



Invitation to the Annual General Meeting of Shareholders of Cembra Money Bank AG

Wednesday, 24 April 2024, at 14:00
(doors open at 13:15)

Kongresshaus Zürich
Claridenstrasse 5, 8002 Zurich

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The invitation to the Annual General Meeting is published in German and English. In the event of inconsistencies between the English and the German version, the German version prevails.

Agenda Items and Proposals of the Board of Directors

(English translation of the binding German original)

1. Votes on the Financial and Non-Financial Reporting for the 2023 financial year

1.1 Approval of Management Report 2023, Consolidated and Individual Financial Statements 2023

Proposal: The Board of Directors proposes that the Management Report 2023 and the Consolidated and Individual Financial Statements 2023 be approved.

Explanation: The statutory auditors KPMG AG, Zurich, have audited the Consolidated and Individual Financial Statements and recommend them for approval.

1.2 Approval of the Report on Non-Financial Matters 2023

Proposal: The Board of Directors proposes that the Report on Non-Financial Matters 2023 be approved.

Explanation: Following the introduction of article 964a et seq of the Swiss Code of Obligations (CO), Cembra is required to prepare a report on non-financial matters and submit it to the Annual General Meeting for approval. The report covers in accordance with art. 964b CO environmental matters, social issues, employee-related issues, respect for human rights and combating corruption and is part of the sustainability report (pages 30 to 74 of the Annual Report 2023; overview of the reporting on non-financial matters on page 35 of the Annual Report and highlighted in the text with vertical side bar).

The Sustainability Report 2023 has received independent limited assurance from KPMG.

2. Advisory vote on the Compensation Report 2023

Proposal: The Board of Directors proposes that the Compensation Report 2023 (pages 105 to 129 of the Annual Report 2023) be approved.

Explanation: In line with article 735 para. 3 no. 4 CO and article 11a para. 4 of the Articles of Incorporation, the Board of Directors is seeking the shareholders' approval of the Compensation Report 2023 on a consultative basis.

3. Allocation of distributable profit and distribution

Proposal: The Board of Directors proposes to pay a dividend of CHF 4.00 per share* out of the distributable profit, amounting to a total distribution of approximately CHF 117.3 million (depending on the number of shares issued as of the last trading day prior to the ex-date, i.e. 26 April 2024, with entitlement to receive the payment), to allocate CHF 2.0 million of the distributable profit to voluntary retained earnings reserves and to carry forward the remainder (in the amount of CHF 342,768).

Allocation of profit as proposed to the Annual General Meeting

Profit carried forward	CHF	470,131
Profit for the year	CHF	119,212,097
Distributable profit	CHF	119,682,228
Allocation to voluntary retained earnings reserves	CHF	-2,000,000
Dividend from distributable profit	CHF	-117,339,460
New profit carried forward	CHF	342,768

* Treasury shares are not entitled to the distribution of dividends

Explanation: If the Board of Directors' proposal of a distribution is approved, the gross dividend will amount to CHF 4.00 per share, representing a net amount of CHF 2.60 per share after deduction of the Swiss withholding tax of 35%. The dividend will be paid as from 30 April 2024 (ex-date: 26 April 2024).

4. Discharge of the members of the Board of Directors and the Management Board

Proposal: The Board of Directors proposes that full discharge be granted to the members of the Board of Directors and the Management Board for the financial year 2023.

Explanation: The members of the Board of Directors and the Management Board are not entitled to vote under this agenda item.

5. Re-elections and elections

5.1 Re-election of the members of the Board of Directors

Proposal: The Board of Directors proposes that Francesco (named Franco) Morra, Marc Berg, Thomas Buess, Susanne Klöss-Braekler and Monica Mächler be re-elected as members of the Board of Directors for a term of office ending with the conclusion of the next Annual General Meeting.

5.1.1 Re-election of Franco Morra as member

5.1.2 Re-election of Marc Berg as member

5.1.3 Re-election of Thomas Buess as member

5.1.4 Re-election of Susanne Klöss-Braekler as member

5.1.5 Re-election of Monica Mächler as member

Explanation: Other than Jörg Behrens and Alex Finn, who have decided not to stand for re-election, all members of the Board of Directors stand for re-election. In accordance with article 698 para. 2 no. 2 CO and article 19 of the Articles of Incorporation, the Annual General Meeting individually votes on the election of the members of the Board of Directors for a term of office ending with the conclusion of the next Annual General Meeting. Additional information on each member of the Board of Directors is provided in the “Corporate Governance” section of the Annual Report 2023 (page 75 to 104).

