

Amended and Restated
Organisational Regulations

of

Coca-Cola HBC AG

with registered office in Steinhausen (Zug), Switzerland

Effective date: 20 June 2017

These organisational regulations, together with its Annexes, define how the board of directors of Coca-Cola HBC AG is organised and fulfils its responsibilities and duties.

The English version of these organisational regulations prevail over any translation that may be made.

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Abbreviations and Defined Terms

All references to functions in these organisational regulations apply to both male and female persons.

The following defined terms are used hereinafter (including in the Annexes, unless specified otherwise) in capital letters:

ARC	Audit and Risk Committee
ARC Member	Member of the ARC
Agenda	Agenda with matters to be dealt with at a meeting of either the Board, a Committee or the Operating Committee
Annex(es)	Annex(es) to these ORs
AoA	Articles of Association of the Company
Board	Board of directors of the Company
Board Meeting(s)	Meeting(s) of the Board
Board Member(s)	Member(s) of the Board
Board Resolution(s)	Resolution(s) of the Board
Business	Business as conducted by the Company from time to time
CEO	Chief executive officer of the Company
Chairman	Board Member who is elected by the General Meeting to be the chairman of the Board
Circular Resolution(s)	Resolution(s) of the Board in writing, made pursuant to the rules set out in section 7.6
CO	Swiss Code of Obligations
Committee(s)	Committee(s) of the Board as set out in section 14.1 of the ORs
Committee Chairman / Committee Chairmen	Chairman of a Committee / all chairmen of the Committees together
Committee Member(s)	Member(s) of a Committee

Committee Meeting(s)	Meeting(s) of a Committee
Company	Coca-Cola HBC AG
Company Secretary	Secretary of the Board and its Committees as set out in section 13
Conflicts of Interest	Any personal interest, or the interest of a related person or company (in particular pursuant to article 11 of the UK Listing Rules), that a Board Member may have in a particular matter and which conflicts or might be perceived as conflicting with the interests of the Company.
Corporate Body / Corporate Bodies	The boards and bodies of the Company exercising delegated Board functions, such as all Committees, the Operating Committee, the DC, the IA Department, the boards of subsidiaries or other bodies mentioned in these ORs
DC	Disclosure committee
DC Member(s)	Member(s) of the DC
Director of IA	The Director of the IA Department
Extraordinary Board Meetings	Extraordinary meeting(s) of the Board as set out in section 6.2
General Meeting(s)	Meeting(s) of the Shareholders
Group	The Company and its Subsidiaries
Group Executives	The CEO, the other Operating Committee Members, other direct reports of the CEO, and the country general managers
Human Resources Director	Member of the Operating Committee, responsible for Human Resources on Group level
IA Department	Internal audit department of the Group
Indemnified Persons	Existing and former Board Members and members of Corporate Bodies of the Company or any of its Subsidiaries, and their heirs, executors and administrators
Meeting(s)	Meeting(s) of the Board, the Committees or the Operating Committee

Minutes	Minutes of a Board Meeting, a Committee Meeting or an Operating Committee Meeting
NC	Nomination committee
NC Member	Member of the NC
Operating Committee	Operating committee of the Group as set out in section 17
Operating Committee Member(s)	Member(s) of the Operating Committee
ORs	Organisational regulations of the Company, including its Annexes, which are an integral part of the ORs
Public Affairs Director	Senior executive responsible for Public Affairs on Group level
RC	Remuneration committee
RC Member	Member of the RC
Senior Independent Director	The senior independent director as elected pursuant to section 12.1
Shareholder(s)	Shareholder(s) of the Company
Share Registrar	One or more persons appointed by the Board as the share registrar of the Company
SRC	Social responsibility committee
SRC Member	Member of the SRC
Stakeholders	Persons, groups or organizations who have a direct or indirect stake in the Company and may, as a result, affect or be affected by the Company's actions, objectives and policies
Subsidiaries	Entities which are controlled by the Company and are consolidated for the purpose of the Company's Group accounts
Vice-Chairman	Board Member who is elected by the Board to be a vice chairman as set out in section 12.1

I Introduction

1 Basis and Purpose

1.1 These organisational regulations (the "ORs") are enacted by the Board of Directors of the Company (the "Board") pursuant to article 716b of the Swiss Code of Obligations (the "CO") and articles 24 para. 2, 25 para 3 and 27 ff. of the Articles of Association of the Company (the "AoA"). **Basis**

1.2 The purpose of these ORs is: **Purpose**

- i) to implement and supplement rules contained in:
 - (a) laws applicable to the Company and its Business,
 - (b) regulatory and stock exchange rules, and
 - (c) the AoA with regard to the governance of the Company; and
 - ii) to define the functions, responsibilities and authorities of the Board and the Corporate Bodies,
- in each case having regard to applicable codes of best practice.

