

CORPORATE GOVERNANCE

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Information relating to Corporate Governance

Bellevue Group views good corporate governance as a challenge that must be met and an essential precondition for achieving strategic company goals and for creating sustainable value for the company's shareholder and all other stakeholders. Bellevue Group is committed to open and consistent information policies and procedures.

As a listed company, Bellevue Group reports annually on matters relating to corporate governance in accordance with the Directive on Information relating to Corporate Governance (DCG). A Remuneration Report that is audited by independent auditors provides information on compensation paid to the members of the Board of Directors and the Group Executive Board. The four-member Board of Directors is international and interdisciplinary in its composition and has profound knowledge in various subjects.

A clearly defined, balanced separation of roles and responsibilities between the Board of Directors and the Group Executive Board is an important element of corporate governance. All country-specific legal requirements are adhered to.

Law and regulations

Bellevue Group is subject to Swiss law, in particular to stock corporation and stock exchange law, the regulations of the Swiss stock exchange (SIX Swiss Exchange).

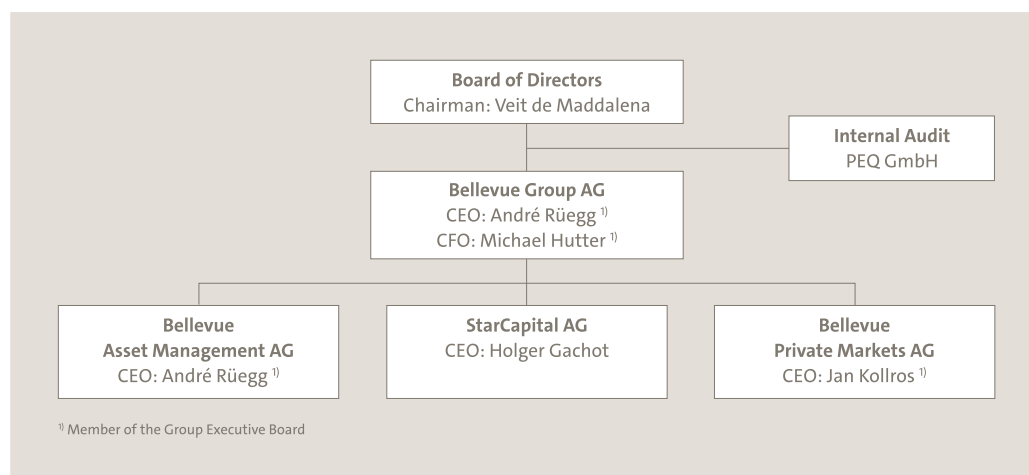
The SIX Swiss Exchange AG issued a «Directive on Information relating to Corporate Governance», which entered into effect on July 1, 2002. The following information meets the requirements of this directive (in the current version of May 1, 2018) and takes account of the SIX commentary last updated on April 10, 2017. If information required by this directive is published in the Notes to the financial statements, a reference indicating the corresponding section of the notes is given.

The Swiss stock exchange SIX Swiss Exchange Ltd has published a Directive on Information Relating to Corporate Governance for the first time with effect from July 1, 2002. The following information complies with the requirements of this directive (in the current version dated January 2, 2020) taking into account the SIX commentary last updated as of April 10, 2017. If the information required by the directive is disclosed in the notes to the financial statements, reference is made to the corresponding note in the notes.

This report also contains the necessary details pursuant to the Ordinance against Excessive Remunerations in Listed Companies Limited by Shares (VegüV).

Group structure and shareholders

Corporate structure as December 31, 2020



Scope of consolidation

The companies consolidated by Bellevue Group are listed, together with information regarding their domicile and share capital and the interest held by the Group, in the notes to the consolidated financial statements, note 8 «Major subsidiaries».

Based on the notifications received and published by Bellevue Group AG, the following parties hold significant voting rights:

Major shareholders

Shareholder or beneficial owner	31.12.2020 Voting rights held	31.12.2020 Number of shares held	31.12.2019 Voting rights held	31.12.2019 Number of shares held
Martin Bisang, Küsnacht	20.43%	2 750 000	20.43%	2 750 000
Hans Jörg Wyss, Cambridge MA (USA)	9.66%	1 300 000	n/a	n/a
Jürg und Manuela Schächli, Rapperswil-Jona	9.05%	1 217 799	9.05%	1 217 799
Jörg Bantleon, München (Deutschland)	n/a	n/a	11.24%	1 513 181

The shareholders Martin Bisang (Küsnacht), as well as Manuela and Jürg Schächli (Jona) signed a shareholder agreement on October 25, 2018. Martin Bisang will represent the Group and controls 29.48% of the voting rights by December 31, 2020 (December 31, 2019: 29.48%).

