

## Julius Bär Holding AG

**Meeting type:** Annual General Meeting  
**Date:** 28 Mar 2009  
**Country:** Switzerland  
**Index:** SMI  
**Sector:** Capital Markets

Item	Description	TMF vote	Mgmt vote
1	<p>Approve annual report, financial statements and accounts</p> <p><i>Comment: The Board of Directors requests shareholder approval of the Company's annual report and of the annual and consolidated accounts for the fiscal year 2008. Included in the annual report is the company's remuneration report, which is not put to a separate vote of the shareholders.</i></p> <p><i>Julius Bär did not proceed to an annual advisory vote of its remuneration report, which Triodos considers to be an effective means of giving shareholders a say regarding remuneration. Triodos also has several concerns regarding Julius Bär's disclosure and lack of transparency, and would oppose the remuneration report were it called to cast a vote. However, Triodos has no special concerns regarding Julius Bär's annual report, consolidated and statutory accounts and the auditors' report is not qualified. Triodos abstains on this resolution on the grounds of lack of inadequate transparency regarding remuneration, which does not meet acceptable practice. The issue is however not considered sufficiently material to warrant an oppose vote.</i></p>	ABSTAIN	FOR
2	<p>Approve allocation of income and dividend</p> <p><i>Comment: For the fiscal year under review, the Board proposes to pay an unchanged dividend of CHF 0.50 per share, corresponding to a payout ratio of 15.6% on the consolidated net income. The dividend is covered by consolidated earnings (CHF 662 million) and by the Company's free cash flow (CHF 7.3 billion).</i></p> <p><i>Julius Bär also faced difficulties from the global financial crisis leading to a significant decrease in its total assets under management. The Company incurred money outflows from clients amounting to CHF 5 billion (compared to net new money inflows of CHF 35 billion in 2007). However, Julius Bär managed to remain profitable despite operating income being negatively affected by the lower asset levels. All divisions adjusted their costs base, in particular personnel expenses that declined by 10% to CHF 1.3 billion. In light of the difficult market environment, Julius Bär's 2008-2010 CHF 2 billion share buyback programme approved at last year's AGM was slowed down. The Company repurchased own shares in the amount of CHF 299 million in 2008. The continuation of</i></p>	FOR	FOR

*the programme will depend on the targeted BIS Tier 1 ratio of 12% and the market environment. Julius Bär still plans to complete the IPO of its asset management US branch (renamed last year as Artio) but wait for more appropriate market conditions. According to the Chairman of the Board, the proceeds of the IPO will either be invested in the share buyback programme or in the acquisition of a private bank if attractive opportunities arise.*

3	<p>Discharge Board Members and Executive Board</p> <p><i>Comment: The Board of Directors requests shareholders to discharge its members as well as those of the executive management of their responsibilities for their management of the Company for the fiscal year 2008. In line with the Swiss Code of Obligations, shareholders are requested to release the members of the Board of Directors from liability for their activities during the fiscal year under review. This release excludes liability claims brought by the Company or shareholders against the members of the Board of Directors for activities carried out during the year relating to facts that have been disclosed to shareholders. The auditors' report is not qualified and Triodos knows of no reason not to support the resolution.</i></p>	FOR	FOR
4	<p>Elections to the Board of Directors</p> <p><i>Comment: The Board of Directors proposes that Mr. Raymond J. Bär (affiliated Chairman) be reelected to serve for another three-year term and to newly elect Mr. Leonhard Fischer for the same term of office. Ms. Béatrice Speiser, representative of the Bär family, does not stand for re-election. As a result, the Board size will remain unchanged at eight members of whom five are considered to be independent. The Directors will be elected individually, in line with best practice standards in terms of corporate governance.</i></p>	NON-VOTING	NON-VOTING
4.1	<p>Re-Elect Mr. Raymond J. Bär (affiliated Chairman)</p> <p><i>Comment: The Board proposes to re-elect Mr. Raymond J. Bär for a three-year term. Mr. Bär has been Chairman of the Board since 2003 and is member of the Nomination Committee. Mr. Bär is considered affiliated as he acts as full time Chairman, holds 0.66% of the share capital and is entitled to an annual bonus and to the same remuneration scheme at the members of the executive management. Furthermore, Mr. Bär was member of the management from 1990 to 2003. Given that the current level of overall independence is adequate, Triodos supports his re-election.</i></p>	FOR	FOR
4.2	<p>Elect Mr. Leonhard H. Fischer (independent)</p> <p><i>Comment: The Board proposes to newly elect Mr. Leonhard H. Fischer for a three-year term. Mr. Fischer is a former top executive of Credit Suisse Group, and has spent his entire career in the finance industry. He is currently Co-CEO of RHJ International, a diversified Holding Company, which takes important stakes in</i></p>	FOR	FOR

companies it considers undervalued. Mr. Fischer's appointment will further reinforce the banking competencies of the Board and improve its level of independence. Triodos supports his election.

