

Agenda for the 86th Ordinary General Meeting of Forbo Holding Ltd

April 25, 2014 at **2:30 p.m.** (doors open at 2 p.m.)
Casino Zug, Artherstrasse 2, 6300 Zug

1. Reporting on the financial year 2013

1.1 Annual Report, Annual Statements and Consolidated Financial Statements for the financial year 2013 and receipt of the reports of the Statutory Auditor

The Board of Directors proposes to approve the Annual Report, the Annual Statements and the Consolidated Financial Statements for the financial year 2013.

1.2 Consultative vote on the remuneration report

The Board of Directors proposes to approvingly take note of the remuneration report 2013 in a consultative vote.

Explanatory notes: The relevant information on the remuneration report can be found in the 2013 Annual Report on pages 68 to 70 (Corporate Governance report) and on pages 147 to 150 (Notes to the financial statements of Forbo Holding Ltd) and contain the principles for the remuneration of the Board of Directors and the Executive Board as well as the reporting on the remuneration report 2013.

2. Discharge of the members of the Board of Directors and the Executive Board

The Board of Directors proposes to grant discharge to the members of the Board of Directors and the Executive Board for the financial year 2013.

3. Appropriation of available earnings, allocation from the general capital contribution reserves to free capital contribution reserves and withholding tax-free distribution of a dividend from free capital contribution reserves

The Board of Directors proposes to appropriate the available earnings as follows:

Net profit 2013	CHF	49,302,978
Retained earnings	CHF	133,263,950
Release of general capital contribution reserves	CHF	29,080,184
Total available to the Ordinary General Meeting	CHF	211,647,112
Withholding tax-free distribution of CHF 14 per registered share	CHF	29,080,184
Balance to be carried forward	CHF	182,566,928

Explanatory notes: If the proposal for the appropriation of available earnings is approved, dividends will be paid to all shareholders from May 5, 2014. No distribution will be made to Forbo Holding Ltd for own shares held on the record date, which is why the amount definitively specified for the release of general capital contribution reserves and the withholding tax-free distribution may change.

4. Capital reduction as a result of the share buyback program and corresponding amendment of the Articles of Association

The Board of Directors proposes to pass the following resolutions:

- a) The ordinary share capital of the company of CHF 225,000 shall be reduced by CHF 10,000 to CHF 215,000 by way of cancelling the 100,000 shares with a par value of CHF 0.10 each that were acquired under the share buyback program approved by the Extraordinary General Meeting on November 5, 2012. The amount of the capital reduction will be used to reduce the account "Treasury shares" (part of "Marketable securities") respectively to reduce the reserves made for these treasury shares referred to in Article 659a Paragraph 2 respectively Article 671a of the Swiss Code of Obligations in the amount of the actual capital reduction.
- b) As a result of the audit report of the accredited audit expert PricewaterhouseCoopers AG pursuant with Article 732 Paragraph 2 of the Swiss Code of Obligations it is to be declared that the claims of the creditors remain fully covered even after the aforementioned reduction of the share capital.
- c) On implementation of the reduction in share capital Clause 3 Paragraph 1 of the Articles of Association is to be amended in accordance with the following wording (amendments in bold):
Amendment of Clause 3 Paragraph 1 of the Articles of Association
"The share capital of the Company is CHF **215,000** and is divided into **2,150,000** fully paid up registered shares with a par value of CHF 0.10 each."
- d) The Board of Directors is to be instructed to carry out the resolutions of the Extraordinary General Meeting, in particular to give appropriate notice to the creditors by publishing them three times in the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt) in accordance with Article 733 of the Swiss Code of Obligations, and to conduct the application to the Commercial Register following completion of the reduction.

Explanatory notes: Under the share buyback program approved by the General Meeting on November 5, 2012, Forbo Holding Ltd bought back a total of 100,000 shares between September 18, 2013 and April 3, 2014 on the second trading line of the SIX Swiss Exchange. All shares repurchased under the share buyback program are now to be cancelled.

5. Approval of a new share buyback program

The Board of Directors proposes to pass the following resolutions:

The Board of Directors is to be authorized to buy back own shares up to the maximum of 10% of the share capital registered in the Commercial Register over a period of three years optionally on a second trading line at the SIX Swiss Exchange or otherwise. These shares are definitely intended to be cancelled and therefore do not fall under the 10% threshold for own shares as defined by Article 659 of the Swiss Code of Obligations. The necessary amendment to the Articles of Association (reduction of share capital) is then to be submitted to the shareholders for approval.

Explanatory notes: The Board of Directors proposes the approval of the authorization to carry out a share buyback program over a period of three years in order to repatriate to the shareholders liquid funds not required for operational purposes. Forbo thereby gains greater flexibility in the interest of efficient capital management. The scope for action for internal and external growth is not restricted due to the existing net cash position and the strong cash flow. However, the Board of Directors reserves the right to interrupt or terminate the share buyback program, should this be necessary for financing increased external growth.

The Board of Directors has chosen a two-stage process, in which the shareholders pass the fundamental resolution at this General Meeting and pass a resolution concerning the cancellation of the repurchased shares at one of the next General Meetings.

6. Amendment of the Articles of Association to the Ordinance against Excessive Remuneration in Listed Public Companies (OaER) and other amendments

6.1 Amendment of Clauses 4, 12 and 13 Paragraph 4 of the Articles of Association

The Board of Directors proposes the amendment of the Articles of Association in accordance with the detailed description in Enclosure A to the agenda.

6.2 Amendment of the remaining provisions of the Articles of Association

The Board of Directors proposes the amendment of the Articles of Association in accordance with the detailed description in Enclosure B to the agenda.

