

Invitation to the

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**53<sup>rd</sup> ORDINARY  
ANNUAL GENERAL MEETING**

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Friday, 29 April 2016, 10.15 a.m. (admission from 09.15 a.m.)  
San Francisco Room at Congress Center Messe Basel, Basel



# Agenda

1. **Annual Report, Annual Financial Statements and Consolidated Financial Statements for the financial year 2015**
2. **Discharge**
3. **Appropriation of distributable profit**
4. **Elections**
  - 4.1 Board of Directors
    - 4.1.1 Dr Michael Becker
    - 4.1.2 Dr Andreas Beerli
    - 4.1.3 Dr Georges-Antoine de Boccard
    - 4.1.4 Dr Andreas Burckhardt
    - 4.1.5 Christoph B. Gloor
    - 4.1.6 Karin Keller-Sutter
    - 4.1.7 Werner Kummer
    - 4.1.8 Thomas Pleines
    - 4.1.9 Prof Dr Marie-Noëlle Venturi - Zen-Ruffinen
    - 4.1.10 Hugo Lasat
  - 4.2 Chairman of the Board of Directors  
Dr Andreas Burckhardt
  - 4.3 Remuneration Committee
    - 4.3.1 Dr Georges-Antoine de Boccard
    - 4.3.2 Karin Keller-Sutter
    - 4.3.3 Thomas Pleines
    - 4.3.4 Prof Dr Marie-Noëlle Venturi - Zen-Ruffinen
  - 4.4 Independent proxy  
Dr Christophe Sarasin
  - 4.5 Statutory auditors  
Ernst & Young AG
5. **Remuneration**
  - 5.1 Remuneration of the Board of Directors
  - 5.2 Remuneration of the Corporate Executive Committee
    - 5.2.1 Fixed remuneration
    - 5.2.2 Variable remuneration

## 1. Annual Report, Annual Financial Statements and Consolidated Financial Statements for the financial year 2015

### Proposal

The Board of Directors proposes that the Annual Report, the Annual Financial Statements and the Consolidated Financial Statements for the financial year 2015 be approved.

## 2. Discharge

### Proposal

The Board of Directors proposes that discharge be granted to the members of the Board of Directors and to the persons entrusted with the management of the Company.

## 3. Appropriation of distributable profit

### Proposal

The Board of Directors proposes the following appropriation of distributable profit:

Profit for the period 2015	CHF	434,861,183.39
Profit carried forward from the previous year	CHF	<u>534,015.61</u>
Distributable profit	CHF	435,395,199.00
Allocation to other reserves	CHF	-185,000,000.00
Dividend	CHF	<u>-250,000,000.00</u>
Balance to be carried forward	CHF	395,199.00

The dividend total of CHF 250,000,000.00 is equivalent to a gross dividend of CHF 5.00 per share or CHF 3.25 per share after the deduction of withholding tax of 35 per cent.

## 4. Elections

### 4.1 Board of Directors

#### Proposal

The Board of Directors proposes that the persons presented below be elected as members of the Board of Directors for a term of office of one year up to the close of the next ordinary Annual General Meeting.

The number of members of the Board of Directors is to be increased from 9 to 10 (the Articles of Association provide in Art. 19 for a range of between 8 and a maximum of 11 members). The remuneration of the Board of Directors approved by the 2015 Annual General Meeting for the 2016 financial year assumed there would be 9 members. For this reason, the Board of Directors proposes under item 4.1.10 of the agenda that, simultaneously with the election of Hugo Lasat, the remuneration of the Board of Directors for the current 2016 financial year be increased by CHF 136,000 to a total of CHF 3.369 million.



#### 4.1.1 Dr Michael Becker

Michael Becker (1948, German, Dr iur.) has been a member of the Board of Directors since 2010. He studied law in Hamburg and Tübingen and became Head of Accounting and Finance at Merck KGaA, Darmstadt, in 1998. From 2000 until 2011, he was an executive director and general partner of the publicly listed company Merck KGaA and, from 2002, he was an executive director and general partner of E. Merck KG, Darmstadt, which holds 70 per cent of the

shares in Merck KGaA. Dr Becker is a member of the Supervisory Board of Symrise AG, Germany. Dr Becker is an independent non-executive director.



