

**56<sup>TH</sup> ORDINARY ANNUAL GENERAL MEETING**

**INVITATION**

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Friday, 26 April 2019, 10.15 a.m. (admission from 9.15 a.m.)  
San Francisco Room at Congress Center Messe Basel, Basel



# Agenda

1. **Management Report, Annual Financial Statements and Consolidated Financial Statements for the financial year 2018**
2. **Discharge**
3. **Appropriation of distributable profit**
4. **Amendment to the Articles of Association: Authorised capital**
5. **Elections**
  - 5.1 **Board of Directors**
    - 5.1.1 Dr Andreas Burckhardt (Member and Chairman in single vote)
    - 5.1.2 Dr Andreas Beerli
    - 5.1.3 Christoph B. Gloor
    - 5.1.4 Hugo Lasat
    - 5.1.5 Dr Thomas von Planta
    - 5.1.6 Thomas Pleines
    - 5.1.7 Professor Hans-Jörg Schmidt-Trenz
    - 5.1.8 Professor Marie-Noëlle Venturi - Zen-Ruffinen
    - 5.1.9 Christoph Mäder
    - 5.1.10 Dr Markus R. Neuhaus
  - 5.2 **Remuneration Committee**
    - 5.2.1 Christoph Mäder
    - 5.2.2 Thomas Pleines
    - 5.2.3 Professor Hans-Jörg Schmidt-Trenz
    - 5.2.4 Professor Marie-Noëlle Venturi - Zen-Ruffinen
  - 5.3 **Independent proxy**

Dr Christophe Sarasin
  - 5.4 **Statutory auditors**

Ernst & Young AG
6. **Remuneration**
  - 6.1 Remuneration of the Board of Directors
  - 6.2 Remuneration of the Corporate Executive Committee
    - 6.2.1 Fixed remuneration
    - 6.2.2 Variable remuneration

# Agenda

## 1. Management Report, Annual Financial Statements and Consolidated Financial Statements for the financial year 2018

### Proposal

The Board of Directors proposes that the Management Report, the Annual Financial Statements and the Consolidated Financial Statements for the financial year 2018 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 2018	CHF	411,909,124.75
Profit carried forward from the previous year	CHF	<u>661,197.69</u>
Distributable profit	CHF	412,570,322.44
Dividend	CHF	– 292,800,000.00
Allocation to free reserves	CHF	<u>– 119,000,000.00</u>
Balance to be carried forward	CHF	770,322.44

The dividend total of CHF 292,800,000.00 is equivalent to a gross dividend of CHF 6.00 per share or respectively CHF 3.90 per share after the deduction of withholding tax of 35 %.

## 4. Amendment to the Articles of Association: Authorised capital

### Proposal

The Board of Directors proposes to amend Art. 3 (4) of the Articles of Association as follows (amendments in light blue):

The Board of Directors is authorized to increase the share capital by a maximum of CHF 400,000 ~~CHF 500,000~~ on or before 26 April 2021 ~~28 April 2019~~ by issuing a maximum of 4,000,000 ~~5,000,000~~ 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.

### Explanatory notes

The authorized capital established at the 2009 Annual Ordinary General Meeting was extended or, respectively, renewed every two years by our shareholders. The authorization, which would expire on 28 April 2019, is to be extended by a further two-year period, until 26 April 2021, by means of a new amendment to the Articles of Association. The Board of Directors will now be able to create a maximum of CHF 400,000 in share capital. The potential dilution effect will thus be limited to 8.2% of the outstanding share capital. At the same time, the Board of Directors retains its financial flexibility to take advantage of profitable growth opportunities if required.

## 5. Elections

### 5.1 Board of Directors Proposal

The Board of Directors proposes the re-election of Dr Andreas Burckhardt (also as Chairman of the Board of Directors in single vote), Dr Andreas Beerli, Christoph B. Gloor, Hugo Lasat, Dr Thomas von Planta, Thomas Pleines, Professor Hans-Jörg Schmidt-Trenz, Professor Marie-Noëlle Venturi - Zen-Ruffinen as members of the Board of Directors as well as the election of Christoph Mäder and Dr Markus R. Neuhaus in each case for a one-year term of office up to the close of the next ordinary Annual General Meeting.

#### Explanatory notes

Details of the CVs of the Chairman and of the current members of the Board of Directors can be found in the Corporate Governance Report on pages 74 – 78 of the Annual Report 2018, available at:

[www.baloise.com/en/home/investors/publications](http://www.baloise.com/en/home/investors/publications)



#### 5.1.1 Dr Andreas Burckhardt

Born 1951, Swiss national

Dr iur., lawyer

Member of the Board of Directors since 1999 and  
Chairman of the Board of Directors since 2011.

