

# The Organization Regulations of MCH Group Ltd.



Valid as of August 24, 2023

Adjustments as of May 21, 2024

Annex A Detailed regulations

Annex B Organizational chart of MCH Group Ltd.

Annex C Charter for the Committees of the Board of Directors of MCH Group Ltd.

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## Abbreviations and definitions

<b>AC</b>	Audit and Risk Committee
<b>AGM</b>	Annual General Meeting of the Shareholders
<b>Annexes</b>	Annexes to these ORs
<b>AoA</b>	Articles of Association of MCH Group Ltd.
<b>BD or BDs</b>	Business divisions, organizational units of the business, as set forth in Annex B
<b>Board or BoD</b>	Board of Directors of MCH Group Ltd.
<b>Board Secretary</b>	Secretary of the Board of Directors
<b>CC</b>	The Corporate Center comprises the corporate functions headed by the Group CEO and the Group CFO, consisting of Finance, Risk and Compliance, Legal, Corporate Procurement, ICT, Human Resources, Corporate and Internal Communication as well as Corporate Strategy and Sustainability
<b>Chairman or Chairwoman</b>	The Board member who is proposed by the Board to be Chairman or Chairwoman and elected by the general meeting of Shareholders.
<b>Chairpersons</b>	The Board members who chair the Board Committees
<b>Circular resolution</b>	Resolution in writing, made pursuant to the rules set out in section 4.9(f)
<b>CO</b>	Swiss Code of Obligations
<b>Code of Conduct</b>	Code of Conduct of MCH
<b>Committees</b>	Committees of the Board as set out in section 4.14
<b>Committees charter</b>	Annex C of the ORs, which sets out the objectives, composition and responsibilities of the Committees
<b>Conflict of interest</b>	Any personal interest, or the interest of a closely related person or company, that a Board member or Executive might have in a particular matter which does or might be regarded to conflict with the interests of the Group
<b>Corporate bodies</b>	The Board and bodies of the Group exercising delegated Board functions, such as all Board Committees, the GEB, Group IA or other bodies mentioned herein
<b>EGM</b>	Extraordinary General Meeting of the Shareholders
<b>Executive or Executives</b>	GEB, GMT and/or senior management, as the case may be
<b>External auditors</b>	External auditors of the Group

<b>Financial statements</b>	Quarterly and half-year financial statements
<b>GEB</b>	Group Executive Board, consisting of the Group CEO and Group CFO
<b>GNCC</b>	Governance, Nomination and Compensation Committee
<b>Group CEO</b>	Group Chief Executive Officer
<b>Group CFO</b>	Group Chief Financial Officer
<b>Group CPO</b>	Group Chief People Officer
<b>Group CRO</b>	Group Chief Risk Officer
<b>Group IA</b>	Group Internal Audit
<b>GMT</b>	The Group Management Team consisting of Executives that supports the GEB, nominated and appointed by the GEB
<b>Head BD</b>	The Head of Business Division are the heads of the respective BD
<b>HR</b>	Human Resources
<b>Independent Board Members</b>	Members of the Board that are not appointed by the Canton of Basel-Stadt or nominated by Lupa Systems LLC
<b>Lupa</b>	Lupa Systems LLC
<b>Lupa Nominated Board Members</b>	Board members nominated by Lupa Systems LLC
<b>MCH Entities</b>	All subsidiaries which are either wholly or majority, directly or indirectly owned or otherwise controlled by MCH Group Ltd. and which are intended to be held indefinitely
<b>MCH Group Ltd.</b>	MCH Group Ltd., the listed parent company of the Group
<b>MCH or Group</b>	The MCH group of companies, consisting of MCH Group Ltd. and its subsidiaries
<b>Minutes</b>	Minutes of a Board meeting or minutes of a Committee meeting or a GEB meeting
<b>Nominees</b>	Individual persons who do not expressly declare in their share registration application to hold the registered shares of MCH Group Ltd. for their own account
<b>ORs</b>	Organization Regulations of MCH Group Ltd. including the Annexes, which are an integral part of these
<b>Other Members</b>	Board members, who are elected by the General Meeting and for whom nomination rights apply
<b>P&amp;L</b>	Profit and loss statement

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<b>Policies</b>	(i) Regulations issued by the BDs or the CC and approved by the GEB and (ii) regulations – if any – issued directly by the GEB, organizing the business within the authorities and responsibilities that are either allocated to the GEB or (subject to mandatory provisions of Swiss law) not allocated by the AoA and these ORs to any other person or body
<b>Public Entity Shareholders</b>	Public Entity Shareholders are (i) the Canton Basel-Stadt; (ii) the Canton Zurich; and (iii) the City of Zurich.
<b>Shareholders</b>	Shareholders of MCH Group Ltd.
<b>Stakeholders</b>	Persons, groups or organizations that have a direct or indirect stake in the Group and may, as a result, affect or be affected by the Group's actions, objectives and policies
<b>Sustainability Report</b>	A report on non-financial matters of the Group pursuant to article 964a et seq. of the CO, which provides information on environmental matters, in particular CO <sub>2</sub> targets, social matters, employee matters, respect for human rights and the fight against corruption. The report contains the information necessary to understand the Group's business, results, position and the impact of its activities on these issues.
<b>Vice Chairman or Chairwoman</b>	The Board member who is appointed by the Board to be Vice Chairman or Chairwoman

## Foreword by the Chairman

MCH draws on its over 100-year heritage as a leading international experience marketing company with strong brands – such as Art Basel – and a comprehensive network of services. Good governance policies and processes are in the interests of both MCH and all its stakeholders, who have high expectations of the way we conduct our business. Therefore, distinct values are at the heart of MCH's culture and its employees apply the highest standards of business ethics and personal integrity to all of their business dealings and interactions.

The Organization Regulations and its Annexes provide the basis for enabling MCH Group Ltd., as the parent company of the Group, to ensure that all MCH entities work towards the Group's interest and effectively steer the operations and culture of its subsidiaries as well as establish a coherent and efficient corporate governance structure for the Group.

The Organization Regulations and its Annexes have been approved by the Board of MCH Group Ltd. upon proposal by its Governance, Nomination and Compensation Committee. They comply with all relevant corporate governance requirements but are not intended in any way to be a substitute for the mandatory provisions of the laws, rules and regulations applicable to the Group.

In the interest of transparency, the Organization Regulations and its Annexes are published on MCH's website [www.mch-group.com](http://www.mch-group.com)



Andrea Zappia

Chairman of the Board of Directors

# Introduction

## 1. Basis and purpose

- (a) These ORs are enacted by the Board of MCH Group Ltd. pursuant to article 716b of the CO and § 26 of the AoA.
- (b) The purpose of these ORs is:
  - (i) to implement and supplement requirements contained in applicable laws, SIX stock exchange rules and the AoA;
  - (ii) to define the functions, responsibilities and authorities of MCH Group Ltd.'s corporate bodies and their members, in each case with regard to applicable best practices; and
  - (iii) to constitute the Group's primary governance guidelines to be applied to all MCH Entities and which supersede any other regulations and shall prevail in case of a conflict with such documents, subject to local law.

## 2. Organization of the Group

### 2.1 In General

- (a) The Board, under the leadership of the Chairman or Chairwoman, decides on the strategy of the Group upon recommendation of the Group CEO, exercises the ultimate supervision over management, appoints and removes GEB members, and performs the other duties described herein. The following Committees (as described herein and in Annex C to the ORs) assist the Board in the performance of its responsibilities:
  - (i) the Audit and Risk Committee; and
  - (ii) the Governance, Nomination and Compensation Committee.
- (b) As provided by mandatory law, rules and regulations, the AoA or these ORs, the management of the Group is delegated to the GEB under the leadership of the Group CEO. In addition, the GEB includes the Group CFO. The GEB has the competence to delegate some of its competences inter alia to the GMT, whose members are nominated and appointed by the GEB.

## 2.2 Structure of these ORs

- (a) Following this Introduction, the section about the Key approval authorities presents the key approval authorities of the corporate bodies and provides a detailed overview of responsibilities and competencies, which are presented in more detail in Annex A and supplemented with basic regulations about the organization of the Group.
- (b) In case of conflict with other regulations in these ORs, the regulations in the following Key approval authorities shall supersede.

## 2.3 Group steering

MCH Group Ltd. as the listed parent company of the Group controls directly or indirectly all MCH Entities and leads the Group by setting a harmonized strategic direction. It further sets principles and organizational structures to enable efficient and coordinated steering and control of the MCH Entities. Under the leadership of the Chairman or Chairwoman and the Group CEO, the Board and the GEB have issued a Code of Conduct to foster a coherent and effective corporate and compliance culture for the Group. Notwithstanding these endeavors, the legal independence of all MCH Entities and the provisions of applicable local laws, rules and regulations relating to them must be observed to the extent legally required.

## 2.4 Organization of the Group's business

The business is performed by the MCH Entities. The business of the Group is organized in BDs, the CC and other structures as the GEB consider appropriate for the effective management and supervision of the business. Irrespective of the organizational structure of the Group, the business performed by the MCH Entities is subject to formal decision-making by the Corporate bodies of the respective entities, as required under applicable constitutional documents and local laws, rules and regulations.