#### **4.1.2 Dr Andreas Beerli**

Andreas Beerli (1951, Swiss, Dr iur.) has been a member of the Board of Directors since 2011. He studied law at the University of Basel. In 1979, he started working as an underwriter for the German market at Swiss Re. From 1985 to 1993, he performed various managerial roles at Baloise, with the main focus on supervising and supporting several foreign units. He then moved to Swiss Re, where he became a member of the Group Executive Committee in 2000, first in the

United States as Head of Swiss Re Americas and, most recently, in Zurich as Chief Operating Officer for the entire Swiss Re Group. Since 2009, he has acted as an independent adviser on the boards of directors and advisory boards of companies and professional associations. He is a member of the Board of Directors at Ironshore Europe Inc., Dublin, a member of the Advisory Board of Accenture Schweiz, and Chairman of the Swiss Advisory Council of the American Swiss Foundation. Dr Beerli is an independent non-executive director.



#### **4.1.3 Dr Georges-Antoine de Boccard**

Georges-Antoine de Boccard (1951, Swiss, Dr med.) has been a member of the Board of Directors since 2011. He studied medicine at the University of Geneva. He has run his own urological surgery practice in Geneva since 1987. Dr de Boccard is Chairman of the Board of Directors at Citadel Finance SA and Stellaria Holding SA, and is also a member of the Board of Directors of the Swiss International Prostate Center SA. He was Chairman of the Swiss Association of Urology from 2005 to 2006. He is a member of the Swiss Association of Urology, the European Association of Urology and other professional bodies and associations.

Dr de Boccard is an independent non-executive director.



#### **4.1.4 Dr Andreas Burckhardt**

Andreas Burckhardt (1951, Swiss, Dr iur., attorney) has been a member of the Board of Directors since 1999 and its Chairman since 29 April 2011. He studied jurisprudence at the universities of Basel and Geneva. He worked in the legal department of Fides Treuhandgesellschaft from 1982 to 1987 and served as Secretary General of the Baloise Group from 1988 to 1994. He was Director of the Basel Chamber of Commerce from 1994 to April 2011. In this role he sat on various governing bodies of national and regional business organisations.

From 1981 to 2011, he performed political functions in Basel City, and from 1997 to 2011 he served on the Great Council of the Canton of Basel City (as Chairman in 2006/2007). He sits on the Board of Directors of Carl Spaeter AG and is also Chairman of the Board of Governors of the Swiss Tropical and Public Health Institute, Basel. Dr Burckhardt is a member of the Committee of the Board of Directors of *economiesuisse* and sits on the Executive Committee of the regional employers' association in Basel and of the Regio Basiliensis association. As Chairman of the Board of Directors of Baloise, Dr Burckhardt holds a non-executive position.



#### **4.1.5 Christoph B. Gloor**

Christoph B. Gloor (1966, Swiss) has been a member of the Board of Directors since 2014. He holds a degree in business economics (HWV) and has been a member of the Executive Committee of Notenstein La Roche Privatbank AG, Basel, since November 2015. Previously, he was CEO of the Basel-based private bank La Roche & Co AG. Before joining La Roche & Co AG in 1998, he worked first at Swiss Bank Corporation and then at Vitra (International). Christoph B. Gloor was Chairman of the Association of Swiss Private Banks from November 2013 until February 2015 and was a member of the Board of Directors of the Swiss Bankers Association from September 2013 until February 2015. Mr Gloor is an independent non-executive director.



#### **4.1.6 Karin Keller-Sutter**

Karin Keller-Sutter (1963, Swiss, certified translator and conference interpreter, postgraduate degree in education) has been a member of the Board of Directors since 2013. In 1996, she was elected to St. Gallen's cantonal parliament and became Chairwoman of the FDP (the Swiss Liberal Party) for the canton of St. Gallen, before being elected to St. Gallen's cantonal governing council in 2000. She was in charge of the Security and Justice Department until May 2012 and chaired the governing council in 2006/2007 and again in 2011/2012. She has been a member of the Council of States – the smaller chamber of the Swiss parliament – since autumn 2011. Ms Keller Sutter is a member of the Board of Directors of the NZZ Media Group (until April 2016) and Pensimo Fondsleitung AG. She is also a member of the Board of Directors of ASGA Pensionskasse and chairs the Board of Trustees of the Pensimo investment foundation. She is Chairwoman of the Swiss Retail Federation and a member of the Executive Committee of the Swiss Employers' Federation. Ms Keller-Sutter is an independent non-executive director.