Election as Chairman and as member  
of the Board of Directors in single vote.



**5.1.2 Dr Andreas Beerli**

Born 1951, Swiss national

Dr iur.

Member of the Board of Directors since 2011.



**5.1.3 Christoph B. Gloor**

Born 1966, Swiss national

Degree in business economics (HWV)

Member of the Board of Directors since 2014.



**5.1.4 Hugo Lasat**

Born 1964, Belgian national

Master in Economic Sciences, Master in Finance

Member of the Board of Directors since 2016.



**5.1.5 Dr Thomas von Planta**

Born 1961, Swiss national

Dr iur., lawyer

Member of the Board of Directors since 2017.





**5.1.6 Thomas Pleines**

Born 1955, German national

Lawyer

Member of the Board of Directors since 2012.



**5.1.7 Professor Hans-Jörg Schmidt-Trenz**

Born 1959, German national

Prof. Dr rer. pol.

Member of the Board of Directors since 2018.



**5.1.8 Professor Marie-Noëlle Venturi - Zen-Ruffinen**

Born 1975, Swiss national

Prof. Dr iur., lawyer

Member of the Board of Directors since 2016.



#### **5.1.9 Christoph Mäder**

Born 1959, Swiss national  
Lawyer

From 2000 to July 2018, member of the Executive Committee of Syngenta International AG responsible for Legal Affairs and Taxes. Until June 2018, member of the Board of the Basel Chamber of Commerce. From 2006 to May 2018 member of the Executive Board of scienceindustries, from 2008 to 2014 its President. Member of the Board of Directors of Lonza Group AG and at EMS Chemie Holding AG, member of the Executive Committee of economiesuisse.



#### **5.1.10 Dr Markus R. Neuhaus**

Born 1958, Swiss national  
Dr iur., Certified tax expert

From July 2012 to June 2019, Chairman of the Board of Directors of PricewaterhouseCoopers AG, previously its CEO for nine years. Vice Chairman of Avenir Suisse, member of the Executive Board and the Finance and Tax Commission of economiesuisse, Vice Chairman of the Executive Board of the Zurich Chamber of Commerce and member of the Executive Board of expertsuisse (formerly the Swiss Institute of Certified Accountants and Tax Consultants).

## 5.2 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 one-year term of office up to the close of the next ordinary Annual General Meeting:

- 5.2.1 Christoph Mäder
- 5.2.2 Thomas Pleines
- 5.2.3 Professor Hans-Jörg Schmidt-Trenz
- 5.2.4 Professor Marie-Noëlle Venturi - Zen-Ruffinen

## 5.3 Independent proxy

### Proposal

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

## 5.4 Statutory auditors

### Proposal

The Board of Directors proposes the appointment of Ernst & Young AG, Basel, as the Company's auditors for the 2019 financial year.

## 6. Remuneration

### 6.1 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 2020 at CHF 3.307 million.

#### Explanatory notes

The Chairman of the Board of Directors exercises his office as a full-time mandate and in return receives a fixed remuneration (CHF 1,320,000). He is not entitled to any variable remuneration and consequently receives no performance pool payments and no allocation of performance share units. The members of the Board of Directors are paid a fixed 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 any 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 104 and 105 of the Annual Report 2018.

Remuneration for the 2020 financial year includes the statutory contributions that are to be paid by the employer to public social insurance schemes, including an additional amount of up to a maximum of 1 % for the increase of contribution rates or larger contributions of the total remuneration due to changes to the Board of Directors.

Under the applicable remuneration regime, neither the Chairman nor the members of the Board of Directors are entitled to contributions to the pension fund and no such contributions are paid out to the Chairman or the members of the Board of Directors.

Financial year	Basic remuneration	Committee remuneration	Statutory social insurance contributions	Total remuneration	
2019	2,445,000	790,000	74,112	3,309,112	Approved by the 2018 AGM
of which, Chairman of the Board	1,320,000	–	–	1,320,000	
of which, other members of the Board	1,125,000	790,000	74,112	1,989,112	
2020	2,445,000	790,000	71,978	3,306,978	Proposal to the 2019 AGM
of which, Chairman of the Board	1,320,000	–	–	1,320,000	
of which, other members of the Board	1,125,000	790,000	71,978	1,986,978	

Amounts in CHF; the social insurance contributions include the addition of 1% of the total fee.

