

## **Report of the Board of Directors on the Revision of the Articles of Association**

### **A. Overview**

#### **1. Introductory Remarks**

On June 19, 2020, the Swiss Parliament adopted a revision of the corporate law ("Corporate Law Reform"), which entered into force on January 1, 2023 (subject to certain transitional provisions). The Corporate Law Reform primarily aims to modernize Swiss corporate law, to strengthen shareholder rights and to transfer the Ordinance against Excessive Compensation in Listed Companies, which entered into force on January 1, 2014, into federal law.

The new Swiss corporate law provides for a transitional period of two years during which corporations have to amend their Articles of Associations or other regulations to reflect the changes in the law. Accordingly, the Board of Directors proposes to the shareholders to revise the Articles of Association at the Annual General Meeting 2023. On this occasion, the Board of Directors proposes further amendments to the Articles of Association to bring them in line with the market standards applicable in Switzerland.

The proposed amendments to the Articles of Association are grouped by topic and submitted to the Annual General Meeting for approval under four separate agenda items. This overview explains the proposed amendments and is followed by a comparison of the revised provisions of the Articles of Association, as proposed by the Board of Directors, and the current provisions of the Articles of Association. References in this overview are to the proposed revised Articles of Association.

In case of discrepancies between the English and the German version of the Articles of Association, the German version shall prevail.

#### **2. Equity Capital and Shares (Agenda Item 9.1)**

Under agenda item 9.1, the Board of Directors proposes to amend Article 3 to have more flexibility and to align this provision with the revised wording of the new corporate law. Among other things, there is the possibility of issuing tokenized shares in the form of rights based on the distributed ledger technology. Although the Board of Directors does currently not intend to issue shares in such form, it believes that it is in the interest of the Company and its shareholders to have this option for the future. The proposed revised Article 3 para 3 describes the different forms in which the Company may issue its shares and clarifies that the Company may convert its shares from one form to another, in line with standard market practice for Swiss-listed companies. Furthermore, the Board of Directors proposes to clarify that shareholders are entitled to request a written confirmation of their shareholdings but not to have their membership certified in an actual share certificate, as this would cause unnecessary expenses for the Company (cf. Article 3 para 4).

Article 3 para 5 clarifies that intermediated securities based on registered shares cannot be transferred and a security interest in such intermediated securities cannot be granted by way of assignment. This is again in line with standard market practice for Swiss-listed companies.

The amendments in Article 3 para 6 and the provisions on legal entities are of formal nature and not intended to change the meaning of this paragraph.

The proposed amendments under this agenda item also aim at modernizing and simplifying communication with shareholders. The proposed revised Article 3 para 7 clarifies that communications shall be deemed to have been validly made if sent to the contact information entered in the share register.

The proposed amendment in Article 3 para 8 specifies the cases in which the Board of Directors may refuse to recognize and register a person as a shareholder or usufructuary with voting rights. This provision mirrors the amended wording of the revised law.

The amendments in Article 3 paras 9, 10 and 11 are of formal nature.

The amendment in Article 3 para 13 and reference to the Financial Market Infrastructure Act is necessary as the Federal Act on Stock Markets and Securities Trading is no longer in force; this update does not entail a change in substance.

### **3. Shareholder Rights, General Meeting of Shareholders, Publication and Notices (Agenda Item 9.2)**

The Corporate Law Reform expands the powers of the general meeting of shareholders. The Board of Directors proposes to update Article 5 accordingly.

Among other things, the Corporate Law Reform aims to strengthen minority rights of shareholders. The threshold for the right to convene an extraordinary general meeting has been reduced from 10% to 5% of the share capital or votes. This is reflected in Article 6 of the Articles of Association. Pursuant to the revised law, shareholders holding 0.5% of the share capital or votes may request that an agenda item be included in the invitation. Also, shareholders may grant proxies to any third party (and no longer only to another shareholder) to be represented at the general meeting of shareholders. The proposed revised Articles 7 para 3 and 8 para 3 reflect these changes.