#### **4.1.7 Werner Kummer**

Werner Kummer (1947, Swiss, Dipl.-Ing. ETH, MBA Insead) has been a member of the Board of Directors since 2000 and its Vice Chairman since 2014. From 1990 to 1994, he was CEO of Schindler Aufzüge AG and subsequently, until 1998, sat on Schindler's Group Management Committee, where he was responsible for the Asia Pacific region. Until 2013 he was a member of the Supervisory Board of Schindler Deutschland Holding GmbH. He was CEO of Forbo Holding AG from 1998 until 2004. He is a freelance management consultant, Chairman of the Board of Directors at Gebrüder Meier AG, a member of other supervisory boards of non-listed companies in Switzerland and abroad and an executive director of the Zurich Chamber of Commerce. Mr Kummer is an independent non-executive director.



#### **4.1.8 Thomas Pleines**

Thomas Pleines (1955, German, attorney) has been a member of the Board of Directors since 2012. From 2003 to 2005, he was CEO and delegate of the Board of Directors at Allianz Suisse, Zurich, and from 2006 to 2010 he was CEO of Allianz Versicherungs-AG, Munich, and an executive director at Allianz Deutschland AG, Munich. Mr Pleines was a member of the Supervisory Board of Bilfinger SE, Mannheim, from 1998 to 2013. Since 2011, he has been Chairman of the Presidential Board at DEKRA e.V., Stuttgart, Chairman of the Supervisory Board at DEKRA SE, Stuttgart, and Chairman of the Supervisory Board at SÜDVERS Holding GmbH & Co. KG, Au near Freiburg. Mr Pleines is an independent non-executive director.





#### **4.1.9 Prof Dr Marie-Noëlle Venturi - Zen-Ruffinen**

Prof Dr Marie-Noëlle Venturi - Zen-Ruffinen (1975, Swiss, Prof Dr iur., attorney) is to be newly appointed to the Board of Directors. She holds a PhD in Law, a Master of Law and a Master of Arts in Philosophy from the University of Fribourg. She is a lawyer and Professor at the University of Geneva, School of Economics and Management, where she teaches corporate law in particular. Until 2012, Prof Venturi - Zen-Ruffinen was a partner with the Geneva-based law firm Tavernier Tschanz, where she is now Of Counsel. She is Chairman of the Swiss Board Institute and member of the Board of Management of the Swiss Institute of Directors. She is independent and will be a non-executive member.



#### **4.1.10 Hugo Lasat**

Hugo Lasat (1964, Belgian, Master in Economic Sciences, Master in Finance) is to be newly appointed to the Board of Directors. He has been CEO of Degroof Petercam Asset Management (formerly Petercam Institutional Asset Management) in Brussels since 2011. He previously held various management positions, including as CEO of Amonis Pension Fund and Dexia Asset Management. He is a visiting professor at the Hogeschool-Universiteit Brussel (HUBrussel), Chairman of the Belgian Asset Management Association (BEAMA), a member of the Board of Directors of the Belgian Financial Sector Federation (Febelfin) and a member of the Finance Commission of the Red Cross and of the King Baudouin Foundation. Mr Lasat is independent and will be a non-executive member.

With the appointment of Hugo Lasat, the number of members of the Board of Directors increases to 10. The remuneration of the Board of Directors approved by the 2015 Annual General Meeting for the 2016 financial year assumed there would be 9 members. For this reason, the Board of Directors proposes that, simultaneously with the election of Hugo Lasat, the remuneration of the Board of Directors for the current 2016 financial year be increased by CHF 136,000 to a total of CHF 3.369 million.

## **4.2 Chairman of the Board of Directors**

### **Proposal**

The Board of Directors proposes that Dr Andreas Burckhardt be elected as Chairman of the Board of Directors for a term of office of one year up to the close of the next ordinary Annual General Meeting.

## **4.3 Remuneration Committee**

### **Proposal**

The Board of Directors proposes that the following members of the Board of Directors be elected as members of the Remuneration Committee for a term of office of one year up to the close of the next ordinary Annual General Meeting:

- 4.3.1 Dr Georges-Antoine de Bocard
- 4.3.2 Karin Keller-Sutter
- 4.3.3 Thomas Pleines
- 4.3.4 Prof Dr Marie-Noëlle Venturi - Zen-Ruffinen

## **4.4 Independent proxy**

### **Proposal**

The Board of Directors proposes that Dr Christophe Sarasin, lawyer, be elected as the independent proxy for a term of office of one year up to the close of the next ordinary Annual General Meeting.

## **4.5 Statutory auditors**

### **Proposal**

The Board of Directors proposes the appointment of Ernst & Young AG, Basel, as the Company's auditors for the 2016 financial year.