6.3 Editorial changes of the Articles of Association

The Board of Directors proposes the amendment of the Articles of Association in accordance with the detailed description in Enclosure C to the agenda.

Explanatory notes: In accordance with the Ordinance against Excessive Remuneration in Listed Public Companies (OaER), which entered into force on January 1, 2014, and specifically Article 12 of the aforementioned ordinance, the companies concerned are obliged to amend and/or supplement their Articles of Association. Forbo intends to take this opportunity to undertake additional, in part editorial, changes to the Articles of Association. Based on Clause 13 Paragraph 4 of the valid Articles of Association the amendments of Clauses 4, 12 and 13 Paragraph 4 require a majority of two thirds of the votes represented at the General Meeting, as well as an absolute majority of the par values of the shares represented; therefore, voting on the amendment of the Articles of Association will take place in separate ballots. The enclosure with the detailed description is also available on our website at [http://www.forbo.com/e/Investor-Relations/Ordinary General Meeting/](http://www.forbo.com/e/Investor-Relations/Ordinary-General-Meeting/).

7. Elections to the Board of Directors

7.1 Election of This E. Schneider as Executive Chairman of the Board of Directors

The Board of Directors proposes that This E. Schneider be re-elected as a member of the Board of Directors and at the same time be elected as Executive Chairman of the Board of Directors.

7.2 Re-election of Michael Pieper as a member of the Board of Directors

The Board of Directors proposes that Michael Pieper be re-elected as a member of the Board of Directors.

7.3 Re-election of Dr. Peter Altorfer as a member of the Board of Directors

The Board of Directors proposes that Dr. Peter Altorfer be re-elected as a member of the Board of Directors.

7.4 Re-election of Dr. Reto Müller as a member of the Board of Directors

The Board of Directors proposes that Dr. Reto Müller be re-elected as a member of the Board of Directors.

7.5 Re-election of Vincent Studer as a member of the Board of Directors

The Board of Directors proposes that Vincent Studer be re-elected as a member of the Board of Directors.

7.6 Election of Claudia Coninx-Kaczynski as a member of the Board of Directors

The Board of Directors proposes that Claudia Coninx- Kaczynski be elected as a member of the Board of Directors.

Explanatory notes: In accordance with Article 3 respectively Article 4 OaER the General Meeting elects the members of the Board of Directors as well as the Chairman of the Board of Directors. Each election will then be valid until the close of the next Ordinary General Meeting.

8. Elections to the Remuneration Committee

8.1 Election of Dr. Peter Altorfer as a member of the Remuneration Committee

The Board of Directors proposes that Dr. Peter Altorfer be elected as a member of the Remuneration Committee.

8.2 Election of Claudia Coninx-Kaczynski as a member of the Remuneration Committee

The Board of Directors proposes that Claudia Coninx-Kaczynski be elected as a member of the Remuneration Committee.

8.3 Election of Michael Pieper as a member of the Remuneration Committee

The Board of Directors proposes that Michael Pieper be elected as a member of the Remuneration Committee.

Explanatory notes: In accordance with Article 7 OaER the General Meeting elects the members of the Remuneration Committee. Each election will then be valid until the close of the next Ordinary General Meeting.

9. Election of the Statutory Auditor

The Board of Directors proposes that the mandate of PricewaterhouseCoopers AG as Statutory Auditor be extended for a further year.

10. Election of the independent proxy

The Board of Directors proposes that René Peyer, Attorney-at-Law and Notary Public in Zug, be elected as independent proxy.

Explanatory notes: In accordance with Article 8 OaER the General Meeting elects the independent proxy. The election will be valid until the close of the next Ordinary General Meeting. The independent proxy meets the requirements placed on independence prescribed in accordance with Article 8 OaER.



Annual Report

The Annual Report 2013 including the Business Report, the Consolidated Financial Statements and the Annual Statements as well as the reports of the Statutory Auditor will be available for inspection by the shareholders at the registered office of the Company from April 3, 2014. The Annual Report can also be downloaded from Forbo's website at www.forbo.com – Media Centre – Corporate Publications and will be sent by the Company to any shareholder on request.

Access to the Ordinary General Meeting

The shareholders entered in the share register will receive notice of this meeting by regular mail. A reply card (attendance at the Ordinary General Meeting) as well as a summary of the Annual Report is attached to that notice. The entries in the share register on April 21, 2014 shall determine the rights to attend the General Meeting and powers of representation of the shareholders. The last transfers of share ownership will be accepted up to April 17, 2014, 4 p.m. After that the share register will be closed.

Granting of proxies

Shareholders who do not wish to attend the Ordinary General Meeting in person, may be represented by another shareholder registered in the share register. To grant the proxy, shareholders can either use the reply card enclosed with the invitation, or they can use the proxy form on the back of the admission card. Shareholders will receive the admission card after they have returned the reply card.

In addition, shareholders may appoint Mr. Andreas G. Keller, Attorney-at-Law, Gehrenholzpark 2G, P.O. Box 2924, 8055 Zurich, as an independent proxy exercising voting rights as defined by Article 689c of the Swiss Code of Obligations and Article 8 ff. OaER. To grant proxy, the proxy provided on the reply card is to be signed and sent to the independent proxy together with the relevant instructions. If no instructions are given, the independent proxy will abstain from voting.

Access to the indirect voting platform

This year, shareholders of Forbo Holding Ltd can, for the first time, also register for the Ordinary General Meeting, order the admission card and other documents as well as grant proxies and send voting instructions to the independent proxy electronically. To do this, shareholders must register in advance on the indirect voting platform. The relevant personalized access data, along with all other information on the registration, will be sent to shareholders along with the invitation documents as well.

Baar, April 3, 2014

Forbo Holding Ltd
On behalf of the Board of Directors



Dr. Albert Gnägi
Chairman

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