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| Valid for  | Bell Food Group           |
| Valid from | 1 April 2020              |
| Replaces   | By-laws of 1 January 2015 |

## **Organisational regulations of Bell Food Group Ltd, Basel**

The Board of Directors of Bell Food Group Ltd issues these organisational regulations on the basis of art. 18 of the articles of association of the company and in compliance with art. 716b of the Swiss Code of Obligations.

Bell Food Group Ltd is the parent company of the Bell Food Group and is responsible for its overall management.

These organisational regulations apply to Bell Food Group Ltd and all its shareholder companies ("subsidiaries"). Supplementary regulations at subsidiary level are reserved, provided that they have been approved by the Board of Directors of Bell Food Group Ltd and do not contradict these regulations or are compulsory under the applicable legal system (foreign companies).

The organisational regulations set out the binding framework for the management of Bell Food Group Ltd and the subsidiaries controlled by it, and regulate the duties and powers of the bodies entrusted with the management of the business. The legal independence of the individual companies of the Bell Food Group and the statutory powers granted to their governing and executive bodies remain guaranteed at all times.

### **A. Executive bodies of the Bell Food Group**

The executive bodies of the Bell Food Group are

- the Board of Directors
- the Compensation Committee of the Board of Directors
- the chairman of the Board of Directors ("Chairman")
- the Group Executive Board (Executive Board pursuant to art. 23 of the articles of association), under the chairmanship of the CEO
- the heads of business areas, divisions and business units

### **B. The Board of Directors**

#### **1. Constitution**

The Board of Directors constitutes itself. At its first meeting for every term of office, it elects a Vice-Chairman and a secretary who does not have to be a member of the Board of Directors. The Chairman is elected by the Annual General Meeting.

#### **2. Duties and powers**

The Board of Directors is responsible for overall management and supervises the executive bodies. In consideration of the imperative powers granted to the executive bodies by law, it deals with all matters that have been conferred upon it by the law, articles of association or organisational regulations as well as with all matters that have not been delegated to the Annual General Meeting or another body by the law, articles of association or organisational regulations.

The Board of Directors adopts rules of procedure and jurisdiction (annex) as well as rules for financial responsibility (annex) to govern the powers granted to the executive bodies of the Bell Food Group.

The Board of Directors delegates the management of day-to-day business operations to the Group Executive Board, but the following tasks are reserved for the Board of Directors:

- a) Supervising Bell Food Group Ltd and its management;
- b) Determining the organisational structure of the Bell Food Group and adopting and amending the organisational regulations;
- c) Determining the company's policies in line with its corporate guiding principles and the strategies and objectives derived therefrom;
- d) Determining the financial investment policy;
- e) Passing resolutions on the rolling multi-year planning;
- f) Approving the annual budget and investment budget drawn up in accordance with the objectives as part of the multi-year financial and investment plan;
- g) Passing resolutions on the annual report consisting of the annual financial statements, consolidated financial statements, situation report and compensation report submitted to the Annual General Meeting of Food Group Ltd;
- h) Appointing and dismissing the members of functional level 0; deciding which persons with their functions and type of signatory power have to be entered in the Commercial Register for Bell Food Group Ltd as well as for the subsidiaries held directly by Bell Food Group Ltd;
- i) Determining the compensation to be paid to the members of the Group Executive Board within the limits of the maximum amount approved by the Annual General Meeting;
- j) Passing investment resolutions about the acceptance of contingent liabilities (e.g. sureties, warranties) as well as about loans, derivatives, etc. within the context of the rules for financial responsibility (annex);
- k) Determining the framework conditions for collective labour agreements, general conditions of employment, salary systems and profit-sharing schemes, and fundamental changes to the employee benefits insurance, incl. early retirement models;
- l) Acquiring, selling, increasing or reducing permanent investments in other companies;
- m) Determining the structure of the Bell Food Group and founding and liquidating subsidiaries;
- n) Concluding contracts of special importance to the Bell Food Group;
- o) Handling legal disputes of special importance to the Bell Food Group;
- p) Issuing bonds;
- q) Acquiring or selling treasury shares accounting for more than 0.5% of the issued shares of Bell Food Group Ltd within three months;
- r) Preparing Bell Food Group Ltd's annual and extraordinary general meetings.