## **5. Remuneration**

### **5.1 Remuneration of the Board of Directors**

#### **Proposal**

The Board of Directors proposes to set the total remuneration payable to the Board of Directors for the next financial year 2017 at CHF 3.265 million.

#### **Explanatory notes**

The Chairman of the Board of Directors exercises his office as a full-time mandate and receives a fixed amount of remuneration in return (CHF 1,320,000). He is not entitled to any variable remuneration and consequently receives no performance-related remuneration, no performance pool payments and no allocation of PSUs. The members of the Board of Directors are paid a fixed amount of remuneration for their work on the Board of Directors (CHF 125,000) and for additional functions that they perform on the committees of the Board of Directors (CHF 70,000 for the Chairman and CHF 50,000 for the members). This remuneration is not tied to the achievement of specific results or performance targets. The amounts paid reflect the responsibility and workload of the various functions and have remained unchanged since 2008.

Detailed figures regarding the last financial years and a listing of the sums paid to each member of the Board of Directors are provided in the remuneration report on pages 86-87 of the Annual Report 2015.

Remuneration for the 2017 financial year includes the statutory contributions that are to be paid by the employer to public social insurance schemes, with these contributions estimated on the basis of the current rates. It does not include contributions to the pension fund, as no such payments are made.

<b>Financial year</b>	<b>Basic remuneration</b>	<b>Committee remuneration</b>	<b>Total remuneration</b>	
<b>2016</b>	<b>2,442,825</b>	<b>790,000</b>	<b>3,232,825</b>	Approved by the 2015 AGM
of which, Chairman of the Board	1,419,853	–	1,419,853	
of which, other members of the Board	1,022,972	790,000	1,812,972	
<b>2017</b>	<b>2,474,830</b>	<b>790,000</b>	<b>3,264,830</b>	Proposal to the 2016 AGM
of which, Chairman of the Board	1,320,000	–	1,320,000	
of which, other members of the Board	1,154,830	790,000	1,944,830	

Amounts in CHF

## 5.2 Remuneration of the Corporate Executive Committee

The system for remunerating the Corporate Executive Committee has not changed from the previous year. It complies with the stipulations of the Remuneration Guideline issued by the Board of Directors and the Remuneration Policy. It consists of fixed remuneration (basic salary paid in cash) and variable remuneration. The variable remuneration consists of the performance pool payments and the performance share units.

The amount of the performance pool is determined ex post by the Remuneration Committee. The following indicators, among others, are taken into account based on a systematic analysis: consolidated result of the group, risks assumed, performance of the share price compared to competitors, implementation of the strategy, etc. The allocation also recognises and takes into account individual performances of the members of the Corporate Executive Committee. The expected value of the individual performance pool payment normally equates to 60 % of the basic salary. Depending on the Company's and the individual's performance, this amount may be less or more, but no more than 90 % of the basic salary.

The performance share units (PSUs) allow the members of the Corporate Executive Committee to participate in the performance of the Company and act as a long-term retention tool. The PSUs are issued in the form of entitlements. For purpose of the approval, the relevant amount is the value of the entitlements at the date of issue. The value of these entitlements after three years (i.e. after the performance period expires) depends on the performance of the Baloise share price:

- The factor used when converting the PSU entitlements into shares is based on the performance of the Baloise share compared with the performance of the shares of insurance companies in the STOXX 600 Europe Insurance Index. This can vary in the range 0.5 to 1.5.
- The value of the number of shares determined in this way is based on the market price of the Baloise share at the date of conversion (i.e. three years after issue of the performance share units).

Individual allocation from the performance pool (normally 60%, up to a maximum of 90% of the basic salary) and the performance share units (40% of the basic salary) result in an expected value of the variable remuneration of 100% or a maximum possible variable remuneration equivalent to 130% of the basic salary.

The total sum of the fixed remuneration ① and the total sum of the variable remuneration ②, each including the estimated employer contributions to pension schemes (pension fund, public social insurance schemes), are submitted to the Annual General Meeting for approval. The amounts submitted for approval relate to the following periods: fixed remuneration for the following 2017 financial year and variable compensation for the current 2016 financial year.

	Fixed remuneration	Variable remuneration			Total remuneration
	Basic salary	Performance pool	Performance share units	Total variable remuneration	
<b>Expected value</b>	100 %	60%	40%	100%	200%
<b>Maximum value</b>	100 %	90%	40%	130%	230%

①

②

## 5.2.1 Fixed remuneration of the Corporate Executive Committee

### Proposal

The Board of Directors proposes to set the total fixed remuneration payable to the Corporate Executive Committee for the next financial year 2017 at CHF 4.522 million.

