



Articles of Association of the Banque Cantonale de Genève

26 April 2016



Chapter I | General provisions

Article 1 | Legal status, company name and head office

1. The Banque Cantonale de Genève (hereafter the "Bank" or the "Company") is a public limited company governed by public law according to article 763 of the code of obligations (hereafter "CO"); it has the status of cantonal bank as defined in article 3a of the federal law on banks and savings banks of 8 November 1934 and exercises its activity under the company name "Banque Cantonale de Genève".
2. Unless provided otherwise in the law on the Banque Cantonale de Genève of 24 June 1993, these articles of association, the federal law on banks and savings banks of 8 November 1934 and the stock exchange and securities trading act of 24 March 1995, the provisions of title twenty six of the code of obligations are applicable to it in a supplementary capacity.
3. The head office and the board of directors of the Bank are in Geneva. It operates subsidiaries and branches.

Article 2 | Purpose and duration

1. The main purpose of the Bank is to contribute to the economic development of the canton of Geneva and the region.
2. As a universal bank, it deals with all transactions falling under the federal law on banks and savings banks of 8 November 1934 and exercises a securities trading activity as defined in the federal stock exchange and securities trading act of 24 March 1995. In particular, it handles the following transactions:
 - 1 Receipt of funds on deposit in all forms, in particular savings, including in its official capacity as legal escrow;
 - 2 Discount and collection of bills of exchange;
 - 3 Opening of secured or unsecured loans;
 - 4 Granting of mortgage loans;
 - 5 Purchase, sale and trading in general of all securities;
 - 6 Purchase, sale and trading of foreign currencies, foreign exchange and precious metals;
 - 7 Opening of documentary credits, payment and collection of letters of credit;
 - 8 Granting of bank guarantees;
 - 9 Custody and management of securities and valuables, asset and pension fund management, leasing of safe deposit boxes;
 - 10 Underwriting of loans, participation in issues and financial transactions of public law corporations, companies and private individuals, individually or through syndicates;
 - 11 Permanent or temporary equity investment in commercial, industrial, financial or banking companies and, if applicable, taking an active part in their management;
 - 12 Execution of management and custodian bank functions of investment funds as well as of domiciliation of subscriptions;
 - 13 Purchase and sale, for its own account, of real estate or share capital of real estate companies.
3. The Bank is authorised to exercise its activity in any financial centre or stock exchange in Switzerland and abroad.
4. It is managed according to the proven principles of economic and banking ethics.
5. Its duration is open-ended.

Chapter II | Share capital

Article 3 | Share capital

1. The share capital stands at 360 million Swiss francs.
2. It is divided into 7,200,000 registered shares of a par value of CHF 50, entirely paid up.
3. The canton holds a stake of at least one third of the capital and votes in accordance with article 3a of the federal law on banks and savings banks of 8 November 1934. A shareholders' agreement concluded between the canton, the City of Geneva and the other municipalities, represented by the Association of Geneva Municipalities, ensures that the local authorities continually have the majority of votes attached to the share capital of the bank in accordance with article 189 paragraph 2 of the Constitution of the Republic and Canton of Geneva of 14 October 2012.
4. The shares are issued in the form of individual shares, individual certificates, global certificates or share rights in accordance with the code of obligations. The Bank is free, within the framework of legal requirements, at any time and without the consent of shareholders, to convert its registered shares issued in one of the forms above, into another form. The Bank shall bear the costs of this.
5. The shares issued in the form of paper securities bear the signature of the chairman of the board of directors and the chairman of the executive board. These two signatures can be affixed by means of a facsimile.
6. The shareholder is not entitled to claim the conversion of registered shares issued in the form of individual shares, individual certificates, global certificates or share rights in accordance with the code of obligations into another of these forms. Each shareholder can however demand at any time that the Bank establish a certificate relating to the registered shares that it holds according to the stock register.
7. The Bank holds a stock register at the Company's head office that mentions the name and address of the holders and usufructuaries. Any change of address must be communicated to the Bank.
8. Only persons registered in the stock register as shareholders with a right to vote are considered to be shareholders with regard to the Bank and may exercise the right to vote or other related rights.
9. After the acquisition of shares, and following the application for recognition as a shareholder, any buyer is considered to be a shareholder without voting rights until such time as the Bank recognises him as a shareholder with voting rights. If the Bank does not refuse the application for recognition of the buyer within twenty days, the buyer shall be deemed to be a shareholder with voting rights.
10. A buyer is registered on the stock register as a shareholder with voting rights if he expressly declares having bought the shares in his own name and for his own account. The Bank recognises only one representative per share.
11. The board of directors can specify the conditions and adopt the necessary regulations relating to the application of this article. These regulations state in which cases the board or any committee appointed by it can authorise exemptions to the limitation on the registration or the regulation on fiduciaries or nominees.

