, at least two seats on the Supervisory Board must be held by women and two by men. The objection stated by the shareholder representatives on the Supervisory Board on 18 May 2019 in accordance with § 86 (9) of the Austrian Stock Corporation Act remains in effect, and the minimum requirement defined by § 86 (7) of the Austrian Stock Corporation Act will therefore be met separately.

The Supervisory Board of the Company recommends the approval of the following resolutions to this point of the agenda by the general meeting:

- 1) Volkhard Hofmann, born on 23 October 1952, is hereby elected to the Supervisory Board as a new member effective from the end of the current general meeting up to the end of the general meeting which will vote on the release from liability for the 2021/2022 financial year.
- 2) Christian Beer, born on 3 June 1961, is hereby elected to the Supervisory Board as a new member effective from the end of the current general meeting up to the end of the general meeting which will vote on the release from liability for the 2021/2022 financial year.

Volkhard Hofmann and Christian Beer have each submitted a statement in accordance with § 87 (2) of the Austrian Stock Corporation Act, which is attached to this proposal and is available on the Company's website together with the curricula vitae of the nominated persons ([www.zumtobelgroup.com](http://www.zumtobelgroup.com)).