The term "special audit" in Article 7 para 4 is to be replaced by the term "special investigation" in accordance with the revised law. The proposed amendments to Article 8 paras 5 and 6 as well as Article 9 para 3 also reflect the wording of the revised corporate law; the same applies to the proposed amendment to Article 10.

The revised corporate law also allows for more flexibility with regard to communication with shareholders and publications. Whilst the Swiss Official Gazette of Commerce will continue to be the

official means of publication of the Company, the Board of Directors proposes to allow the Company to make use of more flexible and modern communication means, such as by e-mail to the extent a shareholder chooses this option (cf. Article 7 para 2 and Article 28).

#### **4. Venue of the General Meeting of Shareholders and Virtual Meeting (Agenda Item 9.3)**

The revised law codifies the possibility to hold the general meeting of shareholders at different locations. The Corporate Law Reform also introduced the possibility to hold the general meeting as a hybrid event (*i.e.*, shareholders who are not present at the venue of the general meeting can participate and exercise their rights by electronic means) or virtually (*i.e.*, by electronic means without a physical venue). Although the Board of Directors does currently not plan to hold virtual or hybrid general meetings, it proposes to implement the corresponding basis in Article 7a to provide for additional flexibility in case of changed circumstances such as a pandemic; this seems especially critical to the Board of Directors as the Covid Ordinance, which had allowed Swiss corporations to hold general meetings during the pandemic by excluding personal attendance of shareholders, expired at year-end 2022. Should a virtual meeting be held, the Board of Directors would ensure that shareholders have the same rights when participating electronically as they would have for an in-person meeting (including the right to speak and to receive information as well as the right to vote and elect in the meeting).

#### **5. Board of Directors, Compensation, Mandates Outside the Group (Agenda Item 9.4)**

The Board of Directors also proposes to align its duties, listed in Article 13, with the wording of the revised law. Furthermore, the revised law expressly states that board resolutions may be taken in electronic form (e.g., by e-mail, board portals, electronic messages etc.). To allow the Board of Directors to benefit from this greater flexibility, Article 15 must be updated accordingly. The proposed amendments in Article 14 reflect the revised law.

One objective of the Corporate Law Reform has been to transfer the provisions formerly contained in the Ordinance Against Excessive Compensation in Public Corporations into federal law. The majority of the provisions, which entered into force in January 2014, remain unchanged. Some provisions have been altered. This affects Article 20, according to which compensation may currently be paid using the supplementary amount also in case of promotions within the Executive Committee (e.g., CFO to CEO). With the entry into force of the revised law, it is no longer permissible to use the supplementary amount for promotions within the Executive Committee. Also, the Board of Directors proposes to adjust Article 23 paras 3 and 4 to reflect the revised definition of "mandates" under the revised law.

### **B. Proposed Revised Provisions of the Articles of Association Compared with the Current Version**

#### **1. Agenda Item 9.1: Equity Capital and Shares (Article 3)**

The Board of Directors proposes to amend Article 3 as shown below:

Current version:

Version as proposed by the Board of Directors  
(changes in **bold** and *italics*):

## II. Equity capital

## II. Equity capital

Art. 3

Art. 3

(paras 1-2: wording unchanged)

*The company may issue its registered shares as uncertificated securities pursuant to Article 973c or 973d CO, as intermediated securities in the sense of the Federal Act on Intermediated Securities, or in the form of single or global certificates. Subject to applicable law, the company may convert its registered shares from one form into another form at any time and without the approval of the shareholders. The company shall bear the cost associated with any such conversion. A shareholder has no right to request a conversion of the registered shares issued in one form into another form.*

The shareholder may ask the company at any time to issue an attestation in respect of the shares which are owned by him. However, the shareholder is not entitled to have share certificates printed and delivered. On the other hand, the company may at any time print and deliver share certificates and, with the consent of the shareholder, cancel without replacement share certificates which have been issued and are returned to it.

