Corporate Governance Report

55 **Corporate Governance Report**

56 1 Group structure and shareholders

59 2 Capital structure

61 3 Board of Directors

75 4 Management Board

80 5 Compensation, shareholdings and loans

80 6 Shareholders' rights of participation

81 7 Changes of control and defence measures

82 8 Auditors

83 9 Information policy

Information relating to the Corporate Governance

Cembra Money Bank AG ("Bank", together with its subsidiaries, "Group") is committed to transparent and responsible corporate governance. The term "corporate governance" is being used when referring to the organisational structure of the Group as well as the operational practices of its management. The Group's internal governance framework including the articles of incorporation ("Articles of Incorporation") and the organisational regulations ("Organisational Regulations") embodies the principles required in order for the business of the Bank to be managed and supervised in accordance with good corporate governance standards.

As a company having its shares listed on the SIX Swiss Exchange (SIX), the Bank is subject to – and acts in compliance with – the Directive on Information Relating to Corporate Governance and its Annex and Commentary (CGD), issued by SIX Exchange Regulation. If information required by the CGD is published in the Notes to the Consolidated Financial Statements, a reference indicating the corresponding note to the Consolidated Financial Statements is provided. The Swiss Code of Best Practice for Corporate Governance, issued by economiesuisse, has also been taken into account.

The Organisational Regulations, which are published on the website (www.cembra.ch/governance), further outline the duties, powers and regulations of the governing bodies of the Bank.

1 Group structure and shareholders

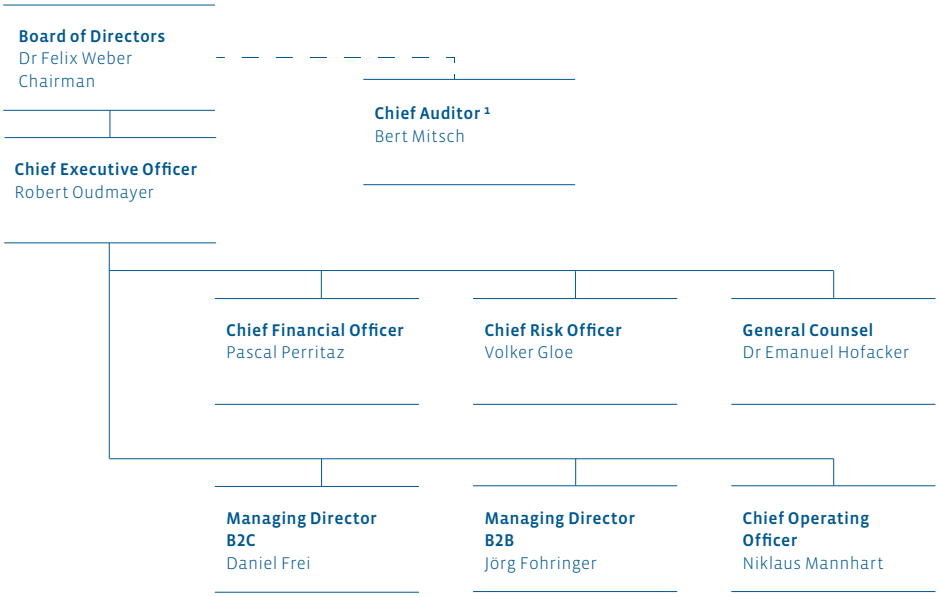
1.1 Group structure

1.1.1 Description of the group's operational structure

The Bank is a public limited company (Aktiengesellschaft) organised under the laws of Switzerland in accordance with art. 620 et seq. of the Swiss Code of Obligations (CO). The registered address and head office of the Bank is at Bändliweg 20, 8048 Zurich, Switzerland.

The Group's commercial activities mainly focus on consumer finance. The Bank is subject to prudential supervision by the Swiss Financial Market Supervisory Authority (FINMA) and provides a range of financial products and services. Headquartered in Zurich, the Group operates almost entirely in Switzerland through a nationwide network of 17 branches as well as through alternative distribution channels, such as internet, credit card partners (including Migros, Conforama, Fnac and Touring Club Schweiz), independent intermediaries and auto dealers. The Group has one reportable segment. It includes all of the Group's consumer finance products, including unsecured personal loans, auto leases and loans, credit cards and insurance products sold with these products as well as invoice financing. The corporate functions include Finance, Operations, Legal & Compliance, Communications, Risk Management, Internal Audit and Human Resources.

Organisational group structure at 31 December 2019:

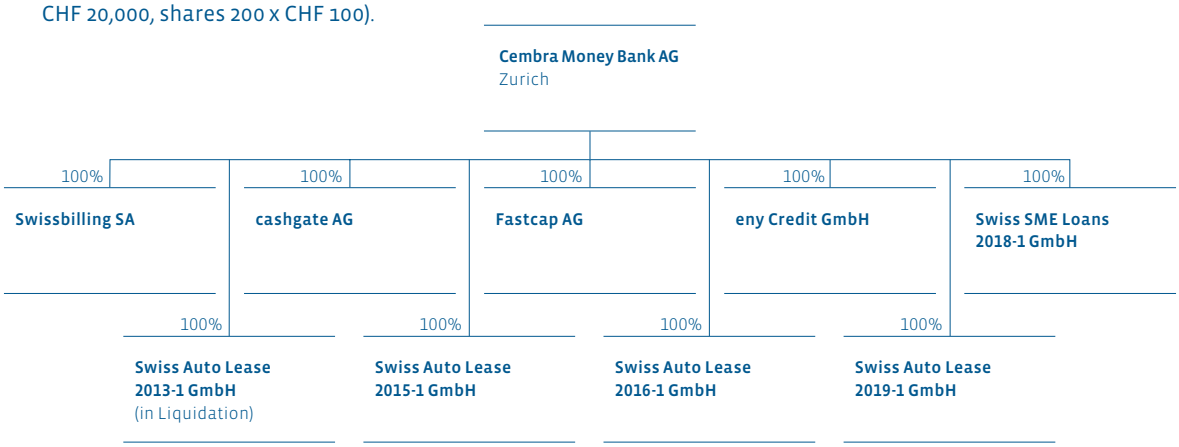


[1] The Internal Audit department is an independent function with a reporting line to the Board of Directors and the Audit and Risk Committee (see section 3.5)

1.1.2 Group entities

The Group comprises the Bank as the parent company and its wholly owned subsidiaries:

- Swissbilling SA (with registered office in Renens, Switzerland, share capital CHF 100,000, shares 10,000 x CHF 10);
- cashgate AG (with registered office in Zurich, Switzerland, share capital 35,000,000; shares 3,500,000 x CHF 10);
- Fastcap AG (with registered office in Zurich, Switzerland, share capital 100,000, shares 100,000 x CHF 1);
- eny Credit GmbH (with registered office in Zurich, Switzerland, stated capital CHF 20,000, shares 1 x CHF 20,000);
- Swiss SME Loans 2018-1 GmbH (with registered office in Zurich, Switzerland, stated capital CHF 20,000, shares 1 x CHF 20,000);
- Swiss Auto Lease 2019-1 GmbH (with registered office in Zurich, Switzerland, stated capital CHF 20,000, shares 200 x CHF 100);
- Swiss Auto Lease 2016-1 GmbH (with registered office in Zurich, Switzerland, stated capital CHF 20,000, shares 200 x CHF 100);
- Swiss Auto Lease 2015-1 GmbH (with registered office in Zurich, Switzerland, stated capital CHF 20,000, shares 200 x CHF 100);
- Swiss Auto Lease 2013-1 GmbH in Liquidation (with registered office in Zurich, Switzerland, stated capital CHF 20,000, shares 200 x CHF 100).



Within the Group, only the Bank is a listed company. The Bank's registered shares are listed pursuant to the International Reporting Standard of SIX (securities number: 22517316, ISIN: CH0225173167, ticker: CMBN). At 31 December 2019, the Bank's issued nominal share capital amounted to CHF 30,000,000 and the market capitalisation amounted to CHF 3,180 million.

1.2 Significant shareholders

According to the rules regarding the disclosure of significant shareholdings of Swiss companies listed on the SIX, disclosure has to be made if the holding reaches, falls below or exceeds the following thresholds: 3%, 5%, 10%, 15%, 20%, 25%, 33⅓%, 50% or 66⅔% of the voting rights entered into the commercial register, whether or not the voting rights can be exercised. The percentage thresholds are calculated on the basis of the total amount of voting rights according to the number of shares issued as disclosed in the commercial register. The Bank is obliged to announce shareholdings by third parties in its shares when notification is received from a third party that a threshold has been reached. As shareholders are only required to notify the Bank and the SIX Exchange Regulation if their holding reaches, falls below or exceeds the thresholds listed above, the percentage holdings of significant shareholders of the Bank may vary at any given time compared to the date of submission of the most recent notification for these respective shareholders. As of 31 December 2019, the Bank was not aware of any person or institution, other than BlackRock Inc. (5.8%), UBS Fund Management, Switzerland AG (5.41%), Pictet Asset Management SA (4.99%) and Credit Suisse Funds AG (3%), which, directly or indirectly, had an interest as a beneficial owner in shares, option rights and/or conversion rights relating to shares of Cembra Money Bank AG exceeding the relevant thresholds prescribed by law. The announcements related to these notifications can be found via the search facility on the SIX Exchange Regulation's platform: www.six-exchange-regulation.com/de/home/publications/significant-shareholders.html.