### Explanatory notes

At CHF 4.522 million, the proposed fixed remuneration for the Corporate Executive Committee is lower than in the previous year.

The basic salary of Gert De Winter, Group CEO since 1 January 2016, is CHF 950,000 p.a., which is CHF 200,000 lower than the basic salary of Martin Strobel, who was Group CEO until 31 December 2015. The basic salary of Michael Müller, Head of Corporate Division Switzerland, will be increased by CHF 67,500 to CHF 700,000 p.a. on 1 January 2017.

The sums submitted for approval under items 5.2.1 and 5.2.2 of the agenda include the estimated employer contributions to pension schemes (pension fund and public social insurance schemes). If the contribution rates or threshold amounts in the statutory social insurance schemes should increase, the pension amounts proposed here will increase accordingly.

Amounts in CHF	2016	2017
	Maximum amount	Maximum amount
– Fixed remuneration	3,784,000	3,651,000
– Contributions to pension funds	843,000	870,765
<b>Total fixed remuneration</b>	<b>4,627,000</b> Approved by the 2015 AGM	<b>4,521,765</b> Proposal to the 2016 AGM
<b>Total variable remuneration</b>	<b>4,839,936</b>	<b>4,886,849</b>
<b>Total remuneration</b>	<b>9,466,936</b>	<b>9,408,614</b>

## 5.2.2 Variable remuneration of the Corporate Executive Committee

### Proposal

The Board of Directors proposes to set the maximum amount of variable remuneration payable to the Corporate Executive Committee for the current financial year 2016 at CHF 4.840 million.

### Explanatory notes

For the financial year 2015, variable remuneration totalling CHF 4.178 million was paid to the Corporate Executive Committee; this is within the maximum amount of CHF 5.338 million approved by Annual General Meeting for 2015. Detailed information and a listing of the sums paid to each member of the Corporate Executive Committee in 2015 are provided in the Remuneration Report on pages 90–91 of the 2015 annual report.

The variable remuneration for 2016 will be defined at the beginning of next year and takes various criteria into account, with the results of the 2016 financial year constituting the primary criterion. The cost ceiling of CHF 4.840 million proposed by the Board of Directors for the 2016 variable remuneration is also sufficient in the event of a very good annual result. The proposed maximum amount will not necessarily be paid out in full, but cannot be exceeded.

Amounts in CHF	2015		2016
	Maximum amount	Actual amount	Maximum amount
– Variable remuneration	5,186,000	4,033,741	4,685,550
– Contributions to pension funds	152,000	144,207	154,386
<b>Total variable remuneration</b>	<b>5,338,000</b> Approved by the 2015 AGM	4,177,948	<b>4,839,936</b> Proposal to the 2016 AGM
<b>Total fixed remuneration</b>	<b>5,630,622</b>	4,989,884	<b>4,627,000</b>
<b>Total remuneration</b>	<b>10,968,622</b>	9,167,832	<b>9,466,936</b>

## Organisational notes

### Voting rights

Entitled to vote at the Annual General Meeting are shareholders who are registered with an entitlement to vote in the share register at 10 a.m. on 25 April 2016. After this time, for technical processing reasons, no registrations can be made in the share register.

### Admission card and voting papers

#### **Form: “Registration / Form of proxy / Voting instructions”**

A form is enclosed with this invitation that enables you to order your personal admission card and voting papers. The same form also serves as the form of proxy, should you wish to be represented at the Annual General Meeting by:

- **the independent proxy (Dr Christophe Sarasin, partner at FROMER Advokatur und Notariat, Basel).** The independent proxy will exercise the voting rights in accordance with the instructions issued to him. Please return the signed form of proxy using the enclosed envelope addressed to “Bâloise Holding AG Generalversammlung, z. Hd. Herrn Dr. Christophe Sarasin”.
- **another shareholder.** Please enter the name and address of the other shareholder on the form. You then have the option of either forwarding the form to your appointed shareholder, who can order the admission card from the Share Registrar, or sending the form to the Share Registrar directly (using the envelope addressed to “Bâloise Holding AG, Aktienregister”), who will then send the admission card to your proxy.