## 2.5 Transparency, collaboration and reporting within the Group

Subject to and in accordance with applicable local laws, rules and regulations, corporate bodies and Executives are bound to ensure transparency and collaboration within the Group and may have additional responsibilities and reporting lines within the Group in addition to their reporting lines within each legal entity.

## 3. Entry into force and revocation of existing regulations

These ORs come into effect on August 24, 2023, based on a Board resolution of MCH Group Ltd. dated August 24, 2023, and replace all previous regulations of MCH that governed the topics regulated in these ORs.

## Key approval authorities

Unless the AoA, these ORs or other regulations provide otherwise, the Board has the general power of approval.

In case of conflict with other regulations in the ORs, the regulations in these Key approval authorities shall supersede.

Subsidiary regulations subject to the approval of the BoD, in particular the competence regulations, set out the details of the competencies, in particular the financial competencies for the operational business.

### ***R = Responsible (also recommender) and Execution***

Those who do the work to complete the task. There is at least one role with a participation type of *responsible*, although others can be delegated to assist in the work required.

### ***A = Accountable (also approver or final approving authority)***

The one ultimately answerable for the correct and thorough completion of the deliverable or task. The one who ensures the prerequisites of the task are met and delegates the work to those *responsible*. The *accountable* must sign off (approve) work that *responsible* provides.

### ***C = Consulted (sometimes consultant or counsel)***

Those whose opinions are sought, typically subject-matter experts.

### ***I = Informed (also informee)***

Those who are kept up to date on progress, often only on completion of the task or deliverable.

This section about the Key approval authorities outlines and provides details on the key approval authorities of the BoD and on authorities specifically delegated to the Group CEO and the GEB and in some instances further delegated to the competence of the GMT and CC, as described in the AoA and in Annex A of these ORs.

If the GEB is the recommender, a proposal must be brought to the BoD by the topic owner and member of the GEB or GMT. If the business is the recommender, the topic owner must first seek the approval from the GEB. If the recommendation is endorsed by the GEB, the topic owner is then responsible, together with the Group CEO, for bringing the proposal to the subsequent approval level of the BoD. Unless otherwise noted, the Group CPO is the topic owner for all items of human resources business.

All references to amounts are in million CHF unless specified otherwise.

Decisions / Actions	AGM	BoD	AC	GNCC	GEB	Group CEO	Group CFO	GMT	CC	Remarks / References
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**R** = Responsible (also recommender) and Execution | **A** = Accountable (also approver or final approving authority) | **C** = Consulted (sometimes consultant or counsel) | **I** = Informed (also informee)

### A Strategy of the Group

Group Strategy		A*			C	R		C		*Taking into account the proposals and alternatives presented by the GEB (see section 4.7(e)(i)).
BD's strategies		I			A			R		
Multi-year strategy plan and one-year operating Plan		A			C	R		C		
Creation of new and discontinuation of existing Business Divisions		A*			R			C		*Special quorum applies of two-thirds majority of the votes cast (see section 4.9(c))
Building of alliances with third parties (e.g. by way of joint venture, simple partnerships etc.)*		A**			R			C***		*Regardless of whether a company shall be established with the third party or the cooperation is on a contractual basis only. *Special quorum applies of two-thirds majority of the votes cast (see section 4.9(c)). **BoD of the MCH Entity entering into an alliance with a third party on a contractual basis. BoD of MCH Group Ltd. for all alliances with third parties for which a company is to be established. C***by affected BDs.

### B Organization of the Group\*

AoA	A	R							C	
ORs		A		R					C	
Code of Conduct		A	R	R					C	See section 2.3.
Structuring of the Group in BDs		A				R				
Organizational structure of the BDs and the CC				C		A		R		
Group Policies*				I	A			R	C	*For Group Policies that do not need to be approved by the BoD by law, AoA or these BoD and subject to the regulations for specific Policies mentioned in this section B.
Policies of MCH Entities					R*	C A**			C	*By the respective management body of the respective subsidiary, responsible inter alia that the Policies are in-line with local law. **Approval in accordance with local laws: If the local board of directors has to approve the Policies, such local board of directors is approval authority but must first consult with Group CEO.

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of MCH Group Ltd.**

Decisions / Actions	AGM	BoD	AC	GNCC	GEB	Group CEO	Group CFO	GMT	CC	Remarks / References
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**R** = Responsible (also recommender) and Execution | **A** = Accountable (also approver or final approving authority) | **C** = Consulted (sometimes consultant or counsel) | **I** = Informed (also informee)

Appointment of board members of MCH Entities to be elected by the shareholders of the respective MCH Entity.		A		I		R			I	
Appointment of executive management of MCH Entities				C	A	R				
Incorporation/establishment, dissolution/closure, Group internal transfer of legal ownership (e.g. Group internal merger) and change of legal form of MCH Entities		A			R				C	
Acquisitions and divestments (share and asset deals with third parties, including increase or decrease of ownership in MCH Entities and sale/purchase of business lines etc.)		A			R				C	
Funding and financial management of MCH Entities:										
Capital increase* and reduction/redeemption of MCH Entities** (individual or cumulative p.a. per entity)		A: ≥ 5 I: < 5			A: < 5	C	R			*Includes profit retention, debt forgiveness, equity-like lending, capital injections and other measures with similar effect.
Parental support (all financial obligations entered into by MCH Group Ltd. in favor of an MCH Entity, including guarantees, letter of comforts etc.)		A: > 5 or duration > 12 months			A: ≤ 5	C	R			
Intercompany funding (including loans etc.)		A: > 5 or duration > 12 months			A: ≤ 5	C	R			
Purchase, sale, increase, reduction and depreciation of infrastructure participations held by MCH		A			R		C		I	

**C Group personal and compensation**

Appointments, removals and succession planning										
Appointments and removals										
Chairman or Chairwoman of BoD	A	R*								*Special quorum applies of two-thirds majority of the votes cast (see section 4.9(c))
Vice Chairman or Chairwoman of BoD		A*		R						*Special quorum applies of two-thirds majority of the votes cast (see section 4.9(c))

Decisions / Actions	AGM	BoD	AC	GNCC	GEB	Group CEO	Group CFO	GMT	CC	Remarks / References
Other BoD members and members of the GNCC	A	R								
BoD members in other Committees than the GNCC		A / R								
Group CEO		A*.**		R						*Special quorum applies of two-thirds majority of the votes cast for appointment of the Group CEO (not for dismissal; see section 4.9(c)(iii)).  **The Board undertakes to consult the Public Entity Shareholders prior to the appointment (but not for dismissal, see section 4.9(c)(iii)) of the Group CEO.
Other GEB members (excluding Group CEO)		A*		C		R				*Special quorum applies of two-thirds majority of the votes cast (see section 4.9(c)(iii)).
Board Secretary		A		R						
GMT members		I			A	R				
Head of Group IA		A								
Company representatives on the board of trustees of MCH's pension fund foundation		A			I	R			R: Group CPO	
Succession plans										
BoD members		A		R						
GEB		A		R						
GMT members		I			A	R				
Mandates										
Approval of mandates as per AoA § 23 of Board members		A: Chairman or Chairwoman		C						Refer to section 4.5 for additional information including limitations.
Approval of mandates as per AoA § 37 of GEB members		I: Chairman or Chairwoman		A	R	R				Refer to section 5.2 for additional information including limitations.

Decisions / Actions	AGM	BoD	AC	GNCC	GEB	Group CEO	Group CFO	GMT	CC	Remarks / References
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**R** = Responsible (also recommender) and Execution | **A** = Accountable (also approver or final approving authority) | **C** = Consulted (sometimes consultant or counsel) | **I** = Informed (also informee)

Compensation and benefits										
Establish and review compensation strategy and guidelines for the Group		A		R	C					
Compensation model Board of Directors		A*		R						*Special quorum applies of two-thirds majority of the votes cast (see section 4.9(c))
Design, plan regulations, targets LTI and STI programs		A*		R	C					*Special quorum applies of two-thirds majority of the votes cast (see section 4.9(c))
Standard employment and termination agreements and any material variations for GEB members		A		R						
Total compensation and benefits for:										
Chairman or Chairwoman of the BoD	A*	R		C						*To be submitted to AGM for approval (BoD compensation in aggregate).
Other BoD members	A*	R		C						*To be submitted to AGM for approval (BoD compensation in aggregate).
Group CEO	A*	R		C						*To be submitted to AGM for approval (GEB compensation in aggregate).
GEB members (excluding Group CEO)	A*	R		C		C				*To be submitted to AGM for approval (GEB compensation in aggregate).
Setting of overall final annual pool for variable compensation, e.g. long and short term incentives	A*	A		R		C	C			*To be submitted to AGM for approval (GEB long term incentive allocation).