1.3 The organisational chart of the Company is shown in *Annex A*. *Annex B* specifies and details certain responsibilities and authorities of the Board and the Corporate Bodies. *Annex C* sets out the objectives, composition, responsibilities and authorities of the Committees. *Annex D* contains the Company's code of ethics. **Annexes**

2 Organisation of the Company

2.1 The Company is the holding company of an international group of companies active in particular in the business of production, trading and packaging of beverages and foods. The Company fulfils strategic, financial and management functions not only for itself, but also with respect to its Subsidiaries. In view of this group-wide function, the Board Members and the Corporate Bodies of the Company also have to resolve on matters that pertain to both the Company and its Subsidiaries. Notwithstanding this, the legal independence of all Subsidiaries and the provisions of applicable local laws, rules and regulations relating to them must be observed to the extent legally required. **Company as holding Company of the HBC Group**

II Board of Directors

3 Board Membership

- 3.1 The Board proposes for election by the General Meeting such persons who have been recommended by the NC after consultation with the Chairman. In making such recommendations, the NC and the Board must have regard to the need for appointments to the Committees in accordance with *Annex C*. **Proposal for Election to General Meeting**
- 3.2 The Board's proposal for election shall, as long as the Company is listed on the premium segment of the UK Listing Authority's Official List, include such number of independent non-executive Board Members as is required to comply with the UK Corporate Governance Code. In making any such determination, the Board shall have regard to all applicable requirements, including the independence standards established by the UK Corporate Governance Code. **Independence of Board Members**
- 3.3 Each Board Member must notify the Chairman and the NC immediately if his circumstances change in a manner that may affect his independence. **Notification Duty**

4 Constitution

- 4.1 The Board consists of no less than 7 and no more than 15 Board Members as set forth in article 22 AoA. **Number of Board Members**
- 4.2 The term of office for each Board Member is one year as set forth in article 23 AoA. Board Members whose term of office has expired are immediately eligible for re-election. **Term of Office and Re-election**
- 4.3 In case of death or resignation of any Board Member(s), the Board may elect a permanent guest, who the Board will propose for election by the Shareholders at the next General Meeting. **Death or resignation of a Board Member**
- 4.4 Subject to applicable law and the AoA, the Board constitutes itself at its first Meeting following a General Meeting at which the partial or total renewal of the Board Members has taken place as set forth in article 24 AoA. In this meeting, the Vice-Chairman, the Committee Chairmen, the Committee Members (except for the RC Members), and the CEO are elected among and by the Board Members. The Board may remove these Board Members from their special functions at any time. **Constitutional Meeting**

5 Responsibilities and Authorities

- 5.1 The Board has the responsibilities and authorities set out in these ORs. **In General**
- 5.2 The Board, acting collectively, has the ultimate responsibility for the success of the Company and for delivering sustainable shareholder and stakeholder value. The Board sets the Company's strategic aims, ensures that the necessary financial and human resources are in place to meet the Company's objectives and supervises and controls the management of the Company. **Ultimate Responsibility**
- 5.3 The Board's ultimate responsibility for strategy and financial success includes in particular: **Strategy and Financial Success**
- i) determining the business strategy taking into account the information, proposals and alternatives presented by the CEO and the Operating Committee;
 - ii) setting the risk profile and the risk capacities of the Group;
 - iii) setting financial objectives and approving, via the budget and financial planning process, the necessary means to achieve these objectives, including approving a capital allocation framework;
 - iv) deciding on the Group entering into substantial new business areas or exiting from an existing business area, in each case insofar as not covered by the current approved strategic framework;
 - v) deciding on major acquisitions, mergers, disposals or capital expenditure; and
 - vi) approving all matters and business decisions where such decisions exceed the authority delegated by the Board to the Committees, the CEO or the Operating Committee.
- 5.4 With respect to the ultimate responsibility for finance, the Board has in particular the following duties: **Finance**
- (i) laying down principles for accounting, financial and risk control and approving significant changes to them;
 - (ii) reviewing and approving annually the financial business plan;
 - (iii) reviewing and approving the annual and half-year financial statements of the Company; and
 - (iv) reviewing and approving the annual report and the remuneration report prior to its submission to the General Meeting.

