

Governance Regulations 01/2018

Vita Joint Foundation, Zurich

A General

Art. 1 Purpose and object

¹The Foundation Board has issued these Regulations based on the following statutes and regulations:

- a) Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG);
- b) Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans (BVV 2) and
- c) Deed of Foundation of the Vita Joint Foundation.

²As a member of the Swiss Pension Fund Association (ASIP)¹, the Vita Joint Foundation complies with the ASIP Charter².

³The primary purpose of these Regulations is to diligently and impartially protect the interests of insured individuals who hold occupational retirement, survivors' and disability pension plans with the Vita Joint Foundation (duty of care and loyalty). Responsible persons must comport themselves in keeping with high professional and ethical standards.

Art. 2 Scope of application

¹These Regulations have the character of general instructions and apply to all members of the Foundation Board and its committees, the occupational pension actuary and the employees of SST Vita Dienstleistungs AG, who has been tasked with managing the foundation's business affairs. The latter employees are also subject to the code of conduct of SST Vita Dienstleistungs AG. The aforementioned individuals are referred to as "internal persons".

²These Regulations are part of the written agreement required by Art. 48 k BVV 2 concerning the manner and amount of compensation. It also supplements the compensation regulations for the Foundation Board concerning the manner and amount of compensation.

³These Regulations apply to all Vita Joint Foundation agents involved with investments, including, without limitation, custodians and external management accountants. They also apply to all service providers capable of influencing the Vita Joint Foundation's decisions (banks, asset managers, financial advisors, owner's representatives, architects, property managers, etc.). It also applies to all service providers whose minimum service business volume is more than CHF 50,000.00 per year. The aforementioned individuals are referred to as "external persons".

B General duties

Art. 3 Duty of loyalty / Material advantages in general

¹Internal and external persons shall perform their duties impartially, acting in the best interests of the insured or those entitled to a pension. To this end, they shall avoid all conflicts of interest stemming from their personal and business interests. Any conflicts of interest that do arise must be resolved by taking suitable action.

²Members of the Foundation Board shall not be tasked with managing foundation business affairs or asset management, among other responsibilities (Art. 48 h (1) BVV 2).

³Internal and external persons shall not endeavor to procure any material advantages for themselves as a result of working for the Vita Joint Foundation other than the ordinary compensation that they and the Vita Joint Foundation have agreed to. Any material advantages that they do receive must be handed in.

Art. 4 Duty of care

¹The most important principle to follow when handling entrusted funds is the fiduciary duty of care. The duty of care includes, without limitation, developing reasonable bases for decision-making, diligently selecting, training and monitoring external persons and, when making investment decisions, understanding the risks and expected net returns of investments.

Art. 5 Duties to inform and report

¹SST Vita Dienstleistungs AG, who has been tasked with managing the foundation's business affairs, shall ensure that the insured persons, the persons entitled to a pension and other stakeholders (e.g. employer, supervisory authority, Audit Department, occupational pension actuary) are accurately, appropriately and regularly updated on the Vita Joint Foundation's business operations.

²Internal and external persons shall disclose all interests, conflicts of interest or potential conflicts of interest as defined in Art. 19 – 22. This includes interests that could merely give the (outward) appearance of bias.

1) Annex 1: ASIP Charter

2) Annex 2: ASIP Charter Implementation Table (function diagram)

C Pecuniary advantages of internal persons

Art. 6 No acceptance of personal advantages

¹Internal persons shall not accept any personal pecuniary advantages including, without limitation, gifts, invitations, retrocessions, favors, advantages in personal investment activity or special terms with business partners that they would not have received had they not held a position at the Vita Joint Foundation or SST Vita Dienstleistungs AG, who has been tasked with managing the foundation's business affairs. The foregoing prohibition does not, however, extend to pecuniary advantages that the Vita Joint Foundation has expressly approved.

²Personal pecuniary advantages granted to related persons as defined in Art. 12 or Art. 18 are deemed equivalent to those granted to internal persons.