Other tasks reserved for itself by the Board of Directors are listed in the rules of procedure and jurisdiction (annex) and the rules for financial responsibility (annex).

Otherwise, the Board of Directors also carries out its non-transferable tasks pursuant to art. 19 of the articles of association and art. 716a of the Swiss Code of Obligations.

The Board of Directors can delegate the preparation and implementation of its resolutions or the monitoring of business activities to committees or to individual Board members while ensuring appropriate reporting to its members. The Board of Directors can appoint ad hoc committees at any time.

### 3. Quorum, decisions and minutes

The Board of Directors is quorate if the majority of its members are present. No quorum is necessary if a meeting is held solely to confirm a share capital increase and to resolve the subsequent amendment of the articles of association.

The Board of Directors passes its resolutions and conducts its elections with the majority of the votes cast, unless the articles of association or these organisational regulations contain provisions to the contrary. If votes are tied, the Chairman has the casting vote. Voting is always open and conducted by a show of hands.

Resolutions can be passed at meetings as well as during telephone and video conferences. They can also be passed by submitting written votes (including by letter, e-mail and fax) on a proposal submitted to the members of the Board of Directors, unless one of the Board members requests an oral discussion. Resolutions passed in writing must be included in the minutes of the next meeting.

Discussions and resolutions must be recorded in the minutes. The minutes should describe the considerations on which a decision is based; individual opinions only have to be minuted if this is explicitly requested. Minutes have to be numbered and signed by the Chairman and the secretary before being submitted to the Board of Directors for approval at its next ordinary meeting.

#### 4. Meetings – scheduling, convening and agenda

The Board of Directors meets as often as business requires, but at least four times a year.

Meetings are convened by the Chairman or, if he is unable to do so, by the Vice-Chairman. Every member of the Board of Directors and the Group Executive Board can request the immediate convocation of a meeting by stating the reasons.

Meetings must be convened at least seven days in advance; the invitation must be in writing and must specify the items on the agenda and, if applicable, the proposals. In urgent cases – or if no member objects – a shorter period can be applied. The agenda is determined by the Chairman in consultation with the CEO. Resolutions may only be passed on matters that are not included in the agenda with the consent of the majority of all members, whereby the Chairman has the casting vote if votes are tied.

The CEO and CFO attend meetings of the Board of Directors in an advisory capacity, unless instructed otherwise by the Chairman. On the instructions of the Chairman, other employees of the Bell Food Group, in particular the heads of business areas or a division, as well as guests can be invited to a meeting.

#### 5. Right to information and reporting

Every member of the Board of Directors can request information on all matters concerning the Bell Food Group.

In every meeting, the CEO and CFO must report to the Board of Directors on the current course of business and important business cases. The members of the Board of Directors must be informed of any extraordinary events in writing without delay. If the matter is urgent, the Chairman must be informed orally immediately.

If a member of the Board of Directors wishes to receive information or inspect business documents outside of a meeting, a corresponding request must be submitted to the Chairman in writing.

If required to perform a duty, every member can request access to the books and files from the Chairman. If the Chairman refuses a request for information, consultation or inspection, the Board of Directors must decide on the matter.

#### 6. Loyalty

The members of the Board of Directors are obliged to protect the interests of the company in good faith. They must desist from all actions which could harm the company. They are obliged to maintain confidentiality about all matters that have come to their attention in the exercise of their duties on behalf of the company. The loyalty obligation continues to apply after the mandate has ended.

#### 7. Compensation

The members of the Board of Directors are entitled to suitable compensation. These fees are determined according to function and are set out in special regulations.

