

Swiss Re Ltd

# Articles of Association



The company was founded on 2 February 2011; the Articles of Association were approved on 2 February 2011 and revised by the General Meetings of 1 March 2011 and 20 May 2011, by the Board of Directors on 20 May 2011, on 10 June 2011 and on 12 December 2011, as well as by the General Meetings of 10 April 2013, 11 April 2014, 21 April 2015, 22 April 2016, 21 April 2017, 20 April 2018 and 17 April 2019.

July 2019 Edition

# I Corporate name, registered office, duration and purpose of the Company

## **Art. 1 Corporate name, registered office and duration**

Under the name of

**Swiss Re AG**  
**Swiss Re SA**  
**Swiss Re Ltd**

a company limited by shares (the "Company") exists with its registered office in Zurich.

The duration of the Company is unlimited.

## **Art. 2 Purpose**

- <sup>1</sup> The main business purpose of the Company is the acquisition, holding, administration and sale of direct or indirect participations in all types of business in Switzerland and abroad, in particular in the areas of reinsurance, insurance and asset management. The Company may engage in any operations and take any measures that seem appropriate to promote the purpose of the Company. The Company may acquire participations in other companies in Switzerland and abroad. The Company has, as an ancillary activity, the power to acquire and sell mortgage and real estate properties, both in Switzerland and abroad.
- <sup>2</sup> The Company was formed to function as a holding company for the Swiss Re Group. In the event of the successful completion of the Exchange Offer for the shares of the Swiss Reinsurance Company Ltd, the Company will hold the majority of shares in the companies within the Swiss Re Group, either directly or indirectly.

## II Share capital and shares

### **Art. 3 Share Capital, Shares and Intermediated Securities**

- 1 The fully paid-in share capital amounts to CHF 32 740 470.40. It is divided into 327 404 704 registered shares, each with a par value of CHF 0.10.
- 2 The Company receives, pursuant to a contribution in kind agreement dated 2 February 2011, from Swiss Reinsurance Company Ltd ("the Founder") 1 000 000 (one million) registered shares in Swiss Reinsurance Company Ltd (securities no. 1 233 237) with a nominal value of CHF 0.10 each and a total value and price of CHF 100 000. In compensation, the Founder shall receive 1 000 000 (one million) registered shares in the Company, with a value of CHF 100 000.
- 3 In connection with the capital increase dated 20 May 2011, the Company acquires from Swiss Reinsurance Company Ltd 24 863 366 fully paid up registered shares in Swiss Reinsurance Company Ltd with a par value of CHF 0.10 each and a total value of CHF 708 919 518.00. In return, the Company issues 24 863 366 registered shares in the Company with a par value of CHF 0.10 each and allocates them to Swiss Reinsurance Company Ltd.
- 4 In connection with the capital increase dated 20 May 2011, the Company acquires from Credit Suisse Ltd, in its own name but for the account of the shareholders of Swiss Reinsurance Company Ltd who have tendered their registered shares in the exchange offer of the Company, 297 520 330 fully paid up registered shares in Swiss Reinsurance Company Ltd with a par value of CHF 0.10 each and a total value of CHF 15 218 164 879.50. In return, the Company issues 297 520 330 registered shares in the Company with a par value of CHF 0.10 each and allocates them to Credit Suisse Ltd, in its own name but for the account of the shareholders of Swiss Reinsurance Company Ltd who have tendered their registered shares in the exchange offer.
- 5 In connection with the capital increase dated 10 June 2011, the Company acquires from Credit Suisse Ltd, in its own name but for the account of Swiss Reinsurance Company Ltd, 600 000 fully paid up registered shares in Swiss Reinsurance Company Ltd with a par value of CHF 0.10 each, and in its own name but for the account of the other shareholders of Swiss Reinsurance Company Ltd who have tendered their registered shares in the exchange offer of the Company during the additional acceptance period, 39 450 613 fully paid up registered shares in Swiss Reinsurance Company Ltd with a par value of CHF 0.10 each, with a total value of CHF 1 964 482 567.65. In return, the Company issues 40 050 613 registered shares in the Company with a par value of CHF 0.10 each and allocates them to Credit Suisse Ltd, in its own name but for the account of Swiss Reinsurance Company Ltd and the other shareholders of Swiss Reinsurance Company Ltd who have tendered their registered shares in the exchange offer.

- <sup>6</sup> In connection with the capital increase dated 12 December 2011, the Company acquires from Credit Suisse AG, acting in its own name but for the account of Swiss Reinsurance Company Ltd, 7 272 622 fully paid up registered shares in Swiss Reinsurance Company Ltd with a par value of CHF 0.10 each, with a total value of CHF 356 649 382.88. In return, the Company issues 7 272 622 registered shares in the Company with a par value of CHF 0.10 each and allocates them to Credit Suisse AG, acting in its own name but for the account of Swiss Reinsurance Company Ltd.
- <sup>7</sup> By resolution of the Shareholders' Meeting registered shares may be converted into bearer shares.
- <sup>8</sup> The Company may issue its registered shares in the form of single certificates, global certificates and intermediated securities. The Company may convert its registered shares from one form into another form at any time and without the approval of the shareholders. The shareholders have no right to demand a conversion into a certain form of registered shares. Each shareholder may, however, at any time request a written confirmation from the Company of the registered shares held by such shareholder, as reflected in the share register of the Company.
- <sup>9</sup> The registered shares are administrated as intermediated securities. The transfer of intermediated securities and furnishing of collateral in intermediated securities must conform to the Intermediary-Held Securities Act. The transfer and furnishing of collateral by assignment is excluded. The transfer limitations of Art. 4 remain reserved.

### **Art. 3a Conditional capital for Equity-Linked Financing Instruments**

- <sup>1</sup> The share capital of the company shall be increased by an amount not exceeding CHF 5 000 000 through the issue of a maximum of 50 000 000 registered shares, payable in full, each with a nominal value of CHF 0.10 through the voluntary or mandatory exercise of conversion and/or option rights granted in connection with bonds or similar instruments including loans or other financial instruments by the company or Group companies (hereinafter collectively the "Equity-Linked Financing Instruments").
- <sup>2</sup> Existing shareholders' subscription rights (*Bezugsrechte*) are excluded. The then current holders of the conversion and/or option rights granted in connection with Equity-Linked Financing Instruments shall be entitled to subscribe for the new registered shares. Existing shareholders' advance subscription rights (*Vorwegzeichnungsrechte*) with regard to these Equity-Linked Financing Instruments may be restricted or excluded by decision of the Board of Directors, subject to para. 5 below, in order to issue Equity-Linked Financing Instruments on national and/or international capital markets or by way of private placements in connection with (i) mergers, acquisitions (including takeover) of companies, parts of companies, equity stakes (participations) or new investments planned by the company and/or Group companies, financing or refinancing of such mergers, acquisitions or new investments, or (ii) improving the regulatory and/or rating

capital position of the company or Group companies if the Board of Directors deems it appropriate or prudent to do so.

- 3 If advance subscription rights (*Vorwegzeichnungsrechte*) are excluded, then (i) the Equity-Linked Financing Instruments are to be placed at market conditions, (ii) the exercise period is not to exceed ten (10) years for option rights and thirty (30) years for conversion rights and (iii) the conversion or exercise price or the calculation methodology for such price of the new registered shares is to be set in line with the market conditions and practice prevailing at the date on which the Equity-Linked Financing Instruments are issued or converted into new registered shares.
- 4 The acquisition of registered shares through the exercise of conversion or option rights and any further transfers of registered shares shall be subject to the restrictions specified in Art. 4 of the Articles of Association.
- 5 The total of shares issued from (i) authorised capital according to Art. 3b of the Articles of Association where the existing shareholders' subscription rights (*Bezugsrechte*) were excluded and (ii) shares issued from conditional capital according to this Art. 3a where the existing shareholders' advance subscription rights (*Vorwegzeichnungsrechte*) on the Equity-Linked Financing Instruments were excluded, may not exceed 33 000 000 shares up to 17 April 2021.

### **Art. 3b Authorised capital**

- 1 The Board of Directors is authorised to increase the share capital of the company at any time up to 17 April 2021 by an amount not exceeding CHF 8 500 000 through the issue of up to 85 000 000 registered shares, payable in full, each with a nominal value of CHF 0.10. Increases by underwriting as well as partial increases are permitted. The date of issue, the issue price, the type of contribution and any possible acquisition of assets, the date of dividend entitlement as well as the expiry or allocation of non exercised subscription rights (*Bezugsrechte*) will be determined by the Board of Directors.
- 2 With respect to a maximum of CHF 5 200 000 through the issue of up to 52 000 000 registered shares, payable in full, each with a nominal value of CHF 0.10 out of the total amount of authorised capital referred to in para. 1, the subscription rights of shareholders may not be excluded.
- 3 With respect to a maximum of CHF 3 300 000 through the issue of up to 33 000 000 registered shares, payable in full, each with a nominal value of CHF 0.10 out of the total amount of authorised capital referred to in para. 1, the Board of Directors may, subject to para. 5 below, exclude or restrict the subscription rights (*Bezugsrechte*) of the existing

shareholders for the use of shares in connection with (i) mergers, acquisitions (including take-over) of companies, parts of companies or holdings, equity stakes (participations) or new investments planned by the company and/or Group companies, financing or re-financing of such mergers, acquisitions or new investments, the conversion of loans, securities or equity securities, and/or (ii) improving the regulatory and/or rating capital position of the company or Group companies in a fast and expeditious manner if the Board of Directors deems it appropriate or prudent to do so (including by way of private placements).

- 4 The subscription and acquisition of the new registered shares, as well as each subsequent transfer of the registered shares, shall be subject to the restrictions specified in Art. 4 of the Articles of Association.
- 5 The total of registered shares issued from (i) authorised capital according to this Art. 3b where the existing shareholders' subscription rights (*Bezugsrechte*) were excluded and (ii) shares issued from conditional capital according to Art. 3a of the Articles of Association where the existing shareholders' advance subscription rights (*Vorwegzeichnungsrechte*) on the Equity-Linked Financing Instruments (as defined in Art. 3a para. 1 of the Articles of Association) were excluded, may not exceed 33 000 000 shares up to 17 April 2021.

#### **Art. 4 Share register and transfer of shares**

- 1 A share register is maintained for the registered shares, in which owners' family and given name are entered, with their complete address and nationality (or registered office for legal entities). Usufructuaries are also entered in the share register. The Company must be notified of any change of address. Entry requires evidence of the acquisition of the shares either as owner or usufructuary. The Board of Directors is allowed to strike a shareholder with voting rights off the share register retroactively effective the date of the entry if the entry was obtained under false pretences or if the owner – whether acting alone or as part of a group – has breached notification rules. The party affected must be informed of the action immediately.
- 2 Persons acquiring registered shares will upon application be entered in the share register without limitation as shareholders with voting power, provided they expressly declare themselves to have acquired the said shares in their own name and for their own account and, where applicable, to be compliant with the disclosure requirement stipulated by the Financial Markets Infrastructure Act ("FMIA") of 19 June 2015.

- 3 Persons not expressly declaring themselves to be holding shares for their own account in their application for entry in the share register (hereafter referred to as “nominees”) will be entered in the share register with voting rights without further inquiry up to a maximum of 2% of the outstanding share capital available at the time. Above this limit shares held by nominees shall be entered in the share register with voting rights only if the nominee in question makes known the names, addresses and shareholdings of the persons for whose account he is holding 0.5 % or more of the outstanding share capital available at the time and provided that the disclosure requirement stipulated in the FMIA is complied with. The Board of Directors has the right to conclude agreements with nominees concerning their disclosure requirements.
- 4 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 intent to evade the entry restriction are considered as one shareholder or nominee.
- 5 The Board of Directors shall take the measures necessary for ensuring compliance with the above provisions.

### III Debt capital

#### **Art. 5 Bond issues**

The Company may issue bonds, secured or unsecured, including warrants and convertible issues, and may guarantee such issues by its subsidiaries.

## IV Organisation of the Company

### **Art. 6 Governing bodies**

The following shall constitute the governing bodies of the Company:

- A) Shareholders' Meeting
- B) Board of Directors
- C) Independent Auditors

### *A) Shareholders' Meeting*

### **Art. 7 Powers**

The responsibilities of the Shareholders' Meeting are:

1. to amend the Articles of Association;
2. to elect individually the members of the Board of Directors and elect from among them the Chairman of the Board of Directors and the members of the Compensation Committee;
3. to elect the Independent Proxy, the Independent Auditors and the Special Auditors;
4. to approve the Management Report and the consolidated financial statements;
5. to approve the annual financial statements and to determine the allocation of the profit as shown in the balance sheet, in particular with regard to the dividend amount;
6. to grant discharge to the members of the Board of Directors;
7. to approve the compensation of the Board of Directors and the executive management (the "Executive Committee") pursuant to Art. 22 and 24 of the Articles of Association;
8. to pass resolutions regarding issues which are reserved to the Shareholders' Meeting by law or the Articles of Association or which are presented to it by the Board of Directors.

## **Art. 8 Ordinary and Extraordinary Shareholders' Meetings**

- <sup>1</sup> The ordinary Shareholders' Meeting shall be held annually within six months after the close of the financial year.
- <sup>2</sup> Extraordinary Shareholders' Meetings shall be called as often as necessary.
- <sup>3</sup> One or more shareholders with voting powers whose combined holdings represent at least 10% of the share capital can request an Extraordinary Shareholders' Meeting in writing, setting forth the items and the proposals to be submitted.

## **Art. 9 Convening**

- <sup>1</sup> The Shareholders' Meeting shall be called by the Board of Directors, if necessary by the Independent Auditors. Liquidators are also entitled to call a Shareholders' Meeting.
- <sup>2</sup> Notice of the Shareholders' Meeting must be given at least 20 days before the meeting takes place and must be published in the Swiss Gazette of Commerce ("*Schweizerisches Handelsamtsblatt*").
- <sup>3</sup> The notice of the meeting must state the day, time and place of the Shareholders' Meeting, along with the agenda and the proposals of the Board of Directors to be submitted.
- <sup>4</sup> No resolution can be passed on matters proposed only at the Shareholders' Meeting and which have no bearing on any of the proposed items of the agenda, apart from those exceptions permitted by law.

## **Art. 10 Agenda**

- <sup>1</sup> The Board of Directors must state in the agenda the agenda items and the proposals by the Board of Directors and by those shareholders who have requested that a meeting be called or that a particular agenda item be included on the agenda.
- <sup>2</sup> Shareholders with voting power whose combined holdings represent shares with a par value of at least CHF 100 000 may, up to 45 days before the date of the meeting, demand in writing that a particular agenda item, together with the relevant proposals, be included in the agenda.

## **Art. 11 Right to vote and shareholder proxies**

- <sup>1</sup> Any share whose owner, usufructuary or nominee is entered in the share register as having voting rights through said share on a specific qualifying day (Record Date) designated by the Board of Directors entitles its holder to one vote at the Shareholders' Meeting.
- <sup>2</sup> Any shareholder with voting right may have his shares represented at the Shareholders' Meeting by another person authorised in writing or by the Independent Proxy. Such representatives need not be shareholders.
- <sup>3</sup> Business firms, partnerships and corporate bodies may be represented by legal or authorised representatives or other proxies, married persons by their spouses, minors and wards by their guardians, even though such representatives are not shareholders.
- <sup>4</sup> The Independent Proxy shall be elected by the Shareholders' Meeting for a term of office until completion of the next ordinary Shareholders' Meeting. The Independent Proxy whose term of office has expired is immediately eligible for re-election. The duties of the Independent Proxy are determined by applicable laws, rules and regulations. The Shareholders' Meeting may remove the Independent Proxy with effect as per the end of the Shareholders' Meeting.
- <sup>5</sup> If the Company does not have an Independent Proxy, the Board of Directors shall appoint the Independent Proxy for the next Shareholders' Meeting.

## **Art. 12 Quorum**

- <sup>1</sup> The Shareholders' Meeting may pass resolutions without regard to the number of shareholders present at the meeting or shares represented by proxy.
- <sup>2</sup> Except where the law requires otherwise, the Shareholders' Meeting passes its resolutions with an absolute majority of the votes validly cast (excluding blank and invalid ballots).
- <sup>3</sup> The Chairman of the Shareholders' Meeting shall determine the voting procedure. Provided that the voting is not done electronically, voting shall take place openly on show of hands or by written ballot.

### **Art. 13 Chairman, scrutineers, secretary and minutes**

- <sup>1</sup> The Chairman of the Board of Directors or in his absence another member of the Board as designated by the Board of Directors shall preside at the Shareholders' Meeting.
- <sup>2</sup> The person chairing the Shareholders' Meeting shall appoint the scrutineers and the minute taker.
- <sup>3</sup> The minutes of the Shareholders' Meeting shall be signed by the person chairing the Shareholders' Meeting and the minute taker.

### *B) Board of Directors*

#### **Art. 14 Members and term of office**

- <sup>1</sup> The Board of Directors shall consist of at least seven members.
- <sup>2</sup> The members of the Board of Directors and the Chairman are elected individually by the Shareholders' Meeting for a term of office until completion of the next ordinary Shareholders' Meeting. The Shareholders' Meeting may remove the members of the Board of Directors and the Chairman.
- <sup>3</sup> Members of the Board of Directors and the Chairman whose term of office has expired are immediately eligible for re-election.
- <sup>4</sup> The Chairman of the Board of Directors may serve in either a part-time or a full-time capacity.
- <sup>5</sup> If the office of the Chairman of the Board of Directors is vacant, the Board of Directors may appoint a new Chairman from among its members for the remaining term of office.

#### **Art. 15 Organisation**

Save for the election of the Chairman of the Board of Directors and the members of the Compensation Committee by the Shareholders' Meeting, the Board of Directors constitutes itself. It may elect one or more Vice-Chairmen from among its members. It appoints its secretary who need not be a member of the Board of Directors.

## **Art. 16 Duties and powers**

- <sup>1</sup> The Board of Directors has the following non-delegable and inalienable duties:
1. to ultimately direct the Company and issue necessary directives;
  2. to determine the organisation;
  3. to provide the accounting and the financial control and the financial planning;
  4. to appoint and remove the persons entrusted with the 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 compile the Annual Report and the Compensation Report as well as to prepare and call the Shareholders' Meeting and carry out the resolutions;
  7. to notify the court if liabilities exceed assets;
  8. to decide upon the increase of the share capital within the framework of legal responsibility and subsequent amendments to the Articles of Association.
- <sup>2</sup> In addition the Board of Directors is authorised to pass resolutions concerning all matters that by law or these Articles of Association or other regulations are not within the sole remit of another governing body of the Company.

## **Art. 17 Delegation of powers**

The Board of Directors may – within the boundaries of applicable laws, rules and regulations – delegate duties or powers wholly or in part to one or several persons, to committees of the Board of Directors, to individual members of the Board of Directors or to a management body. The delegation of duties and powers will be defined in the Corporate Bylaws.

## **Art. 18 Meetings, resolutions and quorums**

- <sup>1</sup> The Chairman of the Board of Directors calls the meetings and presides over the debates. Each member of the Board of Directors is entitled to request the calling of a meeting by giving written notice to the Chairman.
- <sup>2</sup> The organisation of the meetings, presence and the passing of resolutions shall be set out in the Corporate Bylaws. No quorum is required for resolutions of the Board of Directors regarding the acknowledgement and amendments relating to capital increases.

## **Art. 19 Compensation Committee**

- <sup>1</sup> The Compensation Committee consists of at least three independent members of the Board of Directors. Each member of the Compensation Committee is elected individually by the Shareholders' Meeting for a term of office until completion of the next ordinary Shareholders' Meeting. Members of the Compensation Committee whose term of office has expired are immediately eligible for re-election. If there are vacancies on the Compensation Committee, the Board of Directors may appoint the missing members from among its members for the remaining term of office.
- <sup>2</sup> The Compensation Committee constitutes itself and elects a Chair from among its members. It appoints its secretary who need not be a member of the Board of Directors or the Compensation Committee.
- <sup>3</sup> The Compensation Committee supports the Board of Directors in establishing and reviewing the Company's compensation strategy and guidelines and performance criteria as well as in preparing the proposals to the Shareholders' Meeting regarding the compensation of the Board of Directors and Executive Committee. It may submit proposals and recommendations to the Board of Directors in other compensation-related issues. The Board of Directors establishes a charter, which defines purpose, composition and procedural rules of the Compensation Committee, including its responsibilities and authorities for making proposals and decisions related to compensation of the members of the Board of Directors and Executive Committee in line with legal and regulatory requirements, these Articles of Association and the respective compensation framework approved by the Board of Directors from time to time. The Board of Directors may delegate further responsibilities and authorities to the Compensation Committee.

## *C) Independent Auditors and Special Auditors*

### **Art. 20 Independent Auditors**

The Independent Auditors shall be elected by the Shareholders' Meeting for a term of one year. The duties of the Independent Auditors are determined by the legal provisions.

### **Art. 21 Special Auditors**

A Special Auditor may be elected by the Shareholders' Meeting for a term of three years and shall be responsible for the special audit reports required by law in connection with changes in capital.

## V Compensation of the members of the Board of Directors and Executive Committee

### **Art. 22 Approval of compensation by the Shareholders' Meeting**

- <sup>1</sup> The Shareholders' Meeting shall approve annually and with binding effect the proposals of the Board of Directors in relation to:
  - a) the maximum aggregate amount of compensation of the Board of Directors for the next term of office;
  - b) the maximum aggregate amount of (i) fixed compensation and (ii) long-term compensation (as set out in Art. 24 para. 4 of the Articles of Association) of the Executive Committee for the following financial year;
  - c) the aggregate amount of short-term compensation (as set out in Art. 24 para. 5 of the Articles of Association) of the Executive Committee for the preceding completed financial year.
- <sup>2</sup> The Board of Directors may submit for approval by the Shareholders' Meeting deviating or additional proposals relating to the same or different periods.

- <sup>3</sup> In the event the Shareholders' Meeting does not approve a proposal of the Board of Directors, the Board of Directors shall determine in a new proposal, taking into account all relevant factors, the respective (maximum) aggregate amount(s) or (maximum) partial amount(s), and submit the amount(s) so determined for approval by the same Shareholders' Meeting, an extraordinary Shareholders' Meeting or the following ordinary Shareholders' Meeting.
- <sup>4</sup> The Company or companies controlled by it may pay out or grant compensation prior to approval by the Shareholders' Meeting subject to subsequent approval by a Shareholders' Meeting and applicable claw-back provisions.

### **Art. 23 Supplementary amount for changes in the Executive Committee**

If the maximum aggregate amount of compensation already approved by the Shareholders' Meeting is not sufficient to also cover compensation of a person who becomes a member of the Executive Committee or is being promoted within the Executive Committee after the Shareholders' Meeting has approved the compensation, the Company or companies controlled by it shall be authorized to grant and pay to each such member a supplementary amount during the compensation period(s) already approved. The supplementary amount per compensation period and each member shall not exceed 20% of the aggregate amounts of compensation of the Executive Committee last approved by the Shareholders' Meeting pursuant to Art. 22 of the Articles of Association.

### **Art. 24 Principles of compensation of the Board of Directors and of the Executive Committee**

- <sup>1</sup> The compensation system of the Company is designed to align reward with sustainable performance and to support appropriate and controlled risk-taking. Total individual compensation shall take into account position and level of responsibility of the respective recipient, and comply with applicable regulatory requirements.
- <sup>2</sup> Members of the Board of Directors shall receive a fixed compensation, with a significant predetermined portion consisting of blocked, registered shares of the Company, and may receive other benefits and services.
- <sup>3</sup> Compensation of the members of the Executive Committee shall consist of fixed and variable compensation elements. Fixed compensation comprises the base salary and may comprise other compensation elements and benefits. Variable compensation may comprise short-term and long-term compensation elements.

- 4 Long-term compensation elements shall as a rule be governed by performance metrics that take into account strategic objectives of the Company, the Group or parts thereof. The performance metrics may include the performance of the Company, the Group or parts thereof in relation to the market, peer or other companies or comparable benchmarks, the Company's share price development or individual objectives. Achievement of the pre-determined performance metrics is as a rule measured during a perennial period.
- 5 Short-term compensation elements shall as a rule be governed by performance metrics that take into account the performance of the Company, the Group or parts thereof. The performance metrics may include the financial performance of the Company, the Group or parts thereof, the performance of the Company, the Group or parts thereof in relation to peer or other companies or comparable benchmarks or individual or behavioural objectives. Achievement of the pre-determined performance metrics is as a rule measured during a one-year period. Payout of parts of the short-term compensation elements may be deferred taking into account applicable laws and regulatory requirements.
- 6 The Board of Directors or, to the extent delegated to it, the Compensation Committee shall determine the performance metrics of the long- and short-term compensation elements, the respective target levels, any multipliers of target levels and potential caps on multipliers of target levels as well as achievement of the respective performance metrics. They shall further determine adequate vesting, blocking, exercise or forfeiture conditions of such long- and short-term compensation elements in view of their alignment with risk considerations and the sustainable performance of the Company, the Group or parts thereof. To the extent appropriate, they shall provide for adequate claw back or harmful acts provisions.
- 7 Compensation may be paid or granted in the form of cash, registered shares, financial instruments or units, in kind or in the form of other types of benefits. The Board of Directors, or to the extent delegated to it, the Compensation Committee shall determine grant, vesting, blocking, exercise or forfeiture conditions. In the event of pre-determined events such as a change-of-control or termination of an employment or mandate agreement, the Board of Directors or, to the extent delegated to it, the Compensation Committee may provide, among other things, for continuation, acceleration or removal of vesting, blocking or exercise conditions, for payment or grant of compensation based upon assumed target achievement, or for forfeiture.

- <sup>8</sup> The Board of Directors or, to the extent delegated to it, the Compensation Committee may establish share-based plans (the "Share-Based Plans") which allow members of the Executive Committee to participate in Share-Based Plans or use their short-term compensation to purchase registered shares of the Company at a discount and, if applicable, receive matching shares from the Company based on the number of shares purchased under Share-Based Plans. The Board of Directors or, to the extent delegated to it, the Compensation Committee shall determine the price of such financial instruments or units as well as adequate vesting, blocking, exercise or forfeiture conditions in view of the alignment with risk considerations and the sustainable performance of the Company, the Group or parts thereof. To the extent appropriate, they shall provide for adequate claw back or harmful acts provisions.
- <sup>9</sup> Compensation shall be valued in accordance with generally recognized valuation methods as per the grant date of the respective compensation element.
- <sup>10</sup> The Company may procure the required registered shares through purchases in the market or by using conditional share capital.
- <sup>11</sup> Compensation may be paid or granted by the Company or companies controlled by it.

## VI Agreements with members of the Board of Directors and the Executive Committee, external mandates, credits and loans

### **Art. 25 Agreements with members of the Board of Directors and the Executive Committee**

- <sup>1</sup> The Company or companies controlled by it may enter into agreements for a fixed term or for an indefinite term with members of the Board of Directors relating to their compensation. Duration and termination shall comply with the term of office and the law.
- <sup>2</sup> The Company or companies controlled by it may enter into definite or indefinite employment contracts with members of the Executive Committee. The duration of definite employment contracts and the termination notice period of indefinite employment contracts may not exceed 12 months.

## **Art. 26 External mandates**

- <sup>1</sup> No member of the Board of Directors may hold more than ten (10) additional mandates of which no more than four (4) mandates in listed companies.
- <sup>2</sup> No member of the Executive Committee may hold more than five (5) additional mandates of which no more than one (1) mandate in listed companies.
- <sup>3</sup> The following mandates are not subject to the limitations as set out in paras. 1 and 2 above:
  - a) mandates in companies which are controlled by the Company or which control the Company;
  - b) mandates held at the request of the Company or companies controlled by it. No member of the Board of Directors or of the Executive Committee shall hold more than five (5) such mandates;
  - c) mandates in associations, charitable organizations, foundations, trusts, employee welfare foundations, investment companies, equity partnerships or limited liability partnerships. No member of the Board of Directors or of the Executive Committee shall hold more than fifteen (15) such mandates.
- <sup>4</sup> Mandates shall mean mandates in the supreme governing body of a legal entity which is required to be registered in the commercial register or a comparable foreign register. Mandates in different legal entities that are under joint control are deemed one mandate.
- <sup>5</sup> The Board of Directors shall in any event ensure that the number of external mandates held by members of the Board of Directors or the Executive Committee does not conflict with their commitment, availability, capacity and independence required in fulfilling their role as member of the Board of Directors or the Executive Committee, respectively.

## **Art. 27 Credits and loans**

Credits and loans to members of the Executive Committee may be granted at employee conditions applicable for the Swiss Re Group. The total amount of such credits and loans outstanding shall not exceed CHF three (3) million per member of the Executive Committee.

## VII Financial year and distribution of profit

### **Art. 28 Financial year**

The annual accounts shall be closed at the 31 December of each year.

### **Art. 29 Distribution of profit**

The Shareholders' Meeting may determine freely the distribution of the year's profit within the framework of the mandatory legal requirements.

## VIII Dissolution and liquidation of the Company

### **Art. 30 Liquidation**

Should the Company be dissolved, the Board of Directors shall carry out the liquidation unless the Shareholders' Meeting decides otherwise.

## IX Place of jurisdiction

### **Art. 31 Jurisdiction**

The place of jurisdiction on company matters between individual shareholders and the Company or its corporate bodies, as well as between the Company and its corporate bodies, or between the corporate bodies themselves shall be at the registered offices of the Company unless the Company decides to prosecute its corporate bodies and shareholders at their normal place of jurisdiction.

## X Official notices and announcements

### **Art. 32 Publication**

The official medium for publications of the Company is the Swiss Commercial Gazette (*“Schweizerisches Handelsamtsblatt”*).





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