

INVITATION TO THE ANNUAL GENERAL MEETING
OF SHAREHOLDERS OF CEMBRA MONEY BANK AG

2017



Wednesday, 26 April 2017, at 14:00
(doors open at 13:15)

Marriott Hotel Zurich
Neumuehlequai 42, 8006 Zurich
Room Millennium

Agenda Items and Proposals of the Board of Directors

(English translation of the binding German original)

1. Annual Report 2016 (Approval of Management Report 2016, Consolidated and Individual Financial Statements 2016)

Proposal: The Board of Directors proposes that the Management Report 2016 and the Consolidated and Individual Financial Statements 2016 be approved.

2. Consultative vote on the Compensation Report 2016

Proposal: The Board of Directors proposes that the Compensation Report 2016 (pages 84 to 105 of the Annual Report 2016) be approved.

Explanation: The Compensation Report 2016 sets out the compensation system of the Bank and the compensation of the members of the Board of Directors and of the Management Board. In line with the recommendations of the Swiss Code of Best Practice for Corporate Governance and article 11a para. 4 of the Articles of Incorporation, the Board of Directors is seeking the shareholders' approval of the Bank's Compensation Report 2016 on a consultative basis.

3. Allocation of results and distributions

3.1 Allocation of results

Proposal: The Board of Directors proposes to allocate the distributable profit of the Bank of CHF 145,737,210 to voluntary retained earnings reserves (in part, CHF 145,500,000) and to carry forward (in part, CHF 237,210).

Allocation of profit as proposed to the Annual General Meeting

Profit carried forward	CHF	42,010
Profit for the year	CHF	145,695,200
Distributable profit	CHF	145,737,210
Reclassification from statutory capital contribution reserves	CHF	97,283,787
Reclassification from voluntary retained earnings reserves	CHF	28,198,199
Total available to the Annual General Meeting	CHF	271,219,196
Allocation to voluntary retained earnings reserves	CHF	-145,500,000
Distribution from statutory capital contribution reserves	CHF	-97,283,787
Dividend from distributable profit	CHF	-28,198,199
New profit carried forward	CHF	237,210

3.2 Distribution out of statutory capital contribution reserves

Proposal: The Board of Directors proposes that a distribution to the shareholders out of statutory capital contribution reserves of CHF 3.45 per share, amounting to a total distribution of about CHF 97.3 million (depending on the number of shares issued as of the last trading day prior to the ex-date with entitlement to receive the payment, i.e. 27 April 2017), be approved.

Explanation: The Board of Directors proposes to the shareholders a distribution out of statutory capital contribution reserves of CHF 3.45 per share*. Since 1 January 2011, a distribution out of the statutory capital contribution reserves is not subject to Swiss withholding tax of 35% under Swiss tax law. For individuals resident in Switzerland who hold their shares in their private assets, the distribution out of statutory capital contribution reserves is also exempt from Swiss income tax.

Provided that the Board of Directors' proposal on a distribution out of statutory capital contribution reserves be approved, the distribution will be paid as from 3 May 2017 (ex-date: 28 April 2017).

3.3 Distribution of a dividend out of distributable profit

Proposal: The Board of Directors proposes to the shareholders that an additional distribution out of distributable profit of CHF 1.00 per share*, amounting to a total distribution of about CHF 28.2 million (depending on the number of shares issued as of the last trading day prior to the ex-date with entitlement to receive the payment, i.e. 27 April 2017), be approved.

Explanation: In line with its capital strategy, the Board of Directors has decided to return excess capital to shareholders. The additional distribution is returned to shareholders by means of an extraordinary dividend of CHF 1.00 per share which will be paid from distributable profit and is subject to 35% Swiss withholding tax.

Provided that the Board of Directors' proposal on a distribution out of distributable profit be approved, the gross dividend will amount to CHF 1.00 per share, representing a net amount of CHF 0.65 per share after deduction of the Swiss withholding tax of 35%. The distribution will be paid as from 3 May 2017 (ex-date: 28 April 2017).

* Treasury shares are not entitled to the distribution of capital contribution reserves or dividends.

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

Proposal: The Board of Directors proposes that full discharge be granted to the members of the Board of Directors and the Management Board for the financial year 2016.

