

Proposed changes of the Articles of Association¹

The wording of the amended and new Articles of Association

Current version	New version
<p>Article 3b</p> <p>The share capital of the Company may be increased by no more than CHF 1,019,783 by issuing no more than 2,039,566 fully paid up registered shares with a face value of CHF 0.50 each, upon the exercise of option rights or in connection with similar rights regarding employee shares (including existing or future restricted stock units (RSU)) granted to officers and employees at all levels of the Company and its group companies according to respective regulations of the Board of Directors. The pre-emptive rights and the advance subscription rights of the shareholders and the participants are excluded. The acquisition of registered shares based on this Article 3b and every subsequent transfer of these registered shares shall be subject to the transfer restrictions pursuant to Article 6 of the Articles of Association.</p> <p>[...]</p>	<p>Article 3b</p> <p>The share capital of the Company may be increased by no more than CHF 2,019,783 by issuing no more than 4,039,566 fully paid up registered shares with a face value of CHF 0.50 each, upon the exercise of option rights or in connection with similar rights regarding employee shares (including existing or future restricted stock units (RSU)) granted to officers and employees at all levels of the Company and its group companies according to respective regulations of the Board of Directors. The pre-emptive rights and the advance subscription rights of the shareholders and the participants are excluded. The acquisition of registered shares based on this Article 3b and every subsequent transfer of these registered shares shall be subject to the transfer restrictions pursuant to Article 6 of the Articles of Association.</p> <p>[...]</p>
<p>Article 18</p> <p>Each year the General Meeting approves separately the proposals of the Board of Directors on the aggregate maximum amounts of:</p> <ul style="list-style-type: none"> a) the compensation of the Board of Directors pursuant to Article 32 below that can be paid and awarded respectively for the term of office until the closure of the next annual General Meeting; b) the fix compensation of the Executive Committee pursuant to Article 33 below that can be paid and awarded respectively in the current year; c) the variable compensation of the Executive Committee pursuant to Article 35 below that can be paid and awarded respectively in the current year based on the performance in the business year preceding the annual General Meeting. <p>[...]</p>	<p>Article 18</p> <p>Each year the General Meeting approves separately the proposals of the Board of Directors on the aggregate maximum amounts of:</p> <ul style="list-style-type: none"> a) the fixed compensation of the Board of Directors pursuant to Article 32 below that can be paid and awarded respectively for the term of office until the closure of the next annual General Meeting; b) the variable compensation of the Board of Directors pursuant to Article 32 below that can be paid and awarded respectively in the current year based on the performance in the business year preceding the annual General Meeting; c) the fixed compensation of the Executive Committee pursuant to Article 33 below that can be paid and awarded respectively in the current year; d) the variable compensation of the Executive Committee pursuant to Article 35 below that can be paid and awarded respectively in the current year based on the performance in the business year preceding the annual General Meeting. <p>[...]</p>
<p>Article 32</p> <p>The compensation of the members of the Board of Directors which is paid out subject to the approval by the General Meeting consists of a fix base fee paid in cash by the Company and/or a direct or indirect subsidiary of the</p>	<p>Article 32</p> <p>The compensation of the members of the Board of Directors which is subject to the approval by the General Meeting comprises compensation paid by the Company and/or a direct or indirect subsidiary of the</p>

¹ The entire Articles of Association can be found under www.efginternational.com/agm. The document is also available for inspection at the domicile of the company and will be sent to the shareholders at their request.

<p>Company and depends on the function in the Board of Directors, the number of committee activities and the functions in the committees.</p> <p>[...]</p>	<p>Company and may consist of:</p> <p>a) a fixed base fee paid in cash depending on the function in the Board of Directors, the number of committee activities and the functions in the committees; and</p> <p>b) variable compensation paid in cash and/or awarded in equity or equity linked instruments in accordance with Article 35a below.</p> <p>[...]</p>
<p>New article</p>	<p>Article 35a</p> <p>Subject to the approval by the General Meeting, the award of variable compensation to the members of the Board of Directors is entirely within the discretion of the Remuneration Committee. The Remuneration Committee approves maximum award levels for the members of the Board of Directors being awarded variable compensation, taking into account position, responsibilities and tasks. The Remuneration Committee determines the goals relevant for the variable compensation of a member of the Board of Directors. Such goals may include group, company, functional/business unit, individual and regional goals. The decision of the Remuneration Committee on the specific amount of variable compensation to be awarded to a member of the Board of Directors is based on the assessment of degree of achievement of the set goals.</p> <p>In case the variable compensation is in whole or in part awarded in equity or equity linked instruments, the equity or equity linked instruments are taken into account at their value at the time of allotment. The specific valuation is based on the volume weighted average price of the 30 trading days preceding allotment. Further, the Board of Directors shall determine the allotment conditions, vesting conditions, vesting deadlines as well as any restriction periods and forfeit conditions.</p>
<p>VI. D. Pension Benefits not based on Occupational Pension Schemes</p> <p>New article</p>	<p>VI. D. Pension Benefits not based on Occupational Pension Schemes as well as Loans and Credits</p> <p>Article 36a</p> <p>The Company or one of its subsidiaries may grant loans and credits at market conditions or generally applicable employee conditions to the members of the Board of Directors and of the Executive Committee. The aggregate amount of loans and credits outstanding must not exceed CHF 3,000,000 for unsecured loans and credits and CHF 20,000,000 for secured loans and credits per member of the Board of Directors or of the Executive Committee.</p> <p>The Company may in accordance with applicable law and the approval of the Board of Directors and within the amounts set forth in Article 36a paragraph 1 above advance attorney's fees and other costs to the members of the Board of Directors and the Executive Committee involved in legal, regulatory or other proceedings in connection with their services for the Company. Indemnification of members of the Board of Directors and the Executive Committee constitutes cost and expense reimbursement.</p>

Article 37

The term mandates as used in this Article means membership in the superior management or oversight bodies of legal entities obliged to register themselves in the Commercial Register in Switzerland or a foreign equivalent thereof (the "Mandates").

[...]

Article 37

The term mandates as used in this Article means membership in the superior management or oversight bodies of legal entities obliged to register themselves in the Commercial Register in Switzerland or a foreign equivalent thereof (the "Mandates"). **Several Mandates in legal entities under common control or under the control of the same beneficial owner are deemed one Mandate.**

[...]