

Invitation to shareholders to attend the 40th ordinary Annual General Meeting of Kardex AG

On Thursday **12 April 2018, 4 p.m. CET**

SIX ConventionPoint, Pfingstweidstrasse 110, 8005 Zurich, Switzerland
(tram no. 4, Sportweg stop)

Agenda and proposals of the Board of Directors

1. Annual Report, annual financial statements of Kardex AG and consolidated financial statements as well as the remuneration report for the 2017 financial year

1.1 Approval of the Annual Report, annual financial statements of Kardex AG and consolidated financial statements for the 2017 financial year

The Board of Directors proposes the approval of the above after the acknowledgement of the statutory auditors' report.

1.2 Consultative vote on the 2017 remuneration report

The Board of Directors proposes that the remuneration report for the 2017 financial year be taken note of and agreed upon within the scope of a non-binding consultative vote. The remuneration report can be found on page 27 and 28 of the Annual Report 2017.

2. Appropriation of retained earnings 2017

CHF	31/12/2017
Balance brought forward	85.9 million
Net profit for 2017	<u>85.2 million</u>
Available retained earnings	171.1 million

The Board of Directors proposes that the retained earnings be appropriated as follows:

Balance to be carried forward	171.1 million
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3. Share capital reduction

Instead of a dividend payment, the Board of Directors proposes a partial reimbursement of CHF 3.60 per registered share through a reduction of the nominal value of Kardex registered shares from CHF 4.05 to CHF 0.45 per registered share, and a corresponding reduction of the total share capital from CHF 31 306 500 to CHF 3 478 500. This takes note of the audit report and confirmation from the authorized audit expert present that claims by creditors will still be fully covered once the reduction has been implemented. The reduction amount will be used to reimburse shareholders and is expected to be paid out at the beginning of July 2018.

The reduction of share capital and reduction of the nominal value of the registered shares requires the amendment of the Articles of Association. Therefore, the Board of Directors proposes simultaneously to adjust the wording of § 3 para. 1 as follows:

The share capital of the company amounts to **CHF 3 478 500**, divided into 7 730 000 registered shares with a par value of **CHF 0.45** each. The shares are fully paid up.

4. Discharge of the members of the Board of Directors and the Group Management

The Board of Directors proposes that the members of the Board of Directors and Group Management be discharged for the 2017 financial year.

5. Elections

5.1 Re-election of the members of the Board of Directors

The Board of Directors proposes the re-election of

Mr. Philipp Buhofer
Mr. Jakob Bleiker
Mr. Ulrich Jakob Looser
Mr. Felix Thöni
Mr. Walter T. Vogel

as members of the Board of Directors of Kardex AG for a term of office until the close of the next ordinary Annual General Meeting.

5.2 Re-election of the Chairman of the Board of Directors

The Board of Directors proposes the re-election of Mr. Philipp Buhofer as Chairman of the Board of Directors of Kardex AG for a term of office until the close of the next ordinary Annual General Meeting.

5.3 Re-election of the members of the Compensation and Nomination Committee

The Board of Directors proposes the re-election of

Mr. Ulrich Jakob Looser
Mr. Felix Thöni
Mr. Walter T. Vogel

as members of the Compensation and Nomination Committee of Kardex AG for a term of office until the close of the next ordinary Annual General Meeting.

5.4 Re-election of the independent proxy

The Board of Directors proposes the re-election of Wenger & Vieli AG, Zurich, Switzerland, as independent proxy for a term of office until the close of the next ordinary Annual General Meeting.

5.5 Re-election of the statutory auditors

The Board of Directors proposes the re-election of PricewaterhouseCoopers AG (PwC), Zurich, Switzerland, as statutory auditors for the 2018 financial year.

6. Compensation

6.1 Approval of the maximum compensation for the Board of Directors until the next ordinary Annual General Meeting

The Board of Directors proposes the approval of the maximum total amount of CHF 1 050 thousand as compensation for the members of the Board of Directors for the term of office until the next ordinary Annual General Meeting. Compared to the last term, this represents no increase.