- 5.5 With respect to the organisation of the Company, the Board is in particular responsible for: **Organisation**
- (i) approving and regularly reviewing the governance principles and the management structures as set out in the ORs;
 - (ii) approving the framework of the internal control system;
 - (iii) approving and regularly reviewing internal regulations (including these ORs) and directives;
 - (iv) appointing and removing the CEO and the other Operating Committee Members and reviewing their performance;
 - (v) approving the remuneration policy of the Company; and
 - (vi) proposing for election, re-election or removal by the General Meeting the external auditors as recommended by the ARC.
- 5.6 The Board supervises the management in particular with regard to: **Supervision**
- (i) the latter's performance in meeting agreed goals and objectives; and
 - (ii) the compliance with applicable laws, rules and regulations.
- 5.7 The Board has a duty to convene General Meetings and to decide on proposals to be made to the Shareholders as well as a duty, insofar as consistent with applicable law, to implement resolutions adopted by the Shareholders. **General Meetings**
- 5.8 In case of financial difficulties or insufficient equity, the Board must undertake all steps required by article 725 CO. **Loss of Equity**
- 5.9 The Board takes the legally required decisions in connection with increasing or reducing the share capital of the Company (see in this respect also 7.3). **Share Capital**
- 5.10 The Board performs all further duties conferred to it by mandatory law. **Further Responsibilities**
- 5.11 The Board may take decisions on all matters which are not expressly reserved to the Shareholders or to another Corporate Body by law, by the AoA or these ORs. **Further Authorities**
- 5.12 Pursuant to article 27 AoA and by these ORs, the Board delegates certain of its responsibilities and authorities to the Committees, the Operating Committee and the Group Execu- **Delegation**

tives.

- 5.13 The Board and its Committees may, in performing their duties, take advice from third parties where they consider this to be in the best interest of the Company. **Advice from Third Persons**

6 Meetings

- 6.1 The Board meets as often as the business requires, at least four times a year. Board Meetings can be held at the Company's place of incorporation or at such other place as the Chairman may determine from time to time. At least 75% of all regular Board Meetings are to be held in Switzerland. **Number and Place of Meetings**
- 6.2 Extraordinary Board Meetings may be convened by decision of the Chairman or are convened upon written request (by regular mail, e-mail or facsimile) of any Board Member or the CEO addressed to the Chairman and stating a reason for requesting a Board Meeting. Upon such a request, the Chairman calls a Board Meeting in accordance with sections 6.3 and 6.4 within 7 business days. **Request of a Meeting**
- 6.3 The Chairman or, if he is hindered, the Vice-Chairman invites the Board Members to the Board Meetings in writing (by regular mail, e-mail or facsimile). **Invitation**
- 6.4 The invitation contains the Agenda and must be sent to Board Members and other attendees at least five days prior to the date of the Board Meeting together with all necessary supporting material. In cases of urgency (as determined by the Chairman in his discretion), a Board Meeting may be held on shorter notice and without sending the necessary supporting material in advance. **Agenda and Notice Period**
- 6.5 Board Meetings are chaired by the Chairman, or in his absence by the Vice-Chairman. **Chairman of the Meetings**
- 6.6 The Board may hold Board Meetings as determined by the Chairman:
- (i) without the participation of executive Board Members to ensure free and open discussions and communication among the non-executive Board Members;
 - (ii) with the participation of other persons, who are invited to attend.
- 6.7 The Minutes contain all passed Board Resolutions and reflect in a general manner the considerations which led to the decisions **Minutes of the Board**

taken; dissenting opinions of, and votes cast by, Board Members must also be reflected in the Minutes.

- 6.8 The Minutes must be signed by the Chairman and the Company Secretary and must be made available for review prior to and approved at the next Board Meeting. Board Members are entitled to examine the Board Minutes of any Board Meeting at any time.

Form of Minutes, Inspection Rights

- 6.9 The formal requirements contained in sections 6.4, 6.5 and 6.8 do not have to be observed if a Board Meeting is only convened in order to decide upon the implementation of a capital increase (article 651 (4) CO) or to record the implementation of a capital increase, to pass resolutions regarding the amendments of the AoA entailed therewith and to adopt the report on the capital increase (articles 651a, 652e, 652g and 653g CO).