Disclosure notifications are retrievable from the SIX Swiss Exchange website at: <https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/>

Cross-shareholdings

There are no cross-shareholdings between Bellevue Group AG or its subsidiaries and other corporations.

Capital structure

Capital

The share capital of Bellevue Group AG amounts to CHF 1 346 143 and is divided into 13 461 428 registered, fully paid-in unit shares with a par value of CHF 0.10. The registered shares of Bellevue Group AG (Valor 2 842 210, ISIN CH0028422100) are listed on the SIX Swiss Exchange. The market capitalization as of December 31, 2020 was CHF 414.6 million.

Bellevue Group AG does not have any participation certificates or non-voting equity certificates outstanding nor has it issued any.

Conditional capital and authorized capital

Information on conditional and authorized capital is provided in the Notes to the Consolidated Financial Statements, «Share capital/Conditional capital/Authorized capital».

Capital changes

Information on the composition of capital, changes in capital over the last two years, and conditional and authorized capital is provided in the statement of changes in equity and in the notes to the consolidated financial statements, «Share capital/Conditional capital/Authorized capital». For information dating back further, please refer to the Annual Report 2019, pages 61 and 87.

Restriction of the transferability and nominee registrations

The restrictions on transfer and the rules concerning nominee registrations are governed by Art. 5 of the Articles of Association. The relevant provisions of the Articles of Association may be amended by the General Meetings of Shareholders with the quorum pursuant to Art. 12 of the Articles of Association or with a higher legal quorum, if any.

Board of Directors

The Board of Directors of Bellevue Group AG consists of the following persons as per December 31, 2020:

Name	Function	Nationality	Member of Board Committee ¹⁾	First elected	Elected until
Veit de Maddalena	Chairman	CH	CC	2018	2021
Dr. Daniel H. Sigg	Member	CH	ARC ²⁾	2007	2021
Prof. Dr. Urs Schenker	Member	CH	ARC/CC	2019	2021
Katrin Wehr-Seiter	Member	DE	ARC/CC ³⁾	2019	2021

¹⁾ Further information on the committees is given below under «Internal organization».

²⁾ Chair Audit & Risk Committee.

³⁾ Chair Compensation Committee.

No member of the Board of Directors of Bellevue Group AG had any operational management responsibilities for the company or a subsidiary in 2020 or in the three preceding financial years, nor do they maintain any significant business relationships with the company or a subsidiary.

Board member Dr. Rupert Hengster did not stand for reelection at the Annual General Meeting on March 24, 2020.

Veit de Maddalena

born 1967



- Lic. rer. pol. (economics) from the University of Bern and MSc / Masters in Finance from London Business School
- Since 2018 owner of Candor Board Services GmbH in Zurich
- 2006–2017 Rothschild & Co Group, from 2016 as Executive Vice-Chairman Europe, previously member of Group Management Committee and Head of Wealth Management & Trust Division and CEO of Rothschild Bank AG in Zurich
- 1994–2005 Credit Suisse Group, last serving as Global CEO Credit Suisse Trust Group AG in Zurich, previously CEO Credit Suisse (Monaco) SAM and various positions as Client Relationship Manager in Switzerland and abroad

Mandates

- Chairman of Klosters Madrisa Bergbahnen AG
- Chairman of Quattro Stelle SICAV AG
- Chairman of VR Motion AG

Dr. Daniel H. Sigg

born 1956



- Degree in law, University of Zurich (Dr. iur.)
- Since 2006 DHS International Advisors, LLC, Principal (advisor on financial issues)
- 2000–2005 TimesSquare Capital Management Inc., President
- 1997–1999 UBS, Global Head of Institutional Asset Management, Senior Managing Director
- 1990–1997 BEA Associates, CFO
- 1987–1990 Swiss American Securities Inc., Vice President, Head International Trading Department
- 1984–1987 Credit Suisse, Financial Analyst