5	<p>Ratify Auditors</p> <p><i>Comment: The Board of Directors recommends that shareholders ratify the re-appointment of KPMG as the Company and Group's external auditors for a further one-year term. As disclosed in the Company Information section of this report, the fees paid by the Company to its external auditor for audit services in 2008 correspond to 74% of the total fees paid to the external auditor and 81% on a three-year aggregate basis. As non-audit fees paid to the auditor are less than 25%, Triodos supports this resolution.</i></p>	FOR	FOR
6	<p>Reduce Share Capital via Cancellation of Shares</p> <p><i>Comment: The Board of Directors proposes to reduce the Company's share capital by CHF 220'175 nominal via the cancellation of 4,403,500 registered shares. This corresponds to a 2.1% reduction of the issued share capital. The new share capital shall amount to CHF 10'331'538 divided into 206'630'756 registered shares with a nominal value of CHF 0.05. The proposal is in connection with the CHF 2 billion share buy program 2008-2010 approved by last year AGM. In 2008, Julius Bär bought back 4'403'500 own shares in the amount of CHF 299 million. Given the difficult market environment, Julius Bär purchased less shares than expected. The share buyback programme will be continued, depending on the evolution of the market environment and taking into consideration the targeted BIS Tier 1 ratio of 12%. This repurchase programme is part of the Company's strategy to return excess capital to shareholders and ensure flexibility with respect to capital management. The proceeds of the IPO of the US subsidiary (Artino) may serve this programme in case no attractive acquisition of a European private bank is possible. Triodos supports this resolution.</i></p>	FOR	FOR
7	<p>Bundled Amendment to the Articles of Association</p> <p><i>Comment: The Board of Directors proposes to amend several Articles of its Articles of association to reflect recent changes in the Swiss Company law and to remove from the non-transferable powers of the Annual General Meeting the approval of the selling of shares of Bank Julius Bär.</i></p> <p><i>Delete Article 9.2: Effective as of 1 January 2008, Article 707 para. 1 CO/OR does not require Board members to be shareholders of the Company. The Board therefore proposes to delete article 9.2 of its Articles of Association. Triodos considers that the change in Company Law does not really impact the shareholding requirements of Board members, as holding a single share of the Company was already sufficient to comply with the previous version of Article 707 CO/OR. Triodos prefers that companies develop share ownership guidelines to further enhance the</i></p>	ABSTAIN	FOR

*alignment of shareholder interests with those of the Directors and senior management. This can be achieved by paying part of Board members' fees in Company shares with selling restrictions during their term of office.*

*Amend Articles 8.12 para. c and 10: In accordance with new wording of the Company Law, no distinction between Auditors and Group Auditors is required anymore. The Financial Statements and the Group Consolidated Financial Statements are audited by a single auditing organisation. Therefore, the Board proposes to replace the obsolete legal term "Group auditors" by the term "Auditors" in Articles 8.12 para. c and 10 of the Company's Articles of Association.*

*Delete Article 8.12 para. f: The Board proposes to delete from the non-transferable powers of the Annual General Meeting the approval of the selling of shares of Bank Julius Bär & Co. Ltd (one of the operating subsidiary of the Group). The Board argues that the management of permanent participations of the Holding Company, particularly its participation in Bank Julius Bär & Co Ltd. is explicitly mentioned under article 2.1 of the Articles of Association (object/corporate purpose of the Company). As a result, a sale of Bank Julius Bär to third parties would still require an amendment of the Articles of Association thereby the approval of the AGM. However, according to the Board, the deletion of this paragraph will result in a greater flexibility for the Board to implement possible group-internal restructurings without delays and additional expenses.*

*Triodos is of the opinion that best practice sees separate voting for separate subjects especially when minor changes are bundled with an important amendment of the non-transferable powers of the AGM. A bundled vote is counter-productive if it leads them to reject a whole slate of proposals when they are only opposed to some of them. Although the long-term interests of shareholders are preserved, Triodos abstains from this resolution on the grounds of the manner in which the important amendment of the non-transferable powers of the AGM is brought does represent best practice.*