1.3 Cross shareholdings

The Group has not entered into any cross shareholdings that exceed 5% of the share capital or voting rights on either side.

2 Capital structure

2.1 Capital on the disclosure deadline

At 31 December 2019, the Bank's registered share capital amounted to CHF 30,000,000, divided into 30,000,000 registered shares with a par value of CHF 1.00 each ("Shares"). The Shares are fully paid-in and non-assessable and rank pari passu with each other.

Further information is available in note 15 to the Consolidated Financial Statements.

2.2 Authorised and conditional capital in particular

2.2.1 Authorised capital

The Bank's authorised share capital of CHF 3,000,000 is available for the issuance of up to 3,000,000 Shares. The amount of CHF 3,000,000 corresponds to 10% of the existing share capital.

The Board of Directors is authorised to increase the share capital, at any time until 17 April 2021, by no more than CHF 3,000,000 by issuing up to 3,000,000 Shares with a par value of CHF 1.00 each. An increase of the share capital (i) by means of an offering underwritten by a financial institution, a syndicate of financial institutions or another third party or third parties, followed by an offer to the then existing shareholders of the Bank; and (ii) in partial amounts shall be permissible. The subscription and acquisition of the new Shares and any subsequent assignment of the Shares shall be subject to the restrictions of art. 8 of the Articles of Incorporation (www.cembra.ch/governance).

The Board of Directors will determine the time of the issuance, the issue price, the manner in which the new Shares are to be paid, the conditions for the exercise of the pre-emptive rights and the allotment of pre-emptive rights that have not been exercised, and the date from which the Shares carry dividend rights. In addition, the Board of Directors has the right to restrict or deny any trade with pre-emptive rights. It may allow pre-emptive rights that have not been exercised to expire, and it may place such rights or Shares with respect to which the pre-emptive rights have not been exercised at market conditions or may use them in another way in the interest of the Bank.

For further details please refer to art. 4 of the Articles of Incorporation under: www.cembra.ch/governance.

2.2.2 Conditional share capital

The Bank's conditional share capital of CHF 3,900,000 in aggregate is available for the issuance of up to 3,900,000 Shares with a nominal value of CHF 1.00 each. The amount of CHF 3,900,000 corresponds to 13% of the existing share capital.

The Bank's share capital may be increased – based on art. 5 of the Articles of Incorporation (www.cembra.ch/governance.) – by no more than CHF 3,000,000 by the issuance of up to 3,000,000 Shares (a) through the voluntary or mandatory exercise of conversion rights and/or warrants granted in connection with the issuance on national or international capital markets of newly or already issued bonds or other financial market instruments by the Bank or one of its subsidiaries; and (b) through the exercise of warrant rights granted to the shareholders by the Bank or one of its subsidiaries. The Board of Directors may use warrant rights not taken up by shareholders for other purposes in the interest of the Bank. The pre-emptive rights of the shareholders are excluded in connection with the issuance by the Bank or any of its subsidiaries of bonds or other financial market instruments which are linked to conversion rights and/or the issuance of warrants. The then current owners of conversion rights and/or warrants shall be entitled to subscribe for the new Shares. The conditions of the conversion rights and/or warrants shall be determined by the Board of Directors.

In addition, the share capital may be increased – based on art. 6 of the Articles of Incorporation (www.cembra.ch/governance) – by no more than CHF 900,000 through the issuance of up to 900,000 Shares each by the issuance of new Shares to members of the Board of Directors, members of the Management Board and employees of the Bank and its subsidiaries. The pre-emptive rights of the shareholders of the Bank shall be excluded. The Shares or rights to subscribe for Shares shall be issued to members of the Board of Directors, members of the Management Board and employees of the Bank or its subsidiaries pursuant to one or more regulations to be issued by the Board of Directors. Shares or subscription rights may be issued at a price lower than that quoted on the stock exchange.

The acquisition of Shares through the voluntary or mandatory exercise of conversion rights and/or warrants or within the context of employee share ownership and each subsequent transfer of the Shares shall be subject to the restrictions of art. 8 of the Articles of Incorporation.

For further details please refer to art. 5 and 6 of the Articles of Incorporation under: www.cembra.ch/governance.

2.3 Changes in capital

There were no changes in the capital structure in 2017, 2018 and 2019, respectively.

2.4 Shares and participation certificates

The Bank has not issued any non-voting equity securities, such as participation certificates (Partizipationsscheine) or preference shares (Vorzugsaktien).

All Shares are fully paid up and entitled to dividends. Each Share carries one vote. There are no preferential rights or similar rights attached to the Shares (Stimmrechtsaktien).

2.5 Profit sharing certificates

There are no profit sharing certificates (Genussscheine) outstanding.

2.6 Limitations on transferability and nominee registrations

The Shares are freely transferable.

The Bank keeps a share register ("Share Register"), in which the owners and beneficiaries of the Shares are entered with name, address and nationality and in case of legal entities place of incorporation. Any person entered in the Share Register shall be deemed to have the right to vote, provided he or she expressly declares that he or she acquired the Shares in his or her own name and for his or her own account.

Any person who does not expressly state in his or her application to the Bank that the relevant Shares were acquired for his or her own account will be regarded as a nominee ("Nominee"). A Nominee may be entered in the Share Register as a shareholder with voting rights for Shares representing up to 3% of the total outstanding share capital of the Bank. With respect to Shares in excess of this limit, a Nominee may only be entered into the Share Register as a shareholder with voting rights if he or she declares in writing that he or she is prepared to disclose the name, address and shareholding of any person for whose account he or she is holding 0.5% or more of the Bank's total outstanding share capital.

For purposes of determining if a person holds 0.5% or more of the Bank's outstanding share capital, legal entities, partnerships or groups of joint owners and other groups in which individuals or legal entities are related to one another through capital ownership or voting rights or have a common management or are otherwise interrelated, and legal entities or partnerships that act in concert (especially as a syndicate) with intent to evade the foregoing limitations are considered and treated as a single shareholder.

Amendments to the provisions regarding the restriction of the transferability of Shares require a resolution of the General Meeting passed by at least two-thirds of the votes and the absolute majority of the par value of shares, each as represented at a General Meeting.

2.7 Convertible bonds and options

As of 31 December 2019, the Bank had a convertible bond listed on the SIX Swiss Exchange (security no: 48659822, ISIN: CH0486598227) outstanding with a total outstanding nominal amount of CHF 250,000,000.

Principal amount	Current Conversion Ratio	Current Conversion Price	Maturity Date	Interest
Nominal value of CHF 200,000 each	1,636.6612 registered shares with a nominal nominal value of CHF 1.00 each	CHF 122.20	9 July 2026	0%, the bonds will not bear interest

Upon exercise of their conversion rights, bondholders will receive (i) if the value of the Shares underlying the convertible bonds is higher than the principal amount of the convertible bonds converted, an amount in cash equal to the principal amount of the convertible bonds and any excess in Shares of the Bank ("Net Shares") or (ii) if the value of the Shares underlying the convertible bonds is lower than the principal amount, an amount in cash equal to the value of the Shares underlying the convertible bonds.

The Shares to be delivered upon conversion of convertible bonds, if any, will be, at the sole discretion of the Bank, either Shares to be issued from the conditional capital of the Bank or Shares otherwise held or acquired by the Bank. The number of Shares that would need to be issued or delivered in case of a conversion of convertible bonds (if any) depends on the value of the shares around the time of conversion and is therefore not determinable in advance. However, the Bank may, at its discretion, deliver the equivalent of the Net Shares (if any) in cash so that no shares would need to be delivered and/or issued.

The Bank may call the convertible bonds (i) at any time on or after 31 July 2023 at par if the VWAP of the Bank's Shares is equal or greater than 130% of the conversion price on at least 20 out of 30 consecutive trading days or (ii) at any time from the settlement date, at par if less than 15% in aggregate of the principal amount of the convertible bonds is outstanding.

Unless previously converted or repurchased and cancelled, the convertible bonds will be redeemed at maturity at 100% of their principal amount of CHF 200,000 per convertible bond.

3 Board of Directors

3.1 Members of the Board of Directors

At 31 December 2019, all members of the Board of Directors were, and pursuant to Swiss law applicable to the Bank as a regulated entity, non-executive. No member of the Board of Directors has any significant business connections with any member of the Group.

