

# **Articles of Association of Bâloise Holding Ltd**

**Established 1962**

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## **Name, registered head office and purpose of the Company**

Art. 1 Under the names of

**Bâloise Holding AG**

**Bâloise Holding SA**

**Bâloise Holding Ltd**

a joint stock company is established with registered head office in Basel, Switzerland.

Art. 2 The purpose of the Company is to ensure the uniform corporate management of all the “Bâloise insurance companies”.

The Company may also establish, hold equity interests in, acquire or merge with enterprises of any kind in Switzerland and abroad.

## **Share capital**

Art. 3 The share capital of the Company is CHF 4,580,000, divided into 45,800,000 fully paid-up registered shares, each with a par value of CHF 0.10.

The Company’s share capital may be increased by a maximum of CHF 553,071.50 through the issuance of up to 5,530,715 fully paid-up registered shares with a par value of CHF 0.10 each upon the exercise of warrant or conversion rights granted in conjunction with bonds or similar debt instruments of the Company or of the Baloise Group companies. Shareholders’ subscription rights shall be excluded. The holders of the pertinent warrants or conversion rights are entitled to subscribe to the new registered shares. The terms of the warrants and conversion rights shall be determined by the Board of Directors. The acquisition of registered shares through the exercise of warrants or conversion rights is subject to the restrictions on entries in the share register as stipulated under Art. 5 of the Articles of Association.

In connection with the issue of warrants and convertible bonds on the international capital markets, shareholders’ pre-emptive subscription rights may be restricted or excluded by a resolution of the Board of Directors. If such pre-emptive subscription rights are excluded, then (i) the warrant or convertible bond must be placed with the public at market conditions; (ii) the exercise period must not exceed seven years from

the date of issue in the case of warrants or 15 years from the date of issue in the case of conversion rights; and (iii) the issue price for the new shares must at least correspond to the market conditions applying at the date of issue of the warrant or convertible bond.

The Board of Directors is authorized to increase the share capital by a maximum of CHF 400,000 on or before 30 April 2023 by issuing a maximum of 4,000,000 fully paid-up registered shares with a par value of CHF 0.10 each. Increases by firm underwriting and partial increases are permissible. The Board of Directors shall determine the date on which new shares are to be issued, the issue price, the method of payment, the conditions relating to the exercising of subscription rights, and the date of entitlement to dividend payments. The acquisition of registered shares through the exercising of subscription rights and every subsequent transfer of the new shares are subject to the restrictions on entries in the share register under Art. 5 of the Articles of Association. The Board of Directors is entitled to exclude shareholders' subscription rights and assign them to third parties, if the new registered shares are used for mergers with other companies, the acquisition of companies, parts of companies or shareholdings, or to finance/refinance such transactions. Registered shares for which subscription rights are granted but not exercised must be sold on the market at market conditions.

Art. 4 If a shareholder changes his or her place of residence, the new address must be communicated to the Company.

Shareholders residing abroad must not only inform the Company of their place of residence, but must also specify an address for service in Switzerland for all notifications issued by the Company.

All notifications issued by the Company to shareholders shall be sent to the address for service last made known.

If a shareholder's address for service is unknown to the Company, notifications shall be deemed duly issued at the Company's registered head office.

Art. 5 The Company shall keep a share register, wherein the shareholders and beneficiaries of registered shares shall be recorded with their first names, places of residence, addresses and nationalities (registered offices in the case of legal entities). The share register shall contain two categories: "shareholders with voting rights" and "shareholders without voting rights".

Purchasers of registered shares will be recognized as shareholders with voting rights and entered in the share register on request, if they expressly declare that they have acquired the shares on their own behalf and for their own account. All acquirers of registered shares will be considered shareholders without voting rights until such time

as the Company has recognized them as shareholders with voting rights. If the Company does not refuse the request for recognition within 20 days from the date of the request being submitted, the acquirer will be recognized as a shareholder with voting rights. Shareholders with voting rights may exercise all the rights attached to their shares. Shareholders without voting rights may exercise neither voting rights nor any rights attached to those voting rights. Subject to paragraph 3 of this article, no natural person, legal entity or partnership shall be registered with voting rights pertaining to registered shares held directly or indirectly that exceed 2% of the share capital registered in the Commercial Register. Requests for recognition as a shareholder with voting rights shall be refused if and insofar as the said limit is exceeded. This registration restriction also applies to persons holding shares wholly or partly through nominees within the meaning of this article. This provision is subject to Art. 685d (3) of the Swiss Code of Obligations. The Board of Directors may grant exceptions with the majority vote of two thirds of all its members.