5. Elections

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

Proposal: The Board of Directors proposes that Felix Weber, Peter Athanas, Urs Baumann, Denis Hall, Katrina Machin, Monica Mächler and Simonis Maria Hubertus (named Ben) Tellings be re-elected as members of the Board of Directors for a one-year term of office until the conclusion of the next Annual General Meeting.

5.1.1 Re-election of Felix Weber

5.1.2 Re-election of Peter Athanas

5.1.3 Re-election of Urs Baumann

5.1.4 Re-election of Denis Hall

5.1.5 Re-election of Katrina Machin

5.1.6 Re-election of Monica Mächler

5.1.7 Re-election of Ben Tellings

Explanation: In accordance with article 19 of the Articles of Incorporation, the Annual General Meeting individually votes on the election of each member of the Board of Directors for a one-year term of office until the conclusion of the next Annual General Meeting.

Additional information on each member of the Board of Directors is provided in the Corporate Governance section of the Annual Report 2016.

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

Proposal: The Board of Directors proposes that Felix Weber be re-elected as Chairman of the Board of Directors for a one-year term of office until the closure of the next Annual General Meeting subject to his re-election to the Board of Directors pursuant to agenda item 5.1.

Explanation: In accordance with article 19 of the Articles of Incorporation, the Annual General Meeting elects the Chairman of the Board of Directors for a one-year term of office until the conclusion of the next Annual General Meeting.

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

Proposal: The Board of Directors proposes that Urs Baumann, Katrina Machin and Ben Tellings be re-elected as members of the Compensation and Nomination Committee for a one-year term of office until the conclusion of the next Annual General Meeting subject to their re-election to the Board of Directors pursuant to agenda item 5.1.

5.3.1 Re-election of Urs Baumann

5.3.2 Re-election of Katrina Machin

5.3.3 Re-election of Ben Tellings

Explanation: The Annual General Meeting individually elects each member of the Compensation and Nomination Committee of the Board of Directors for a one-year term of office until the closure of the next Annual General Meeting.

5.4 Re-election of the independent proxy

Proposal: The Board of Directors proposes that Andreas G. Keller, Attorney-at-Law, Gehrenholzpark 2g, 8055 Zurich, Switzerland, be re-elected as independent proxy for a one-year term of office until the conclusion of the next Annual General Meeting.

Explanation: In accordance with article 8 of the Ordinance against Excessive Compensation with respect to Listed Stock Corporations (OaEC), the Annual General Meeting elects the independent proxy for a one-year term of office until the conclusion of the next Annual General Meeting.

5.5 Re-election of the independent auditors

Proposal: The Board of Directors proposes that KPMG AG, Zurich, be re-elected as independent auditors of the Bank for a one-year term of office.

6. Amendments to the Articles of Incorporation

The Board of Directors proposes to amend the Articles of Incorporation of the Bank to fulfill the current best corporate governance standards. For the text of the proposed revised Articles of Incorporation, please refer to the Annex, Chapter II “Amendments to the Articles of Incorporation in Detail” (also published on our website www.cembra.ch/en/investor → Annual General Meeting).

6.1 Amendment related to the authorised capital:

Article 4 para. 1 (Authorised Capital)

Proposal: The Board of Directors proposes that the amendment of article 4 para. 1 (Authorised Capital) of the Articles of Incorporation (as set forth in Annex) be approved.

Explanation: The authority of the Board of Directors to increase the Bank's share capital under article 4 of the Articles of Incorporation expires on 29 April 2017. The authorised share capital enables the Board of Directors to realise investment and acquisition opportunities swiftly by issuing new shares as acquisition currency or by tapping the capital markets in a fast and inexpensive manner to benefit from favourable market conditions while they prevail. The Board of Directors therefore proposes to extend the term for implementation of capital increase(s) out of the Bank's authorised share capital for a period of two years from the date of the Annual General Meeting in the existing amount of CHF 3,000,000 representing 3,000,000 registered shares.

6.2 Amendment related to the ordinary General Meeting:

Article 12 para. 1 (Ordinary and Extraordinary General Meetings of Shareholders)

Proposal: The Board of Directors proposes that the amendment of article 12 para. 1 (Ordinary and Extraordinary General Meetings of Shareholders) of the Articles of Incorporation (as set forth in Annex) be approved.

