



SwissLife

# Articles of Association Swiss Life Holding Ltd

## I. Company name, object and registered office

### 1. Company name, legal form

Under the corporate name Swiss Life Holding AG (Swiss Life Holding SA, Swiss Life Holding Ltd), (hereinafter the "Company") there exists a corporation pursuant to Art. 620 ff of the Swiss Code of Obligations (OR).

### 2. Object

The purpose of the Company is the holding, acquisition and sale of participations in the insurance and financial services sectors both in Switzerland and abroad. The Company may acquire an interest in enterprises of any kind, finance, establish or acquire them.

### 3. Registered office and duration

The Company has its registered office in Zurich.  
The duration of the Company is unlimited.

## II. Share capital

### 4. Share capital, shares, acquisition of assets and contributions in kind

4.1 The share capital amounts to one hundred and sixty-three million, six hundred and fourteen thousand, one hundred and twenty-five Swiss francs and ten cents (CHF 163 614 125.10), divided into 32 081 201 fully paid-up registered shares with a par value of CHF 5.10 each.

4.2 A share register will be kept for the registered shares. It will include the holders and beneficiaries, their first and last names, place of residence, address and nationality (in the case of legal persons, a registered office). Persons who, according to legal provisions, are entitled to voting rights but who do not own the shares, will be noted in the share register upon request (legal beneficiaries, statutory guardians of minors, etc.).

4.3 The Board of Directors may refuse to recognise an acquirer as a shareholder with voting rights if, upon request, the acquirer does not expressly declare that he/she has acquired the registered shares in his/her own name and for his/her own account. The Board of Directors may delegate the powers under the present Clause (4.3) to the Corporate Executive Board. The Board of Directors establishes principles governing the registration of trustees/nominees.

4.4 The share is indivisible. The Company recognises only one representative for each share. Vis à vis the Company, only a person registered or noted in the share register as having the right to vote is entitled to exercise the right to vote and any other rights connected to this voting right derived from a registered share.

4.5 The shareholder may at any time request the Company to issue a certificate of ownership for the registered shares held by such shareholder. The shareholder is not entitled, however, to request the printing and physical delivery of share certificates. The Company may, on the other hand, print and deliver certificates for registered shares to a shareholder at any time and may, with the consent of the shareholder, invalidate issued certificates that are delivered to it without replacement.

4.6 Registered shares issued as book-entry securities are regarded as securities held with an intermediary. Disposal of the securities (including the provision of collateral) shall be effected solely in accordance with the Federal Act on Book-Entry Securities "Bucheffekten-gesetz". The disposition of such securities by assignment is not permitted.

4.7 The General Meeting of Shareholders can convert bearer shares into registered shares or vice versa at any time by amending the Articles of Association.

- 4.8 The share capital of the Company can be increased by a maximum amount of CHF 30 599 250.30 by the issuance of up to 5 999 853 registered shares with a par value of CHF 5.10 each to be fully paid-up, upon exercising conversion and/or option rights granted in connection with the issuing of new or existing convertible bonds, bonds with option rights, loans or other financing instruments, hereinafter “equity-linked financing instruments” which were granted by the Company or companies belonging to the Group.

The shareholders have no subscription right to these new registered shares. The holders of the equity-linked financing instruments are entitled to subscribe to the new shares. The acquisition of the registered shares by exercising option and/or conversion rights and the subsequent transfer of registered shares are subject to the restrictions laid down in Clause 4.3 of the Articles of Association.

The Board of Directors is entitled to limit or exclude the preemptive subscription rights of existing shareholders in connection with the issuing of equity-linked financing instruments up to a value of 3 000 000 registered shares or up to a maximum amount of CHF 15 300 000, if the equity-linked financing instruments are placed on national or international capital markets or with selected strategic investors, or are used in connection with the financing or refinancing of the acquisition of companies, parts of companies, participations or new investment projects.

If the preemptive subscription rights are not granted either directly or indirectly when issuing equity-linked financing instruments, the equity-linked financing instruments must be issued according to the prevailing market conditions and the exercise period may not exceed 7 years for option rights and 15 years for conversion rights from the time of issuance of the relevant equity-linked financing instruments.