The business address for the members of the Board of Directors is Bändliweg 20, 8048 Zurich, Switzerland.

The table below sets forth the name, function and committee membership of each member of the Board of Directors as of 31 December 2019, followed by a short description of each member's professional experience, education and activities.

Name	Nationality	Function	Committee membership	First elected	End current period
Dr Felix Weber	CH	Chairman		2013	2020
Prof. Dr Peter Athanas	CH/UK	Member	Chairman Audit and Risk Committee	2013 [1]	2020
Urs Baumann	CH	Member	Chairman Compensation and Nomination Committee	2014	2020
Denis Hall	UK	Member	Member Audit and Risk Committee	2013	2020
Katrina Machin	UK	Member	Member Compensation and Nomination Committee	2016	2020
Dr Monica Mächler	CH	Member	Member Audit and Risk Committee	2015	2020
Ben Tellings[2]	NL	Vice Chairman	Member Compensation and Nomination Committee	2016	2020

[1] Effective 1 January 2014
[2] Resigned as per 31 December 2019

Dr Felix Weber

Name	Dr Felix Weber
Nationality	Swiss
Function	Chairman
First elected	2013
End current period	2020

Swiss national and resident, born in 1950

Dr Weber was appointed as chairman of the Board of Directors ("Chairman") on 22 August 2013. His current term expires at the Annual General Meeting in 2020. Dr Weber holds a diploma and a PhD in Business Administration from the University of St. Gallen.

Professional experience:
- Since 2014: Partner in the private investment firm BLR & Partners AG (Thalwil, Switzerland)
- 2013–2016: Senior Advisor and Managing Director Investment Banking, Nomura Bank (Switzerland) Ltd (Zurich, Switzerland)
- 2008–2013: Co-Chairman of the Management Board of Nomura Bank (Switzerland) Ltd (Zurich, Switzerland)
- 2006–2008: Managing Director of Investment Banking at Lehman Brothers Finance AG (Zurich, Switzerland)
- 1998–2004: Executive Vice President and Chief Financial Officer at Adecco SA (Chéserex, Switzerland), Redwood City (USA) and Zurich (Switzerland)
- 1984–1997: Partner and Engagement Manager of the Zurich Branch of McKinsey & Company (Zurich, Switzerland)
- 1980–1984: CEO of the South African Branch of the former Schweizerische Aluminium AG Group (headquartered in Zurich, Switzerland)

Other board memberships and activities:
- Since 2019: Chairman of Trendcommerce AG (Gossau, Switzerland)
- Since 2019: Board Member Assepro AG (Pfäffikon, Switzerland)
- Since 2018: Chairman of BLR Capital AG (Thalwil, Switzerland)
- Since 2017: Vice Chairman Climatex AG (Altendorf, Switzerland)
- Since 2013: Board member BLR & Partners AG (Thalwil, Switzerland)

Previous board memberships:
- 2000–2013: Member of the Board of Directors and Chairman of the Compensation Committee of Syngenta Ltd (Basel, Switzerland), listed on SIX and New York Stock Exchange
- 2011–2013: Chairman of the Board of Directors of Nomura Socrates Re (Switzerland) and Nomura Re (Guernsey)
- 2011–2012: Member of the Board of Directors of Trenkwalder AG (Schwadorf, Austria)
- 2005–2009: Vice Chairman of the Board of Directors of Publigroupe SA (Lausanne, Switzerland), listed on SIX
- 2006–2008: Member of the Board of Directors and Chairman of the Audit Committee of Valora AG (Bern, Switzerland), listed on SIX

Prof. Dr Peter Athanas

Name	Prof. Dr Peter Athanas
Nationality	Swiss and British
Function	Member
First elected	2013
End current period	2020

Dual Swiss and British national, Swiss resident, born in 1954

Prof. Dr Athanas was appointed as member of the Board of Directors on 2 October 2013, with effect from 1 January 2014. He is also Chairman of the Audit and Risk Committee. His current term expires at the Annual General Meeting in 2020. Prof. Dr Athanas holds a Master's degree in Law and Economics and a Doctorate in Economics from the University of St. Gallen.

Professional experience:
- Since 1999: Professor for national and international tax law and tax accounting at the University of St. Gallen (Switzerland)
- 2014–2015: Senior Executive Vice President Corporate Development and Chairman of the audit expert group of Schindler Holding AG (Hergiswil, Switzerland)
- 2009–2010: Consultant to the Executive Committee of Schindler Holding AG (Hergiswil, Switzerland)
- 2004–2008: Chief Executive Officer of Ernst & Young Switzerland (Zurich, Switzerland)
- 2001–2002: Chief Executive Officer of Arthur Andersen Switzerland (Zurich, Switzerland)
- 1994–2001: Head of Tax and Legal Practice of Arthur Andersen Switzerland (Zurich, Switzerland)
- 1990–1994: Partner of the worldwide Arthur Andersen organisation

Other board memberships and activities:
- Since 2017: Member of the Board of Kontivia AG (Zurich, Switzerland)
- Since 2016: Member of the Board of Skuani AG (Zurich, Switzerland)
- Since 2015: Member of the Foundation Board of the Swiss Study Foundation (Zurich, Switzerland)
- Since 2014: Member of the Board of Directors, Chairman of the Nomination and Compensation Committee and member of the Audit Committee of Also Holding AG (Emmen, Switzerland), a company listed on SIX
- Since 2014: Member of the Board of Directors of BlackRock Asset Management Schweiz AG (Zurich, Switzerland)
- Since 2008: Curator of Werner Siemens Foundation (Zug, Switzerland)

Previous board memberships:
- 2010–2013: Member of the Board of Directors of Schindler Holding AG (Hergiswil, Switzerland), a company listed on SIX
- 2007–2008: Vice Chairman of the Central Area of Ernst & Young Global (Switzerland)

Urs Baumann

Name	Urs Baumann
Nationality	Swiss
Function	Member
First elected	2014
End current period	2020

Swiss national and resident, born in 1967

Mr Baumann was appointed as a member of the Board of Directors on 13 May 2014. He is also Chairman of the Compensation and Nomination Committee. His current term expires at the Annual General Meeting in 2020. Mr Baumann holds a Master of Arts from the University of St. Gallen and a MBA from the University of Chicago.

Professional experience:
- Since 2015: Chief Executive Officer of PG Impact Investments AG (Baar, Switzerland)
- 2012–2015: Chief Executive Officer of Bellevue Group (Küsnacht, Switzerland)
- 2007–2010: Group Chief Executive Officer of Lindorff Group (Oslo, Norway)
- 2006–2007: Managing Director Central & Eastern Europe – Barclaycard at Barclays Bank (London, UK)
- 1998–2005: Chief Executive Officer of Swisscard AECS (Horgen, Switzerland)
- 1993–1998: Consultant and Manager at McKinsey & Company (Zurich, Switzerland)

Other board memberships and activities:
- Since 2017: Member of the Board of IHFS Holding AG (Zurich, Switzerland)
- Since 2016: Member of the Board of Privatbank IHAG Zürich AG (Zurich, Switzerland)
- Since 2015: Member of the Board of PG Impact Investments AG (Baar, Switzerland)
- Since 2010: Member of the Board of Directors of 3Horizons AG (Schindellegi, Switzerland)

Denis Hall

Name	Denis Hall
Nationality	British
Function	Member
First elected	2013
End current period	2020

British national and UK resident, born in 1955

Mr Hall was appointed as a member of the Board of Directors on 24 September 2013. He is also a member of the Audit and Risk Committee. His current term expires at the Annual General Meeting in 2020. Mr Hall was educated at grammar school in the UK to A levels.

Professional experience:
- 2013–2016: Chief Risk Officer at GE Capital International (London, UK)
- 2011–2013: Chief Risk Officer Banking at GE Capital EMEA (London, UK)
- 2007–2011: Chief Risk Officer at GE Capital Global Banking (London, UK)
- 2001–2007: Chief Risk Officer, Private and Business Clients at Deutsche Bank AG and member of the Management Board (2004–2007) (Frankfurt am Main, Germany)
- 1985–2001: Various positions within Citigroup: Head of Risk, Citibank Consumer Bank EMEA (1999–2001); Credit and Risk Director (1997–1999); Operations Head Credit Cards (1995–1997); Head Credit Cards Germany (1990–1995); Citibank Privatkunden AG, European Credit Cards Officer (1985–1990), Citibank International Plc

Other board memberships and activities:
- Since 2017: Non Executive Board member and Chairman of the Risk Committee of Skipton Building Society (Skipton, UK)
- Since 2016: Member of the Supervisory Board and member of both the Risk and Audit Committees of Moneta Money Bank Czech (Prague, Czech Republic), listed on the Prague Stock Exchange

Previous board memberships:
- 2016–2019: Member of the Supervisory Board of Hyundai Capital Bank Europe (Frankfurt am Main, Germany)
- 2013–2016: Member of the Board of Directors of Hyundai Capital Card (Seoul, South Korea)
- 2013–2016: Chairman of the Board of Directors UK Home Lending (London, UK)
- 2008–2016: Member of the Supervisory Board and Chairman of the Risk Committee of Bank BPH S.A. (Krakow, Poland), a company listed on the Warsaw Stock Exchange
- 2013–2015: Member of the Board of Directors of Budapest Bank Zrt. (Budapest, Hungary)
- 2009–2011: Member of the Board of Directors of BAC Credomatic GECF Inc. (Panama, Costa Rica), in which General Electric Group held an interest
- 2008–2011: Member of the Board of Directors of Turkiye Garanti Bankasi A.S. (Istanbul, Turkey) in which General Electric Group held an interest

Katrina Machin

Name	Katrina Machin
Nationality	British
Function	Member
First elected	2016
End current period	2020

British national and UK resident, born in 1966

Mrs Machin was appointed as a member of the Board of Directors on 27 April 2016. She is also a member of the Compensation and Nomination Committee. Her current term expires at the Annual General Meeting in 2020. She holds a Master's degree in Archaeology and Anthropology from the New Hall Cambridge University, UK.