For the purpose of this article, the following are also considered persons:

- a) legal entities and partnerships that are linked to one another through capital ownership or voting rights or by way of a common management, or otherwise;
- b) all natural persons, legal entities or partnerships that amalgamate for the purpose of circumventing the said restriction.

The restriction of a person's recognition as a shareholder with voting rights to an aggregate total of 2% of the registered share capital also applies to the subscription for and the acquisition of registered shares by way of exercising options and conversion privileges granted in connection with bonds and other securities issued by the Company or by third parties.

A shareholder or acquirer of subscription rights who exercises subscription rights allotted by the Company or acquired from third parties shall be recognized as the shareholder of the new registered shares and registered with voting rights in the share register to the extent that his or her shareholding, including shares already held, do not exceed 2% of the share capital issued; for shares in excess of the 2% limit, he or she will be deemed a shareholder without voting rights. If a shareholder is already registered with voting rights in the share register for more than 2% of the registered share capital, pursuant to an exception granted by the Board of Directors, he or she will be recognized as a shareholder with voting rights and registered in the share register for his or her shareholding, including the new registered shares, up to his or her limit previously approved by the Board of Directors.

The Board of Directors stipulates principles governing the registration (as shareholders with or without voting rights) of banks, securities traders and professional asset managers and their auxiliary companies who hold shares on account of several

unconnected persons (nominees) and who undertake to provide such details as may be specified by the Board on the beneficial owners of the shares.

The Board of Directors is authorized, after hearing the registered shareholder or nominee concerned, to strike entries from the share register retroactively with effect from the date of the entry, if such entries were created on the basis of false particulars. The party concerned shall immediately be informed of the annulment.

The Board of Directors may delegate its power to grant or refuse the registration of acquirers of registered shares.

Art. 6 The shares are not divisible, and the Company shall recognize only a single representative with respect to any one share.

In the event of the death of a shareholder, his or her heirs must notify the Board of Directors in writing of the identity of the acquirer of the deceased's shares within twelve months of the date of death.

The same twelve-month notification period shall apply in the event of the liquidation or alteration of enterprises holding shares in the Company.

The Board of Directors may, at its discretion, grant a reasonable extension to the aforesaid notification period in specific cases. If no acquirer is named within the notification period, the Board of Directors may publicly declare that the relevant shares have been invalidated and issue new shares in their place. The proceeds from the issuance of such new shares, less costs, shall be paid to the entitled party against surrender of the invalidated share certificates.

Art. 7 The share capital may be increased by means of ordinary, authorized or conditional share capital increases.

Art. 8 In the event of an increase of the share capital, each shareholder shall be granted a subscription right proportional to the total par value of his or her shareholding.

Exclusions of shareholders' subscription rights are subject to the relevant statutory provisions.

Art. 9 The Company shall issue its shares in the form of single certificates, global certificates or uncertificated securities. The Company may convert shares issued in one of the above forms into another form at any time and without the consent of shareholders in accordance with the statutory provisions. It shall bear the cost of conversion.

Shareholders shall not be entitled to convert shares issued in a certain form into another form.

All shareholders may request written confirmation from the Company at any time of the shares held by him or her as recorded in the share register. Shareholders, however, are not entitled to request the printing or delivery of share certificates.

If share certificates are issued, they shall bear the signature of the Chairman of the Board of Directors and one further member of the Board of Directors. Facsimile signatures shall be permitted.

If a share certificate has been lost or destroyed, the entitled person must request its cancellation, in accordance with the legal provisions, at his or her own expense.

Intermediated securities based on company shares cannot be transferred by way of assignment. Neither can a security interest in any such intermediated securities be granted by way of assignment.

