

Organisation regulations

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I. General provisions and definitions

Art. 1 Purpose

¹ Taking the Foundation deed and the Foundation purpose into consideration, these organisation regulations specify the organisational structure of the Foundation.

² They organize how the Foundation's various organs carry out their activities and regulate their tasks.

Art. 2 Organs of the Foundation

¹ Organs of the Foundation are

- The Delegates' General Meeting (DGM),
- The Foundation Board (FB),
- Executive management (EM) and
- The Occupational Pension Fund Commissions (OPFC).

² Where required additional commissions or committees maybe deployed to handle special issues. Their remit and competences must be described by the appointing organ, taking into consideration the organisation regulations.

³ The responsible persons as defined by Art. 51b BVG [Swiss Federal Law on Occupational Retirement, Surviving Dependants' and Disability Pensions] are deemed to be all members of the Foundation Board as well as individuals elected by the Board.

Art. 3 Control organs of the Foundation

Control organs of the Foundation are

- The Auditing Body (AB)
- The recognised expert for occupational pension funds (BVG expert)

Art. 4 Relationship with other regulations

These organisation regulations form the basis for the Foundation's internal fundamental organisational structure. It takes precedence over other regulations.



II. Delegates' General Meeting

Art. 5 Composition

- ¹ The Delegates' General Meeting consists of
 - The relevant representatives of the Occupational Pension Fund Commissions and
 - Pensioners' delegates.
- ² Every company, with the exception of sole trader companies, and the group of pensioners is entitled to at least two delegates.
- ³ Pensioners' delegates must be recipients of pensions paid by the Foundation. They are elected by the pensioners at a general meeting or by means of postal voting.
- ⁴ The delegates must be designated by name by the Occupational Pension Fund Commissions and the pensioners' group and notified to the Foundation.

Art. 6 Meetings

- ¹ The Ordinary Delegates' General Meeting will take place annually within six months of the statement of account.
- ² Extraordinary Delegates' General Meetings may be convened at any time for an important reason; should the Foundation Board so decide or if at least 10 Occupational Pension Fund Commissions demand it.
- ³ Convention must take place at least 10 days before the day of the meeting by written notification to the companies including the agenda and proposals. Relevant documents must also be provided at the same time. The Occupational Pension Fund Commissions are responsible for selecting delegates and forwarding invitations and paperwork.
- ⁴ The Delegates' General Meeting will be convened by the Foundation Board.
- ⁵ The President of the Foundation Board will be responsible for chairing the General Meeting; if he is unable to carry out this task, then his deputy will take on responsibility.
- ⁶ The chairman will appoint a keeper of the minutes and the vote counters, none of whom must be delegates.
- ⁷ Every delegate present will have one vote. They may not appoint representatives. The members of the Foundation Board are not deemed to be delegates. They are not entitled to vote at the Delegates' General Meeting.
- ⁸ At the General Meeting every delegate is entitled to request information from the Foundation Board regarding matters relating to the Foundation and from the Auditing Body and the recognised expert for occupational pension funds regarding



the carrying out and result of their audits. The information may only be provided insofar as it is required to exercise delegate rights and as doing so does not put business secrets or other interests worthy of protection at risk.

Art. 7 Competences

The tasks of the Delegates' General Meeting are:

- Election of the Foundation Board and its substitute members;
- Receiving information regarding the annual report, annual financial statement and its appendices.

Art. 8 Elections

¹ Elections will be based on an absolute majority of the valid votes cast.

² Should more than one ballot be required, then in each case the candidate with the least number of votes will be eliminated.

Art. 9 Minutes

¹ Minutes of the Meetings must be taken.

² The minutes must include, at minimum, those present; a summary of the business discussed; the results of the elections and the declarations included in the minutes.

³ They must be signed by the President, the managing director and the minute's keeper.

⁴ After being presented to the Foundation Board the minutes will be presented to the companies and will be deemed to have been approved if no objections are submitted within a period of three weeks.



III. Foundation Board

Art. 10 Composition

¹ The Foundation Board will, as a general rule, consist of

- 4 employer representatives,
- 4 employee representatives and
- 1 pensioner representative.

² Depending on the situation, the number of employer and employee representatives may be more or less than 4, insofar as parity is retained and the minimum number of 4 members is complied with.

³ Each company respectively each group of companies may only be represented by one person on the Foundation Board.

⁴ The Board will constitute itself. Taking the principles of equal representation as its starting point it will elect a president and a vice-president from among its members.

