

Agenda item 4b) Adaptation of the Articles of Association in the area of remuneration and editorial corrections

Existing article

IV. Compensation, mandates and contracts of members of the Board of Directors and Executive Board

Art. 32 Approval of compensation by the General Meeting

Once each year, the General Meeting approves the maximum overall amount of the fixed compensation for the members of the Board of Directors for the period extending until the next ordinary General Meeting.

In addition, once each year the General Meeting approves the maximum overall amount of the fixed compensation for the members of the Executive Board for the financial year following the General Meeting.

Furthermore, the General Meeting approves retroactively once each year the overall amount of the performance-related compensation for the members of the Board of Directors and the overall amount of the performance-related compensation for the members of the Executive Board for the financial year preceding the General Meeting.

The Board of Directors may submit additional or different proposals for approval by the General Meeting in respect of the same or of other periods of time.

If the General Meeting does not adopt a proposal by the Board of Directors for approval of the compensation defined in the foregoing paragraphs, the Board of Directors is authorized to submit new proposals on the occasion of the same General Meeting or to defer the vote on approval of the compensation until an extraordinary General Meeting or until the next ordinary General Meeting. Until the fixed compensation has been adopted by the General Meeting, the compensation can be paid out subject to approval.

New article

IV. Compensation, mandates and contracts of members of the Board of Directors and Executive Board

Art. 32 Approval of compensation by the General Meeting

Once each year, the General Meeting approves the maximum overall amount of the fixed compensation for the members of the Board of Directors for the period extending until the next ordinary General Meeting.

In addition, once each year the General Meeting approves the maximum overall amount of the fixed compensation for the members of the Executive Board for the financial year following the General Meeting.

Furthermore, the General Meeting approves retroactively once each year ~~the overall amount of the performance-related compensation for the members of the Board of Directors and~~ the overall amount of the ~~short-term~~ performance-related compensation for the members of the Executive Board for the financial year preceding the General Meeting.

~~The General Meeting likewise approves once each year the overall amount of the share-based long-term compensation element for the members of the Board of Directors and the overall amount of the share-based long-term compensation element for the members of the Executive Board for the current financial year.~~

The Board of Directors may submit additional or different proposals for approval by the General Meeting in respect of the same or of other periods of time.

If the General Meeting does not adopt a proposal by the Board of Directors for approval of the compensation defined in the foregoing paragraphs, the Board of Directors is authorized to submit new proposals on the occasion of the same General Meeting or to defer the vote on approval of the compensation until an extraordinary General Meeting or until the next ordinary General Meeting. Until the fixed compensation has been adopted by the General Meeting, the compensation can be paid out subject to approval.

Existing article

Art. 33 Compensation principles

The members of the Board of Directors receive fixed and performance-related compensation. The fixed compensation consists of a basic compensation and may include further compensation elements and benefits (such as attendance fees). The amount of the basic compensation may be graduated depending on the office held (for example as Chairman or member) and on the basis of membership of Board of Directors' committees. The performance-related compensation is to be linked essentially to the attainment of the company's financial objectives. The Board of Directors determines and assigns a weighting to the relevant objectives.

The members of the Executive Board receive fixed and performance-related compensation. The fixed compensation consists of a basic compensation and may include further compensation elements and benefits. The performance-related compensation is to be linked to the attainment of the company's financial objectives and also to the attainment of personal objectives. The Board of Directors determines and assigns a weighting to the relevant objectives.

New article

Art. 33 Compensation principles

The members of the Board of Directors receive a fixed compensation and ~~performance-related compensation~~ a share-based long-term compensation element. The fixed compensation consists of a basic compensation and may include further compensation elements and benefits (~~such as attendance fees~~). The amount of the basic compensation may be graduated depending on the office held (for example as Chairman or member) and on the basis of ~~chair or~~ membership of Board of Directors' committees. ~~The performance-related compensation~~ The share-based long-term compensation element is to be linked essentially to the attainment of the company's financial objectives. The Board of Directors determines and assigns a weighting to the relevant objectives.

The members of the Executive Board receive a fixed compensation, ~~and a short-term performance-related compensation~~ and a share-based long-term compensation element. The fixed compensation consists of a basic compensation and may include further compensation elements and benefits. ~~The short-term performance-related compensation~~ as well as the share-based long-term compensation element are to be linked largely to the attainment of the company's financial objectives ~~and also to the attainment of personal objectives~~. The Board of Directors determines and assigns a weighting to the relevant objectives.

Existing article

The Board of Directors is authorised to pay all kinds of compensation from the approved, fixed compensation amounts and subject to Art. 20 of the Ordinance on the prevention of excessive compensation in listed companies (VegÜV).