## 6.2 Remuneration of the Corporate Executive Committee

The remuneration method for 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 (PP)** is determined ex post by the Remuneration Committee. The following main indicators are taken into account based on a systematic assessment: implementation of the strategy, business performance, risks assumed and development of the share price, including dividends (total shareholder return TSR) in comparison with competitors. The expected value of the performance pool amounts to 60% of the basic salary; it may not exceed 90% of the basic salary.
- The **Performance Share Units (PSU)** allow the members of the Corporate Executive Committee to participate in the performance of the company and act as a long-term commitment tool. The PSU are issued in the form of entitlements. Members of the Corporate Executive Committee are generally allocated 40% of their basic salary as PSU.

Baloise stipulates in Art. 32 (4) of its Articles of Association that the total of all variable remuneration paid to members of the Corporate Executive Committee amounts generally to 100% of the basic salary (target value) and may amount to maximum 130% of the basic salary.

The amount submitted for approval to the Annual General Meeting will be the amount corresponding to the value of the shares (PP) or entitlements (PSU) at the time of allocation. This does not take into account the fact that the shares are exposed to the market during the following three-year blocking period (PP) or the entitlements during the following three-year disposal right period (PSU) and may have a higher or lower value after three years. In the case of PSU, a second element is added: Baloise compares its TSR in the three-year performance period with the TSR of the other insurance companies in the STOXX 600 Europe Insurance Index. The factor used when entitlements are converted

into shares can range between 0.0 (Baloise in the worst quarter of the peer group) and 2.0 (Baloise as the best company in the peer group) for plans from 2018 onwards; for the plans 2016 and 2017, the range remains between 0.5 and 1.5. The Board of Directors cannot anticipate these future developments and therefore proposes that the variable remuneration be approved at the time of allocation. The performance after the allocation date has been disclosed in the Annual Report for many years (see pages 89 and 97 of the Annual Report 2018).

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 for approval to the Annual General Meeting. The amounts submitted for approval relate to the following periods: fixed remuneration for the following 2020 financial year and variable compensation for the current 2019 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

## 6.2.1 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 2020 at CHF 4.738 million.

### Explanatory notes

The Corporate Executive Board expanded by an additional Member as of 1 February 2019. Dr Alexander Bockelmann heads the newly created “IT” division. As a result, the fixed remuneration for the Group Executive Board approved by the Annual General Meeting for the 2019 financial year was increased by CHF 0.619 million from CHF 4.043 million to CHF 4.662 million in accordance with Art. 30 of the Articles of Association of Bâloise Holding AG. Eleven monthly salaries will be paid to the additional member of the Corporate Executive Board in 2019, and twelve monthly salaries in 2020, which accounts for CHF 4.738 million (including contributions to occupational pension plans) to be proposed for the 2020 financial year.

The sums submitted for approval under items 6.2.1 and 6.2.2 of the agenda include the estimated employer contributions to pension schemes (pension fund and public social insurance schemes). If the contribution rates or threshold values in the public social insurance schemes should increase, the proposed pension amounts will increase accordingly.

Amounts in CHF	2019	2020
	Maximum amount	Maximum amount
– Fixed remuneration	3,271,000	3,871,000
– Contributions to pension funds	771,565	867,007
<b>Total fixed remuneration</b>	<b>4,042,565</b> Approved by the 2018 AGM	<b>4,738,007</b> Proposal to the 2019 AGM



## 6.2.2 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 2019 at CHF 5.233 million, consisting of:

- (i) CHF 3.439 million, based upon the maximum performance pool of 90 % of basic salary;
- (ii) CHF 1.528 million, which are based on the target value of the Performance Share Units of 40 % of the basic salary and are calculated at the allocation date without taking into account subsequent changes in value up to the conversion date (due to the conversion factor of 0.0 to 2.0) and
- (iii) CHF 0.266 million for contributions to pension schemes.

### Explanatory notes

The Corporate Executive Board expanded by an additional member as of 1 February 2019. Dr Alexander Bockelmann heads the newly created “IT” division. Consequently, the maximum amount to be approved by the Annual General Meeting for the Executive Board’s variable compensation in the 2019 financial year is CHF 5.233 million (comparatively to CHF 4.463 million in previous year). At the beginning of 2020, the Compensation Committee will determine the amount of variable compensation for the Executive Committee for the 2019 financial year.

For the financial year 2018, variable remuneration totaling CHF 3.473 million was paid to the Corporate Executive Committee; this is within the maximum amount of CHF 4.463 million approved by Annual General Meeting for 2018 (detailed information and a listing of the sums paid to each member of the Corporate Executive Committee in 2018 are provided in the Remuneration Report on pages 108 and 109 of the 2018 Annual Report).