**D Financial matters\***

Guarantees, bank guarantees and other securities of all types, excluding parental support (for parental support, see para B before)		A*: ≥ 5 I: < 5				A: ≤ 1	R			*A: Chairman or Chairwoman for > 1 < 5.
External audit										
Appointment of auditors of MCH Group Ltd.	A	C	R				I			
Appointment of auditors of MCH Entities		A	C				R			
Mid-term plan		A*	R		C					*Special quorum applies of two-thirds majority of the votes cast (see section 4.9(c))

Decisions / Actions	AGM	BoD	AC	GNCC	GEB	Group CEO	Group CFO	GMT	CC	Remarks / References
Annual Budget		A*	R		C					*Special quorum applies of two-thirds majority of the votes cast (see section 4.9(c))
Financial reporting: annual financial statements of MCH Group Ltd., consolidated half-year and annual financial statements	A*	A	R				C			*Consolidated annual financial statements and financial report to be submitted to AGM for approval.
Capital expenditure and operating lease commitments with multi-year P&L impact		A: ≥ 5 and budgeted or ≥ 2 and not budgeted I: < 5 and budgeted or < 2 and not budgeted	C		R A: < 5 and budgeted or < 2 and not budgeted		C			Capital expenditure refers to the total investment capitalized on the balance sheet and amortized through the P&L; operating lease commitments refer to the cumulative P&L impact over the life of the commitment.
Not budgeted expenses with P&L impact		A: ≥ 5* I: < 5*	C		R A: < 5*		C			Budgeted expenses within the approval authority of the BoD (see sections 4.7(e) and 4.7(f)). *Cumulative and per year.
Changes from one-year operating plan to cost allocation for services provided by the CC functions to BDs					A		R			
Asset and liability management										
Asset and liability management frameworks		A			I		R			*Including framework for capital management, capital allocation and liquidity as well as funding plans.
Delisting of MCH Group Ltd. shares*	A	R	C	C	I					
Dividends on MCH Group Ltd. shares	A	R								
Increase and decrease of share capital, creation of conditional and authorized capital	A	R								
Use of authorized and/or conditional capital		A		C*	R					*For conditional capital used for long term incentive program.

Decisions / Actions	AGM	BoD	AC	GNCC	GEB	Group CEO	Group CFO	GMT	CC	Remarks / References
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**R** = Responsible (also recommender) and Execution | **A** = Accountable (also approver or final approving authority) | **C** = Consulted (sometimes consultant or counsel) | **I** = Informed (also informee)

Taxation										
Tax risk management and control framework, including concept and risk measurement methodology					A		R			
Corporate income tax audit settlements and establishment, increase or release of tax risk provisions (for any individual item or related collection of items or audit cycle, irrespective of whether there is an income statement effect)		C			A		R			

#### E Risk management and control

Risk management and control framework, e.g. annual enterprise risk management report		A	R		C*			I	C: Group CRO	*After consultation of Group CRO.
Group compliance framework, e.g. compliance reports		A	R		C*			I	C: Group CRO	*After consultation of Group CRO.

#### F Other matters

Sustainability reporting	A	A*	R		I			R: Head of Corporate Strategy and Sustainability		In accordance with article 964a et seq. of the CO.  *The Sustainability Report must be approved and signed by the BoD and approved by the AGM (article 964c para 1 of the CO).
Litigation/settlements/provisions involving litigation authorization to:										
Initiate litigation, including tax-related litigations		A: ≥ 1			A: < 1				R	
Conclude settlements, including tax-related settlements and settlements with insurance companies		A: ≥ 1			A: < 1	R			C	
Establishment of ad hoc Committees like a steering committee (including terms of reference)		A		C		R				See section 4.14(a).
Additional authorities with respect to Group IA										
Approval of the charter for Group IA		A	R				I		C: Head of Group IA	

Decisions / Actions	AGM	BoD	AC	GNCC	GEB	Group CEO	Group CFO	GMT	CC	Remarks / References
Approval of Group IA's annual audit plan and annual audit objectives		I	A				I		R: Head of Group IA C: Group CRO	
Share Register										See § 4 and 4a of the AoA.
Maintaining a share register and registering of Shareholders		A					R			Proposal to register a shareholder.
Registering of Nominees		A*					R			*Only if the Nominee has entered into an agreement with MCH Group Ltd. regarding its position and is subject to a recognized bank or financial market supervision (see § 4 para 3 of the AoA).
Cancellation of registration of Shareholders or Nominees		A*					R			*If, after hearing of the Shareholder or Nominee, such registration was made based on false or misleading information (see § 4 para 4 of the AoA).
Conflict of competence resolution according to section 4.7(d)		A*: Chairman or Chairwoman				A**				*For ambiguities between BoD and GEB and between Committees of the Board. **For ambiguities between management bodies (except those between BoD and GEB and between Committees of the Board).
Convocation of an EGM (EGM required by law excluded)		R / A							C	*Special quorum applies of two-thirds majority of the votes cast.
Any obligations (e.g. agreements etc.) with a minimum term of five years or a contractual value of ≥ 5		A			R				C	
Any obligations (e.g. agreements etc.) with a minimum term of three to five years or a contractual value of < 5					A		R*		C	*Or the relevant corporate function.
Joining or withdrawal from collective agreements and amendments to such agreements		A			R				C	

R = Responsible (also recommender) and Execution | A = Accountable (also approver or final approving authority) | C = Consulted (sometimes consultant or counsel) | I = Informed (also informee)

## Annex A | Detailed regulations

### 4. Board of Directors

#### 4.1 Election

The Shareholders at the AGM elects the Board members insofar as they are not designated by the Public Entity Shareholders.

#### 4.2 Term of office

The term of office for each Board member to be elected by the AGM is one year pursuant to § 22 of the AoA. It ends with the conclusion of the next AGM. Re-election is possible.

#### 4.3 Number of members; election

As per § 22 of the AoA, the Board shall consist of a maximum of 9 members. Subject to the following section 4.4, the members of the Board are elected individually by the Shareholders.

#### 4.4 Rights of appointment by the Public Entity Shareholders

The Public Entity Shareholders shall have the following rights of appointment to the BoD based on article 762 of the CO, whereas such rights are vested rights and may only be amended or revoked by the Shareholders with the express consent of the respective Public Entity Shareholders:

- (a) 2 Board members are appointed by the Government Council of the Canton of Basel-Stadt;

#### 4.5 Permitted activities

- (a) The number of permissible activities of Board members according to § 23 of the AoA in the top management positions and/or memberships in other boards of directors of legal entities which are obliged to be registered in the Swiss Commercial Register or in a corresponding foreign register and which are not controlled by MCH Group Ltd. or do not control MCH Group Ltd. shall be cumulative per Board member:

- (i) in the case of corporations pursuant to articles 620 et seq. of the CO or comparable foreign legal entities whose shares are listed on a stock exchange in Switzerland or abroad: 5;
  - (ii) in the case of other legal entities with an economic purpose: 15 minus the activities pursuant to paragraph (i); and
  - (iii) for non-profit legal entities which pursue public or charitable purposes: 10.
- (b) By resolution of the BoD, the number of permissible activities may be reduced in individual cases or in general.
- (c) Each Board member must notify the Chairman or Chairwoman and the GNCC immediately if her/his circumstances change in a manner that may affect the number of permissible activities of the Board members according to § 23 of the AoA.

#### 4.6 Constitution

The BoD shall constitute itself at its first meeting following the AGM insofar as the constitution is not part of the powers of the AGM in accordance with § 30 (and § 33 in case the GNCC is not fully staffed) of the AoA. In this meeting, the Vice Chairman or Chairwoman, the Committee chairpersons and the Committee members, with the exception of the Governance, Nomination and Compensation Committee members, are appointed by the Board. The Board may remove these Board members from their special functions at any time.

#### 4.7 Responsibilities and authorities

- (a) **In general.** The Board represents the Group externally and has the responsibilities and authorities set out in these ORs. Mandatory provisions of applicable laws, rules and regulations or rules contained in the AoA override these ORs.
- (b) **Supervision.** The Board is responsible for the ultimate direction, determination of the organization, supervision and control of the Group and its management as well as for supervising compliance with applicable laws, rules and regulations. The Board exercises oversight over MCH Group Ltd. and the MCH Entities and is responsible for ensuring the establishment of a Group governance framework to ensure effective steering and supervision of the Group and which takes into account the material risks to which the Group is exposed.