Exception from formal requirements

7 Resolutions

- 7.1 Subject to section 7.2, the presence of the majority of the Board Members, in person, by telephone or similar communications equipment by means of which all persons participating in the Board Meeting can hear each other, are required for the passing of valid Board Resolutions. If this quorum is not present, the Chairman can seek a Circular Resolution of the Board (see section 7.6).

Presence Quorum

- 7.2 No presence quorum is required for Board Resolutions upon the implementation of a capital increase (article 651 (4) CO) or to record the implementation of a capital increase, to pass resolutions regarding the amendments of the AoA entailed therewith or to adopt the report on the capital increase (articles 651a, 652e, 652g and 653g CO).

Exception

- 7.3 Board Resolutions are adopted upon the absolute majority of the votes cast. In the event of a tie, the Chairman has, in addition to his vote, the deciding vote.

Approval of Resolutions/Casting Vote

- 7.4 Notwithstanding the foregoing (and it being understood that in case of any conflict of art. 28 para. 2 of the AoA and this section, the AoA shall prevail), the following matters require a presence quorum of at least eight Board Members (or, if there are less than ten Board Members, three quarters of all Board Members) and the approval by the votes of two-thirds of the Board Members present and entitled to vote:

Qualified Quorum and Majority

1. to engage in any business other than the bottling of bever-

ages and any business incidental thereto;

2. to incur, issue, guarantee or assume any indebtedness or approve capital expenditures in excess of EUR 30,000,000;
3. to enter into any agreement, arrangement or contract involving payments or other consideration in excess of EUR 30,000,000;
4. to sell, lease, exchange, transfer or otherwise dispose, directly or indirectly, in a single transaction or a series of transactions of all or substantially all of the assets of the Company, or any sale of a majority of the value of the assets of the Company, in each case, when such disposition is not in the ordinary course of business (unless such sale is undertaken in connection with, or as a part of, a sale-lease back transfer);
5. to appoint or dismiss the CEO;
6. to approve the annual budget, provided however, that if no new annual budget is approved, the prior year's budget, adjusted for inflation, will be used in place of the new annual budget until the new annual budget is approved;
7. to approve any annual business plan submitted by the management of the Company;
8. to approve any recommendation to the Shareholders to change the size of the Board;
9. to approve any change in the size and composition of the NC; and
10. to amend this section 7.4 to the extent such amendment is not required by the AoA.

- 7.5 Where urgent matters arise after a Board Meeting has already been convened (the determination of urgency being made by the Chairman in his discretion), such matters may be discussed at a Board Meeting and Board Resolutions taken if a majority of all Board Members present agree. **Resolutions on Items not on the Agenda**
- 7.6 Board Resolutions may also be passed in writing (including by e-mail or facsimile). A proposal for a Circular Resolution must be communicated to all Board Members and is only deemed to have passed if: **Resolutions by Circular Letter**
- (i) more than two thirds of all Board Members (and in case of section 7.4, a number of Board Members which would reach the presence quorum) cast a vote or give written notice that they abstain;
 - (ii) the required majority to approve the proposed resolution is reached in accordance with sections 7.3 f. (it being understood that for purposes of section 7.4, the applicable majority is calculated on the basis of all Board Members entitled to vote who cast a vote or give written notice that they abstain); and
 - (iii) no Board Member requests a Board Meeting in relation to the subject matter of the proposed Board Resolution within three business days of receiving notice of the proposal.

Any Circular Resolution is as binding as a Board Resolution adopted at a Board Meeting.

8 Conflicts of Interest

- 8.1 The Board Members shall arrange their personal and business affairs so as to avoid a Conflict of Interest. **General Standard**
- 8.2 Each Board Member must disclose to the Chairman the nature and extent of any Conflict of Interest arising generally or in relation to any matter to be discussed at a Board Meeting, as soon as he becomes aware of its existence. In the event that the Chairman becomes aware of a Board Member's Conflict of Interest, the Chairman shall promptly contact the respective Board Member and discuss with him the nature and extent of such a Conflict of Interest. **Disclosure of Conflicts of Interest**
- 8.3 Subject to exceptional circumstances in which the best interest of the Company dictates otherwise, the Board Member under a Conflict of Interest shall not participate in discussions and decision-making involving the interest at stake. The Chairman **Procedural Measures**

must advise the Board of the Conflict of Interest. In the event of a doubt, he shall request the Board to determine whether a Conflict of Interest or exceptional circumstances exist.

