

together dynamically



Electing the Foundation Board

Compacta collective Foundation LPP

With effect from 1 January 2021

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Art. 1 General information

These Regulations govern the voting rights and the voting procedures for electing the Foundation Board. They are issued by the Foundation Board.

Art. 2 Composition, eligibility and term of office of the Foundation Board

The composition and term of office are set in the deed of foundation.

Employers or their representatives on the pension fund commissions or the delegates elected by a pension fund commission are eligible for election as employer representatives. Members of the pension fund commission who represent employees but do not hold an executive position in the company are eligible for election as employee representatives. Re-election is permitted.

Art. 3 Voting rights and nominating body

The pension fund commissions have voting rights. The employer representatives in the pension fund commissions select the employer representatives on the Foundation Board and the employee representatives in the pension fund commissions select the employee representatives on the Foundation Board. The nominating body is made up of all the pension fund commissions in their entirety.

Art. 4 Voting

Elections take place at the end of a term of office. If a member of the Foundation Board retires from the Foundation Board before the end of their term of office and a substitute member has not stepped in as a replacement, a new member may be elected.

Art. 5 Voting procedure

1. Ordinary voting procedures

- a. Each pension fund commission is called upon to select from its members candidates to be nominated for election to the Foundation Board within 30 days of the date (postmark) that the call for elections was dispatched. Only the form intended for this purpose may be used in this case.
- b. The eligibility of the proposed candidates are checked according to these Regulations and the deed of foundation. Late nominations or forms that have not been fully or correctly filled out will not be considered.
- c. If the number of candidates nominated for election is the same as the number of vacant seats, these candidates are deemed to have been elected. The results of the election are recorded in the minutes of the Foundation Board. In this case, paragraphs e to j do not apply.
- d. If fewer candidates have been nominated for election than the vacancies to be filled, the Foundation Board must find enough additional candidates to fill all the vacancies, as a minimum.
- e. If more candidates have been nominated for election than there are vacancies, electoral lists will be compiled for both the employer and employee representatives standing for election.
- f. The pension fund commissions will be provided with the electoral lists for election of the employer and employee representatives. The employer representatives in the pension fund commissions jointly select the employer representatives on the Foundation Board. The employee representatives in the pension fund commissions jointly select the employee representatives on the Foundation Board.

- g. The votes of the pension fund commissions are cast by letter. The deadline is 30 days from the date (postmark) the electoral lists were dispatched.
- h. The electoral lists received will be checked for their validity. The original copies of the electoral lists will only be valid if they have been filled in correctly. The following will not be valid:
 - Electoral lists that are illegible when completed
 - Electoral lists with handwritten entries that are not required for the election
 - Electoral lists where more candidates have been voted for than vacancies to be filled
 - Electoral lists that the Foundation has received after the deadline
 - Electoral lists containing the names of people who have not been nominated for election
- i. The nominated employer and employee representatives who have received the highest number of valid votes will be selected. If there is a tie vote, it will be resolved by lot. Nominees who have not been selected will be eligible as substitute members.
- j. The pension fund commissions will be notified of the election results in writing. The pension fund commissions can raise objections within 30 days of the notification. Objections are to be directed against individual employer or employee representatives selected during the ordinary voting procedure. A pension fund commission can submit several objections. Objections must be justified in writing and sent by post to the CEO.

- k. If objections to employee or employer representatives who have been elected during the ordinary voting procedure according to paragraph j are received and the combined pension schemes submitting the objections represent more than 20% of the Foundation's insured persons, the Foundation Board must conduct an extraordinary voting procedure to fill the affected vacancies on the Foundation Board.

The results of the election will be recorded in the minutes and the pension fund commissions will be notified in writing.

2. Extraordinary voting procedure

- a. Article 2 stipulates all the candidates who are eligible Candidates are excluded if they have already been elected during the ordinary procedure and have not received any objections according to Article 5(1) paragraph j that would result in an extraordinary voting procedure.
- b. Each pension fund commission will receive at least one vote. Pension schemes with more than 10 active insured persons on 1 January of the year of the election will have at least three votes. Those with more than 50 insured persons will have six votes and those with more than 100 insured persons will have 15 votes. The employee and employer representatives with the highest number of submitted votes will be selected.

3. List of candidates for the Foundation Board

The acting Foundation Board can compile a list of candidates to be submitted to the pension fund commissions. The pension fund commissions will be notified about the list of candidates in writing and they will be asked to nominate additional candidates within 30 days from the date the call for election was dispatched.

Unless the pension fund commissions submit additional candidates or expressly request a voting procedure according to Article 5(1) in writing, the candidates proposed by the present Foundation Board shall be deemed to be the elected members of the Foundation Board.

4. Voting procedure when a member of the Foundation Board leaves during a term of office

If a member of the Foundation Board leaves during a term of office, the substitute member who received the most votes will replace the retiring member for that term of office. In doing so, parity must be ensured. The pension fund commissions shall be notified of the appointment.

If no existing substitute member is available to replace the member who is leaving, a replacement will be elected. The procedure according to Article 5(2) shall apply accordingly. The election of a replacement must take place within three months of the member having left. If a member leaves the Foundation Board within six months of the official end of the term of office and there is no substitute member to step in during this term of office, the Foundation Board will decide who will fill the vacancy.

Art. 6 Electing the President and Vice-President

The Foundation Board elects the President and Vice President from among its members. The Foundation Board ensures that the presidency alternates between the employee and employer representatives.

Art. 7 Entry into force

These Regulations will come into force on 1 January 2021 and replace the organisational regulations of 1 November 2018. The Foundation Board can change the regulations on electing the Foundation Board at any time. Regulations that have been amended must be submitted to the supervisory authority. The German version is the definitive text for interpretation.

Aarau, 5 November 2020

The Foundation Board

Compacta collective Foundation LPP

October 2022