Professional experience:

- 2012–2015: General Manager EMEA, Global Business Travel, American Express (London, UK)
- 2010–2012: General Manager, Global Corporate Payments, American Express (London, UK)
- 2006–2010: Vice President, Products and Partnerships, International Consumer and Small Business Services, American Express (London, UK)
- 2004–2006: Various positions within Lloyds TSB Group Plc (London, UK): Marketing Director, Consumer Banking (2006); Head of Credit Card Programmes, Consumer Banking (2004–2006)
- 2000–2003: Various positions within Centrica (Goldfish Bank Ltd) (London, UK): Director, Credit Cards and Customer Service (2001–2003); General Manager, Goldfish Credit Card (2000–2001)
- 1994–2000: Various positions within MBNA International Bank (London, UK): Senior Vice President, Head of Customer Marketing (1997–2000); Head of Business Development Operations Administration (1996–2007); Relationship Manager (1994–1996)

Other board memberships and activities:

- Since 2019: Non Executive Board Director Naked Wines Plc (Watford, UK), member of audit committee and remuneration committee
- Since 2019: Non Executive Board Director London & Country Mortgages Ltd (Bath, UK), chair of risk committee and member of audit committee
- Since 2018: Chair as well as a member of the Audit Committee, the People Committee and the Nomination Committee of Remco at Homeserve Plc (Walsall, UK)
- Since 2017: Non Executive Board Director of Homeserve Plc (Walsall, UK) also Senior Independent Director, Chair of Remuneration Committee and member of Audit and Risk Committee, People Committee and Nomination Committee

Previous board memberships:

- 2015–2019: Non Executive Board member of ABTA and member of the Risk Committee (formerly Association of British Travel Agents) (London, UK)
- 2014–2019: Non Executive Board member and Chair of the Credit and Operational Risk Committee at Shop Direct Finance Company Ltd (Liverpool, UK)
- 2012–2015: Chairperson of the Supervisory Board of American Express Europe Ltd (London, UK)
- 2012–2015: Chairperson of the Supervisory Board of Amex Barcelona (Madrid, Spain)
- 2012–2015: Non Executive Board member of the Supervisory Board of UVET Amex (Milan, Italy)
- 2010–2012: Non Executive Board member of the Supervisory Board of American Express Services Europe Ltd (London, UK)

Dr Monica Mächler

Name	Dr Monica Mächler
Nationality	Swiss
Function	Member
First elected	2015
End current period	2020

Swiss national and resident, born in 1956

Dr Mächler was appointed as a member of the Board of Directors on 29 April 2015. Her current term expires at the Annual General Meeting in 2020. She is also a member of the Audit and Risk Committee. She earned her Doctorate in Law (Dr iur.) at the University of Zurich's law school, was admitted to the Zurich bar and complemented her studies by attending programmes on UK, US and private international law.

Professional experience:

- 2009–2012: Vice Chair of the Board of Directors of the Swiss Financial Market Supervisory Authority (FINMA, Bern Switzerland), serving as a member of the Executive Committee and Chair of the Technical Committee of the International Association of Insurance Supervisors (IAIS) (Basel, Switzerland)
- 2007–2008: Director of the Swiss Federal Office of Private Insurance (Bern, Switzerland)
- 1990–2006: Key positions at Zurich Insurance Group (Zurich, Switzerland): Corporate Legal Advisor (1990–1998), Group General Counsel (1999–2006) and member of the Group Management Board (2001–2006)
- 1985–1990: Attorney at Law at De Capitani, Kronauer & Wengle (Zurich, Switzerland)

Other board memberships and activities:

- Since 2017: Member of the Board of the Europa Institut at the University of Zurich (Zurich, Switzerland)
- Since 2014: Member of the Board of the "Stiftung für schweizerische Rechtspflege" (Solothurn, Switzerland)
- Since 2013: Member of the Board of Directors of Zurich Insurance Group Ltd (Zurich, Switzerland) and Zurich Insurance Company Ltd (Zurich, Switzerland), serving as member of the Audit Committee and of the Governance, Nomination and Sustainability Committee of the respective companies, listed on SIX
- Since 2012: Member of the Advisory Board of the International Center for Insurance Regulation at the Goethe University (Frankfurt am Main, Germany), serving as Chair since 2015

Previous board memberships:

- 2012–2018: Member of the Supervisory Board of Deutsche Börse AG (Frankfurt am Main, Germany), serving as member of the Audit Committee and the Risk Committee, a company listed on the German Stock Exchange

Name	Ben Tellings
Nationality	Dutch
Function	Vice Chairman
First elected	2016
End current period	2020 (but resigned with effect from 31 December 2019)

Ben Tellings

Dutch national and resident, born in 1956

Mr Tellings was appointed as a member of the Board of Directors on 27 April 2016. From 1 April 2017 he was Vice Chairman. He was also a member of the Compensation and Nomination Committee. His current term expires at the Annual General Meeting in 2020. He stepped down with effect from 31 December 2019. Mr Tellings finished the programme for non executive directors and regulators at the Erasmus University in Rotterdam, The Netherlands and the programme for Executive Development (PED) at IMD, Lausanne, Switzerland.

Professional experience:
- 2006–2010: Chief Executive Officer ING-DiBa AG and Group Executive Board member (Frankfurt am Main, Germany)
- 2003–2006: Chief Executive Officer ING-DiBa AG (Frankfurt am Main, Germany)
- 2002–2003: Deputy Chief Executive Officer ING-DiBa AG / Allgemeine Deutsche Direktbank AG (Frankfurt am Main, Germany)
- 1998–2001: Deputy General Manager, ING Direct (France) and ING Direkt (Spain)
- 1997–1998: Bank Executive Director, Bank Slaski S.A. (part of ING group in Poland) (Warsaw, Poland)
- 1994–1997: Head of Commercial Affairs, Regio Bank N.V. (part of ING group in the Netherlands) (Amsterdam, The Netherlands)
- 1990–1993: Trainer in Sales and Management, Nationale Nederlanden N.V. (part of ING group in the Netherlands) (Amsterdam, The Netherlands)
- 1985–1990: Account Manager, RVS Verzekeringen N.V. (part of ING group in the Netherlands) (Amsterdam, The Netherlands)

Other board memberships and activities:
- Since 2017: Chairman of the Investment Board of Universal Invest (Frankfurt am Main, Germany)
- Since 2010: Member of the "Kuratorium" Deutsche National Stiftung (Hamburg, Germany)

Previous board memberships:
- 2010–2016: Chairman of the Supervisory Board of ING-DiBa AG (Frankfurt am Main, Germany), Chairman of the Credit Committee Supervisory Board of ING-DiBa AG and Chairman of the Remuneration Committee Supervisory Board of ING-DiBa AG

3.2 Other activities and vested interests of the Members of the Board of Directors

Please refer to the information provided in each member's biography in section 3.1 above.

3.3 Rules in the Articles of Incorporation on the number of permitted activities pursuant to art. 12 para. 1 point 1 of the Ordinance against Excessive Compensation (OaEC)

The members of the Board of Directors are entitled to be engaged in up to fifteen activities of which a maximum of five may be in listed companies. The term "activities" means memberships in the senior management or oversight bodies of legal entities obliged to register themselves in the Commercial Register in Switzerland or a foreign equivalent thereof ("Activities"). Multiple Activities in legal entities under common control or under the control of the same beneficial owner are deemed to be one Activity. The following Activities do not fall under the above restrictions:

- Activities in entities controlled by the Bank;
- Activities in entities controlling the Bank; and
- Activities in associations, charitable institutions as well as welfare and pension institutions. No member of the Board of Directors should be engaged in more than ten such Activities.

