



# Implementation of the revised Swiss Corporate Law and other changes and amendments to the Company's Articles of Association

Item 6 of the agenda

# Explanations

## A Preliminary Remarks

On June 19, 2020, the Swiss Parliament passed a reform of Swiss corporate law in the Swiss Code of Obligations (the “CO”). The Swiss Federal Council has put most of the new provisions into force as of January 1, 2023. Companies are granted a transition period of two years to amend their articles of association.

The new CO includes, among other things, the possibility for companies to modernize the provisions governing the form and forum in which general meetings may be held; most notably, the new CO provides for possibilities to hold physical and virtual general meetings in parallel (“hybrid general meetings”) or to hold general meetings virtually (“virtual general meetings”). Besides that, the CO, as amended, includes a possibility for corporations to include a capital band (i.e., a combination of authorities for the Board of Directors to increase as well as decrease the company’s share capital) in its articles of association.

In accordance with the new provisions, the Board of Directors is submitting a proposal to amend the Articles of Association of Landis+Gyr Group AG (the “**Articles**”) to the shareholders (the “**Proposal**”). The Proposal implements the requirements of the new CO in the Articles but also considers current best practice in corporate governance for implementation. On such occasion, the Proposal also amends the Articles in several other respects.

The proposed amendments to the Articles are explained in several chapters below. The changes to the Articles are then compared to the existing provisions. Please note that deletions are shown in red and as strikethrough font, whereas newly added language appears in green font. References in this overview are to the Articles pursuant to the Proposal. Certain amendments to the Articles (i.e., the proposed amendments to articles 2, 3c, 8a and 13) require a qualified majority of at least two-thirds of the votes represented and a (simple) majority of the nominal value of shares represented to be deemed approved by the shareholders in accordance with article 704 of the new CO.

## B Agenda Items

### I. Agenda Item 6.1 – Amendment of Company Purpose

**Amendment of Company Purpose:** In line with the new “Swiss Code of Best Practice for Corporate Governance” by *economiesuisse*, the Proposal suggests to further promote the company’s long-term goals both with a view to continuity as well as sustainability in the Company’s purpose as set forth in the Articles. Please note that agenda item 6.1 requires a qualified voting majority in accordance with article 704 CO.

Applies to article 2.

### II. Agenda Item 6.2 – Capital Band (Consisting of Agenda Items 6.2.1 and 6.2.2)

**Abolishment of Authorized Capital, Introduction of Capital Band:** The new CO provides for the possibility for companies to introduce a capital band. A capital band represents an authorization by the shareholders to the Board of Directors in which the latter can, without approval from its shareholders, not only increase (which was stipulated as “authorized capital” under current article 3c), but also decrease the company’s share capital. The Proposal wishes to give the Board of Directors the (continued) authority to perform capital increases up to a maximum share capital of the Company of CHF 317,998,380, corresponding to an increase of the share capital by a maximum of 10%, newly combined with the authority to perform capital decreases down to a minimum share capital of CHF 260,180,500, corresponding to a reduction of the share capital by a maximum of 10%. The new CO allows for a maximum period of five years for the capital band. The Proposal presented here provides for such authority for the Board of Directors for three years from this year’s Annual General Meeting, i.e., until June 22, 2026.

For the shareholders to approve the Company’s capital band, two votes are required: In a first step, agenda item 6.2.1 proposes the abolishment of the authorized capital as currently stipulated in article 3c of the Articles, whereas in a second step, agenda item 6.2.2 provides for a new article 3c stipulating the Company’s capital band. Please note that agenda item 6.2.2 requires a qualified voting majority in accordance with article 704 CO.

Applies to article 3c.

### III. Agenda Item 6.3 – Amendments Relating to General Meetings (Consisting of Agenda Items 6.3.1 and 6.3.2)

**Introduction:** In accordance with the new CO, certain amendments to the Articles listed under agenda item 6.3 require a qualified voting majority in accordance with article 704 CO. Agenda item 6.3 is therefore split into two sub-items: agenda item 6.3.1 covers the amendments to the Articles only requiring a simple voting majority, whereas agenda item 6.3.2 covers amendments requiring a qualified voting majority.

#### a) Agenda Item 6.3.1 – Items Requiring a Simple Voting Majority

**Alignment of Articles with new CO:** The Proposal wishes to update the Articles relating to the general meeting to align them with the new CO.

Applies to articles 5, 6, 8, 9, 10.

**Inclusion of possibility for hybrid meetings and virtual meetings:** On the one hand, the Proposal provides for a possibility for a “hybrid general meeting”, which means that shareholders who are not present at the physical location of the general meeting have the option to exercise their rights electronically. On the other hand, it will be possible to hold a general meeting without a physical venue at all, that is exclusively using electronic means (“virtual general meeting”).

The CO, as amended, provides for strict rules for general meetings with electronic participation (in hybrid or virtual form). The Board of Directors must ensure that (i) participants are able to ask questions, make motions and take part in the discussion, (ii) votes which are submitted electronically in the general meeting are transmitted directly, (iii) the identification and identify of participating shareholders is certain, and (iv) the result of the voting cannot be defrauded or falsified. The new CO thereby ensures that irrespective of the form of the general meeting (physical, hybrid and virtual), shareholders always have the same rights:

Shareholder Rights	Traditional Physical Meeting	Hybrid Meeting	Virtual Meeting
Physical attendance	X	X	
Remote attendance		X	X
Vote in real-time	X	X	X
Submit votes in advance via the Independent Proxy	X	X	X
Ask questions and receive answers live during the general meeting	X	X	X
Submit counterproposals live during the general meeting	X	X	X

While the new CO provides for a legal possibility to hold hybrid or virtual general meetings, the shareholders must in principle agree to such forms of general meetings by granting the Board of Directors the respective authority in the Articles to decide on the format of future general meetings accordingly. In line with the suggestion for the Company's capital band, the Proposal limits the Company's authority for virtual general meetings to three years from this year's annual general meeting, i.e., until June 22, 2026.

Applies to articles 7–8a.

**Vote on the Report on Non-Financial Matters by the General Meeting:** The Proposal suggests including a competence to vote on the Company's report on non-financial matters by the general meeting.

Applies to article 6.

#### b) Agenda Item 6.3.2 – Items Requiring a Qualified Voting Majority

**Alignment of Articles with new CO:** The Proposal wishes to update the article below in order to align it with the new CO.

Applies to article 13.

**Possibility for General Meetings Abroad:** The Proposal suggests including the possibility for the Company to hold general meetings abroad.

Applies to article 8a.

#### IV. Agenda Items 6.4 – Amendments Relating to the Board of Directors and the Executive Management

**Alignment of Articles with new CO:** The Proposal wishes to update the list of non-transferable and inalienable duties of the Board of Directors in the Articles to align it with the respective list in the new CO.

Applies to articles 15, 17.

**Electronic Circulars:** The Proposal suggests providing for the right of the Board of Directors to pass resolutions by electronic circular.

Applies to article 18.

**Limitation on outside mandates for Board of Directors and Executive Management:** The Proposal seeks to further limit the maximum number of outside mandates for both members of the Board of Directors as well as the Executive Management by including the maximum permitted number of mandates in publicly listed companies in the overall maximum permitted number of mandates and by lowering the maximum permitted number of mandates for members of the Executive Management.

Applies to article 23.

#### V. Agenda Item 6.5 – Other Amendments

**Gender-Neutral Language, Language Clean-Up, Deletion of Legacy Articles, Alignment of Articles with the new CO:** The Proposal wishes to include gender-neutral language throughout. Additionally, the Proposal wishes to include changes to the language of the Articles to provide for better readability. The Proposal also seeks to align the German and the English language version and to delete certain legacy articles (articles 32 and 33) from the Articles. Lastly, the Proposal wishes to update further articles which have not been discussed separately under former agenda items, in order to align them with the new CO.

Applies to articles 1, 3a-d, 4-8, 9-12, 14-15, 17-20, 23-31, 32-33.

**Deletion of Nominee Contracts, Time Limitation on Non-Compete Agreements, Inclusion of New Transfer Restriction:** In line with suggestions by proxy advisors, the Proposal suggests to delete the authority of the Board of Directors to enter into agreements with nominees regarding their disclosure requirements (article 5) and to limit the maximum duration of any non-compete agreement entered into by the Company (article 24). Additionally, in accordance with the CO, as amended, the Proposal suggests including a further possibility for the Board of Directors to refuse entry in the share register as a shareholder in case such shareholder does not explicitly state that there is no agreement to take back or return the shares concerned (“share-lending prohibition”) (article 5).

Applies to articles 5, 24.

**Reassignment of Tasks from the Remuneration Committee to the Nomination, Governance and Sustainability Committee:** The Proposal suggests deleting two approval items from the Remuneration Committee’s task list and instead assigning them to the Nomination, Governance and Sustainability Committee.

Applies to articles 19 and 23.

**Rewording of Short-Term and Long-Term Remuneration Calculation Language in Article 26:** The Proposal suggests rewording article 26 to align it with the Company’s practice in calculating its short-term and long-term performance-based remuneration. Outside of the inclusion of new performance targets (such as, e.g., the inclusion of ESG targets in performance measuring), the calculation method for the short-term and long-term performance-based remuneration has remained unaltered. The language revision of article 26 therefore brings the Articles in line with long-standing company practice with a view to both calculations and provides more clarity in this respect.

Applies to article 26.

# Details on the amendment of the Articles of Association

The original German text is binding

## Current version of the Articles of Association

### I. General Provisions

#### ARTICLE 1: CORPORATE NAME, REGISTERED OFFICE

Under the corporate name

Landis+Gyr Group AG  
(Landis+Gyr Group Ltd)  
(Landis+Gyr Group SA)

a Company exists pursuant to Articles 620 et seq. of the Swiss Code of Obligations (“CO”) having its registered office in Cham. The duration of the Company is unlimited.

#### ARTICLE 2: PURPOSE

The purpose of the Company is to indirectly or directly acquire, hold and manage investments in domestic and foreign companies, in particular controlling investments in industrial and trading companies active in the field of metering and energy management solutions, the management and sustainable development of these investment companies within a group of companies as well as the provision of financial and organizational means for the management of a group of companies.

The Company may acquire, mortgage, utilize and sell real estate properties and intellectual property rights in Switzerland and abroad as well as incorporate and finance subsidiaries and branches.

The Company may engage in all kinds of commercial and financial transactions that are beneficial for the realisation of its purpose, in particular provide and take out loans, issue bonds, provide suretyships and guarantees, provide collateral as well as make investments in all marketable investment classes.

### II. Capital

#### ARTICLE 3: SHARE CAPITAL

The share capital of the Company amounts to CHF 289,089,440 and is divided into 28,908,944 registered shares with a nominal value of CHF 10 each. The share capital is fully paid-up.

#### ARTICLE 3A: CONDITIONAL CAPITAL

The share capital of the Company may be increased by up to CHF 4,500,000 by issuing up to 450,000 fully paid up registered shares with a nominal value of CHF 10 each, upon the exercise of option rights or in connection with similar rights regarding shares (including performance stock units (PSU) and / or restricted stock units (RSU)) granted to officers and employees at all levels of the Company and its group companies according to respective regulations and resolutions of the Board of Directors. The pre-emptive rights and the advance subscription rights of the shareholders are excluded. The acquisition of registered shares based on this Article 3a and every subsequent transfer of these registered shares shall be subject to the transfer restrictions pursuant to Article 5.

The conditions for the allocation and exercise of the option rights and other rights regarding shares from this Article 3a are determined by the Board of Directors. The shares may be issued at a price below the market price.

#### ARTICLE 3B: CONDITIONAL CAPITAL FOR FINANCING AND ACQUISITIONS

The share capital of the Company may be increased by up to CHF 28,908,940 by the issuance of up to 2,890,894 paid-in registered shares with a nominal value of CHF 10 each, through the exercise or mandatory exercise of conversion, exchange, option, warrant or similar rights for the subscription of shares granted to shareholders or third parties alone or in connection with bonds, notes, loans, options, warrants or other securities or contractual obligations of the Company or any of its group companies (hereinafter collectively, the “Financial Instruments”).

The pre-emptive rights of shareholders shall be excluded in connection with the issuance of registered shares upon the exercise of any Financial Instruments. The then current owners of such Financial Instruments shall be entitled to acquire the new registered shares issued upon conversion, exchange or exercise of any Financial Instruments.

## Proposed changes to the Articles of Association

### I. General Provisions

#### ARTICLE 1: CORPORATE NAME, REGISTERED OFFICE

Under the corporate name

Landis+Gyr Group AG  
(Landis+Gyr Group Ltd)  
(Landis+Gyr Group SA)

a Company exists pursuant to Articles 620 et seq. of the Swiss Code of Obligations (“CO”) having its registered office in Cham. The duration of the Company is unlimited.

#### ARTICLE 2: PURPOSE

The purpose of the Company is to indirectly or directly acquire, hold and manage investments in domestic and foreign companies, in particular controlling investments in industrial and trading companies active in the field of metering and energy management solutions, the management and sustainable development of these investment companies within a group of companies as well as the provision of financial and organizational means for the management of a group of companies. **In pursuing its purpose, the Company strives to create long-term, sustainable value.**

The Company may acquire, mortgage, utilize and sell real estate properties and intellectual property rights in Switzerland and abroad as well as incorporate and finance subsidiaries and branches.

The Company may engage in all kinds of commercial and financial transactions that are beneficial for the realisation of its purpose, in particular provide and take out loans, issue bonds, provide suretyships and guarantees, provide collateral as well as make investments in all marketable investment classes.

### II. Capital

#### ARTICLE 3: SHARE CAPITAL

The share capital of the Company amounts to CHF 289,089,440 and is divided into 28,908,944 registered shares with a nominal value of CHF 10 each. The share capital is fully paid-up.

#### ARTICLE 3A: CONDITIONAL CAPITAL

**The Subject to article 3d,** the share capital of the Company may be increased by up to CHF 4,500,000 by issuing up to 450,000 fully paid up registered shares with a nominal value of CHF 10 each, upon the exercise of option rights or in connection with similar rights regarding shares (including performance stock units (PSU) and / or restricted stock units (RSU)) granted to officers and employees at all levels of the Company and its group companies according to respective regulations and resolutions of the Board of Directors. The pre-emptive rights and the advance subscription rights of the shareholders are excluded. The acquisition of registered shares based on this Article 3a and every subsequent transfer of these registered shares shall be subject to the transfer restrictions pursuant to Article 5.

The conditions for the allocation and exercise of the option rights and other rights regarding shares from this Article 3a are determined by the Board of Directors. The shares may be issued at a price below the market price.

#### ARTICLE 3B: CONDITIONAL CAPITAL FOR FINANCING AND ACQUISITIONS

**The Subject to article 3d,** the share capital of the Company may be increased by up to CHF 28,908,940 by the issuance of up to 2,890,894 paid-in registered shares with a nominal value of CHF 10 each, through the exercise or mandatory exercise of conversion, exchange, option, warrant or similar rights for the subscription of shares granted to shareholders or third parties alone or in connection with bonds, notes, loans, options, warrants or other securities or contractual obligations of the Company or any of its group companies (hereinafter collectively, the “Financial Instruments”).

The pre-emptive rights of shareholders shall be excluded in connection with the issuance of registered shares upon the exercise of any Financial Instruments. The then current owners of such Financial Instruments shall be entitled to acquire the new registered shares issued upon conversion, exchange or exercise of any Financial Instruments.

The Board of Directors shall be authorized to restrict or withdraw advance subscription rights of shareholders in connection with the issuance of Financial Instruments by the Company or one of its group companies if the issuance is:

1. for the purpose of swiftly and flexibly raising capital by way of a placement of Financial Instruments, which would be difficult to implement or only possible at materially worse terms if the advance subscription rights had to be granted; or
2. for the acquisition of companies, businesses or participations, the acquisition of products, intellectual property or licenses or for other investment projects of the Company or any of its group companies, or for the financing or refinancing of any of such transactions.

If the advance subscription rights are neither granted directly nor indirectly by the Board of Directors, the following shall apply:

1. The Financial Instruments shall be issued or entered into at market conditions; and
2. the conversion, exchange or exercise price of the Financial Instruments shall be set taking into account the market conditions prevailing at the date on which the Financial Instruments are issued; and
3. the Financial Instruments may be converted, exchanged or exercised during a maximum period of 10 years from the date of the relevant issuance or entry.

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 5.

The aggregate number of registered shares issued until 24 June 2024 (i) out of authorized capital pursuant to Article 3c of the Articles of Association with the exclusion of pre-emptive rights of existing shareholders, and/or (ii) in connection with equity-linked Financial Instruments out of conditional capital pursuant to Article 3a of the Articles of Association and this Article 3b with the exclusion of advance subscription rights of existing shareholders, must not exceed 2,890,894 registered shares.

#### **ARTICLE 3C: AUTHORIZED CAPITAL**

The Board of Directors shall be authorized to increase the share capital at any time until 24 June 2024 by a maximum amount of CHF 28,908,940 by issuing a maximum of 2,890,894 fully paid-in registered shares with a nominal value of CHF 10 each. Increases in partial amounts shall be permissible.

The subscription and acquisition of the new registered shares and every subsequent transfer of these registered shares shall be subject to the transfer restrictions pursuant to Article 5.

The Board of Directors shall determine the issue price, the type of contribution, the date of issue, the conditions for the exercise of pre-emptive rights and the beginning date for dividend entitlement. In this regard, the Board of Directors may issue new registered shares by means of a firm underwriting through a financial institution, a syndicate of financial institutions or another third party and a subsequent offer of these shares to the existing shareholders or third parties (if the pre-emptive rights of the existing shareholders have been denied or have not been duly exercised). The Board of Directors is entitled to permit, to restrict or to exclude the trade with pre-emptive rights. It may permit the expiration of pre-emptive rights that have not been exercised, or it may place such rights or shares as to which pre-emptive rights have been granted, but not exercised, at market conditions or may use them otherwise in the interest of the Company.

The Board of Directors shall be authorized to restrict or withdraw advance subscription rights of shareholders in connection with the issuance of Financial Instruments by the Company or one of its group companies if the issuance is:

1. for the purpose of swiftly and flexibly raising capital by way of a placement of Financial Instruments, which would be difficult to implement or only possible at materially worse terms if the advance subscription rights had to be granted; or
2. for the acquisition of companies, businesses or participations, the acquisition of products, intellectual property or licenses or for other investment projects of the Company or any of its group companies, or for the financing or refinancing of any of such transactions.

If the advance subscription rights are neither granted directly nor indirectly by the Board of Directors, the following shall apply:

1. The Financial Instruments shall be issued or entered into at market conditions; and
2. the conversion, exchange or exercise price of the Financial Instruments shall be set taking into account the market conditions prevailing at the date on which the Financial Instruments are issued; and
3. the Financial Instruments may be converted, exchanged or exercised during a maximum period of 10 years from the date of the relevant issuance or entry.

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 5.

~~The aggregate number of registered shares issued until 24 June 2024 (i) out of authorized capital pursuant to Article 3c of the Articles of Association with the exclusion of pre-emptive rights of existing shareholders, and/or (ii) in connection with equity-linked Financial Instruments out of conditional capital pursuant to Article 3a of the Articles of Association and this Article 3b with the exclusion of advance subscription rights of existing shareholders, must not exceed 2,890,894 registered shares.~~

#### **ARTICLE 3C: AUTHORIZED CAPITAL BAND**

The Company has a capital band ranging from CHF 260,180,500 (lower limit) to CHF 317,998,380 (upper limit). The Board of Directors shall be authorized to increase the share capital at any time until 24 June 2024 by a maximum amount of CHF 28,908,940 by issuing a maximum of within the capital band to increase or reduce the share capital once or several times and in any amounts or to acquire or dispose of shares directly or indirectly, until June 22, 2026, or until an earlier expiry of the capital band. The capital increase or reduction may be effected by issuing up to 2,890,894 fully paid-in registered shares with a nominal value of CHF 10 each and cancelling up to 2,890,894 registered shares with a nominal value of CHF 10 each, as applicable, or by increasing or reducing the nominal value of the existing shares within the limits of the capital band. ~~Increases in partial amounts shall be permissible.~~

~~The~~ In the event of an issue of shares, the subscription and acquisition of the new registered shares and ~~every~~ any subsequent transfer of these registered shares shall be subject to the transfer restrictions pursuant to Article 5.

~~The~~ In the event of a capital increase within the capital band, the Board of Directors shall, to the extent necessary, determine the issue price, the type of contribution (including cash contributions, contributions in kind, set-off and conversion of reserves or of profit carried forward into share capital), the date of issue, the conditions for the exercise of pre-emptive subscription rights and the beginning date for dividend entitlement. In this regard, the Board of Directors may issue new registered shares by means of a firm underwriting through a financial institution, a syndicate of financial institutions or another third party and a subsequent offer of these shares to the existing shareholders or third parties (if the pre-emptive subscription rights of the existing shareholders have been denied withdrawn or have not been duly exercised). The Board of Directors is entitled to permit, to restrict or to exclude the trade with pre-emptive subscription rights. It may permit the expiration of pre-emptive subscription rights that have not been duly exercised, or it may place such rights or shares as to which pre-emptive subscription rights have been granted, but not duly exercised, at market conditions or may use them otherwise in the interest of the Company.

The Board of Directors is further authorized to restrict or withdraw pre-emptive rights of existing shareholders and allocate such rights to third parties, the Company or any of its group companies:

1. for the purpose of swiftly and flexibly raising equity capital by way of a placement of shares, which would be difficult to implement or only possible at materially worse terms if the pre-emptive rights had to be granted; or
2. for the acquisition of companies, businesses or participations, the acquisition of products, intellectual property or licenses or for other investment projects of the Company or any of its group companies, or for the financing or refinancing of any of such transactions through a placement of shares.

The aggregate number of registered shares issued until 24 June 2024 (i) in connection with equity-linked Financial Instruments out of conditional capital pursuant to Article 3a and 3b of the Articles of Association with the exclusion of advance subscription rights of existing shareholders, and/or (ii) out of authorized capital pursuant to this Article 3c with the exclusion of pre-emptive rights of existing shareholders, must not exceed 2,890,894 registered shares.

---

#### ARTICLE 4: FORM OF SHARES

The Company issues its registered shares only as uncertified securities (Wertrechte) and registers them as book-entry securities (in terms of the Book-Entry Securities Act). Shareholders have no right to request conversion of the form in which registered shares are issued into another form. The shareholder may at any time require from the Company the delivery of an attestation certifying his current shareholding.

The uncertified securities (Wertrechte), their number and division and the shareholders are registered in a register for uncertified securities. This register for uncertified securities is not public.

Uncertified securities (Wertrechte) may only be transferred by way of assignment provided that they are not registered as book-entry securities. In order to be valid, the assignment must be reported to the Company, which may refuse the entry of the assignee in the share register in accordance with Article 5.

The transfer of book-entry securities and the granting of security rights on book-entry securities have to be compliant with the Book-Entry Securities Act. The transfer of book-entry securities or the granting of security rights on book-entry securities by way of assignment is excluded. The transfer restrictions according to Article 5 are not affected by these regulations.

---

~~The~~ ~~In the event of a share issue, the~~ Board of Directors is ~~further~~ authorized to restrict or withdraw pre-emptive rights of existing shareholders and allocate such rights to third parties, the Company or any of its group companies:

1. for the purpose of swiftly and flexibly raising equity capital by way of a placement of shares, which would be difficult to implement or only possible at materially worse terms if the pre-emptive rights had to be granted; or
2. for the acquisition of companies, businesses or participations, the acquisition of products, intellectual property or licenses or for other investment projects of the Company or any of its group companies, or for the financing or refinancing of any of such transactions through a placement of shares.

After a change of the nominal value, new shares shall be issued within the capital band with the same nominal value as the existing shares.

If the share capital increases as a result of an increase from conditional capital pursuant to Articles 3a or 3b, the upper and lower limits of the capital band shall increase in an amount corresponding to such increase in the share capital.

In the event of a reduction of the share capital within the capital band, the Board of Directors shall, to the extent necessary, determine the use of the reduction amount.

---

#### ARTICLE 3D: MAXIMUM ISSUABLE SHARES

~~The aggregate number of registered shares issued until 24 June 2024~~ ~~(i) in connection with equity-linked Financial Instruments out of~~ Until June 22, 2026, or an earlier expiry of the capital band, the total number of newly issued shares which may be issued with the restriction or withdrawal of advance subscription rights or pre-emptive rights (i) from the conditional capital pursuant to Article 3a and ~~3b of the Articles of Association with the exclusion of advance subscription rights of existing shareholders, and/or (ii) out of authorized~~ Article 3b and (ii) from the capital band pursuant to ~~this~~ Article 3c ~~with the exclusion of pre-emptive rights of existing shareholders,~~ must not exceed 2,890,894 ~~registered~~ new shares.

---

#### ARTICLE 4: FORM OF SHARES

The Company issues its registered shares only as uncertified securities (Wertrechte) and registers them as book-entry securities (in terms of the Book-Entry Securities Act). Shareholders have no right to request conversion of the form in which registered shares are issued into another form; ~~in particular, they have no claim to the certification of the membership in a security.~~ The shareholder may at any time require from the Company the delivery of an attestation certifying his current shareholding, ~~as reflected in the share register.~~

The uncertified securities (Wertrechte), their number and division and the shareholders are registered in a register for uncertified securities. This register for uncertified securities is not public.

Uncertified securities (Wertrechte) may only be transferred by way of assignment provided that they are not registered as book-entry securities. In order to be valid, the assignment must be reported to the Company, which may refuse the entry of the assignee in the share register in accordance with Article 5.

The transfer of book-entry securities and the granting of security rights on book-entry securities have to be compliant with the Book-Entry Securities Act. The transfer of book-entry securities or the granting of security rights on book-entry securities by way of assignment is excluded. The transfer restrictions according to Article 5 are not affected by these regulations.

---

**ARTICLE 5: SHARE REGISTER, TRANSFER RESTRICTIONS**

The identity of the owners/usufructuaries of registered shares shall be entered in the share register stating first/last name (for legal entities the company name), domicile, address and citizenship (for legal entities the legal domicile). Any person registered in the share register changing its address, must inform the Company accordingly.

Persons acquiring registered shares shall on application be entered in the share register without limitation as shareholders with voting rights, provided they expressly declare themselves to have acquired the said shares in their own name and for their own account and comply with the disclosure requirements stipulated by the Federal Act on Financial Market Infrastructure (FinfraG) of 19 June 2015. Entry in the share register of registered shares as a shareholder with voting rights is subject to the approval of the Company. Entry in the share register of registered shares as a shareholder with voting rights may be refused based on the grounds set out in Article 5 para. 3, 4 and 5. If the Company does not refuse to register the acquirer as shareholder with voting rights within 20 calendar days upon receipt of the application, the acquirer is deemed to be a shareholder with voting rights. Non-recognized acquirers shall be entered in the share register as shareholders without voting rights. The corresponding shares shall be considered as not represented in the General Meeting of Shareholders.

Persons not expressly declaring themselves to be holding shares for their own account in their application for entry in the share register or upon request by the Company (hereafter referred to as nominees) shall be entered in the share register with voting rights without further inquiry up to a maximum of 3.0% of the share capital outstanding at that time. Above this limit registered shares held by nominees shall be entered in the share register with voting rights only if the nominee in question in the application for registration or thereafter upon request by the Company makes known the names, addresses and shareholdings of the persons for whose account he is holding 0.5% or more of the share capital outstanding at that time and provided that the disclosure requirements stipulated by the Federal Act on Financial Market Infrastructure (FinfraG) of 19 June 2015 are complied with. The Board of Directors has the right to conclude agreements with nominees concerning their disclosure requirements.

Subject to Art. 652b para. 3 CO, the above mentioned limit of registration also applies to the subscription for or acquisition of registered shares by exercising pre-emptive, option or convertible rights arising from shares or any other securities issued by the Company or third parties.

Legal entities or partnerships or other associations or joint ownership arrangements which are linked through capital ownership or voting rights, through common management or in like manner, as well as individuals, legal entities or partnerships (especially syndicates) which act in concert with the intent to circumvent the entry restriction are considered as one shareholder or nominee.

The Company may in special cases approve exceptions to the above restrictions (Article 5 para. 3, 4 and 5). After due consultation with the persons concerned, the Company is further authorized to delete entries in the share register as shareholder with voting rights with retroactive effect if they were effected on the basis of false information or if the respective person does not provide the information pursuant to Article 5 para. 3. The concerned person has to be immediately informed about the deletion.

Until an acquirer becomes a shareholder with voting rights for the shares in accordance with Article 5, she/he may neither exercise the voting rights connected with the shares nor other rights associated with the voting rights.

**ARTICLE 5: SHARE REGISTER, TRANSFER RESTRICTIONS**

The identity of the owners/usufructuaries of registered shares shall be entered in the share register stating first/last name (for legal entities the company name), domicile, address and citizenship (for legal entities the legal domicile). Any person registered in the share register changing its address, must inform the Company accordingly. **Communications from the Company shall be deemed to have been validly made if sent to the shareholder's or authorized delivery agent's last registered address in the share register.**

Persons acquiring registered shares shall on application be entered in the share register without limitation as shareholders with voting rights, provided they expressly declare ~~themselves to that they~~ have acquired ~~the said these~~ shares in their own name and for their own account ~~and, that there is no agreement on the redemption of the relevant shares and that they bear the economic risk associated with the shares, and they~~ comply with the disclosure requirements stipulated by the Federal Act on Financial Market Infrastructure (FinfraG) of ~~19 June 19~~, 2015. Entry in the share register of registered shares as a shareholder with voting rights is subject to the approval of the Company. Entry in the share register of registered shares as a shareholder with voting rights may be refused based on the grounds set out in Article 5 para. 3, 4 and 5. If the Company does not refuse to register the acquirer as shareholder with voting rights within 20 calendar days upon receipt of the application, the acquirer is deemed to be a shareholder with voting rights. Non-recognized acquirers shall be entered in the share register as shareholders without voting rights. The corresponding shares shall be considered as not represented in the General Meeting ~~of Shareholders~~.

Persons ~~who do not expressly declaring themselves to be holding shares for their own account make the declarations pursuant to para. 2~~ in their application for entry in the share register or upon request by the Company (hereafter referred to as ~~nominees~~ "nominees") shall be entered in the share register with voting rights without further inquiry up to a maximum of 3.0% of the share capital outstanding at that time. Above this limit registered shares held by nominees shall be entered in the share register with voting rights only if the nominee in question in the application for registration or thereafter upon request by the Company makes known the names, addresses and shareholdings of the persons for whose account he is holding 0.5% or more of the share capital outstanding at that time and provided that the disclosure requirements stipulated by the Federal Act on Financial Market Infrastructure (FinfraG) of ~~19 June 19~~, 2015, are complied with. ~~The Board of Directors has the right to conclude agreements with nominees concerning their disclosure requirements.~~

Subject to ~~Art.~~ **article** 652b para. 3 CO, the above mentioned limit of registration also applies to the subscription for or acquisition of registered shares by exercising pre-emptive, option or convertible rights arising from shares or any other securities issued by the Company or third parties.

Legal entities or partnerships or other associations or joint ownership arrangements which are linked through capital ownership or voting rights, through common management or in like manner, as well as individuals, legal entities or partnerships (especially syndicates) which act in concert with the intent to circumvent the entry restriction are considered as one shareholder or nominee.

The Company may in special cases approve exceptions to the above restrictions (Article 5 para. 3, 4 and 5). After due consultation with the persons concerned, the Company is further authorized to delete entries in the share register as shareholder with voting rights with retroactive effect if they were effected on the basis of false ~~or misleading~~ information or if the respective person does not provide the information pursuant to Article 5 para. 3. The concerned person has to be immediately informed about the deletion.

Until an acquirer becomes a shareholder with voting rights for the shares in accordance with Article 5, she/he may neither exercise the voting rights connected with the shares nor other rights associated with the voting rights.

### III. Organisation

#### A. General Meeting

##### ARTICLE 6: AUTHORITIES

The General Meeting is the supreme corporate body of the Company. It has the following non-transferable powers:

1. to adopt and amend the Articles of Association;
2. to elect and recall the members of the Board of Directors, the Chairman of the Board of Directors, the members of the Remuneration Committee, the Auditors and the Independent Proxy;
3. to approve the management report and the consolidated accounts;
4. to approve the annual accounts as well as to pass resolutions regarding the allocation of profits as shown on the balance sheet, in particular to determine the dividends;
5. to approve the aggregate amounts of the maximum compensation of the members of the Board of Directors and the executive management pursuant to Articles 12, 25 and 26;
6. to grant discharge to the members of the Board of Directors;
7. to pass resolutions regarding issues which are reserved to the General Meeting by law or by the Articles of Association or which are presented to it by the Board of Directors.

##### ARTICLE 7: MEETINGS

The ordinary General Meeting shall be held annually within six months after the close of the business year. The Board of Directors determines the time and location of the General Meeting.

Extraordinary General Meetings shall be called as often as necessary, in particular, in all cases required by law.

Extraordinary General Meetings shall be convened by the Board of Directors within 2 months if shareholders representing at least five percent of the share capital request such meeting in writing, setting forth the items to be discussed and the proposals to be decided upon.

##### ARTICLE 8: NOTICE

General Meetings shall be convened by the Board of Directors and, if need be, by the Auditors. The liquidators shall also be entitled to convene a General Meeting.

Notice of the General Meeting shall be given by publication in the Swiss Official Gazette of Commerce at least 20 calendar days before the date of the meeting. To the extent the post and/or e-mail addresses of the shareholders are known, notice shall be sent simultaneously by post and/or e-mail. The notice shall state the day, time and place of the Meeting, the agenda, the proposals of the Board of Directors and the proposals of the shareholders who have requested the General Meeting or that an item be included on the agenda.

The annual business report and the Auditors' report must be submitted for examination by the shareholders at the registered office of the Company at least 20 calendar days prior to the date of the ordinary General Meeting. Reference to such submission and to the shareholders' right to request the conveying of these documents to them shall be included in the notice to the General Meeting.

### III. ~~Organisation~~ Organization

#### A. General Meeting

##### ARTICLE 6: AUTHORITIES

The General Meeting is the supreme corporate body of the Company. It has the following non-transferable powers:

1. to adopt and amend the Articles of Association;
2. to elect and recall the members of the Board of Directors, the ~~Chairman~~ ~~Chair~~ of the Board of Directors, the members of the Remuneration Committee, the Auditors and the Independent Proxy;
3. to approve the management report and the consolidated accounts;
4. to approve the annual accounts as well as to pass resolutions regarding the allocation of profits as shown on the balance sheet, in particular to determine the dividends (including any repayment of the statutory capital reserves and the approval of interim dividends as well as the interim financial statements required for such purpose);
5. to approve the aggregate amounts of the maximum ~~compensation-remuneration~~ of the members of the Board of Directors and the ~~executive management~~ Executive Management pursuant to Articles 12, 25 and 26;
6. to grant discharge to the members of the Board of Directors and the persons entrusted with the management;
7. to pass resolutions regarding the delisting of the Company's securities;
8. to approve the report on non-financial matters pursuant to article 964c CO; and
79. to pass resolutions regarding issues which are reserved to the General Meeting by law or by the Articles of Association ~~or which are presented to it by the Board of Directors.~~

##### ARTICLE 7: MEETINGS

The ordinary General Meeting shall be held annually within six months after the close of the business year. The Board of Directors determines the time ~~and~~, the location ~~and~~, as the case may be, the form of the General Meeting in compliance with the law and these articles of association.

Extraordinary General Meetings shall be called as often as necessary, in particular, in all cases required by law.

Extraordinary General Meetings shall be convened by the Board of Directors within 2 months if shareholders representing at least five percent of the share capital request such meeting in writing, setting forth the items to be discussed and the proposals to be decided upon.

##### ARTICLE 8: NOTICE

General Meetings shall be convened by the Board of Directors and, if need be, by the Auditors. The liquidators shall also be entitled to convene a General Meeting.

Notice of the General Meeting shall be given at least 20 calendar days prior to the date of the General Meeting by way of a single announcement in the form provided for in Article 31. The content of the notice shall be governed by the law. ~~by publication in the Swiss Official Gazette of Commerce at least 20 calendar days before the date of the meeting. To the extent the post and/or e-mail addresses of the shareholders are known, notice shall be sent simultaneously by post and/or e-mail. The notice shall state the day, time and place of the Meeting, the agenda, the proposals of the Board of Directors and the proposals of the shareholders who have requested the General Meeting or that an item be included on the agenda.~~

~~The annual business report and the Auditors' report must be submitted for examination by the shareholders at the registered office of the Company at least 20 calendar days prior to the date of the ordinary General Meeting. Reference to such submission and to the shareholders' right to request the conveying of these documents to them shall be included in the notice to the General Meeting.~~

**ARTICLE 9: AGENDA**

The Board of Directors shall state the items on the agenda.

Registered shareholders with voting rights individually or jointly representing at least shares with a par value of CHF 1,000,000 may demand that items be put on the agenda. Such demands have to be submitted to the Chairman of the Board of Directors at least 45 calendar days before the date of the General Meeting and shall be in writing, specifying the item and the proposals.

No resolutions may be passed on motions concerning agenda items which have not been duly announced apart from those exceptions permitted by law.

**ARTICLE 10: CHAIR, MINUTES**

The General Meeting shall be chaired by the Chairman of the Board of Directors, or, in his absence, by another member of the Board of Directors selected by the Board of Directors, or by another chairman elected for that day by the General Meeting (“**Chairman**”).

The Chairman designates a Secretary for the minutes as well as the scrutineers who do not need to be shareholders.

The Board of Directors is responsible for the keeping of the minutes, which are to be signed by the Chairman and by the Secretary.

**ARTICLE 11: RESOLUTIONS**

Subject to the provisions of Article 5, each share entitles to one vote.

Each shareholder may be represented by the Independent Proxy or any other person who needs not be a shareholder. The Board of Directors determines the requirements regarding proxies and voting instructions.

The General Meeting shall pass its resolutions and carry out its elections with the simple majority of the votes cast, to the extent that neither the law nor the Articles of Association provide otherwise. Abstentions, empty votes and invalid votes will not be taken into account for the calculation of the required majority.

The members of the Board of the Directors and the members of the Remuneration Committee are elected individually.

The Chairman shall have no casting vote.

The Chairman shall determine the voting procedure.

**ARTICLE 8A: VENUE**

The Board of Directors may determine that the General Meeting be held abroad. In this event, it designates an Independent Proxy in the notice convening the General Meeting.

The Board of Directors may determine that the General Meeting be held simultaneously at different locations, provided that the contributions of the participants are transmitted directly in video and audio to all venues, or that shareholders who are not present at the venue(s) of the General Meeting may exercise their rights by electronic means.

The Board of Directors may at any time until June 22, 2026, provide that the General Meeting be held electronically without a venue.

**ARTICLE 9: AGENDA**

The Board of Directors shall state the items on the agenda.

Registered shareholders with voting rights individually or jointly representing at least shares with a ~~par~~ nominal value of CHF 1,000,000 may demand that items be put on the agenda. Such demands have to be submitted to the ~~Chairman~~ Chair of the Board of Directors at least 45 calendar days before the date of the General Meeting and shall be in writing, specifying the item and the proposals. ~~If the requesting shareholders demand that an explanatory statement be included in the notice of meeting, it must be submitted by the requesting shareholders within the same period and formulated in a short, clear and concise manner.~~

No resolutions may be passed on motions concerning agenda items which have not been duly announced apart from those exceptions permitted by law.

**ARTICLE 10: CHAIR OF THE GENERAL MEETING, MINUTES**

The General Meeting shall be chaired by the ~~Chairman~~ Chair of the Board of Directors, or, in ~~his~~ their absence, by another member of the Board of Directors selected by the Board of Directors, or by another ~~chairman~~ chair elected for that day by the General Meeting (“~~Chairman~~” **Chair of the General Meeting**”).

The ~~Chairman~~ Chair of the General Meeting designates a ~~Secretary~~ secretary for the minutes as well as the scrutineers who do not need to be shareholders.

The Board of Directors is responsible for the keeping of the minutes ~~in accordance with Article 702 OR~~, which are to be signed by the ~~Chairman~~ Chair of the General Meeting and by the ~~Secretary~~ secretary.

The resolutions 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 them within 30 calendar days after the General Meeting.

**ARTICLE 11: RESOLUTIONS**

Subject to the provisions of Article 5, each share entitles to one vote.

Each shareholder may be represented by the Independent Proxy or any other person who needs not be a shareholder. The Board of Directors determines the requirements regarding proxies and voting instructions.

The General Meeting shall pass its resolutions and carry out its elections with the simple majority of the votes cast, to the extent that neither the law nor the Articles of Association provide otherwise. Abstentions, empty votes and invalid votes will not be taken into account for the calculation of the ~~votes~~ required for a simple majority.

The members of the Board of the Directors and the members of the Remuneration Committee are elected individually.

The ~~Chairman~~ Chair of the General Meeting shall have no casting vote.

The ~~Chairman~~ Chair of the General Meeting shall determine the voting procedure.

**ARTICLE 12: VOTES ON COMPENSATION**

Each year, the General Meeting votes separately and bindingly on the proposals by the Board of Directors regarding the aggregate amounts of:

1. the compensation of the Board of Directors according to Article 25 for the term of office until the next ordinary General Meeting;
2. the maximum overall compensation of the Executive Management (fixed and performance based components) pursuant to Art. 26 para. 1 and 2 that may be paid or allocated in the subsequent business year.

The Board of Directors may present to the General Meeting deviating or additional proposals for approval in relation to the same or different time periods.

If the General Meeting does not approve the proposed amount of the proposed fixed or proposed variable compensation, as the case may be, the Board of Directors may either submit new proposals at the same General Meeting, convene a new extraordinary General Meeting and make new proposals for approval or may submit the proposals regarding compensation for retrospective approval at the next ordinary General Meeting.

The aggregate compensation amounts for members of the Board of Directors as well as for Executive Management are deemed to be inclusive of all social security and pension contributions of the members of the Board of Directors and the executive management respectively and the Company (contributions by employee and employer).

The compensation approved by the General Meeting may be paid by the Company or by companies being directly or indirectly controlled by the Company.

The General Meeting shall cast a consultative vote on the compensation report issued by the Board of Directors.

**ARTICLE 13: QUALIFIED MAJORITY FOR IMPORTANT RESOLUTIONS**

A resolution of the General Meeting passed by at least two thirds of the represented share votes and the absolute majority of the represented shares par value is required for:

1. the cases listed in Article 704 para. 1 CO and in Article 18 and Article 64 of the Federal Act on Merger, Demerger, Transformation and Transfer of Assets (Merger Act) dated 3 October 2003;
2. the easement or abolition of the restriction of the transferability of the registered shares;
3. any change to this Article 13.

**ARTICLE 14: INDEPENDENT PROXY**

The General Meeting elects an independent proxy. Natural persons as well as legal entities and partnerships are eligible for election.

The term of office of the Independent Proxy ends at the next ordinary General Meeting. Re-election is possible. The duties of the Independent Proxy are governed by the relevant statutory provisions.

**B. Board of Directors****ARTICLE 15: ELECTION, TERM OF OFFICE, CONSTITUTION**

The Board of Directors shall consist of a minimum of three members. The term of the members of the Board of Directors as well of the Chairman shall correspond to the legally permitted maximum term of one year and shall end at the end of the next ordinary General Meeting. Re-election is possible as long as at the time of election or re-election the relevant member has not completed the age of 70.

The Board of Directors appoints the Secretary who does not need to be a shareholder or a member of the Board of Directors.

**ARTICLE 12: VOTES ON COMPENSATION REMUNERATION**

Each year, the General Meeting votes separately and bindingly on the proposals by the Board of Directors regarding the aggregate amounts of:

1. the ~~compensation~~ maximum aggregate remuneration of the Board of Directors according to Article 25 for the term of office until the next ordinary General Meeting;
2. the maximum ~~overall compensation~~ aggregate remuneration of the Executive Management (fixed and performance based components) pursuant to ~~Art. article~~ 26 para. 1 and 2 that may be paid or ~~allocated~~ granted in the subsequent business year.

The Board of Directors may present to the General Meeting deviating or additional proposals for approval in relation to the same or different time periods.

If the General Meeting does not approve the proposed ~~amount of the proposed~~ fixed or the proposed variable ~~compensation~~ remuneration amount, as the case may be, the Board of Directors may either submit new proposals at the same General Meeting, convene a new extraordinary General Meeting and make new proposals for approval or may submit the proposals regarding ~~compensation~~ remuneration for retrospective approval at the next ordinary General Meeting.

The ~~respective~~ aggregate ~~compensation~~ remuneration amounts for members of the Board of Directors as well as for ~~the~~ Executive Management are deemed to be inclusive of all social security and pension contributions of the members of the Board of Directors and the ~~executive management~~ Executive Management, respectively, and the Company (~~contributions by~~ employee and employer ~~contributions~~).

The ~~compensation~~ remuneration approved by the General Meeting may be paid by the Company or by companies being directly or indirectly controlled by the Company.

The General Meeting shall cast a consultative vote on the ~~compensation~~ remuneration report issued by the Board of Directors.

**ARTICLE 13: QUALIFIED MAJORITY FOR IMPORTANT RESOLUTIONS**

A resolution of the General Meeting passed by at least two thirds of the represented share votes and the ~~absolute~~ majority of the represented ~~nominal value of the~~ shares ~~par value~~ is required for:

1. the cases listed in Article 704 para. 1 CO and in Article 18 and Article 64 of the Federal Act on Merger, Demerger, Transformation and Transfer of Assets (Merger Act) dated 3 October 2003;
2. the easement or abolition of the restriction of the transferability of the registered shares;
3. any change to this Article 13.

**ARTICLE 14: INDEPENDENT PROXY**

The General Meeting elects an independent proxy. Natural persons as well as legal entities and partnerships are eligible for election.

The term of office of the Independent Proxy ends at the next ordinary General Meeting. Re-election is possible. The duties of the Independent Proxy are governed by the relevant statutory provisions.

**B. Board of Directors****ARTICLE 15: ELECTION, TERM OF OFFICE, CONSTITUTION**

The Board of Directors shall consist of a minimum of three members. The term of the members of the Board of Directors as well of the ~~Chairman~~ Chair of the Board of Directors shall correspond to the legally permitted maximum term of one year and shall end at the end of the next ordinary General Meeting. Re-election is possible as long as at the time of election or re-election the relevant member has not completed the age of 70.

The Board of Directors ~~appoints the Secretary~~ may appoint a secretary who does not need to be a shareholder or a member of the Board of Directors.

**ARTICLE 16: ULTIMATE DIRECTION, DELEGATION**

The Board of Directors is entrusted with the ultimate direction of the Company as well as the supervision of the management. It represents the Company towards third parties and attends to all matters which are not delegated to or reserved for another corporate body of the Company by law, the Articles of Association or the regulations.

The Board of Directors may delegate the management and the representation of the Company wholly or in part to one or several natural persons or members of the Board of Directors. The Board of Directors shall enact the organizational regulations and arrange for the respective contractual relationships.

**ARTICLE 17: DUTIES**

The Board of Directors has the following non-transferable and irrevocable duties:

1. to ultimately direct the Company and issue the necessary directives;
2. to determine the organization;
3. to organize the accounting, the internal control system (ICS), the financial control and the financial planning as well as to perform a risk assessment;
4. to appoint and recall the persons entrusted with the executive management and representation of the Company and to grant signatory power;
5. to ultimately supervise the persons entrusted with the management, in particular with respect to compliance with the law, the Articles of Association, regulations and directives;
6. to prepare the business report, as well as the General Meeting and to implement the latter's resolutions;
7. to prepare the compensation report;
8. to inform the judge in the event of over-indebtedness;
9. to pass resolutions regarding the subsequent payment of capital with respect to non-fully paid-in shares and regarding the amendments to the Articles of Association entailed thereby;
10. to pass resolutions confirming increases in share capital regarding the preparation of the capital increase report and regarding the amendments to the Articles of Association entailed thereby;
11. to examine compliance with the legal requirements regarding the appointment, election and the professional qualifications of the Auditors;
12. to execute the agreements pursuant to Articles 12, 36 and 70 of the Merger Act.

If the office of the Chairman of the Board of Directors is vacant, the Remuneration Committee is not complete or the Company does not have an Independent Proxy, the Board of Directors shall appoint a substitute for the time period until the conclusion of the next ordinary General Meeting that must be – with the exception of the Independent Proxy – a member of the Board of Directors.

**ARTICLE 18: ORGANIZATION, MINUTES**

The organization of the meetings, the presence quorum and the passing of resolutions of the Board of Directors shall be in compliance with the organizational regulations.

The Chairman shall have the casting vote.

Minutes shall be kept of the deliberations and resolutions of the Board of Directors. The minutes shall be signed by the Chairman and the Secretary of the Board of Directors.

**ARTICLE 16: ULTIMATE DIRECTION, DELEGATION**

The Board of Directors is entrusted with the ultimate direction of the Company as well as the supervision of the management. It represents the Company towards third parties and attends to all matters which are not delegated to or reserved for another corporate body of the Company by law, the Articles of Association or the regulations.

The Board of Directors may delegate the management and the representation of the Company wholly or in part to one or several natural persons or members of the Board of Directors. The Board of Directors shall enact the organizational regulations and arrange for the respective contractual relationships.

**ARTICLE 17: DUTIES**

The Board of Directors has the following non-transferable and irrevocable duties:

1. to ultimately direct the Company and issue the necessary directives;
2. to determine the organization;
3. to organize the accounting, the internal control system (ICS), the financial control and the financial planning as well as to perform a risk assessment;
4. to appoint and recall the persons entrusted with the executive management and representation of the Company and to grant signatory power;
5. to ultimately supervise the persons entrusted with the management, in particular with respect to compliance with the law, the Articles of Association, regulations and directives;
6. to prepare the business report, as well as the General Meeting and to implement the latter's resolutions;
7. to prepare the ~~compensation report~~ remuneration report and the report on non-financial matters as well as all other reports that are prepared by the Board of Directors;
8. to file a petition for a debt-restructuring moratorium and to inform the judge in the event of over-indebtedness;
9. to pass resolutions regarding the subsequent payment of capital with respect to non-fully paid-in shares and regarding the amendments to the Articles of Association entailed thereby;
10. to pass resolutions ~~confirming increases in~~ on the change of the share capital ~~regarding~~ to the extent that such power is vested in the Board of Directors, the ascertainment of capital changes, the preparation of the capital increase report, and ~~regarding~~ the respective amendments to the Articles of Association ~~entailed thereby~~ (including deletions);
11. to examine compliance with the legal requirements regarding the appointment, election and the professional qualifications of the Auditors;
12. to execute the agreements pursuant to Articles 12, 36 and 70 of the Merger Act.

If the office of the ~~Chairman~~ Chair of the Board of Directors is vacant, the Remuneration Committee is not complete or the Company does not have an Independent Proxy, the Board of Directors shall appoint a substitute for the time period until the conclusion of the next ordinary General Meeting that must be – with the exception of the Independent Proxy – a member of the Board of Directors.

**ARTICLE 18: ORGANIZATION, MINUTES**

The organization of the meetings, the presence quorum and the passing of resolutions of the Board of Directors shall be in compliance with the organizational regulations.

The ~~Chairman~~ person chairing the meeting of the Board of Directors shall have the casting vote.

Minutes shall be kept of the deliberations and resolutions of the Board of Directors. The minutes shall be signed by the ~~Chairman and the Secretary of the Board of Directors~~ person chairing the meeting of the Board of Directors and the minute keeper. Resolutions may also be passed via teleconference, or, unless a member calls for an oral deliberation, in writing by way of a circular or via electronic means.

**ARTICLE 19: REMUNERATION COMMITTEE**

The General Meeting elects all the members to the Remuneration Committee from among the Board of Directors, it being understood that the Remuneration Committee should consist of at least 2 members. The term of office of the members of the Remuneration Committee shall be one year and shall end at the next ordinary General Meeting. Re-election is possible.

The Remuneration Committee has the following duties regarding compensation matters:

1. proposals to the full Board of Directors regarding the compensation scheme of the Landis+Gyr Group pursuant to the principles of Articles 25 and 26;
2. proposals to the full Board of Directors regarding the determination of compensation-related targets for the executive management;
3. proposals to the full Board of Directors regarding the approval of the individual compensation of the Chairman of the Board of Directors, the other members of the Board of Directors as well as the maximum aggregate compensation of the CEO;
4. proposals to the full Board of Directors regarding the individual compensation (fixed and variable compensation) of the members of the executive management as well as their further terms of employment and titles;
5. proposals to the full Board of Directors regarding amendments to the Articles of Association with respect to the compensation scheme for members of the executive management;
6. proposals to the full Board of Directors regarding mandates pursuant to Article 23 and further additional occupation of the members of the executive management;
- 7 further duties and responsibilities as provided for in the Articles of Association.

The Board of Directors will provide for possible further duties and responsibilities of the Remuneration Committee in the organizational regulations.

---

**C. Auditors****ARTICLE 20: DUTY OF AUDIT, ELECTION, APPOINTMENT AND DUTIES OF AUDITORS**

The General Meeting shall elect the Auditors pursuant to the provisions of this Article. The Auditors must be registered in the Commercial Register.

The Auditors shall perform a regular audit of the Company's annual financial statements.

The Board of Directors shall monitor compliance with these provisions and nominate for election by the General Meeting such Auditors which meet the respective requirements, in particular, regarding qualification and independence pursuant to the provisions of the CO (Articles 727 et seq.) and the Swiss Audit Supervision Act of 16 December 2005 in the relevant applicable version.

The Auditors' term of office shall be 1 year. It shall end with the approval of the last annual financial accounts. Re-election and revocation are possible at any time.

The Auditors' rights and obligations are those foreseen in Articles 728 et seq. CO.

---

**ARTICLE 19: REMUNERATION COMMITTEE**

The General Meeting elects all the members to the Remuneration Committee from among the Board of Directors, it being understood that the Remuneration Committee should consist of at least 2 members. The term of office of the members of the Remuneration Committee shall be one year and shall end at the next ordinary General Meeting. Re-election is possible.

The Remuneration Committee has the following duties regarding ~~compensation~~ remuneration matters:

1. proposals to the full Board of Directors regarding the ~~compensation~~ remuneration scheme of the Landis+Gyr Group pursuant to the principles of Articles 25 and 26;
2. proposals to the full Board of Directors regarding the determination of ~~compensation-related~~ remuneration-related targets for the ~~executive management~~ Executive Management;
3. proposals to the full Board of Directors regarding the approval of the individual ~~compensation~~ remuneration of the ~~Chairman~~ Chair of the Board of Directors, the other members of the Board of Directors as well as the maximum aggregate ~~compensation~~ remuneration of the CEO;
4. proposals to the full Board of Directors regarding the individual ~~compensation~~ remuneration (fixed and variable ~~compensation~~ remuneration) of the members of the ~~executive management~~ Executive Management as well as their further terms of employment and titles;
5. proposals to the full Board of Directors regarding amendments to the Articles of Association with respect to the ~~compensation~~ remuneration scheme for members of the ~~executive management~~ Executive Management; and
- ~~6. proposals to the full Board of Directors regarding mandates pursuant to Article 23 and further additional occupation of the members of the executive management;~~
- ~~7~~6. further duties and responsibilities as provided for in the Articles of Association.

The Board of Directors will provide for possible further duties and responsibilities of the Remuneration Committee in the organizational regulations.

---

**C. Auditors****ARTICLE 20: DUTY OF AUDIT, ELECTION, APPOINTMENT AND DUTIES OF AUDITORS**

The General Meeting shall elect the Auditors pursuant to the provisions of this Article. The Auditors must be registered in the Commercial Register.

The Auditors shall perform a regular audit of the Company's annual financial statements.

The Board of Directors shall monitor compliance with these provisions and nominate for election by the General Meeting such Auditors which meet the respective requirements, in particular, regarding qualification and independence pursuant to the provisions of the CO (Articles 727 et seq.) and the Swiss Audit Supervision Act of ~~16~~ December 16, 2005, in the relevant applicable version.

The Auditors' term of office shall be 1 year. It shall end with the approval of the last annual financial accounts. Re-election and revocation are possible at any time.

The Auditors' rights and obligations are those foreseen in Articles 728 et seq. CO.

---

**IV. Accounting Principles****ARTICLE 21: ANNUAL ACCOUNTS AND CONSOLIDATED FINANCIAL STATEMENTS**

The Company prepares its annual report including annual accounts (statutory financial statements) and consolidated financial statements in accordance with applicable law.

The Board of Directors shall determine the start and the end of the Company's business year.

**ARTICLE 22: DISTRIBUTION OF PROFITS**

Subject to the statutory provisions regarding the distribution of profits, in particular Articles 671 et seq. CO, the profits as shown on the balance sheet may be allocated by the General Meeting at its discretion.

The dividend may only be determined after the transfers foreseen by law to the compulsory reserve funds have been deducted. All dividends unclaimed within a period of five years after their due date shall be forfeited to the Company.

**IV. Compensation and related provisions****ARTICLE 23: PERMITTED ADDITIONAL ACTIVITIES**

The members of the Board of Directors may have the following other functions in the superior management or administrative bodies of legal units obliged to register themselves in a Swiss commercial register or a foreign equivalent thereof and which are not controlled by the Company, do not control the Company or do not constitute pension funds insuring employees of the Landis+Gyr Group:

1. up to 4 (respectively the Chairman of the Board of Directors up to 3) mandates as member of the board of directors or any other superior management or administrative body of publicly traded companies pursuant to Article 727 para. 1 number 1 CO; and, in addition,
2. up to 10 mandates as member of the board of directors or any other superior management or administrative body of legal entities that do not meet the above mentioned criteria; and, in addition,
3. up to 10 mandates in associations, charity foundations and employee assistance foundations.

With the approval of the Remuneration Committee, the members of the executive management may have the following other functions in the superior management or administrative bodies of legal entities obliged to register themselves in a Swiss commercial register or a foreign equivalent thereof and which are not controlled by the Company, do not control the Company or do not constitute pension funds insuring employees of the Landis+Gyr Group:

1. up to 1 mandate as member of a board of directors or any other superior management or administrative body of a publicly traded company pursuant to Article 727 para. 1 number 1 CO; and, in addition
2. up to 5 mandates as member of the board of directors or any other superior management or administrative body of other legal entities that do not meet the above mentioned criteria.

With respect to the additional activities of both the members of the Board of Directors and the executive management, mandates in companies that are under uniform control or the same beneficial ownership are deemed one mandate.

**IV. Accounting Principles****ARTICLE 21: ANNUAL ACCOUNTS AND CONSOLIDATED FINANCIAL STATEMENTS**

The Company prepares its annual report including annual accounts (statutory financial statements) and consolidated financial statements in accordance with applicable law.

The Board of Directors shall determine the start and the end of the Company's business year.

**ARTICLE 22: DISTRIBUTION OF PROFITS**

Subject to the statutory provisions regarding the distribution of profits, in particular Articles 671 et seq. CO, the profits as shown on the balance sheet may be allocated by the General Meeting at its discretion.

The dividend may only be determined after the transfers foreseen by law to the compulsory reserve funds have been deducted. All dividends unclaimed within a period of five years after their due date shall be forfeited to the Company.

**IV. Compensation-Remuneration and related provisions****ARTICLE 23: PERMITTED ADDITIONAL ACTIVITIES**

The members of the Board of Directors may have the following ~~other functions in the superior management or administrative bodies of legal units obliged to register themselves in a Swiss commercial register or a foreign equivalent thereof and which are not controlled by the Company, do not control the Company or do not constitute pension funds insuring employees of the Landis+Gyr Group~~ mandates:

1. ~~up to 4 (respectively the Chairman of the Board of Directors up to 3) mandates as member of the board of directors or any other superior management or administrative body of publicly traded companies pursuant to Article 727 para. 1 number 1 CO; and, in addition,~~ **up to 10 mandates in legal entities (whereof up to 4 (respectively the Chairman-Chair of the Board of Directors up to 3) mandates as member of the board of directors or any other superior management or administrative body of may be in publicly traded companies pursuant to Article 727 para. 1 number 1 CO); and, in addition,**
- ~~2. up to 10 mandates as member of the board of directors or any other superior management or administrative body of legal entities that do not meet the above mentioned criteria; and, in addition,~~
- 3. up to 10 mandates in associations, charity foundations and employee assistance foundations.**

~~With the approval of the Remuneration Committee, the members of the executive management may have the following other functions in the superior management or administrative bodies of legal entities obliged to register themselves in a Swiss commercial register or a foreign equivalent thereof and which are not controlled by the Company, do not control the Company or do not constitute pension funds insuring employees of the Landis+Gyr Group:~~

- ~~1. up to 1 mandate as member of a board of directors or any other superior management or administrative body of~~ **With the approval of the Nomination, Governance and Sustainability Committee, the members of the Executive Management may have up to 3 additional mandates in legal entities (whereof up to 1 mandate may be in a publicly traded company pursuant to Article 727 para. 1 number 1 CO; and, in addition).**
- ~~2. up to 5 mandates as member of the board of directors or any other superior management or administrative body of other legal entities that do not meet the above mentioned criteria.~~

~~With respect to the additional activities of both the members of the Board of Directors and the executive management, mandates in companies~~ **Mandates shall mean mandates in comparable functions at other enterprises with an economic purpose. Mandates in different legal entities that are under uniform control, or the same beneficial ownership are deemed one mandate. Mandates in companies which are controlled by the Company, or which control the Company are not subject to the limitations set forth in this Article.**

**ARTICLE 24: AGREEMENTS RELATED TO COMPENSATION FOR MEMBERS OF THE BOARD OF DIRECTORS AND THE EXECUTIVE MANAGEMENT**

The mandate agreements of the members of the Board of Directors have a fixed term until the conclusion of the next ordinary General Meeting. Early termination or removals remain reserved.

The employment agreements of the members of the executive management shall in principle be concluded for an indefinite period. If the Board of Directors considers a fixed term appropriate, such fixed term shall not exceed 1 year. With respect to employment agreements entered into for an indefinite period, the maximum notice period must not exceed 12 months.

Non-competition agreements for the time following termination of an employment contract and the associated compensation are permitted to the extent that this is justified from a business perspective. The compensation for such a non-competition obligation may not exceed in total the average of the (fixed) compensation paid to the respective member of the executive management during the last three years.

**ARTICLE 25: PRINCIPLES RELATING TO THE COMPENSATION OF THE MEMBERS OF THE BOARD OF DIRECTORS**

The members of the Board of Directors shall receive a fixed basic fee and fixed fees for memberships in committees or for roles of the Board of Directors as well as a lump sum compensation for expenses which are determined by the full Board of Directors based on the proposal of the Remuneration Committee and subject to and within the limits of the aggregate amounts approved by the General Meeting. The compensation is awarded in cash and in form of shares in the Company. In exceptional cases and subject to and within the limits of the approval by the General Meeting, the members of the Board of Directors may be awarded a performance related compensation.

The members of the Board of Directors providing consulting services to the Company or other group companies in a function other than as members of the Board of Directors may be compensated in cash according to standard market rates subject to approval by the General Meeting.

**ARTICLE 26: PRINCIPLES OF COMPENSATION RELATING TO THE MEMBERS OF THE EXECUTIVE MANAGEMENT**

Subject to approval by the General Meeting, remuneration for members of the executive management consists of fixed base remuneration in cash as well as performance-based remuneration, all of which may be paid by the Company or companies controlled by it. The fixed remuneration in cash comprises the base remuneration and additional remuneration elements. Performance-based remuneration consists of a short term performance-based remuneration in cash as well as a multi-year management incentivization share participation plan, the terms of which shall be set forth in regulations to be enacted by the Board of Directors in accordance with the provisions set forth in paragraphs 2 and 3 of this Article 26.

The amount of short-term performance-based remuneration in cash depends on the achievement of targets set by the Board of Directors over the course of a one-year performance period. The amount of the individual short-term performance-based remuneration for hundred percent target achievement (target bonus) shall be set by the Board of Directors separately for each member of the executive management. Targets shall be determined on an annual basis for each member of the executive management, taking into account his position, responsibilities, and tasks, as well as local market conditions, at the start of a one-year performance period. At the conclusion of the one-year performance period, the total target achievement, which may lie between zero and a maximum of two hundred percent, shall be determined. The effective short-term performance-based remuneration in cash shall be calculated by multiplying the total target achievement by the target bonus.

**ARTICLE 24: AGREEMENTS RELATED TO ~~COMPENSATION-~~REMUNERATION FOR MEMBERS OF THE BOARD OF DIRECTORS AND THE EXECUTIVE MANAGEMENT**

The mandate agreements of the members of the Board of Directors have a fixed term until the conclusion of the next ordinary General Meeting. Early termination or removals remain reserved.

The employment agreements of the members of the ~~executive management~~ Executive Management shall in principle be concluded for an indefinite period. If the Board of Directors considers a fixed term appropriate, such fixed term shall not exceed 1 year. With respect to employment agreements entered into for an indefinite period, the maximum notice period must not exceed 12 months.

Non-competition agreements for the time following termination of an employment contract and the associated compensation are permitted, to the extent that this is justified from a business perspective. The ~~duration of such a non-competition agreement may not exceed 12 months,~~ and the compensation for such a non-competition obligation may not exceed in total the average of the (fixed) ~~compensation-remuneration~~ compensation-remuneration paid to the respective member of the ~~executive management~~ Executive Management during the last three years.

**ARTICLE 25: PRINCIPLES RELATING TO THE ~~COMPENSATION-~~REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS**

The members of the Board of Directors shall receive a fixed basic fee and fixed fees for memberships in committees or for roles of the Board of Directors as well as ~~a-an expense~~ lump sum ~~compensation-for-expenses~~ compensation, which are determined by the full Board of Directors based on the proposal of the Remuneration Committee and subject to and within the limits of the aggregate amounts approved by the General Meeting. The ~~compensation-remuneration~~ compensation-remuneration is awarded in cash and in form of shares in the Company. In exceptional cases and subject to and within the limits of the approval by the General Meeting, the members of the Board of Directors may be awarded a performance related ~~compensation-remuneration~~ compensation-remuneration.

The members of the Board of Directors providing consulting services to the Company or other group companies in a function other than as members of the Board of Directors may be compensated in cash according to standard market rates subject to approval by the General Meeting.

**ARTICLE 26: PRINCIPLES OF ~~COMPENSATION-~~REMUNERATION RELATING TO THE MEMBERS OF THE EXECUTIVE MANAGEMENT**

Subject to approval by the General Meeting, remuneration for members of the ~~executive management~~ Executive Management consists of fixed ~~base-remuneration in cash~~ base-remuneration in cash as well as performance-based remuneration, ~~all of which may be paid by the Company or companies controlled by it.~~ The fixed remuneration in cash comprises the base remuneration in cash and additional remuneration elements. Performance-based remuneration consists of a short term performance-based remuneration in cash as well as a multi-year ~~management-incentivization~~ management-incentivization share participation plan, the terms of which shall be set forth in regulations to be enacted by the Board of Directors in accordance with the provisions set forth in paragraphs 2 and 3 of this Article 26.

The ~~amount of~~ short-term performance-based remuneration in cash depends on the achievement of targets set by the Board of Directors over ~~the course of~~ a one-year performance period. ~~The amount of the individual short-term performance-based remuneration for hundred percent target achievement (target bonus), which normally aligns with the Company's financial year. The target bonus for one-hundred percent achievement of the targets shall be set by the Board of Directors separately individually for each member of the executive management-Executive Management. Targets-The targets shall be determined at the start of the performance period on an annual basis for each member of the executive management-Executive Management, taking into account his/her position, responsibilities, and tasks, as well as local market conditions, at the start of a one-year performance period.~~ At the conclusion of the one-year performance period, the total target achievement ~~determines the target bonus payout percentage,~~ which may lie between zero and a maximum of two hundred percent, ~~shall be determined.~~ The ~~effective-actual~~ short-term performance-based remuneration in cash shall be calculated by multiplying the ~~total-target achievement-bonus payout percentage~~ achievement-bonus payout percentage by the target bonus.

Long-term performance-based remuneration depends on the achievement of company targets set by the Board of Directors (such as relative or absolute total shareholder return and/or key operational numbers of the company) over a minimum performance period of three years. Each year, at the start of the respective performance period, every member of the Executive Management shall be granted performance stock units taking into account position, responsibilities, tasks, and local market conditions. Upon conclusion of the performance period, the total target achievement, which may lie between zero and a maximum of two hundred percent, shall be determined. The number of shares that the member of the executive management is allocated at the end of the performance period, and their value, shall be calculated by multiplying the number of performance share units granted by the total target achievement, as well as the relevant share price. The Company may acquire the necessary shares on the open market or by means of issuance of new shares out of conditional share capital.

The Board of Directors shall determine the targets, target levels, and target achievement for short- and long-term performance-based remuneration elements. In the event of a change of control of the Company, the termination of the employment relationship, or of other extraordinary occurrences, at the discretion of the Board of Directors, the targets for performance-based remuneration may be adapted, exercise conditions and periods as well as vesting periods may be shortened or eliminated, remuneration may be paid out under the assumption that targets would have been achieved, or remuneration may be forfeited, during the course of an ongoing performance period.

No additional compensation shall be awarded for activities in companies that are directly or indirectly controlled by the Company. Article 12 para. 4 remains reserved.

#### ARTICLE 27: EXPENSES

Expenses that are not covered by the lump sum compensation for expenses pursuant to the expense regulations of the Company are reimbursed against presentation of the relevant receipts. This additional compensation for expenses actually incurred does not need to be approved by the General Meeting.

#### ARTICLE 28: LOANS, CREDITS, PENSION BENEFITS OTHER THAN FROM OCCUPATIONAL PENSION FUNDS, SECURITIES

The Company shall not grant loans, credits, pension benefits other than from occupational pension funds or securities to the members of the Board of Directors or the executive management. Advance payments of fees for lawyers, court fees and similar costs relating to the defence against corporate liability claims up to a maximum amount of CHF 1,000,000 are not subject to this provision.

In principle, there will be no payments to pension funds or similar institutions for the members of the Board of Directors. In exceptional cases, such payments may be made upon request of the Remuneration Committee and subject to the approval by the General Meeting if the members in question do not have other insurable income from subordinate employment.

#### ARTICLE 29: ADDITIONAL AMOUNT OF COMPENSATION FOR NEW MEMBERS OF THE EXECUTIVE MANAGEMENT

If newly appointed or promoted members of the executive management take office after the General Meeting has approved the aggregate maximum amount of compensation of the members of the executive management for the next business year, such newly appointed or promoted members may receive an aggregate compensation in each case of up to 30% of the last aggregate amount of compensation for the executive management approved by the General Meeting.

This additional of compensation amount may only be paid, if the aggregate amount of compensation for the executive management that has been approved by the General Meeting until the next General Meeting is not sufficient to compensate the newly appointed or promoted members. The General Meeting may not vote on this additional amount.

Long-term performance-based remuneration depends on the achievement of company targets set by the Board of Directors (~~such as relative or absolute total shareholder return and/or key operational numbers of the company~~) over a minimum performance period of three years. Each year, ~~at~~ after the start of the respective performance period, every member of the Executive Management shall be granted performance stock units taking into account position, responsibilities, tasks, and local market conditions. ~~Upon~~ Following conclusion of the performance period, the total target achievement ~~determines the vesting multiple~~, which may lie between zero and a maximum of two hundred percent, ~~shall be determined~~. The number of shares that the member of the ~~executive management~~ Executive Management is allocated ~~at~~ after the end of the performance period, ~~and their value~~, shall be calculated by multiplying the number of performance share units granted by the ~~total target achievement, as well as the relevant share price~~ vesting multiple. The Company may acquire the necessary shares on the open market or by means of issuance of new shares out of conditional share capital.

The Board of Directors shall determine the targets, target levels, and target achievement for short- and long-term performance-based remuneration elements. In the event of a change of control of the Company, the termination of the employment relationship, or of other extraordinary occurrences, ~~at the discretion of the Board of Directors~~, the targets for performance-based remuneration may be adapted, exercise conditions and periods as well as vesting periods may be shortened or eliminated, remuneration may be paid out under the assumption that targets ~~would~~ have been achieved, or remuneration may be forfeited, ~~at the discretion of the Board of Directors~~ during the course of an ongoing performance period.

No additional ~~compensation~~ remuneration shall be awarded for activities in companies that are directly or indirectly controlled by the Company. Article 12 para. 4 remains reserved.

#### ARTICLE 27: EXPENSES

Expenses that are not covered by the ~~expense~~ lump sum ~~compensation for expenses~~ pursuant to the expense regulations of the Company, are reimbursed against presentation of the relevant receipts. This additional compensation for expenses actually incurred does not need to be approved by the General Meeting.

#### ARTICLE 28: LOANS, CREDITS, PENSION BENEFITS OTHER THAN FROM OCCUPATIONAL PENSION FUNDS, SECURITIES

The Company shall not grant loans, credits, pension benefits other than ~~from~~ for occupational pension funds or securities to the members of the Board of Directors or the ~~executive management~~ Executive Management. Advance payments of fees for lawyers, court fees and similar costs relating to the ~~defence~~ defense against corporate liability claims up to a maximum amount of CHF 1,000,000 are not subject to this provision.

In principle, there will be no payments to pension funds or similar institutions for the members of the Board of Directors. In exceptional cases ~~and to the extent required by applicable law~~, such payments may be made upon request of the Remuneration Committee ~~and subject to the approval by the General Meeting if the members in question do not have other insurable income from subordinate employment~~. In such cases, such payments will be deducted from the respective member's remuneration.

#### ARTICLE 29: ADDITIONAL AMOUNT OF COMPENSATION REMUNERATION FOR NEW MEMBERS OF THE EXECUTIVE MANAGEMENT

If newly appointed ~~or promoted~~ members of the ~~executive management~~ Executive Management take office after the General Meeting has approved the ~~maximum~~ aggregate ~~maximum~~ amount of ~~compensation~~ remuneration for the members of the ~~executive management~~ Executive Management for the ~~next~~ respective business year, such newly appointed ~~or promoted~~ members may receive an ~~additional~~ aggregate ~~compensation~~ remuneration in each case of up to 30% of the ~~last~~ aggregate amount of ~~compensation~~ remuneration for the ~~executive management~~ Executive Management approved by the General Meeting ~~for the respective period~~.

This additional ~~of compensation~~ amount of ~~remuneration~~ may only be paid, if the aggregate amount of ~~compensation~~ remuneration for the ~~executive management~~ Executive Management that has been approved by the General Meeting until the next General Meeting is not sufficient to compensate the newly appointed ~~or promoted~~ members. The General Meeting ~~may~~ does not vote on this additional amount.

Within this additional amount of compensation, the Company can pay a bonus to compensate a newly joining member of the executive management for incurred disadvantages in connection with the change of employment. If the additional amount is not sufficient enough to compensate for the disadvantages / to pay the bonus, the part of the bonus surpassing the additional amount has to be approved by the next ordinary General Meeting.

---

## VI. Liquidation

### ARTICLE 30: DISSOLUTION AND LIQUIDATION

The General Meeting may at any time resolve the dissolution and liquidation of the Company in accordance with the provisions of the law and of the Articles of Association.

The liquidation shall be carried out by the Board of Directors to the extent that the General Meeting has not entrusted the same to other persons.

The liquidation of the Company shall take place in accordance with Articles 742 et seq. CO. The liquidators are authorized to dispose of the assets (including real estate) by way of private contract.

After all debts have been satisfied, the net proceeds shall be distributed among the shareholders in proportion to the amounts paid-in.

---

## VII. Information

### ARTICLE 31: NOTICES AND ANNOUNCEMENTS

The publication instrument of the Company is the Swiss Official Gazette of Commerce. The Board of Directors may designate further means of publication.

Notices by the Company to the shareholders and other announcements shall be published in the Swiss Official Gazette of Commerce.

---

## VIII. Interim Provisions

### ARTICLE 32: INTENDED ACQUISITION IN KIND

The Company has the intention to receive in the form of a capital contribution from Toshiba Corporation, with registered seat in Tokyo (Japan), all registered shares (including any future shares issued in the course of any capital increases) of Landis+Gyr AG, with registered seat in Zug, with a nominal value of CHF 0.10 each, with an aggregate value of up to USD 1,500,000,000 and loans granted to Landis+Gyr AG in the aggregate amount of up to USD 500,000,000. Further, the Company has the intention to acquire from Toshiba Corporation loans granted to Landis+Gyr AG in the aggregate amount of up to USD 800,000,000 in consideration of up to USD 800,000,000.

### ARTICLE 33: EXISTING PERFORMANCE RELATED COMPENSATION OF THE EXECUTIVE MANAGEMENT

Prior to the listing of the company, the members of the executive management have been allocated various performance related compensation elements in cash and in shares of the company, which run partly until the year 2020. The General Meeting shall not vote on these compensation elements any more.

Within this additional amount of ~~compensation remuneration~~, the Company can pay ~~a bonus an award~~ to compensate a newly joining member of the ~~executive management~~ Executive Management for incurred disadvantages in connection with the change of employment. If the additional amount is not sufficient enough to compensate for the disadvantages / ~~to pay the bonus~~, the part of the ~~bonus award~~ surpassing the additional amount has to be approved by the next ordinary General Meeting.

---

## VI. Liquidation

### ARTICLE 30: DISSOLUTION AND LIQUIDATION

The General Meeting may at any time resolve the dissolution and liquidation of the Company in accordance with the provisions of the law and of the Articles of Association.

The liquidation shall be carried out by the Board of Directors to the extent that the General Meeting has not entrusted the same to other persons.

The liquidation of the Company shall take place in accordance with Articles 742 et seq. CO. The liquidators are authorized to dispose of the assets (including real estate) by way of private contract.

After all debts have been satisfied, the net proceeds shall be distributed among the shareholders in proportion to the amounts paid-in.

---

## VII. Information

### ARTICLE 31: NOTICES AND ANNOUNCEMENTS

The publication instrument of the Company is the Swiss Official Gazette of Commerce. The Board of Directors may designate further means of publication.

Notices by the Company to the shareholders ~~and other announcements shall be published~~ may, at the discretion 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~~.

---

## VIII. Interim Provisions

### ARTICLE 32: INTENDED ACQUISITION IN KIND

~~The Company has the intention to receive in the form of a capital contribution from Toshiba Corporation, with registered seat in Tokyo (Japan), all registered shares (including any future shares issued in the course of any capital increases) of Landis+Gyr AG, with registered seat in Zug, with a nominal value of CHF 0.10 each, with an aggregate value of up to USD 1,500,000,000 and loans granted to Landis+Gyr AG in the aggregate amount of up to USD 500,000,000. Further, the Company has the intention to acquire from Toshiba Corporation loans granted to Landis+Gyr AG in the aggregate amount of up to USD 800,000,000 in consideration of up to USD 800,000,000.~~

### ARTICLE 33: EXISTING PERFORMANCE RELATED COMPENSATION OF THE EXECUTIVE MANAGEMENT

~~Prior to the listing of the company, the members of the executive management have been allocated various performance related compensation elements in cash and in shares of the company, which run partly until the year 2020. The General Meeting shall not vote on these compensation elements any more.~~

