



Zurich, 6 April 2016

To the shareholders of EFG International AG

## **Invitation to the 11th Annual General Meeting**

Friday, 29 April 2016, 14:30 (doors open at 14:00)  
at Park Hyatt Zurich, Beethovenstrasse 21, CH-8002 Zurich

### **Agenda items and proposals of the Board of Directors**

(English translation of the German original)

**1. Management report, financial statements and consolidated financial statements for 2015; reports of the auditors**

*Proposal of the Board of Directors:*

Approval of the management report, financial statements and consolidated financial statements for 2015 and acknowledgment of the reports of the auditors.

**2. Approval of the distribution of the preferred dividend by EFG Finance (Guernsey) Limited in favour of the holders of Class B Shares of EFG Finance (Guernsey) Limited**

*Background:*

Dividend distributions by EFG Finance (Guernsey) Limited to the holders of non-voting Class B Shares of EFG Finance (Guernsey) Limited in connection with the EFG Fiduciary Certificates require the approval of the general meeting of EFG International AG (see article 13 of the Articles of Association of EFG International AG). Pursuant to the terms of the EFG Fiduciary Certificates the exact amount of the dividend distributions will be calculated on 22 April 2016.

*Proposal of the Board of Directors:*

Approval of the preferred dividend by EFG Finance (Guernsey) Limited to the holders of non-voting Class B Shares of EFG Finance (Guernsey) Limited in the amount to be determined on 22 April 2016 and to be announced at the Annual General Meeting (the dividend is estimated to amount to about EUR 4,100,000).

**3. Allocation of results and dividend by way of distribution out of reserves from capital contributions**

**3.1 Allocation of results**

*Background:*

The total net income for 2015 shall be set-off against the negative retained earnings brought forward from previous year:

Negative retained earnings (brought forward from previous year)	CHF	-990,600,000
Net income for 2015	CHF	24,884
<b>Balance to be carried forward</b>	<b>CHF</b>	<b>-990,575,116</b>

*Proposal of the Board of Directors:*

Approval of the negative retained earnings of CHF -990,575,116 (comprising net income for 2015 of CHF 24,884 set-off against negative retained earnings brought forward from previous year of CHF -990,600,000) to be carried forward to the new accounts.

### **3.2 Dividend by way of distribution out of reserves from capital contributions**

*Background:*

According to article 13 paragraph 6 of the Articles of Association of EFG International AG, a preferred dividend pertaining to the participation certificates of class B shall be made before any other dividend payment. Upon approval of the Board of Directors' proposal under agenda item 2, the holders of the participation certificates' entitlement to a preferred dividend lapses according to article 13 of the Articles of Association of EFG International AG. Therefore, the following proposal of the Board of Directors concerning a dividend by way of distribution out of reserves from capital contributions is subject to the condition that the proposal under agenda item 2 is being approved by the Annual General Meeting.

The Board of Directors proposes a dividend to shareholders by way of distribution out of reserves from capital contributions. The Board of Directors proposes the distribution of CHF 0.25 per registered share out of reserves from capital contributions. Such distribution charged to the reserves from capital contributions would not be subject to 35 % Swiss Withholding Tax. EFG International AG will not make this repayment of reserves from capital contributions on registered shares held in treasury at the time of distribution.

Provided that the Board of Directors' below proposal on a dividend by way of distribution out of reserves from capital contributions is approved, the distribution will be made on 6 May 2016 (ex-date: 3 May 2016).

*Proposal of the Board of Directors:*

Subject to the condition that the proposal under agenda item 2 is being approved: Approval of a dividend by way of distribution to the shareholders out of reserves from capital contributions of CHF 0.25 per share, amounting to a total distribution of about CHF 38 mio. (depending on the number of shares issued as of the last trading day with entitlement to receive the dividend, i.e. 4 May 2016).

### **4. Discharge of the members of the Board of Directors and the Executive Committee**

*Proposal of the Board of Directors:*

Approval of granting discharge from liability to the members of the Board of Directors and the Executive Committee for their services in the business year 2015.