12. Each share entitles the holder to a proportionate share of the net profits of the Company and the proceeds of liquidation.

Chapter III | Organisation of the Bank

Article 4 | Governing bodies

1. The governing bodies of the Bank are as follows:
 - A. The general shareholders' meeting;
 - B. The board of directors;
 - C. The executive board;
 - D. The auditor;
 - E. The control committee.

A. The general shareholders' meeting

Article 5 | Authorities

1. The general shareholders' meeting is the supreme governing body of the Bank.
2. It has the following responsibilities:
 - 1 To adopt and modify the articles of association, at the suggestion of the board of directors or the State Council, the modifications of the articles of association must be ratified by the Grand Council before being implemented;
 - 2 To appoint the members of the board of directors representing the shareholders other than local authorities, which number three. During this election, the shareholders representing local authorities are not entitled to exercise the voting rights relating to their shares;
 - 3 To appoint the auditor in accordance with the code of obligations from among the authorised audit firms subject to supervision by the federal audit oversight authority in accordance with article 9a, paragraph 1 of the federal law on the accreditation and supervision of auditors of 16 December 2005; the general meeting may, at the suggestion of the board of directors, appoint an ad hoc supervisory board;
 - 4 To approve the annual report and consolidated accounts, after having read the management report and the auditor's report;
 - 5 To determine the use of the net profits and fix the dividend;
 - 6 To release the members of the board of directors from liability;
 - 7 To give advice on the merger, division, transformation and dissolution of the Bank;
 - 8 To take all decisions reserved for it by law or the articles of association;
 - 9 To approve the ethical charter of the Bank, which is subject to ratification by the Grand Council.

Article 6 | Organisation

1. The general meeting is presided over by the chairman of the board of directors, in his absence by the vice-chairman or failing this, by another member of the board.
2. Minutes of the general meeting sessions are drawn up which mention the number of shares represented by the shareholders, the governing bodies, as well as the independent representatives and the custodians acting as representatives, the decisions taken, the elections with which it proceeded, the requests for information and the answers given, as well as the declarations whose registration is requested by the shareholders.
3. The minutes, as well as the extracts issued of them, bear the signature of the chairman and the secretary of the meeting.

Article 7 | Convocation

1. The ordinary general meeting takes place every year in the six months following the closing of the financial year.
2. The board of directors may convene an extraordinary general meeting as often as necessary.
3. One or several shareholders representing at least one tenth of the share capital may also request in writing the convening of an extraordinary general meeting, indicating the pursued aim. One or several shareholders that represent shares totalling a par value of 1 million francs may request in writing within a period of 40 days before the general meeting the inclusion of a subject on the agenda, stating the business to be discussed.
4. If necessary, the auditor may also convene an extraordinary general meeting.

Article 8 | Convocation and agenda

1. The general meeting is convened by the board of directors at least twenty days before the meeting, by a notice inserted in the "Official gazette of the Republic and canton of Geneva" and in the "Official Swiss trade gazette".
2. The subjects included on the agenda, as well as the proposals of the board of directors and shareholders who have asked for the meeting to be convened or the inclusion of a subject on the agenda are mentioned in the convocation. The usual documents are made available to shareholders at the head office of the Bank. Mention of this shall be made in the convocation.
3. The board of directors is required to place on the agenda the individual proposals to be put to the vote, provided that they are submitted in writing by the shareholders at least twenty days before the general meeting.
4. No decision can be taken on subjects that have not been included on the agenda, except for proposals of shareholders to convene an extraordinary general meeting, introduce a special audit or elect an auditor.