## **The governing bodies of the Company**

Art. 10 The governing bodies of the Company are:

- a) the General Meeting
- b) the Board of Directors
- c) the Auditors

### **a) General Meeting**

Art. 11 The General Meeting is the Company's supreme body; the resolutions it passes in accordance with these Articles of Association and the law shall be binding for all shareholders.

The ordinary General Meeting shall be held annually within six months of the close of each financial year.

Extraordinary General Meetings shall be convened pursuant to resolutions passed by the General Meeting, the Board of Directors or the Auditors. Moreover, an extraordinary General Meeting shall be convened by the Board of Directors at the request of shareholders in accordance with the relevant statutory provisions.

Art. 12 The General Meeting shall be convened by issuing notification at the latest twenty days before the date of the meeting, stating the items of the agenda, the Board's motions and any motions submitted by shareholders entitled to do so under Art. 11 and Art. 14.

At least twenty days before the ordinary General Meeting, the annual report, including the annual financial statements, the management report and the consolidated financial statements, as well as the report by the Auditors and the proposals regarding the appropriation of distributable profit, shall be made available at the Company's registered head office for inspection by shareholders. The shareholders shall be notified of such availability for inspection.

The invitation to the General Meeting and other notifications to shareholders shall be issued by way of publication in the official journals publishing statutory notices. In addition, the shareholders may be invited to the General Meeting by letter.

Art. 13 The General Meeting is vested with the following powers:

1. The approval of the annual report, the consolidated financial statements and the annual financial statements, as well as the resolution on the appropriation of distributable profit.
2. The granting of discharge to the Board of Directors.
3. The election of:
  - the members of the Board of Directors
  - the Chairman of the Board of Directors
  - the members of the Remuneration Committee of the Board of Directors
  - an independent proxy
  - the Auditors.
4. The approval of the remuneration of the Board of Directors and the Corporate Executive Committee.
5. The adoption and amendment of the Articles of Association.
6. The passing of resolutions concerning all matters that, according to the law or these Articles of Association, fall within its sphere of responsibility, or which are submitted to it by the Board of Directors

The General Meeting may, at the request of the Board of Directors, resolve to create reserves under the statutory framework other than those required under these Articles of Association.

Art. 14 Requests by shareholders, under Article 699 (3) of the Swiss Code of Obligations, to include specific items on the agenda can be submitted by one or several shareholders who together represent at least 10% of the share capital or shares with a nominal value of at least CHF 100,000. Such requests must be submitted in writing to the Board of Directors at least six weeks before the date of the ordinary General Meeting, specifying the motions to be put to the General Meeting. The Board of Directors shall submit such requests, together with its statement, to the General Meeting.

With the exception of motions to call an extraordinary General Meeting or to perform a special audit, no resolutions shall be passed on matters for which the relevant requests pursuant to the above first paragraph have not been submitted within the aforementioned time period, but which are submitted later or at the General Meeting itself.

Motions to amend these Articles of Association shall be made available at the Company's registered head office for inspection by shareholders; notification of the availability for inspection will be made in the call for the General Meeting.

Art. 15 The General Meeting shall be chaired by the Chairman of the Board of Directors or, in the event of his or her absence, by another member of the Board of Directors.

A secretary shall be appointed by the Board of Directors.

The tellers shall be elected by the General Meeting.

The minutes of the General Meeting shall be signed by the Chairman, the Secretary and the tellers.

Art. 16 Subject to Art. 5 and the following provisions of Art. 16, all shareholders that are registered in the share register as shareholders with voting rights on the date specified by the Board of Directors in the invitation to the General Meeting are entitled to vote at the General Meeting.

Any shareholder can authorize another shareholder or the independent proxy to exercise his or her voting rights by appointing a proxy in writing. Granting the power of proxy and issuing voting instructions to the independent proxy can also be carried out electronically without requiring an authenticated electronic signature. Persons incapable of acting within the meaning of Art. 17 of the Swiss Civil Code shall be represented by their legal representatives, while trading partnerships and other legal entities shall be represented by their duly authorized officers; such proxies need not be shareholders.

Each share confers the right to one vote. When exercising voting rights, no shareholder

can accumulate more than one fifth of the voting shares at the General Meeting directly or indirectly for his or her own votes or proxy votes.