Mandates

- Member of the Board of Directors of Bellevue Funds (Lux) SICAV, Luxembourg
- Chairman of Laguna Trustees Ltd., Jersey
- Member of the Advisory Board of Metropolitan Partners Group, New York

Prof. Dr. Urs Schenker

born 1957



- Prof. Dr. jur. University of Zurich and Harvard (LLM)
- Since 2015 attorney at Wader Wyss AG, Zurich (corporate, financial and capital market law)
- 1985–2015 attorney at Baker & McKenzie, Zurich (since 1991 partner)

Mandates

- Member of the Board of Directors of Capital Dynamics Holding AG
 - Member of the Board of Directors of Geschäftshaus City AG
-

Katrin Wehr-Seiter

born 1970



- MBA, INSEAD Business School Fontainebleau, France, and Diplom-Ingenieurin, Mechanical Engineering, Technical University of Chemnitz, Germany
- Since 2012 BIP Investment Partners SA, Managing Director, and since 2017 BIP Capital Partners, Partner und Managing Director Luxembourg
- 2010–2012 Bridgepoint Capital, independent advisor/senior advisor for mid-size companies and international private-equity companies
- 2000–2009 Permira Beteiligungsberatung, Principal, Germany
- 1995–2000 Siemens AG, strategy and corporate consultant as well as project leader Germany and US

Mandates

- Member of the Board of Directors of SES S.A.
- Member of the Board of Directors and member of the advisory committee of several non-listed companies

Election procedures

All members of the Board are elected individually by the general meeting of shareholders. The Board of Directors constitutes itself. The members of the Board of Directors are elected to a term of one year and may be reelected. There is no restriction in the number of reelections.

Statutory rules in relation to the number of permissible activities of the Board of Directors pursuant to Article 12(1)(1) VegüV

Pursuant to Article 32 of the Articles of Association, the members of the Board of Directors may each execute a maximum of 20 activities, of which a maximum of five in listed companies. Excluded from this are activities in legal entities controlled by the company or which control the company. Also excluded from the restrictions are activities in foundations, charitable institutions and employee pension funds; however, these are restricted to a maximum of ten such activities.

The term activity in the meaning of this provision describes the membership in the supreme managerial and administrative bodies of legal entities which are obliged to register themselves in the commercial register or in a corresponding foreign register. Several activities in legal entities which are under unitary control or under the control of the same beneficial owner are considered to be one activity.

Internal organization

The Board of Directors appoints a Vice Chairman from its own members. The Board of Directors appoints a secretary who needs not be a member of the Board of Directors. The Board of Directors meets as often as necessary to perform its duties but at least once per quarter. The Board of Directors constitutes a quorum when an absolute majority of its members is present. Board resolutions and elections are decided in accordance with the internal rules and regulations by an absolute majority of the votes cast. In the event of a tie vote, the Chairman has the casting vote. Decisions by way of circular letter need to be passed by majority of all members of the Board of Directors.

The following table provides an overview of the meetings, conference calls and circular resolutions of the Board of Directors in 2020.

	Meetings	Conference calls	Circular resolutions
Total	4	7	2
Average duration (in hours)	04:10	00:43	-
Participation:			
Veit de Maddalena, Chairman	4	7	2
Dr. Daniel H. Sigg	4	7	2
Prof. Dr. Urs Schenker	4	7	2
Katrin Wehr-Seiter	3	7	2
Dr. Rupert Hengster ¹⁾	1	2	2

¹⁾ Resigned from the Board of Directors as of March 24, 2020.

The Board of Directors can delegate some of its duties to committees. The standing committees are as follows: Compensation Committee (CC) and Audit & Risk Committee (ARC).

Compensation Committee (CC)

The CC assists the Board of Directors in the definition and implementation of the compensation principles. It is the applicant in regards of the compensation policy for the Board of Directors and the Executive Board. Furthermore, it is responsible for the employment conditions for senior executives and for the shares and profit sharing plans. It takes position on all compensation related affairs, which are situated in the decision making authority of the Board of Directors. The Compensation Committee meets as often as business requires, at least every six months.

The following table provides an overview of the meetings, conference calls and circular resolutions of the Compensation Committee in 2020.