### **C. The Compensation Committee**

The Board of Directors proposes the members of the Compensation Committee from its own ranks to the Annual General Meeting, and constitutes the Compensation Committee.

The Board of Directors adopts regulations governing the duties of the Compensation Committee as well as its composition, organisational structure and powers.

### **D. The Chairman**

The duties of the Chairman in particular include:

- a) Convening and chairing the Annual General Meeting of Bell Food Group Ltd;

- b) Supervising the planning and organisation of the Annual General Meeting in cooperation with the CEO and the secretary;
- c) Preparing, convening and chairing the meetings of the Board of Directors;
- d) Instructing the passing of resolutions by written vote;
- e) Conducting regular discussions with the CEO and monitoring the course of business in close cooperation with the Group Executive Board;
- f) Participating in the strategy meeting and the objective agreement meeting of the Group Executive Board;
- g) Deploying and supervising the Internal Audit unit;
- h) Participating in the final meeting with the auditor;
- i) Representing the Bell Food Group vis-à-vis third parties in consultation with the CEO;
- j) Monitoring compliance with the organisational regulations;
- k) Supervising the share register;
- l) Informing the Board of Directors of important business cases.

If the Chairman is prevented from carrying out these duties, the Vice-Chairman will assume his duties and powers.

The Chairman can attend the meetings of the Group Executive Board. He is sent copies of the minutes of the meetings of the Group Executive Board and the business area meetings of Bell Food Group Ltd.

## **E. The CEO**

The CEO is elected by the Board of Directors upon the proposal of the Chairman.

Subject to imperative statutory provisions and the rules contained in these regulations, the CEO is responsible for the overall management of the Bell Food Group. He is responsible for implementing the resolutions of the Board of Directors as well as the decisions he takes in the context of his own powers. He is authorised to delegate tasks and powers of authority to subordinate units if he properly instructs and supervises them.

The CEO represents the Bell Food Group vis-à-vis third parties.

## **F. The Group Executive Board**

### **1. Election and composition**

The Group Executive Board consists of the CEO, CFO and the other heads of business areas. The members of the Group Executive Board are elected by the Board of Directors upon the proposal of the CEO.

### **2. Duties and powers**

The Group Executive Board supports the CEO in the management of the company and is responsible for the operational management of the Bell Food Group. It has to sustainably promote the financial situation of the Bell Food Group.

The Group Executive Board has all the powers it needs to manage the business except where another executive body is in charge pursuant to the articles of association or a resolution by the Board of Directors.

The Group Executive Board has the following tasks in particular:

- a) Managing the Bell Food Group with all due care in compliance with the objectives, strategies and guidelines adopted by the Board of Directors;
- b) Formulating the short- and medium-term objectives and handling the multi-year planning for the Bell Food Group, the individual business areas and divisions (strategic objectives and annual objectives), for the attention of the Board of Directors;
- c) Preparing a monthly income statement and an overview of the important key figures for the company;
- d) Formulating the annual objectives and preparing the budget for the attention of the Board of Directors;

- e) Preparing the annual report consisting of the annual financial statements, consolidated financial statements, situation report and compensation report for the attention of the Board of Directors, and formulating the resulting proposals for the Annual General Meeting of Bell Food Group Ltd;
- f) Issuing regulations to implement statutory provisions and the objectives to be achieved as well as to eliminate errors and mistakes;
- g) Bearing accountability for the financial situation and development of the Bell Food Group and passing resolutions on all measures required to meet the budget approved by the Board of Directors;
- h) Deciding about investments within the context of the rules for financial responsibility (annex);
- i) Providing timely and level-appropriate information to the upstream and downstream units and the employees of the Bell Food Group;
- j) Appointing and dismissing the members of functional levels 1 to 3; appointing and dismissing the members of the boards of directors of the subsidiaries of Bell Food Group Ltd and deciding which persons with their functions and type of signatory power have to be entered in the Commercial Register for these subsidiaries, insofar as this does not fall within the remit of the Board of Directors according to these regulations (art. B.2.h).
- k) Determining the compensation for the members of functional levels 1 and 2; providing information to the Board of Directors regarding the compensation paid to members of functional level 1.

