

Articles of Association of Bystronic AG in Zurich

I. Company name, registered office, and purpose of the company

Article 1

A company limited by shares [*Aktiengesellschaft*] is incorporated under the name Bystronic AG with registered office in Zurich.

Article 2

The purpose of the company is the investment in companies of all kinds nationally and abroad.

The company may conclude all transactions that are capable of promoting or facilitating the development of the company and the achievement of the company purpose. It may establish branch offices nationally and abroad.

II. Share capital and shares

Article 3

The share capital amounts to CHF 4,140,000.00 and is divided into 1,827,000 class A shares with a nominal value of CHF 2.00 and 1,215,000 class B shares with a nominal value of CHF 0.40. All shares are registered shares and have been fully paid up.

Article 4

The company shall issue its registered shares in the form of individual certificates, global certificates or uncertificated securities. Insofar as permitted by law, the company shall be at liberty to transform the registered shares issued by it in these forms into another form at any time and without the approval of the shareholders. It shall bear the costs of any such operation.

The shareholders shall have no entitlement to the issue of registered shares in a particular form or transformation into a particular form. However, each shareholder may request at any time that the company issue an attestation relating to the registered shares held by him/her, as stated in the share register.

Intermediated securities based on registered shares in the company may not be transferred by assignment. Moreover, no security interest in such intermediated securities may be created by assignment.

Article 5

A share register of registered shares shall be kept at the registered office of the company, in which the names and addresses of the owners and beneficial owners of registered shares shall be recorded.

Accordingly, only such persons who are included in the share register shall be recognised by the company as shareholders or beneficial owners.

Registration shall be conditional upon proof of transfer in the proper manner.

Article 6

In the event that the share capital is increased by the issue of new shares, the previous shareholders shall have a subscription right in proportion with the nominal value of their previous documented investment.

If the share capital is increased, the general meeting may resolve to adopt diverging rules concerning entitlement to subscription rights if there are important reasons for doing so, and may in particular allocate all or part of the newly issued shares to non-shareholders.

Purchasers of shares in the company shall not be obliged to present a public offer to buy in accordance with the Federal Act on Stock Exchanges and Securities Trading.

III. Governing bodies of the company

A. The general meeting

Article 7

The ordinary general meeting shall be held annually within six months of the end of the financial year. Extraordinary general meetings shall be called by the board of directors in the situations required by law and as needed.

Article 8

Invitations to ordinary and extraordinary general meetings shall be issued no later than 20 days prior to the date of the meeting by the board of directors or, as the case may be, by the auditors, by a notice published in the Swiss Official Gazette of Commerce, which shall state the items of business and the motions of the board of directors and, as the case may be, of the shareholders who have requested that a general meeting be held or that a specific item of business be placed on the agenda.

Shareholders representing at least 10% of the share capital may request that a general meeting be called.

Shareholders representing at least 5% of the share capital may request that a specific item of business be placed on the agenda. The request must be filed with the company at least 40 days before the general meeting.

The annual report, the compensation report, and the audit report shall be lodged at the company for consultation no later than 20 days before the ordinary general meeting. Upon request, each shareholder shall be provided with a copy of these documents.

Ordinary and extraordinary general meetings may only validly resolve upon items of business that have been properly placed on the agenda. This shall not apply to resolutions on the calling of an extraordinary general meeting or the conduct of a special audit.

Article 9

The general meeting of shareholders shall have the following non-transferable powers:

1. to amend the Articles of Association;
2. to elect the members of the board of directors, to elect from its members the chairperson of the board of directors and the members of the remuneration committee, and to elect the auditors and the independent proxy;
3. to approve the management report and the consolidated accounts;
4. to approve the annual accounts and resolutions on the allocation of the disposable profit;
5. to approve the remuneration of the board of directors and the executive board;
6. to discharge the members of the board of directors;
7. to resolve on the motions of the board of directors, the auditors, and individual shareholders;
8. to pass resolutions concerning all other matters reserved to the general meeting by law or the Articles of Association.