Article 9 | Appointment of members of the board of directors

1. The conditions for appointing members of the board of directors are governed by the law on the Banque Cantonale de Genève of 24 June 1993.
2. Nominations proposed for the appointment of members of the board of directors representing shareholders other than public authorities must reach the registered office of the Company no later than 31 March preceding the ordinary general meeting or one month before the extraordinary general meeting preceding the said appointment at the latest.
3. The members of the board of directors representing public authorities must be appointed until 31 March prior to the ordinary general meeting or one month prior to the extraordinary general meeting that renews the term of office of directors representing shareholders other than public authorities.

Article 10 | Voting rights

1. The shareholders exercise their voting rights in proportion to the number of shares they hold, each share equal to one vote.
2. The board of directors may adopt a rule concerning the participation and representation in the general meeting.

3. The persons who intend to attend the general meeting must justify their capacity as shareholder or their powers of representation.

Article 11 | Decisions

1. The general meeting is validly constituted whatever the number of shares represented.
2. It takes its decisions and proceeds with elections with an absolute majority of votes allocated to the shares represented, unless provided otherwise by the law or these articles of association.
3. Decisions relating to the adoption and modification of the articles of association, such as those concerning the notification of the merger, division, transformation or dissolution of the Bank, are taken by a two-thirds majority of the share capital.
4. For elections, if a second ballot is necessary, the relative majority is sufficient.
5. In the event of equal votes, the chairman of the general meeting has the casting vote.
6. The elections take place by secret ballot. At the request of 30% of the votes represented, the other decisions are also taken by a vote by secret ballot.

B. The board of directors

Article 12 | Composition

1. The board of directors includes members with specific skills in the banking, economic and legal fields. Its composition must reflect, insofar as possible, the different trends of the economic and social life of the canton of Geneva.
2. The Bank is administered by a board of directors of 11 members whose composition is fixed by law.
3. The State Council appoints the chairman of the board of directors from among the members of the board of directors.
4. The members of the board of directors must exercise their mandate independently and not have any conflict of interest in this activity.
5. The members of the board of directors, including its chairman, cannot exercise a full-time office within a cantonal or municipal executive committee; they cannot belong to the administration, management, operational management or auditor of another bank.

Article 13 | Loss of capacity as member

1. The appointment conditions provided for by the law on the Banque Cantonale de Genève of 24 June 1993 must be fulfilled throughout the entire term of office. If a member of the board of directors no longer meets these conditions, he must immediately inform the chairman of the board of directors and is required to resign. Failing this, the person concerned shall lose his status as member of the board of directors, effective on the day the board of directors became aware that one of the aforementioned conditions has disappeared. The board of directors can then sit with a reduced composition until the next general meeting.

Article 14 | Duties of office

1. The members of the board of directors may not have other activities within the Bank.

2. They must strictly comply with banking secrecy and if applicable, confidentiality of office.

Article 15 | Powers

1. The board of directors is the body responsible for the top management of the Bank in accordance with article 3 paragraph 2 letter a of the federal law on banks and savings banks of 8 November 1934.
2. The board of directors determines the general policy of the Bank and the nature of its activities, depending on the objectives defined by law, while seeing to the achievement of the statutory aim of article 2.
3. It is responsible for the top management and the close supervision of the Bank. In particular, it supervises executive board to ensure that it acts in accordance with the federal and cantonal law in the matter, the articles of association, regulations and internal procedures.
4. It has the following powers:
 - 1 To elect the vice-chairman and the secretary;
 - 2 To appoint the members of the executive board and the members of management;
 - 3 To appoint the internal audit manager and his employees on the advice of the control committee;
 - 4 To appoint the audit firm elected by the general meeting as auditors approved by the federal audit supervision authority under the federal law on banks and savings banks of 8 November 1934;
 - 5 To appoint the representatives of the employer to the board of the personnel pension planning foundation;
 - 6 To prepare draft amendments to the articles of association submitted for adoption by the general meeting;
 - 7 To supervise the correct application of the articles of association as well as the execution of decisions of the general meeting;
 - 8 To draft the management report on the past financial year and present to the general meeting the balance sheet and the annual profit and loss account, as well as the proposals on the use of the net profits;
 - 9 To examine the annual report of the auditor as well as the other reports intended for the general meeting;
 - 10 To prepare all proposals that must be submitted to the general meeting, combined as necessary with its notice of intention;
 - 11 To adopt the internal regulations and directives relating to the Bank's activity;
 - 12 To fix the principles of the internal audit and risk management;
 - 13 To read the periodic reports of the executive board concerning current affairs;
 - 14 To examine reports of the internal audit and the auditor;
 - 15 To decide on creating and closing subsidiaries and branches;
 - 16 To adopt the standards that prevail regarding the granting of loans, to ensure that they are applied and to approve decisions regarding major risks, as defined in article 95 paragraph 1 of the ordinance on shareholder's equity and the distribution of risks of banks and securities traders of 1 June 2012 (hereafter "OFR"); to approve decisions for affairs that derogate from the standards it fixed;
 - 17 To exercise the internal audit and the supervision of the progression of major risks as defined in article 95 paragraph 1 OFR on the basis of quarterly statements established by the executive board;
 - 18 To give its approval to any equity investment or any