The additional tasks of the Group Executive Board are set out in the rules of procedure and jurisdiction (annex).

### 3. Meetings – scheduling

The Group Executive Board usually meets once a month at the same time as the Board of Directors. Minutes must be kept of all resolutions.

The Group Executive Board discusses all issues submitted to it and tries to come to a consensus decision. If no consensus can be reached on an issue, the CEO takes the final decision, taking account of the opinions of the other members of the Group Executive Board.

If a decision of particular importance should be taken by the Group Executive Board and the matter cannot wait until the next regular meeting, the CEO can take the decision on his own after consulting the members of the Group Executive Board that can be reached or, in the event of an emergency, at his sole discretion and to the best of his judgement; however, he has to inform the other members of the Group Executive Board of this decision at the next meeting of the Group Executive Board and record and justify the decision in the minutes.

## **G. The heads of a business area, division or business unit**

### 1. Duties and powers

The heads of a business area, division or business unit have the following tasks in particular:

- a) Managing their own area of responsibility with all due care in accordance with the strategies, objectives and guidelines adopted by the Board of Directors and the Group Executive Board;
- b) Preparing proposals for the attention of the Group Executive Board or another executive body within the context of the rules of procedure and jurisdiction (annex) and the rules for financial responsibility (annex);
- c) Preparing the short- and medium-term objectives as part of the corporate policy and the annual objectives derived therefrom;
- d) Preparing the rolling multi-year planning for their own area of responsibility;
- e) Issuing regulations to implement statutory provisions and the objectives to be achieved as well as to eliminate errors and mistakes;
- f) Implementing the resolutions of the Board of Directors and the Group Executive Board;
- g) Deciding about investments within the context of the rules for financial responsibility (annex);
- h) Providing timely and level-appropriate information to the upstream and downstream units and the employees of the Bell Food Group.

### 2. Meetings – scheduling

Meetings of business areas, divisions and business units usually take place at least once a month at the same time as the superordinate committee.

## H. Internal Audit

Internal Audit is responsible for the independent, objective and systematic audit of the entire Bell Food Group. It reports to the Board of Directors.

Internal Audit has unlimited inspection rights within the Group and always has access to all required information, activities, operational units, documents, data, archives, IT applications, assets and persons.

Internal Audit exercises its duties in accordance with the audit charter adopted by the Chairman and the CEO.

## I. Miscellaneous

### 1. Signatory authority

Essentially, all employees of the Bell Food Group are authorised to sign for their remit on behalf of the company where they work. Everybody has joint signatory power with a minimum of two signatures; nobody has sole signatory power. The Group Executive Board issues signature regulations for the Bell Food Group.

Persons are only entered in the Commercial Register when there is a legal requirement to do so (members of the Board of Directors and the Group Executive Board). The Board of Directors and the Group Executive Board can appoint and have other persons with their functions and type of signatory power entered in the Commercial Register for their area of responsibility.

### 2. Amendments to the organisational regulations and entry into force

The Board of Directors reserves the right to cancel, amend or supplement the organisational regulations at any time. The Board reviews the contents at regular intervals.

The organisational regulations were adopted by the Board of Directors at its meeting of 13 December 2019 and will enter into force on 1 April 2020. They replace the by-laws of 1 January 2015.

Hansueli Loosli  
Chair of the Board of Directors

Irene Kaufmann  
Vice-Chair of the Board of Directors

## Annexes

|          |   |
|----------|---|
| Anhang 1 | Regulations of the Compensation Committee of the Board of Directors                       |
| Anhang 2 | Compensation regulations for the members of the Board of Directors of Bell Food Group Ltd |
| Anhang 3 | Rules of procedure and jurisdiction of the Bell Food Group                                |
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| Anhang 6 | Audit charter for Internal Audit of the Bell Food Group                                   |
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