~~Each~~**The** shareholder may ~~request from~~ **ask** the company at any time **a written confirmation of to issue an attestation in respect of the registered shares held by such shareholder, as reflected in the share register which are owned by him.** However, the shareholder **has no claim to the certification of the membership in a security is not entitled to have share certificates printed and delivered. On the other hand, the company may at any time print and deliver share certificates and, with the consent of the shareholder, cancel without replacement share certificates which have been issued and are returned to it.**

If share certificates are printed, the company may issue certificates representing one or more shares. These certificates will bear the facsimile signature of the Chairman of the Board of Directors.

Shares which are not represented by a document and the resulting non-documented rights may be transferred by assignment only. To be valid, such assignment must be notified to the company.

Shares which are not represented by a document and the resulting asset rights can only be pledged in favor of the bank with which the shareholder arranges for his shares to be kept in an account by means of a written pledge agreement. Notification to the company is not necessary.

A register of registered shares is kept showing the owners and beneficiaries of usufruct in the shares with their surnames and first names, place of residence, address and nationality (in the case of legal entities also the registered office). In relation to the company, only the person whose name figures in the share register will be recognized as a shareholder or beneficiary of usufruct. Where shares are held by more than one person, these persons may be jointly registered as shareholders with voting rights, provided that they all make the declaration stipulated in paragraph 10.

If a shareholder changes his place of residence or registered office he must notify the

***Intermediated securities based on registered shares of the company cannot be transferred by way of assignment. A security interest in any such intermediated securities also cannot be granted by way of assignment.***~~*If share certificates are printed, the company may issue certificates representing one or more shares. These certificates will bear the facsimile signature of the Chairman of the Board of Directors.*~~

~~*Shares which are not represented by a document and the resulting non-documented rights may be transferred by assignment only. To be valid, such assignment must be notified to the company.*~~

~~*Shares which are not represented by a document and the resulting asset rights can only be pledged in favor of the bank with which the shareholder arranges for his shares to be kept in an account by means of a written pledge agreement. Notification to the company is not necessary.*~~

A register of registered shares is kept showing the owners and beneficiaries of usufruct in the shares with their surnames and first names ***(the name of the company in case of a legal entity)***, place of residence, address and nationality ***(in the case of legal entities also the registered office in case of a legal entity)***. In relation to the company, only the person whose name figures in the share register will be recognized as a shareholder or beneficiary of usufruct. Where shares are held by more than one person, these persons may be jointly registered as shareholders with voting rights, provided that they all make the declarations stipulated in paragraph **810**.

***A person registered in the share register shall notify the share registrar of any***

new address to the company. Until such time as that has been done, all written notifications shall be legally valid is made to his address entered in the share register.

***change in contact information. Communications from the company shall be deemed to have been validly made if sent to the contact information of the shareholder or authorized delivery agent last registered in the share register. If a shareholder changes his place of residence or registered office he must notify the new address to the company. Until such time as that has been done, all written notifications shall be legally valid is made to his address entered in the share register.***

The transfer of ownership of, or usufruct in, a share must be approved in every case by the Board of Directors.

***The transfer of ownership of, or usufruct in, a share must be approved in every case by the Board of Directors.***

On request, persons who acquire registered shares shall be entered in the share register as shareholders with voting rights, provided that they specifically declare that they have acquired these shares in their own name and for their own account. If the purchaser is not willing to make such a declaration, the Board of Director may decline to register him as having voting rights.

On request, persons who acquire registered shares shall be entered in the share register as shareholders with voting rights, provided that they specifically declare that they have acquired these shares in their own name and for their own account, ***that there is no agreement on the return and redemption of the relevant shares and that they bear the economic risk associated with the shares. The Board of Directors may refuse entry in the share register with voting rights to persons who do not expressly make If the purchaser is not willing to make such a declaration in the application for registration (the Nominees), the Board of Director may decline to register him as having voting rights.***

The limitation of registration pursuant to paragraph 10 likewise applies to shares which have been subscribed or acquired through derivative channels by exercising a subscription, option or conversion right.