Please refer to the biographies of the members of the Board of Directors in section 3.1 above regarding the additional Activities of the members of the Board of Directors.

3.4 Election and term of office

According to the Articles of Incorporation (www.cembra.ch/governance), the Board of Directors consists of at least five but not more than seven members. Each member of the Board of Directors is elected for a term of one year. For the purpose of this provision, the term "one year" refers to the time period between two ordinary Annual General Meetings, or, if a member is elected at an extraordinary General Meeting, to the time period between the extraordinary and the next ordinary Annual General Meeting. Each member of the Board of Directors, including the Chairman, is individually elected by the shareholders at the Annual General Meeting. Re-election is possible and there is no mandatory term limit for members of the Board of Directors.

As the Bank is subject to the Swiss Federal Banking Act and the Banking Ordinance, no member of the Board of Directors may also be a member of the Bank's management. In addition, in accordance with FINMA Circular 2017/1 Corporate governance – banks ("FINMA Circular 17/1"), at least one-third of the members of the Board of Directors should be independent within the meaning of the FINMA Circular 17/1. At 31 December 2019, all members of the Board of Directors met the independence criteria prescribed in the FINMA Circular 17/1.

Please refer to the biographies of the members of the Board of Directors in section 3.1 above for each initial date of election.

Shareholders individually appoint all members of the Board of Directors, the Chairman, the members of the Compensation and Nomination Committee and the independent proxy, each for a one-year term.

There are no rules differing from the statutory legal provisions with regard to the appointments of the Chairman, the members of the Compensation and Nomination Committee and the independent proxy.

3.5 Internal organisational structure

3.5.1 Allocation of tasks among the Members of the Board of Directors

The Board of Directors may appoint from among its members a Vice Chairman and also appoints a secretary ("Secretary"), who need not be a member of the Board of Directors. According to the Bank's Organisational Regulations which can be downloaded from www.cembra.ch/governance, the Board of Directors convenes upon the invitation of the Chairman or the Secretary on the Chairman's behalf or, in the Chairman's absence, of the Vice Chairman as often as business requires, but at least once every quarter.

Unless set out otherwise in the Organisational Regulations (www.cembra.ch/governance), the presence of the majority of the members of the Board of Directors is required for passing valid Board resolutions. Resolutions of the Board of Directors and of its committees are passed by way of the absolute majority of the votes represented. In the case of a tie of votes, the acting Chairman or committee chairperson has the deciding vote. If a committee consists of two members only, the respective chairperson's right for a casting vote shall no longer apply, and for a valid resolution unanimity is required. Resolutions passed by circular resolutions are only deemed to have passed if: (a) at least the majority of all members of the Board of Directors cast a vote or give written notice that they abstain; (b) the required majority to approve the proposed resolution is reached in accordance with the Organisational Regulations (www.cembra.ch/governance); and (c) no member of the Board of Directors requests a Board of Directors meeting in relation to the subject matter of the proposed resolution within three business days of receiving notice of the proposal. Any resolution passed by circular resolution is as binding as a resolution adopted at a Board of Directors meeting.

The composition of the Board of Directors and its committees is disclosed in section 3.1 above.

In 2019, the Board of Directors met twelve times. The meetings typically last half a day.

Board of Directors meeting dates and corresponding attendance were as follows in 2019:

Date	Dr Felix Weber	Prof. Dr Peter Athanas	Urs Baumann	Denis Hall	Katrina Machin	Dr Monica Mächler	Ben Tellings
31 January 2019	X	X	X	X	X	X	X
20 February 2019	X	X	X	X	E	X	X
19 March 2019	X	X	X	X	X	X	X
25 April 2019 [1]	X	X	X	X	X	X	X
30 April 2019 [1]	X	X	X	E	X	X	X
22 May 2019	X	X	X	X	X	X	X
5 June 2019 [1]	X	X	X	X	X	X	X
26 June 2019 [1]	X	X	X	X	X	X	X
22 July 2019 [1]	X	X	X	X	X	X	X
21 August 2019	X	X	X	X	X	X	X
23 October 2019	X	X	X	X	X	X	X
4 December 2019 [1]	X	X	X	X	X	X	X

[1] Conference call
E Excused

3.5.2 Committees

The Board of Directors may delegate some of its duties to committees. The standing committees are the Audit and Risk Committee and the Compensation and Nomination Committee.

Each of the committees is led by a Chairman whose main responsibility is to organise and lead the meetings.

Audit and Risk Committee

The Audit and Risk Committee currently consists of three members of the Board: Prof. Dr Athanas (Chairman of the Audit and Risk Committee), Mr Hall and Dr Mächler. All members of the Audit and Risk Committee are appointed by the Board of Directors.

The Audit and Risk Committee typically has a supervisory and monitoring function, particularly regarding the Bank's internal control systems, risk management and internal and external audit. It makes recommendations to the Bank's Board of Directors and proposes measures where necessary. The Audit and Risk Committee's duties include the following items: (i) the financial reporting and the integrity of the financial statements of the Group; (ii) monitoring the effectiveness of the internal control system, specifically also the Risk control, the Compliance function and Internal

Audit; (iii) discussing the Group-wide risk management framework, assessing annually the Group-wide risk management framework and ensuring that necessary changes are made; (iv) controlling the adequacy and effectiveness of the risk management and its processes in relation to the risk situation of the Group, (v) monitoring the implementation of risk strategies, ensuring in particular that they are in line with the defined risk tolerance and risk limits defined in the Group-wide risk management framework; (vi) supervising the Group's approach to internal controls; (vii) the appreciation of the capital and liquidity planning; (viii) monitoring and assessing the effectiveness and independence of the External Auditors and their interaction with Internal Audit, including discussion of the audit reports with the lead auditor; (ix) determining the appointment, compensation, retention and oversight of the activities of the Bank's Auditors and any other registered public accounting firm hired for the purpose of preparing or issuing an audit report or performing other audit, review or attestation services for the Bank; (x) assessing of the regulatory audit plan, audit rhythm and audit results of Internal Audit and the External Auditors, and (xi) monitoring the Bank's compliance with regulatory and financial reporting requirements. The External Auditors report directly to the Audit and Risk Committee. The Audit and Risk Committee's duties and responsibilities are determined in compliance with FINMA Circular 17/1.

The Audit and Risk Committee holds meetings as often as required, but in any event at least once every quarter. The meetings are convened by the Chairman of the Audit and Risk Committee or are initiated by an Audit and Risk Committee member. Meetings typically last three hours and are also attended by all members of the Management Board, the Bank's Chief Auditor and the External Auditor. During 2019, the Audit and Risk Committee met seven times.

Please see details in the table below:

Date	Prof. Dr Peter Athanas	Denis Hall	Dr Monica Mächler
19 February 2019	X	X	X
18 March 2019	X	X	X
21 May 2019	X	X	X
22 July 2019 [1]	X	X	X
20 August 2019	X	X	X
22 October 2019	X	X	X
4 December 2019	X	X	X

[1] Conference call

Compensation and Nomination Committee

During the reporting period the Compensation and Nomination Committee consisted of three members of the Board of Directors: Mr Baumann (Chairman of the Compensation and Nomination Committee), Mr Tellings and Mrs Machin. Mr Tellings resigned as per 31 December 2019 as member of the Board of Directors and consequently as well as member of the Compensation and Nomination Committee. In accordance with the OaEC, the members of the Compensation and Nomination Committee are elected by the Annual General Meeting. The Compensation and Nomination Committee designates a member of the Compensation and Nomination Committee as its Chairman.

The Compensation and Nomination Committee supports the Board of Directors in fulfilling its duties to conduct a self-assessment, to establish and maintain a process for selecting and proposing new members to the Board of Directors, and to manage, in consultation with the Chairman, the succession of the Chief Executive Officer (CEO). In consultation with the CEO, it also assesses candidates for the other Management Board positions.

In addition, the Compensation and Nomination Committee serves to establish the compensation strategy for the Group, and to approve or make recommendations to the Board of Directors regarding certain compensation matters, in particular to review, on behalf of the Board of Directors and within the limits set by the Annual General Meeting, the compensation to be paid to the members of the Board of Directors and the Management Board. The Compensation and Nomination Committee also decides on guidelines for candidates for the Board of Directors and the Management Board.

Please refer to the Compensation Report on page 84 information on (i) responsibilities and procedures involved in determining the compensation, (ii) the compensation, shareholdings and loans of the members of the Board of Directors and the Management Board and (iii) the rules in the Articles of Incorporation regarding the compensation, loans and the vote on pay at the General Meeting.

The Compensation and Nomination Committee holds meetings as often as required, but in any event at least once every quarter. The meetings are convened by the Chairman of the Compensation and Nomination Committee or on the initiative of a member of the Compensation and Nomination Committee. Meetings typically last one to two hours and are also attended by the Human Resources Director and the CEO. During 2019, the Compensation and Nomination Committee met six times.