Explanation: Alignment with timelines defined in the FINMA circular 2016/1 Disclosure – Banks.

6.3 Amendment related to the resolutions within the Committees:

Article 21 para. 2 (Calling of Meetings, Resolutions, Minutes)

Proposal: The Board of Directors proposes that the amendment of article 21 para. 2 of the Articles of Incorporation (as set forth in Annex) be approved.

Explanation: With this amendment, transparency on internal decision making and, eventually, corporate governance are reinforced. The additional wording clarifies rules on resolutions taken in committees of the Board of Directors: If a committee consists of two members only, the respective chairman's right for a casting vote shall no longer apply. To pass a valid resolution, unanimity is required in such a scenario.

6.4 Amendment related to the Management Board:

German version of Article 24 para. 2 (Powers)

Proposal: The Board of Directors proposes that the amendment of article 24 para. 2 (Powers) of the German version of the Articles of Incorporation (as set forth in Annex) be approved.

Explanation: Editorial alignment between German and English version of the Articles of Incorporation.

7 Approval of the compensation

Chapter I “Shareholder Information on the Compensation Votes at the 2017 Annual General Meeting” of the Annex sets out further details in relation to the proposed votes on compensation. The 2016 Compensation Report is available electronically under: www.cembra.ch/en/investor → Annual General Meeting

7.1 Approval of the total compensation of the Board of Directors

Proposal: The Board of Directors proposes that the maximum total compensation of CHF 1,450,000 for the members of the Board of Directors for the period until the next Annual General Meeting be approved.

7.2 Approval of the total fixed and variable compensation of the Management Board

Proposal: The Board of Directors proposes that the maximum total amount of the fixed and variable compensation of CHF 5,300,000 (unchanged from previous year) for the members of the Management Board, to be paid out in business year 2018, be approved.

Explanation: The total amount to be paid out in business year 2018 is expected to comprise the following subtotals (in each case inclusive of social security and pension contributions) allocated to the respective compensation components:

- Fixed compensation (including base salary and fringe benefits) of up to CHF 3,100,000.
- Variable compensation of up to CHF 2,200,000 (maximal amount, should all members of the Management Board outperform their goals).

Administrative details

Documents

The Annual Report 2016 (including the Compensation Report) and the reports of the independent auditors are available for inspection at the Bank's headquarters (Bändliweg 20, 8048 Zurich, Switzerland). The Annual Report 2016 is also available on the Bank's website: www.cembra.ch/ar2016. These documents will also be sent to shareholders at their request.

Exercise of voting rights

Enclosed with the invitation sent to shareholders is a registration 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 registration form and return it by post to the Bank's share register in the enclosed envelope (Cembra Money Bank AG, c/o Devigus Shareholder Services, Birkenstrasse 47, 6343 Rotkreuz, Switzerland) as soon as possible, but at the latest by 21 April 2017.

Voting rights

Shareholders registered with voting rights in the share register as of 18 April 2017 will be authorised to participate and vote at the Annual General Meeting. They will receive their admission card and voting material upon returning the enclosed registration form. From 19 April 2017 to 26 April 2017, 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 of 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.

Power of attorney and instructions

Shareholders who do not attend the Annual General Meeting in person may be represented by proxy by a third party or by Andreas G. Keller, the independent proxy pursuant to article 8 et seq. OaEC. Andreas G. Keller (Attorney-at-Law, Gehrenholzpark 2g, 8055 Zurich, Switzerland) has been re-elected by the 2016 Annual General Meeting as independent proxy until the end of the 2017 Annual General Meeting. For further details on the granting of proxy and giving of instructions, please see the enclosed registration form.

E-voting

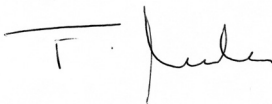
Voting instructions to the independent proxy, orders for admission cards and publications, as well as changes of address can optionally also be submitted online. For the online registration please visit the website www.gvmanager.ch/cembra. The requisite login data is enclosed with the meeting materials (registration/proxy form) supplied to shareholders. The e-voting portal will be open until 24 April 2017.

Leaving the Annual General Meeting early

To ensure a correct presence count, shareholders who leave the Annual General Meeting early are kindly requested to hand in their voting material on their way out.