- (c) **Ultimate responsibility.** The Board has ultimate responsibility for the success of the Group and for delivering sustainable shareholder value within a framework of prudent and effective controls. It decides on the Group's strategic aims and the necessary financial and human resources upon recommendation of the Group CEO and sets the Group's values and standards to ensure that its obligations to its Shareholders and other Stakeholders are met.
- (d) **Conflict of competence resolution.** If it is unclear which body has competence in a matter and unless the applicable law, the AoA, these ORs or other regulations provide otherwise, the Chairman or Chairwoman shall decide on responsibility and authority. This applies on ambiguities between BoD and GEB and between the Committees of the BoD.
- (e) **Strategy and financial success.** The Board's ultimate responsibility for strategy and financial success includes in particular:
- (i) deciding on the business strategy of the Group upon recommendation of the Group CEO, taking into account the proposals and alternatives presented by the GEB;
  - (ii) approving the overall risk, compliance and governance framework of the Group and BDs;
  - (iii) approving the financial objectives and approving, via the financial planning process, the necessary means to achieve these objectives, including approving a capital allocation framework;
  - (iv) deciding on whether the Group should enter substantial new business areas or exit an existing business area, in cases where the entry or exit is not covered by the current approved strategic framework;
  - (v) approving major acquisitions, mergers, disposals or capital expenditure, including decisions on major changes to the company and Group structure and other projects of strategic importance for the Group; and
  - (vi) approving all matters and business decisions where such decisions exceed the authority delegated by the Board to the GEB or the Group CEO.
- (f) **Finance.** With respect to the ultimate responsibility for the financial situation, the Board has in particular the following duties:
- (i) approving the applicable accounting standards, financial control frameworks and approving significant changes to them;
  - (ii) preparation of the compensation report;
  - (iii) annually reviewing and approving the financial business plan;
  - (iv) approving the capital and liquidity plans;
  - (v) reviewing and approving the annual financial statements of MCH Group Ltd. prior to its submission to the AGM;

- (vi) reviewing and approving the consolidated annual and half-yearly financial statements as well as the financial report prior to its submission to the AGM; and
  - (vii) the notification of the court if liabilities exceed assets.
- (g) **Organization.** The Board is responsible for establishing an appropriate business organization, including in particular:
- (i) approving and regularly reviewing the governance principles and regulations as well as the management structures as set out herein;
  - (ii) overseeing the effectiveness of the business organization and management information system implemented by the GEB;
  - (iii) issuing of these ORs;
  - (iv) regulating and supervising the internal control; and
  - (v) approving the compensation and benefits principles of the Group.
- (h) **Meetings of Shareholders.** The Board has a duty to convene AGMs and EGMs and to decide on proposals to be made to the Shareholders as well as a duty to implement resolutions adopted by the Shareholders.
- (i) **Loss of equity.** In case of financial difficulties or insufficient equity, the Board must undertake all steps required by the applicable law.
- (j) **Share capital.** The Board makes the legally required decisions and proposals to the Shareholders in connection with increasing or reducing the share capital.
- (k) **Delegation.** The Board delegates within the limits of mandatory law and the AoA (in particular § 26 - 29) certain parts of its responsibilities and authorities to the Committees and to the GEB.
- (l) **Advice from third parties.** The Board and the Committees may, in performing their duties, take advice from third parties.
- (m) **Signatory rights.** Unless otherwise resolved by the Board, the Board members shall sign jointly by two, whereas the joint signatory right of the Chairman or Chairwoman and the Vice Chairman or Chairwoman shall be registered in the competent commercial register.

## 4.8 Meetings

- (a) **Number of meetings.** The Board meets as often as business requires and at least four times a year.

- (b) **Convening meetings.** Board meetings are convened by the Chairman or Chairwoman or, if he/she is absent, the Vice Chairman or Vice Chairwomen. Upon written request of any Board member or the Group CEO addressed to the Chairman or Chairwoman, he/she can convene an extraordinary Board meeting in accordance with the following sections 4.8(c) and 4.8(d).
- (c) **Invitation.** The Chairman or Chairwoman or, if he/she is absent, the Vice Chairman or Vice Chairwoman invites the Board members to the Board meetings.
- (d) **Agenda and notice period.** The invitation contains the agenda and must be sent to Board members and other attendees as a rule at least five business days prior to the date of the Board meeting together with all necessary supporting material. In exceptional cases, updated supporting material may be sent later to allow the Board to receive the latest available information. This applies in particular to updates on financial data. In time-critical cases (as determined by the Chairman or Chairwoman at his discretion), a Board meeting may be held and the supporting material may be sent at shorter notice.
- (e) **Chair.** Board meetings are chaired by the Chairman or Chairwoman or, in his absence, by the Vice Chairman or Chairwoman.
- (f) **Attendees.** The Board may hold Board meetings as determined by the Chairman or Chairwoman:
  - (i) with or without the participation of the Group CEO and all or some of the other GEB members; and
  - (ii) with the participation of other persons, who are invited to attend.
- (g) **Meeting format.** Board meetings may be held in person at a meeting with a meeting place and/or by using electronic means such as telephone or video conferencing tools.
- (h) **Minutes of Board meetings.** The minutes (including the annexes as presented to the Board) contain all Board resolutions made and reflect in a general manner the considerations which led to the decisions made. Dissenting opinions of and votes cast by Board members must also be reflected in the minutes.
- (i) **Form of minutes and inspection rights.** The minutes may be written in English and/or German and must be signed by the Chairman or Chairwoman and the Board Secretary. The minutes shall be made available for review and approval prior to the next Board meeting. Board members are entitled to examine the minutes of any Board meeting at any time.

## 4.9 Resolutions

- (a) **Quorum of attendance.** Subject to the following sections 4.9(b) and 4.9(c), the presence in person or by telephone or video conference of the majority of the Board members is required to pass valid Board resolutions. If this quorum is not present, the Chairman or Chairwoman or the Chairperson can seek a circular resolution of the Board (see section 4.9(f)). No such quorum is required for decisions confirming, implementing and amending resolutions relating to capital increases and for all resolutions requiring public certification (§ 31 para 3 of the AoA).
- (b) **Quorum of resolutions.** Subject to the following section 4.9(c), resolutions of the Board are passed by a majority of the votes cast.
- (c) **Special quorum.** The following resolutions require a two-thirds majority of the votes cast:
- (i) Proposal for the election of the Chairman or Chairwoman to the Annual General Meeting;
  - (ii) Appointment and dismissal of the Vice Chairman or Vice Chairwoman;
  - (iii) Appointment, but not for dismissal, of the Group CEO and the members of the GEB, whereby the Board undertakes to consult the Public Entity Shareholders prior to the appointment of the Group CEO;
  - (iv) Approval of the compensation model of the Board of Directors;
  - (v) Approval of the design, plan regulations and targets of Short-term Incentive (STI) and Long-term Incentive (LTI) programs;
  - (vi) Approval of the Mid-term Plans (MTP);
  - (vii) Approval of the annual Budgets;
  - (viii) Approval of all expenditure and investments or divestitures of MCH exceeding CHF 20 million in the individual case;
  - (ix) Approval of the establishment, acquisition, sale or increase of direct or indirect holdings of MCH in companies;
  - (x) Acquisition or sale of properties worth CHF 20 million or more by MCH;
  - (xi) Approval of the creation of new and discontinuation of existing Business Divisions;
  - (xii) Determination of the Group's organization;
  - (xiii) Convocation of an extraordinary General Meeting, except in cases where convocation is required by law; and
  - (xiv) Implementation of these ORs and subsequent amendments.
- (d) **The Chairman or Chairwoman's decisive vote.** In case of a tie in a resolution, the Chairman or Chairwoman shall have the decisive vote (§ 31 para 5 of the AoA).

- (e) **Resolutions on items not on agenda.** If time-critical matters arise after a Board meeting has already been convened, such matters may be discussed at the Board meeting and Board resolutions made if a majority of all Board members present agree.
- (f) **Circular resolutions.** Board resolutions may be passed in writing (including by telefax, e-mail or by any other form of transmission enabling the resolution to be evidenced by text and in a secured manner), unless otherwise stipulated by mandatory law, unless a Board member requests oral deliberation (§ 32 para 1 of the AoA). A proposal for a circular resolution must be communicated to all Board members.
- (g) **Effect of circular resolutions.** A circular resolution is as binding as a Board resolution adopted at a Board meeting and must be recorded under a separate heading in the Board minutes prepared pursuant to sections 4.8(h) and 4.8(i) for the next Board meeting.

#### 4.10 Information rights

- (a) **Right of information.** 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 fulfill their duties as Board members.
- (b) **Request for information during Board meetings.** 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 GEB members present must provide such information to the best of their knowledge.
- (c) **Request for information outside of Board meetings.** Should a Board member require information or wish to review documents outside a Board meeting, he/she must address his request - routed through the Board Secretary - to the Chairman or Chairwoman. Should a Committee chairperson require information or wish to review documents outside a Committee meeting, he/she must, within the range of responsibilities of his/her Committee, address his/her request to a member of the GEB directly, to Group IA or external auditors. The Chairman or Chairwoman and the Group CEO must be informed accordingly.

#### 4.11 Chairman or Chairwoman

- (a) **Nomination.** The Board proposes the Chairman or Chairwoman who will be nominated among the Independent Board Members or the Lupa Nominated Board Members, but in no event among the Board members appointed by the Public Entity Shareholders.