5.2 Election of Sandra Hauser as a new member of the Board of Directors

Proposal: The Board of Directors proposes that Sandra Hauser be elected as member of the Board of Directors for a term of office ending with the conclusion of the next Annual General Meeting.

Explanation: Sandra Hauser (Swiss national and resident, born 1969) is an IT manager in the financial sector with extensive experience both in Switzerland and internationally. During more than three decades of operational experience,

she had several leading IT positions within UBS and was afterwards global CIO with Coutts/Royal Bank of Scotland. She was Global Head of BPO Center Management with the banking software provider Avaloq and was in the executive management of ARIZON Sourcing (subsidiary of the Raiffeisen Group). Until February 2023, she was a member of the Executive Board at Zurich Switzerland responsible for the technology sector and the digital transformation. In addition to her entrepreneurial commitments, she was a member of the Board of Directors of Assura Health Insurance for nine years, chaired its Nomination and Compensation Committee and was in the Audit and Risk Committee. She is currently a member of the Bank Council of the Cantonal Bank of Uri and contributes her expertise to the Audit and Risk Committee. She is also a member of the financial strategy committee of the municipality of Risch and a trustee of the Fraunhofer Institute for Artificial Intelligence (IAIS) in Germany. She holds a Master's degree in computer science from ETH Zurich and is a certified financial analyst and asset manager (AZEK). Sandra Hauser will become an independent member of the Board of Directors of Cembra Money Bank AG in case of her election.

Subject to Sandra Hauser's appointment and considering Alex Finn and Jörg Behrens' mandates not being renewed, following the 2024 Annual General Meeting the board size would decrease from seven to six members for the 2024-2025 mandate year. This is in accordance with article 18 of the Articles of Incorporation. With such composition, the proportion of female board members would also increase above the 30% threshold (50% for the mandate year 2024-2025). The Board of Directors aims to continue to keep a minimum 30% threshold of female membership in the future.

5.3 Re-election of the Chairman of the Board of Directors

Proposal: The Board of Directors proposes that Francesco (named Franco) Morra be re-elected as Chairman of the Board of Directors for a term of office ending with the conclusion of the next Annual General Meeting subject to his re-election to the Board of Directors pursuant to agenda item 5.1.

Explanation: In accordance with article 712 para. 1 CO and article 19 of the Articles of Incorporation, the Annual General Meeting elects the Chairman of the Board of Directors for a term of office ending with the conclusion of the next Annual General Meeting.

5.4 Re-election of the members of the Compensation and Nomination Committee

Proposal: The Board of Directors proposes that Susanne Klöss-Braekler, Marc Berg and Thomas Buess be re-elected as members of the Compensation and Nomination Committee for a term of office ending with the conclusion of the next Annual General Meeting, subject to their re-election to the Board of Directors pursuant to agenda item 5.1.

5.4.1 Re-election of Susanne Klöss-Braekler

5.4.2 Re-election of Marc Berg

5.4.3 Re-election of Thomas Buess

Explanation: The Annual General Meeting individually elects each member of the Compensation and Nomination Committee of the Board of Directors for a term of office ending with the conclusion of the next Annual General Meeting (article 698 para. 3 no. 2 OR and article 22a of the Articles of Incorporation).

5.5 Re-election of the independent proxy

Proposal: The Board of Directors proposes that the Law Office Keller Ltd, Zurich, be re-elected as independent proxy for a term of office ending with the conclusion of the next Annual General Meeting.

Explanation: In accordance with article 698 para. 3 no. 3 CO, the Annual General Meeting elects the independent proxy for a term of office ending with the conclusion of the next Annual General Meeting.

5.6 Re-election of the statutory auditors

Proposal: The Board of Directors proposes that KPMG AG, Zurich, be re-elected as statutory auditors of the Bank for a one-year term of office.

Explanation: KPMG AG, Zurich, satisfies the statutory independence and other requirements pursuant to the Federal Audit Oversight Act and the CO. It is expected that the mandate of KPMG, the current external auditor since 2005, will end following the completion of the annual audit related to the 2024 financial year. Following a formal tender process, the Board of Directors decided to recommend the appointment of PricewaterhouseCoopers AG, Zurich, as new statutory auditors for the 2025 financial year (planned proposal at the Annual General Meeting 2025).

6. Amendment of the Articles of Incorporation related to the Conversion Capital Proposal: The Board of Directors proposes the introduction of the following new article 5a (Conversion Capital) of the Articles of Incorporation.