Compensation may be paid in cash, by way of benefits in kind and in rights to acquire securities.

The compensation may be paid by the company or by companies controlled by it.

New article

The Board of Directors is authorised to pay all kinds of compensation from the approved ~~fixed~~ compensation amounts and subject to ~~Art. 20 of the Ordinance on the prevention of excessive compensation in listed companies (VegÜV)~~ the provisions of the Swiss Code of Obligations.

Compensation may be paid in cash, by way of benefits in kind, ~~and~~ in rights to acquire securities ~~and in rights to the allocation of securities~~. In particular, the Board of Directors determines the acquisition and allocation conditions, vesting conditions, exercise conditions and exercise periods, any vesting periods and forfeiture conditions.

The compensation may be paid by the company or by companies controlled by it.

Existing article

Art. 34 Supplementary amount for members of the Executive Board

If the General Meeting has approved the maximum amount of the fixed compensation to be paid out for the financial year following the General Meeting, not more than 25 % of that approved maximum amount may be expended additionally until the end of the approved compensation period for the overall or partial compensation of persons who are appointed as new members of the Executive Board or are promoted within the Executive Board.

Art. 35 Mandates outside the company

Members of the Board of Directors may hold not more than fifteen additional mandates in legal entities of which not more than five in listed companies.

Members of the Executive Board may hold not more than seven additional mandates in legal entities of which not more than two in listed companies.

This limitation does not apply to:

- Mandates in businesses that are controlled either directly or indirectly by the company or which control the company.
- Mandates that are held on the instructions of the company.
- Mandates in associations, organisations and legal entities with a non-profit or public interest, foundations, trusts and occupational benefit schemes.

Mandates in different legal entities that are under joint control count as a single mandate.

New article

Art. 34 Supplementary amount for members of the Executive Board

If the General Meeting has approved the maximum amount of the fixed compensation to be paid out for the financial year following the General Meeting, not more than 25 % of that approved maximum amount may be expended additionally until the end of the approved compensation period for the overall or partial compensation of persons who are appointed as new members of the Executive Board ~~or are promoted within the Executive Board.~~

Art. 35 Mandates outside the company

Members of the Board of Directors may hold not more than fifteen additional mandates ~~in legal entities as members of the Board of Directors, Executive Board or in comparable functions in other companies with an economic purpose,~~ of which not more than five in listed companies.

Members of the Executive Board may hold not more than seven additional mandates ~~in legal entities as members of the Board of Directors, Executive Board or in comparable functions in other companies with an economic purpose,~~ of which not more than two in listed companies.

This limitation does not apply to:

- Mandates in businesses that are controlled either directly or indirectly by the company or which control the company.
- ~~Mandates that are held on the instructions of the company~~
- Mandates in ~~non-profit or public interest associations, organisations and legal entities, foundations, trusts and occupational benefit schemes~~ associations, foundations, trusts, occupational benefit schemes, organisations and legal entities in so far as these do not have an economic purpose.

Mandates in different legal entities that are under joint control count as a single mandate.

Existing article

Art. 36 Compensation contracts

The company or companies controlled by it may conclude contracts for an indefinite or fixed term in respect of the compensation of members of the Board of Directors.

The maximum duration of fixed term contracts is one year; repeated renewal is permitted.

A maximum of 12 months' notice must be given to terminate indefinite contracts.

The company or companies controlled by it may conclude indefinite or fixed term contracts of employment with members of the Executive Board. The maximum duration of fixed term contracts of employment is six months; repeated renewal is permitted. A maximum of six months' notice must be given to terminate indefinite contracts.

Prohibitions of competition may be stipulated for the period after termination of a contract of employment. In consideration of this prohibition of competition, compensation may be paid out for not more than twelve months, such compensation not to exceed the last annual compensation paid to this member before his departure.

New article

Art. 36 Compensation contracts

The company or companies controlled by it may conclude contracts for an indefinite or fixed term in respect of the compensation of members of the Board of Directors.

The maximum duration of fixed term contracts is one year; repeated renewal is permitted.

A maximum of 12 months' notice must be given to terminate indefinite contracts.

The company or companies controlled by it may conclude indefinite or fixed term contracts of employment with members of the Executive Board. The maximum duration of fixed term contracts of employment is six months; repeated renewal is permitted. A maximum of six months' notice must be given to terminate indefinite contracts.

Prohibitions of competition may be stipulated for the period after termination of a contract of employment. In consideration of this prohibition of competition, compensation may be paid out for not more than twelve months, such compensation not to exceed ~~the last annual remuneration paid to this member before his departure~~ the average remuneration for the last three financial years. The prohibition of competition must also be justified on business grounds.

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