For the purpose of the third paragraph of this Art. 16, the following are also deemed shareholders:

- a) legal entities and partnerships that are linked to one another through capital ownership or voting rights or by way of a common management, or otherwise;
- b) all natural persons, legal entities or partnerships that amalgamate for the purpose of circumventing the said restriction.

Art. 17 The General Meeting may transact business regardless of the number of shareholders and proxies present, except where stipulated otherwise by the applicable law.

The General Meeting shall adopt resolutions by a simple majority of the votes cast, subject to the third paragraph of this Art. 17 and the relevant mandatory statutory provisions.

The following resolutions of the General Meeting shall require at least a three-quarters majority of the votes represented, the number of which must also equal at least one third of the total number of shares issued by the Company:

- a) the annulment of Art. 5 and the cancellation or diminution of the therein stipulated restrictions regarding the recognition of an acquirer of registered shares as a shareholder with voting rights;
- b) the conversion of registered shares into bearer shares;
- c) the annulment of the third and fourth paragraphs of Art 16 and the cancellation or diminution of the therein stipulated restrictions regarding voting rights;
- d) the merger of the Company by way of amalgamation with or acquisition by another enterprise;
- e) the annulment of Art. 19 of these Articles of Association and the cancellation or diminution of the restrictions stipulated therein, as well as the removal of members of the Board of Directors whose term of office has not yet expired;
- f) the transfer of the Company's registered office abroad; subject to the provisions of a resolution by the Swiss Federal Government of 12 April 1957 regarding precautions to be taken in the event of a transfer of the registered offices of legal entities, partnerships and other enterprises;

- g) the dissolution of the Company;
- h) the annulment of the third paragraph of this Art. 17 and the abolition or relaxation of the therein stipulated quorum.

Elections by the General Meeting shall also be passed by a simple majority of the votes cast. In the case of an equality of votes, a decision shall be taken by drawing lots.

Art. 18 Voting on resolutions and elections shall be conducted by show of hands, unless the General Meeting decides to hold a vote by ballot or a vote by ballot is ordered by the Chairman.

The Chairman may also require voting on resolutions and elections to be conducted by means of an electronic voting system.

#### **b) The Board of Directors**

Art. 19 The Board of Directors consists of no fewer than eight and no more than eleven members elected by the General Meeting from among the shareholders.

The term of office is one year and lasts until the next ordinary General Meeting. Re-election of members is possible.

The names of the individuals proposed by shareholders as candidates for membership of the Board of Directors must be notified to the Company at least ten days before the date of the General Meeting. The respective names will be made available at the Company's registered head office for inspection by shareholders.

Art. 20 Each member must, for the duration of his or her term of office, deposit with the Company's treasury 1000 shares endorsed in blank which may neither be sold nor hypothecated during the respective time period.

Art. 21 The General Meeting elects the members of the Remuneration Committee annually.

The Remuneration Committee:

- submits proposals to the Board of Directors on the remuneration structure;
- submits proposals to the Board of Directors for presentation to the General Meeting on the amount of remuneration of the Board of Directors and the Corporate Executive Committee;
- determines the remuneration of the Corporate Executive Committee within the

- limits of the maximum amount set by the General Meeting;
- determines the amount of the total variable remuneration (total pool).

The Board of Directors shall issue regulations for the Remuneration Committee that regulate the further details.

Art. 22 The Board of Directors may form additional committees consisting of members of the Board of Directors. The members of these committees shall be elected annually by the Board of Directors and shall be eligible for re-election after their terms of office expire.

The Board of Directors shall appoint a secretary, who need not be a member of the Board, for a one-year term.

Art. 23 The Board of Directors may delegate the management of the Company, under the terms of the statutory provisions and in accordance with the Organisation Regulations to its committees, to individual members or to a corporate executive committee to be established by it for this purpose.

Art. 24 Meetings of the Board of Directors shall be convened by the Chairman whenever required by business developments. Furthermore, any member may request a meeting of the Board of Directors by submitting a written request to the Chairman.

Art. 25 Subject to paragraph 3 of this Art. 25, the quorum necessary for the transacting of business by the Board of Directors shall be at least half of its members. Board resolutions regarding fully paid-up share capital increases, including the associated amendments to the Articles of Association, shall not be subject to the quorum.

