



Organizational Regulations

Vita Select

Vita Select Joint Foundation
of Zurich Life Insurance Company Ltd, Zurich

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Organizational Regulations

2018 edition

Based on the foundation deed (subparagraph 4.3), the Foundation Board hereby issues the following Organizational Regulations.

1 Purpose

The Organizational Regulations govern the tasks and powers of the foundation's directors, officers and committees.

2 Directors and officers of the foundation

The directors and officers of the foundation are:

- Foundation Board
- Administration Committee
- Managing director

3 Committees of the foundation

The committees of the foundation are:

- Branch office
- Secretary

These are standing committees. The Foundation Board can establish other standing or temporary committees as needed.

4 Foundation Board

4.1 Constitution

The Foundation Board constitutes itself. It elects its Chairman and the Deputy Chairman.

4.2 Tasks and competencies

The Foundation Board is the supreme governing body of the foundation and has the ultimate responsibility. It represents the foundation vis-à-vis third parties except where the foundation deed or these Regulations delegate powers of representation to other directors, officers, committees or third parties. The Foundation Board delegates business management and other tasks to other directors, officers and committees of the founda-

tion and to other third parties tasked with occupational retirement provision, unless otherwise required by law, the foundation deed or these Regulations.

In individual cases or at any time in general, the Foundation Board may give instructions to third parties whom it has engaged, or to directors, officers and committees that report to it, and can modify their tasks and powers.

The Foundation Board's non-delegable tasks include, without limitation (cf. BVG Art. 51a):

- To determine the financing system
- To determine performance objectives, pension plans and policies for the use of unrestricted assets
- To issue and modify regulations
- To amend the foundation deed
- To prepare and approve the annual financial statements
- To define the foundation's organizational structure
- To ensure the insureds are informed
- To ensure labor and management representatives receive initial training and continuing education
- To set reasonable compensation for the Foundation Board (cf. subparagraph 14 hereinafter) and review this compensation every year
- To decide whether to completely or partially reinsure the pension plan and, if so, which reinsurer to use
- To elect and remove the branch office
- To elect and remove the auditors and the pension actuary
- To elect and remove the Foundation Board Chairman and Deputy Chairman
- To elect and remove the managing director and secretary
- To establish the selectable investment strategies
- To notify the managing director, secretary and any other directors, officers, committees or persons of any and all incidents of relevance to their work for the foundation

- To conclude and regularly review insurance contracts, as well as outsourcing and service contracts

4.3 Powers of representation / signing authority

Every Foundation Board member has collective signing authority, jointly exercisable by two members.

4.4 Meetings and convocation

The Chairman chairs the meetings of the Foundation Board or, in his absence, the Deputy Chairman.

The Foundation Board meets at the invitation of the Chairman or, in his absence, the Deputy Chairman, as often as business requires, but at least once per year.

Every member of the Foundation Board is entitled to demand the convocation of a meeting at any time while stating the purpose of the meeting.

4.5 Resolutions

The Foundation Board has a quorum as soon as the majority of its members are present. Resolutions are passed by a majority of the votes present. If there is a tie, the Chairman's vote counts double.

Minutes must be taken of the resolutions. Resolutions can also be passed by circulation.

The founder's representatives can attend Foundation Board meetings. They solely act as advisors.

5 Administration Committee

The organizational structure of the Administration Committee is set out in the organizational regulations for the Administration Committee.

6 Managing director

6.1 Election of the managing director

The managing director is elected by the Foundation Board for one-year terms at a time. There are no term limits.

The managing director has collective signing authority, jointly exercisable with another authorized signatory.

6.2 Tasks

The managing director is responsible for managing foundation business, unless otherwise required by law, the foundation deed or these Regulations. They have all the powers not incumbent on the Foundation Board, other foundation committees or other third parties tasked with occupational retirement provision.

The managing director's tasks include, without limitation:

6.2.1 Documentation; annual financial statements; annual report

- Assisting with the preparation of internal guidelines and directives
- Assisting with the preparation of the annual financial statements
- Preparing the annual report

6.2.2 Assisting the Foundation Board

The managing director is responsible for assisting, supporting and informing the Foundation Board, all foundation committees and other third parties tasked with occupational retirement provision. In particular, this includes:

- Preparing for Foundation Board meetings
- Preparing for Foundation Board resolutions
- Coordinating interactions between the Foundation Board, pension actuaries, auditors, life insurers, the branch office, foundation secretary and other third parties tasked with occupational retirement provision
- Supervising the branch office and other third parties tasked with occupational retirement provision
- Preparing the wording of motions to be submitted to the Foundation Board

6.2.3 Reporting

The managing director provides written reports on the current development of business and key business transactions to the Foundation Board at its meetings. The managing director immediately notifies the Foundation Board Chairman or, in his absence, the Deputy Chairman and the secretary of extraordinary events.