Article 10

Votes shall be cast and elections shall be conducted in public, unless the general meeting decides to hold a written ballot or election or if so ordered by the chairperson. The electronic processing of votes shall be regarded as equivalent to written processing. The chairperson may allow a vote or election to be repeated at any time if in his view there is any doubt as to the result of the vote; should this occur, the previous vote or election shall be deemed not to have been held.

Article 11

The general meeting shall pass resolutions and conduct elections by an absolute majority of the votes cast, excluding blank or invalid votes.

A resolution by the general meeting shall require at least two-thirds of the votes represented and an absolute majority of the nominal value of shares represented for:

1. any amendment of the Articles of Association;
2. any change to the share capital;
3. any restriction or cancellation of the subscription right;
4. the dissolution of the company.

Article 12

The chairperson of the board of directors or, if he or she is unavailable, any other member designated by the board of directors shall chair the general meeting.

The chairperson shall designate the teller or tellers and the meeting secretary, who need not be shareholders.

Minutes shall be kept of the general meeting, which must be signed by the chairperson and the meeting secretary.

Article 13

Each share shall establish entitlement to one vote at the general meeting. The company shall recognise only one representative per share.

The board of directors shall issue rules of procedure concerning participation and representation at the general meeting.

The general meeting shall elect the independent proxy for a term in office which shall expire upon conclusion of the next ordinary general meeting.

B. The board of directors

Article 14

The board of directors shall be composed of between five and eight members.

The general meeting shall elect the members of the board of directors and the chairperson of the board of directors individually for a term in office which shall expire upon conclusion of the next ordinary general meeting.

Article 15

At least two representatives from each share class shall be entitled to a seat on the board of directors. They shall be elected by the general meeting.

Article 16

Subject to the election of the chairperson and the members of the remuneration committee, the board of directors shall be self-constituting.

It shall appoint a secretary, who need not be a member of the board of directors.

Article 17

The board of directors shall meet upon invitation by the chairperson or, if he or she is unavailable, by another board member whenever required by business and, in addition, whenever requested by a member.

Minutes shall be kept of its deliberations, which must be signed by the chairperson and the secretary.

Article 18

The board of directors shall be quorate if attended by a majority of its members. In cases involving confirmation resolutions to record the completion of a capital increase and the subsequent amendment of the Articles of Association, the presence of one single member of the board of directors shall suffice.

The board of directors shall pass resolutions and conduct elections by a majority of the votes cast. In the event of a tie the meeting chairperson shall have the casting vote.

Resolutions may be adopted by written approval (including by fax or email) of motion circulated, unless a member requests an oral discussion.

Article 19

The board of directors shall have the following non-transferable and inalienable duties:

1. the overall management of the company and the issuing of all necessary directives;
2. the determination of the company's organisation;
3. the determination of the principles governing the accounting, financial control, and financial planning systems;
4. the appointment or removal of persons entrusted with business management and representation, including the manner in which they may sign;
5. overall supervision of the persons entrusted with managing the company, also with regard to compliance with the law, Articles of Association, operational regulations and directives;

6. compilation of the annual report, the compensation report, and preparation for the general meeting and implementation of its resolutions;

7. notification of the court in the event that the company is over-indebted.

The board of directors is empowered to resolve in relation to all matters except those that have been transferred or reserved to the general meeting.

Article 20

The board of directors shall be entitled to transfer representation of the company and, in accordance with the organisational regulations, executive management or individual branches thereof to individual members of the board of directors or to other natural persons.

Article 21

The remuneration committee shall be composed of three members of the board of directors.

The general meeting shall elect the members of the remuneration committee individually for a term in office which shall expire upon conclusion of the next ordinary general meeting.

The remuneration committee shall request from the board of directors:

- a. the compensation report;
- b. the motions for the general meeting concerning the remuneration of the board of directors and the executive board;
- c. the individual remuneration of the members of the board of directors and the president of the executive board.

In all other respects, the board of directors shall regulate the organisation of and adoption of resolutions by the remuneration committee; it may allocate additional tasks to the remuneration committee.

C. The auditors

Article 22

The general meeting shall elect the auditors for a term in office which shall expire upon conclusion of the next ordinary general meeting.

