

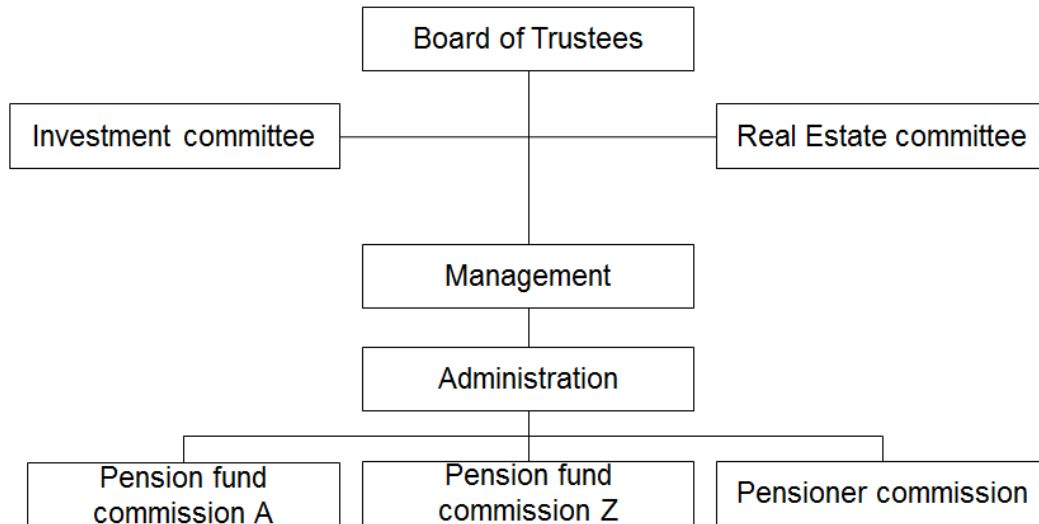
inVor
Occupational pension fund for industry
Organisational regulations

valid from 1 September 2017

Table of contents

A.	Organisational chart	1
B.	Board of Trustees	1
Art. 1	Appointment	1
Art. 2	Passing of resolutions	2
Art. 3	Duties and responsibilities	2
C.	Investment committee	3
D.	Real estate committee	3
E.	Management	4
Art. 4	Nomination and dismissal	4
F.	Pension fund administration	4
Art. 5	Duties and responsibilities	4
G.	Pension fund commission	5
Art. 6	Appointment	5
Art. 7	Passing of resolutions	5
Art. 8	Duties and responsibilities	6
H.	Pensioner commission	6
Art. 9	Appointment	6
Art. 10	Rights and responsibilities	7
I.	Legal transactions of the Foundation	7
Art. 11	Principles for the conclusion of legal transactions on behalf of the Foundation	7
J.	Further provisions	8
Art. 12	Secrecy	8
Art. 13	Responsibility	8
K.	Final provisions	9
Art. 14	Divergent provisions	9
Art. 15	Amendments	9
Art. 16	Date of coming into effect	9

A. Organisational chart



For the sake of simplicity, we have refrained from using terms such as 'the Chairman/Chairwoman'. Wherever the male form is listed, this naturally also applies to the female form.

B. Board of Trustees

Art. 1 Appointment

- 1 The Board of Trustees is the Foundation's governing body. It consists of at least eight members. These are composed in equal shares of employee and employer representatives.
- 2 The Board of Trustees issues election regulations to ensure legally compliant and proper implementation of election of employee and employer representatives to the Board of Trustees.
- 3 The term of office of members of the Board of Trustees is three years. Personnel changes in the Board of Trustees must be notified immediately to the supervisory authority.
- 4 The Board of Trustees constitutes itself.
- 5 The Board of Trustees shall, as often as required by business but at least twice yearly, convene meetings on the basis of a written invitation issued at least 10 days in advance by the Chairman, or on his behalf by the Deputy Chairman or by the Head of the Pension Fund Administration, and provide simultaneous information on the agenda items. This deadline may be waived with the approval of all members of the Board of Trustees. The Board of Trustees can also be convened if this is proposed by one member of the Board of Trustees.
- 6 The members of the Board of Trustees receive appropriate remuneration for their activity. This is specified in the remuneration regulations.

Art. 2 Passing of resolutions

- 1 The Chairman presides. In the event of the latter's incapacity or absence, the Deputy Chairman presides. In the event of the latter's incapacity, the Chairman of the Board of Trustees shall appoint a representative from the members of the Board of Trustees or from the other participants in the meeting of the Board of Trustees.
- 2 The Board of Trustees constitutes a quorum when at least three employee and three employer representatives are present.
- 3 An absent member can arrange to be represented by another member on the basis of written authorisation. A member represented is considered as a present member in the sense of paragraph 2.
- 4 The Board of Trustees passes its resolutions on the basis of the majority of votes of members of the Board of Trustees present or represented. The Chairman is entitled to vote. In the event of a tied vote, the proposal is regarded as rejected.
- 5 The passing of resolutions by means of circular letter is permissible. However, a resolution by means of circular letter requires the agreement of all members of the Board of Trustees to become valid.
- 6 Within the scope of the above provision, the Board of Trustees shall settle the course of business autonomously. It can request experts to participate in an advisory capacity.
- 7 The members of the Board of Trustees are collectively authorised to sign jointly in twos. The Board of Trustees can appoint additional collectively authorised signatories for the purpose of managing the Foundation's current business transactions.
- 8 The negotiations of the Board of Trustees are to be minuted and signed by the Chairman as well as by the keeper of the minutes. Each member can request that his vote is recorded in the minutes. The minutes and the appropriate files are to be kept available for inspection by members of the Board of Trustees at all times. Resolutions passed on the basis of a circular letter are to be recorded in the minutes of the next meeting.

Art. 3 Duties and responsibilities

- 1 The duties of the Board of Trustees result – as well as from the statutory provisions – from the deed of foundation, the Foundation's regulations and the directives of the supervisory authority. If the statutory provisions and statutory and regulatory requirements that exist within the Foundation do not expressly record anything to the contrary, the Board of Trustees is responsible for the fulfilment of all duties within the framework of the Foundation.
- 2 The Board of Trustees is responsible for the overall management of *inVor* and ensures fulfilment of the statutory duties, specifies the strategic objectives and principles of the Foundation as well as the resources to achieve them. It determines the organisation of the Foundation, ensures its financial stability and supervises its business management.
- 3 The following non-transferable and inalienable duties result from Art. 51a LPP (Law on occupational pension schemes):
 - Issuing, amending and supplementing regulations and their appendices;
 - Approval of the annual financial statements and annual report;
 - Specification of objectives and principles, implementation and supervision of capital investment, with a view to ensuring comprehensive performance of its management duties;
 - Allocation of disposable assets to affiliated occupational pension companies;
 - Adjustment of current pensions to the cost of living;

- Decision-making on the creation and reversal of accruals and determination of interest rates in accordance with accruals regulations;
 - Resolution of remedial measures in the event of a shortfall;
 - Decision-making on and implementation of partial liquidation;
 - Decision-making on the acceptance of a company into the Foundation and withdrawal from the Foundation as well as the conclusion and termination of affiliation contracts;
 - Designation of individuals authorised to sign on behalf of the Foundation;
 - Securing of information regarding insured persons;
 - Ensuring the initial training and further training of employee and employer representatives;
 - Nomination and dismissal of persons responsible for business management;
 - Supervision of the Foundation's business transactions which are carried out by the business management committee on its behalf and in accordance with its directives;
 - Election and dismissal of the expert on occupational pension provision and of the external auditor.
- 4 Additional duties are in particular:
- Amendment of the deed of foundation;
 - Definition of the investment strategy and tactical bandwidths, on the basis of the risk capacity defined in the investment policy;
 - Periodical supervision of investment activity by means of reporting;
 - Development of any necessary information concept.
- 5 The Board of Trustees can delegate certain duties and authorisations to special commissions or entrust them to individuals. In particular it appoints a business management committee which consists of the Chairman and the Deputy Chairman. The business management committee is responsible for managing the Foundation's business transactions and for directly supervising the pension fund administration.
- 6 In the event that a pension fund commission passes resolutions which contradict the purpose of the Foundation or the pension fund regulations, the Board of Trustees can immediately terminate the affiliation contract. The Foundation is not liable for the consequences of resolutions passed by a pension fund commission.
- 7 The Board of Trustees discloses its alliances of interests to the external auditor on an annual basis. This also includes commercial rights with respect to companies which maintain a business relationship with the Foundation.

C. Investment committee

The duties and responsibilities of the investment commission are defined in the investment regulations.

D. Real estate committee

The duties and responsibilities of the real estate commission are defined in the investment regulations.

E. Management

Art. 4 Nomination and dismissal

- 1 The management is carried out by the management committee consisting of the Chairman and the Deputy Chairman of the Board of Trustees.
- 2 The Board of Trustees shall take appropriate measures to ensure that the statutory requirements are complied with in terms of integrity and loyalty of the managers responsible (Art. 51b LPP (Law on occupational pension schemes), Art. 48f, 48g, 48 h, 48i BVV2).
- 3 Personnel changes in the management must be notified immediately to the supervisory authority. Furthermore, all additional necessary notifications (e.g. commercial register) must be made in good time.

F. Pension fund administration

Art. 5 Duties and responsibilities

- 1 The pension fund administration has the duties and authorisations allocated to it by the Board of Trustees. An administration contract exists for this purpose.
- 2 Within the framework of the statutory provisions, in particular those regarding the organisation of proper accountancy within pension funds, the administration manages the accounting and is responsible for preparing annual financial closing, compiling the annual financial statements, consisting of the balance sheet, the profit and loss account and notes, as well as for drafting the annual report.
- 3 In particular, the administration is also responsible for monetary transactions and for ongoing administrative matters of the Foundation initiated by the Foundation itself.
- 4 Moreover, the duties assigned to the pension fund administration include:
 - Preparation, invitations to and minuting of the meetings of the Board of Trustees;
 - Participation in meetings of the Board of Trustees (in an advisory capacity);
 - Participation in the investment and real estate commission (in an advisory capacity);
 - Preparation and implementation of the resolutions of the Board of Trustees;
 - Transactions with the authorities;
 - Dealing with routine correspondence;
 - Provision of information for insured persons;
 - Implementation of affiliations with new pension funds;
 - Processing of all other matters associated with the objective and purpose of the Foundation.
- 5 The pension fund administration is subject to the directives and supervision of the management committee and is authorised to sign collectively in groups of two.

G. Pension fund commission

Art. 6 Appointment

- 1 Each affiliated pension fund appoints a pension commission whose members must be from among the insured persons.
- 2 The pension fund commission constitutes itself.
- 3 The pension fund commission is composed as follows:
 - employer representatives nominated by the employer and
 - an equal number of employee representatives elected from among the insured persons, taking into account employee categories.
- 4 The employer is responsible for implementing the initial election of employee representatives to the pension fund commission. The pension fund commission is responsible for implementing all further elections.
- 5 The term of office is three years. Re-elections are to be implemented within three months before the term of office comes to an end. Re-election is possible.
- 6 The result of the election and future amendments to the composition of the pension fund commission are to be notified immediately to the Board of Trustees of *inVor* in writing.
- 7 Termination of an employment contract results in dismissal from the pension fund commission. Appointment of a deputy is in accordance with paragraph 3.
- 8 In the event that formation of a pension fund commission does not come about following a request by the Board of Trustees (e.g. employee refusal, inability to act), the Board of Trustees can represent the interests of the employees until such time as a pension fund commission is formed.
- 9 The pension fund commission meets as often as business requires, but at least once a year. Meetings are convened by the Chairman or at the request of members of the pension fund commission.
- 10 The invitation must be issued well in advance of the date of the meeting and specify the agenda items.

Art. 7 Passing of resolutions

- 1 The pension fund commission constitutes a quorum when at least one employee representative and one employer representative (including the Chairman) are present. The commission passes its resolutions on the basis of the majority votes of the members present. The Chairman is entitled to vote. In the event of a tied vote, the proposal is regarded as rejected.
- 2 An absent member can arrange to be represented by another member on the basis of written authorisation.
- 3 Resolutions can also be passed on the basis of a circular letter.
- 4 Minutes are kept of the resolutions passed by the pension fund commission, and the minutes are signed by one employer representative and one employee representative.
- 5 The Board of Trustees is entitled to check the resolutions of the pension fund commission with regard to compliance with the law and the regulations and to declare them null and void if necessary.
- 6 The pension fund commission signs collectively in twos.

Art. 8 Duties and responsibilities

- 1 The pension fund commission represents the company and the insured persons with respect to the Foundation.
- 2 The pension fund commission manages the pension fund and decides on the benefit scheme in consultation with the employer.
- 3 In particular, the commission has the following duties:
 - The pension fund commission supervises the administration of the pension scheme. This includes transactions and correspondence with *inVor*, in particular the provision of essential information for *inVor*.
 - Within the framework of the statutory and regulatory requirements, the pension fund commission decides on the use of disposable assets.
 - The pension fund commission prompts the employer to transfer all amounts to *inVor*.
 - The employer and employee representatives of the pension fund commission elect periodically the employer and employee representatives of the Board of Trustees of *inVor*. The rules of the election of the Board of Trustees are specified in the election regulations.
 - The pension fund commission informs *inVor* regarding any irregularities.
 - The pension fund commission informs the insured persons in suitable form and on an annual basis about its organisation and financing as well as about the members of the pension fund commission and the Board of Trustees. On request, the insured persons receive the annual financial statements as well as information on the capital yield, the actuarial risk trends, the administrative costs, calculation of mathematical reserves, the formation of reserves and the cover ratio of the Foundation.
 - The pension fund commission notifies *inVor* when the conditions for a partial liquidation of the pension fund are assumed to have been met in accordance with Art. 12 of the partial liquidation regulations. It acknowledges any distribution plans within the framework of a partial liquidation.

H. Pensioner commission

Art. 9 Appointment

- 1 The pensioner commission consists of a maximum of five members and three deputy members who are elected by the pension recipients for a term of office of three years. Re-election is possible.
- 2 The pensioner commission is responsible for implementation of elections, but the documentation is despatched by the pension fund administration.
- 3 All pension recipients, with the exception of recipients of children's benefit, who have not yet completed their 79th year of age, can be elected.
- 4 The pensioner commission constitutes itself and elects the Chairman.
- 5 The pensioner commission convenes as required. Meetings are convened by the Chairman or at the request of a member of the pensioner commission.

Art. 10 Rights and responsibilities

- 1 The pensioner commission is entitled to submit motions regarding the affairs of the Foundation. However, any motions are always to be submitted to the management committee. The management committee forwards the motions to the Board of Trustees.
- 2 The pensioner commission elects one or a maximum of two representatives who take part in the meeting of the Board of Trustees. The representatives can act in an advisory capacity but are not entitled to vote.
- 3 The pensioner commission receives the minutes of the meetings of the Board of Trustees and the Foundation's annual financial statements.
- 4 The Board of Trustees is kept up to date regarding the activity of the pensioner commission on the basis of the minutes of the meetings.
- 5 The pension fund administration reserves the right to inform all pension recipients.
- 6 The pensioner commission is subject to the same confidentiality obligation as the Board of Trustees.
- 7 The members and deputy members of the pensioner commission receive appropriate remuneration for their activity. This is specified in the remuneration regulations.

I. Legal transactions of the Foundation

Art. 11 Principles for the conclusion of legal transactions on behalf of the Foundation

- 1 All legal transactions to be concluded on behalf of the Foundation (external relationships) may only be concluded by persons authorised for this purpose by means of signing authority.
- 2 Before concluding legal transactions on behalf of the Foundation, the persons authorised to sign must ensure that the decisions of the persons responsible within the Foundation (internal relationships) are available. In cases of doubt, conclusion of the legal transaction should be provisionally postponed.
- 3 All legal transactions concluded by the Foundation must comply with standard market conditions.
- 4 Legal transactions of the Foundation with members of the Board of Trustees, with affiliated employers or with natural or legal persons who are entrusted with the management or asset management as well as legal transactions of the Foundation with natural or legal persons related to the above-mentioned persons are to be disclosed to the external auditor during the annual review of the annual financial statements (so-called legal transactions with related parties). Persons deemed to be related parties include in particular husbands or wives, registered partners, cohabitants and first or second degree relatives as well as legal persons in whom a beneficial entitlement exists.

- 5 In the event that the legal transactions with related parties in the sense of the above paragraph are of significance for the Foundation, offers from competitors must be sought.

Whether a legal transaction is of significance for the Foundation must as a matter of principle be decided on a case-by-case basis. The following considerations must be included as a minimum for this purpose:

- the financial scope of the legal transaction in relation to the balance sheet total
- the impact of the legal transaction on future fulfilment of the Foundation's objective and existing obligations in terms of its beneficiaries.
- Legal transactions regarding the investment of assets are of significance in each case.

The subsequent award of contract must be characterised by total transparency.

- 6 In the event that external persons and institutions are appointed to procure pensions business, information regarding the nature and origin of any remuneration in respect of their procurement activity is to be requested on first contact with these persons or institutions. It is essential that the method and manner of compensation are regulated in a written agreement which is to be disclosed to the Foundation and the affiliated employers. Acceptance of additional remuneration on the basis of volume, growth or claims is to be excluded in the written agreement to be concluded.
- 7 Asset management, insurance and administration contracts which the Foundation concludes for implementation of occupational pensions must be able to be dissolved without disadvantages for the Foundation at the latest five years after conclusion.

J. Further provisions

Art. 12 Secrecy

The members of the Board of Trustees and the persons entrusted by it with certain duties as well as the members of the pension fund commissions and the pensioner commission are subject to secrecy in accordance with Art. 86 LPP (Law on occupational pension schemes). They are obliged to maintain the strictest secrecy both outside and within the company with regard to any information they may acquire during performance of their activity regarding the personal and financial status of the insured persons and their relatives. This obligation of secrecy continues to apply after terminating activities with *inVor* or with an affiliated company.

Art. 13 Responsibility

The members of the Board of Trustees and all other persons entrusted with implementation of pension provision are responsible for any damage which they cause to the pension fund deliberately or by negligence (Art. 52 LPP (Law on occupational pension schemes)).

K. Final provisions

Art. 14 Divergent provisions

The provisions of these organisational regulations may not contradict the deed of foundation, the affiliation contract and the pension regulations.

Art. 15 Amendments

The organisational regulations can be amended or supplemented at any time by the Board of Trustees in accordance with Art. 3 paragraph 3 of the deed of foundation.

Art. 16 Date of coming into effect

The present organisational regulations were approved by the Board of Trustees on 6 December 2017. They replace the regulations dated 1 January 2015 and come into effect on 1 September 2017.

Zurich, 6 December 2017

inVor Occupational Pension Fund for Industry

Urs Bracher
Chairman

Nicole Haas
Deputy Chairman

The contents of this document have been laid down in German. This English translation is provided as a courtesy. In case of doubt, the German version of the Organisational Regulations will govern.