	Meetings	Conference calls	Circular resolutions
Total	4	1	-
Average duration (in hours)	02:39	00:45	-
Participation:			
Katrin Wehr-Seiter, Chairman	4	1	-
Veit de Maddalena	4	1	-
Prof. Dr. Urs Schenker	4	1	-

Audit & Risk Committee (ARC)

The ARC examines whether all systems created to monitor compliance with legal and statutory provisions are appropriate and whether they are being applied properly. It reports to the Board of Directors and makes recommendations to the same.

The ARC also monitors and evaluates the integrity of the financial reports, internal controls, the effectiveness of the external auditor and the Internal Audit as well as risk management and compliance, taking into consideration the risk profile of Bellevue Group. It guides and monitors the activities of the Internal Audit, maintains Board level contact with the external auditors and monitors their performance and independence as well as their collaboration with the Internal Audit.

All members of the ARC are independent. The ARC meets at least once a quarter.

The following table provides an overview of the meetings, conference calls and circular resolutions of the Audit & Risk Committee in 2020.

	Meetings	Conference calls	Circular resolutions
Total	4	1	-
Average duration (in hours)	02:22	00:45	-
Participation:			
Dr. Daniel H. Sigg, Chairman	4	1	-
Prof. Dr. Urs Schenker	3	1	-
Katrin Wehr-Seiter ¹⁾	3	1	-
Dr. Rupert Hengster ²⁾	1	-	-

¹⁾ Member since March 2020

²⁾ Resigned from the Board of Directors as of 24 March 2020.

Internal Audit

The company PEQ GmbH has been assigned the function of Internal Audit by the Board of Directors since the 2008 fiscal year. The Internal Audit helps the Board of Directors to exercise its statutory supervisory duties within Bellevue Group and it performs the audit functions assigned to it. It has an unlimited right of inspection within all Group companies and may inspect any and all business documents at any time. The Internal Audit coordinates its activities with the external auditors and reports directly to the Chairman of the Board of Directors.

Definition of powers of authorization

Board of Directors

The Board of Directors is responsible for the ultimate direction of the company and the supervision and oversight of Bellevue Group. It passes and periodically revises company strategy, issues directives and guidelines as necessary and determines Bellevue Group's organizational structure and risk policies. It also receives reports about the existence, appropriateness and effectiveness of the internal control system. It supervises and monitors persons entrusted with executive management duties. The Board of Directors is responsible for appointing and dismissing the CEO. It approves the appointment, promotion, and dismissal of Bellevue Group's senior management. Furthermore, it performs the duties assigned to it by law (Art. 716a CO). The delegation of powers between the Board of Directors, its committees, the CEO and the Group Executive Board is specified in Bellevue Group's regulations. The competencies of the Board of Directors include the purchase and disposal of shareholdings, the establishment of group subsidiaries and regional offices, securing loans, issuing bonds as well as granting credit above certain limits. Investment plans and other decisions having an impact on cash flows must likewise be approved by the Board of Directors above a certain threshold.

Group Executive Board

The Group Executive Board is Bellevue Group's executive body and reports to the Board of Directors. It is responsible for all Group issues that do not expressly fall within the remit of the Board of Directors of Bellevue Group AG or of a Group company according to legislation, the Articles of Association or the internal rules and regulations. It functions as a committee and all decisions have to be reached by the entire body. It is responsible, in particular, for developing a Group-wide business strategy for presentation to the Board of Directors, implementing the decisions reached by the Board of Directors within the Group, monitoring the execution of these decisions, and managing and supervising Bellevue Group's everyday operations, which must be effected within the scope of the financial plan, annual objectives, annual budget and risk policy and in accordance with the other regulations and instructions issued by the Board of Directors. It is responsible for ensuring compliance with legal and regulatory requirements as well as applicable industry standards.

Its responsibilities also include drawing up and application of the annual budget and defining annual targets for Bellevue Group. The Group Executive Board is responsible for issuing rules and regulations relating to the implementation of the risk policy, i.e. governing the basic aspects of risk responsibility, risk management and risk control. It reports to the Board of Directors and the ARC about the existence, appropriateness and effectiveness of the internal controls and issues corresponding directives as necessary. It is responsible for issuing directives regarding compliance. Its competencies include granting loans in accordance with the powers of authorization defined in the internal rules and regulations as well as entering proprietary trading positions within the defined limits. The Group Executive Board can delegate the permissible limits to the competent divisions and units within Bellevue Group.