The limitation of registration pursuant to paragraph ~~810~~ likewise applies to shares which have been subscribed or acquired through derivative channels by exercising a subscription, option or conversion right.

After hearing the registered shareholder or nominees, the Board of Directors may delete

After hearing the registered shareholder or ~~N~~ominees, the Board of Directors may delete

entries in the share register as shareholders with voting rights with retroactive effect to the date of the entry if this was made by giving false information. The person concerned must be informed immediately of such deletion.

entries in the share register as shareholders with voting rights with retroactive effect to the date of the entry if this was made by giving false information. The person concerned must be informed immediately of such deletion.

The Board of Directors establishes the principles for the registration of trustees/nominees and adopts the rules necessary for compliance with the above provisions.

The Board of Directors establishes the principles for the registration of ~~trustees/n~~Nominees and adopts the rules necessary for compliance with the above provisions.

(para 12: wording unchanged)

By an amendment of the articles of incorporation, the general meeting may at any time convert bearer shares into registered shares and registered shares into bearer shares. Moreover, by an amendment to the articles of incorporation, shares may be divided into new shares with a lower nominal value or combined into new shares with a higher nominal value.

~~By an amendment of the articles of incorporation, the general meeting may at any time convert bearer shares into registered shares and registered shares into bearer shares. Moreover, by an amendment to the articles of incorporation, shares may be divided into new shares with a lower nominal value or combined into new shares with a higher nominal value.~~

A person who acquires shares in the company is not required to make a public purchase offer pursuant to Articles 32 and 52 of the Federal act on stock markets and securities trading.

A person who acquires shares in the company is not required to make a public purchase offer pursuant to Articles **135 and 163 of the Financial Market Infrastructure Act**~~32 and 52 of the Federal act on stock markets and securities trading.~~

**2. Agenda Item 9.2: Shareholder Rights, General Meeting of Shareholders, Publication and Notices (Articles 5, 6, 7, 8, 9, 10 and 28)**

The Board of Directors proposes to amend Articles 5, 6, 7, 8, 9, 10 and 28 as shown below:

Current version:

Version as proposed by the Board of Directors (changes in **bold** and *italics*):

**III. Official bodies of the company**

**III. Official bodies of the company**

## A. The General Meeting

Art. 5

The General Meeting is the supreme body of the company. It has the following exclusive powers:

- c) approval of the management report, the consolidated financial statements and the annual financial statements as well as the decision on the appropriation of the profit stated on the balance sheet;
- d) approval of the compensation of the Board of Directors and of the executive management pursuant to Article 19 of these articles of incorporation;
- e) granting of a release to the Board of Directors;

## A. The General Meeting

Art. 5

The General Meeting is the supreme body of the company. It has the following *inalienable* powers:

(letters a)-b): wording unchanged)

- c) approval of the management report, the consolidated financial statements and the annual financial statements as well as the decision on the appropriation of the profit stated on the balance sheet, *in particular the determination of dividends;*
- d) *determination of interim dividends and approval of the interim financial statements required for this purpose;*
- e) *resolution on the repayment of the statutory capital reserve;*
- ~~e)f~~) approval of the compensation of the Board of Directors and of the executive management pursuant to Article 19 of these articles of incorporation;
- ~~e)g~~) granting of a release to the Board of Directors;
- h) *delisting of the company's equity securities;*



- f) decisions on matters which are reserved either by law or by the articles of incorporation for the General Meeting or which are placed before it by the Board of Directors.
- i) **approval of the report on non-financial matters pursuant to Article 964c CO;**
- ~~f)j)~~ decisions on matters which are reserved either by law or by the articles of incorporation for the General Meeting or which are placed before it by the Board of Directors.

Art. 6

The Ordinary General Meeting is held each year within four months of the close of the financial year; Extraordinary General Meetings are convened whenever the need arises, in particular in the cases stipulated by law. The convening of a General meeting may likewise be requested in writing by one or more shareholders who together represent not less than one-tenth of the equity capital, stating the purpose of the meeting.