The managing director keeps the Foundation Board apprised on, among other things, the foundation's financial condition.

7 Secretary

The Foundation Board elects the secretary, who does not have to be a member of the Foundation Board, for one-year terms at a time. The secretary can be re-elected at any time.

The secretary helps the Foundation Board and managing director perform their duties. In particular, the secretary is responsible for taking the minutes of Foundation Board meetings.

8 Branch office

The foundation instructs a branch office to administer the foundation's affairs.

9 Signing guidelines

9.1 Power of representation

The Foundation Board is authorized to conclude insurance contracts for the foundation.

The managing director (or their deputy) is authorized to conclude asset management and pension underwriting contracts with the approval of the Foundation Board.

The managing director or their deputy is authorized to conclude affiliation contracts and all contracts and agreements with Zurich Life Insurance Company, Zurich Insurance Company or other third parties that do not fall under paragraphs 1 and 2.

The implementing body is authorized to represent the foundation in all other matters, subject to any contrac-

tionally reserved approval by the managing director.

Depending on importance and content, the Foundation Board reserves the right to deviate from the representation powers specified herein.

The persons authorized to represent the foundation shall generally sign collectively with two signatures. Sole signature is excluded.

9.2 Entry in the commercial register

The following persons will be entered in the commercial register as authorized signatories:

- All members of the Foundation Board
- The managing director
- The secretary
- Persons at the implementing body who exercise legal functions or who are in regular contact with the courts or the authorities on behalf of the foundation
- Persons at the implementing body who are in regular contact with foundation clients (relationship management, etc.), provided entry in the commercial register is necessary

All staff at the implementing body are authorized to represent the foundation, even without a commercial register entry, insofar as their employer permits it within the scope of its right of instruction. This does not affect the provisions of Art. 9.1.

10 Integrity and loyalty

The persons tasked with the business management or administration of the foundation or with asset management must have a good reputation and assure the proper conduct of business.

They have a fiduciary duty of care and must protect the interests of the foundation's insured in the course of their work. For this reason, they must avoid all conflicts of interest stemming from their personal and business interests.

The competent supervisory authority must be notified of any changes in managing directors and/or asset managers.

External persons tasked with business and/or asset management or beneficial owners of companies tasked with these duties may not be represented in the foundation's supreme governing body.

If the organization concludes asset management, insurance and administration contracts for the purposes of occupational retirement provision, it must be possible to terminate them within five years of their conclusion without any detriment to the foundation.

Competing offers must be obtained before concluding significant legal transactions with related parties pursuant to BVV 2 Art. 48i. The contract award process must be completely transparent; in particular, the foundation must ensure that transactions are concluded at market-standard terms.

Persons and institutions tasked with investing and managing the assets must act in the best interests of the foundation. The provisions of BVV 2 Art. 48j must be strictly followed. In particular, front-running, parallel-running and after-running are not permitted. Investments may not be rebalanced without having an economic reason that is in the best interests of the foundation.

All persons tasked with investing and managing pension assets must follow the code of conduct set out in the ASIP charter, consisting of fundamental integrity and loyalty requirements.

Persons and institutions tasked with business or asset management must disclose their interests to the supreme governing body every year. The disclosure also includes, in particular, economic interests in companies that have a business relationship with the organization. The supreme governing body discloses its interests to the auditors.

Persons and institutions tasked with business management, administration or asset management must clearly specify the method and amount of compensation in a written agreement.

They shall pay over to the foundation all additional pecuniary gains that

they receive in connection with their work for the foundation and declare to the supreme governing body in writing every year that they have paid over all pecuniary gains pursuant to BVV 2 Art. 48k.

Trivial amounts or occasional gifts (non-cash gifts, event tickets, meals, etc.) of maximum CHF 200 per case and for each business partner and year are not covered by these rules.

11 Transactions with related parties

The provisions of BVG Art. 51c govern transactions with related parties.

12 Responsibility

All persons tasked with the administration or business management of the foundation as well as the pension actuaries are responsible for the damages or losses that they may intentionally or negligently inflict on the foundation.

13 Internal control system

The foundation maintains an internal control system (ICS) commensurate with its size. Wherever and while Zurich Insurance Company Ltd is charged with administering the foundation, internal controls will be conducted as part of Zurich's internal audits in accordance with its standards.

14 Compensation

The Foundation Board is entitled to decide about appropriate compensation of its members.

15 Unaddressed matters

If any matters are not addressed by these Regulations, the Foundation Board will make a decision in its best judgment in accordance with the applicable laws, the foundation deed, the relevant regulations and the purpose of the foundation.

16 Effective date/ modifications

These Regulations shall enter into force retrospectively as of January 1, 2018. They can be modified by the Foundation Board at any time.

Zurich, May 2018

Vita Select Joint Foundation of Zurich Life Insurance Company Ltd

The Foundation Board