

Lonza Group Ltd, Basel

Votes and Elections at the

**Annual General Meeting of the Shareholders,
held on Tuesday, 25 April 2017, from 10.00 to 12.20 am,
at the Congress Center Messe Basel, Basel**

Chairpersonship: Dr. Rolf Soiron

I. Agenda

1. Annual Report, Consolidated Financial Statements and Financial Statements of Lonza Group Ltd
2. Consultative Vote on the Remuneration Report
3. Discharge of the Members of the Board of Directors and the Executive Committee
4. Appropriation of Available Earnings / Reserves from Capital Contributions
5. Re-Elections and Elections to the Board of Directors and the Nomination and Compensation Committee
 - 5.1 Re-Elections to the Board of Directors
 - 5.2 Election to the Board of Directors
 - 5.3 Re-Election of the Chairperson of the Board of Directors
 - 5.4 Re-Elections to the Nomination and Compensation Committee
6. Re-Election of the Auditors
7. Re-Election of the Independent Proxy
8. Compensation of the Board of Directors
9. Compensation of the Executive Committee
 - 9.1 Maximum Aggregate Amount of Fixed Compensation of the Executive Committee
 - 9.2 Aggregate Amount of Variable Short-Term Compensation of the Executive Committee
 - 9.3 Maximum Aggregate Amount of Variable Long-Term Compensation of the Executive Committee
10. Ordinary Capital Increase
11. Creation of Authorized Capital
12. Amendment of Conditional Capital

II. Presence (at 10.05 am)

235 **shareholders/proxies**, representing 34 730 475 registered shares as follows:

- Daniel Plüss, Independent Proxy:	34 571 775 registered shares
- Other Shareholders:	158 700 registered shares

III. Votes and Elections

1. Annual Report, Consolidated Financial Statements and Financial Statements of Lonza Group Ltd

The Board of Directors proposes the approval of the Annual Report, the Consolidated Financial Statements and the Financial Statements of Lonza Group Ltd for the financial year 2016.

- Yes:	99.41%
- No:	0.03%
- Abstention:	0.56%

2. Consultative Vote on the Remuneration Report

The Board of Directors proposes the approval of the Remuneration Report 2016 (consultative vote).

- Yes:	93.38%
- No:	6.26%
- Abstention:	0.36%

3. Discharge of the Members of the Board of Directors and the Executive Committee

The Board of Directors proposes that the members of the Board of Directors and the Executive Committee be granted discharge for the financial year 2016.

- Yes:	98.89%
- No:	0.59%
- Abstention:	0.52%

4. Appropriation of Available Earnings / Reserves from Capital Contributions

Proposal of the Board of Directors:

Balance Sheet Profit

Available earnings brought forward	CHF	1 639 126 780
Profit for the year	CHF	44 768 760
Available earnings at the disposal of the Annual General Meeting	CHF	1 683 895 540
Available earnings carry-forward	CHF	1 683 895 540

Reserve Capital Contributions

Legal capital reserves qualified as reserves from capital contributions	CHF	243 393 025
Reserves from capital contributions	CHF	243 939 025
Payment of a dividend (out of reserves from capital contributions) of CHF 2.75 per share on the share capital eligible for dividend of CHF 57 901 832*	CHF	(159 230 038*)
Available reserves from capital contributions carry-forward	CHF	84 162 987

Summary

Available earnings carry-forward	CHF	1 683 895 540
Carry-forward of reserves from capital contributions	CHF	84 162 987
Total amount carry-forward of available earnings and reserves from capital contributions	CHF	1 768 058 527

*Depending on the amount of share capital eligible for dividend on the record date of 28 April 2017. No dividend will be paid out on shares held by the Company.

- Yes:	99.82%
- No:	0.12%
- Abstention:	0.06%

5. Re-Elections and Elections to the Board of Directors and the Nomination and Compensation Committee

All members of the Board of Directors except for Thomas Ebeling will stand for re-election.

5.1 Re-Elections to the Board of Directors

The Board of Directors proposes the re-election of the following individuals to the Board of Directors each for a further one-year term until completion of the Annual General Meeting 2018:

- a) Patrick Aebischer,
- b) Werner Bauer,
- c) Jean-Daniel Gerber,
- d) Christoph Mäder
- e) Barbara Richmond,
- f) Margot Scheltema,
- g) Rolf Soiron,
- h) Jürgen Steinemann, and
- i) Antonio Trius.