³Art. 7 – 9 contain a complete list of the pecuniary advantages that internal persons may accept. The Audit Committee may grant exceptions to the ban on accepting gifts/pecuniary advantages. The exception must be granted before accepting the gift/pecuniary advantage. The Audit Committee must always be consulted in cases of doubt. Exception requests submitted to the Audit Committee must contain the following information:

- a) Name/function of the persons involved (donor and donee)
- b) Date when the pecuniary advantage/gift is to be given
- c) Brief description of the pecuniary advantage/gift
- d) Reason for giving the pecuniary advantage/gift
- e) Value/price of the pecuniary advantage/gift

Art. 7 Gifts for special occasions

¹Gifts marking special occasions may be accepted. Gifts for special occasions are understood to mean gifts and invitations not exceeding CHF 200 per occasion, CHF 500 per business partner and year, and CHF 3,000 in total per year.

²Any pecuniary advantages accepted as permitted by para. 1 must be disclosed. The disclosure must be directed to the Audit Committee. The disclosure list must contain the following information:

- a) Name/function of the persons involved (donor and donee)
- b) Date when the pecuniary advantage/gift is to be given
- c) Brief description of the pecuniary advantage/gift
- d) Reason for giving the pecuniary advantage/gift
- e) Estimated value of the pecuniary advantage/gift.

³Gifts that SST Vita Dienstleistungs AG, who has been tasked with managing the foundation's business affairs, receives from business partners on special occasions such as Christmas or Easter will not be retained by the employees, but will be collected for use within the team. Once a year, a raffle will be held to randomly distribute the gifts among the employees. Perishable foods will be consumed immediately or distributed within the team.

Art. 8 Speeches and publications

¹Employees of SST Vita Dienstleistungs AG, the company who has been tasked with managing the foundation's business affairs, may keep up to CHF 500 of the compensation that they receive in each case for a speech that they give themselves, for personally participating in a panel discussion at a trade event or for writing an article for a trade publication. Any surplus amount must be given to the joint foundation. The employees of SST Vita Dienstleistungs AG shall issue a bill and settle the corresponding account with SST Vita Dienstleistungs AG.

Art. 9 Business meals / Events

¹Invitations to business meals that serve the interests of the Vita Joint Foundation are permitted within reasonable limits, but must not exceed CHF 200 per meal or CHF 500 per business partner and year.

²It is also allowed to accept invitations to events such as technical seminars and business lunches where the primary purpose of attending the event is to benefit the Vita Joint Foundation. Acceptable events are generally limited to one day, do not include admission for a companion and can be reached by car or public transportation. The Vita Joint Foundation shall pay the costs of travel and any accommodation. The event may be immediately followed by a social event. The total value of the event may exceed CHF 200, but must be applied toward the total value of gifts given for special occasions. The Audit Committee's advance approval is required if the total amount exceeds CHF 3,000.

D Pecuniary advantages of external persons

Art. 10 Accountability and surrender

¹External persons shall disclose any pecuniary advantages such as retrocessions, kickbacks, commissions, etc. that they may have received in connection with their work for the Vita Joint Foundation as set out in Art. 24 (Declarations and certifications). Such pecuniary advantages must be immediately surrendered to the Vita Joint Foundation without deducting withholding tax.

E Personal investment activity of internal persons

Art. 11 Scope of application

¹The provisions on personal investment activity shall apply to all internal persons, especially if they make decisions to buy or sell investment instruments for the Vita Joint Foundation or if they are informed of these decisions before the corresponding transactions are settled and/or the required notice is published. This explicitly includes all employees of SST Vita Dienstleistungs AG.

Art. 12 Group of related persons and personal investment activity

¹This group shall include those related to internal persons, especially their spouses, registered partners, domestic partners, children and relatives to the second degree (parents, siblings, grandparents) and legal persons, where beneficial ownership exists.

²The internal persons defined in Art. 11 shall ensure that their related persons also comply with the provisions regarding personal investment activity.

Art. 13 Personal investment activity

¹ Personal investment activity means any and all transactions of internal persons involving investment instruments conducted for their own account or for or by third parties. Transactions conducted for or by a third party are deemed equivalent to own-account transactions. Investment instruments include, without limitation, bonds, loans, equities, real estate and shares in investment and other funds.