acquisition of a permanent nature in accordance with article 26 of the articles of association; to decide on the acquisition and transfer of capital goods for the use of the Bank and buildings, subject to the jurisdiction of the executive board;

- 19 To keep the stock register;
- 20 To appoint from among its members two directors as members of the control committee;
- 21 To periodically assess the means of information, its content and suitability of this to its needs;
- 22 To approve, with the control committee, a three-yearly plan of the tasks to be accomplished by the internal audit to cover all of the audits considered necessary;
- 23 To set up an information system between the governing bodies of the Bank;
- 24 To regularly inform the State Council of the Bank's business activities, within the legal limits provided for notably in the federal law on banks and savings banks of 8 November 1934, the federal act on the stock exchange and securities trading of 24 March 1995 and the code of obligations, if necessary with the assistance of the executive board;
- 25 To meet the requests for information of the State Council, in accordance with the federal law on banks and savings banks of 8 November 1934, the federal act on stock exchange and securities trading of 24 March 1995 and the code of obligations, if necessary with the assistance of the executive board;
- 26 To keep up to date the register of interests of the members of the board of directors, the executive board and the member of the control committee the Bank;
- 27 To ratify the loans to the members of the board of directors, the members of the executive board and the member of the control committee as well as to their spouses or relatives in direct line, in accordance with article 27 of the articles of association.

5. It appoints permanent or ad hoc committees, in charge of examining the various activities of the Bank and reports on them to it. The specifications of these committees are outlined in an appendix to the Bank's management and organisational regulations.

Article 16 | Information

1. The executive board informs the board of directors on the progress of the Bank's business activities at each meeting, and reports on the files that require it.
2. The chairman of the board of directors, the executive board, the control committee, the internal audit and the auditor must supply the board of directors with any information enabling it to exercise its close supervision, in particular on the progress of the business and activities of the various sectors, including the subsidiaries.

Article 17 | Organisation and operations

1. The board of directors meets at least 15 times a year. Its members must be able to consult files relating to the items included on the agenda within a period fixed by the rules of this board, but no later than 24 hours before the opening of the meeting.
2. It is presided over by the chairman of the board of directors or in his absence, by the vice-chairman or the secretary.
3. It may hold extraordinary sessions if business requires it or at the request of four of its members or the auditor.

4. The board of directors can only take decisions if the majority of its members are present.
5. Decisions are taken by a simple majority of the members present, the chairman having the casting vote in the event of equality.
6. Minutes of each meeting are kept, signed by the chairman of the session and the secretary. They are approved during the following session.

Article 18 | Chairman

1. The chairman of the board of directors exercises the duties and prerogatives provided for by the articles of association and the regulations of the Bank; its specifications are established by the Bank's organisational and management regulations.
2. The chairman of the executive board regularly informs him on the business activities and the situation of the Bank. Any special events that are not part of the ordinary management of the Bank must be communicated to him immediately.

C. Executive board

Article 19 | Composition

1. The executive board is composed of the chairman of the executive board and the members of the executive board.
2. The board of directors also appoints the replacement chairman of the executive board from among the members of the executive board.
3. The executive board is appointed for an open-ended period, its members being however obliged to resign from their duties at the latest at the end of the calendar year during which they have reached the age of sixty five years and over.