Unless otherwise provided herein, Board resolutions shall require a simple majority of the votes cast; in the case of an equality of votes, the Chairman shall have the deciding vote. Voting shall be carried out by secret ballot if requested by one of the members.

Resolutions may also be passed by written consent of the majority of all members to a proposal, unless one of the members requests oral deliberations. Resolutions passed by circular letter shall be included in the Board of Directors' next minutes.

Art. 26 The Board of Directors shall pass resolutions concerning all matters that are not reserved for or delegated to the General Meeting or some other governing body by virtue of the applicable law or these Articles of Association.

The Board of Directors shall issue Organisation Regulations and any further regulations it deems necessary.

The Board of Directors shall appoint persons duly authorized to act as signatories of the Company. The signing authority may be limited to a branch office.

Art. 27 Minutes shall be kept of the discussions held by and resolutions passed by the Board of Directors, which shall be signed by the Chairman and the Secretary.

#### **c) The Auditors**

Art. 28 The General Meeting shall appoint an external auditing firm that is subject to state supervision. The term of office is one year. The Auditors may be re-elected.

The rights and powers of the auditing firm shall be determined by the relevant provisions of the applicable law.

### **Further regulations**

#### **Art. 29 Contracts governing remuneration**

The employment contracts with members of the Corporate Executive Committee are concluded for an indefinite period. The period of notice is twelve months.

In addition, contracts can be entered into with members of the Board of Directors concerning their mandates and remuneration. The term of such contracts shall be based on the term of office and comply with the law.

The remuneration can be paid by the Company or by legal entities that it controls.

#### **Art. 30 Additional amount for the remuneration of newly appointed members of the Corporate Executive Committee**

In the event that the Board of Directors appoints a new Chief Executive Officer or one or more new members to the Corporate Executive Committee between two General Meetings, the amount approved by the General Meeting for the total remuneration of the Corporate Executive Committee shall be increased.

The increase for each newly appointed member shall equal the average of the amount approved for the current members of the Corporate Executive Committee. In the case of the Chief Executive Officer, the increase shall correspond to the maximum remuneration of the incumbent office holder.

**Art. 31 Approval of the remuneration of members of the Board of Directors and the Corporate Executive Committee**

The Board of Directors shall submit the proposed remuneration of the Board of Directors and the Corporate Executive Committee annually to the General Meeting for approval pursuant to Art. 13 (1) no. 4 of these Articles of Association.

The approval separately includes:

- the total amount of remuneration of the Board of Directors for the next financial year,
- the total amount of the fixed remuneration of the Corporate Executive Committee for the next financial year,
- the maximum amount of the variable remuneration of the Corporate Executive Committee for the current financial year.

If the General Meeting does not approve a proposal of the Board of Directors, then the Board of Directors shall set an overall or maximum amount and submit this as its proposal to an extraordinary General Meeting or the next ordinary General Meeting for approval. The Company may pay remuneration or allocate entitlements within the scope of an overall or maximum amount established in this way, subject to the approval of the General Meeting and reimbursement in the event that approval is not granted.

**Art. 32 Principles for variable remuneration**

The members of the Board of Directors shall receive fixed remuneration for their work on the Board of Directors and in the committees. This remuneration is not tied to the achievement of specific results or performance targets.

The Board of Directors shall make the amount of the variable remuneration paid to members of the Corporate Executive Committee dependent on the achievement of results or performance targets. These targets can be based on the long-term profitability and the economic value added of the Company and/or on individually

agreed targets. In particular, the net profit (or loss) for the period, the risk assumed, the absolute and relative development of the share price and the implementation of the strategy shall serve as assessment criteria.

In addition, other variable remuneration components may be awarded that are aimed at the long term development of the Company.

The target figure for all variable remuneration paid to the members of the Corporate Executive Committee is 100 % of their basic salaries. Depending on the Company's and the individual's performance, individual remuneration may amount to less or more, but not in excess of 130 % of the basic salary.

The Board of Directors shall issue regulations that govern the arrangement of the variable remuneration in detail.

