



COMPAGNIE FINANCIERE TRADITION S.A.  
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**Shareholders are invited to attend the  
ANNUAL GENERAL MEETING**

**to be held at the Hotel Beau-Rivage Palace, Lausanne, on Friday, 22 May 2015, at 3.00 pm**

**Agenda and proposals of the Board of Directors**

- 1. Presentation of the Annual Report, the Company financial statements and the consolidated financial statements for the year ended 31 December 2014; presentation of the Auditors' Report**
- 2. Appropriation of available earnings for 2014; appropriation of the reserve from capital contributions.**
  - 2.1 Appropriation of net profit for the 2014 financial year:**

	<u>CHF</u> (CHF 000)
Retained earnings brought forward	99,150
Net profit for the year	26,592
Movements in the reserve for treasury shares	- 2,592
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Available earnings	123,150
 <i><u>Proposed appropriation of available retained earnings for 2014</u></i>	
Retained earnings carried forward	123,150

**2.2 Appropriation of the reserve from capital contributions:**

Motion of the Board of Directors

	<u>CHF</u> (CHF 000)
Allocate, from the reserve from capital contributions to the free reserves, an amount of CHF 3.00 per bearer share of CHF 2.50 nominal value, for a maximum of 6,722,111 shares.	19,603
Set a dividend, for the 2014 financial year, equivalent to the amount allocated from the reserve from capital contributions to the free reserves as prescribed above, in the amount of CHF 2.50 per bearer share of CHF 2.50 nominal, for a maximum of 6,722,111 shares payable in new Compagnie Financière Tradition S.A. bearer shares or in cash, at the shareholders' election, in accordance with the terms set out below.	- 19,603

Upon presentation of No. 17 coupon, each bearer share of Compagnie Financière Tradition S.A. held at the close of trading on the day preceding the ex-dividend date, scheduled for 27 May 2015, will entitle its holder, subject to the restrictions mentioned below, to elect:

- to receive free of charge a number of new Compagnie Financière Tradition S.A. bearer shares depending on the number of No. 17 coupons in respect of which an election has been made. The issue price of the new Compagnie Financière Tradition S.A. bearer shares, which will decide the number of No. 17 coupons required to obtain one new free bearer share of Compagnie Financière Tradition S.A., will be announced at the General Meeting. It will correspond to the average of the opening and closing prices of Compagnie Financière Tradition S.A. shares on the SIX Swiss Exchange during the 20 business days preceding the date of the General Meeting, less a discount of approximately 5% calculated on the said average and an amount equivalent to that of the dividend of CHF 3.00 per share. The exact amount of the discount will be set so as to ensure that the issue price constitutes a whole multiple of the dividend of CHF 3.00 per share.

or

- to receive a cash payment of CHF 3.00 (from the reserve from capital contributions) for each coupon No. 17 in respect of which an election has been made.

Holders of several shares may elect to receive part of their holding in the form of new bearer shares of Compagnie Financière Tradition S.A. (“scrip dividend”), and part in cash.

Under no circumstances will fractions of Compagnie Financière Tradition S.A. bearer shares be allotted:

shareholders who do not hold a sufficient number of shares to allow them to obtain one new bearer share of Compagnie Financière Tradition S.A. will automatically receive an amount of CHF 3.00 in cash (from the reserve from capital contributions) for each of their No. 17 coupons;

the other shareholders will receive the full number (rounded down as the case may be) of new Compagnie Financière Tradition S.A. shares to which they are entitled according to the number of No. 17 coupons in respect of which an election has been made and, for the rest, a cash payment of CHF 3.00 (from the reserve from capital contributions) for each of their other No. 17 coupons.

The election period runs from 27 May to noon on 3 June 2015 (CET).

Compagnie Financière Tradition shares will go ex-dividend on 27 May 2015.

The dividend will be paid (as new bearer shares of Compagnie Financière Tradition S.A. or in cash) on 8 June 2015 (value date), subject to postponement due to any delay in registering the capital increase proposed under Item 2.3 on the Agenda with the Commercial Registry.

The election right attached to each No. 17 coupon is non-negotiable. It is not transferrable and may only be exercised as a means of payment of the dividend.

Should the General Meeting not accept the proposed capital increase under Item 2.3 on the Agenda, each No. 17 coupon will give the right to a cash payment of CHF 3.00 (from the reserve from capital contributions) only, to the exclusion of any new Compagnie Financière Tradition S.A. bearer shares.