Article 20 | Duties of office

1. The members of the executive board owe the Bank their full time.
2. However, with the express agreement of the board of directors and where the interests of the Bank so warrant, they may accept outside mandates or functions.

Article 21 | Powers

1. The executive board ensures the management of the Bank.
2. It has the following powers:
 - 1 To execute the decisions of the board of directors. To this end, the chairman of the executive board or his replacement participates in an advisory capacity in the sessions of the board of directors.
 - 2 To make proposals on matters falling within the responsibility of the board of directors;
 - 3 To take legal action;
 - 4 To appoint executives;
 - 5 To prepare the quarterly statements to enable the board of directors to carry out the internal audit and the supervision of the progression of major risks as defined by article 95 paragraph 2 OFR; to submit these statements to the board of directors;
 - 6 To take decisions that are not the responsibility of other governing bodies in terms of the law, the articles of association or the internal regulations. Its other powers and duties are also defined in the organisational regulations of the board of directors.

D. The auditor

Article 22 | Appointment and powers

1. At the beginning of each year, the board of directors shall appoint the audit firm elected by the general meeting of shareholders as the auditors approved by the Swiss federal audit supervisory authority in accordance with the federal law on banks and savings banks of 8 November 1934;
2. The general meeting or the board of directors may ask it to carry out additional checks.
3. The reports of the auditors are communicated to the board of directors and the control committee. They are also passed onto the State Council by the Bank, excluding any element subject to banking secrecy.

E. The control committee

Article 23 | Appointment

1. The control committee is made up of two directors, appointed by the board of directors and a third member appointed by the State Council.
2. The member of the control committee appointed by the State Council cannot be part of public service. He is subject to banking secrecy.

Article 24 | Operations and powers

1. In principle, the control committee meets at least once a fortnight.
2. It has the following powers:
 - 1 To supervise compliance with legal, statutory and regulatory provisions applicable to the Bank and its subsidiaries, as well as banking practices;
 - 2 To ensure the liaison and coordination between the board of directors, the internal audit and the auditor;
 - 3 To give advice to the board of directors on the appointment of the head of internal audit and his employees, the terms of reference and the work programme of the head of internal audit, in coordination with the work programme of the auditors;
 - 4 To entrust the internal audit department with any control operation or to carry out its own controls on all the Bank's activities, including those of its subsidiaries;
 - 5 To read the audit reports of the internal audit and the auditor;
 - 6 To have access at all times to all the files of the auditors, including those included on the agenda of the board of directors;
 - 7 To have access to the convocations of the board of directors, to the list of items submitted to it, to its minutes, and to those of the executive board and the auditors;
 - 8 To give its advice on all decisions of the jurisdiction of the board of directors regarding audits and control;
 - 9 To make proposals to the board of directors;
 - 10 To approve, with the board of directors, a three-yearly plan of tasks to be accomplished by the internal audit to cover all of the audits considered necessary.

Article 25 | Supervision

1. The Bank is subject to the banking supervision of the federal financial market supervisory authority in accordance with the provisions of the federal law on banks and savings banks of 8 November 1934, the federal stock exchange and securities

trading act of 24 March 1995 and the federal law on the federal financial market supervisory authority of 22 June 2007.

2. The federal financial markets supervisory authority may demand from the Bank and the auditor all information and documents it needs to perform its tasks in accordance with the federal law on the federal financial market supervisory authority of 22 June 2007.
3. The supervision of compliance with legal cantonal prescriptions is the jurisdiction of the State Council.

Chapter IV | Jurisdiction regarding acquisition and conflicts of interest

Article 26 | Acquisition and equity participations

1. The board of directors shall decide on the acquisition or disposal of holdings of a permanent nature.
2. It shall also decide on the acquisition and disposal of capital goods for use by the Bank and of real estate, subject to the jurisdiction of the executive board.