- 4.9 In accordance with the 17 May 2004 agreement to acquire assets between the Company and Swiss Life Insurance and Pension Company, Zurich, the Company shall receive 1 700 000 fully paid bearer shares of Banca del Gottardo, Lugano, with a par value of CHF 100 each, from the Swiss Life Insurance and Pension Company, Zurich, for a total price of CHF 1 340 000 000.

### **III. Organisation**

#### **5. Executive bodies of the Company**

The executive bodies of the Company are:

- A. the General Meeting of Shareholders
- B. the Board of Directors
- C. the Statutory Auditors

#### **A. The General Meeting of Shareholders**

#### **6. Powers of the General Meeting of Shareholders**

The General Meeting of Shareholders is the supreme executive body of the Company. It exercises the following non-transferable powers:

1. establishing and amending the Articles of Association;
2. electing the Chairman of the Board of Directors, the other members of the Board of Directors, the members of the Compensation Committee of the Board of Directors, the independent voting representative and the Statutory Auditors;
3. approving the Management Report, the annual financial statements and the consolidated financial statements;
4. adopting resolutions on the appropriation of net income, in particular fixing the dividend;
5. ratifying the actions of the members of the Board of Directors and the Corporate Executive Board;
6. approving compensation for the Board of Directors and the Corporate Executive Board in accordance with Clause 16 of the Articles of Association;
7. adopting resolutions on the matters which are reserved for the consideration of the General Meeting of Shareholders by law or by the Articles of Association.

#### **7. Convening and conducting the General Meeting of Shareholders**

- 7.1 The ordinary General Meeting of Shareholders takes place annually within six months after the end of the financial year. Extraordinary General Meetings of Shareholders are convened as required.
- 7.2 The General Meeting of Shareholders is convened by the Board of Directors, or if necessary by the Statutory Auditors, the liquidators or the representatives of the bondholders.

7.3 Shareholders representing a total of at least 10% of the share capital can request that a General Meeting of Shareholders be convened, at the same time stipulating the items to be discussed and the motions to be voted on. The written application must be accompanied by a certificate issued by a bank to confirm that the shares are deposited with it until after the General Meeting of Shareholders is held.

7.4 The meeting is convened by publication in the Swiss Official Commercial Gazette, together with the items on the agenda and the motions proposed by the Board of Directors as well as any motions proposed by shareholders. The meeting must be so convened at least 20 days prior to the date of the meeting.

7.5 Shareholders representing at least 0.25% of the share capital can submit a written request within a time limit published by the Company for the inclusion on the agenda of an item for discussion, together with the relevant motions. The written application must be accompanied by a certificate issued by a bank to confirm that the shares are deposited with it until after the General Meeting of Shareholders is held.

7.6 The Annual Report and the auditors' report must be made available at the registered office of the Company for inspection by shareholders for a period of 20 days prior to the ordinary General Meeting of Shareholders. The notice convening the meeting must point out that any shareholder can request that a copy of this documentary material be forwarded to him/her.

7.7 The Chairman of the Board of Directors, or in his/her absence the Vice Chairman or another member of the Board, will preside over the General Meeting of Shareholders. The Chairman appoints a secretary and tellers, who do not have to be shareholders.

## **8. Voting rights at the General Meeting of Shareholders**

8.1 Each share conveys an entitlement to one vote.

8.2 A shareholder may be represented at the General Meeting of Shareholders only by his/her legal representative or – by virtue of a written power of attorney – by another shareholder entitled to vote, or by the independent voting representative. Members of the Board of Directors and the Corporate Executive Board may represent other shareholders provided this is not an institutionalised practice.

In exercising voting rights, no shareholder can collect more than 10% of the total share capital directly or indirectly in respect of his/her own shares and those he/she represents. Legal entities and partnerships which are connected through capital, voting rights, uniform management or in any other way, as well as individuals or legal entities and partnerships which act in concert by virtue of agreement, syndicate or in any other way, are deemed to be one person.

The Board of Directors can permit exceptions to the abovementioned limit on the basis of its discretionary powers.

8.3 The General Meeting of Shareholders elects an independent voting representative. His/her term of office ends after completion of the next ordinary General Meeting of Shareholders. Re-election is possible.

The independent voting representative is obliged to exercise the represented voting rights pursuant to the instructions given. In the event that he/she has not received any instructions, he/she shall submit an abstain vote. The general instruction to vote in favour of the Board of Directors with respect to proposals relating to agenda items contained in the invitation to the General Meeting of Shareholders and with respect to agenda items that have not been pre-announced as well as to new agenda items pursuant to Art. 700, cl. 3 of the Swiss Code of Obligations is deemed a valid voting instruction.

