

Vontobel Holding AG

## **Articles of Association**

of

Vontobel Holding AG

with its registered office in Zurich

dated 23 June 1994

incorporating amendments dated 21 April 1999, 25 January 2000,

January 24, 2001, May 8, 2001, July 3, 2003, April 20, 2004,

April 26, 2005, April 24, 2007, April 27, 2010, April 1, 2014, April 28, 2015,

[and April 4, 2023](#)

## I. Name, registered office, duration and object of the Company

### Art. 1

A public limited company with the name

Vontobel Holding AG

[\(Vontobel Holding SA\)](#)

[\(Vontobel Holding Ltd\)](#)

is established with its registered office in Zurich.

Its duration is unlimited.

The Company may establish subsidiary companies, branches and representative offices in Switzerland and abroad.

### Art. 2

The object of the Company is to participate in all types of businesses in Switzerland and abroad.

Vontobel Holding AG is the parent company of the Vontobel Group, which includes Bank Vontobel AG in particular.

The Company may acquire, mortgage and sell real estate property in Switzerland and abroad. It may also transact any business that may serve to realize the object of the company.

## II. Financing

### A. Share capital

#### Art. 3

The Company has share capital of CHF 56,875,000.00 (in words: fifty-six million, eight hundred and seventy-five thousand Swiss francs) divided into 56,875,000 fully paid-up registered shares each with a nominal value of CHF 1.00.

Subject to the following provisions, the registered shares of the Company shall be issued as [simple](#) uncertificated securities and registered as intermediated securities.

The transfer of intermediated securities, and the pledging of these intermediated securities as collateral, shall be subject to the Swiss Federal Act on Intermediated Securities. If uncertificated shares are transferred by assignment, the Company must be notified in order for the transfer to be valid. The Company may withdraw shares registered as intermediated securities from the custodial system.

Name, registered office and duration

Share capital

Shares

Shareholders may, at any time, request that the Company issue a certificate for the registered shares that they hold. Shareholders shall not have the right to request the printing and delivery of certificates or the right to demand that registered shares issued in one form be converted into another form. However, the Company may, at any time, issue certificates (single share certificates, certificates or global share certificates) or convert uncertificated securities and certificates into another form and cancel issued certificates that are returned to the Company.

If a resolution is passed by the General Meeting of Shareholders, the Company may ~~convert registered shares into bearer shares or bearer shares into registered shares. It may also~~ establish or revoke restrictions on the transfer of registered shares.

## **B. Registered shares**

Art. 4

The transfer of registered shares shall require the approval of the Board of Directors or a committee designated by the Board of Directors. If listed registered shares are acquired through the stock market, title to the shares shall pass to the acquirer at the time of their transfer to the latter. If listed registered shares are acquired other than through the stock market, title shall pass to the acquirer when the latter applies to the Company to be recognized as a shareholder. [The application to be entered in the share register may be submitted electronically.](#) However, in any event, the acquirer may not exercise voting rights associated with the shares or any other rights associated with the voting rights until the Company has recognized the acquirer as a shareholder. The acquirer shall not be subject to any restrictions on the exercising of any other shareholder rights.

The Board of Directors may refuse to recognize an acquirer of registered shares as a full shareholder

- a) if the number of registered shares held by the acquirer exceeds 10% of the total number of registered shares entered in the Commercial Register. Legal entities and partnerships with legal capacity that are related to one another through capital ownership or votes or have the same management or are otherwise interrelated, as well as natural persons or legal entities or partnerships that act in concert to circumvent registration restrictions, shall be regarded for the purposes of this provision as being one acquirer; the vested rights of shareholders or shareholder groups (including the right, while retaining beneficial ownership, to contribute shares in companies over which they have full control or to remove the same together with the right to transfer shares within a shareholder group without restriction under this percentage clause and relating to the participation of individual shareholders, in all cases with full retention of voting power), that collectively already held more than 10% of the share capital at the time restricted transferability was introduced by means of a public notice on 25 January 2001, are not affected;

Restricted transferability

- b) if the acquirer, at the request of the Company, fails to expressly confirm that the shares were acquired in his/her own name and on his/her own account, [that no agreement exists regarding the redemption or return of corresponding shares and that the acquirer bears the economic risk associated with the shares.](#)

**Approval**

After the share transfer has been approved, it shall be entered in the share register. The Company shall recognize as shareholders or beneficiaries of registered shares only those parties that are entered in the share register. If the Company has not yet approved the acquirer on the date legal title is transferred, the acquirer shall be entered in the share register as a shareholder without voting rights and in this case, the relevant shares shall be deemed to be unrepresented at the General Meeting of Shareholders.