- (b) **Election.** The Chairman or Chairwoman nominated by the Board is elected by Shareholders at the AGM.
- (c) **In general.** The Chairman or Chairwoman leads the Board. He/she further coordinates the tasks within the Board and, in particular, calls Board meetings and sets their agenda.
- (d) **Shareholders' meetings.** The Chairman or Chairwoman presides over the AGMs and EGMs.
- (e) **Coordination of Committee work and Chairman or Chairwoman's attendance.** The Chairman or Chairwoman coordinates, together with the Committees' Chairpersons, the work of all Committees. Generally, the Chairman or Chairwoman or, in his/her absence, the Vice Chairman or Vice Chairwoman or, in his/her absence another Board member, chairs the GNCC and may attend the meetings of other Committees in consultation with the relevant Committee chairperson.
- (f) **Manager of the Group CEO.** The Chairman or Chairwoman is the direct manager of the Group CEO.
- (g) **External communication.** The Chairman or Chairwoman, together with the Group CEO, is responsible for ensuring effective communication with Shareholders and other Stakeholders, including government officials, regulators and public organizations. He/she is the primary representative of the Board and, together with the Group CEO, of the Group with the media. Other Board members may only discuss Group matters with the media with the prior written approval of the Chairman or Chairwoman.
- (h) **Relationship with Board and GEB.** The Chairman or Chairwoman establishes and keeps close working relationships with the Group CEO and the other GEB members, providing advice and support to them while respecting the fact that day-to-day management responsibility is delegated to the GEB under these ORs. He/she also facilitates a constructive relationship between the Board and the Group CEO and other GEB members.
- (i) **Further responsibilities and authorities.** Further details of the responsibilities and authorities delegated to the Chairman or Chairwoman are set out in Annex C.

#### 4.12 Vice Chairman or Chairwoman

- (a) **Appointment.** The Board appoints the Vice Chairman or Chairwoman as per sections 4.6 and 4.9(c)(i).
- (b) **Responsibilities and authorities.** Full details of the responsibilities and authorities delegated to the Vice Chairman or Chairwoman are set out in Annex C.

#### 4.13 Board Secretary

- (a) **Appointment and function.** In the constitutional meeting of the Board, the Board appoints a Board Secretary who acts as secretary to the Board and its Committees.
- (b) **Responsibilities and authorities.** The Board Secretary prepares the agenda for each Board meeting, keeps the Board minutes and the Committees' minutes and assists the Board, the Chairman or Chairwoman, the Vice Chairman or Chairwoman and the Committees in coordinating and fulfilling their duties and assignments.
- (c) **Staff and reporting.** The Board Secretary manages the staff supporting the Board and reports to the Chairman or Chairwoman.
- (d) **Official documents.** The Board Secretary is responsible for keeping MCH Group Ltd.'s official company documents and records including their certification.

#### 4.14 Board Committees

- (a) **Permanent and other Committees.** The Board establishes the AC and the GNCC as permanent Committees. The Board may set up other Committees, including so-called ad hoc Committees like the steering committee for important projects, if the Board deems such other Committees appropriate or necessary.
- (b) **Appointment and election.** The Board appoints the Committee members and the respective Committee chairpersons. The GNCC members are proposed by the Board and in turn elected by the Shareholders at the AGM.
- (c) **Responsibilities and authorities.** Based on § 27 para 2 and § 28 of the AoA, the Board delegates certain responsibilities and authorities to the Committees pursuant to Annex A and Annex C. The overall accountability for such delegated competences remains with the Board.
- (d) **Reporting.** The Board must ensure appropriate reporting to its members about the Committees' activities.

## 5. Group Executive Board

### 5.1 Delegation

- (a) **Delegation of management.** The Board delegates the management of MCH Group Ltd.'s business to the GEB as set forth in section 2.1(b). Details of the key authorities delegated to the GEB are set out in the Key approval authorities and are based on § 36 of the AoA.
- (b) **Further delegation by the GEB.** Pursuant to section 2.1(b), the GEB may in turn further delegate certain responsibilities and authorities to the GMT, other Executives or management committees and may empower them to further delegate their responsibilities and authorities. Each such delegation must be in writing, and clear rules on responsibilities and authorities must be established and communicated. The specific responsibilities and authorities delegated by the GEB to a committee of the GEB will be set forth in a resolution adopted or a charter approved by the GEB.

### 5.2 Permitted activities

- (a) **Permitted activities.** The number of permissible activities of GEB members according to § 37 of the AoA in the supreme management or administrative bodies of legal entities which are obliged to be registered in the Swiss Commercial Register or in a corresponding foreign register and which are not controlled by MCH Group Ltd. or do not control MCH Group Ltd. shall be cumulative per GEB member:
- (i) in the case of corporations pursuant to articles 620 et seq. of the CO or comparable foreign legal entities whose shares are listed on a stock exchange in Switzerland or abroad: 1;
  - (ii) in the case of other legal entities with an economic purpose: 5; and
  - (iii) for non-profit legal entities which pursue public or charitable purposes: 10.

The acceptance or exercise of activities pursuant to § 37 of the AoA must be approved by the Chairman or Chairwoman of the GNCC in writing and beforehand.

- (b) **Notification duty.** Each GEB member must notify the Chairman or Chairwoman and the Chairman or Chairwoman of the GNCC immediately if his circumstances change in a manner that may affect the number of permissible activities of the GEB members according to § 37 of the AoA.

### 5.3 Group Executive management

- (a) **Appointment and membership.** All GEB members are appointed by the Board. The GEB consists of the Group CEO and the Group CFO.

- (b) **Responsibilities and authorities.** In General, the GEB is responsible for all management matters unless reserved under the AoA or these ORs to any other body. Under the leadership of the Group CEO, the GEB (except for management responsibility delegated herein or in the Key approval authorities) has executive management responsibility for the steering of the Group and its business. It assumes overall responsibility for the development of the Group and BD strategies and the implementation of approved strategies. The GEB is responsible for developing, implementing and maintaining an appropriate and adequate business organization designed to ensure compliance with applicable laws and regulations and an appropriate management information system, to be done in writing and communicated within MCH.
- (c) **GEB as risk council.** The GEB, in performance of its duties, defines a governance council (risk, compliance and legal). In this function, the GEB has overall responsibility for establishing and supervising the implementation of risk management and control in the Group, including the risk, compliance and governance framework and the risk management and control principles, as well as for managing the risk profile of the Group as a whole as determined by the Board. The GEB determines its own risk reporting requirements that allow for effective risk management and communicates changes to report owners if reporting requirements are not met or changed. Risk reports contain agreed risk measures defined by the GEB that allow it to reduce or deal with specific risk situations. Agreed risk measures monitor emerging trends which include forecasts and stress tests. The GEB receives periodic updates on limitations that prevent full risk data aggregation in the risk reports.
- (d) **Preparation of Board decisions.** Within its area of responsibility (see section 5.3(b)), the GEB prepares proposals for approval by the Board and supports the Board in its decision-making process.
- (e) **Meetings.** Generally, the GEB meets at least twelve times a year. GEB meetings are chaired by the Group CEO and may be held in person, by telephone or video conference.
- (f) **Resolutions and casting vote.** The GEB shall in principle decide jointly. If this is not possible, the CEO has the casting vote.
- (g) **Minutes.** Minutes are taken of all GEB meetings. They contain all resolutions made by the GEB. The minutes are sent to all GEB members and to the Chairman or Chairwoman and Vice Chairman or Chairwoman.
- (h) **Circular resolutions.** With respect to circular resolutions of the GEB, sections 4.9(f) and 4.9(g) apply mutatis mutandis.

#### 5.4 Group Chief Executive Officer

- (a) **Appointment.** The Group CEO is appointed by the Board upon proposal of the Chairman or Chairwoman and the GNCC, in accordance with section 4.9(c)(iii).

- (b) **Function, deputy.** The Group CEO is the highest executive officer of the Group and has responsibility and accountability for the management and performance of the Group. The Group CFO shall act as the deputy during the absence of the Group CEO.
- (c) **Main responsibilities and authorities.** The Group CEO sets the business and corporate agenda, ensures high-quality and timely decision-making and controls the implementation of decisions made. He is responsible for the GEB and GMT fulfilling its tasks and assuming its responsibilities. The Group CEO ensures alignment of the GEB and GMT to the business and corporate agenda. He supports and advises leaders of all organizational units as established in the Policies and fosters an integrated entrepreneurial leadership spirit across the Group. The Group CEO assumes a leading role in preparing the Board's consideration of MCH's strategy, risk and compensation principles. He is responsible for planning succession at GEB level. Together with the Chairman or Chairwoman, he/she represents MCH in contacts with important investors, clients and other Stakeholders, as well as to the general public (see also section 4.11(g)).
- (d) **Further responsibilities and duties.** In addition to the responsibilities outlined in section 5.4(c), the Group CEO has responsibility for the management and control of Group communications. Further details of the responsibilities and key authorities delegated to the Group CEO are set out in the Key approval authorities.
- (e) **Reporting to the Board.** The Group CEO ensures that the Chairman or Chairwoman and the Board are kept informed in a timely and appropriate manner. The Group CEO regularly informs the Board on the current business development and on important business issues, including all matters falling within the duties and responsibilities of the Board. Such reports must cover:
  - (i) key performance indicators and other relevant financial data of the Group;
  - (ii) existing and emerging risks;
  - (iii) updates on developments in important business matters; and
  - (iv) information on all issues which may affect the supervisory or control function of the Board.