Article 5a: Conversion Capital

- 1 The share capital is increased by a maximum of CHF 4,200,000 through the issue of a maximum of 4,200,000 fully paid-up registered shares with a nominal value of CHF 1.00 each through the conversion of claims from mandatory convertible bonds or similar financial instruments of the Company, which provide for a conditional or unconditional mandatory conversion into shares of the Company upon the occurrence of a trigger event.
- 2 The pre-emptive rights of shareholders are excluded. The then current owners of mandatory convertible bonds shall be entitled to subscribe for the new shares.
- 3 The advance subscription rights of shareholders with respect to mandatory convertible bonds shall be granted. The Board of Directors is authorised to deny the advance subscription rights of shareholders for the issuance of mandatory convertible bonds, provided that the mandatory convertible bonds are issued at market conditions or at a discount that is necessary to ensure a fast and complete placement.
- 4 The Board of Directors shall determine the issue price of the new shares taking into account the market price of the shares and/or comparable instruments.
- 5 The acquisition of shares through the conversion of mandatory convertible bonds and each subsequent transfer of shares shall be subject to the restrictions of Article 8 of these Articles of Incorporation.

Explanation: The bank issues regulatory instruments from time to time in order to comply with capital requirements for banks and to strengthen its core capital. This includes so-called AT1 bonds, also known as “Additional Tier 1” bonds. These bonds are part of the regulatory capital that banks must hold in accordance with the Basel III regulations. AT1 bonds and similar financial instruments (“Financial Instruments”) are particularly known for the fact that they are deeply subordinated to other debt capital instruments. Distinct features of Financial Instruments are conversion mechanisms into equity or partial or full write-offs in certain crisis scenarios upon the occurrence of pre-defined events (“trigger events”), e.g. in case the CET1 ratio of the Bank falls below 5.125%. This allows the Bank to strengthen its capital base, maintain a capital structure under favorable economic conditions in the interests of shareholders and increase the Bank’s stability in financial distress.

The conversion capital is a Swiss corporate capital framework based on the Swiss Banking Act. It is considered as a separate pool from the conditional share capital or the capital band, which are provided for in articles 4 and 5 in the current version of the Bank's Articles of Incorporation, and it may only be used for mandatory convertible bonds or similar financial instruments.

Although no decision has been made regarding any new issuance of Financial Instruments, the Board of Directors proposes to amend the Articles of Incorporation to be able to adapt to evolving investor demand and in line with emerging market practice for future issuances of Financial Instruments.

Until now, the Bank's regulatory instruments have provided for a write-down feature only. The proposed new article 5a of the Articles of Incorporation would provide the Bank with the additional possibility to introduce a conversion feature in the terms and conditions of potential future Financial Instruments, allowing for the issuance of up to 4,200,000 new ordinary shares (14% of the Bank's share capital) through conversion, such newly issued shares to be delivered to the holders of the respective Financial Instruments at the time. The proposed amount for conversion capital (Wandlungskapital) considers a potential issuance of Financial Instruments up to the maximum permitted amount of currently approximately CHF 250 million. The number of shares to be issued upon conversion is determined by the notional amount of the Financial Instruments divided by the share price, which is floored at a percentage of the price at the time of the issuance of the Financial Instruments as determined by the Board of Directors. The dilution risk for existing shareholders is limited by the floor on the conversion price and, considering the strong capitalisation of the Bank with a CET1 ratio at 14.7% as of 31 December 2023, the low probability of a mandatory conversion.

7. Approval of the compensation

For further explanations, please refer to the Annex "Shareholder Information on the Compensation Votes at the Annual General Meeting 2024" which sets out further details in relation to the proposed votes on compensation. The Compensation Report 2023 (part of the Annual Report 2023) is available electronically under: www.cembra.ch/en/investor/investor-relation/aggm.

7.1 Approval of the total compensation of the Board of Directors

Proposal: The Board of Directors proposes that the maximum total compensation of CHF 1,500,000 for the members of the Board of Directors for the period ending with the conclusion of the next Annual General Meeting be approved.

Explanation: For explanations on this agenda item, please refer to the Annex.

7.2 Approval of the total fixed and variable compensation of the Management Board

Proposal: The Board of Directors proposes that the maximum total amount of the fixed and variable compensation of CHF 8,430,000 for the members of the Management Board, which can be paid out in the business year 2025, be approved.

Explanation: The maximum total amount of the compensation which can be paid out in the business year 2025 is expected to comprise the following subtotals (inclusive of social security and pension contributions) allocated to the respective compensation components:

- Fixed compensation (including base salary and fringe benefits) of up to CHF 4,214,000.
- Variable compensation of up to CHF 4,216,000 (maximum amount in case all members of the Management Board outperform their goals to the maximum).