Information and control instruments relating to the Group Executive Board

The Board of Directors meets at least four times a year as specified in the internal rules and regulations. The ordinary meetings usually last half a day. The members of the group executive board attend these meetings. The Board of Directors receives monthly reports about the course of business and is periodically informed about risk exposure developments as well as the adherence to legal, regulatory and internal rules and regulations. Its control instruments include the semi-annual reporting requirements, the annual budget process and the internal and external audits.

During the meetings of the Board of Directors, every director can request other board members or the CEO to provide them with information about any matters relating to Bellevue Group. In the interim between meetings every Board

member can request information about the course of business from the CEO and can also, upon approval by the Board Chairman, receive information about specific business transactions and inspect business documents.

Group Executive Board

The Group Executive Board comprised the following persons as at December 31, 2020:

Name	Function	Nationality
André Rüegg	CEO Bellevue Group AG CEO Bellevue Asset Management AG	CH
Michael Hutter	CFO Bellevue Group AG	CH
Jan Kollros	CEO Bellevue Private Markets AG	CH

Patrik Gilli (former CFO) resigned from the Group Executive Board at the end of July 2020 and left the Group at the end of November 2020. His function as CFO was taken over by Michael Hutter as of August 1, 2020.

Thomas Pixner (former CEO of Bank am Bellevue AG) resigned from the Group Executive Board at the end of January 2020 and left the Group at the end of April 2020.

Additional information on the members of the Group Executive Board:

André Rüegg

born 1968



- Business and economics degree, University of Zurich
- Since 2009 with Bellevue Group, Head Sales & Marketing, since 1 January 2012 CEO Bellevue Asset Management AG, since January 1, 2017 in addition CEO Bellevue Group AG and between February 22, 2017, and February 28, 2018, in addition CEO Bank am Bellevue AG ad interim
- 1995–2009 with Julius Bär, Group Member of the Executive Committee Asset Management
- 1993–1995 Arthur Andersen & Co.

Mandates

- Chairman of the Board of Directors, Bellevue Funds (Lux) SICAV

Michael Hutter

born 1971



- Swiss Certified Accountant, Betriebsökonom HWV
- Since August 2020 CFO at Bellevue Group AG
- Since March 2019 Member of the Executive Board at Bellevue Group AG
- March 2019 until December 2019 CFO at interim at Bellevue Group AG
- 2008–2019 CFO, COO and CRO at Bellevue Asset Management AG
- 1998–2008 PriceWaterhouseCoopers, Senior Manager Audit

Mandates

- AIM Sport Holding AG (Suppleant)

Jan Kollros

born 1978



- Dipl. Ing. ETH
- Since July 2019 member of the Executive Board of Bellevue Group AG
- Since December 2019 CEO at Bellevue Private Markets AG
- Since 2005 with adbodmer AG and since 2009 Partner and CEO at adbodmer AG

Mandates (in connection with the function as CEO of adbodmer AG):

- Evatec AG
- Lalique Group SA
- Haas & Complany AG
- Bédar & Co SA / Luxury Concepts SA
- The Hess Group AG
- Optotune Holding AG
- NEXTLENS AG

Statutory rules in relation to the number of permissible activities of the Executive Board pursuant to Article 12(1)(1) VegüV

Pursuant to Article 32 of the Articles of Association, subject to prior approval of the Board of Directors or the Compensation and Nomination Committee, the members of the Executive Board may each execute a maximum of ten activities, of which a maximum of two in listed companies. Excluded from this are activities in legal entities controlled by the company or which control the company. Also excluded from the restrictions are activities in foundations, charitable institutions and employee pension funds; however, these are restricted to a maximum of ten such activities.

The term activity in the meaning of this provision describes the membership in the supreme managerial and administrative bodies of legal entities which are obliged to register themselves in the commercial register or in a corresponding foreign register. Several activities in legal entities which are under unitary control or under the control of the same beneficial owner are considered to be one activity.

Compensations, shareholdings and loans

The information on compensation, shareholdings and loans can be found in the Remuneration Report (Board of Directors, Group Executive Board).

Participatory rights of shareholders**Voting rights restrictions and shareholder representation**

In relation to the Company, a person entered in the share register is considered to be a shareholder. The shareholder may represent his shares at the General Meeting of Shareholders himself, based on a written or electronic proxy (incl. issuance of instructions) by the independent proxy or electronically (including issuing instructions) by the independent proxy or, based on a written power of attorney, have another shareholder with voting rights represent them. The Board of Directors may specify or supplement the requirements in the invitation to the General Meeting or in general regulations or guidelines. The provisions pursuant to Art. 11 of the Articles of Association shall apply.