⁵ The managing director and/or his deputy will participate in meetings and have an advisory vote.

⁶ All members of the Foundation Board and the individuals elected by the Foundation Board are subject to legal regulations concerning integrity and loyalty.

Art. 11 Period of office

¹ The Foundation Board will be elected for a period of three years. Re-election is possible.

² Employee representatives will leave the Foundation Board upon termination of their employment relationship with an affiliated company.

³ Substitute members who are elected or take up a vacant position during a period of office will continue for their predecessor's period of office.

Art. 12 Age limit¹

¹ The age limit for membership of the Foundation Board is 75 years. Members who have exceeded this age limit are no longer eligible.

² Ongoing terms of office may still be terminated, as long as the mandate holders' state of health permits this.

¹ Inserted on 1.7.2019



Art. 13 Meetings and resolutions

¹ The Foundation Board will be convened by the President as required by business or at the request of at least two board members.

² It has a quorum when half of all members are present.

³ Resolutions will be passed with a simple majority. In the event of a tied vote, then no resolution will be passed or election completed.

⁴ Resolutions by circular are permissible if all members cast a vote and convening of a Foundation Board meeting is not requested.

Art. 14 Competences

¹ The Foundation Board is the Foundation's supreme organ. It organises, manages and monitors the Foundation's business activities; represents the Foundation vis-à-vis third parties and carries out all tasks assigned to it by the Foundation deed. Its tasks are, in particular:

- and the appendices to the annual financial statement;
- Passing of resolutions regarding applications to the supervisory authority to amend the Foundation deed and to wind up the Foundation;
- Issuing of the Pension Regulations;
- Issuing of the Investment Regulations;
- Issuing of additional regulations;
- Issuing of the Compensation and Remuneration Regulations;
- Approval of the staff appointment scheme;
- Decision on pension increases;²
- Passing of resolutions regarding the conclusion and termination of affiliation contracts with direct effects on personnel levels;
- Election and dismissal of the managing director and his deputy; portfolio management and management of assets and real estate;
- Election and dismissal of the Auditing Body;
- Election and dismissal of the recognised expert for occupational pension funds;
- Specification of technical interest rates and technical basic conditions;
- Decisions regarding the taking on of insurance-related risks on the account of the Foundation;

² Inserted on 1.7.2019



- Specification of rules regarding exercising of shareholder's rights;
- Approval of the annual budget;
- Carrying out of tasks in accordance with the Investment Regulations;
- Decisions regarding taking out, granting and securing of loans and mortgages;
- Determination of reinsurance;
- Passing of resolutions to approve management reports;
- Setting of interest rates for interest on pension capital, employer contribution reserves and the special assets of the Foundation and pension funds;
- Decisions regarding discretionary benefits, e.g. in cases of hardship;
- Regular further training;
- Specification of acceptance criteria and the growth strategy;
- Regulation of power of authority to sign documents.

² The Foundation Board may assign preparation and implementation of its resolutions or monitoring of specific business activities to individual members, commissions, the executive management or third parties. The individuals delegated with tasks must report to the Foundation Board on their activities.

Art. 15 Minutes

¹ Minutes of meetings must be taken.

² The minutes must include, at minimum, those present; a summary of the business discussed; the resolutions passed and the declarations included in the minutes.

³ They must be signed by the President, the managing director and the minute's keeper.

⁴ They will be approved at the next meeting. Unanimous approval by letter is permitted in urgent cases.

Art. 16 Further training

¹ Foundation directors will participate regularly in further training courses. Further training will take the form of participation in BVG-related seminars and conferences; Foundation seminars and regular reading of specialist journals.

² Each year Foundation directors must participate in at least one BVG seminar on a current topic which is one whole or two half-days long and attend one information event organized by a BVG supervisory authority.

³ Newly-elected Foundation directors must attend BVG introductory courses which are at least two whole or four half-days long during their first year of office.



Foundation directors who, for professional reasons, already have experience in the field of occupational pension schemes are exempted from this provision.

⁴ The Auditing Body will, in connection with its annual reporting, verify that further training requirements have been met.



IV. Executive Management

Art. 17 Composition

¹ Executive Management consists of

- The managing director and
- His deputy

² The managing director and his deputy will be elected by the Foundation Board.

Art. 18 Competences

¹ The Executive Management is responsible for the Foundation's entire operational division and manages the Foundation's business activities within the scope of the Foundation Board's instructions and legal regulations regarding occupational pension schemes.