## 5. Capital increases for the purpose of the partial financing of the acquisition of BSI

On 22 February 2016, EFG International AG announced the combination of EFG International AG and BSI SA through the acquisition of 100% of the share capital of BSI Holdings Ltd. by EFG International AG from Banco BTG Pactual S.A. ("BTG"). BSI Holdings Ltd. is a holding company whose sole asset is the 100% participation in BSI SA. The purchase price payable to BTG for all of its shares in BSI Holdings Ltd. will be satisfied by a combination of cash and newly issued shares of EFG International AG. In order to satisfy the share component and to raise regulatory capital for the completion of the transaction, the Board of Directors proposes to the shareholders the following capital increases:

- An ordinary share capital increase by way of an offering of up to 81,699,347 newly issued registered shares with a nominal value of CHF 0.50 each to existing shareholders through which the Board of Directors intends to raise gross proceeds of up to CHF 500 mio. (see agenda item 5.1 below). EFG Bank European Financial Group SA, the principal shareholder holding 54.3% of the registered share capital of EFG International AG, has committed to exercise all of its subscription rights at a price per share of CHF 6.12 and to invest a total amount of CHF 271 mio. In light of the commitments received by the EFG International AG from (i) EFG Bank European Financial Group SA and (ii) from BTG to accept additional shares as consideration at a price per share equal to the lower of CHF 6.80 or the subscription price in the ordinary share capital increase, the Board of Directors has decided that the subscription price of the newly issued shares will be at least CHF 6.12 per share. The Board of Directors intends to launch the ordinary share capital increase for an amount of CHF 500 mio. in gross proceeds with the ultimate number of shares issued and gross proceeds raised being dependent on the number of shares subscribed for by existing shareholders and new investors. If the gross proceeds raised in the ordinary share capital increase are less than CHF 500 mio., the Board of Directors may compensate such shortfall by issuing additional shares from authorized share capital (see agenda item 5.2 below) as consideration to BTG at a price per share equal to the subscription price in the ordinary share capital increase, up to a maximum amount of CHF 170 mio.
- The creation of a new authorized share capital authorizing the Board of Directors to issue up to 75,958,871 registered shares with a nominal value of CHF 0.50 each to BTG as consideration for the acquisition of a part of the shares of BSI Holdings Ltd. (see agenda item 5.2 below).

For further information on the combination of EFG International AG and BSI SA and the proposed capital increases please see the press releases of 22 and 29 February 2016 as well as the presentation of 22 February and 31 March 2016, each available at [www.efginternational.com](http://www.efginternational.com).

### 5.1 Ordinary share capital increase with pre-emptive rights

#### *Background:*

EFG International AG intends to raise proceeds of up to CHF 500 mio. from this capital increase. The proceeds will raise regulatory capital for the completion of the transaction and will (subject to closing taking place) be used to fund a part of the cash component of the purchase price for the shares of BSI Holdings Ltd. (the sole asset of BSI Holdings Ltd. is the 100% participation in BSI SA). EFG Bank European Financial Group SA, the principal shareholder holding 54.3% of the registered share capital of EFG International AG, has committed to exercise all of its subscription rights at a price per share of CHF 6.12 and to invest a total amount of CHF 271 mio. In light of the commitments received by EFG International AG from (i) EFG Bank European Financial Group SA and (ii) from BTG to accept additional shares as consideration at a price per share equal to the lower of CHF 6.80 or the subscription price in

the ordinary share capital increase, the Board of Directors has decided that the subscription price of the newly issued shares will be at least CHF 6.12 per share. The Board of Directors intends to launch the ordinary share capital increase for an amount of CHF 500 mio. in gross proceeds with the ultimate number of shares issued and gross proceeds raised being dependent on the number of shares subscribed for by existing shareholders and new investors. If the gross proceeds raised in the ordinary share capital increase are less than CHF 500 mio., the Board of Directors may compensate such shortfall by issuing additional shares from authorized share capital (see agenda item 5.2 below) as consideration to BTG at a price per share equal to the subscription price in the ordinary share capital increase, up to a maximum amount of CHF 170 mio.

In order to effect the capital increase, EFG International AG intends to enter into a share subscription and purchase agreement prior to the date of the Annual General Meeting pursuant to which a banking syndicate will, subject to customary conditions, offer the shares to be issued to the existing shareholder and subscribe for the shares for which subscription declarations have been submitted at the issue price.

*Proposal of the Board of Directors:*

The Board of Directors proposes that an ordinary share capital increase be resolved as follows:

1. Increase of the share capital by up to CHF 40,849,673.50 through the issue of up to 81,699,347 fully paid up registered shares with a nominal value of CHF 0.50 each at an issue price (*Ausgabebetrag*) of CHF 0.50 each. The capital increase must be executed by the Board of Directors to the extent subscribed.
2. The Board of Directors shall be authorized to determine the subscription price of the shares to be issued (*Bezugspreis*). The shares to be issued will be entitled to dividends with immediate effect, i.e. for the entire financial year 2016. The rights attached to the new shares will arise only upon the registration of the share capital increase in the commercial register and, regarding the voting right, the entry in the register of shares, respectively.
3. The shares to be issued will have no preferential rights.
4. The contributions for the shares to be issued will be made in cash.
5. The shares to be issued will be subject to the transfer limitations pursuant to article 6 of the Articles of Association.
6. The subscription rights of the shareholders and the participants will be granted directly or indirectly (subject to certain restrictions under local laws applicable to shareholders). It is taken note that the sole participant, Banque de Luxembourg, waived any subscription rights attached to the participation certificates pursuant to an agreement with EFG International AG. The Board of Directors shall determine the modalities for the exercise of the subscription rights. Unexercised subscription rights or registered shares for which subscription rights have been granted but not exercised will be allocated in the interest of EFG International AG to existing shareholders and/or third parties.