There are no restrictions on voting rights; each share entitles the holder to one vote (the rules on nominee registrations are governed by Art. 5 of the Articles of Association cf also the above remarks under «Restriction on the Transferability and Nominee registrations»).

Statutory quorums

There are resolution quorums that are higher than provided for in the law.

Notice convening the general meeting of shareholders

The notice convening the general meeting of shareholders shall be in conformity with applicable legal requirements.

Placing items on the agenda

Shareholders who represent at least two per cent of the share capital may request an item to be added to the agenda. The agenda must be sent in writing at least fifty days before the meeting, including a list of agenda items to be discussed and the shareholder's motions to be voted on.

No resolutions may be adopted regarding motions on agenda items which have not been properly announced. This does not include motions for convening an Extraordinary General Meeting, for the performance of a special audit and for the election of an auditor at the request of a shareholder. Prior notice is not required for the submission of motions in relation to the agenda items or for deliberations not resulting in the adoption of resolutions.

Entry in the share register

In the invitation to the General Meeting of Shareholders, the Board of Directors announces the cut-off date of the entry in the share register that is decisive for the right to attend and vote. Normally, for administrative reasons, the share register is blocked eight to ten days before the General Meeting.

Change of control and defense measures

Mandatory public offer («opting out»)

Persons who purchase or acquire Bellevue Group AG shares are not required to issue a public offer as stipulated by Art. 135 FMIA («opting out» to Art. 125 FMIA).

Change of control clause

Members of the Board of Directors, executive Board members and employees of Bellevue Group are not contractually entitled to any severance payments. Employment contracts of Bellevue Group employees may be terminated within a maximum period of six months.

Statutory auditor

Duration of mandate and term of office of Lead auditor

The Group accounts and the consolidated financial statements of Bellevue Group AG and its subsidiaries are audited by PricewaterhouseCoopers (PwC). The statutory auditor of Bellevue Group AG is elected for a one-year period at the general meeting of shareholders. PwC was elected for the first time for the 1999 fiscal year. The auditor in charge is Daniel Pajer. He has exercised this function since the 2019 fiscal year. The rotation period for this function is seven years.

Fees paid to auditor

CHF 1 000	1.1.–31.12.2020	1.1.–31.12.2019
Auditing fees billed by PwC	483	565
Additional fees billed by PwC	–	459

The additional fees in fiscal year 2019 related to services in connection with projects for the sale of Bank am Bellevue AG.

There is no prescribed catalogue of criteria that has to be consulted when approving these types of additional mandates; the Audit & Risk Committee (ARC) decides on an individual basis whether the issuing of an additional mandate would impact on the auditor's independence.

Instruments for supervising and monitoring the auditors

The Board of Directors is responsible for the supervision and control of the statutory auditor and the group auditor and it is supported in this function by the Audit & Risk Committee (ARC). The ARC receives and evaluates reports from representatives of the external auditors on a regular basis. It confers regularly with the head auditor about the effectiveness of the internal control systems taking into consideration Bellevue Group's risk profile. In addition, the ARC reviews the scope of the auditing work, the quality of the work performed and the independence of the external auditors. The external auditors have direct access to the ARC at all times. The external auditors usually attend meetings of the Audit & Risk Committee (ARC) twice a year. The external auditors attended three ARC meetings in the reporting year. The internal auditors usually attend meetings of the ARC once or twice a year. In the reporting year, the internal auditors attended all meetings of the ARC.

Information policy

As a company listed on the stock exchange, Bellevue Group AG pursues a consistent and transparent information policy in relation to its shareholders, clients and employees as well as to the financial community and the general public. Its regular reporting activities and venues comprise the publication of the annual and semi-annual reports and letters to shareholders as well as a media conference on the annual results and the general meeting of shareholders. When important events occur, the above-mentioned stakeholders will be concurrently informed by way of press releases.

Information to shareholders

23.03.2021: Annual General Meeting

29.07.2021: Reporting Half-Year Results

Additional information regarding Bellevue Group AG for ad hoc publicity can be found at the following websites:

Corporate News

Newsletter

Contact