**Share register**

Entries shall not be made in the share register in the period between the issuing of invitations to the General Meeting of Shareholders, [or a date specified by the Board of Directors,](#) and the day following that General Meeting.

Art. 5

**Transfer of title by law**

If listed registered shares are acquired through the devolution of the estate of a deceased person, the division of the estate (including any formal acquisition in advance of death) or by virtue of a matrimonial property regime, the Company may not reject the person acquiring the shares.

**C. Capital increase**

Art. 6

**Issue conditions**

An increase in the share capital shall require a resolution to be passed by the General Meeting of Shareholders in accordance with legal requirements (Art. 650 ff. of the Swiss Code of Obligations). The increase shall be implemented by the Board of Directors in accordance with the resolution passed by the General Meeting.

**Pre-emptive rights**

All shareholders shall be entitled to shares offered in any new issue in proportion to their existing shareholding. This pre-emptive right of shareholders may be revoked by a resolution passed by the General Meeting of Shareholders if there are important reasons for doing so.

**D. Bonds**

Art. 7

By resolution of the Board of Directors, the Company may issue bonds with or without collateral, including convertible and warrant bonds in particular.

### III. Organization of the Company

Art. 8

#### Corporate bodies

The Company's corporate bodies are as follows:

- a) General Meeting of Shareholders
- b) Board of Directors
- c) External auditors

#### A. General Meeting of Shareholders

Art. 9

#### Ordinary General Meeting

The Ordinary General Meeting shall be held annually within six months of the end of the financial year. [The General Meeting of Shareholders may be held at one or several locations at the same time, including abroad, or in combination with electronic means \(hybrid\), whereby at least one of the meeting venues shall be in Switzerland. In exceptional circumstances, the General Meeting of Shareholders may be held electronically without a meeting place.](#)

#### Extraordinary General Meeting

Extraordinary General Meetings shall be convened as required, whether by resolution of the General Meeting or the Board of Directors, at the request of the external auditors or liquidators, on receipt of a written request from one or several shareholders with a combined shareholding of at least one ~~tenth~~ [twentieth](#) of the share capital [or voting rights](#), with details of the agenda items and the proposed motions, or if required by law or these Articles of Association. The General Meeting shall be held within two months of the receipt of such a request.

Art. 10

#### Convening meetings

General Meetings shall be convened by the Board of Directors or, in the instances prescribed by law or in the Articles of Associations, by the external auditors or liquidators.

#### Notice of meetings

Notice of a General Meeting shall be given at least 20 days before the meeting takes place in the form specified by the Company for official notices. ~~It shall indicate the place, time, agenda items and motions proposed by the Board of Directors and shareholders who have asked for a General Meeting to be convened or for an item to be placed on the agenda for discussion.~~ In addition, shareholders [registered in the share register with registered shares](#) shall be notified of any General Meeting [electronically and / or](#) in writing.

[The notice of the meeting shall indicate:](#)

- [1. the date, the start time, the form and the location of the General Meeting of Shareholders;](#)
- [2. the agenda items;](#)
- [3. the motions proposed by the Board of Directors with a short explanation of the motions;](#)
- [4. if applicable, the motions proposed by shareholders with a short explanation;](#)
- [5. the name and address of the independent proxy.](#)

[The agenda items can be presented in summary form in the notice of the meeting provided shareholders are given access to more detailed information on the Company's website.](#)

The notice of the meeting shall indicate the nature of any admission requirements.

The notice of the Ordinary General Meeting shall draw attention to the fact that ~~shareholders may inspect~~ the Annual Report, the Compensation Report and the auditors' report [are published on the Company's website. at the registered office of the Company and that they if the documents cannot be accessed electronically, every shareholder](#) may also ask for a copy of these documents to be sent to them without delay.

**Setting of the agenda  
(Request to include an item on the agenda)**

Shareholders representing at least 0.5% of the share capital [or voting rights](#) may apply in writing for an item to be included on the agenda for discussion together with any associated motions. Any such application must be received to the Company at least two months before the date of the General Meeting.

No resolutions may be passed on motions that are not part of duly notified agenda items. Exempt from this provision are motions to convene an Extraordinary General Meeting, to conduct a ~~special audits~~ [special investigation](#) and to elect external auditors following a request from a shareholder. Similarly, no prior notification shall be required for motions that are part of items for discussion or where no associated resolution is required.

**Universal meeting**

**Art. 11**

If all shareholders are present or represented and no objections are raised, a General Meeting may be held at any time in the form of a universal meeting. In this case, there shall be no need to comply with the formal requirements for convening meetings. This universal meeting may discuss and pass binding resolutions on any matter within the remit of the General Meeting, provided the owners or representatives of all the shares are present.

**Powers**

**Art. 12**

The General Meeting of Shareholders shall have exclusive competence to

- a) Determine and amend the Articles of Association
- b) Approve the annual financial statements, management report (if required by law) and consolidated financial statements and pass resolutions on the appropriation of retained earnings after acceptance of the report of the external auditors
- c) Approve the compensation of the Board of Directors and the Executive Committee in accordance with Art. 31 of these Articles of Association
- d) Elect the Chairman and other members of the Board of Directors
- e) Elect the members of the Compensation Committee
- f) Elect the independent proxy
- g) Elect the external auditors and, if applicable, the Group auditors

- h) Grant discharge to the members of the Board of Directors and the Executive Committee
- i) [Determine the interim dividend and approve the interim financial statements required for this purpose](#)
- j) [Pass a resolution on the repayment of the statutory capital reserves](#)
- k) [Delist the Company's equity securities](#)
- l) Dissolve the Company
- m) Deal with other matters which, by law or according to the Articles of Association, fall within its remit or are submitted to it by the Board of Directors.

Art. 13

**Chairman of the meeting**

The Chairman of the Board of Directors or, in his absence, the Vice-Chairman or another member designated by the Board of Directors, shall preside over the General Meeting of Shareholders.

**Minute secretary / tellers**

The Chairman shall appoint a minute secretary, who need not be a shareholder, and shall also nominate the teller(s) from among the shareholders or representatives of shareholders present at the General Meeting if voting cannot be carried out electronically.

Art. 14

**Minutes**

Minutes of the proceedings shall be kept and the minutes shall be signed by the chairman of the meeting and the minute secretary.

The minutes shall record the:

- a) [the date, the start and end times, as well as the form and the location of the General Meeting of Shareholders;](#)
- b) ~~the~~ [the](#) ~~Number,~~ [number, type, nominal value and category of shares represented ~~by shareholders, representatives of shareholders, and by~~ the independent proxy;](#)
- c) ~~R~~ [R ~~esolutions~~ \[resolutions\]\(#\) passed and the results of any elections;](#)
- d) ~~R~~ [R ~~equests~~ \[requests\]\(#\) for information \[made in the General Meeting of Shareholders\]\(#\) and the responses provided](#)
- e) ~~S~~ [S ~~tatements~~ \[tatements\]\(#\) by shareholders to be placed on record;](#)
- f) [any significant technical problems that arise during the General Meeting of Shareholders.](#)

~~Shareholders shall be entitled to inspect the minutes.~~

Art. 15

**Voting rights**

Each share shall carry one vote.

**Representation**

Each shareholder may grant a written power of attorney in order to be represented at the General Meeting of Shareholders by a third party, who need not be a shareholder, or by the independent proxy.



**Evidence of voting rights**

The Board of Directors shall draw up procedures for establishing share ownership and issuing voting cards.

**Independent proxy**

Art. 16

The General Meeting of Shareholders shall elect the independent proxy for a term of office that ends at the conclusion of the next Ordinary General Meeting. The independent proxy may be re-elected.

If the Company does not have an independent proxy, the Board of Directors shall appoint one for the next General Meeting.

Subject to legal provisions, the Board of Directors shall define the requirements governing powers of attorney and instructions, and may define corresponding regulations.

**Quorum**

Art. 17

The General Meeting of Shareholders shall be quorate irrespective of the number of shareholders present or shares represented.

**Resolutions**

Art. 18

Votes and elections [in the General Meeting of Shareholders](#) shall be carried out [electronically, in writing or](#) by open ballot, [as determined by the chairman of the meeting unless otherwise instructed by the chairman of the meeting.](#)

To be valid, resolutions and elections by the General Meeting of Shareholders shall require ~~an~~ [absolute the](#) majority of the votes cast, excluding blank and invalid votes, unless binding legal provisions stipulate otherwise. Resolutions by the General Meeting shall require a minimum of two-thirds of votes represented and ~~an absolute the~~ majority of the nominal share values represented in order to:

- a) Amend the object of the Company
- b) Introduce voting shares
- c) [Consolidate shares](#)
- e)d) Amend or revoke restrictions on the ability to transfer registered shares (restricted transferability)
- d)e) ~~Provide an approved or conditional increase in capital~~ [Introduce conditional capital, introduce a capital band or create reserve capital in accordance with Art. 12 of the Swiss Banking Act](#)
- e)f) Provide an increase in capital from equity, in return for non-cash considerations or ~~for the purpose of contributions in kind~~ [by offsetting a claim,](#) and the granting of special benefits
- g) [Convert participation certificates into shares](#)
- f)h) Restrict or revoke pre-emptive rights
- i) [Add a provision to the Articles of Association on holding the General Meeting of Shareholders abroad](#)

- ~~g~~) Relocate the registered office of the Company
- ~~k~~) [Add an arbitration clause to the Articles of Association](#)
- ~~l~~) [Introduce a casting vote for the chairman of the General Meeting of Shareholders](#)
- ~~m~~) [Delist the Company's equity securities](#)
- ~~h~~) Remove more than one member of the Board of Directors in the course of one financial year
- ~~i~~) Dissolve the Company (with or without liquidation)
- ~~j~~) Distribute a dividend in kind
- ~~k~~) Increase the share capital (in all cases).

## B. Board of Directors

### Art. 19

The Board of Directors consists of a minimum of ~~three~~ [five \(5\)](#) members.

Number of members

Except for the election of the Chairman and the election of the members of the Compensation Committee, the Board of Directors shall be self-constituting.

Constitution

### Art. 20

The Chairman of the Board of Directors and the other members of the Board of Directors shall be elected individually.

Election and term of office

The Chairman of the Board of Directors and the other members of the Board shall be elected for one year, with their term of office ending at the conclusion of the next Ordinary General Meeting. The members of the Board of Directors may be re-elected.

Re-election and election of new members

Ballots for members seeking re-election or for the election of new members shall be held at Ordinary General Meetings; however, if the number of members of the Board of Directors falls below ~~three~~ [five](#) as a result of death, resignation or dismissal, an Extraordinary General Meeting shall be convened within a reasonable period so that replacements can be elected.

If the post of Chairman of the Board of Directors is vacant, the Board of Directors shall appoint a new Chairman for the remainder of the term of office.

### Art. 21

The Board of Directors shall meet at the invitation of its Chairman as often as required for business purposes. Each member of the Board of Directors may request in writing that the Chairman convene a meeting without delay but must state the reasons for the request.

Convening of meetings

The Chairman or, in his absence, the Vice-Chairman shall preside over the Board of Directors.

Chairman

**Secretary** The Board of Directors shall nominate a Secretary, who need not be a shareholder or a member of the Board of Directors.

Art. 22

**Quorum** The Board of Directors shall be quorate if ~~an absolute~~the majority of its serving members is present or participates in the meeting by telephone or video conference or by other electronic means, in accordance with the Business and Organizational Regulations. Meetings can also be held by electronic means without a meeting place, in accordance with the Business and Organizational Regulations.

A quorum shall not be required in order for the Board of Directors to pass a resolution on a capital increase report or for resolutions that have to be officially authenticated.

**Resolutions** Board resolutions and appointments shall be decided by ~~absolute~~the majority of the members present. In the event of a tied vote, the chairman of the meeting shall cast the deciding vote.

**Circular resolutions** Resolutions may also be passed by circular letter in accordance with the Business and Organizational Regulations, provided no member calls for a verbal consultation on the matter.

Art. 23

**Powers** The Board of Directors shall be responsible for the overall direction of the Company and shall exercise supervision and control over the executive body. The Board of Directors shall pass resolutions on matters that are not the preserve of other corporate bodies of the Company by law or under these Articles of Association.

The following are the mandatory preserve of the Board of Directors:

- a) Overall direction of the Company and issuing of the necessary directives
- b) Defining the organizational structure of the Company
- c) Determining the principles for accounting, financial control and financial planning to the extent that this is required for the management of the Company
- d) Appointing or removing persons entrusted with managing and representing the Company (subject to the possibility to delegate this responsibility in accordance with Art. 23 para. 3 sentence 3)
- e) Overall supervision of persons entrusted with management responsibilities – particularly to ensure compliance with legislation, the Articles of Association, regulations and directives
- f) Producing the Annual Report and the Compensation Report, preparing for the General Meeting of Shareholders and implementing the resolutions approved by shareholders
- g) Amending the Articles of Association after an increase in capital
- h) Other matters which, by law, fall exclusively within the remit of the Board of Directors

- i) [Submitting an application for a debt moratorium and](#) notifying the ~~judicial authorities court~~ in the event of overindebtedness
- j) Appointing an interim Chairman of the Board of Directors, interim members of the Compensation Committee and the independent proxy ad interim for the period ending at the conclusion of the next Ordinary General Meeting of Shareholders if the post of Chairman of the Board of Directors, of members of the Compensation Committee or of the independent proxy becomes vacant in the course of the year.

**Signatory powers**

The Board of Directors shall designate persons to represent the Company and sign on its behalf. It shall also determine the nature of their signatory powers. The principle of joint signatory powers (dual authorization) shall apply. [The granting of signatory powers to individuals who do not report directly to the Board of Directors may be delegated by the Board of Directors in accordance with applicable regulations.](#)

Subject to the provisions of Article 23 para. 2 of these Articles of Association, the Board of Directors may submit important decisions within its competence to the General Meeting of Shareholders in order for a resolution to be passed on this matter.

**Delegation**

Subject to the provisions of Article 23 para. 2 of these Articles of Association, the Board of Directors shall also be authorized to transfer the management in full or in part to individual members (delegated members, committees) or to other natural persons who need not be shareholders (managers, authorized officers or other persons with authority) in accordance with [the Business and Organizational Regulations](#)~~the relevant Organisational Regulations.~~

**Art. 24**

**Agreements with members of the Board of Directors and the Executive Committee**

The Company or companies controlled by it may conclude mandate agreements or employment agreements of limited or unlimited duration with members of the Board of Directors. The duration and termination of such agreements are determined based on the term of office and legal requirements.

The Company or companies controlled by it may conclude employment agreements of limited or unlimited duration with members of the Executive Committee. Employment agreements of limited duration shall be subject to a maximum duration of one year. These agreements may be renewed. The maximum notice period for employment agreements of unlimited duration shall be 12 months. In the event that the employment relationship is terminated, the Company or companies controlled by it may release a member of the Executive Committee from his/her duties with immediate effect and/or conclude a termination agreement.

**Mandates held outside the Group**

Art. 25

No member of the Board of Directors may perform more than nine (9) additional mandates outside the Vontobel Group, of which no more than four (4) additional mandates may be performed in listed companies.

No member of the Executive Committee may perform more than five (5) additional mandates outside the Vontobel Group, of which no more than two (2) additional mandates may be performed in listed companies.

Additionally, a member of the Board of Directors may perform up to ten (10) mandates in not-for-profit or charitable legal entities outside the Vontobel Group, and a member of the Executive Committee may perform up to seven (7) such mandates.

The following mandates are not subject to these restrictions:

- a) Mandates in companies controlled by the Company or that control it;
- b) Mandates that a member of the Board of Directors or the Executive Committee performs upon the instruction of the Company or companies controlled by it.

For the purposes of this provision, the term “mandate” refers to activities performed by members of the Board of Directors or of the Executive Committee in comparable functions at other companies with an economic purpose. ~~in the most senior management or supervisory bodies of legal entities that are required to register with the Swiss Commercial Register or a corresponding foreign register.~~

Mandates in various legal entities that are subject to joint control, or where one such entity controls the other, shall be deemed to be one mandate. The same shall apply in the case of mandates performed by that a member of the Board of Directors or the Executive Committee who holds a comparable function at a company outside the Vontobel Group performs when exercising that function or at the request of that company or a company controlled by it. ~~when exercising their function as a member of the most senior management or supervisory body or the Executive Board of a legal entity outside the Vontobel Group or on behalf of that legal entity or legal entities controlled by it.~~

The provisions set out in the Business and Organizational Regulations ~~applicable Organizational Regulations~~ shall also apply.

Art. 26

**Compensation Committee**

The Compensation Committee shall consist of a minimum of three (3) non-executive members. The members of the Compensation Committee shall be elected by the General Meeting of Shareholders from among the members of the Board of Directors, each for a term of one year ending at the conclusion of the next Ordinary General Meeting. The General Meeting shall elect

the members of the Compensation Committee individually. They may be re-elected. The Board of Directors shall appoint the Chairman of the Compensation Committee.

If one or more members of the Compensation Committee step(s) down or if the Compensation Committee is not complete, the Board of Directors may make appointments to the Compensation Committee from among its own members for the period until the conclusion of the next General Meeting.

In principle, the Compensation Committee has the following duties and powers in respect of compensation matters relating to the Board of Directors and the Executive Committee:

- a) Developing and regularly reviewing the compensation system for the members of the Board of Directors and the Executive Committee, and submitting it to the Board of Directors in order for a resolution to be passed on this matter
- b) Monitoring compliance with the compensation principles of the Company and the Group and informing the Board of Directors about the compensation policy and compensation matters
- c) Submitting proposals to the Board of Directors for resolutions regarding the maximum aggregate compensation (fixed and performance-related compensation) of the Board of Directors and the Executive Committee and for the proposal of a corresponding motion to the General Meeting of Shareholders by the Board of Directors
- d) Submitting proposals to the Board of Directors for the proposal of a motion to the General Meeting of Shareholders by the Board of Directors regarding amendments to compensation-related provisions in the Articles of Association
- e) Preparing the Compensation Report and presenting it to the Board of Directors in order for a resolution to be passed on this matter
- f) Within the framework of the requirements of the Articles of Association, setting out detailed regulations governing participation-based compensation (share participation plan), defining the applicable objectives and evaluating the achievement of those objectives.

The Board of Directors shall ~~determine~~[draw up regulations defining](#) any further duties and powers of the Compensation Committee [Business and Organizational Regulations](#).

### **C. External auditors**

#### **Art. 27**

The General Meeting of Shareholders shall appoint an audit company that is subject to state supervision as the external auditors for a term of one year. The term of office shall end at the conclusion of the next Ordinary General Meeting.

The duties and powers of the external auditors shall be based on legal requirements.

**External auditors**

## **IV. Compensation of the members of the Board of Directors and the Executive Committee**

### **Art. 28**

The Vontobel Group's business policy is reflected by its compensation concept, which is designed to motivate employees at all levels of the Company to achieve shared and individual objectives. The concept centres on an integrated approach. The Vontobel Group's compensation system is structured in such a way that the interests of all stakeholders are closely aligned. The share participation plan, which is based on a long-term perspective, also incorporates risk aspects. It thus provides an incentive for employees to contribute to the sustained success and stability of the Vontobel Group, in accordance with the principles set out by the Swiss Financial Market Supervisory Authority FINMA.

The Vontobel Group's compensation system has the following objectives: it promotes a performance-oriented culture and fosters teamwork and a prudent approach to risk; it encourages an enterprising philosophy and actions among employees; it promotes a long-term commitment to the Company among top performers; and it positions the Vontobel Group as a competitive employer.

Employee compensation essentially comprises a fixed and a performance-related component (bonus). The performance-related component (cash bonus and bonus shares) – which represents a short-term performance incentive – takes account of the financial results of the Company and the organizational unit, as well as the employee's individual contribution to the Company's performance and profits.

In addition, part of employee compensation is paid by the Vontobel Group in the form of long-term incentive components. They are awarded in the form of registered shares of Vontobel Holding AG (performance shares) and promote loyalty to the Company, as well as encouraging employees to focus on the Company's overarching medium-term and long-term objectives as defined by the Board of Directors.

Compensation may be paid by the Company or by companies controlled by it provided it is consolidated at the level of the Company and included in the vote on the approval of the applicable maximum aggregate compensation amount.

### **Art. 29**

All members of the Board of Directors are entitled to receive fixed compensation, with 50% of the defined compensation amount being paid in the form of shares that are blocked for a period of three (3) years. In line with the provisions of the share participation plan, the cash amount is converted into a specific number of shares at 80% of the reference price set by the Board of Directors, or by the Compensation Committee if so delegated.

In principle, performance-related compensation is not paid to members of the Board of Directors but may be provided under certain circumstances and subject to the approval of the entire Board

**Compensation philosophy and guiding principles /  
the Vontobel Group's compensation system**

**Compensation of members of the Board of Directors**

of Directors. In such cases, the allocation is made by analogy with Art. 30 of these Articles of Association.

#### Art. 30

The compensation paid to members of the Executive Committee shall comprise the following:

- a) fixed basic compensation to be paid in cash
- b) performance-related compensation (bonus), of which 50% shall be paid in cash (cash bonus) and 50% in the form of shares (bonus shares)
- c) performance shares.

The following general principles shall apply to the payment of a cash bonus and to the allocation of bonus shares to members of the Executive Committee under the share participation plan:

- a) Members of the Executive Committee shall be obliged to take 50% of the bonus amount in the form of bonus shares. The remaining bonus amount shall be paid out in cash.
- b) The bonus shares shall be awarded at an accepted value of 80% of the reference price set by the Board of Directors, or by the Compensation Committee if so delegated. The number of bonus shares shall be rounded up to the next whole number.
- c) The bonus shares shall be blocked for a period of three years from the date of transfer, and may not be sold, pledged or transferred during that period. The bonus shares may be disposed of freely once the three-year blocking period has expired.
- d) The allocation of the bonus shares and the transfer of ownership shall give rise to an immediate entitlement in respect of voting rights and dividends subject to their entry in the share register.
- e) In the case of the termination of the employment relationship, bonus shares that have already been allocated shall remain in the ownership of the individual members of the Executive Committee and shall continue to be subject to the blocking period even after the period of employment has ended. In the event of disability, death or other important reasons, the Board of Directors may grant a request to unblock the shares.

The Board of Directors – or the Compensation Committee if so delegated – shall determine the more detailed terms and requirements, including any acceleration, curtailing or waiving of the blocking period in specific circumstances such as a change of control, as well as any clawback mechanisms.

Once the performance period of three (3) years after the transfer of bonus shares has expired, freely disposable unblocked performance shares may be allocated immediately and free of charge, provided the person entitled to receive them remains in an employment relationship on which notice has not been served and depending on the performance of the Company. Further details of the performance shares, particularly regarding the evaluation of the Company's performance and the applicable targets, shall be set out in the regulations governing the Vontobel Group's share participation plan by the Board of Directors, or by the Compensation

#### Compensation of members of the Executive Committee



Committee if so delegated. The Board of Directors – or the Compensation Committee if so delegated – shall also determine the further terms and requirements in respect of the allocation of performance shares.

#### Art. 31

The General Meeting of Shareholders shall vote on whether to approve the motions proposed by the Board of Directors in respect of:

- a) the maximum aggregate amount of the fixed compensation of the members of the Board of Directors for the forthcoming term of office;
- b) the maximum aggregate amount of the performance-related compensation of the members of the Board of Directors (Art. 29 para. 2 of these Articles of Association) where applicable for the prior financial year that has ended;
- c) the maximum aggregate amount of the fixed compensation of the Executive Committee for the period from 1 July to 30 June of a calendar year;
- d) the maximum aggregate amount of the performance-related compensation of the Executive Committee for the prior financial year that has ended;
- e) the maximum aggregate amount of performance shares relating to bonus shares of the prior financial year and that may be allocated to members of the Executive Committee after three years. If, when the allocation is made, the approved aggregate amount is not sufficient to cover the full entitlement to the allocation of performance shares, a new vote shall be held on any additional amount;
- f) if required, the sign-on premiums pursuant to Art. 32 para. 2 of these Articles of Association paid to members of the Executive Committee to compensate them for disadvantages incurred in the course of a change of employment, if these exceed the additional amount pursuant to Art. 32 para. 1 of these Articles of Association.

Within the framework of a maximum aggregate amount defined in this way, the Company or companies controlled by it may pay compensation subject to the approval of the General Meeting of Shareholders. The compensation may be paid by the Company or companies controlled by it.

If the General Meeting of Shareholders refuses to approve an aggregate amount, the Board of Directors shall call a new General Meeting within six months and propose to it new motions for the approval of the aggregate amounts.

#### Art. 32

If new members are appointed to the Executive Committee and take up their position with the Company after the General Meeting of Shareholders has approved the maximum aggregate amount of the fixed compensation for members of the Executive Committee for the financial year concerned, an additional amount may be used for the compensation to be paid to these new

**Voting on compensation at the General Meeting of Shareholders**

**Additional amount**

members. The additional amount for each compensation period and for each new member corresponds to 40% of the last approved aggregate amount of the maximum fixed compensation of the Executive Committee.

This additional aggregate compensation includes any compensation for disadvantages incurred in the course of a change of employment (sign-on bonuses). If the additional amount is not sufficient to compensate for these disadvantages, the amount of the sign-on bonus exceeding the additional amount as set out in Art. 31 para. 1 let. g of these Articles of Association shall be submitted to the next Ordinary General Meeting for approval.

This additional aggregate compensation amount may only be used if the aggregate amount of the compensation of the Executive Committee approved by the General Meeting of Shareholders for the period to the next Ordinary General Meeting is not sufficient to cover the fixed compensation of the new members (including any sign-on bonuses). The General Meeting of Shareholders shall not vote on the additional amount that has been used.

#### Art. 33

#### Maximum amounts of loans and credit

The Company may grant a member of the Board of Directors credit and loans at standard market rates or generally applicable employee terms and conditions up to an amount of CHF 50 million. The Company may grant a member of the Executive Committee credit and loans at standard market rates or generally applicable employee terms and conditions up to an amount of CHF 50 million.

To the extent permitted by law, the Company may grant an advance to members of the Board of Directors and the Executive Committee to cover court costs and lawyers' fees in connection with legal proceedings, lawsuits or investigations – whether under civil, criminal or administrative law or of another nature – that are connected with their duties or with the fact that they are or were members of the Board of Directors or the Executive Committee.

#### IV. Accounts and distribution of profit

#### Art. 34

#### Annual financial statements

The financial year shall be determined by the Board of Directors.

#### Art. 35

#### Appropriation of retained earnings

The General Meeting of Shareholders shall dispose of the retained earnings in accordance with legal provisions.

## VI. Dissolution, liquidation

Art. 36

The General Meeting may resolve to dissolve and liquidate the Company at any time.

Liquidators shall be appointed by the General Meeting of Shareholders; members of the Board of Directors may be appointed as liquidators. At least one of the liquidators must be domiciled in Switzerland and be authorized to represent the Company.

## VII. Official notices

Art. 37

Official notices relating to the Company shall be published in the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt) unless some other manner of publication is prescribed by law. The Board of Directors may designate other media for the publication of official notices. However, the Swiss Official Gazette of Commerce shall be the authoritative publication in terms of compliance with deadlines prescribed by law or in the Articles of Association.

Moreover, the Company may send notification to shareholders by normal post to the last address disclosed to the Company [or electronically to the last e-mail address disclosed to the Company](#). Such notifications shall have no effect on the validity or legality of official notices published by the Company.

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***The German original of these Articles of Association shall be the binding version.***

Publication of official notices

Notification of shareholders

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