## 5.2 Amendment to the Articles of Association – Creation of authorized share capital

### *Background:*

The existing authorized share capital of EFG International AG authorizing the Board of Directors to increase the share capital by no more than CHF 25,000,000 will expire on 25 April 2016, absent renewal. The Board of Directors proposes, instead, to replace the existing authorized share capital by a new authorized share capital enabling EFG International AG to satisfy the share component of the purchase price for the shares of BSI Holdings Ltd. (the sole asset of BSI Holdings Ltd. is the 100% participation in BSI SA). The new registered shares to be delivered to BTG at closing of the transaction shall be created out of authorized share capital with exclusion of subscription rights in favour of BTG and issued against contribution in kind of a part of the shares of BSI Holdings Ltd. The size of the share component depends on the ultimate size of the ordinary share capital increase under agenda item 5.1 and is further subject to specific anti-dilution provisions which may result in additional shares to be issued to BTG as consideration if the subscription price of the ordinary share capital increase under agenda item 5.1 falls below a certain threshold. In the base case scenario, subject to specific anti-dilutions provisions, approx. 52.6 mio. registered shares (corresponding to approx. 20% of the expected share capital as of the closing of the transaction) will be issued to BTG as consideration for the acquisition of a part of the shares of BSI Holdings Ltd. The maximum shareholding of BTG in EFG International AG may not exceed 30% as a result of the closing of the transaction. If more than 52.6 mio. shares are issued, the shares above that threshold will be issued at a price per share equal to the subscription price in the ordinary share capital increase.

The proposed new wording of article 3a of the Articles of Association of EFG International AG is shown in the Annex.

### *Proposal of the Board of Directors:*

The Board of Directors proposes that an authorized share capital be created authorizing the Board of Directors to issue up to 75,958,871 registered shares with a nominal value of CHF 0.50 each to BTG as partial consideration for the acquisition of the shares of BSI Holdings Ltd. and to amend article 3a of the Articles of Association of EFG International AG as shown in the Annex.

## 6. Amendment to the Articles of Association – Increase of conditional share capital

### *Background:*

According to article 3b of the current Articles of Association, EFG International AG is entitled to increase its share capital by no more than CHF 1,408,629 by issuing no more than 2,817,258 fully paid up registered shares with a nominal value of CHF 0.50 each upon exercise of option rights or in connection with similar rights regarding employee shares (including existing or future restricted stock units (RSU)) granted to officers and employees of EFG International AG and its group companies.

In order to meet obligations arising in connection with exercised option rights under existing and future employee incentive plans, the Board of Directors proposes to the Annual General Meeting an increase of the conditional capital by CHF 750,000 to up to no more than CHF 2,158,629 by issuing no more than 4,317,258 fully paid up registered shares with a nominal value of CHF 0.50 each. The proposed increased conditional capital represents about 2.8 % of the total share capital issued at the time the Annual General Meeting is held.

The proposed new wording of article 3b of the Articles of Association of EFG International AG is shown in the Annex.

*Proposal of the Board of Directors:*

Approval of the increase of the conditional capital and of the corresponding amendment of article 3b of the Articles of Association of EFG International AG as shown in the Annex.

**7. Various further amendments to the Articles of Association**

*Background:*

The proposed new article 18 para. 3 of the Articles of Association shall give more flexibility to the Board of Directors by enabling the Board of Directors to propose motions for approval to the Annual General Meeting that are in addition of or deviate from article 18 para. 1 of the Articles of Association. The proposed amendment does not change the competence of the Annual General Meeting to approve the compensation paid to the members of the Board of Directors and the Executive Committee.

Other proposed changes are more of an editorial nature such as an amendment due to new wording used in Swiss law, amendment of numbering, the amendment of a cross-reference and the new denomination of the Remuneration and Nomination Committee.

All proposed amendments to the Articles of Association are set forth in the Annex.