Zurich, 24 March 2017

Yours sincerely
Cembra Money Bank AG

A handwritten signature in black ink, appearing to read 'F. Weber', is written over a horizontal line.

Felix Weber
Chairman

Annex:

Chapter I: Shareholder Information on the Compensation Votes at the 2017 Annual General Meeting

Chapter II: Amendments to the Articles of Incorporation in Detail

The Annual General Meeting will be held in German. The invitation is published in German and English. In the event of inconsistencies between the English and the German version, the German version prevails.

Contact details: Cembra Money Bank AG, Investor Relations, Bändliweg 20, 8048 Zurich, Switzerland; Phone +41 (0)44 439 85 72; investor.relations@cembra.ch

Annex

Chapter I. Shareholder Information on the Compensation Votes at the 2017 Annual General Meeting

7.1 Approval of the total compensation of the Board of Directors

Proposal: The Board of Directors proposes that the maximum total compensation of CHF 1,450,000 for the members of the Board of Directors for the period until the next Annual General Meeting be approved.

The Chairman and the members of the Board of Directors receive a fixed compensation for their service as members of the Board of Directors consisting of a basic fee and, if applicable, additional committee/chair fee based on positions held in the Board of Directors' various committees. The basic fees as well as the committee/chair fees remain unchanged from the previous year.

The indicated maximum total amount for the members of the Board of Directors comprises the entire compensation in accordance with article 25c of the Articles of Incorporation.

The maximum requested total compensation of CHF 1,450,000 is increased by CHF 50,000 compared to the maximum total compensation approved for the period from Annual General Meeting 2016 to Annual General Meeting 2017. This is due to the fact that Denis Hall is, in the meantime, no longer employed by the General Electric Group, which did not allow its employees to accept any compensation for a board membership. Therefore and going forward he will be compensated by Cembra Money Bank. Furthermore, the increased amount also covers the re-introduction of the role of a Vice-Chairman.

The maximum total amount of compensation for the Board until the 2018 Annual General Meeting comprises the following estimates on the different elements:

(CHF in thousands)

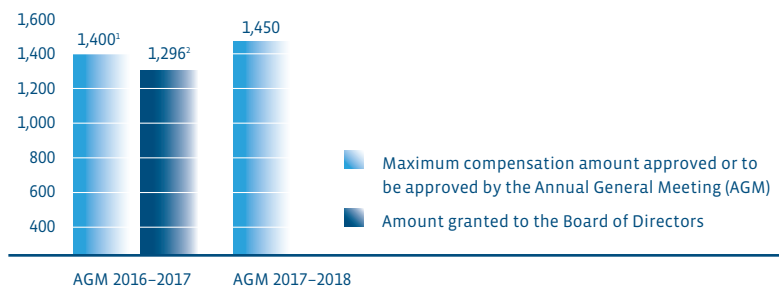
Basic Fees	1,050
Committee/Chair Fees	275
Total Fees	1,325
Paid in Cash (2/3)	883
Paid in Shares (1/3)	442
Social Security	125
Maximum Total Compensation Amount and Proposal to Annual General Meeting	1,450

Detailed figures regarding the last financial years and a listing of the sums granted to each member of the Board of Directors are provided in the Compensation Report section of the Annual Report 2016.

The definitive compensation amounts will be presented in the Compensation Reports for the relevant periods (2017 and 2018 financial years) and will be subject to the consultative votes in relation to these reports, to be held at the 2018 and 2019 Annual General Meetings, respectively.

Evolution of the compensation of the Board of Directors

(CHF in thousands)



¹ Compensation budgeted for seven members of the Board of Directors

² Compensation paid to six members of the Board of Directors

7.2 Approval of the total fixed and variable compensation of the Management Board

Proposal: The Board of Directors proposes that the maximum total amount of the fixed and variable compensation of CHF 5,300,000 (unchanged from previous year) for the members of the Management Board, to be paid out in business year 2018, to be approved.

The proposed maximum total amount of CHF 5,300,000 covers the compensation of the five members of the Management Board and allows the Bank to reward them competitively and in line with market developments and the internal compensation guidelines.

The maximum total amount to be paid out in business year 2018 is expected to comprise the following subtotals (in each case inclusive of social security and pension contributions) allocated to the respective compensation components:

- Fixed compensation (including base salary and fringe benefits) of up to CHF 3,100,000.
- Variable compensation of up to CHF 2,200,000 (maximum amount, in case all members of the Management Board outperform their goals).