9 Information Rights

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| 9.1 | Board Members have access to all information concerning the Business and the affairs of the Group as may be necessary or helpful for them to fulfil their duties as Board Members. | Right of Information |
| 9.2 | At Board Meetings, any Board Member is entitled to request information on any matter relating to the Group regardless of the Agenda and the Board or Operating Committee Members present must provide such information to the best of their knowledge. | Request for Information during Board Meetings |
| 9.3 | Outside of Board Meetings, each Board Member may request information from the Operating Committee on the general course of business and, upon approval by the Chairman, each Board Member may obtain information on specific transactions and/or access to business documents. | Request for Information outside of Board Meetings |

10 Board Assessment

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| 10.1 | At least annually, the Board reviews on the basis of an assessment conducted by the NC, its own performance, as well as the performance of each of the Committees. The Board and its Committees can also be assessed externally as necessary. Such reviews seek to determine whether the Board and its Committees function effectively and efficiently. | Board Self-Assessment |
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11 Chairman

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| 11.1 | The General Meeting elects the Chairman. The Board proposes a candidate for election by the General Meeting upon the recommendation of the NC. | Appointment |
| 11.2 | The Chairman leads the Board; he in particular calls Board Meetings and sets their Agenda. The Chairman aims to ensure the effectiveness of the Board, with the right balance between the time the Board allocates to strategic and supervisory functions. | In General |
| 11.3 | The Chairman presides over the General Meetings and answers questions from Shareholders. | General Meetings |
| 11.4 | The Chairman coordinates, together with the Committee Chairmen, the work of all Committees. He may attend the | Coordination of Committee Work |

- Meetings of all Committees subject to, and as provided in, *Annex C*. **and Chairman's Attendance**
- 11.5 The Chairman, together with the CEO, is responsible for ensuring effective communication with Shareholders and with Stakeholders including government officials, regulators and public organisations. He is the primary representative of the Board and, together with the CEO, of the Group in interaction with the media. The Senior Independent Director ensures communication with those shareholders who wish to conduct discussions with a non-executive Board Member. **Outside Communication**
- 11.6 The Chairman establishes and keeps a close working relationship with the CEO, providing advice and support to him. He also facilitates a constructive relationship between the Board, the CEO and the other Operating Committee Members. **Relationship with CEO**
- 11.7 The Chairman and the CEO jointly determine the individual amounts of remuneration for each non-executive Board Member (except for the Chairman). **Determination of Remuneration of Non-executive Board Members**
- 12 Vice-Chairman and Senior Independent Director**
- 12.1 The Board elects one Vice-Chairman and an independent non-executive Board Member as Senior Independent Director. **Appointment**
- 12.2 If the Chairman is prevented from performing his duties, they will be performed by the Vice-Chairman. In such case, the Vice-Chairman has all the rights and responsibilities otherwise pertaining to the Chairman. **Duties of the Vice-Chairman**
- 12.3 The Senior Independent Director may organize and lead meetings among the independent directors, if deemed necessary. Furthermore, he has the responsibilities and authorities pursuant to section 11.5. **Duties of the Senior Independent Director**
- 13 Company Secretary**
- 13.1 The Board elects a Company Secretary who needs not be a Board Member and who acts as a secretary to the Board. **Appointment and Function**
- 13.2 The Company Secretary prepares the Agenda for each Board Meeting, keeps the Board Minutes and assists the Board, the Chairman and the Vice-Chairman to co-ordinate and fulfil their duties and assignments. **Responsibilities and Authorities**

14 Board Committees

- 14.1 The Board establishes the Audit and Risk Committee (ARC), the Nomination Committee (NC) and the Social Responsibility Committee (SRC). The Board may set up other Committees (including so-called *ad hoc* Committees) if the Board deems such other Committees appropriate or necessary. **Committees**
- 14.2 The General Meeting elects the Members of the Remuneration Committee (RC) in accordance with the applicable laws and the AoA. **Appointment**
- 14.3 The Board appoints the Committee Chairmen, and the ARC Members, the NC Members and the SRC Members.
- 14.4 Based on articles 27 and 30 para. 4 of the AoA, the Board delegates certain responsibilities and authorities to the Committees pursuant to *Annex B* and *Annex C*. In areas where the compulsory provisions of any laws, rules and regulations do not allow a delegation of Board responsibilities, the resolutions of the Committees have the character of recommendations to the Board. **Responsibilities and Authorities**