The auditors shall comply with auditing and reporting duties in accordance with the relevant statutory provisions.

IV. Remuneration of the members of the board of directors and the executive board

Article 23

The general meeting shall approve the motions of the board of directors concerning the maximum overall amounts:

- a. of the direct and indirect remuneration of the board of directors for the period until the next ordinary general meeting;
- b. of the direct and indirect remuneration of the executive board for the following financial year.

The board of directors may present additional motions or motions with different effect relating to the same period or other periods for approval by the general meeting.

Article 24

The company or the companies controlled by it shall be empowered to pay an additional amount of up to 35% of the relevant approved overall amount for the duration of the remuneration periods already approved to any member who joins the executive board or is promoted within the executive board after remuneration has been approved by the general meeting.

Article 25

The company may pay the members of the executive board a performance-related remuneration in addition to their fixed remuneration. The performance-related remuneration paid in any given year may not exceed 150% of the fixed remuneration for that year.

The performance-related remuneration shall be determined in accordance with company targets. It shall take account in particular of:

- a. the achievement of planned targets within the area of responsibility;
- b. the further development of the business;
- c. staff management and development.

The remuneration of the board of directors and the performance-related remuneration of the executive board may be paid in cash or through the allocation of shares or options. The shares must be acquired on the market.

The remuneration may be paid by the company or by companies controlled by it.

V. Contracts with members of the board of directors and the executive board, retirement benefits, loans

Article 26

The term of contracts concluded with members of the board of directors shall be determined in accordance with their term in office and according to law.

The company or companies controlled by it shall conclude permanent employment contracts with the members of the executive board. These may be terminated subject to a notice period which may not exceed twelve months.

Compensation may be paid for a non-competition clause for the period after termination of the employment contract. This may not exceed 50% of the last annual remuneration.

Article 27

The company or companies controlled by it may arrange for alternative retirement benefits for members of the executive board who do not or only partially benefit from Swiss pension funds.

The company or companies controlled by it may grant loans up to the value of the annual remuneration to members of the executive board.

VI. Appointments outside the group

Article 28

No member of the board of directors may accept more than ten additional appointments, including no more than four in companies listed on the stock exchange.

No member of the executive board may accept more than four appointments, including no more than two in companies listed on the stock exchange. Each appointment must be approved by the board of directors.

These restrictions shall not apply to:

- a. appointments to companies controlled by the company or that control the company;
- b. appointments taken up by a member of the board of directors or of the executive board on the instructions of the company. No member of the board of directors or of the executive board may take up more than ten such appointments; and
- c. appointments to associations, charitable foundations, and staff pension funds. No member of the board of directors or of the executive board may take up more than ten such appointments.

Appointments shall mean appointments to the highest management body of a legal entity that must be entered into the Commercial Register or an equivalent foreign register. Appointments to different legal entities under joint control or with the same economic beneficiary shall be regarded as one single appointment.

VII. Allocation of profits and reserves

Article 29

The annual accounts shall be drawn up each year to 31 December.

Article 30

5% of the annual profit must be allocated to the general reserve until this equals 20% of the paid-up share capital.

Subject to the provisions of Article 671 of the Swiss Code of Obligations, the remaining disposable profit may be disposed of freely by the general meeting.

The general meeting may resolve to create special reserves alongside the statutory reserve, which may be disposed of freely by it.

VIII. Dissolution and liquidation

Article 31

The general meeting may resolve at any time to dissolve and liquidate the company as prescribed by law and the Articles of Association.

Liquidation shall be conducted by the board of directors, unless decided otherwise by the general meeting. With regard to other matters, dissolution and liquidation shall be governed by Articles 736 et seq. of the Swiss Code of Obligations.

IX. Announcements and notices

Article 32

The publication organ of the company is the Swiss Official Gazette of Commerce. The board of directors shall be entitled to designate further publication organs at any time.

Written notices shall be given by the company to the shareholders or beneficial owners in the situations prescribed by law by way of ordinary letter to the address of the shareholder or beneficial owner included in the share register.

Zurich, 21 April 2021