For further explanations on this agenda item, please refer to the Annex.

Zurich, 21 March 2024

Yours sincerely,
On behalf of the Board of Directors



Franco Morra
Chairman of the Board of Directors

Annex: Shareholder Information on the Compensation Votes
at the Annual General Meeting 2024

Contact details: Cembra Money Bank AG, Investor Relations, Bändliweg 20,
8048 Zurich, Switzerland; Phone +41 44 439 85 72; investor.relations@cembra.ch

Administrative Details

Annual Report 2023

The Annual Report 2023 (incl. the Compensation Report) and the reports of the statutory auditors are available for inspection at the Bank's headquarters (Bändliweg 20, 8048 Zurich, Switzerland). The Annual Report and the Business Review are available at www.cembra.ch/investors.

Voting rights

Shareholders registered with voting rights in the share register as of 16 April 2024 will be authorised to exercise their voting rights. From 17 April 2024 to 24 April 2024, no entries will be made in the share register, which would create a right to vote at the Annual General Meeting. Shareholders who sell part or all of their shares before the Annual General Meeting are not entitled to vote to that extent.

Power of attorney and instructions

Shareholders who do not attend the Annual General Meeting in person may be represented by proxy by a third party or by the independent proxy. Law Office Keller Ltd, Splügenstrasse 8, 8002 Zurich, has been elected by the Annual General Meeting 2023 as independent proxy until the end of the Annual General Meeting 2024. The form enclosed with the invitation to the Annual General Meeting sent to shareholders must be used to grant a written power of attorney with instructions to the independent proxy. The completed form shall be returned by post to the Bank's share register in the enclosed envelope (Cembra Money Bank AG, c/o Devigus Shareholder Services, Birkenstrasse 47, 6343 Rotkreuz, Switzerland) as soon as possible, but at the latest by 22 April 2024. Further information regarding the granting of a power of attorney or the issuing of instructions can be found on the proxy form.

E-voting

Powers of attorney and voting instructions to the independent proxy can optionally also be submitted online on the website www.gvmanager-live.ch/cembra. The requisite access code is enclosed with the meeting materials (proxy form) supplied to shareholders. The e-voting portal will be open until 22 April 2024.

Annex:

Shareholder Information on the Compensation Votes at the Annual General Meeting 2024

Agenda item 7.1: Approval of the total compensation of the Board of Directors

Proposal: The Board of Directors proposes that the maximum total compensation of CHF 1,500,000 for the members of the Board of Directors for the period ending with the conclusion of the next Annual General Meeting be approved.

The proposed maximum total compensation of CHF 1,500,000 covers the compensation of six members compared to seven members of the Board of Directors in previous years. This is in accordance with article 18 of the Articles of Incorporation, which establishes the board size to be between five and seven members.

The Chairman and the members of the Board of Directors receive a fixed compensation for their service as members of the Board of Directors consisting of a basic fee and, if applicable, additional committee/chair fee based on positions held in the Board of Directors' various committees.

The basic fees, the committee fees and the pay mix remain unchanged from the previous year (one-third of the compensation delivered in shares of the Bank blocked for a period of five years and two-third delivered in cash). Further, since the office term starting with the Annual General Meeting 2023, the Board of Directors is required to hold a minimum number of Bank shares for a period of five years. The indicated maximum total compensation amount for the members of the Board of Directors comprises the entire compensation for six members consistent with agenda item 5 and is in accordance with article 25c of the Articles of Incorporation.

The maximum total compensation amount for the members of the Board of Directors for the period ending with the conclusion of the next Annual General Meeting comprises the following estimates on the different elements:

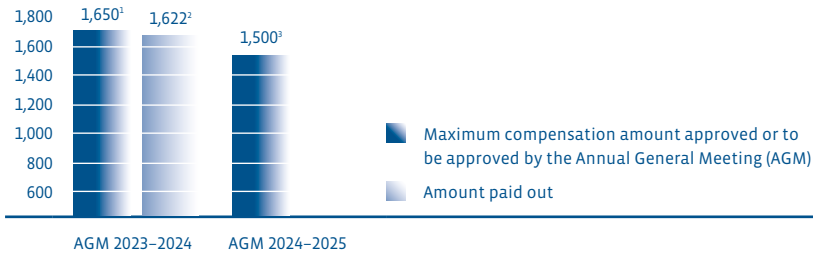
(CHF in thousands)

Basic Fees	1,100
Committee/Chair Fees	275
Total Fees	1,375
Paid in Cash (2/3)	917
Paid in Shares (1/3)	458
Social Security	125
Maximum Total Compensation Amount and Proposal to Annual General Meeting	1,500

The definitive compensation amounts will be presented in the Compensation Report for the relevant periods (2024 and 2025 financial years) and will be subject to the consultative votes in relation to these reports, to be held at the 2025 and 2026 Annual General Meetings, respectively.