Please see details in the table below:

Date	Urs Baumann	Katrina Machin	Ben Tellings
31 January 2019	x	x	x
19 February 2019	x	E	x
18 March 2019	x	x	x
21 May 2019	x	x	x
20 August 2019	x	x	x
22 October2019	x	x	x

E Excused

3.6 Definition of areas of responsibility

The Board of Directors is ultimately responsible for the Bank's management; it sets the strategic direction of the Bank and supervises its management, as well as other matters which, by law, fall under its responsibility. This includes, in particular, the establishment and regular review of the overall management, the necessary directives, the organisation and the management structure, the Organisational Regulations, financial matters, risk profiles and risk capacity.

Except as otherwise provided by Swiss law, the Articles of Incorporation and the Organisational Regulations, all other duties, especially the preparation and execution of its resolutions, the supervision of the business and the management of the Bank are delegated to the Audit and Risk Committee, the Compensation and Nomination Committee, the Chairman, the CEO and the other members of the Management Board.

Details of roles and responsibilities of the Board of Directors can be found in the Organisational Regulations of the Board of Directors, which can be downloaded from: www.cembra.ch/governance.

CEO
The CEO is appointed by the Board of Directors upon proposal of the Chairman and the Compensation and Nomination Committee for an indefinite term of office. The CEO is the highest executive officer of the Group and is responsible and accountable for the management and performance of the Group. The Management Board acts under his leadership.

The CEO sets the business and corporate agenda, ensures high quality and timely decision-making and controls the implementation of decisions taken. He ensures alignment of the individual Management Board members to the business and corporate agenda. He supports and advises leaders of all organisational units and fosters an integrated entrepreneurial leadership spirit across the Group. The CEO assumes a leading role in preparing the Board of Directors' consideration of the Group's strategy. He is – together with the Compensation and Nomination Committee – responsible for succession planning on Management Board level and for maintaining the Group's good reputation. He represents the Group in contacts with important investors, customers and other stakeholders, as well as towards the general public.

Management Board
The Management Board includes as a minimum the CEO, the Chief Financial Officer (CFO), the Chief Risk Officer (CRO), the General Counsel, the Chief Operating Officer (COO) and other members who lead significant business units. These members are appointed by the Board of Directors. At 31 December 2019, in addition to the CEO, the Management Board consisted of the CFO, the CRO, the General Counsel, the COO, the Managing Director B2C and the Managing Director B2B (see also section 4.1 below).

All members of the Management Board (with the exception of the CEO) are proposed by the CEO, and the Board of Directors approves their appointments.

The Management Board, acting under the leadership of the CEO, is responsible for the management of the Group. It implements the strategy of the Group as defined by the Board of Directors and ensures the execution of resolutions by the General Meeting of shareholders and the Board of Directors in accordance with the law, the Articles of Incorporation and Organisational Regulations (www.cembra.ch/governance). The Management Board supports the CEO in the execution of his duties. It participates in all matters and decisions that are important to the Group; by doing so, it forms opinions and performs a coordinating and preparative function. It is responsible in particular for: (i) managing day-to-day business, operational revenue and risk management, including management of the balance sheet structure and liquidity and representing the Company vis-à-vis third parties in operational matters, (ii) submitting applications to the Board of Directors regarding transactions for which the Board is responsible or for which its approval is required, and issuing rules for regulating business operations, (iii) developing and maintaining effective internal processes, an appropriate management information system, an internal control system and the necessary technological infrastructure, whereas the aforementioned responsibilities of the individual Management Board members might be further specified.

3.7 Information and control instruments vis-à-vis the Management Board

The Board of Directors supervises the Management Board through various meetings with Management Board, including meetings of the Board of Directors and its committees. The Board of Directors requires that it is fully informed about all matters that materially impact the Group. It requires that it receives sufficient information from the Management Board to perform its supervisory duty and to take decisions.

The Board of Directors meets at least on a quarterly basis as specified in the Organisational Regulations (www.cembra.ch/governance); in practice, the Board of Directors holds five to ten meetings every year. All members of the Management Board attend each of the Board of Directors' meetings and are available to answer questions from the Board of Directors.

The CEO ensures that the Chairman and the Board of Directors are provided with information in a timely manner and in a form and of a quality appropriate to enable the Board of Directors to carry out its duties. The CEO regularly reports to the Board of Directors at board meetings (or outside of board meetings) as agreed with the Chairman on the business development and on important business issues, including on all matters falling within the duty and responsibility of the Board of Directors. Such reports cover in particular the current business developments including key performance indicators concerning the core business of the Group, existing and emerging risks, and updates on developments in relevant markets and of peers. The information to the Board of Directors further covers quarterly reports on the statement of income, cash flow and balance sheet development, investments, personnel and other pertinent Group data, and information on all issues which may affect the supervisory or control function of the Board of Directors, including the internal control system.

The CFO informs the Board of Directors on a quarterly basis and the CEO and the Management Board on a monthly basis of the course of the business and the financial situation of the Group – especially the income statement with a comparison to the budget – and provides information on special developments. In particular, the CFO gives immediate notice to the CEO and to the Management Board about extraordinary events or urgent financial matters regarding the Group.

The General Counsel informs the Management Board and the Board of Directors at least on a quarterly basis about the supervisory, legal and regulatory situation of the Group. He informs these bodies immediately about any extraordinary legal and regulatory developments and urgent matters.

The CRO informs the Management Board and the Audit and Risk Committee at least on a quarterly basis, and the Board of Directors if required, about the development and implementation of principles and appropriate framework for risk identification, measurement, monitoring, controls and reporting as well as the implementation of the risk control mechanisms as decided by the Board of Directors. The Group has established an internal risk management process based on the Group risk framework. The process focuses on credit, market, liquidity and operational risks within the Group. Detailed information on the management and monitoring of these risks can be found in the Risk Management Report on page 19.

The Chief Auditor is present at each meeting of the Audit and Risk Committee and informs at least on a quarterly basis about the status and progress of the annual plan, significant issues and other reporting matters as they pertain to the Audit and Risk Committee and Board of Directors. The Bank's Internal Audit Department is governed by an Internal Audit Charter duly approved by the Board of Directors. In accordance with the Organisational Regulations (www.cembra.ch/governance), the Internal Audit Department reviews in particular; (i) the compliance with applicable laws, rules and regulations as well as the internal regulations, directives and resolutions; (ii) the annual financial statements, accounting and information technology, loans and other areas approved on an annual basis by the Audit and Risk Committee; and (iii) the fitness, reliability and functioning of the operational organisation and effectiveness of the control systems. Furthermore, the members of the Board of Directors receive monthly reports about the performance of the business, specific projects and any other relevant information.

The members of the Board of Directors have regular access to the CEO, CFO and other members of the Management Board as well as to the Chief Auditor and may request information concerning the course of the business or other specific projects from the CEO.

The External Auditor prepares the regulatory audit report as well as further reports on audits addressing specific topics. Further, the External Auditor is present at the meeting of the Board of Directors in which the annual financial statements are approved by the Board of Directors as well as further meetings to the extent required, which was not the case in the reporting year.

The Chairman of the Audit and Risk Committee and the Chairman of the Compensation and Nomination Committee update the other members of the Board of Directors in the Board of Directors' meetings regarding the relevant topics discussed in the respective committee meetings.

4 Management Board

4.1 Members of the Management Board

In accordance with Swiss law, the Articles of Incorporation and the Organisational Regulations (www.cembra.ch/governance) and subject to those matters that lie within the responsibility of the Board of Directors by law, the Articles of Incorporation and the Organisational Regulations, the Board of Directors has delegated the executive management of the Group to the CEO, who is supported by the other members of the Management Board in fulfilling this task.

Supervised by the Board of Directors, the CEO, together with the other members of the Management Board, conducts the operational management of the Group pursuant to the Organisational Regulations and reports to the Board of Directors on a regular basis.

The members of the Management Board are appointed by the Board of Directors. In accordance with the Swiss Federal Banking Act, the Banking Ordinance and the Organisational Regulations, no member of the Management Board may be a member of the Board of Directors.

The business address for each member of the Management Board is Bändliweg 20, 8048 Zurich, Switzerland.

Name	Nationality	Appointed	Position
Robert Oudmayer	NL	2009 [1]	Chief Executive Officer (CEO)
Jörg Fohringer	CH	2018	Managing Director B2B
Daniel Frei	CH	1997 [1]	Managing Director B2C
Volker Gloe	DE	2013 [1]	Chief Risk Officer (CRO)
Dr Emanuel Hofacker	CH	2014	General Counsel
Niklaus Mannhart	CH	2018	Chief Operating Officer (COO)
Pascal Perritaz	CH	2018	Chief Financial Officer (CFO)

[1] Appointed in predecessor organisations prior to IPO

Name	Robert Oudmayer
Nationality	Dutch
Appointed	2009
Position	Chief Executive Officer (CEO)

Robert Oudmayer

Dutch national and Swiss resident, born in 1962

Mr Oudmayer has been the Bank's Chief Executive Officer since 2009. He holds a Bachelor of Science in Hospitality and Tourism Management from Hotel School Den Hague, Hospitality Business School, The Netherlands.