² It will, in particular, have the following tasks:

- Implementation of all regulations, concepts or guidelines for which no other Foundation organ is responsible;
- Applications to the Foundation Board;
- Ensuring that the Foundation organs receive information;
- Management of all business administration;
- Issuing of internal instructions and guidelines for internal organisation;
- Hiring and firing of employees;
- Drafting of the budget;
- Drafting of the staff appointment scheme;
- Reporting on human resources;³
- Application for pension increases;⁴
- Preparation of Delegates' General Meetings and of the meetings of the Foundation Board and any other committees;
- Support of the Occupational Pension Fund Commissions;
- Orientation of the Foundation Board regarding on-going business activities and immediately regarding extraordinary important matters;

³ Inserted on 1.7.2019

⁴ Inserted on 1.7.2019



- External representation of the Foundation insofar as this task is not carried out by another organ, in particular vis-à-vis the authorities, the Auditing Body, experts, affiliated companies and insured persons;
- Conclusion and termination of affiliation contracts without direct effects on personnel levels;
- Conclusion and termination of broker contracts;
- Real estate management;
- Operational management of the Foundation.

³ The Executive Management may delegate tasks and responsibilities to employees.



V. Occupational pension fund commission

Art. 19 Composition and constitution

- ¹ The Occupational Pension Fund Commission will comprise
 - At least one employer representative appointed by the employer and
 - At least one employee representative elected by the employees from their ranks, in private and without participation by the employer.
- ² The number of commission members must comply with principles of equal representation – i.e. the number of employer and employee representatives must be the same.
- ³ The election must be documented in written election minutes; these must be delivered to the Foundation.
- ⁴ The Occupational Pension Fund Commission will constitute itself. It will elect a chairman from among its numbers.

Art. 20 Election of employee representatives

- ¹ Employee representatives will be elected during one ballot. The candidates receiving the most votes cast will be deemed to have been elected. In the event of a tied vote, lots will be drawn.
- ² If the number of candidates proposed does not exceed the number of seats available, then the proposed individuals will be deemed to have been tacitly elected. The election proposals must be announced to the employees in an appropriate form.

Art. 21 Period of office

- ¹ The period of office is generally 3 years. Re-election is possible.
- ² Employee representatives will leave the Occupational Pension Fund Commission upon termination of their employment relationship with an affiliated company.
- ³ Members who are elected during a period of office will continue for their predecessor's period of office.

Art. 22 Meetings and resolutions

- ¹ The Occupational Pension Fund Commission will be convened by the chairman as required or at the request of at least half of its members.
- ² It has a quorum when half of all members are present.



³ Resolutions will be passed with a simple majority. In the event of a tied vote, then no resolution will be passed.

⁴ Resolutions by circular are permissible if all members cast a vote and convention of a meeting is not requested.

Art. 23 Competences

¹ The Occupational Pension Fund Commission represents the pension fund's interests regarding the Foundation.

² Its tasks include:

- Management of the pension fund, in particular monitoring of reporting and counting of contributions based on reports made by the employer or his agents;
- Issuing and implementation of the pension plan and applications to the Foundation for amendments to the pension plan or the setting up of new pension plans;
- Applications to the Foundation's Board regarding discretionary benefits, e.g. in cases of hardship;
- Statements regarding questions and requests submitted by the Foundation, employers or insured persons;
- Decisions regarding the use of the pension fund's freely available funds (so-called uncommitted capital);
- Information to insured persons and organisation of corresponding suitable events;
- Designation of representatives of the Occupational Pension Fund Commission, comprising one representative each of the employers and the employees to the Foundation's Delegates' General Meeting and instruction of these representatives;
- Approval of a company's pool change; amendment of its affiliation contract or termination by the company of this contract.

Art. 24 Minutes

¹ Minutes of meetings must be taken.

² Declarations made by individual participants in meetings will only be included at their specific request.

³ The Minutes must be signed by the chairman and the minute's keeper.

⁴ They will be approved at the next meeting. Unanimous approval by letter is permitted in urgent cases.



⁵ The Foundation and the company's insured persons must be informed regarding resolutions which have been passed.



VI. Further provisions

Art. 25 The Auditing Body and the recognised expert for occupational pension funds

¹ The tasks of the Auditing Body and the recognised expert for occupational pension funds will be based on statutory regulations and any instructions issued by the supervisory authority.

² When electing the Auditing Body and the recognised expert for occupational pension funds care must be taken that they are independent of the Foundation. The expert for occupational pension funds should, if possible, not work for other collective foundations which are direct competitors of the Foundation.