Art. 7

The General Meeting must be convened not less than twenty days before the date on which it is due to be held by publication in the Swiss Official Commercial Gazette (SHAB). The invitation to attend must indicate the matters to be discussed, together with the motions of the Board of Directors and those of the shareholders who have asked for a General

Art. 6

The Ordinary General Meeting is held each year within four months of the close of the financial year; Extraordinary General Meetings are convened whenever the need arises, in particular in the cases stipulated by law. The convening of a General Meeting may likewise be requested in writing by one or more shareholders who together represent not less than **5 percent** ~~one-tenth~~ of the equity capital **or votes, indicating** ~~stating~~ **the matters to be discussed and the corresponding proposals and, in case of elections, the names of the nominated candidates** ~~purpose of the meeting.~~

Art. 7

(para 1: wording unchanged)

The General Meeting must be convened not less than twenty days before the date on which it is due to be held **pursuant to Article 28 of these articles of incorporation** ~~by publication in the Swiss Official Commercial Gazette (SHAB)~~. The invitation to attend must indicate **the date, starting time, mode**

Meeting to be held or for a particular matter to be placed on the agenda.

Shareholders who, alone or together, either hold shares with a par value of at least CHF 1,000,000 or represent at least 10% of the share capital may request that items be included on the agenda. Such request must be made in writing at least 45 days prior to the General Meeting, indicating the items to be discussed and the motions of the shareholders.

Subject to the provisions on a universal meeting, no decisions may be taken on matters which have not been announced in this manner, save on a motion to convene an Extraordinary General Meeting or to perform a special audit.

The owners or representatives of all the shares may, if there is no objection, hold a General meeting without complying with the formal requirements for it to be convened (Universal Meeting). At such a meeting, valid discussions may be held and decisions taken on all matters which fall within the terms of reference of the General Meeting, provided that

**and venue of the General Meeting**, the matters to be discussed, together with the motions **(including a brief statement of the reasons)** of the Board of Directors and those of the shareholders, **if any**, who have asked for a General Meeting to be held or for a particular matter to be placed on the agenda, **and the name and address of the independent voting rights representative**.

Shareholders who, alone or together, ~~either~~ hold **at least 0.5% of the share capital or the votes** ~~shares with a par value of at least CHF 1,000,000 or represent at least 10% of the share capital~~ may request that **an** items be included on the agenda **or that a motion relating to an agenda item be included in the notice convening the General Meeting**. Such request must be **received by the company-made** in writing at least 45 days prior to the General Meeting, indicating the items to be discussed and the motion(s) of the shareholders.

~~Subject to the provisions on a universal meeting, n~~ **No** decisions may be taken on matters which have not been announced in this manner, save on a motion to convene an Extraordinary General Meeting or to perform a special **investigation audit**.

(para 5: wording unchanged)

~~The owners or representatives of all the shares may, if there is no objection, hold a General meeting without complying with the formal requirements for it to be convened (Universal Meeting). At such a meeting, valid discussions may be held and decisions taken on all matters which fall within the terms of reference of the General Meeting, provided that the owners or~~

the owners or representatives of all the shares are present.

~~representatives of all the shares are present.~~

No later than twenty days before the Ordinary General Meeting, the business report, the compensation report and the Auditors' reports must be laid open for scrutiny by the shareholders at the registered office of the company.

No later than twenty days before the Ordinary General Meeting, the business report, the compensation report and the Auditors' reports **as well as the report on non-financial matters pursuant to Article 964c CO, if applicable, shall be made available to the shareholders**~~must be laid open for scrutiny by the shareholders at the registered office of the company.~~

Attention must be called to this fact in the invitation to attend the General Meeting.

~~Attention must be called to this fact in the invitation to attend the General Meeting.~~

Art. 8

Art. 8

(paras 1-2: wording unchanged)

Each shareholder may arrange to be represented at the General Meeting by the independent voting rights representative or, with written authority, another shareholder.

Each shareholder may arrange to be represented at the General Meeting by the independent voting rights representative, his legal representative or, with written authority, **any other proxy who need not be a another** shareholder.