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Amounts in CHF	2018		2019
	Maximum amount	Actual amount	Maximum amount
– Variable remuneration	4,252,300	3,271,577	4,967,300
– Contributions to pension funds	210,723	201,446	266,119
<b>Total variable remuneration</b>	<b>4,463,023</b> Approved by the 2018 AGM	<b>3,473,023</b>	<b>5,233,419</b> Proposal to the 2019 AGM
<b>Total fixed remuneration</b>	<b>4,042,565</b>	<b>3,993,566</b>	<b>4,662,232 *</b>
<b>Total remuneration</b>	<b>8,505,588</b>	<b>7,466,589</b>	<b>9,895,651</b>

\* Including additional amount of CHF 0.619 million pursuant to Art. 30 of the Articles of Association (refer to agenda item 6.2.1).

# Organizational 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 23 April 2019. After this time, no entries can be processed in the share registrar for technical reasons.

## Admission card and voting papers

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

The invitation encloses a form 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 “Dr. Christophe Sarasin, Unabhängiger Stimmrechtsvertreter der Bâloise Holding AG”.
- another shareholder. Please enter the name and address of the other shareholder on the form. You then have two options: either handover the form to your designated shareholder, who can order the admission card from the Share Registrar independently or send 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 24 April 2019. 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, respectively QR code, is provided on the form

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

enclosed in 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 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.

## Annual Report

We enclose the summary of the Annual Report, which reviews our operating performance and contains the key indicators. The full Annual Report can be ordered via our website at [www.baloise.com/order](http://www.baloise.com/order). 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 4 April 2019, and can be accessed, along with this invitation, at [www.baloise.com](http://www.baloise.com).

## Miscellaneous

- Please report any changes of address to the share registrar by post or e-mail. The contact details can be found on the back of the invitation.
- We invite you to coffee and croissants before the start of the Annual General Meeting.
- Following the event, you are kindly invited to a reception in the foyer of the Congress Center.

Basel, 3 April 2019

Bâloise Holding Ltd.  
On behalf of the Board of Directors  
Dr Andreas Burckhardt, Chairman

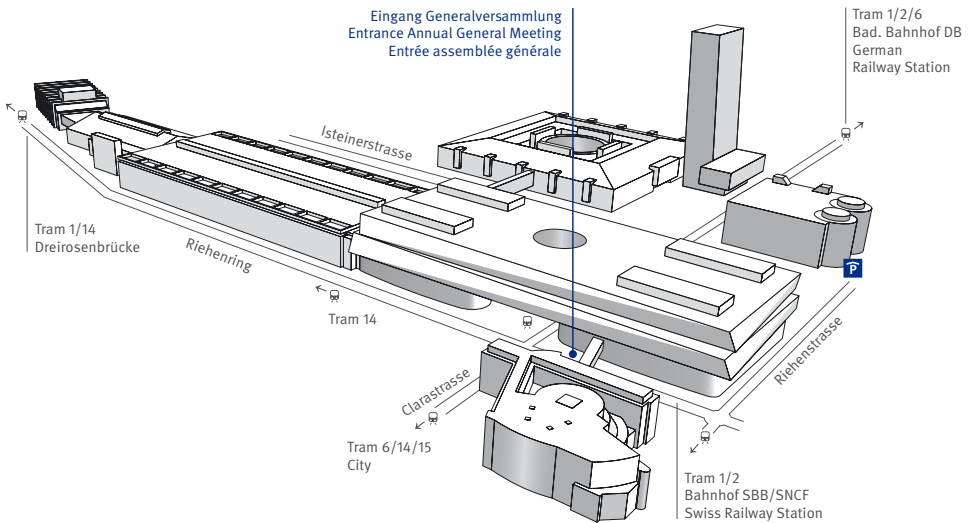
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**Please find enclosed**

- Summary of the Annual Report
- Form “Registration / Form of proxy / Voting instructions”
- Return envelope addressed to “Dr. Christophe Sarasin,  
Unabhängiger Stimmrechtsvertreter der Bâloise Holding AG”
- Return envelope addressed to “Bâloise Holding AG, Aktienregister”



# Situation Map: Messe Basel



**Bâloise Holding Ltd**  
**Share Registrar**  
**P.O. Box, CH-4002 Basel**

**Phone +41 58 285 83 24**  
**Telefax +41 58 285 90 89**  
**aktienregister@baloise.com**

**[www.baloise.com](http://www.baloise.com)**