## 5.5 Group Chief Financial Officer

- (a) **Responsibilities and authorities.** The Group CFO is responsible for ensuring transparency in, and the assessment of, the financial performance of the Group and the BDs, and for the Group's financial accounting, controlling, forecasting, planning and reporting processes. He also provides advice on financial aspects of strategic projects and transactions. The Group CFO has management responsibility over divisional and Group financial control functions. The Group CFO is responsible for the management and control of the Group's tax affairs and for treasury and capital management. He ensures the standards for financial reporting and disclosure. In coordination with the Group CEO, the Group CFO manages relations with analysts and investors, subject to the provisions in section 4.11(g). The Group CFO supports the Group CEO in strategy development and key strategic topics.

- (b) **External auditors.** The Group CFO coordinates, under the supervision of the AC, the working relationships with the external auditors.
- (c) **Further duties.** Further details of the responsibilities and key authorities delegated to the Group CFO are set out in the Key approval authorities.
- (d) **Reporting.** The Group CFO reports to the Group CEO and has an obligation to advise the Chairman or Chairwoman as well as the AC on significant issues arising in the field of his responsibilities.

## 5.6 Group Management Team

- (a) **Appointment and membership.** The GMT members are appointed by the GEB. The GMT consists of the following Executives:
  - (i) Group CEO
  - (ii) Group CFO
  - (iii) Group CPO
  - (iv) CEO Art Basel
  - (v) CEO Expomobilia
  - (vi) CEO MCH Global
  - (vii) CEO MC2
  - (viii) CEO Exhibitions and Events
  - (ix) Managing Director Guest Events
  - (x) Head of Group Strategy and Sustainability
  - (xi) Chief Corporate Communication & External Affairs Officer
- (b) **Responsibilities and authorities.** In General, the GMT is the senior operational management body of the Group that represents all BD and the CC. The GMT is responsible for all management matters delegated by the GEB. Under the leadership of the GEB, the GMT assumes responsibility for the development of the respective BD strategies and the implementation of approved strategies.
- (c) **Further duties.** Further details of the responsibilities and key authorities delegated to the GMT are set out in the Key approval authorities.
- (d) **Reporting.** The GMT reports to the GEB and has an obligation to advise the GEB on significant issues arising in the field of its responsibilities.

## 6. Group Internal Audit

### 6.1 Scope, responsibilities, authorities and reporting

- (a) **Scope.** Group IA is the internal audit function for the entire Group.
- (b) **Responsibilities and authorities.** Group IA is an independent, objective assurance and consulting function designed to add value and improve MCH's operations. It helps MCH to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. In particular, it assesses the effectiveness and efficiency of:
- (i) processes to define strategy and the overall adherence to the approved strategy;
  - (ii) governance processes;
  - (iii) risk management, including whether risks are appropriately identified and managed;
  - (iv) internal controls, specifically whether they are commensurate with the risks taken;
  - (v) soundness of the risk and control culture;
  - (vi) and sustainability of remediation activities, originating from any source;
  - (vii) reliability and integrity of financial and operational information, i.e. whether activities are properly, accurately and completely recorded, and the quality of underlying data and models;
  - (viii) processes to comply with legal, regulatory and statutory requirements (such as the provisions of the AoA), as well as with internal policies (including these ORs) and contracts, i.e. assessing whether such requirements are met, and the adequacy of processes to sustainably meet them; and
  - (ix) compliance management framework.
- (c) **Charter.** Details of the role, responsibilities and authorities of Group IA are set out in the charter for Group IA, which is approved by the Board on the recommendation of the Chairman or Chairwoman, whose recommendation is based on advice from the AC.
- (d) **Access rights.** Group IA possesses unrestricted auditing rights within the Group; it has access at all times to all accounts, books, records, systems, property and personnel in order to fulfill its auditing responsibilities. The head of Group IA has open, direct and unrestricted access to the Chairman or Chairwoman, the Committees as well as to the Group CEO.
- (e) **Independence.** Group IA is independent in determining its activities (e.g. when defining audit scope and executing audit engagements). Group IA reports are not subject to any instructions or restrictions, and its authority to audit is unrestricted.

- (f) **Reporting, appointment and/or dismissal.** The head of Group IA reports functionally to the Chairman or Chairwoman of the AC and administratively (i.e. day to day operations) to the Group CFO. The AC must be informed of the results of the annual internal audit plan and activities and must be in regular contact with the head of Group IA. Appointment and/or dismissal of the head of Group IA must be confirmed by the AC.

## 6.2 Organization

- (a) **Appointment.** The Group IA and the head of Group IA are appointed by the Board upon the proposal of the Chairman or Chairwoman and the AC.
- (b) **Discretionary audits.** The AC may order discretionary audits to be conducted. Separately, other Board members, Committees or the Group CEO may request such audits in consultation with the AC.
- (c) **Third party as Head of Group IA.** The Board, upon proposal of the AC, may appoint a third party as the Group IA and the Head of Group IA. The responsibilities and authorities as well as reporting lines are the same as set forth herein, except that the third party appointed as the Head of Group IA has no signatory rights on behalf of the Group and no other rights that are typically reserved only for employees of the Group.

## 7. Special provisions

### 7.1 Authority to sign

- (a) **Joint signature authority principle within the Group.** Signing in the name of the Group requires two authorized signatures to be binding.
- (b) **Signing on behalf of MCH Group Ltd..** The Board shall designate those persons authorized to sign on behalf of MCH Group Ltd.
- (c) **Signing authority rules.** The Board issues signing authority rules, specifying details and principles, including but not limited to the scope of signature authorities and possible extensions as well as the possibility for signatories of MCH Entities to sign on behalf of MCH Group Ltd. and vice versa. In addition, MCH Entities establish their respective rules, according to mandatory provisions of local law, rules and regulations.

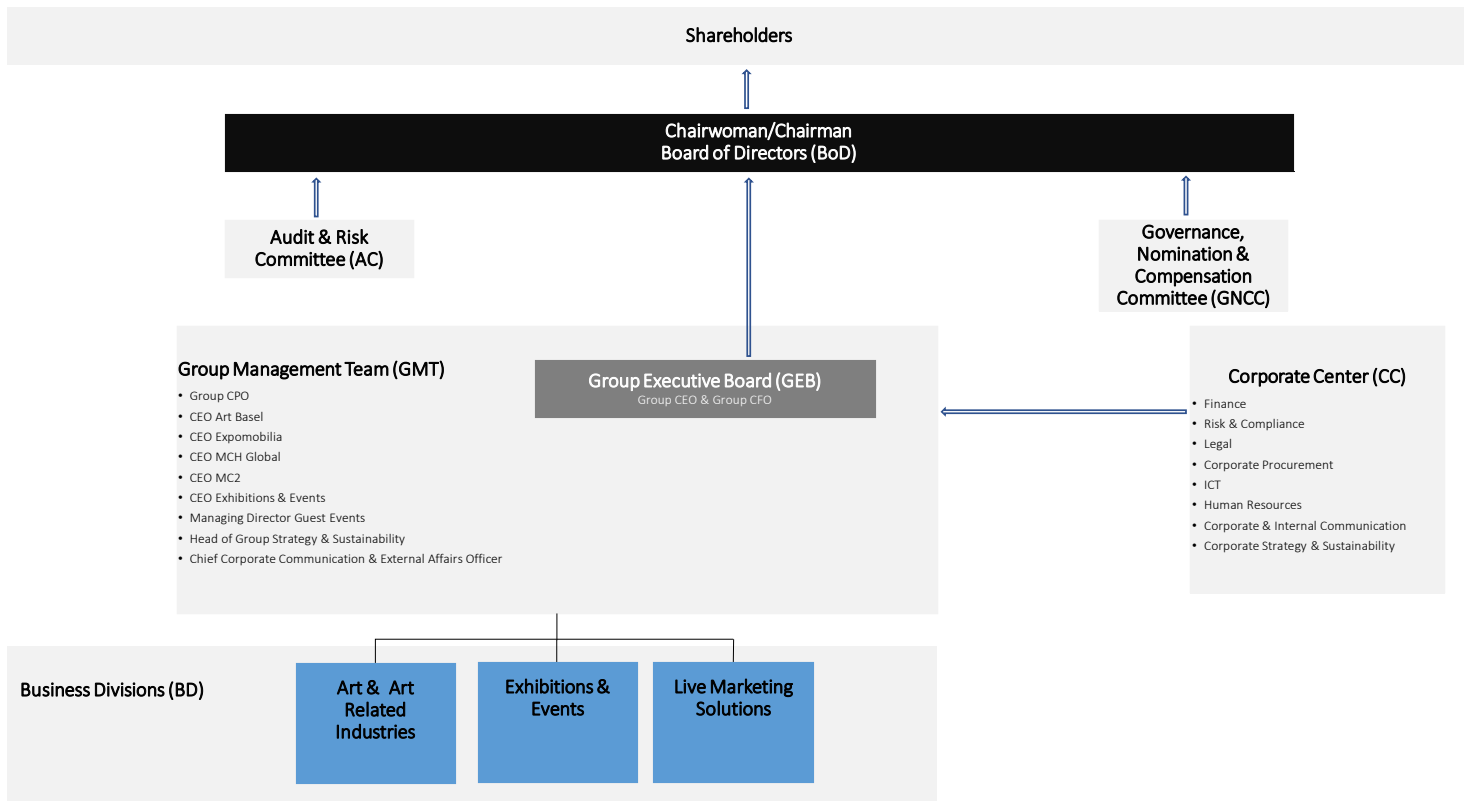
## 7.2 Form of signature

All authorized signatories sign by adding their signature to the name of the legal entity on whose behalf they act.