Evolution of the compensation of the Board of Directors

(CHF in thousands)



1 Compensation budgeted for seven members of the Board of Directors

2 Compensation paid to seven members of the Board of Directors

3 Compensation budgeted for six members of the Board of Directors

Detailed figures regarding the two last financial years are provided in the Compensation Report section of the Annual Report 2023.

Agenda item 7.2: Approval of the total fixed and variable compensation of the Management Board

Proposal: The Board of Directors proposes that the maximum total amount of the fixed and variable compensation of CHF 8,430,000 for the members of the Management Board, which can be paid out in the business year 2025, be approved.

The proposed maximum total amount of CHF 8,430,000 covers the compensation of eight members of the Management Board (including any variable compensation for 2024 paid out in Q1'2025 for members who handed over responsibilities during 2024). The proposed maximum total amount allows the Bank to reward its Management Board competitively and in line with the Articles of Incorporation, the internal compensation guidelines and in consideration of the market practice.

The maximum total amount of the compensation which can be paid out in the business year 2025 is expected to comprise the following subtotals (inclusive of social security and pension contributions) allocated to the respective compensation components:

- Fixed compensation (including base salary and fringe benefits) of up to CHF 4,214,000.
- Variable compensation of up to CHF 4,216,000 (maximum amount in case all members of the Management Board outperform their goals to the maximum).

The proposed maximum total amount of CHF 8,430,000 covers the compensation of eight members compared to seven members of the Management Board in previous years. The appointment of one additional member of the Management Board follows the new organisation structure with the creation of two business lines: Payments (cards and BNPL business) and Lending (auto and personal loan business). This simplifies the organisation, sharpens customer focus and creates synergy potential on the income and cost side.

The maximum total amount reflects the compensation structure implemented in 2023 with a compensation mix giving more weight to the long-term incentive and shareholding requirements underpinned with a share matching plan and a 5-year blocking period on the LTI shares vested. For a detailed description of the compensation structure and the compensation programs applicable to the Management Board, please refer to the Compensation Report 2023.

Breakdown of the expected target and maximum total compensation which can be paid out in the business year 2025:

<i>(in CHF)</i>		
Fixed Compensation	Base Salaries	3,100,000
	Pension, Social Security and Other Compensation	1,114,000
	Maximum Total Fixed Compensation	4,214,000
Variable Target Compensation	Total Target Variable Compensation if 100% of targets are reached (including Social Security)	2,880,000
	Maximum Short-Term Variable Compensation (STI) at Grant if maximum targets are reached and maximum of 125% of target is granted	1,600,000
Maximum Variable Compensation	Maximum Long-Term Variable Compensation (LTI) at Grant if maximum targets are reached and maximum of 125% of target is granted*	1,600,000
	Social Security on maximum STI and LTI and Reserve	326,000
	Maximum compensation in matching shares if 40% of the STI payout at maximum is converted in shares	690,000
	Maximum Variable Compensation (including Social Security) at Grant (if maximum targets are reached and maximums are granted: STI 125%; LTI 125%)*	4,216,000
TOTAL	Maximum Total Compensation and Proposal to Annual General Meeting	8,430,000

* The payout factor of the Performance Share Units (“PSUs”) granted as part of the long-term variable compensation can range between 0 and 200% at the end of the three year vesting period depending on the achievement of the performance conditions. The maximum value at vesting of the long-term variable compensation assuming that all performance conditions are realised at the maximum of 200%, yet excluding any share price evolution over the vesting period, corresponds to CHF 3,200,000.

The maximum total amount of compensation requested to be approved by the Annual General Meeting will only be attained if all members of the Management Board outperform their goals and reach at grant a maximum payout of 125% in the short-term incentive programme and of 125% in the long-term incentive programme. The definitive compensation amounts will be presented in the Compensation Reports for the 2024 financial year (with regard to the variable compensation accrued for the 2024 financial year which is paid out in Q1'2025) and for the 2025 financial year (with regard to the fixed compensation paid in 2025). The definitive compensation amounts will be subject to the consultative vote in relation to these reports, to be held at the 2025 and the 2026 Annual General Meeting, respectively. Further details on the compensation of the Management Board are provided in the Compensation Report section of the Annual Report 2023.

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www.cembra.ch/investors