The laws and regulations in certain jurisdictions outside Switzerland may restrict or forbid the distribution of dividends in the form of shares without publication of documents other than this resolution and the prospectus referred to in the explanations regarding Item 2.3 on the Agenda, or they may subject such a distribution offer to specific requirements, authorisation from a state or other authority, registration with or announcement to such an authority, or even an examination of conformity. Shareholders subject to such laws or regulations may not elect to receive new shares under the dividend payment option. Such shareholders will receive their dividend in the form of a cash payment of CHF 3.00 (from the reserve from capital contributions) for each No. 17 coupon held. It is the responsibility of every person receiving this document to obtain information regarding any restrictions of this type and to comply with them. Compagnie Financière Tradition S.A. declines all responsibility in this respect. To compensate shareholders who are not entitled to elect to receive a dividend in the form of new Compagnie Financière Tradition S.A. bearer shares by reason of restrictions imposed by a jurisdiction outside Switzerland, such as envisaged here; such shareholders will be entitled to a compensatory payment in Swiss francs on the following conditions:

- the weighted average price of Compagnie Financière Tradition shares on the SIX Swiss Exchange on the second to last trading day before the election period (source Bloomberg), that is, on 5 June 2015 must be higher than the issue price;
- the shareholders concerned (“Eligible Shareholders”) must send the Company an original (paper) copy of their dividend statement, together with the relevant form duly completed and signed, on which they must substantiate their status as an Eligible Shareholder, within 30 calendar days of receipt of the dividend statement from the custodian or the broker, but no later than 17 July 2015. The application form for compensatory payment may be obtained from Compagnie Financière Tradition S.A. at the following address: rue Langallerie 11, 1003 Lausanne, Switzerland.

The amount of the compensatory payment will correspond to the difference between the average weighted price of the volume of Compagnie Financière Tradition S.A. shares on the SIX Swiss Exchange on 5 June 2015 (rounded to two decimals) (according to Bloomberg) (A) and the issue price of the new

shares (B), multiplied by the quotient (rounded down to the next whole number) of the division of the number of shares held by the Eligible Shareholder according to the relevant dividend statement (C) by the number of coupons needed to subscribe one new Compagnie Financière Tradition S.A. bearer share under the dividend election option (D)  $[(A - B) \times (C \div D)]$ . No compensatory payment will be made if the amount is below CHF 30.00.

Holders of share certificates must deposit their shares in a bank deposit account in good time, bearing in mind the election period, if they wish to elect to receive the Compagnie Financière Tradition S.A. scrip dividend. Should they fail to do so, they may only receive the cash payment of CHF 3.00 (from the reserve from capital contributions) for each No. 17 coupon presented.

Shareholders who, at the time of claiming their entitlement to the dividend, do not expressly elect the allotment of a scrip dividend, will be deemed to have opted for the cash payment of CHF 3.00 (from the reserve from capital contributions) for each No. 17 coupon presented.

### **2.3 Capital increase**

The Board of Directors propose an increase in the present share capital by a nominal amount not exceeding CHF 1,125,000, bringing the increased share capital to a maximum of CHF 17,930,277.50, by issuing up to 450,000 bearer shares with a nominal value of CHF 2.50 each, which will be fully paid up by the conversion of the Company's available equity. The new shares will carry dividend rights from the 2015 financial year.

The maximum nominal amount of the increase, the amount of the share capital increase, and the maximum number of new bearer shares to be issued may be adjusted depending on the issue price to be announced at the General Meeting.

The issue price of the new shares will be set by the Board of Directors. It will correspond to the average of the opening and closing prices of Compagnie Financière Tradition S.A. shares on the SIX Swiss Exchange during the 20 business days preceding the date of the General Meeting, less a discount of approximately 5% calculated on the said average and an amount equivalent to that of the dividend set by the General Meeting under Item 2.2 on the Agenda. The exact amount of the discount will be determined such as to ensure that the issue price constitutes a whole multiple of the dividend set by the General Meeting under Item 2.2. on the Agenda.

The shareholders' pre-emptive right is disappplied and replaced by the dividend election system passed by the General meeting under Item 2.2 on the Agenda relating to the dividend, to which restrictions apply and in particular those concerning foreign laws or regulations that may limit the distribution of new Compagnie Financière Tradition S.A. bearer shares, and the fact that no allotment of fractions of Compagnie Financière Tradition S.A. bearer shares will be made in this case. The part of the increase which is not subscribed under the dividend election option, passed by the General Meeting under Item 2.2 on the Agenda relating to the dividend, will be withdrawn.

#### **Explanations**

The proposed capital increase is intended to allow the dividend election option proposed under Item 2.2 of the Agenda to be implemented. The maximum increase is based on the assumption that all shareholders will elect to receive the allotment of new Compagnie Financière Tradition S.A. bearer shares.

The issue price calculated in accordance with the above resolution will be announced by the Board of Directors at the General Meeting.