Professional experience:
- 2005–2009: Chief Executive Officer of GE Money Portugal (Lisbon, Portugal)
- 2003–2005: P&L Leader Auto & Retail of GE Capital Bank AG (Brugg, Switzerland)
- 2001–2003: Managing Director at GE TIP and GE Capital Rail Services (Rotterdam, The Netherlands)
- 1999–2001: Multiple roles at GE TIP Trailer Services, including Chief Operating Officer, Operations & Quality Director Europe and Managing Director Benelux
- 1989–1999: PSA Peugeot Citroën Group: Chief Commercial Officer (1998–1999); Chief Financial Officer (1995–1998); Credit Manager Europe (1994–1995); Senior Credit Analyst, Credit Manager (1989–1994)

Mr Oudmayer is Chairman of the Board of Directors of the Bank's following subsidiaries: Swissbilling SA, cashgate AG and Fastcap AG.

Name	Jörg Fohringer
Nationality	Swiss
Appointed	2018
Position	Managing Director B2B

Jörg Fohringer

Swiss national and resident, born in 1967

Mr Fohringer has been Managing Director B2B and member of the Management Board since November 2018. He has a Master of Science in Electrical Engineering and a Master of Advanced Studies in Management from the Swiss Federal Institute of Technology in Zurich (ETH Zürich), Switzerland.

Professional experience:
- 2016–2018: Managing Director at Accarda AG (Wangen-Brüttisellen, Switzerland)
- 2013–2016: Head of Tactical Marketing and CRM at Migros Genossenschaftsbund (Zurich, Switzerland)
- 2010–2013: Head of CRM and Loyalty Systems at Migros Genossenschaftsbund (Zurich, Switzerland)
- 2007–2010: Director Consumer Marketing at upc Cablecom AG (Wallisellen, Switzerland)
- 2005–2007: Director Marketing Wireline & Internet at Sunrise AG (Zurich, Switzerland)
- 2004–2005: Head of Product Development at Sunrise AG (Zurich, Switzerland)
- 2002–2004: Manager (Strategic Advisor) at Accenture (Zurich, Switzerland)
- 2001: Product Developer at Sunrise AG (Zurich, Switzerland)
- 2000: Business Developer at diAx AG (Zurich, Switzerland)

Mr Fohringer is Member of the Board of Directors at Wasserwerke Zug Telekom Holding AG, Switzerland.

Daniel Frei

Name	Daniel Frei
Nationality	Swiss
Appointed	1997
Position	Managing Director B2C

Swiss national and resident, born in 1959

Mr Frei has been Managing Director B2C since February 2018 and member of the Management Board since 1997. He has a federal specialist certificate in accounting by the Swiss Business School of Zurich.

Professional experience:
- 2016–2018: P&L Director B2B Retail at Cembra Money Bank AG (Zurich, Switzerland)
- 2008–2016: P&L Director Cards at GE Money Bank AG (Zurich, Switzerland)
- 2005–2008: Delegate to the Board and P&L Director at Flexikredit AG (subsidiary of GE Capital Bank AG) (Zurich, Switzerland)
- 2002–2004: P&L Director Motor Solutions at GE Capital Bank AG (Brugg, Switzerland)
- 1997–2002: Chief Operations Officer at GE Capital Bank AG (Brugg, Switzerland)
- 1993–1997: Logistic Director and member of the Senior Management Team at Bank Aufina AG (Brugg, Switzerland)

Mr Frei is Chairman of the Bank's Pension Fund Board.

Volker Gloe

Name	Volker Gloe
Nationality	German
Appointed	2013
Position	Chief Risk Officer (CRO)

German national and Swiss resident, born in 1968

Mr Gloe has been the Bank's Chief Risk Officer since 2013. He holds a university degree in Business Administration (Diplom-Kaufmann) from the University of Kiel (Christian-Albrechts-Universität zu Kiel) in Germany.

Professional experience:
- 2007–2013: Chief Risk Officer at GE Money Bank Norway (Stavanger, Norway)
- 2005–2007: Risk Strategist at GE Money Bank Norway (Stavanger, Norway)
- 2002–2005: Marketing Analyst and from 2003 FBB Marketing for GE Consumer Finance (Stavanger, Norway)
- 1999–2002: Customer Intelligence Manager for Comdirect Bank AG (Quickborn, Germany)
- 1997–1999: Market Researcher for Deutsche Herold Versicherungsgruppe der Deutschen Bank (Bonn, Germany)

Mr Gloe is Vice Chairman of the Board of Managing Directors of the Bank's following subsidiaries: Swiss Auto Lease 2019-1 GmbH, Swiss Auto Lease 2016-1 GmbH, Swiss Auto Lease 2015-1 GmbH, Swiss Auto Lease 2013-1 GmbH in Liquidation, eny Credit GmbH and Swiss SME Loans 2018-1 GmbH as well as member of the Board of Directors of cashgate AG and Fastcap AG.

Dr Emanuel Hofacker

Name	Dr Emanuel Hofacker
Nationality	Swiss
Appointed	2014
Position	General Counsel

Swiss national and resident, born in 1968

Dr Hofacker has been the Bank's General Counsel since 2014. He holds a Master in Law and a Doctorate in Law (Dr iur.) both from the University of Zurich.

Professional experience:
- 2017–2019: HR Director of Cembra Money Bank AG (Zurich, Switzerland)
- 2012–2014: Chief Compliance Officer of Cembra Money Bank AG (former GE Money Bank AG) (Zurich, Switzerland)
- 2011–2012: Senior Legal Counsel of DKSH Holding Ltd (Zurich, Switzerland)
- 2010–2011: Collections Leader of GE Money Bank AG (Zurich, Switzerland)
- 2006–2010: Senior Legal Counsel & Deputy General Counsel at GE Money Bank AG (Zurich, Switzerland)
- 2005–2006: Legal Counsel Operations at GE Money Bank AG (Zurich, Switzerland)
- 2002–2005: Associate with Prager Dreifuss AG (Zurich, Switzerland)

Dr Hofacker is Chairman of the Board of Managing Directors of the Bank's following subsidiaries: Swiss Auto Lease 2019-1 GmbH, Swiss Auto Lease 2016-1 GmbH, Swiss Auto Lease 2015-1 GmbH, Swiss Auto Lease 2013-1 GmbH in Liquidation, as well as member of the Board of Directors of Swissbilling SA and cashgate AG. Furthermore, he is member of the Bank's Pension Fund Board, Board member of IKO (Information Center regarding Consumer Loans Association) as well as of KFS (Swiss Consumer Finance Association).

Niklaus Mannhart

Name	Niklaus Mannhart
Nationality	Swiss
Appointed	2018
Position	Chief Operating Officer (COO)

Swiss national and resident, born in 1967

Mr Mannhart has been Chief Operating Officer and member of the Management Board since August 2018. He has a diploma (Master) in Computer Science from the Swiss Federal Institute of Technology (ETH) in Zurich. In addition Mr Mannhart has a diploma in didactics and education from the Swiss Federal Institute of Technology (ETH) in Zurich.

Professional experience:
- 2016–2018: COO IT & Operations Swiss Universal Bank at Credit Suisse (Schweiz) AG (Zurich, Switzerland)
- 2015–2016: COO Operations Swiss Universal Bank at Credit Suisse (Schweiz) AG (Zurich, Switzerland)
- 2012–2015: COO Operations Utilities and Operations Region Switzerland at Credit Suisse AG (Zurich, Switzerland)
- 2010–2012: Director at Credit Suisse AG (Zurich, Switzerland)
- 2001–2010: Associate Principal at McKinsey & Company (Zurich, Switzerland)
- 1995–2001: Research Associate, Teaching Assistant and System Administrator at Institute of Scientific Computing, ETH Zurich (Zurich, Switzerland)

Mr. Mannhart is member of the Board of Directors of the Bank's following subsidiaries: cashgate AG and Fastcap AG. Furthermore, he is the President of the ZEK (Central Office for Credit Information).

Pascal Perritaz

Name	Pascal Perritaz
Nationality	Swiss
Appointed	2018
Position	Chief Financial Officer (CFO)

Swiss national and resident, born in 1972

Mr Perritaz has been Chief Financial Officer and member of the Management Board since October 2018. He has a Master's Degree in Economics from the University of Fribourg and a Swiss Federal Diploma as Financial Analyst and Portfolio Manager. Furthermore, he is a graduate from the Program for Leadership Development at Harvard Business School in Boston (USA).