Breakdown of the expected target and maximum total compensation to be paid out in business year 2018

(in CHF)	
Base Salaries	2,000,000
Pension, Social Security and Other Compensation	1,100,000
Maximum Total Fixed Compensation	3,100,000
Total Target Variable Compensation (including Social Security) (if 100 % of targets are reached)	1,670,000
Maximum Variable Compensation (including Social Security) (if maximum targets are reached and maximums are granted: STI 150 %; LTI 125 %)	2,200,000
Maximum Total Compensation and Proposal to Annual General Meeting	5,300,000

The maximum total amount of compensation requested to be approved by the Annual General Meeting will only be attained if all members of the Management Board outperform their goals and reach at grant a maximum payout of 150 % in the short-term incentive programme and of 125 % in the long-term incentive programme.

The definitive compensation amounts will be presented in the Compensation Report for the 2017 financial year (with regard to the variable compensation accrued for the 2017 financial year which is paid out in Q1'2018) and for the 2018 financial year (with regard to the fixed compensation paid in 2018). The definitive compensation amounts will be subject to the consultative vote in relation to these reports, to be held at the 2018 and the 2019 Annual General Meeting, respectively.

Further details on the compensation of the Management Board are provided in the Compensation Report section of the Annual Report 2016.

Chapter II. Amendments to the Articles of Incorporation in Detail

Existing Text

Article 4 Authorised Capital

1 The Board of Directors is authorised to increase the share capital, at any time until 29 April 2017, up to a maximum amount of CHF 3,000,000 by issuing up to 3,000,000 fully paid in registered shares with a par value of CHF 1.00 each. An increase of the share capital (i) by means of an offering underwritten by a financial institution, a syndicate of financial institutions or another third party or third parties, followed by an offer to the then-existing shareholders of the Company, and (ii) in partial amounts shall be permissible.

Article 12 Ordinary and Extraordinary General Meetings of Shareholders

1 The ordinary General Meeting shall take place annually within six months after the close of the business year.

Article 21 Calling of Meetings, Resolutions, Minutes

2 Unless set out otherwise in the Organisational Regulations, the Board of Directors shall adopt its resolutions by a majority of votes represented. In the case of a tie, the chairman of the meeting shall have the casting vote.

Article 24 Powers

2 The responsibilities and authorities of the Management Board and other management units shall be further defined in the Organisational Regulations.

Zurich, 27 April 2016

Revised Text

Amendments are highlighted (bold).

Article 4 Authorised Capital

1 The Board of Directors is authorised to increase the share capital, at any time until **26 April 2019**~~29 April 2017~~, up to a maximum amount of CHF 3,000,000 by issuing up to 3,000,000 fully paid in registered shares with a par value of CHF 1.00 each. An increase of the share capital (i) by means of an offering underwritten by a financial institution, a syndicate of financial institutions or another third party or third parties, followed by an offer to the then-existing shareholders of the Company, and (ii) in partial amounts shall be permissible.

[para. 2-4 remain unchanged]

Article 12 Ordinary and Extraordinary General Meetings of Shareholders

1 The ordinary General Meeting shall take place annually within **four** ~~six~~ months after the close of the business year.

[para. 2 remains unchanged]

Article 21 Calling of Meetings, Resolutions, Minutes

[para. 1 remains unchanged]

2 Unless set out otherwise in the Organisational Regulations, the Board of Directors shall adopt its resolutions by a majority of votes represented. In the case of a tie, the chairman of the meeting shall have the casting vote. **Resolutions in committees of the Board of Directors (see Art. 22 para. 4 and Art. 22a of these Articles of Incorporation) shall also be adopted by a majority of votes represented. If a committee consists of two members only, the respective chairperson's right for a casting vote shall no longer apply and for a valid resolution unanimity is required.**

[para. 3-5 remain unchanged]

Article 24 Powers [Change of the term Management Board in the German version only]

[para. 1 remains unchanged]

2 The responsibilities and authorities of the Management Board and other management units shall be further defined in the Organisational Regulations.

Zurich, **26 April 2017** ~~27 April 2016~~

All other provisions of the Articles of Incorporation remain unchanged.

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