### **Web portal “GVMANAGER ONLINE”**

You can now also order your admission card or appoint and issue voting instructions to the independent proxy online until 6.00 a.m. on 27 April 2016. In order to do so, please go to the “GVMANAGER ONLINE” on the website at [www.baloise.com/annual-general-meeting](http://www.baloise.com/annual-general-meeting). Your personal access code is provided on the “Registration/ Form of proxy/ Voting instructions” form enclosed with this invitation.

### **Please note the following regarding the use of the “GVMANAGER ONLINE”:**

- For security reasons, your personal one-time code is valid for access one time only. It expires as soon as you have issued voting instructions or ordered an admission card and left the portal.
- As long as you have not yet submitted any voting instructions or ordered your admission card, you can log into the portal again with the one-time code.
- In order to make subsequent changes to details you have entered, you can request a new one-time code from the share register ([aktienregister@baloise.com](mailto:aktienregister@baloise.com)).
- After sending the form of proxy, you can print out the instructions you have issued via the “Print view”.
- If your instructions are submitted to us via multiple channels, the statement of intent with the most recent date (the date on the form of proxy or the date of use of the “GVMANAGER ONLINE”) will be considered authoritative. If these dates are identical, the electronic voting instructions will be used. The electronic or written ordering of an admission card always overrides any previously submitted instructions.
- The terms and conditions that are available in the “GVMANAGER ONLINE” apply.

### **Further notes on proxies and exercising voting rights**

- Representation by your custodian bank (or a professional asset manager) is not permitted.
- Under Art. 16 of the Articles of Association, no shareholder may represent more than a fifth of all voting shares represented at the Annual General Meeting.

### **Apéro riche**

We are pleased to invite you to an apéro riche (drinks and refreshments) in the foyer of the Congress Center after the Annual General Meeting.

### **Annual Report**

We enclose the Summary of the Annual Report, which reviews our operating performance and contains the key financials. The full Annual Report can be ordered with the enclosed form. The Annual Report and the minutes of the last Annual General Meeting will also be available for inspection at the Company's Head Office (Aeschengraben 21, Basel) from 5 April 2016. In addition, along with this invitation, they can be accessed on [www.baloise.com](http://www.baloise.com).

Basel, 5 April 2016

**Baloise Holding Ltd.**

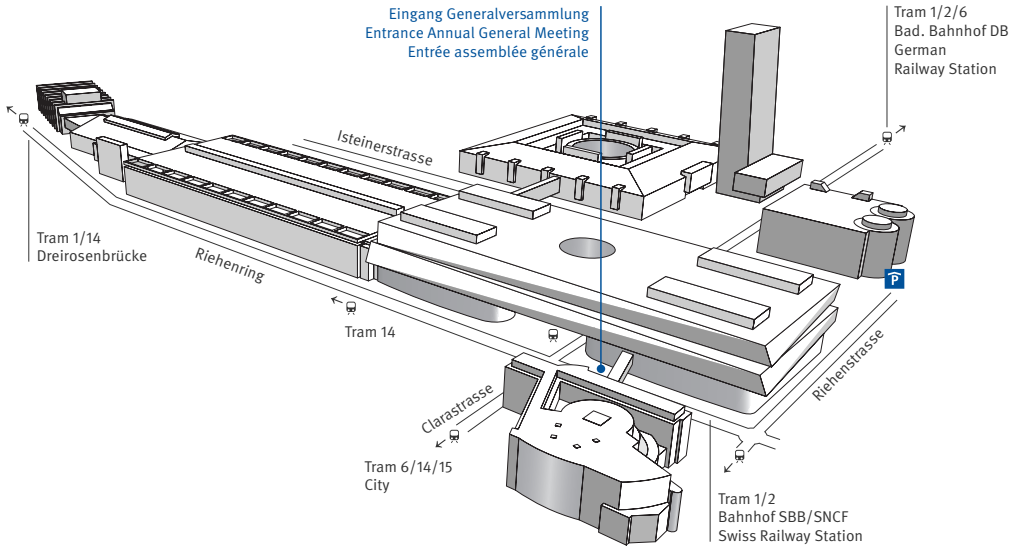
**On behalf of the Board of Directors**

**Dr Andreas Burckhardt, Chairman**

**Please find enclosed:**

- Summary of the Annual Report
- Form “Registration / Form of proxy / Voting instructions”
- Order form for “Baloise publications”
- Return envelope addressed to “Bâloise Holding AG Generalversammlung,  
z. Hd. Herrn Dr. Christophe Sarasin”
- Return envelope addressed to “Bâloise Holding AG, Aktienregister”

# Situation Map: Messe Basel



**Baloise Holding Ltd**  
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