Professional experience:
- 2014–2018: Chief Financial Officer, Commercial Insurance at Zurich Insurance Group AG (Zurich, Switzerland), a company listed on SIX
- 2014: Chief of Staff, Group Finance at Zurich Insurance Group Ltd. (Zurich, Switzerland)
- 2010–2013: Chief Financial Officer, Middle East / Africa at Zurich Insurance Group Ltd (Dubai, UAE)
- 2007–2010: Group Operations Manager at Zurich Insurance Group Ltd (Zurich, Switzerland)
- 1996–2006: Various roles with Zurich Insurance Group Ltd (Zurich, Switzerland and Dublin, Ireland)

Mr Perritaz is Chairman of the Board of Managing Directors of the Bank's following subsidiaries: eny Credit GmbH and Swiss SME Loans 2018-1 GmbH as well as Vice Chairman of the Board of Directors of Swissbilling SA and member of the Board of Directors of cashgate AG as well as member of the Bank's Pension Fund Board.

4.2 Other activities and vested interests

There are no other Activities and vested interests of any members of the Management Board other than mentioned in the biographies above.

4.3 Rules in the Articles of Incorporation on the number of permitted activities pursuant to art. 12 para. 1 point 1 of the Ordinance against Excessive Compensation (OaEC)

The members of the Management Board may upon prior approval by the Board of Directors or the Compensation and Nomination Committee be involved in up to five Activities of which a maximum of one may be in a listed company. As with respect to the restrictions applicable to the members of the Management Board the following Activities do not fall under the above restrictions:
- Activities in entities controlled by the Group;
- Activities in entities controlling the Group; and
- Activities in associations, charitable institutions as well as welfare and pension institutions.

No member of the Management Board is entitled to exercise more than ten such Activities.

Please refer to the biographies of the members of the Management Board in section 4.1 above regarding the additional Activities of the members of the Management Board.

4.4 Management contracts

The Bank has not entered into management contracts with third parties in 2019, and no such contracts are in place as per 31 December 2019.

5 Compensation, shareholdings and loans

Information about compensation, shareholdings and loans can be found in the Compensation Report on page 84.

6 Shareholders' rights of participation

6.1 Voting rights and representation restrictions

There are no restrictions of the Swiss corporate law with regard to shareholders' rights of participation.

Each Share carries one vote in the General Meeting. Voting rights may be exercised only after a shareholder has been registered in the Share Register as a shareholder with voting rights up to a specific qualifying day ("Record Date") designated by the Board of Directors. Persons who acquired Shares will be recorded in the Share Register as shareholders with the right to vote, provided that they expressly declare that they acquired the registered shares in their own name and for their own account (for details, see section 2.6 above).

The Board of Directors may, with retroactive effect to the date of entry, cancel records in the Share Register that were created based on false information.

Any acquirer of Shares that is not registered in the Share Register as a shareholder with voting rights may not vote at or participate in person at any General Meeting, but will still be entitled to dividends and other rights with financial value with respect to such Shares.

Each shareholder may only be represented at a Annual General Meeting by:
- The Independent Proxy by means of a written or electronic proxy, or
- By a third party, who need not to be a shareholder, by means of a written proxy.

The Board of Directors may, in the invitation to the General Meeting or in general regulations or directives, specify or supplement the rules laid down above (including rules on electronic proxy and electronic instructions).

6.2 Statutory quorums

No statutory quorums other than those defined by Swiss corporate law and the Swiss Federal Merger Act apply.

6.3 Convocation of the General Meeting

The statutory rules on the convocation of the General Meeting comply with applicable Swiss corporate law. Thus, an Annual General Meeting is to be convened at least 20 calendar days prior to the date of such meeting by publishing a notice of the meeting in the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt) or by any other means of publication specified by the Board of Directors in a particular case. Shareholders registered in the Share Register may also be invited by written notice.

Annual General Meetings may be convened by the Board of Directors or, if necessary, by the Bank's auditors. The Board of Directors is further required to convene an extraordinary General Meeting if so resolved at an Annual General Meeting or if so requested by holders of Shares representing in aggregate, at least 10% of the Bank's share capital registered in the Commercial Register.

6.4 Inclusion of an item on the agenda

One or more shareholders holding Shares with an aggregate par value of at least CHF 1,000,000 or representing at least 10% of the Bank's share capital registered in the Commercial Register have the right to request that a specific proposal be put on the agenda for the next Annual General Meeting. The Articles of Incorporation (www.cembra.ch/governance) require that such request including details of agenda items and motions is communicated to the Board of Directors at least 45 calendar days prior to the next Annual General Meeting.

6.5 Registrations in the share register

There is no statutory rule on the deadline for registering shareholders in connection with the attendance of the Annual General Meeting. For organisational purposes, however, no shareholders will be registered in the Share Register during the period beginning 10 days prior to a General Meeting and ending immediately after the closing of the respective General Meeting.

7 Changes of control and defence measures

7.1 Duty to make an offer

The Articles of Incorporation do not contain any "opting-out" or "opting-up" provision with regard to mandatory public takeover offers, as defined in art. 125 of the Swiss Financial Market Infrastructure Act. Thus, an investor who acquires more than 33⅓% of all voting rights of the Bank (directly, indirectly or in concert with third parties), whether they are exercisable or not, is required to submit a takeover offer for all shares outstanding, according to the Swiss Financial Market Infrastructure Act.

7.2 Clauses on changes of control

The contracts of the members of the Board of Directors do not contain any change of control clauses.

The contracts of the Management Board do not make provision for any agreements in the case of a change of corporate control other than the accelerated vesting provision in the Executive Variable Compensation Plan (EVCP) as further described in the section Compensation Report on page 84.

In particular, no protection measures such as:
- Severance payments in the event of a takeover,
- Special provisions on the cancellation of contractual arrangements,
- Agreements concerning special notice periods or longer-term contracts where they exceed 12 months;
- The waiver of lock-up periods, and/or
- Additional contributions to pension funds

exist that protect the above-mentioned persons by certain contractual conditions against the consequences of takeovers.

8 Auditors

8.1 Duration of mandate and term of office of External Auditor

The consolidated financial statements and the individual financial statements are audited by KPMG AG, Zurich. The External Auditor is elected for a period of one year at the General Meeting. KPMG were appointed as statutory auditors and group auditors in 2005. The holder of this office changes every seven years, in accordance with the Swiss Code of Obligations. The current Lead Auditor for the Group since 2014 is Mr Cataldo Castagna, Partner.

8.2 Auditing fees

Expenses related to the Group's financial and regulatory audit amounted to CHF 1,305,000 for the financial year 2019.

8.3 Additional fees

Expenses related to assurance-related services amounted to CHF 60,000 for the financial year 2019.

8.4 Informational instruments pertaining to an External Audit

The Audit and Risk Committee, acting on behalf of the Board of Directors, is responsible for overseeing the activities of the External Auditor. It monitors the qualification, independence and performance of the latter. This includes reviewing external audit reports as well as examining the risk analysis. The Audit and Risk Committee receives quarterly reports from representatives of the External Auditor and it discusses these reports and assesses their quality and comprehensiveness. During 2019, the Chief Auditor as well as the auditor in charge representing the External Auditor attended all seven meetings of the Audit and Risk Committee.

The Audit and Risk Committee recommended that the Board of Directors approves the audited financial statements for the year ended 31 December 2019. The Board of Directors recommends that the the financial statements be accepted for approval by the General Meeting.

The Audit and Risk Committee regularly evaluates the performance of the External Auditor and once a year determines whether the External Auditor should be proposed to the General Meeting for election. Also once a year, the auditor in charge reports to the Audit and Risk Committee on the External Auditor's activities during the current year and on the audit plan for the coming year. To assess the performance of the External Auditor, the Audit and Risk Committee holds meetings with the CEO, the CFO and the Chief Auditor. Criteria assessments include qualifications, expertise, effectiveness, independence and performance of the External Auditor.

9 Information policy

General information
The Bank informs its shareholders and the public by means of the annual and half-year reports, letters to shareholders, in the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt) as well as through press releases and presentations. These documents are available to the public in electronic form under: www.cembra.ch/investors.

The Bank also publishes an annual report, available in English and German. Printed copies are sent to the Bank's shareholders upon request. The Bank's annual report is available under:
www.cembra.ch/financialreports.

Ad-hoc publicity and e-mail distribution service
The Bank reports in accordance with the ad hoc publicity requirements pursuant to art. 53 of the Listing Rules of the SIX Swiss Exchange. Ad hoc announcements may be viewed at www.cembra.ch/investors.

Interested parties can also subscribe to the e-mail distribution service to receive free and timely notifications of ad hoc announcements: www.cembra.ch/investors.

Important dates
The financial calendar can be downloaded from: www.cembra.ch/investors.

Contact address
Cembra Money Bank AG
Bändliweg 20
8048 Zurich
Switzerland

Investor Relations
E-mail: investor.relations@cembra.ch
Telephone: +41 44 439 85 72