The maximum total amount applied for also includes compensation for the work on the Audit Committee and the Compensation and Nomination Committee, as well as a reserve amount for additional projects or duties.

The Board of Directors currently consists of five members.

6.2 Approval of the maximum compensation for the Group Management for the financial year 2019

The Board of Directors proposes the approval of the maximum total amount of CHF 3 250 thousand (of which CHF 1 325 thousand are for fixed salaries and CHF 1 925 thousand for bonuses, social security contributions and fringe benefits) as compensation for the members of the Group Management for the 2019 financial year. Compared to the approved maximum compensation for the financial year 2018 this represents an increase of 6.6%.

The Group Management currently consists of three members.

7. Amendments to the Articles of Incorporation

The Board of Directors proposes that the revised Articles of Incorporation be approved. The following provisions are proposed for amendment (changes marked in **bold**):

§ 3 Abs. 10

The Board of Directors will register nominees entitled to vote in the share register if the nominees disclose the names, addresses, nationalities and shareholdings of the persons for whose account they hold the shares. Within the framework of the provisions of law, the Board of Directors is entitled to conclude agreements with nominees about the notification requirement, and can also authorize exceptions to the nominee provision on a case by case basis.

§ 4 Abs. 1

A purchaser of shares in the company is obliged to submit a public purchase offer pursuant to **Art. 135 of the Swiss Financial Market Infrastructure Act (FMIA)** only if the limit of 49% of the voting rights in the company is exceeded.

Miscellaneous

Supporting documents

The 2017 Annual Report, which contains the annual financial statements of Kardex AG, the consolidated financial statements, the remuneration report and the auditors' report, and the agenda for the Annual General Meeting with the proposals of the Board of Directors are available for review at the registered office

of the company Kardex AG, Thurgauerstrasse 40, 8050 Zurich, Switzerland, for 20 days prior to the Annual General Meeting. These documents can also be viewed online at www.kardex.com.

Voting entitlement

The shareholders of Kardex AG who are entered in the share register as entitled to vote will receive a registration and power of attorney form along with the invitation to the Annual General Meeting. All shareholders entered in the Kardex AG share register on 6 April 2018 (effective date) are entitled to vote. In the period from 7 April 2018 up to and including 12 April 2018, no further entries will be made in the share register.

Admission cards

Shareholders who wish to attend or be represented at the Annual General Meeting can order their admission cards **electronically** (login details on the registration and power of attorney form issued) or **in writing** by submitting the registration and power of attorney form to ShareCommService AG, Europastrasse 29, 8152 Glattbrugg, Switzerland, fax +41 44 809 58 59 by no later than 10 April 2018. Admission cards will be dispatched as of 26 March 2018.

If the shares detailed on the admission card are sold or transferred, these shares will no longer represent an entitlement to a vote. The issued admission card and voting material must therefore be amended at the shareholders' counter prior to the Annual General Meeting.

Proxies and power of attorney

Shareholders who are unable to attend the Annual General Meeting in person may opt to be represented as follows:

- a) By another person. To grant the proxy, the admission card must be ordered, filled in, signed and handed to the proxy for voting.
- b) By the independent proxy, Wenger & Vieli AG, Zurich, Switzerland.

I. Electronically:

You can exercise your right to vote and elect electronically by means of instructions given to the independent proxy. The access information can be found on the registration and power of attorney form provided. The electronically issued instructions can be submitted or modified until 10 April 2018, 4 p.m. CET.

II. In writing:

To grant a proxy in writing, the registration and power of attorney form provided must be filled out appropriately, signed and sent to the following address with all necessary voting instructions: ShareCommService AG, Europastrasse 29, 8152 Glattbrugg, Switzerland.

Without an explicit written instruction, the independent proxy is directed to withhold its vote (Art. 10 para.2 of the Ordinance against Excessive Compensation in Stock Exchange Listed Companies).

On exercising the right to vote and elect electronically or in writing, the shareholder has no additional entitlement to attend the Annual General Meeting in person.

Zurich, 19 March 2018

On behalf of the Board of Directors of Kardex AG
Chairman: Philipp Buhofer