III Management

15 Delegation

- 15.1 Except as otherwise provided for by applicable laws, rules and regulations, the AoA or these ORs (including *Annex B*), the Board delegates the management of the Business to the Operating Committee acting under the CEO's leadership. **Delegation of Management**
- 15.2 *Annex B* sets out responsibilities and authorities delegated to the Group Executives (it being understood that all Group Executives act under the executive responsibility of the Operating Committee). The Operating Committee, acting under the CEO's leadership, may further delegate certain duties and responsibilities not specifically addressed by *Annex B* to Group Executives or to other persons. Unless determined otherwise, the Group Executives are allowed to further delegate their duties and responsibilities to other officers, it being understood that the Group Executives remain responsible for the selection, instruction and supervision of such officers as well all as for all duties and responsibilities delegated to them pursuant to *Annex B*. **Further Delegation**
- 15.3 The Operating Committee will establish arrangements to **Urgent Matters**

ensure that decisions are made in any urgent Business matter should the responsible Corporate Body, senior officer or officer be unable to act.

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| 15.4 | No person is responsible for or may participate in any matter, if such responsibility or participation would cause such person or any entity within the Group to violate any laws, rules or regulations to which such person or entity is subject. | Reservation of Applicable Laws, Rules and Regulations |
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| 16 | CEO | |
| 16.1 | The CEO is appointed by the Board upon proposal of the Chairman and the NC for an indeterminate term of office. During his term of office, he shall be a Board Member. The roles of Chairman of the Board and of CEO shall not fall to the same person. | Appointment |
| 16.2 | The CEO is the highest executive officer of the Group and has responsibility and accountability for the management and performance of the Group. The Operating Committee acts under his leadership. | Function |
| 16.3 | The CEO sets the Business and corporate agenda, ensures high quality and timely decision-making and controls the implementation of decisions taken. He ensures alignment of the individual Operating Committee Members to the Business and corporate agenda. He supports and advises leaders of all organisational units and fosters an integrated entrepreneurial leadership spirit across the Group. The CEO assumes a leading role in preparing the Board's consideration of the Groups' strategy. He is – together with the NC – responsible for planning succession at the Operating Committee level and for maintaining the Group's reputation. He represents the Group in contacts with important investors, clients and other Stakeholders, as well as to the general public (see also section 11.5). He determines jointly with the Chairman the individual amounts of remuneration for each non-executive Board Member (except for the Chairman) (see also section 11.7). | Main Responsibilities and Authorities |
| 16.4 | The CEO has an all-encompassing right to information about and examination of all matters handled in the Business. He has the power to overrule any decision taken by any management body including any decision by the Operating Committee (see sections 17.8). | Right to Override Decisions |
| 16.5 | The CEO ensures that the Chairman and the Board are kept informed in a timely manner with information in a form and of a quality appropriate to enable the Board to discharge its | Reporting to the Board |

duties. The CEO regularly reports to the Board at Board Meetings (or outside of Board Meetings) in a manner agreed with the Chairman on the current Business development and on important Business issues, including on all matters falling within the duties and responsibilities of the Board. Such reports must cover:

- (i) the current Business developments including:
 - (a) key performance indicators on the core Business of the Group;
 - (b) existing and emerging risks; and
 - (c) updates on developments in important markets and of peers;
- (ii) quarterly reports on the profit and loss situation, cash flow and balance sheet development, investments, personnel and other pertinent data of the Group;
- (iii) changes in Corporate Bodies; and
- (iv) information on all issues which may affect the supervisory or control function of the Board, including the internal control system.

17 Operating Committee

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| 17.1 | The Operating Committee includes as a minimum the CEO, the chief financial officer, the general counsel & director of strategic development, the supply chain services director, the Group chief customer and commercial director, the Human Resources Director, the regional directors and such Operating Committee Members as the Board may appoint upon proposal by the CEO. | Composition |
| 17.2 | All members of the Operating Committee (with the exception of the CEO) are proposed by the CEO and the Board approves their appointments. | Appointments |
| 17.3 | Under the leadership of the CEO, the Operating Committee has executive management responsibility for the Group and its Business in accordance with sections 15.1 ff. above. It assumes overall responsibility for the development of the Group's strategies and the implementation of approved strategies. | Responsibilities and Authorities |
| 17.4 | Under the leadership of the CEO, the Operating Committee prepares in its competence area proposals for approval by the Board and supports the Board in its decision-making process. | Preparation of Board Resolutions |