² The own-account transactions defined in Art. 48 j BVV 2 are strictly prohibited. They are:

- a) front running (dealing based on knowledge of the Vita Joint Foundation's future transactions);
- b) parallel running (simultaneous dealing);
- c) after running (appending an own-account transaction);
- d) dealing in the same securities and investments as the Vita Joint Foundation in a manner that may be detrimental to the foundation; participating in these transactions in another manner is considered equivalent to dealing; and
- e) rebalancing the Vita Joint Foundation's custody accounts without having an economic reason that serves the interests of the foundation.

In all other regards, personal investment activity must be consistent with

the principles set out in paras. 3-6 hereinafter and conform to Art. 14.

³ Internal persons as defined in Art. 11 may manage their assets themselves or have them managed by a bank or another asset manager that is subject to the oversight of the Swiss Financial Market Supervisory Authority (FINMA).

⁴ Internal persons as defined in Art. 11 shall manage their personal financial investments or have them managed in a way that completely avoids any (outward) appearance of a conflict of interest or inappropriate use of information from the start.

⁵ Internal persons as defined in Art. 11 shall not exploit insider information to advance their own personal interests or the interests of third parties. In particular, they shall not use insider information to benefit themselves in personal financial transactions nor shall they recommend, advise against or otherwise comment on personal financial transactions based on insider information.

⁶ Internal persons as defined in Art. 11 shall in no way allow their decisions or decision-making preparations to be guided or influenced by their own interests or the interests of third parties.

Art. 14 Disclosure of transactions

¹ Internal persons as defined in Art. 11 shall annually issue a declaration that they have not conducted any prohibited own-account transactions as defined in Art. 48 j BVV 2 (Art. 13).

² They shall simultaneously disclose all the transactions that they have conducted in the course of the previous year; they may optionally disclose the amounts as well.

F Contract awards / Contracts

Art. 15 Award process

¹ All contracts and tenders shall be

awarded by SST Vita Dienstleistungs AG, who has been tasked with managing the foundation's business affairs. The awards must conform to any budget limits set by the Foundation Board. The budget owner (named in the budget) is responsible for carrying out the contract award.

² At least three competing offers must be obtained whenever the contracts are worth more than CHF 50,000.00.

³ Contracts are awarded in writing. Contract awards must be signed off on whenever the contracts are worth CHF 5,000.00 or more (before VAT). A contract may consist of a countersigned offer/cost estimate (including signed emails) or by a written agreement. Any sign-off must first be checked by Legal & Compliance.

⁴ SST Vita Dienstleistungs AG, which has been tasked with managing the foundation's business affairs, shall keep a list of awarded contracts and submit them to the Audit Committee every year for acknowledgment. All contracts worth more than CHF 50,000.00 and the competing offers shall be submitted to the Audit Committee for review.

⁵ Central supplier/service provider relationships must regularly (every three to five years) be put out for open tender. This includes, without limitation, the occupational pension actuary, the Audit Department and any standing advisory mandates.

⁶ This process applies to all types of contracts.

G Legal transactions between the Vita Joint Foundation and related persons

Art. 16 Definition of related persons in legal transactions with the Vita Joint Foundation

¹ For the purposes of these provisions, persons related to internal and external persons include, without limitation,

their spouses, registered or domestic partners, children, first- or second-degree relatives (parents, siblings, grandparents) and legal entities beneficially owned by internal or external persons.

Art. 17 Terms and implementation

¹Legal transactions with related persons as defined in Art. 16 must be made at arm's length terms and substantiated. Art. 15 controls with respect to awarding contracts.

Art. 18 Disclosure

¹Legal transactions between the Vita Joint Foundation and related persons as defined in Art. 16 must be disclosed to the Foundation Board and the Audit Department as set out in Art. 19 – 22.

H Disclosure of interests

Art. 19 Covered parties and content

¹Internal and external persons shall disclose all their interests.

Art. 20 Timing and reportee

¹The disclosure shall be made as soon as possible, but no later than before a transaction is closed, an election is conducted or a person is hired. The disclosure shall in all events be conducted annually by submitting a signed declaration of loyalty (Art. 24).

²The disclosure shall be submitted to Legal & Compliance of SST Vita Dienstleistungs AG, who has been tasked with managing the foundation's business affairs, and addressed to the attention of the Foundation Board and its Audit Committee. Foundation Board members shall submit their disclosures to the entire Foundation Board and the Audit Department.

³Disclosed interests will be entered in a list maintained by SST Vita Dienstleistungs AG, who has been tasked with managing the foundation's business affairs.

