

Regulations

Subject	Organisational Regulations Orell Füssli Ltd
Instruction number	REK-0003
Scope	OF Group
Valid from	01.05.2021
Release by	VR
Responsible	CEO
Author	BMU

1 Purpose of the regulations

The business of the Company shall be conducted in accordance with Swiss law, the Articles of Association and these Bylaws. The Organisational Regulations are based on Art. 716, 716a and 716b of the Swiss Code of Obligations and on Art. 13 to 16 of the Articles of Association. They regulate the constitution, the passing of resolutions as well as the duties and powers of the Board of Directors.

2 Content of the regulations

The scope of these regulations comprises the Orell Füssli Group ("OFG"), which in addition to OFAG also includes the subsidiaries controlled by it ("TG") (generally identical with the group of companies that are fully consolidated in the consolidated financial statements).

These regulations define the tasks and responsibilities of the executive bodies of the companies concerned. These are:

- the Board of Directors of OFAG ("BoD")
- the Boards of Directors of the subsidiaries ("VRTG")
- the Group Chief Executive Officer ("CEO")
- the Group Executive Board ("GEB") of the Group

2.1 Board of Directors

The Board of Directors (BoD), as the supreme management body of the Company, may delegate part or all of its duties and powers to individual members, to the Executive Board or to third parties in accordance with these regulations.

The Board of Directors is responsible for the overall management, supervision and control of the Executive Board. It issues guidelines for the business policy and is regularly informed about the course of business.

The BoD is empowered to pass resolutions on all matters that are not reserved or delegated to the General Meeting or another body of the Company by law, the Articles of Association or the regulations.

2.1.1 The non-transferable and inalienable duties of the Board of Directors

The BoD has the non-transferable and inalienable duties set forth in Article 14 of the Articles of Association.

2.1.2 Constitution of the Board of Directors

¹ The BoD shall constitute itself. If the Chairman is unable to attend, the Vice-Chairman shall take his place.

² The BoD may assign the preparation and execution of its resolutions or the supervision of business to committees or individual members.

³ The BoD shall establish an Audit Committee to assess the quality of the semi-annual and annual accounts, internal control, risk management and external and internal audit. The work of the Audit Committee ("AC") is defined in a charter (see enclosure REK-0003-b). The AC consists of at least two non-executive members of the BoD.

⁴ The BoD shall establish a Compensation Committee to determine the compensation of the KL members based on the success and performance of the company. The work of the Compensation Committee ("CC") shall be set out in a charter (see Appendix REK-0003-c). It consists of at least two non-executive members of the BoD.

⁵ The Board of Directors created the Internal Audit (IR) in 2013. The main task of the IR is to assess and, where necessary, improve the effectiveness and efficiency of the risk management, the internal management and control systems as well as the management processes (governance). In addition, IR reviews compliance with standards and provides independent and objective assurance and advisory services. The Head of IR reports directly to the Chairman of the Audit Committee.

2.2 Delegation

The Board of Directors delegates the operational management of OFAG and the OF Group in full to the CEO of the Executive Board (Chief Executive Officer), unless otherwise provided by law, the Articles of Association or these Regulations.

The division of responsibilities between the CEO and the Executive Board is regulated in the business regulations. The Board of Directors defines the deputy of the CEO in the event that he is prevented from attending.

Group-wide risk management (including compliance and the internal control system ICS) is delegated to the Risk Officer OFG. The Risk Officer reports administratively to the CEO, but professionally to the Chairman of the Audit Committee.

2.3 Duties of the Boards of Directors of the subsidiaries (VRTG)

¹ The VRTGs are appointed - unless they represent minority shareholders - from members of the senior management. They shall represent the overriding business policy of the group and, if necessary, act in accordance with instructions. The forms and requirements of company law shall be taken into account, especially in the case of companies with third-party shareholders.

² In the case of TGs with a mixed shareholder structure, the duties pursuant to sections 2.1 and 3 shall apply to the BoD of the TG. In matters of competence, the approval of the BoD OFAG is required. The representatives of the OFG in these bodies, as a rule the CEO, shall ensure that the corresponding proposals are made.

2.4 Reporting

2.4.1 Internal reporting

The Executive Board shall provide the BoD with the required reports within the timeframes set out below.

Designation	Reporting period	Submission date	Rough content
Cockpit	Month	15th of the following month	Monthly report consolidated and divisions
Projection I, II, III	Quarter, Year	Within one month after the end of the quarter	Consolidated income statement and divisions Expectation of annual result

Semi-annual financial statements Annual financial statements	Half-year Full year	August March	Balance sheet consolidated* Consolidated income statement and divisions* Consolidated cash flow statement* Statement of changes in equity consolidated* *according to Swiss GAAP FER and SIX
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The CEO informs the BoD at each meeting about the current course of business, deviations from the budget and important business transactions. In the case of extraordinary events, the CEO informs the BoD. The Chairman of the Board of Directors decides whether to inform the Board of Directors.

2.4.2 Reporting to shareholders

The Executive Board prepares the following reports for the attention of the Audit Committee. The Audit Committee reviews and comments on the reports for the attention of the Board of Directors.

Semi-annual report Annual Report	Half-year Whole year	August March	Report to shareholders in accordance with Swiss GAAP FER and SIX requirements
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2.4.3 Reporting to the media

The CEO is responsible for media coverage. For media releases, he consults with the Chairman of the Board. The latter decides on the involvement of the Board of Directors.

The following media releases are planned:

- Information on the Semi-Annual Report
- Information on the annual report
- Information in accordance with SIX requirements and regulations
- Information about extraordinary events

The BoD receives the media releases via electronic media prior to publication.

2.5 Subscription rights

¹ The members of the BoD and the KL shall all sign collectively by two.

² The same shall apply to authorised signatories and authorised representatives. Two authorised representatives may not sign jointly.

2.6 Meetings of the Board of Directors

¹ Any member of the BoD may request the Chairman to convene a meeting, stating the agenda. In case of urgency, the CEO may also request a meeting.

² The Chairman of the Board shall issue written invitations to the meetings of the Board of Directors, listing the items on the agenda in accordance with Appendix REK-0003-a. The agenda shall be agreed between the Chairman and the CEO. The invitation shall be sent at least 7 days before the actual meeting.

³ The BoD shall meet as often as business requires, but in principle at least once every quarter.

⁴ In urgent cases - or if no member objects - meetings may be held in the form of telephone or video conferences. The definition of urgency shall be the responsibility of the Chairman of the BoD.

⁵ Minutes shall be kept of meetings and resolutions. These minutes shall be signed by the Chairman and the Secretary and approved at the next meeting.

⁶ The BoD shall constitute a quorum provided that the majority of its members are present. The BoD shall be chaired by the Chairman.

⁷ A resolution shall be passed if the majority of the Directors present vote in favour. In the event of a tie, the President shall have the casting vote (in addition to his usual vote). This shall also apply to circular resolutions, provided that no member objects.

⁸ Any BoD member shall abstain from voting if he or she has a personal interest in the outcome of a vote.

2.7 Education and training / Self-evaluation

The Board of Directors shall ensure an appropriate introduction of newly elected members, task-related training and that the newly elected member receives all necessary documentation.

Each member of the BoD shall periodically undertake further training in those areas in which there is a need. The full BoD determines the further training.

The BoD shall conduct an annual evaluation. The evaluation can be carried out by the BoD itself (self-evaluation) or by third parties (external evaluation).

2.8 Term of office of the BoD members

¹ The members of the Board of Directors shall be elected by the General Meeting for a term of one year (Art. 12 Articles of Association). As a rule, the maximum term of office is 12 years.

² As a rule, the age limit is 70 years. Re-election to the Board of Directors is - as a rule - no longer possible from the General Meeting following the year in which the 70th year of age is reached.

2.9 Duty of care and loyalty, confidentiality

¹ The members of all executive bodies shall perform their duties with all due care and shall safeguard the interests of the Company in good faith.

² They shall treat the shareholders equally under the same conditions.

³ The members of all executive bodies shall maintain secrecy vis-à-vis third parties about perceptions during and in connection with their activities. They shall treat the files they receive confidentially and return them to the company at the latest when they leave the company.

2.10 Amendment of these regulations

These regulations may be amended at any time by a majority vote of the BoD.

3 Supplements

- REK-0003-a - Organisational Regulations Enclosure a Competencies
- REK-0003-b - Organisational Regulations Enclosure b Audit Committee Regulations
- REK-0003-c - Organisational Regulations Enclosure c Compensation Committee Regulations
- REK-0003-e - Organisational Regulations Enclosure d Internal Audit Regulations