Article 27 | Incompatibilities and conflicts of interest

1. After taking up office, the members of the board of directors, the members of the executive board and the member of the control committee are not eligible for new loans from the Bank except for Lombard loans or mortgages allocated to their personal accommodation, ratified by the board of directors. This limitation applies to the spouse and relatives in direct line of the aforementioned persons.
2. The conditions for granting loans to the members of the board of directors, the members of the executive board and the member of the control committee and to their spouses or relatives in a direct line as well to persons or organisations maintaining personal connections with them may under no circumstances differ from the usual conditions applied by the Bank. The preferential conditions of staff regulations are reserved.
3. The members of the board of directors, the executive board and the member of the control committee announce to the board of directors whether they are a body, collaborator or executive of a company or representative of an entity, private or public, client of the Bank, or holder of a public office or political mandate.
4. The bodies linked to such an entity shall refrain from intervening in any decision to grant a loan concerning it.
5. They shall report, before any deliberation of the board of directors, favours known to them from public or private entities to which they are linked, with a view to the implementation of any project for which financing is requested from the Bank. The communications obtained shall be recorded in loan protocols and minutes of the competent bodies for granting loans.

Chapter V | Control

Article 28 | Internal audits

1. An internal auditor, independent of the executive board, is responsible for the financial control and the management control of the Bank. In this capacity, it is responsible for carrying out regular audits on all of the Bank's activity and has access, at all times, to all of its files.

2. The internal audit is subordinate to the board of directors, which adopts its specifications on the advice of the control committee.
3. The board of directors appoints the head of internal audit and its employees on the advice of the control committee.

Article 29 | Duties of the internal audit

1. The internal audit passes on its reports to the board of directors, the control committee, the auditor and the executive board.
2. It shall inform the board of directors of any irregularities and the measures it proposes to remedy them, on the advice of the control committee.
3. On the basis of the three-yearly plan approved by the board of directors and the control committee to cover all audits considered necessary, the internal audit draws up an annual plan of the tasks to be carried out during the coming financial year.
4. The board of directors, the control committee and if applicable with the agreement of the board of directors, the executive board may at any time entrust the internal audit with any inspection they consider to be useful.

Chapter VI | Representation towards third parties

Article 30 | Signatures

1. The Bank is committed by the joint signature of two persons appointed by the board of directors.

Chapter VII | Annual accounts and distribution of profits

Article 31 | Closing of the accounts

1. The annual accounts are closed on 31 December of each year.
2. The board of directors establishes a management report made up of the annual accounts, the annual report and consolidated accounts for each financial year in accordance with the principles of the code of obligations, the provisions of the federal law on banks and savings banks of 8 November 1934 as well as the federal stock exchange and securities trading act of 24 March 1995.

Article 32 | Review and approval

1. The annual accounts as well as the accompanying reports are reviewed by the control committee, then by the board of directors. The Bank submits the annual accounts to the normal audit of the auditor.
2. They are then subject to the approval of the general shareholders' meeting.

Article 33 | Distribution of profits

1. After deduction of the charges, amortisations and provisions necessary, the general shareholder's meeting of the Bank determines, at the suggestion of the board of directors, the use of the net profits by complying with the following statutory provisions:
 - 1 It allocates at least 5% to the general reserve;
 - 2 It fixes the ordinary dividend to be paid out of the share capital; it amounts to a maximum of 5% of the nominal value of the shares;

- 3 It shall, if applicable, make allocations to the special reserves and various assignments;
- 4 It decides on the payment of a potential extra dividend;
- 5 It makes a special allocation, in favour of the State of Geneva, as reimbursement of the advances made by the State to the Fondation de valorisation des actifs (asset valuation foundation) of the Banque Cantonale de Genève, corresponding to 20% of the total ordinary and extra dividends; this reimbursement meets the requirement of article 11, paragraph 2 of the act of incorporation of the foundation of 19 May 2000;
- 6 The remaining balance is brought forward.

Chapter VIII | Final provisions

Article 34 | Liquidation

1. In the event of liquidation, the remaining assets shall be distributed among the shareholders, in proportion to the nominal value of their shares.

Article 35 | Implementation

1. These articles of association were adopted by the general shareholders' meeting on 26 September 2000. They were amended by the general shareholders' meeting on 15 May 2001, 3 May 2005, 13 December 2005 and 26 April 2016.
2. They were implemented after ratification by the Grand Council on 28 January 2017.



Jean-Pierre Roth
Chairman
of the board of directors



Mourad Sekkiou
Secretary
of the board of directors

This is a free translation of the French original version. In case of discrepancy, the French version shall prevail.



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