## 7.3 Conduct of Board members and Executives

- (a) **Duty of care and loyalty.** Each Board member and all Executives are under a duty to carry out their responsibilities with due care and to safeguard and further the interests of the Group and the Shareholders.
- (b) **Conflicts of interest.** The Board members and Executives arrange their personal and business affairs as to manage any possible conflict of interest in line with the Code of Conduct.
- (c) **Disclosure of conflict of interest.** Each Board member and Executive must disclose to the Chairman or Chairwoman or, respectively, the Group CEO any conflict of interest, as soon as the Board member or Executive becomes aware of its existence.
- (d) **Procedural measures.** The Board member or Executive with a conflict of interest shall not participate in the discussions and decision-making involving the interest at stake. The Chairman or Chairwoman or, respectively, the Group CEO must advise the respective corporate body of the conflict of interest and record the existence of the conflict in the meeting minutes. In the event of doubt, the Chairman or Chairwoman or, respectively, the Group CEO shall request the respective corporate body to determine whether a conflict of interest or exceptional circumstances exist.
- (e) **Duty of confidentiality.** Each Board member and Executive keeps all information – except information already in the public domain – relating to the Group, which he/she has learned during the performance of his duties, strictly confidential at all times. Such information may only be disclosed to third parties with prior written clearance from the Chairman or Chairwoman or the Group CEO. This obligation and duty continue even after the term of office of the Board member or Executive has expired for as long as the relevant information remains confidential.
- (f) **Benefits to Board members and Executives not originating from MCH.** If a Board member or an Executive becomes aware of the fact that he/she may receive a financial or non-financial benefit other than any salary, remuneration or other benefit from MCH, as a result of his engagement within the Group, that person must:
  - (i) promptly inform the Chairman or Chairwoman, in the case of a Board member or the Group CEO; and
  - (ii) promptly inform the Group CEO, in the case of an Executive other than the Group CEO.

## Annex B | Organizational chart



## Annex C | Charter for the Committees of the BoD

### 8. Basis and purpose

- (a) This Committees charter is enacted by the Board pursuant to article 716b of the CO, § 27 para 2 of the AoA and sections 4.7(k) and 4.14(c).
- (b) The purpose of this Committees charter is to set out the objectives, composition and responsibilities of the Board Committees, being:
  - (i) the Audit and Risk Committee; and
  - (ii) the Governance, Nomination and Compensation Committee.

### 9. Membership and constitution

#### 9.1 Number of Committee members and their knowledge

- (a) Each Committee must have at least three Committee members.
- (b) Committee members must have the necessary knowledge and experience to fulfill their functions.

#### 9.2 Membership and presence of the Chairman or Chairwoman

The Chairman or Chairwoman may attend the meetings of other Committees in consultation with the relevant Committee chairperson.

#### 9.3 Appointment and removal by the Board

The Committee chairperson and the Committee members, with the exception of the GNCC members, are appointed pursuant to section 4.6 and the Board may remove any Committee member or any Committee chairperson at any time.

#### 9.4 Secretary of the Committees

The Board Secretary acts as a secretary to the Committees pursuant to section 4.13(a).

## 10. Responsibilities and authorities

### 10.1 Delegation of responsibilities and authorities

- (a) **In general.** Pursuant to section 4.14(c), the Committees have the responsibilities and authorities set out in this Committees charter and in the Key approval authorities. Provisions of applicable laws, rules and regulations or rules contained in the AoA and in the ORs will take precedence over this Committees charter.
- (b) **Supporting the BoD.** The Committees support the BoD in the performance of the Board's duties, in particular by preparing decisions to be taken by the Board.
- (c) **Decision-making authority.** The Committees have no decision-making authority of their own unless expressly provided otherwise in the ORs.

### 10.2 Audit and Risk Committee

- (a) **Function.** The function of the AC is to serve as an independent and objective body with oversight of:
  - (i) MCH Group Ltd.'s and the Group's accounting policies, financial reporting and disclosure controls and procedures;
  - (ii) MCH Group Ltd.'s and the Group's risk management and compliance regulations;
  - (iii) the quality, adequacy and scope of external audit;
  - (iv) MCH Group Ltd.'s and the Group's compliance with financial and, for the Sustainability Report, non-financial reporting requirements;
  - (v) the Executives' approach to internal controls with respect to the production and integrity of the financial statements and disclosure of the financial performance; and
  - (vi) the performance of Group IA in conjunction with the Chairman or Chairwoman.

The Executives are responsible for the preparation, presentation and integrity of the financial statements. External auditors are responsible for auditing MCH Group Ltd.'s and the Group's annual financial statements and reviewing the half-year financial statements.

- (b) **Responsibilities and authorities.** The AC's responsibilities and authorities are to:
- (i) Financial statements:
    - (1) review the annual financial statements of MCH Group Ltd. as well as the consolidated annual and the half-yearly financial statements and the financial report, as proposed by Executives with the external auditors and Group IA, in order to recommend their approval (including any adjustments the Committee considers appropriate) to the Board;
    - (2) discuss with Executives the types of information to be disclosed with the financial statements and the associated investor communication;
    - (3) periodically assess the organization, efficiency and completeness of the financial reporting process, including any critical remedial actions or changes being made by the management in relation to such processes;
    - (4) review the implementation of MCH Group Ltd.'s and the Group's accounting principles and policies;
    - (5) request such information as the AC deems necessary from Executives or the external auditors in order to evaluate the accuracy of the financial statements, including the appropriateness of the application of accounting policies to the financial statements;
    - (6) review and discuss with Executives any significant issues relating to the integrity of the financial statements or external disclosures raised by the external auditors, Group IA, regulators or any other parties;
    - (7) form an opinion of the adequacy, organization, efficiency and completeness of the Group's internal control system and procedures as they relate to the integrity of the financial statements by taking notice of the reports provided by the GEB, the external auditors, Group IA or other information as determined by the Committee to be appropriate; and
    - (8) review arrangements for compliance with the Group's legal and regulatory requirements, responsibilities and obligations and associated practices and procedures as they relate to the integrity of the financial statements or financial report;
  - (ii) Enterprise risk management report:

review for approval by the BoD for the annual enterprise risk management report;
  - (iii) External audit:
    - (1) periodically and at least annually assess the qualifications, expertise, effectiveness, independence and performance of the external auditors and their lead audit partner in order to support the Board in reaching a decision in relation to the appointment or dismissal of the external auditors and the rotation of the lead audit partner;
    - (2) review the engagement letter of the external auditors, including the scope of the audit and the fees and terms for the planned audit work;

- (3) monitor and discuss with the external auditors the relationship between the external auditors and the Group in order to assess the overall effectiveness of the relationship and independence of the external auditors;
  - (4) oversee all audit and permitted non-audit services provided by the external auditors and establish such policies as the Committee deems appropriate; and
  - (5) annually review the external auditors' summary of adjusted and unadjusted differences;
- (iv) Group IA:
- (1) annually assess the independence and performance of the head of Group IA and Group IA in order to provide recommendations to the Chairman or Chairwoman in relation to the effectiveness of both the head of Group IA and Group IA as an organization;
  - (2) annually assess the appropriateness of Group IA's annual audit plan and annual audit objectives including subsequent important amendments; and
  - (3) monitor Group IA's discharge of its annual audit objectives;
- (v) Sustainability reporting:
- (1) review the annual Sustainability Report, as proposed by the Head of Corporate Strategy and Sustainability, in order to recommend its approval (including any adjustments the Committee considers appropriate) to the Board and the AGM;
- (vi) General:
- (1) conduct or direct any investigation, including the retention of external advisors and consultants (at MCH's expense), as it considers necessary in order to discharge its responsibilities;
  - (2) ensure that appropriate whistleblowing mechanisms are in place and review on a quarterly basis levels of new and pending cases and examples of confidential, anonymous employee submissions of concerns regarding questionable accounting, auditing or other matters;
  - (3) meet in private sessions as the AC determines appropriate with members of management, the external auditors and Group IA; and
  - (4) meet with third parties in consultation with the Group CEO.

### 10.3 Governance, Nomination and Compensation Committee

- (a) **Function.** The function of the GNCC is to support the Board in its duties to set guidelines on compensation and benefits, to approve certain compensation, to scrutinize executive performance and to propose to the Board the compensation of the Board and of the GEB. Furthermore, the function of the GNCC is to support the Board in fulfilling its duty to establish best practices in corporate governance across the Group, to conduct a Board assessment (self- or external assessment), to establish

and maintain a process for appointing new Board members and GEB members (in the latter case, upon proposal of the Group CEO) and to manage the succession planning of all GEB members.

(b) **Responsibilities and authorities in regard to Governance and Nomination.** The GNCC responsibilities and authorities in regard to Governance and Nomination are to:

- (i) Corporate governance:
  - (1) address all relevant corporate governance issues affecting the Group;
  - (2) develop, maintain and review the ORs, the internal regulations regarding corporate governance and make proposals to the Board for approval;
  - (3) make recommendations to the Board concerning further corporate governance matters and practices;
  - (4) review the corporate governance section of the Group's annual report;
  - (5) coordinate the work of the other Committees regarding corporate governance in their specific areas of expertise;
  - (6) assess the size and composition of the Board from time to time to determine whether it continues to be appropriate;
  - (7) plan and manage proposals for changes in Board membership, taking into account factors including:
    - (aa) the number of Board members; and
    - (bb) the skill mix, industry experience and responsibilities of Board members, including the need for membership of Committees;
  - (8) review for approval by the Board any mandates of Board and GEB members pursuant to § 23 and § 37 of the AoA and applicable internal policies;
- (ii) annually review the Committees charter, taking into account best practice rules;
- (iii) Identification and nomination of new Board members:
  - (1) develop, maintain and review principles and criteria regarding the recruitment and nomination of new Board members and Committee members, approve their existing mandates and provide specific proposals to the Board for approval;
  - (2) review and propose new candidates for membership of the Board to be recommended for election by the Shareholders at an AGM or EGM in accordance with such selection criteria as may be approved by the Board from time to time; and
  - (3) plan and manage a Board membership and a Board Committee succession plan;
- (iv) ensure the establishment of a satisfactory introduction program for new Board members and a satisfactory ongoing training and education program for existing Board members and Committee members;
- (v) Performance evaluation:

- (1) set the criteria for and oversee the annual assessment of the performance and effectiveness of the Chairman or Chairwoman, the Board as a whole and each Committee;
  - (2) conduct an annual assessment of the performance and effectiveness of the Chairman or Chairwoman and of the Board as a whole (which includes an appraisal by an external expert at least every three years), report to the Board the conclusions and recommendations and assess on a timely basis whether or not Board members are to be proposed for re-election by the AGM;
  - (3) ensure that each Committee carries out and oversees a self-assessment of the performance of the Committee and reports its conclusions and recommendations for change to the Board; and
  - (4) ensure that each Committee is subject to an external assessment every three years; and
- (vi) Human resources:
- supervise and review for approval by the Board, together with the Chairman or Chairwoman, the succession planning for all GEB members (upon proposal of the Group CEO) and the Group CEO and propose their appointment for approval by the Board.
- (c) **Responsibilities and authorities in regard to Compensation.** The GNCC's responsibilities and authorities in regard to Compensation are to:
- (i) Compensation strategy and guidelines:
    - (1) periodically review the Group compensation strategy and guidelines and propose any material amendments to the Board for approval; and
    - (2) evaluate the effectiveness of pay for performance across the Group;
  - (ii) Performance targets:
    - (1) establish, together with the Chairman or Chairwoman, financial and non-financial performance targets for the Group CEO;
    - (2) review, upon the recommendation from the Group CEO, financial and non-financial performance targets for the GEB members other than the Group CEO; and
    - (3) inform the Board of the outcome of the review of such performance targets;
  - (iii) Performance evaluation:
    - (1) evaluate, in consultation with the Chairman or Chairwoman, the performance of the Group CEO in meeting agreed targets;
    - (2) review the Group CEO's performance assessment of the GEB members other than the Group CEO in meeting agreed targets; and
    - (3) inform the Board of the individual performance assessments of the GEB members;
  - (iv) Compensation plans and governance:

- (1) review for approval by the Board any key terms of the compensation programs and plans for the Group CEO and Executives;
  - (2) propose the key terms of new or amended equity plans with significant use of MCH Group Ltd. shares to the Board for approval;
  - (3) review for approval by the Board key terms of new or amended compensation plans and other compensation arrangements with a material financial, reputational or strategic impact;
  - (4) be informed on new or materially amended pension and benefits plans that have a material financial, reputational or strategic impact;
  - (5) review for approval by the Board standard contracts/employment agreements and standard termination agreements, together with the Chairman or Chairwoman, for GEB members and any variations of such contracts and agreements;
  - (6) review for approval by the Board the engagement of any external advisors/consultants retained by the Committee and the funding for those services; consider certain factors relevant to the advisors' independence from management;
  - (7) propose to the Board for approval the annual compensation report and approve other material public disclosures on MCH compensation matters;
  - (8) annually review compensation structures with Group CPO and the risk management function to ensure they do not encourage excessive or unnecessary risk-taking, and present findings to the Board; and
  - (9) monitor major regulatory developments, shareholder initiatives and best practices in executive compensation;
- (v) Other compensation competences:
- (1) review for approval by the Board the total compensation for the Chairman or Chairwoman;
  - (2) propose, together with the Chairman or Chairwoman, the total individual compensation for the Board members for approval by the Board;
  - (3) propose, together with the Chairman or Chairwoman, to the Board the total individual compensation for the Group CEO for approval by the Board;
  - (4) propose to the Board for approval, upon the recommendation from the Group CEO, the total individual compensation for GEB members;
  - (5) propose, together with the Board, for approval by a AGM, the maximum aggregate amount of compensation for the Board, the maximum aggregate amount of fixed compensation for the GEB and the aggregate amount of variable compensation for the GEB, for a certain period as outlined in and in accordance with the AoA;
  - (6) review and regularly monitor progress against the business performance targets and other variables that impact the funding of annual variable compensation; and

(7) propose to the Board for approval the final annual variable compensation pool.

#### **10.4 Further responsibilities and authorities**

The Board may entrust further responsibilities and authorities to the Committees by Board resolution.

#### **10.5 Delegation to a subcommittee**

Each Committee may delegate some of its tasks to a subcommittee comprised of one or more Committee members. The Chairman or Chairwoman must be informed about any such delegation.

#### **10.6 Information Rights**

Each Committee may, after consultation with the Chairman or Chairwoman, require information and special reports from all GEB members and Group IA on matters relating to its respective responsibilities set out in this Annex C to the ORs.

#### **10.7 Advice from third parties**

The Committees may, in performing their duties, take advice from third parties.

### **11. Meetings**

#### **11.1 Number of Meetings**

Each Committee meets as often as its business requires, but at least twice a year.

#### **11.2 Request, invitation, agenda, notice period and chair of meetings, meeting format**

Committee meetings are called and held in compliance with the rules set out in the ORs (see sections 4.8(b) to 4.8(e) and 4.8(g) to be applied mutatis mutandis).

### 11.3 Presence at Committee meetings

Each Committee chairperson may, on his own motion or upon request of any Committee member or the Chairman or Chairwoman, invite Executives as well as other persons to attend Committee meetings. The Group CEO and the Group CFO, unless otherwise determined by the Committee chairperson, shall attend all Committee meetings.

### 11.4 Minutes

Committee minutes must fulfill the conditions set out in sections 4.8(h) and 4.8(i) and be distributed to the Chairman or Chairwoman.

## 12. Reporting

### 12.1 Regular Reporting

- (a) **In general.** Each Committee chairperson ensures that the Chairman or Chairwoman and the Board are kept informed in a timely and appropriate manner. Each Committee chairperson (either personally or through another Committee member) regularly reports to the Board at the Board meetings on the current activities of his Committee and on important Committee issues, including all matters falling within the duties and responsibilities of the Board, namely:
- (i) proposals and recommendations for resolutions to be considered, or other action to be taken by the Board and the material considerations that led to such proposals; and
  - (ii) activities and important findings of the Committee.
- (b) **Submitting of proposals and recommendations.** Each Committee chairperson submits, in writing, the proposals and recommendations mentioned in sections 12.1(a)(i) and 12.1(a)(ii) to the Board unless such proposals are contained in the Committee minutes; the remaining reporting is generally done orally.

### 12.2 Special Reporting

- (a) **AC.** Following the completion of the audit and the annual financial statements, the AC Chairperson submits annually to the Chairman or Chairwoman, for the attention of the Board:
- (i) the AC's assessment of the qualification, independence and performance of the external auditors; and

- (ii) the AC's assessment of the design of the Group's internal control system for financial reporting and the coordination and interaction between Group IA and the external auditors.
  
- (b) **Qualification and performance of Group IA.** The AC Chairperson submits annually to the Chairman or Chairwoman, for the attention of the Board, the AC's assessment of the qualification and performance of Group IA.

### 13. Confidentiality

The deliberations of the GNCC are confidential and are to be communicated outside of this Committee only to the extent permitted by the Chairperson of this Committee. The Chairman or Chairwoman is exempted with regard to the confidentiality of deliberations.

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