Re-Election **Patrick Aebischer**:

- Yes:	99.43%
- No:	0.26%
- Abstention:	0.31%

Re-Election **Werner Bauer**:

- Yes:	98.89%
- No:	0.91%
- Abstention:	0.20%

Re-Election **Jean-Daniel Gerber**:

- Yes:	99.72%
- No:	0.21%
- Abstention:	0.07%

Re-Election **Christoph Mäder**:

- Yes:	99.65%
- No:	0.20%
- Abstention:	0.15%

Re-Election **Barbara Richmond:**

- Yes:	99.76%
- No:	0.08%
- Abstention:	0.16%

Re-Election **Margot Scheltema:**

- Yes:	99.56%
- No:	0.14%
- Abstention:	0.30%

Re-Election **Rolf Soiron:**

- Yes:	96.53%
- No:	3.11%
- Abstention:	0.36%

Re-Election **Jürgen Steinemann:**

- Yes:	99.21%
- No:	0.50%
- Abstention:	0.29%

Re-Election **Antonio Trius:**

- Yes:	99.26%
- No:	0.47%
- Abstention:	0.27%

5.2 Election to the Board of Directors

The Board of Directors proposes the election of Albert M. Baehny to the Board of Directors for a one-year term until completion of the Annual General Meeting 2018.

- Yes:	99.48%
- No:	0.32%
- Abstention:	0.20%

5.3 Re-Election of the Chairperson of the Board of Directors

The Board of Directors proposes the re-election of Rolf Soiron as Chairperson of the Board of Directors for a further one-year term until completion of the Annual General Meeting 2018.

- Yes:	96.55%
- No:	3.19%
- Abstention:	0.26%

5.4 Re-Elections to the Nomination and Compensation Committee

The Board of Directors proposes the re-election of the following individuals to the Nomination and Compensation Committee each for a one-year term until completion of the Annual General Meeting 2018:

- a) Jean-Daniel Gerber,
- b) Christoph Mäder, and
- c) Jürgen Steinemann.

Re-Election of **Jean-Daniel Gerber** to the Nomination and Compensation Committee:

- Yes:	99.36%
- No:	0.41%
- Abstention:	0.23%

Re-Election of **Christoph Mäder** to the Nomination and Compensation Committee:

- Yes:	99.47%
- No:	0.37%
- Abstention:	0.16%

Re-Election of **Jürgen Steinemann** to the Nomination and Compensation Committee:

- Yes:	99.16%
- No:	0.56%
- Abstention:	0.28%

6. Re-Election of the Auditors

The Board of Directors proposes the re-election of KPMG Ltd, Zurich, as auditors for the financial year 2017.

- Yes:	98.67%
- No:	1.25%
- Abstention:	0.08%

7. Re-Election of the Independent Proxy

The Board of Directors proposes the re-election of Daniel Plüss as the independent proxy for a one-year term until completion of the Annual General Meeting 2018.

- Yes:	99.93%
- No:	0.00%
- Abstention:	0.07%

8. Compensation of the Board of Directors

The Board of Directors proposes the approval of the maximum aggregate amount of compensation of the Board of Directors for the period from the Annual General Meeting 2017 to the Annual General Meeting 2018 of up to CHF 3 005 000.

- Yes:	95.53%
- No:	3.80%
- Abstention:	0.67%

9. Compensation of the Executive Committee

9.1 Maximum Aggregate Amount of Fixed Compensation of the Executive Committee

The Board of Directors proposes the approval of the maximum aggregate amount of fixed compensation of the Executive Committee for the period from 1 July 2017 to 30 June 2018 of up to CHF 4 972 800.

- Yes:	95.67%
- No:	3.74%
- Abstention:	0.59%

9.2 Aggregate Amount of Variable Short-Term Compensation of the Executive Committee

The Board of Directors proposes the approval of the aggregate amount of variable short-term compensation under the Short-Term Incentive Plan of the Company (STIP) of the Executive Committee for the financial year 2016 in the amount of CHF 4 303 800.

- Yes:	93.45%
- No:	3.91%
- Abstention:	2.64%

9.3 Maximum Aggregate Amount of Variable Long-Term Compensation of the Executive Committee

The Board of Directors **proposes** the approval of the maximum aggregate amount of variable long-term compensation under the Long-Term Incentive Plan of the Company (LTIP) of the Executive Committee for the financial year 2017 of up to CHF 6 804 200.

- Yes:	89.23%
- No:	8.13%
- Abstention:	2.64%

10. Ordinary Capital Increase

The Board of Directors proposes an ordinary capital increase by way of a rights offering to partially refinance the acquisition of Capsugel S.A. in accordance with the following provisions:

1. Increase of the share capital by the issuance of up to 22 000 000 fully paid registered shares of the Company with a nominal value of CHF 1.00 each (corresponding to an aggregate nominal amount of up to CHF 22 000 000) at an issue price (Ausgabebetrag) of CHF 1.00 each. The final number of shares to be issued will be determined by the Board of Directors based on prevailing market conditions shortly prior to the launch of the rights offering and will be set at such number as results in gross proceeds to the Company of approximately CHF 2.3 billion. The Board of Directors is required to implement the capital increase in the total amount of the subscribed capital.