The independent voting representative can be represented at the General Meeting of Shareholders by an assistant. He/she remains fully responsible for compliance with his/her obligations. If the Company does not have an independent voting representative, the Board of Directors shall appoint one for the next General Meeting of Shareholders.

8.4 The Board of Directors may establish procedural rules for participation in and representation at the General Meeting of Shareholders and in particular more precise rules on issuing instructions to the independent voting representative. The Board of Directors ensures that shareholders can also submit electronic proxies and instructions to the independent voting representative, by which he/she is authorised to wholly or partially waive the requirement for a qualified electronic signature.

8.5 The members of the Board of Directors who are present decide by majority vote on matters associated with the exercise of voting rights.

## **9. Adopting resolutions at the General Meeting of Shareholders**

- 9.1 Unless imperative provisions of the law or of these Articles of Association stipulate otherwise, elections are decided and resolutions are adopted by an absolute majority of the validly cast votes.
- 9.2 A resolution must be adopted at the General Meeting of Shareholders by at least two-thirds of the voting shares represented and an absolute majority of the share par value represented in order to:
1. amend the object of the Company;
  2. introduce voting shares;
  3. restrict the transferability of registered shares;
  4. amend the provisions on transferring registered shares pursuant to Clause 4.3 as well as on the voting restriction pursuant to Clause 8.2;
  5. effect an authorised or conditional increase in capital;
  6. effect an increase in capital from shareholders' equity, against contributions in kind or for the purpose of acquiring assets and the granting of special benefits;
  7. restrict or revoke subscription rights;
  8. move the registered office of the Company;
  9. dissolve the Company with or without liquidation;
  10. dismiss more than one-third of the members of the Board of Directors;
  11. amend the present Clause 9.2.
- 9.3 Elections and votes are conducted electronically. If the electronic procedure is not available, elections and votes are conducted by open ballot unless the Chairman or shareholders representing a total of at least 10% of the total share capital request a vote using ballot cards.

## **B. Board of Directors**

### **10. Composition, election, delegation of executive management, convening of meetings**

- 10.1 The Board of Directors consists of no less than 5 and no more than 14 members.
- 10.2 The Chairman, the other members of the Board of Directors and the members of the Compensation Committee of the Board of Directors are elected by the General Meeting of Shareholders on an individual basis for a term of office of one year. The term of one year is deemed to signify the period between one ordinary General Meeting and the next. Members whose term of office expires are eligible for immediate re-election.

10.3 If the office of Chairman becomes vacant, the Board of Directors shall appoint a new Chairman for the remaining term of office.

10.4 The Board of Directors constitutes itself subject to legal and statutory provisions. It is authorised to delegate executive management wholly or partially to committees, individual members and/or other natural persons (Corporate Executive Board), subject to a set of organisational regulations.

10.5 The Board of Directors meets at the invitation of its Chairman as often as business requires. It is also convened if this is requested in writing by a member or by the Corporate Executive Board with details of the items to be discussed.

10.6 Resolutions are adopted by the Board of Directors by majority vote. In the event of a tied vote, the Chairman has the casting vote. Resolutions can also be adopted on a proposed motion by written vote, unless a member requests a verbal discussion. Such resolutions are adopted by a majority of votes cast.

### **11. Non-transferable powers of the Board of Directors**

The Board of Directors has the following non-transferable and irrevocable duties:

1. serving as the governing body of the Company and issuing the necessary directives;
2. establishing the organisational structure;
3. organising accounting systems, financial controls and financial planning;
4. appointing and dismissing those persons who are entrusted with executive management and representation; designating authorised signatories and their form of signature;
5. supervising the persons entrusted with executive management, especially in respect of compliance with the law, Articles of Association, rules, regulations and directives;
6. drawing up the Annual Report, preparing the General Meeting of Shareholders and implementing its resolutions;
7. drawing up the Compensation Report;
8. notifying the court in the event of insolvency;
9. confirming increases in capital and any subsequent payments of capital and the resulting amendments to the Articles of Association.

## **12. Compensation Committee**

12.1 The Compensation Committee usually consists of three members. All members must be independent. A member is regarded as independent if he/she has not exercised any operational management role within the Swiss Life Group for at least three years and has no or only a minor business relationship with the Group.