*Proposal of the Board of Directors:*

Approval of amendments of articles 17, 18, 20, 28, 30, 35, 35a, 37 and 38 of the Articles of Association of EFG International AG as shown in the Annex.

**8. Approval of compensations**

In accordance with article 18 para. 1 of the Articles of Association, the following aggregate maximum compensation amounts proposed to be approved by the Annual General Meeting are deemed inclusive all social security and pension contributions, where applicable.

**8.1 Approval of the maximum aggregate fixed compensation of the Board of Directors**

*Proposal of the Board of Directors:*

Approval of the total maximum amount of CHF 4,200,000 of fixed compensation for the members of the Board of Directors to be paid and awarded respectively for the term of office from the 2016 Annual General Meeting until the closure of the 2017 Annual General Meeting.

**8.2 Approval of the aggregate variable compensation of the Board of Directors**

*Proposal of the Board of Directors:*

Approval of the total amount of CHF 963,213 of variable compensation for the members of the Board of Directors to be paid and awarded respectively in 2016 based on the performance in the business year 2015.

For further information please consult the 2015 Compensation Report which is available electronically under [www.efginternational.com/financial-reporting](http://www.efginternational.com/financial-reporting) as well as in printed form upon request.

### **8.3 Approval of the maximum aggregate fixed compensation of the Executive Committee**

*Proposal of the Board of Directors:*

Approval of the total maximum amount of CHF 11,600,000 of fixed compensation for the members of the Executive Committee to be paid and awarded respectively in the business year 2016.

### **8.4 Approval of the aggregate variable compensation of the Executive Committee**

*Proposal of the Board of Directors:*

Approval of the total amount of CHF 6,853,374 of variable compensation for the members of the Executive Committee to be paid and awarded respectively in 2016 based on the performance in the business year 2015.

For further information please consult the 2015 Compensation Report which is available electronically under [www.efginternational.com/financial-reporting](http://www.efginternational.com/financial-reporting) as well as in printed form upon request.

## **9. Re-election and election of the members of the Board of Directors and the Chairman**

*Background:*

The current members of the Board of Directors have all provided valuable services to EFG International AG and all stand for re-election except Mr. Robert Y. Chiu, who decided not to stand for re-election for another term of office. The Board of Directors sincerely thanks him for his excellent service for EFG International AG.

All elections will be carried out individually.

### **9.1 Re-election of the members of the Board of Directors**

*Proposal of the Board of Directors:*

Re-election of Ms. Susanne Brandenberger and Messrs. Niccolò H. Burki, Emmanuel L. Bussetil, Erwin R. Caduff, Michael N. Higgin, Spiro J. Latsis, Bernd-A. von Maltzan, Périclès Petalas, John A. Williamson, and Daniel Zuberbühler as members of the Board of Directors each for a one-year term of office until the closure of the next Annual General Meeting.

### **9.2 Election of the members of the Board of Directors**

*Proposal of the Board of Directors:*

Election of Mr. Steve Michael Jacobs as new member of the Board of Directors for a one-year term of office until the closure of the next Annual General Meeting.

The election of Mr. Steve Michael Jacobs is subject to the conditions precedent that the Swiss Financial Market Supervisory Authority FINMA has approved the election and the closing of the acquisition of BSI Holdings Ltd. by EFG International AG has occurred. The election will become effective upon fulfilment of these two conditions precedent.

Election of Mr. Roberto Isolani as new member of the Board of Directors for a one-year term of office until the closure of the next Annual General Meeting.

The election of Mr. Roberto Isolani is subject to the conditions precedent that the Swiss Financial Market Supervisory Authority FINMA has approved the election, the closing of the acquisition of BSI Holdings Ltd. by EFG International AG has occurred and BTG holds 25% or more of the share capital of EFG International AG at closing of the acquisition of BSI Holdings Ltd. by EFG International AG. The election will become effective upon fulfilment of these three conditions precedent.

Biographies of the candidates:

**Steve Michael Jacobs** is Vice-Chairman of the Board of Directors of BSI AG. Also, he has been a Managing Partner and Head of Asset Management at BTG Pactual since January 2010. Between January 2000 and December 2009, he was at UBS in London and Zurich. Between 1990 and 1999, he worked at Ernst & Young in the UK and in Australia. Between January 1998 and December 1999 he was the Team Head of the Financial Services Transaction Group in London. Mr. Jacobs sits on the Board of Directors of Vesuvium Limited, a UK-based angel investor and of Tick Tock Club, a Great Ormond Street Hospital charity. Mr. Jacobs is a qualified Chartered Accountant of England and Wales (since 1994), a Fellow of the Institute of Chartered Accountants of England and Wales (since 2004) and holds an Investment Management Certificate, CFA (since 2009). He graduated from Brighton University (Finance, Accounting & Law) in 1990.