2. The Board of Directors shall be authorized to determine the offer price per share (Bezugspreis). The shares to be issued shall be entitled to dividends as of the registration of the share capital increase in the commercial register.
3. The contributions for the shares to be issued will be made in cash.
4. The shares to be issued shall have no preferential rights.
5. The transfer restrictions set out in article 6 of the Company's articles of association will apply to the shares to be issued.
6. The subscription rights of the shareholders shall be granted indirectly by a bank consortium subscribing the shares. The Board of Directors shall be entitled to determine the further modalities for the exercise of subscription rights. Shares for which subscription rights have been granted but not exercised are to be sold at market conditions or may be used in another way in the interest of the Company.

The Board of Directors shall execute the capital increase and record the same with the competent commercial register within three months (art. 650 para. 1 CO).

If the capital increase will not be registered in the commercial register within this deadline, the resolution of the general meeting of shareholders will expire (art. 650 para. 3 CO).

- Yes:	98.56%
- No:	1.35%
- Abstention:	0.09%

11. Creation of Authorized Capital

The Board of Directors proposes to create authorized capital in the amount of CHF 7 500 000, corresponding to 7 500 000 registered shares with a nominal value of CHF 1.00 each. The Board of Directors shall be entitled to issue shares under the authorized and conditional share capital cumulatively only in a maximum amount of CHF 7 500 000.

The Board of Directors therefore proposes the following new article 4^{ter} of the articles of association¹ and the amendment of 4^{quater} of the articles of association:

“Article 4^{ter}

Authorized Capital

- ¹ *The Board of Directors shall be authorized to increase, at any time until 25 April 2019, the share capital of the Company through the issuance of a maximum of 7 500 000 fully paid-in registered shares with a par value of CHF 1 each up to a maximum aggregate amount of CHF 7 500 000.*
- ² *The issue price, the beginning of the entitlement to dividends and the kind of contributions shall be determined by the Board of Directors.*
- ³ *The Board of Directors is authorized to restrict or to suspend the subscription rights of the shareholders wholly or in part*
 - a) in the event of issuance of shares for the participation of strategic partners;*
 - b) for the takeover of companies, parts of companies, participations or intellectual property rights or for the financing and/or refinancing of such transactions;*
 - c) for granting an over-allotment option (“greenshoe”) of up to 20% of the preceding offer to the lead managers in connection with a placement of shares at market conditions;*
 - d) for raising capital in a fast and flexible manner, which would hardly be achievable without the exclusion of the statutory subscription rights of the existing shareholders;*
 - or*
 - e) for other valid reasons in the sense of Art. 652b, para. 2, of the Swiss Code of Obligations.*

¹ www.lonza.com/aoa

If subscription rights are granted, but not exercised, the Board of Directors may use the respective shares in the interest of the Company.

⁴ *The new shares shall be subject to the restrictions of Article 6 of these Articles of Association.*

Artikel 4^{quater}

The capital increases according to Articles 4^{bis} and 4^{ter} over a respective maximum of 5 029 860² and 7 500 000 fully paid-in registered shares with a par value of CHF 1 each may increase the share capital of the Company only by a maximum aggregate amount of CHF 7 500 000.”

- Yes:	95.59%
- No:	4.30%
- Abstention:	0.11%

12. Amendment of Conditional Capital

The Board of Directors proposes to increase the existing conditional capital from currently CHF 5 029 860 corresponding to 5 029 860 registered shares with a nominal value of CHF 1.00 each to CHF 7 500 000 corresponding to 7 500 000 registered shares with a nominal value of CHF 1.00 each. The Board of Directors shall be entitled to issue shares under the authorized and conditional share capital cumulatively only in a maximum amount of CHF 7 500 000.

The Board of Directors proposes to amend articles 4^{bis} para. 1 and 4^{quater} of the articles of association as follows:

“Article 4^{bis}

Conditional Capital

¹ *The share capital of the Company may be increased through the issuance of a maximum of 7 500 000 fully paid in registered shares with a par value of CHF 1 each up to a maximum aggregate amount of CHF 7 500 000 through the exercise of conversion rights and/or warrants granted in connection with the issuance of bonds*

² This amount will be proposed to be amended pursuant to agenda item 12.

or similar debt instruments of the Company or one of its Group companies. The subscription rights of the shareholders shall be excluded. The current owners of conversion rights and/or warrants shall be entitled to subscribe for the new shares. The conditions of the conversion rights and/or warrants shall be determined by the Board of Directors.”

The remaining part of the article remains the same.

“Article 4^{quater}

The capital increases according to Articles 4^{bis} and 4^{ter} over a respective maximum of each 7 500 000 fully paid-in registered shares with a par value of CHF 1 each may increase the share capital of the Company only by a maximum aggregate amount of CHF 7 500 000.”

- Yes:	94.49%
- No:	5.39%
- Abstention:	0.12%

End of the Annual General Meeting 12.20 am.