12.2 The Board of Directors appoints the Chairman from the members of the Compensation Committee and issues regulations for the Compensation Committee.

12.3 The Compensation Committee in principle has the following duties and responsibilities:

1. submitting a proposal to the Board of Directors on the structure of the compensation policy and the guidelines for compensation;
2. submitting a proposal to the Board of Directors on the total amounts of compensation for the Board of Directors and the Corporate Executive Board in accordance with Clause 16 of the Articles of Association;
3. submitting a proposal to the Board of Directors on compensation for members of the Board of Directors;
4. submitting a proposal to the Board of Directors on the compensation and employment conditions for members of the Corporate Executive Board, including compensation-relevant decisions in connection with termination of the employment relationship;
5. submitting a proposal of the Compensation Report to the Board of Directors;
6. other duties and responsibilities entrusted to it by the Articles of Association or the Board of Directors.

12.4 If the Compensation Committee is not complete, the Board of Directors shall appoint the required new members for the remaining term of office.

## **C. Statutory Auditors**

### **13. Election, rights and duties of the Statutory Auditors**

13.1 The Statutory Auditors are elected by the General Meeting of Shareholders for a term of office of one financial year. Their term of office ends with the approval of the last annual financial statements.

13.2 The rights and duties of the Statutory Auditors are defined by the provisions of the law.

## **IV. Compensation for the Board of Directors and the Corporate Executive Board**

### **14. Compensation components**

14.1 The members of the Board of Directors receive exclusively fixed compensation, which is partly paid in blocked Company shares. The amount, date of allocation and duration of the blocking period for these shares is set by the Board of Directors.

The members of the Corporate Executive Board receive fixed compensation and, if applicable, variable compensation as a short-term and long-term variable compensation component.

14.2 The fixed compensation consists of basic compensation or the basic salary including fringe benefits plus social security contributions paid by the employer and, if applicable, contributions to occupational provisions.

14.3 The variable compensation for the Corporate Executive Board is paid as a short-term variable compensation component (in the form of variable compensation in cash and if applicable in shares) and a long-term variable compensation component (in the form of future subscription rights to Company shares, equity compensation plan), as well as employer contributions to social security and, if applicable, contributions to occupational provisions.

14.4 Compensation may be paid by the Company or its Group companies.

14.5 The Company can compensate and pay appropriate advances to the members of the Board of Directors and the Corporate Executive Board for any disadvantages incurred in relation to proceedings, litigations or settlements in connection with their activities for the Swiss Life Group, as well as conclude insurances.

## **15. Variable compensation (bonus and equity compensation plans)**

15.1 The variable compensation components are linked to the strategic objectives of the Swiss Life Group and the individual divisions, and the associated financial and HR-related targets. The Board of Directors determines the variable compensation for the Corporate Executive Board on this basis and in accordance with the corresponding regulations taking into account the company's success and the achievement of personal goals.

15.2 The following principles apply to the variable compensation for members of the Corporate Executive Board:

1. The short-term variable compensation component and the long-term variable compensation component are determined by the Board of Directors after completion of the financial year to which the variable compensation refers. The total of the two variable compensation components is limited to a maximum of 181% of the fixed basic salary.
2. The Board of Directors establishes the threshold level and proportion of the short-term variable compensation component (variable compensation in cash and if applicable in shares) which is not paid immediately but in the form of deferred compensation in cash or is allocated in shares.
3. The Board of Directors determines at its discretion the fair value of the long-term variable compensation component (future subscription rights to Company shares) on the day of allocation; it may call on external specialists for this purpose. The allocation of shares is effected after the expiry of the deferral period on the basis of the allocated future subscription rights. It can be made dependent on the achievement of performance goals and other conditions; the performance goals and their weighting and other conditions are determined by the Board of Directors.
4. The Board of Directors determines the deferral periods and adjustment and reclaiming mechanisms (clawback) for the deferred variable compensation components.
5. The variable compensation principles are implemented by the Board of Directors in regulations and explained in the annual Compensation Report.

## **16. Approval of compensation by the General Meeting of Shareholders**

16.1 The General Meeting of Shareholders approves the maximum total amount of fixed compensation for the Board of Directors on an annual basis until the next ordinary General Meeting.