**Roberto Isolani** is a member of the Board of Directors of BSI AG. Also, he is a Managing Partner, member of the Global Management Committee and Head of International Client Coverage of BTG Pactual. In 2014, Mr. Isolani was appointed as a member of the Board of Directors of Banca Monte dei Paschi di Siena S.p.A. (BMPS) and subsequently appointed as Deputy Chairman of BMPS in 2015. Mr. Isolani is also a member of the Board of Directors of ABI (Associazione Bancaria Italiana), the Italian Banking Association. Mr. Isolani has also been a member of the Advisory Board of BT Italia S.p.A. since 2014. Before joining BTG Pactual in April 2010, Mr. Isolani joined UBS (formerly SBC) in 1992 and spent 10 years in Fixed Income in Derivatives Marketing and DCM before being promoted to Head of European DCM in 2000. Mr. Isolani was also a member of the Investment Bank's Board. He transferred to IBD in 2002, moving to Italy as co-head of Italian Investment Banking. He moved back to London in 2007 to become Global Head of DCM. Mr. Isolani graduated from the University of Rome, La Sapienza in 1989.

### **9.3 Election of the Chairman**

*Background:*

As announced ahead of last year's Annual General Meeting the current Vice Chairman of the Board of Directors John A. Williamson is this year proposed as new Chairman of the Board of Directors. Niccolò H. Burki who has served now for one year as Chairman of the Board of Directors and has provided excellent services to EFG International AG shall become new Vice Chairman of the Board of Directors.

*Proposal of the Board of Directors:*

Election of Mr. John A. Williamson as Chairman of the Board of Directors for a one-year term of office until the closure of the next Annual General Meeting.



**10. Re-election of the members of the Remuneration and Nomination Committee**

*Background:*

The current members of the Remuneration and Nomination Committee have all provided valuable services to EFG International AG and all stand for re-election. All elections will be carried out individually.

*Proposal of the Board of Directors:*

Re-election of Messrs. Niccolò H. Burki, Emmanuel L. Bussetil, Erwin R. Caduff, Périclès Petalas and John A. Williamson as members of the Remuneration and Nomination Committee each for a one-year term of office until completion of the next Annual General Meeting.

**11. Re-election of the independent shareholders representative (independent proxy)**

*Proposal of the Board of Directors:*

Re-election of the law firm ADROIT Attorneys, Zurich, as independent proxy for a one-year term of office until the closure of the next Annual General Meeting.

**12. Re-election of the auditors**

*Proposal of the Board of Directors:*

Re-election of PricewaterhouseCoopers SA, Geneva, for a one-year term of office as auditors.

***Administrative Details***

The annual report 2015 (including the Compensation Report 2015) and the reports of the auditors are available for inspection at the domicile of the company. The annual report 2015 (including the Compensation Report 2015) is also available on the internet ([www.efginternational.com/financial-reporting](http://www.efginternational.com/financial-reporting)). These documents will also be sent to shareholders at their request.

Enclosed with the invitation sent to shareholders is the application and proxy form which can be used to order the admission card or to grant a proxy. Shareholders who wish to attend the Annual General Meeting in person or grant a proxy are kindly asked to complete the enclosed form and return it until **25 April 2016** at the latest (date of receipt) by mail to the following address: EFG International AG, c/o SIX SAG AG, Baslerstrasse 90, P.O. Box, CH-4601 Olten, Switzerland.

Shareholders may also grant a power of attorney to exercise their voting rights online to the independent proxy using their personal voting code set out in the application and proxy form. Shareholders are asked not to return their application and proxy form in case they grant power of attorney and register their instructions online.

Shareholders registered with voting rights in the share register as of 14 April 2016 will be authorized to participate and to vote at the Annual General Meeting. They will receive their admission card and voting material upon returning the enclosed application and proxy form. From 14 April 2016 to 29 April 2016, no entries will be made in the share register which would create a right to vote at the Annual General Meeting.

Shareholders who sell part or all their shares before the Annual General Meeting are no longer entitled to vote to that extent. They are requested to return or to exchange their admission card and voting material.

Shareholders who do not attend the Annual General Meeting in person may be represented by written proxy by a third party or by the independent proxy pursuant to the articles 8 et seq. of the Ordinance against Excessive Compensation with respect to Listed Companies, ADROIT Attorneys, Zurich. For further details shareholders may consult the application and proxy form.

Zurich, 6 April 2016

EFG International AG

On behalf of the Board of Directors



The Chairman

Niccolò H. Burki

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