(para 4: wording unchanged)

The General Meeting takes its decisions and determines elections by an absolute majority of the votes carried by the shares which are represented, save where otherwise required by law or by the articles of incorporation.

The General Meeting takes its decisions and determines elections by ~~the an absolute~~ majority of the votes carried by the shares which are represented, save where otherwise required by law or by the articles of incorporation.

In the case of elections, if the choice is not made on the first ballot a relative majority will suffice on the second ballot.

In the case of elections, if the choice is not made on the first ballot, ~~the a relative~~ **of the votes cast (i.e., excluding abstentions)** will suffice on the second ballot.

(para 7: wording unchanged)

Art. 9

Art. 9

The General Metering shall be chaired by the Chairman of the Board of Directors, if he is unable to attend by the Vice-Chairman and if the latter is likewise unable to attend by the longest serving member of the Board of Directors who is present.

The General Metering shall be chaired by the Chairman of the Board of Directors, if he is unable to attend by the Vice-Chairman and if the latter is likewise unable to attend by ~~another the longest serving~~ **or a person designated by the Board of Directors who is present.**

At the request of a shareholder, a chairman of the day may be elected in every case.

~~At the request of a shareholder, a chairman of the day may be elected in every case.~~

(para 2: wording unchanged)

**The resolution and election results shall be made available electronically within 15 calendar days after the General Meeting, stating the exact proportion of votes. Each shareholder may request that the minutes be made available to him within 30 calendar days after the General Meeting.**

Art. 10

Art. 10

Votes are taken and elections held in public at the General Meeting unless the Chairman orders otherwise or the General Meeting resolves otherwise.

**The acting chair of the General Meeting shall determine whether resolutions and elections are to be decided by open ballot, in writing or electronically. ~~Votes are taken and elections held in public at the General~~**

~~Meeting unless the Chairman orders otherwise or the General Meeting resolves otherwise.~~

## IX. Notices and announcements

## ~~IX. Means of publication organ and notices~~ ~~Notices and announcements~~

Art. 28

Art. 28

Announcements by the company to the shareholders and creditors will be made in the Swiss Official Commercial Gazette (SHAB) which is the organ for publications of the company.

~~The official means of publication of the company shall be~~  
~~Announcements by the company to the shareholders and creditors will be made in~~ the Swiss Official Gazette of Commerce (SHAB)  
~~which is the organ for publications of the company.~~

*In particular cases, the Board of Directors may specify additional means of publication.*

Invitations to attend meetings and notices to shareholders shall be sent by letter to the last known addresses appearing in the share register.

*Notices by the company to the shareholders may, at the election of the Board of Directors, be validly given by publication in the Swiss Official Gazette of Commerce or in a form that allows proof by text*  
~~Invitations to attend meetings and notices to shareholders shall be sent by letter to the last known addresses appearing in the share register.~~

### 3. Agenda Item 9.3: Venue of the General Meeting of Shareholders and Virtual Meeting (Article 7a)

The Board of Directors proposes to include the following new Article 7a in the Articles of Association:

Current version:

Version as proposed by the Board of Directors  
(changes in **bold** and *italics*):

**Art. 7a**

*The Board of Directors shall determine the venue of the General Meeting. The Board of Directors can also determine that the General Meeting be held simultaneously at different locations, provided that the statements of the participants are transmitted directly in video and audio to all venues and/or that shareholders who are not present at the venue(s) of the General Meeting may exercise their rights by electronic means. Alternatively, the Board of Directors may also provide that the General Meeting be held by electronic means without a venue.*

**4. Agenda Item 9.4: Board of Directors, Compensation, Mandates Outside the Group (Articles 13, 14, 15, 20 and 23)**

The Board of Directors proposes to amend Articles 13, 14, 15, 20 and 23 as shown below:

Current version:

Version as proposed by the Board of Directors  
(changes in **bold** and *italics*):

**III. Official bodies of the company**

**III. Official bodies of the company**

**B. The Board of Directors**

**B. The Board of Directors**

Art. 13

Art. 13

(paras 1-2: wording unchanged)