Art. 21 Presumption

¹Prejudicial interests with respect to companies or institutions that are (potential) business partners of the Vita Joint Foundation or its management company are presumed to exist in cases such as the following:

- a) Double-hatting in connection with work done for the Vita Joint Foundation
- b) Membership in supervisory or decision-making bodies
- c) Substantial financial interests
- d) Close business relationships as an individual
- e) Close personal relationships and/or family ties to contacts, decision-makers or owners

Art. 22 Potential conflicts of interest / Measures including recusal

¹The following measures must be taken if potential conflicts of interest are found:

- a) The person with the potential conflict of interest shall notify the of Legal & Compliance and/or the Chair of the Audit Committee, who will notify the Audit Committee. The Audit Committee shall ask the Foundation Board to make a decision on the measures to take. The Foundation Board shall make a decision in the absence of the person who has the potential conflict of interest.
- b) The person with the potential conflict of interest shall recuse him/herself from the corresponding decision-making preparations, decisions or monitoring activities or shall delegate the decision-making

to another party (person or committee).

- c) Any member of the Foundation Board may demand the recusal of another member who has a conflict of interest. The request must be substantiated.
- d) An involved business partner can be excluded from current or pending tender procedures. It is also possible to sever an existing business relationship.
- e) Interests classified as unacceptable may be dissolved; the person with the conflict of interest may also resign or have his or her function stripped away.

I Implementation, control mechanisms, sanctions

Art. 23 Information, training and subordination

¹Internal persons shall be trained on the proper application of these Regulations and the ASIP Charter when they first assume their duties and then periodically thereafter. The Vita Joint Foundation shall then regularly provide internal training and information.

²External persons shall submit to these Regulations by entering into a contract or submitting a declaration.

³These Regulations will be delivered to relevant persons or institutions in hard copy or digital form.

Art. 24 Declarations and certifications

¹At least once a year, internal and external persons shall sign a declaration of loyalty,³ addressed to the attention of the Foundation Board and/or the Audit Department, certifying that they followed these Regulations in the previous financial year.

3) Annex 3: Declaration of Loyalty

Art. 25 Internal controls

¹The Vita Joint Foundation agrees to comply with the ASIP Charter upon submitting to it, verify compliance with it and take all necessary action in response to breaches.

²Legal & Compliance of SST Vita Dienstleistungs AG, who has been tasked with managing the foundation's business affairs, and the Audit Department may conduct random checks of internal persons to verify their compliance with these Regulations.

³ The internal persons agree to provide on first request all the information about themselves and related persons as defined in Art. 12 and Art. 16 that may be required by the Audit Department and/or Legal & Compliance of SST Vita Dienstleistungs AG, who has been tasked with managing the foundation's business affairs, and to furnish all pertinent documentation.

Art. 26 Sanctions

¹SST Vita Dienstleistungs AG, who has been tasked with managing the foundation's business affairs, and/or the Foundation Board of the Vita Joint Foundation shall look into and take measures in response to breaches of these Regulations and/or the ASIP Charter. The measures may range from a reminder or warning to exclusion from the committee or contract termination.

²If breaches are committed by employees of SST Vita Dienstleistungs AG, the Vita Joint Foundation may, as the client, demand that the management of SST Vita Dienstleistungs AG take disciplinary action up to and including firing employees.

³The Vita Joint Foundation reserves the right to initiate criminal proceedings. The Foundation Board and its Audit Committee must be notified of breaches and measures taken in response.

Art. 27 Audit Department

¹The Vita Joint Foundation shall have its Audit Department determine whether

precautions have been taken to ensure loyalty in asset management and whether the most senior decision-making body is sufficiently verifying compliance with the duties of loyalty (Art. 52 c (1) (c) BVG).

J Final provisions

Art. 28 Omissions in the Regulations

¹The Foundation Board shall on a case-by-case basis issue a provision that conforms to the law and the Deed of Foundation with respect to any matter not covered fully or at all by these Regulations.

Art. 29 Modifications to the Regulations

¹These Regulations can be modified by the Foundation Board at any time.

Art. 30 Entry into force

These Regulations shall come into force on January 1, 2018.

Zurich, November 15, 2017

Vita Joint Foundation

The Foundation Board