The amount of the variable remuneration of the members of the Corporate Executive Committee shall be determined by the Remuneration Committee within the maximum sum prescribed by the General Meeting – in consideration of the net profit (or loss) for the period, the risks assumed, the absolute and relative development of the share price and the implementation of the strategy – and disclosed in the remuneration report.

If the variable remuneration is paid in the form of equity securities, entitlements to equity securities or similar, then the amount that corresponds to the value of these equity securities, entitlements to equity securities or similar at the date of issue shall determine the approval in accordance with Art. 31 (2) of these Articles of Association. The Board of Directors or the Remuneration Committee, if delegated to the latter under the regulations, shall specify the terms and conditions of allocation as well as any lock-up periods and forfeiture rules. It can stipulate that, on account of the occurrence of certain events specified in advance, such as a change of control or the termination of an employment contract, lock-up periods are shortened or cancelled, remuneration is paid on the assumption that target values have been achieved, remuneration is forfeited and/or rights are converted into shares early and these shares are transferred. The Company can purchase the necessary equity securities on the market or provide them by using the conditional capital.

**Art. 33 Mandates held in legal entities outside the Company that are subject to commercial registration**

The Board of Directors shall ensure that the number of external mandates that are held by members of the Board of Directors or of the Corporate Executive Committee is compatible with their work commitments, availability, capabilities and impartiality, which are necessary for the performance of their duties as members of the Board of Directors or of the Corporate Executive Committee.

Mandates shall mean mandates within the supreme governing bodies of legal entities that are required to be registered in the commercial register or a corresponding register of a foreign jurisdiction, and that are neither controlled by the Company nor control the Company. Mandates held in different legal entities that are under the same joint control are deemed a single mandate.

A member of the Board of Directors may hold no more than 10 additional mandates, of which no more than four may be held in listed companies. A member of the Corporate Executive Committee may hold no more than four additional mandates, of which no more than one mandate may be held in a listed company. In addition, a member of the Board of Directors or of the Corporate Executive Committee may exercise up to 15 mandates in associations, foundations and pension and employee welfare foundations that are required to be registered in the commercial register or in a corresponding register of a foreign jurisdiction.

#### **Art. 34 Loans and credit**

The Company and the legal entities that it controls may grant loans and credit as follows:

1. Loans and credit for standard bank transactions, such as mortgages, of an amount up to three times the maximum possible total annual remuneration each to members of the Corporate Executive Committee and for mortgages of up to CHF 3 million each to members of the Board of Directors; and
2. Loans and credit in connection with share-based remuneration programmes of up to three times the maximum possible total annual remuneration to the Chairman of the Board of Directors and the members of the Corporate Executive Committee.

### **Annual report, distribution of profits, reserves**

**Art. 35** The financial year shall end on 31 December of each year.

For each financial year, the Board of Directors shall draw up an annual report that shall include the annual financial statements (consisting of income statement, balance sheet and notes), the consolidated financial statements, the remuneration report and the management report.

The annual financial statements, the management report, the consolidated financial statements and the remuneration report shall be prepared in accordance with the statutory provisions.



Art. 36 The distributable profit (profit for the period and the balance brought forward from the previous year) as determined in the annual financial statements shall be distributed as follows:

1. At least 5% of the profit for the period shall be allocated to the general reserves until these have reached an amount equal to 20% of the share capital.
2. Thereafter, an ordinary annual dividend of 5% shall be paid on the share capital.
3. The remaining distributable profit shall be at the disposal of the General Meeting.

## **Dissolution and liquidation of the Company**

Art. 37 The dissolution and liquidation of the Company shall be governed by the relevant statutory provision unless otherwise provided for by these Articles of Association.

Art. 38 If a resolution is passed to dissolve the Company, the General Meeting shall appoint one or more liquidators and shall determine their powers, tasks and remuneration. In all other respects, the activities and responsibility of the liquidators shall be governed by the relevant statutory provisions.

## **Notices**

Art. 39 Notices issued by the Company shall be published in the Swiss Official Gazette of Commerce. The Board of Directors may specify other such journals publishing statutory notices. Registered shareholders may also be issued with written notifications by letter.

Version of 30 April 2021.

This text is a translation; the original German version is legally binding and shall prevail over the English translation in the event of any discrepancy.