(para 3 letters a)-b): wording unchanged)

- |   |  |
|---|--|
| c) preparation of the business report and the compensation report as well as of the General Meeting including the presentation of the annual financial statements and management report, together with the Auditors' reports; implementation of the decisions taken by the General Meeting; | c) preparation of the business report and the compensation report <b>and, if applicable, the report on non-financial matters pursuant to Article 964c CO</b> as well as of the General Meeting including the presentation of the annual financial statements and management report, together with the Auditors' reports; implementation of the decisions taken by the General Meeting; |
|---|--|

(para 3 letters d)-h): wording unchanged)

*i) submission of a petition for debt-restructuring moratorium and notification of the court in case of over-indebtedness;*

*j) other powers and duties reserved to the Board of Directors by law or these articles of incorporation.*

Art. 14

The Board of Directors has a quorum if a majority of its members take part in the decision-making. In the case of decisions establishing facts as prescribed by the Swiss Code of Obligations (Art. 652g, 653g OR), the participation of one single member will suffice.

Art. 14

The Board of Directors has a quorum if a majority of its members take part in the decision-making. ***No attendance quorum shall be required for resolutions of the Board of Directors providing for the amendment and ascertainment of capital changes***~~*In the case of decisions establishing facts as prescribed by the Swiss Code of Obligations (Art. 652g, 653g OR), the participation of one single member will suffice.*~~

(para 2: wording unchanged)

Art. 15

Art. 15

(para 1: wording unchanged)

Decisions on a motion which has been tabled may be taken by written declaration (including fax, telegram or telex) or by telephone if no member of the Board of Directors expresses opposition to this procedure. Such decisions must be taken unanimously and recorded in the next minutes.

***Resolutions may also be adopted by way of written consent or electronically, unless a member requests discussion thereof. ~~Decisions on a motion which has been tabled may be taken by written declaration (including fax, telegram or telex) or by telephone if no member of the Board of Directors expresses opposition to this procedure. Such decisions must be taken unanimously and recorded in the next minutes.~~***

#### **IV. Compensation of the members of the Board of Directors and executive management**

#### **IV. Compensation of the members of the Board of Directors and executive management**

Art. 20

Art. 20

The company or companies controlled by it shall be authorized to pay to each person who becomes a member or is being promoted within the executive management after the General Meeting has approved the compensation a supplementary amount during the compensation period(s) already approved if the compensation already approved is not sufficient to cover his compensation. The supplementary amount per each compensation period and member shall not exceed 40% of the maximum aggregate amount of compensation of the executive management last approved.

The company or companies controlled by it shall be authorized to pay to each person who becomes a member ~~of or is being promoted~~ ***within*** the executive management after the General Meeting has approved the compensation a supplementary amount during the compensation period(s) already approved if the compensation already approved is not sufficient to cover his compensation. The supplementary amount per each compensation period and member shall not exceed 40% of the maximum aggregate amount of compensation of the executive management last approved.



## VI. Mandates outside the group

Art. 23

- (c) mandates in associations, charitable organizations, foundations, trusts and employee welfare foundations. No member of the Board of Directors or executive management may hold more than ten such mandates.

Mandates shall mean mandates in the supreme governing body of a legal entity which is required to be registered in the commercial register or a comparable foreign register. Mandates in different legal entities that are under joint control or same beneficial ownership are deemed one mandate.

## VI. Mandates outside the group

Art. 23

(paras 1-2: wording unchanged)

(para 3 letters (a)-(b): wording unchanged)

- (c) mandates in associations, **charitable** organizations, foundations, trusts and employee welfare foundations. No member of the Board of Directors or executive management may hold more than ten such mandates.

Mandates shall mean mandates **in comparable functions at other enterprises with an economic purpose in the supreme governing body of a legal entity which is required to be registered in the commercial register or a comparable foreign register**. Mandates in different legal entities that are under joint control or same beneficial ownership are deemed one mandate.