New share issues are subject to an issue prospectus, within the meaning of Section 652a of the Swiss Code of Obligations (CO), which will be published in the Swiss Official Gazette of Commerce and on the website of Compagnie Financière Tradition S.A. ([www.tradition.com](http://www.tradition.com)). No measures have been taken to ensure compliance of the documents concerning the issuance of the new shares with the law of any jurisdiction outside Switzerland. Compagnie Financière Tradition S.A. declines all responsibility in this regard.

### **3. Discharge granted to Directors and Executive Board members**

The Board of Directors proposes that discharge be granted, in a single vote, to members of the Board of Directors and the Executive Board for the 2014 financial year.

#### **4. Renewal of authorised share capital**

The Board of Directors proposes the extension, for a further period of two years, until 22 May 2017, of the authority granted to the Board of Directors to increase the share capital by a maximum amount of CHF 5,758,327.50 through the issuance of up to 2,303,331 new bearer shares of CHF 2.50 nominal each, fully paid-up and to amend Article 5(3) of the Articles of Association as follows:

##### Article 5

*Share capital*

*(Paragraph 1 unchanged)*

*Authorised share capital*

*“The Board of Directors shall be authorised, up to and including 22 May 2017, to increase the share capital by an amount not exceeding CHF 5,758,327.50, through the issuance of up to 2,303,331 bearer shares with a nominal value of CHF 2.50 each, fully paid-up. The Board of Directors shall determine the issue price.*

*(Subsequent paragraphs unchanged)*

#### **5. Aggregate compensation for Directors for the 2016 calendar year.**

The Board of Directors proposes that shareholders approve the maximum aggregate amount of compensation for the members of the Board of Directors for the 2016 calendar year, namely CHF 310,000.-.

#### **6. Aggregate compensation for members of the Executive Board for the 2016 calendar year.**

The Board of Directors proposes that shareholders approve the maximum aggregate amount of compensation for the members of the Executive Board for the 2016 calendar year, namely CHF 17,000,000.-.

#### **7. Re-election of Directors**

The Board of Directors proposes that each of the following Directors who are standing for re-election be individually re-elected to office for a term of one-year ending at the next Annual General Meeting:

- 7.1 Mr Patrick Combes
- 7.2 Mr François Carrard
- 7.3 M Hervé de Carmoy
- 7.4 Mr Jean Marie Descarpenteries
- 7.5 Mr Christian Goecking
- 7.6 Mr Pierre Languetin
- 7.7 Mr Robert Pennone
- 7.8 Mr Urs Schneider

#### **8. Re-election of the Chairman of the Board of Directors**

The Board of Directors proposes that Mr Patrick Combes be re-elected as Chairman of the Board for a one-year term of office.

#### **9. Re-election of the Remuneration Committee**

The Board of Directors proposes that each of the following members of the Remuneration Committee who are standing for re-election be individually re-elected to office for a term of one year:

- 9.1 Mr François Carrard
- 9.2 Mr Christian Goecking

## **10. Re-appointment of the Independent Auditors**

The Board of Directors proposes that Ernst & Young SA, Lausanne, be re-appointed for a one-year term, terminating at the conclusion of the Annual General Meeting of Shareholders to be held in 2016 to approve the financial statements for the year ended 31 December 2015.

## **11. Re-election of the Independent Proxy**

The Board of Directors proposes that Mr Martin HABS, notary, of Place Benjamin-Constant 2, case postale 7140, CH-1002 Lausanne, be re-elected as the Independent Proxy.

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## **Documents**

The reports of the Directors and the Auditor for the 2014 financial year will be available to shareholders on the Company's website, [www.tradition.com](http://www.tradition.com), and at its general secretariat, from 30 April 2015.

## **Personal attendance**

Shareholders must obtain their attendance cards no later than 18 May 2015 from Banque Cantonale Vaudoise, Credit Suisse AG, or UBS S.A. The cards will be issued upon deposit of the shares or upon presentation of an "avis de blocage" [retention notice] from a bank.

## **Delegation of powers in writing or electronically**

Shareholders who do not personally attend the General Meeting may be represented by the Independent Proxy, Mr Martin Habs, notary, either (i) by mailing him the original attendance card duly completed to the following postal address: Place Benjamin-Constant 2, case postale 7140, CH 1002 Lausanne, or alternatively (ii) by scanning the completed attendance card and sending it electronically in PDF format to the following e-mail address: [representant-independant-CFT@phcnot.ch](mailto:representant-independant-CFT@phcnot.ch)

These two methods are mutually exclusive; it is not necessary to send back the attendance card by post if you vote electronically and vice-versa.

However, in the event of communication by both post and electronically, and should there be a contradiction in the two sets of instructions given to the Independent Proxy, the written instructions will take precedence. In the event of contradiction between successive instructions given electronically, the Independent Proxy will abstain from voting, due to a lack of a clear, unequivocal intention expressed by the shareholder.

Lausanne, 30 April 2015

**Board of Directors**

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Une version française est également disponible sur ce site**