- 17.5 Subject to mandatory provisions of Swiss law and except to the extent further delegated in accordance with section 15.2, the Operating Committee is responsible for all management matters not reserved by the AoA or the ORs to any other person or body. **Further Duties**
- 17.6 Generally, the Operating Committee meets at least eleven times each year (sections 6, 7, 8 and 9 apply *mutatis mutandis* to such meetings). Further Operating Committee Meetings will be called by the CEO as required or held at the request of one member of the Operating Committee (section 6.2 applies *mutatis mutandis* to the calling of such extraordinary meeting). **Meetings**
- 17.7 A majority of members of the Operating Committee is required to be present at a Operating Committee Meeting either in person or by telephone or similar communications equipment by means of which all persons participating in the Operating Committee Meeting can hear each other, in order to form the necessary quorum. **Presence Quorum**
- 17.8 The resolutions of the Operating Committee are taken by the majority of the Operating Committee Members present. In case of a tie, the CEO has, in addition to his normal vote, a second casting vote. Furthermore, the CEO has the power to overrule any Operating Committee resolution (see section 16.4). **Quorum of Resolutions/ Casting Vote/ Right to Override Decisions**
- 17.9 Minutes are taken of all Operating Committee Meetings. They contain all resolutions taken by the Operating Committee and reflect in a general manner the considerations which led to the decisions; dissenting opinions of, and votes cast by, individual Operating Committee Members must also be reflected in the Operating Committee Minutes. The Minutes are sent to all Operating Committee Members. **Minutes**
- 17.10 With respect to Circular Resolutions of the Operating Committee, sections 7.1 and 7.6 apply *mutatis mutandis*. **Circular Resolutions**
- 17.11 The Members of the Operating Committee report to the CEO. **Reporting**
- 17.12 Section 8 on Conflicts of Interest applies *mutatis mutandis*, the CEO assuming for the Operating Committee the same role as the Chairman for the Board. **Conflicts of Interest**

IV Internal Audit Department

18 Appointment and Organization

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| 18.1 | The IA Department performs the internal audit function for the entire Group. The Director of IA is appointed by the ARC. | Appointment |
| 18.2 | The IA Department is independent in its reporting and is not subject to any instructions and its power to audit is unrestricted. | Independency |
| 18.3 | The IA Department possesses unrestricted auditing rights within the Group; it has access at all times to all accounts, books and records. It must be provided with all information and data needed to fulfil its auditing duties. | Access Rights |

19 Responsibilities, Authorities and Reporting

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| 19.1 | The IA Department's mission is to provide independent, objective assurance and consulting services designed to add value and improve the Group's operations. The IA Department monitors compliance with legal and regulatory requirements, with the provisions of the AoA, and with internal regulations, directives and policies including these ORs. It specifically verifies or assesses whether the internal controls are commensurate with the risks and are working effectively, whether activities within the Group are being conducted and recorded properly, correctly and fully, and whether the organization of operations, including information technology, is efficient and the information is reliable. | Responsibilities and Authorities in General |
| 19.2 | The ARC may order special audits to be conducted. Board Members, Committees or the CEO may submit requests for such audits to the ARC. | Special Audits |
| 19.3 | Full details of the role, responsibilities and authorities of the IA Department are set out in the charter for the IA Department, which is approved by the ARC. | Charter |
| 19.4 | The Director of IA reports to the ARC regarding the audits the IA Department has performed, and informs the ARC of any material actual or suspected irregularities without delay. | Reporting |

V Share Register

20 Share Registrar

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|------|--|------------------------|
| 20.1 | The Board appoints one or more persons as Share Registrar. The Share Registrar may be a third person, which may be an external company and does not need to be located in Switzer- | Share Registrar |
|------|--|------------------------|

land.

- 20.2 The Share Registrar shall properly keep the share register. In particular, the Share Registrar shall deal with all technical aspects of the share register and, subject to section 21.1 below, assess whether an applicant meets the prerequisites for registration. If deemed appropriate, the Board may enter into agreements with the share registrar detailing his or her duties and responsibilities.
- Duties and responsibilities**

21 Other Decisions in connection with the Share Register

- 21.1 The Board may delegate to the Share Registrar or to one or several Board Members all other duties and responsibilities in connection with the keeping of the share register, such as the decisions:
- Authority to Delegate**
- (i) to refuse registration with voting rights in accordance with the AoA;
 - (ii) to deregister Shareholders in accordance with the AoA due to a registration based on false information;
 - (iii) to enter into agreements with nominees in accordance with the AoA.