The General Meeting of Shareholders also approves the maximum total amount of fixed compensation and the long-term variable compensation component (variable compensation in the form of future subscription rights to Company shares, equity compensation plan) for the Corporate Executive Board for the next financial year. This prospective approval of total compensation excludes the short-term variable compensation component (variable compensation in cash and if applicable in shares) for the Corporate Executive Board, which is determined by the General Meeting of Shareholders retrospectively for the previous financial year.

16.2 Approvals under Clause 16.1 require an absolute majority of the votes cast, whereby abstentions are not considered as votes. In the absence of approval, the Board of Directors shall decide on what steps to take. In particular it can call an extraordinary General Meeting or provide for the payment of compensation subject to retrospective approval by the General Meeting of Shareholders.

16.3 The General Meeting of Shareholders can pass a resolution at any time to retrospectively increase an approved total amount.

If new members of the Corporate Executive Board are appointed after a resolution has been approved, a supplementary amount of a maximum 40% of the total amount for the year in question is available for their compensation and to offset any disadvantages in connection with the change of job. This does not require the approval of the General Meeting of Shareholders.

## **17. Occupational benefits and pensions**

The Company may set up or affiliate with one or more independent employee benefits institutions for occupational benefits. Employer contributions to employee benefits institutions, excluding the regulatory benefits paid by such employee benefits institutions, are deemed part of compensation. On the basis of national regulations for occupational provisions, lump sums and pension benefits accumulated and/or paid out directly by the employer are treated in the same way as contributions to and benefits from employee benefits institutions under the Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG).

## **18. Other mandates of members of the Board of Directors and the Corporate Executive Board**

The number of mandates in supreme management and administrative bodies of legal entities outside the Swiss Life Group, which are entered in the Swiss commercial register or a comparable foreign register, is limited for members of the Board of Directors and the Corporate Executive Board as follows:

Members of the Board of Directors may not accept more than 15 additional mandates, of which no more than 4 may be in other listed companies; members of the Corporate Executive Board may accept no more than 5 additional mandates, of which no more than 1 may be in another listed company. Mandates in different legal entities, which are under common control or have the same beneficial owner, are regarded as one mandate.

This restriction does not include mandates which a member of the Board of Directors or Corporate Executive Board assumes on the instruction of the Company, or mandates in associations, charitable foundations, family foundations and occupational benefits institutions.

## **19. Agreements with members of the Board of Directors and the Corporate Executive Board**

Agreements on compensation with members of the Board of Directors or the Corporate Executive Board are concluded for a maximum fixed term of one year or with a notice period of a maximum of 12 months.

## **20. Loans and credits**

The Company may grant members of the Board of Directors and the Corporate Executive Board secured loans and credits at usual market terms for up to CHF 10 million each and unsecured loans and credits of up to CHF 0.5 million each.

## **21. Legal form**

The provisions under section IV are based on company law and do not convey any individual rights to benefits.

# **V. Further stipulations**

## **22. Financial year, annual financial statements and consolidated financial statements**

22.1 The end of the financial year is determined by a resolution of the Board of Directors.

22.2 The annual financial statements and the consolidated financial statements are drawn up in accordance with legal provisions.

## **23. Appropriation of net income**

23.1 Of the net income for the year stated in the balance sheet, 10% is first allocated to the general reserve pursuant to Art. 671 of the Swiss Code of Obligations (OR) until this reserve reaches 20% of the share capital or, if withdrawals have been made, is restored to this level.

23.2 Otherwise the General Meeting of Shareholders resolves upon the appropriation of net income for the year within the scope of legal provisions. The General Meeting of Shareholders may make allocations from net income to free reserves.

## **24. Dissolution**

24.1 Any dissolution of the Company will be conducted in accordance with Art. 736ff of the Swiss Code of Obligations (OR).

24.2 The liquidation will be carried out by the Board of Directors unless assigned to other persons by a resolution adopted by the General Meeting of Shareholders.

## **25. Announcements and notifications**

Announcements and notifications are made in the Swiss Official Commercial Gazette, the publication of record for the Company.

## **26. Final provision**

These Articles of Association apply with effect from 23 April 2014. Clause 16 shall take effect on 1 January 2015.

\* \* \* \* \*

Zurich, 3 February 2017

Changes to Art. 4.1 and 4.8 para. 1  
in accordance with the Board of Directors  
resolution of 3 February 2017