³ The Auditing Body and the recognised expert for occupational pension funds may, where required, be asked to attend meetings of the Foundation organs and given an advisory vote.

Art. 26 Information

¹ Information to insured persons; affiliated companies and third parties regarding the Foundation's ordinary matters or on-going business activities will be provided by the Executive Management.

² Information regarding extraordinary matters will be provided by the Executive Management following consultation with the Foundation Board.

³ Resolutions of the Foundation Board will be announced in writing to those affected by them.

Art. 27 Regulation of signing powers

¹ The Foundation will enter into third-party obligations by means of a collective signature from two individuals.

² Current authorisations to sign are listed in the Grisons Commercial Register.

³ Business transactions falling within the scope of tasks of the Delegates' General Meeting and the Foundation Board must, as a general rule, be signed by the President/Vice-President and the managing director or his deputy.

⁴ Business transactions falling within the scope of tasks of the Executive Management; real estate management and payments to third parties will be signed by the managing director/deputy managing director and a second person with signing powers.

⁵ Business transactions falling within the scope of securities investments will be completed by the Foundation's asset managers within the scope of contractual



agreements insofar as these transactions are secured within the scope of the Foundation's accounts and portfolios.

Art. 28 Loyalty

¹ The responsible persons must, when carrying out their duties, consistently safeguard the interests of the Foundation and its beneficiaries.

² Combinations of interest, such as economic holdings in companies; senior positions in companies, public mandates or membership of professional associations and political parties, must be disclosed within the scope of the annual declaration of loyalty.

³ Disclosures must be made to the Foundation Board and the Auditing Body.

Art. 29 Legal transactions with related parties

¹ The Foundation respectively responsible related parties are deemed to be natural and legal persons as defined by Art. 48i Abs. 2 BVW2.

² Wherever possible, legal transactions with related parties should be avoided. Exceptions to this are legal transactions which fall under usual business activities and whose value does not exceed CHF 1000 per legal transaction and CHF 5000 per year per contractual partner.

³ Further legal transactions with related parties are only possible if required by special market circumstances; at least two competing offers are on hand and the Foundation Board agrees.

⁴ All legal transactions with related parties must be declared to the Auditing Body within the scope of annual accounting.

⁵ So-called offsetting transactions and legal transactions with the Foundation's responsible persons are forbidden.

Art. 30 Pecuniary benefit

¹ The Foundation's responsible persons must hand over to the -Foundation any pecuniary benefits which they receive which go beyond the compensation regulations specified in writing. These include in particular financial benefits (cash, vouchers, credit notes) and kick-backs, retrocessions and similar payments.

² Acceptance of so-called occasional gifts and the acceptance of invitations to events are permissible if their value does not exceed CHF 300 per case and CHF 1000 per year and business partner, at most, however, CHF 2500. Any costs incurred will be borne by the responsible person.



Art. 31 Abstention

¹ Responsible persons will abstain from voting when the issue on hand concerns them personally, their spouse, partner, children, parents or an organisation with which they have a linking interest.

² Should a responsible person be forced to abstain, then he may not participate in discussions or decision-making. He must leave the meeting location before the matter at issue is discussed.

Art. 32 Duty of confidentiality

¹ Members of the organs and all other persons entrusted with the carrying out of professional pension schemes of the Foundation and the pension funds are subject to a duty of confidentiality regarding all business activities and the personal and financial circumstances of insured persons and employers.

² This obligation remains in place following termination of their membership respectively of their administrative task.

Art. 33 Responsibility

Members of the organs and all other persons entrusted with the carrying out of professional pension schemes of the Foundation and the pension funds are responsible for damages which they intentionally or negligently inflict upon the Foundation respectively the pension fund (Art. 52 BVG).

Art. 34 Remuneration

¹ Members of the organs may be reimbursed for their work insofar as their principal employment is not with the Foundation.

² The Foundation Board is responsible for issuing Remuneration Regulations.

Art. 35 Definitive language

These Regulations will, where necessary, be translated into other languages. The German version is definitive for interpretation of the regulations.

Art. 36 Coming into force; Amendments

¹ These Regulations will come into force on 1 January 2018. They will replace all previous regulations, in particular the Organisation Regulations of 2015 including all amendments.

² These regulations must be presented to the relevant supervisory authority for verification.



³ The Foundation's board may, within the scope of legal regulations and the Foundation's purpose, amend these regulations at any time. The amendments must be presented to the relevant supervisory authority for verification.

Chur, 27 October 2017

The Foundation Board