VI Special Provisions

22 Authority to Sign

- 22.1 If not determined otherwise, all signatures on behalf of the Company require the signatures of two persons authorized by the Board.
- In General**
- 22.2 The Board issues a Group signing policy, specifying all details, including but not limited to extended signature authorities, exceptions to the joint signature authority, dual signature authorities and the authority of signatories of the Company to sign for Subsidiaries. In addition, Subsidiaries establish their respective rules according to compulsory provisions of local law, rules and regulations.
- Policy**

23 Conduct of the Board Members, the Operating Committee and the Corporate Bodies

- 23.1 Each Board Member, each Operating Committee Member and each member of another Corporate Body are under a duty to carry out their responsibilities with due care and to safeguard further the interests of the Company and of all of its Share-
- Duty of Care and Loyalty**

holders.

- 23.2 Board Members must inform the Chairman, and Operating Committee Members must inform the CEO, before accepting any membership of boards of directors or other significant commitments involving affiliation with other businesses or governmental units. Changes to such board memberships or significant commitments must be reported as well. **Other Board Memberships or Significant Commitments**
- 23.3 Section 8 applies to the decision-making processes of all Operating Committee Members and all Corporate Bodies of the Company *mutatis mutandis*. **Conflicts of Interest**
- 23.4 Each Board Member, Operating Committee Member and each member of another Corporate Body must at all times keep strictly confidential all sensitive information – except information which is already in the public domain – relating to the Group which he has learned during the performance of his duties. Such information can only be disclosed to third parties with prior written clearance from the Chairman or the CEO. This obligation and duty continues even after the term of office of each Board Member, each Operating Committee Member and each member of another Corporate Body has expired for as long as the relevant information remains confidential. **Duty of Confidentiality**
- 23.5 If a Board Member, an Operating Committee Member or a member of another Corporate Body becomes aware of the fact that he may receive a financial or non-financial benefit as a result of his employment with the Company other than any salary, remuneration or other benefit from the Company, such person must: **Benefits of Board Members and Corporate Bodies**
- (i) in the case of a Board Member or the CEO promptly inform the Board; and
 - (ii) in the case of a Operating Committee Member other than the CEO or a member of another Corporate Body promptly inform the CEO.

24 Indemnification and Insurance Coverage

- 24.1 Subject to section 24.3 below, the Company shall indemnify and hold harmless, to the fullest extent permitted by law, the Indemnified Persons, out of the funds of the Company from and against all threatened, pending or completed actions, suits or proceedings – whether civil, criminal, administrative or investigative – and all costs, charges, losses, damages and expenses which the Indemnified Persons shall or may incur or sustain by reason of any act done or alleged to be done, **Indemnification**

concurrent or alleged to be concurrent in or omitted or alleged to be omitted in or about the execution of their duty, or alleged duty, or by reason of the fact that he is or was a Board Member or member of a Corporate Body of the Company or any of its Subsidiaries, or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise; provided however, that this indemnity shall not extend to any matter in which any of the Indemnified Persons is found, in a final judgment or decree of a court or governmental or administrative authority of competent jurisdiction, to have committed an intentional or grossly negligent breach of his duties.

24.2 Without limiting section 24.1 above but subject to section 24.3 below, the Company shall advance court costs and attorneys' fees to the Indemnified Persons. The Company may, however, recover such advanced costs if any of said persons is found, in a final judgment or decree of a court or governmental or administrative authority of competent jurisdiction, to have committed an intentional or grossly negligent breach of his statutory duties as a Board Member or member of a Corporate Body.

Advance Court Costs and Attorney's Fees

24.3 The rights to indemnification and advance of costs in accordance with sections 24.1 and 24.2 above shall not apply in case an action, suit or proceeding against an Indemnified Person has been, upon a decision by the Board, brought, initiated or supported by the Company, unless otherwise determined by the Board.

Exceptions

24.4 The Company procures directors' and officers' liability insurance for the Board Members and officers of the Company. The insurance premiums shall be charged to and paid by the Company or its Subsidiaries.

Insurance Coverage

25 Entry into Force; Amendments

25.1 These Amended and Restated ORs came into effect on **20 June 2017**.

Entry into Force

25.2 These ORs may be amended by the Board (subject to the majority requirements in accordance with sections 7.3 and 7.4 no. 10).

Amendments

On behalf of the Board:

Name:

Name: